

Supporting Statement for Paperwork Reduction Act Submissions
Application Submission Requirements – Section 202 Supportive Housing for the Elderly
OMB Number 2502-0267

A. Justification:

1. The Section 202 Program, amended by the Section 202 Supportive Housing for the Elderly Act of (Section 202 Act of 2010), National Affordable Housing Act (NAHA) of 1990, the Housing and Community Development Act of 1992, the Rescissions Act of 1995, and the American Homeownership and Economic Opportunity Act of 2000, provides capital advances to private nonprofit organizations to expand the supply of supportive housing for the elderly. In order to ensure that only eligible private nonprofit organizations are selected, it is important to obtain information from prospective applicants to assist HUD in determining if they have the administrative capacity to develop such a project and whether the project design and proposed services meet the needs of the residents. These factors are critical in meeting statutory requirements and in protecting the Department's financial interest in projects funded under this program. The collection of this information is authorized by 24 CFR 891.115 (copy attached).

The Section 202 program has been redesigned to (1) strategically target funds to the most vulnerable elderly persons with the greatest unmet housing needs and (2) select the most effective sponsors that could achieve positive outcomes in the most expeditious manner. Based on these changes, the level of capacity required to submit a competitive application in any future funding round will result in a lower number of respondents when compared to past paperwork submissions under this control number. Although funding for new units was significantly decreased in Fiscal Year (FY) 2011 and no funds were made available for new units in FY 2012, the Department is anticipating that future appropriations restore past funding levels and allow for the funding of new units.

The Department has an on-going commitment to identify ways to simplify the process by which the Section 202 program is administered (including the application submission requirements) so that it can be less costly and more consumer-friendly. For example, each year, in developing the instructions for applicants pertaining to the Section 202 application submission requirements and in an effort to streamline this process for the next fiscal year funding round, the Department takes into consideration, among other things, comments received from prior year's successful and unsuccessful Section 202 applicants. Furthermore, as directed by Congress, in August 2003, the Department held a Section 202 Supportive Housing for the Elderly Program Development Summit with the program stakeholders and HUD field office staffs to obtain their input on ways to restructure and streamline the Section 202 program to better serve our customers and reduces paperwork.

The contents of the Application for a Section 202 Fund Reservation have been reorganized to include four parts and eight exhibits. The eighth exhibit includes 10 prescribed forms, of which, eight are categorized as certifications and resolutions. The four components of the application submission are:

Part 1 - Application Form for Section 202 Supportive Housing - Capital Advance;

Part 2 - Sponsor's Ability to Develop and Operate the Proposed Project;

Part 3 - The Need for Supportive Housing for the Target Population in the Area to Be Served, Site Control and Suitability of Site, Adequacy of the Provision of Supportive Services and of the Proposed Project; and

Part 4 - General Application Requirements, Certifications, and Resolutions

All applicants are mandated to submit their information electronically through Grants.gov.

In FY 2003 Congress introduced a new facet to the Section 202 Program. As authorized by the Consolidated Appropriations Resolution, 2003 (Pub. L. 108-7), approved February 20, 2003 and the Consolidated Appropriations Resolution, 2004 (Public Law 108-199), approved January 23, 2004, the Section 202 Pre-Development Grant Program will assist Sponsors of projects that receive Fund Reservation Awards, commencing with the FY 2004 SuperNOFA for the Section 202 Supportive Housing for the Elderly Program, by providing predevelopment grant funding for architectural and engineering work, site control, and other planning related expenses that are eligible for funding under the Section 202 Supportive Housing for the Elderly Program. Funding for the Section 202 Pre-Development Grant Program was last appropriated since FY2010. The Department has not made any further request for funding under the Section 202 Predevelopment Program.

2. The Section 202 Supportive Housing for the Elderly submission requirements are necessary to assist HUD in determining an applicant's eligibility and capacity to develop housing for the elderly consistent with prescribed statutory and program criteria. Information under this submission is submitted annually under the Notice of Funding Availability (NOFA). The publication of each NOFA is subject to the availability of funds. A thorough evaluation of an applicant's qualifications and capabilities is critical in protecting the Federal Government's financial interest and to mitigate any possibility of fraud, waste, or mismanagement of public funds.

