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## 19. Certification for Paperwork Reduction Act Submissions

On behalf of the U.S. Department of Housing and Urban Development, I certify that the collection of information encompassed by this request complies with 5 CFR 1320.9.

**Note:** The text of 5 CFR 1320.9, and the related provisions of 5 CFR 1320/8(b)(3) appear at the end of the instructions. The certification is to be made with reference to those regulatory provisions as set forth in the instructions.

The following is a summary of the topics, regarding the proposed collections of information that the certification covers:

- (a) It is necessary for the proper performance of agency functions;
- (b) It avoids unnecessary duplication;
- (c) It reduces burden on small entities;
- (d) It uses plain, coherent, and unambiguous terminology that is understandable to respondents;
- (e) Its implementation will be consistent and compatible with current reporting and recordkeeping practices;
- (f) It indicates the retention periods for recordkeeping requirements;
- (g) It informs respondents of the information called for under 5 CFR 1320.8(b)(3):
  - (i) Why the information is being collected;
  - (ii) Use of the information;
  - (iii) Burden estimate;
  - (iv) Nature of response (voluntary, required for a benefit, or mandatory);
  - (v) Nature and extent of confidentiality; and
  - (vi) Need to display currently valid OMB control number;
- (h) It was developed by an office that has planned and allocated resources for the efficient and effective management and use of the information to collected (see note in item 19 of the instructions);
- (i) It uses effective and efficient statistical survey methodology; and
- (j) It makes appropriate use of information technology.

If you are unable to certify compliance with any of these provisions, identify the item below and explain the reason in item 18 of the Supporting Statement.

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Signature of Program Official:

X  
Danielle Bastarache, Deputy Assistant Secretary,  
Office of Policy, Program and Legislative Initiatives, PL

Date:

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Signature of Senior Officer or Designee:

X  
Colette Pollard, Departmental Records Management Officer,  
Office of the Chief Information Officer

Date:

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# Supporting Statement for Paperwork Reduction Act Submissions

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## A. Justification:

### 1. Why is this information necessary?

Section 5 of the United States Housing Act of 1937 (P.L. 75-412, 50 Stat. 888) permits the Secretary of HUD to make annual contributions to PHAs to achieve and maintain the low-income character of public housing projects. The Secretary is required to embody the provisions for such annual contributions in a contract guaranteeing payment. Governing regulations are 24 CFR 941 for public housing development and 24 CFR 969 for continued operation of low-income housing after completion of debt service.

Under Sections 18, 22, 32, and 33 of the U.S. Housing Act of 1937, 42 U.S.C., 1437q (Act), the HUD Secretary also is authorized to approve requests from PHAs to remove certain public housing property (dwelling units, land, and non-dwelling structures) from their inventories through demolition, disposition, voluntary conversion, required conversion, or home ownership.

In addition, due to HUD's third party beneficiary interest in public housing property under the ACC and Declaration of Trust, HUD must approve condemnation of public housing property through eminent domain proceedings. PHAs cannot remove public housing property from their inventory without HUD approval. HUD regulations implementing Sections 18, 22, 32, and 33 are found at 24 CFR 970, 24 CFR 972, and 24 CFR 906.

In order to efficiently and effectively review requests from PHAs to remove public housing property from their inventory, HUD created Forms HUD-52860 ("Inventory Removal Application") (and its addendums B-E) to centrally collect information from PHAs that is required by the applicable sections of the Act and HUD regulations. Form HUD-52860 organizes the information that PHAs are required to submit to HUD for approval of inventory removal requests and assists PHAs in submitting complete and correct applications. In addition, this information request will assist HUD in maintaining accurate records of the federal public housing stock. In addition to submitting Form-52860 on-line to HUD for review and approval, PHAs must also maintain this Form and supporting documentation on file and report to the HUD Field Office when the inventory removal action has been completed.

OMB approved the Inventory Removal Application with changes for an information collection under OMB Control Number 2577-0075, ICR Reference Number 200707-2577-004. Although this collection will not expire until 8/31/2014, it will not be renewed as a separate collection; rather is being incorporated as part of this information collection.

### 2. How is this information to be used?

This information establishes the contractual relationship between HUD and public housing agencies administering public housing programs.

ACCs are executed for development, acquisition, and all inventory removal actions. ACC covenant amendments are executed for projects that involve the use of capital funds. These 20-year ACC extensions also apply to situations when PHAs use capital funds for emergency and disaster grant activities, safety and security expenditures and for the renovation of community facilities. HUD action and PHA submissions are also required when capital funds are recaptured for non-compliance or when grant funds are not used within the obligation and expenditure time-limits.

This information also ensures HUD has an accurate database for the federal public housing inventory and enables HUD Field Offices to effectively monitor their portfolio. HUD uses the inventory information when determining the amount of funding a PHA is eligible for under the capital fund and other programs.

This Public Housing Inventory removal information is collected via an on-line application and reviewed by HUD's Special Application Center (SAC) to ensure that PHAs meet the statutory and regulatory requirements necessary for HUD to approve the removal of public housing units from inventory. HUD approval is necessary prior to PHAs removing their public housing property in order to protect the federal interest in the public housing property under the ACC and Declaration of Trust.

**3. Describe whether, and to what extent, the collection of information is automated?**

HUD electronically collects public housing inventory data from the PHAs through its Public and Indian Housing Information Center (PIC) Inventory Management System (IMS), an on-line data entry/database system. Inventory Removal Actions requested through Form HUD-52860 are submitted via the Internet through the Inventory Removal application module. The PIC system allows PHAs to attach supporting documentation electronically.

**4 Duplication of information.** There is no duplication of information associated with this collection. The information required and collected with each action is not collected elsewhere. There is no similar information already available that may be used or modified for the purposes described in the response to question 2 above. Information is uniformly collected for award and distribution of operating subsidies and capital funds. Actions under this PRA are initiated by the PHA. Information collected to exercise an ACC option is based on unique local conditions or proposals and, therefore, not previously collected.

**5. Does the collection of information impact small businesses or other small entities?**

No, the information being collected does not significantly impact small businesses or other small entities.

**6. Describe the consequences to Federal program or policy activities if the collection is not conducted or is conducted less frequently.** The submission of ACCs, amendments, and associated documents and forms is a long-standing statutory and regulatory requirement of entities that conduct business with HUD. If HUD did not collect this information, the Department would be in noncompliance with the specific intent and directions of Congress. Without this information, HUD's interest in these properties may also be unprotected, resulting in the potential loss of affordable housing. If accurate inventory data is lacking, HUD would be at high risk of making incorrect payments to housing authorities. If this information were collected less frequently, it would unreasonably delay inventory removals by PHAs and prevent Section 33 of the Act from being properly carried out.

**7. Explain