All applications must be submitted electronically via Grants.gov.

The purpose and use of the four components of the Section 202 Fund Reservation application exhibits are briefly described below:

Part 1 - Application for Section 202 Supportive Housing - Capital Advance.

Exhibit 1: This exhibit requires applicants to submit Form HUD-92015-CA, Section 202 Supportive Housing for the Elderly - Application for Capital Advance Summary Information. The form identifies the applicant and its known development team members and collects basic information with regard to the proposed project's characteristics. HUD staff will use this exhibit to obtain basic information regarding the proposed project. *The information collected from the Sponsor respective to item 2 of this form is needed for the Department's Minority Business Enterprise goals.*

Optional submission requirements under this exhibit includes a statement to limit capital advance award to an amount as specified in the NOFA along with a request to a waiver of the Operating Cost definition under 24 CFR Part 891.105 of the Section 202 and Section 811 regulations and/or a statement requesting that the application be placed on the waiting list if the application is eligible for selection but was not successful in receiving an initial award.

Part 2 - Sponsor's Ability to Develop and Operate the Proposed Project

Exhibit 2: This exhibit requests the submission of organizational documents, By-laws, and an IRS tax exemption ruling. It is important to note that not all applicants will have to submit all of the information asked for in this exhibit. Applicants who have received a Section 202 fund reservation within the last three funding cycles are not required to submit their organizational documents and IRS tax exemption rulings unless there has been a change in these documents since they were last selected. Instead, these applicants must submit only the project numbers of their latest application and the modifications, if any.

Exhibit 3: This exhibit requests several narrative descriptions of the applicant's purpose, community ties, and experience in operating rental housing projects as well as its experience with programs other than housing, such as the provision of services. This information includes the applicant's experience in serving the elderly and minorities, which is used to assist HUD in determining the applicant's overall previous experience and capacity to operate the proposed project over an extended period of time. This is consistent with the statute, along with other criteria, which requires applicants to be selected based on their ability to develop and operate the proposed housing.

Applicants must submit a description of their housing and supportive services experience that demonstrates their ability to develop, manage, and operate housing (including financial management) and their ability to provide services to the target population and/or families and minorities. As well as a detailed description of how they plan to incorporate the Section 3 requirements found at subparts B and E of 24 CFR Part 135 and Section III.C.54.d of the General Section, into their proposed project including specific strategies for directing training, employment and other economic opportunities to low- and very low-income persons, particularly those who are residing in the project area and to business concerns that provide economic opportunities to low – and very-low income persons in the area in which the project is based.

To further demonstrate their housing experience, applicants must provide a listing of all rental housing projects in their affordable housing portfolio to which they are a party within the last five years. The following information should be included: address of the project; number of units; current occupancy rate; percentage of minority

occupants for each building; and completion date (for projects other than Section 202 and Section 811 use the date of certificate of occupancy as the completion date).

In addition, the statute provides for the local coordination of services by requiring, among other things, that applicants have management capacity to coordinate the provision of services and seek on a continuous basis new sources of assistance for the provision of supportive services tailored to the individual needs of the residents. In order to assess the applicant's ability to carry out these statutory requirements, the applicant is required to describe its ties to the community, including minority support, in which the proposed project is to be built, as well as its purposes and activities.

Applicants should submit a description of their efforts to involve members of the target population (elderly persons, including minority elderly persons) in the development of the application as well as their intent to involve the target population in the development and operation of the project.

The applicant must submit a description of local government support, including financial assistance, donation of land, provision of services, etc. The applicant must also submit letters of support for the Sponsor and for the proposed project from organizations familiar with the housing and supportive services needs of the target population (elderly) that the Sponsor expects to serve.

In order to comply with the Department's policy to hold applicants accountable for their performance if awarded a fund reservation, the applicant is required to describe its plan for completing the proposed project. The description must include a project development timeline which lists the major development stages for the project with associated dates that must be met in order to get the project to initial closing and start of construction within the 18-month fund reservation period as well as the full completion of the project, including final closing. In addition, the applicant must describe how the project will remain viable for the 40-year capital advance period.

It is important to note that many applicants will experience some relief of paperwork burden in preparing this exhibit because applicants that have participated in prior funding competitions will be able to utilize information and exhibits from previously prepared applications. Some examples include information regarding previous experience in the provision of housing and services, supportive services plan, community ties, and experience serving minorities.

Part 3 - The Need for Supportive Housing for the Target Population in the Area to Be Served, Site Control and Suitability of Site, Adequacy of the Provision of Supportive Services and of the Proposed Project

Exhibit 4: This exhibit requests information to assist HUD in determining the overall market need and acceptability of project and site.

Under this exhibit, the applicant includes a description of the proposed population the housing is intended to serve and evidence demonstrating sustained effective demand for supporting housing for that population in the market area, taking into consideration the occupancy and vacancy conditions in existing Federally assisted housing for the elderly (e.g., other HUD-assisted housing, such as public housing and housing financed by Rural Housing Service under the Department of Agriculture). In preparing this exhibit, the applicant must also consider any State or local data on the limitations in activities of daily living among the elderly in the area, aging in place in existing assisted rental housing, trends in demographic changes in elderly population, the numbers of income eligible elderly households and housing conditions, and the types of supportive services currently available in the area. Also, the applicant must provide a description of how information in the community's Analysis of Impediments to Fair Housing Choice was used in documenting the need for the project.

This exhibit also requires the applicant to: (1) describe the project, including the building design and whether or not the design will promote energy efficiency; (2) describe how the project will benefit the target population and the community in which it will be located; (3) provide information about the environmental condition of the proposed site by submitting a Phase I Environmental Site Assessment (ESA) and a Phase II ESA, if the Phase I ESA indicates the need for further study; (4) provide evidence of site control with any evidence of permissive zoning; (5) provide a copy of the letter sent to the State/Tribal Historical Preservation Officer (SHPO/THPO) that addresses any historical significance of the proposed project with a copy of the SHPO/THPO response letter; (6) describe the topographical and demographic suitability of the site and area and how the site will promote greater housing opportunities for

minority elderly and elderly with disabilities; (7) include a map showing the location of the site, the racial composition of the neighborhood and any areas of racial concentration; (8) if schematic plans and outline specs have been completed, applicants must submit a letter from a professionally licensed architect stating that the schematic plans and outline specs are complete and in accordance with HUD's Minimum Property Standards, and other applicable HUD Standards, guidelines and criteria; and (9) Submit a development and operating budget identifying sources and uses..

Furthermore, if the applicant proposes to develop a mixed-finance project the applicant must provide a description of any plans and the actions it has taken to create such a mixed-finance project with the use of Section 202 Capital Advance funds in combination with other funding sources. The applicant is required to include copies of any letters it sent requesting funding for the non-Section 202 units and the related responses. Lastly, the applicant has to demonstrate its ability to proceed without developing a mixed-finance project in the event the additional funding cannot be obtained.

Information relative to the need for the housing, proposed residents, building design, and site is necessary to determine whether (1) there is a market need and demand for the housing in the area to be served by the proposed project; (2) the applicant is proposing to serve an eligible population; (3) the design will result in an economical and energy efficient building and will accommodate the special physical needs of the elderly residents as well as the changing needs as the residents age in place; (4) the proposed site is acceptable from an environmental and locational standpoint for the intended residents; (5) the applicant has legal control of the site; and (6) the site is permissively zoned for the intended use. Information with respect to the promotion of an energy efficient building design will be used to assist HUD in determining compliance with the energy efficiency standards in accordance with Section 109 of the NAHA; and (iv) Map of site:.

For Section 202 proposals involving the acquisition of existing properties, the applicant submits a statement (1) identifying all persons occupying the property on the date of submission of the application for capital advance (2) estimating the cost of relocation payments and other services; (3) identifying the staff organization that will carry out the relocation activities; and (4) identifying all persons who have moved from the site within the past 12 months. This exhibit assists the Department in determining whether the acquisition will result in the displacement of existing occupants, and obtaining the applicant's relocation plans/costs. This information is consistent with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Act of 1970, as amended.

Affirmatively Further Fair Housing (AFFH) addresses the quality and effectiveness of a proposal to provide housing and supportive services in such a way as to remedy impediments to fair housing choice for elderly low-income residents of the community. Applicants can best demonstrate their commitment to affirmatively furthering fair housing by describing how their proposed activities will assist the jurisdiction in overcoming impediments to fair housing choice identified in the applicable jurisdiction's Analysis of Impediments (AI) to Fair Housing Choice, which is a component of the jurisdiction's Consolidated Plan or other governmental planning documents that addresses fair housing issues. Applicants must address the following affirmatively furthering fair housing activities: (i) Limited English Proficiency; (ii) Affirmative Fair Housing Marketing Plan (AFHMP); (iii) Site and Neighborhood Standards.

The information required under this Exhibit is in accordance with NAHA, which provides for the selection of Section 202 applications based on criteria as established under this Exhibit.

Exhibit 5: Under this exhibit, HUD seeks to fund developments that are able to leverage other resources so that the housing can serve as a platform for improved health outcomes for elderly residents with varying levels of independence and health needs. Applicants must submit a supportive services plan that includes the following: a description of the supportive services that will be provided to the project residents; a description of anticipated public or private sources of assistance to fund the supportive services; and the manner in which the services will be provided to the residents, including whether a service coordinator will be used; a description of their ability to coordinate with public and private resources to achieve increased availability and efficiency in the delivery of supportive services.

Under this exhibit, applicants are also encourage to provide Memoranda of Understanding (MOU) or letter(s) of intent from an Aging Services Network agency, such as a local AAA/ADRC; the state's Money Follows the Person,

1915c Medicaid waiver program, or comparable Medicaid service program; or other similar service provider expecting to refer individuals for tenancy and/or provide supportive services to the anticipated residents.

This information is evaluated to determine the adequacy of the provision of supportive services, how such services will be funded, and how the supportive services will meet the identified needs of the residents as well as accommodate the aging of the residents over the years. This is important because the NAHA requires HUD to ensure that supportive services are provided which are tailored to the needs of the type of elderly persons (including the frail elderly) occupying the housing. HUD funds through Project Rental Assistance Contracts may be used to cover a small portion (not to exceed \$15 per unit per month) of the cost for such services as well as the cost of a service coordinator. The balance of the service cost, however, must be provided from other sources.

Applicants must submit a description of the practical solutions they will implement which will enable residents of your project to achieve independent living as they age-in-place. In addition, describe the educational opportunities they will provide for the residents and how they will provide them. As well as a description of how their supportive service model will fill an identified gap in your local jurisdiction/state's existing continuum of services for very low-income elderly persons.

At time of application, applicants must submit a work plan that evidence their supportive services planning and implementation. A work plan is a careful, well thought out tool that will support successful implementation, management and evaluation of the proposed service program. Only services provided by agencies that have provided a letter of intent and/or those that have entered into a MOU should be listed in your work plan. The work plan must be consistent with the narrative throughout your proposal and must be aligned with the term of the MOUs and/or letter(s). The work plan must: include a statement of the project's overall goal, anticipated outcome(s), key objectives, and the major tasks / action steps that will be pursued to achieve the goal and outcome(s); for each major task / action step identify timeframes involved (including start- and end-dates); and identify continuous activities for securing new sources of assistance to ensure the long-term provision of supportive services.

Part 4 - General Application Requirements, Certifications, and Resolutions.

Exhibit 6: For Section 202 proposals involving the acquisition of existing properties, the applicant submits a statement that:

- Indicates that no relocation will occur and why (e.g. property is vacant land or property was unoccupied and no person was made to move for the project), if applicable. If relocation will occur, complete items (2)(b) through (2)(g).
- Identifies all persons (families, individuals, businesses and nonprofit organizations) by race/minority group, and status as owners or tenants occupying the property on the date of submission of the application for a capital advance.
- Indicates the estimated cost of relocation payments and other services and the basis for estimate.
- Indicates the source of funds to be used to pay relocation costs. If such costs will be funded from sources other than the Section 202 Capital Advance, you must provide evidence of a commitment of these funds.
- Identifies the staff or organization that will carry out the relocation activities.
- Identifies all persons who were made to move from the site within the past 12 months and explain the reasons for such moves.
- Indicates that all persons occupying the site have been issued the appropriate required General Information Notice and advisory services information receipt required, either at the time the option to acquire the property is executed, or at the time the application is submitted.

Exhibit 7: This exhibit consists of certifications and resolutions to be completed by the Section 202 applicant, and includes:

(a): Information requested on Form SF-424, Application for Federal Assistance serves several purposes. This form is used for the applicant to provide a funding matrix listing each program for which HUD funding is being requested. Pursuant to Executive Order (EO) 12372, the applicant submits this form to the State where it is used by the State to initiate the intergovernmental review process and the applicant certifies to the same on the form. The applicant also uses the form to certify that it is not delinquent on any Federal debt and that it is in compliance with the requirements regarding payments to influence Federal transactions, which are OMB requirements.

(b): SF-424-Supplement, Survey on Ensuring Equal Opportunity for Applicants. This form is for applicants that are nonprofit private organizations. Its purpose is to assist the Federal government in ensuring that all qualified applicants, small or large, non-religious, or faith-based, have an equal opportunity to compete for Federal funding.

(c): If applicable, the applicant must submit Standard Form LLL, Disclosure of Lobbying Activities to disclose any activities conducted by the applicant to influence any Federal transactions pursuant to 31 U.S.C. 1352

(d): Form HUD-2880, Applicant/Recipient Disclosure/Update Report, includes the Social Security and Employee Identification Numbers, is required by Section 102 of the HUD Reform Act of 1989. The applicant uses this form to disclose any other Government assistance, which may be provided in connection with the proposed project. This information assists HUD by ensuring that the applicant does not receive more assistance than is necessary to develop and operate the proposed project.

(e): Certification of Consistency with the Consolidated Plan (Form HUD-2991) is a certification that the proposed activities/projects in the application are consistent with the jurisdiction's current, approved Consolidated Plan. A certifying public official of the jurisdiction, where the project is located, must sign the plan.

(f): Sponsor's Conflict of Interest Resolution (Form HUD-92041) requires the Sponsor to certify that none of its officers or directors has or will have any financial interest in any contract with the Owner or in any firm or corporation that has or will have a contract with the Owner, for the provision of goods or services to the project, which is a regulatory requirement.

(g): Sponsor's Resolution for Commitment to Project (Form HUD-92042) is a certified resolution from the applicant's Board acknowledging its responsibilities of sponsorship and long-term support of the project, along with its willingness to fund the minimum capital investment, estimated start-up expenses, and the cost of any amenities or features that cannot be covered by the capital advance.

(h): Form HUD-2530, Previous Participation Certification. This form must be submitted for the Sponsor and all of the Officers and Directors of the Board of the Sponsor, including any Co-Sponsor, if applicable. This form provides HUD with a certified report of all your previous participation in HUD multifamily housing projects. The information is used to determine if you meet the standards established to ensure that all principal participants in HUD projects will honor their legal, financial, and contractual obligations and are acceptable risks from the underwriting standpoint of an insurer, lender or governmental agency

(i) Form HUD2995, Certification of Consistency with Sustainable Communities Planning and Implementation. The submission of this form is optional, but to be eligible to receive bonus points, an applicant must obtain a certification from the Designated Point of Contact for the designated Preferred Sustainability Status Community using form HUD2995 which verifies that the applicant has met the above criteria. The form will certify the nexus between the proposed activities of the applicant and the Livability Principles as they are being advanced in the Preferred Sustainability Status Community. It must be signed and dated anytime from the date of the publication of the funding opportunity on www.Grants.gov to the deadline date of the funding opportunity. Any certifications signed before or after those dates will not be acceptable. If the applicant is from the agency that holds Point of Contact status in a particular Preferred Sustainability Status Community, the form HUD2995 must be certified by the appropriate HUD Regional Administrator in consultation with field staff.

(j): Form HUD-96010, Logic Model. The requirement of this form supports HUD's effort of ensuring that programs result in achievement of HUD's strategic mission.

(j): Form HUD-96011, Facsimile Transmittal, must be used as the cover page to any facsimile submitted using the facsimile solution (i.e., for faxing third party letters and other documents for an electronic application).

Annual reporting requirements under this submission includes: form HUD-27061, Race and ethnic Data Reporting Form. HUD requires that all fund recipients collect racial and ethnic beneficiary data. Form HUD-60002 Section 3 Summary Report. All fund recipients are required to submit this document for the purpose of determining the recipients compliance with the requirements in Section 3.

Exhibit 8. Under this exhibit applicants are required to provide a project development timeline which lists the major development stages for the project with associated dates that must be met in order to get the project to initial closing and start of construction within the 18-month of the fund reservation and to final closing. Since the future of the Section 202 program will rest on best practices that will be identified by research sponsored by HUD. Applicants must also provide evidence of your experience and/or understanding of measurement tools needed to document the impact of supportive service within rental housing. And lastly describe features of their approach that can be considered innovative.

In the absence of collecting the information, the Department would not be able to assess the worthiness of the applications, determine whether the projects and services meet statutory and regulatory requirements, or make sound judgments regarding the potential risk to the Government.

3. In FY 2005, the Department has successfully migrated from paper application submission to electronic application submission. Both applicants under the Section 202 and Section 811 Capital Advance Programs are required to submit their application electronically.

Applicants are required to download and submit their application through Grants.gov. In the event that the applicants are unable to submit their application electronically, such an applicant must seek a waiver of the electronic grant submission requirement. To date, less than five percent of applicants in a respective year have received a waiver of the electronic submission requirement.

The electronic submission requirement will reduce paperwork, submission and processing cost as well as eliminate postal costs and storage costs that are typically associated with paper applications. Information collected under this paperwork package will not be shared with any organization outside of the government.

4. No duplication exists, as there are no other forms or exhibits used for the purposes specified under Item 2 herein. Individual applications are evaluated and rated by HUD on the merits of the responses submitted with the application. Each application is unique. The information contained in each application relates to a particular Sponsor proposing a specific project, design, site, etc., and, as such, the information collected from applicants will be significantly different per application.
5. This information collection will not have a significant economic impact on small entities. Due to the highly competitive nature of the Section 202 program, the application submission requirements were designed to minimize the front-end cost to the nonprofit applicant and only require the minimum amount of information needed in HUD's evaluation. This is important because only about 40 percent of the universe of applications received ultimately get selected.

HUD recognizes that some applicants who are sincerely interested in providing housing may lack the staff and other resources to develop such a project. Therefore, in recognition of the need for these applicants to use the services of professional housing consultants, HUD permits a reasonable fee for consultant's services to be included in the Owner's Developer's Fee, which is an eligible cost for inclusion in the Section 202 capital advance. The consultant may assist the applicant in preparing the Application Package to request a Section 202 Capital Advance and throughout the final development of the project should the applicant be selected for funding.

6. The information collection activities under both the Section 202 Supportive Housing for the Elderly Program occur annually to coincide with the receipt of annual fiscal year appropriations for the program. HUD invites applications and makes selections based on the funds available for the year. Funds for the Supportive Housing for the Elderly Program are normally exhausted at the end of each fiscal year. The Section 202 regulations require HUD to publish a Notice of Funding Availability (NOFA). The regulations also require HUD to specify a deadline date for receipt of

applications. In order for HUD to accept an application, the application must have been submitted in response to a specific NOFA by the closing date stated in the NOFA. As the funding cycle for the program occurs annually it is not possible to require the submission of this information less frequently.

7. This request for information under the Section 202 Program is consistent with the guidelines in the OMB Form 83-I. As the program is administered on an annual basis, processing of the application must be accomplished in an expeditious manner in order that decisions regarding selections of applications and reservations of funds can be made prior to the end of the fiscal year.

During the course of processing the applications, seven HUD technical disciplines are involved in the review process: staff from the Offices of Valuation, Architectural and Engineering, Project Manager, Fair Housing and Equal Opportunity, Economic and Market Analysis, Community Planning and Development, and the General Counsel. These HUD staff members' review and rate applications and serve on the HUD Field Office Rating/Selection Panel.

Because of the various HUD staff involved in the review process, the significant volume of applications received each fiscal year, and the commitment to obligate funds by the fiscal year-end; HUD requires concurrent reviews of the applications by the aforementioned HUD staff to assure prompt processing with minimum interruption. For example, additional information or clarification is often needed from applicants to permit HUD to make a fair and complete evaluation. The requirement for simultaneous reviews promotes a more efficient, timesaving method to provide applicants a single notification regarding all deficiencies noted as a result of a full review from each HUD technical discipline.

8. In accordance with 5 CFR 1320.8(d), the agency's notice soliciting public comments was announced in the *Federal Register* on June 28, 2013 Volume 78, Federal Register No. 125, Page 39003. No comments received.

This OMB request is the result of on-going telephone conversations, meetings and workshops HUD staff has held since 1991 with Section 202 nonprofit Sponsors, housing consultants, elderly residents, potential residents, and other interested HUD program staff. The Department consults with various housing professionals representing the types of Sponsors that generally participate in the Section 202 program, i.e., minority organizations, small organizations, and non-minority organizations; and continues to consult with program participants during each annual funding cycle. Below is a random selection of housing professionals (Housing Consultants and Section 202 Sponsors) that the Department regularly consults with in an effort to maintain the integrity of the programs:

Dale McArdle Associated Catholic Charities 1966 Greenspring Drive, Suite 200 Timonium, MD 443-798-3416	Richard Silverblatt 434 Avenue of the Americas 5th Floor New York, NY 10011 718-596-4360
Julie Gould Mercy Housing 1999 Broadway, Suite 100 Denver, CO 80202 (303) 830-3300	Linda Cornell Visiting Nurse Assisted & Senior Living 259 Lowell Street Sommerville, MA 02144 617-776-9800

9. HUD does not provide any payment or gift to respondents, other than the award of capital advance and project rental assistance funds for those Sponsors selected for funding.
10. Information collected under this NOFA is secured by HUD and by Grants.gov. In order to safeguard the security of your electronic information, Grants.gov requires all users to create an account in the Grants.gov system. Once information is retrieved by HUD, only those staff persons that have secured access to HUD's grants management system may access, retrieve, and review the information collected. An Initial Privacy Assessment (IPA) is being conducted for this collection.

Documentation and other information regarding each application submitted, including any letters of support, will be made available for public inspection for a 5-year period in accordance with the Freedom of Information Act (5 U.S.C. 552) and HUD's implementing regulations in 24 CFR Part 15. Also since HUD-2880 requires a Social Security number from the applicant, the form addresses the Privacy Act.

11. The application submission requirements do not contain any sensitive questions.
12. The number of applicants that annually submit a proposal for funding under the Section 202 program is estimated to be 150.

In estimating the cost to the applicants, it should be noted that in order to comply with the revised program requirements, the applicant may retain an attorney, must have control of the site, and conduct a Phase I Environmental Site Assessment (ESA), including a Phase II ESA if needed based on the conclusion reached in the Phase I ESA. In addition, as many nonprofit organizations do not have in-house expertise or staff to develop an application, the applicant usually hires a housing consultant. However, the applicant can perform the services of a housing consultant or hire an independent housing consultant. If the applicant hires an independent housing consultant to prepare the application, any additional services provided by the applicant in connection with the preparation of the application will be at no cost to the project. In view of this, the following illustrates the estimated cost to the respondent:

* No more than 5% of proposals will involve relocation.

** No more than 10% of proposals involving sustainable communities.

Section 202 Application Requirements	Number of Respondents	Responses per Respondent	Total Annual Responses	Hours per Response	Total Hours
General Application Package					
Section 202 Application Package before Section 202 Pre-Development Grant					
Part 1: Exhibit 1, Form HUD-92015-CA	150	1	150	1	150
Statement to Limit Capital Advance	75	1	75	0.5	37.5
Waiting list opt-in or opt-out	125	1	125	0.5	62.5
Part 2: Exhibit 2, Legal Status of Sponsor	150	1	150	2	300
Exhibit 3, Sponsor's purpose, community ties, and experience	150	1	150	16	2400
Part 3: Exhibit 4, Need and Project information	150	1	150	24	3600
Exhibit 5, Provisions of Supportive Services	150	1	150	24	3600
Part 4: Exhibit 6, Statement that identifies occupants and relocation costs	7*	1	7	4	28
Exhibit 7, Standard forms, Certifications and Resolutions					
(a) SF-424 - Application for Federal Assistance (4040-0004)	150	1	150	0	0
(b) SF-424-Supplemental, Survey on Ensuring Equal Opportunity for Applicants (1890-0014)	150	1	150	0	0
(c) SF-LLL - Disclosure of Lobbying Activities (0348-0046)	150	1	150	0	0

Section 202 Application Requirements	Number of Respondents	Responses per Respondent	Total Annual Responses	Hours per Response	Total Hours
(d) HUD-2880 - Applicant/Recipient Disclosure/Update Report (2510-0011)	150	1	150	0	0
(e) HUD-2991 - Cert of Consistency with the Consolidated Plan (2506-0112)	150	1	150	0	0
(f) HUD-92041 - Sponsor's Conflict of Interest Resolution	150	1	150	.40	60
(g) HUD-92042 - Sponsor's Resolution for Commitment to Project	150	1	150	.40	60
(h) HUD-2530 - Previous Participation Certification (2502-0118)	150	1	150	0	0
(i) HUD-2995- Certification of Consistency with Sustainable Communities Planning and Implementation (2535-0121)	15	1	15	0	0
(j) HUD-96010 - Logic Model (2535-0114)	150	1	150	0	0
(k) HUD-96011 – Facsimile Transmittal (2535-0118)	150	1	150	0	0
HUD-27061, Race and Ethnic Data Reporting Form (2535-0113)	75	1.15	120	0	0
HUD-60002, Section 3 Summary Report (2529-0043)	75	2	210	0	0
Exhibit 8, Performance Measurement	150	1	150	1	150
Grand Total for 2502-0267	150		2952		10,448

Section 202 Supportive Housing for the Elderly Program

Housing Consultant	\$5,000
Applicant (Sponsor)	Pro bono
Attorney	3,500
Site Option Cost	10,000
Phase I Environmental Site Assessment	<u>2,700</u>
Total Cost Per Respondent	\$21,200
Total Annual Number of Responses	<u>x 150</u>
Estimated Annual Cost For Applicants	\$3,180,000

These figures above are based on HUD's experience, as well as consultation with housing professionals in the field. It should be noted that many professionals work on a retainer basis and if the application is not approved, a full fee will not be collected. To assist the applicant assembling an Application for the Section 202 Program, the Department developed an Application Package consisting of the information, forms, and materials needed by the applicant to

assemble an application. The HUD Application Package, which is made available to all applicants, is expected to aid the applicant and housing consultant in reducing time and effort in assembling an application.

13. There are no additional costs to respondents or record keepers for collection of information for the components: (a) total capital and start-up cost; and (b) total operation and maintenance and purchase of services.
14. Inasmuch as the majority of the work involved in reviewing the applications is performed at the local HUD Office level, the significant costs attributable to the promulgation of the application requirements will be the cost involved in reviewing the information submitted by applicants. Outstanding program procedures require the following reviews performed by the various Field Office staff. The cost to the Federal Government is based on an average salary at the GS-12/5 level, except for the General Counsel and the Clerical Assistant, which is at the GS-14/5 and GS-7/5 levels, respectively. Also included is the cost associated with the preparation and printing of the HUD Application Package for use by the applicants in assembling their individual Application Packages.

Section 202 Fund Reservation Reviews:

HUD Staff	Total Hours Per Application	Hourly Rate	Total
Designated Design Architect	1	32.73	32.73
Valuation	3	32.73	98.19
Economic and Market Analysis	27	32.73	883.71
Staff from FHEO	1	32.73	32.73
Project Manager	4	32.73	130.92
Staff from CPD	1	32.73	32.73
Field Office Attorney	3	45.99	137.97
Clerical Assistant	0.5	18.45	9.23
Total Staff time Per Application	40.5		\$1,358.21
Total Annual Number of Response			150
			\$203,731.5
Total Annual Staff Time Cost to Gov't			0

15. This is revision of a currently approved collection. The decrease in burden hours is due to Program redesign and elimination of Section 202 Pre-development Grant Program. We no longer account for the Section 202 Predevelopment program since funding is not being requested by the Department.
16. Collection of this information will not be published. However, a list of awardees will be made public, usually by *Federal Register* publication, upon completion of selection process.
17. HUD is not seeking approval to avoid displaying the OMB expiration date.
18. There are not exceptions to the certification statement identified in Item 19 of the OMB 83-I.

Collections of Information Employing Statistical Methods:

There are no plans to use statistical methods for collection of this information. Collection for this information occurs once for each application submitted.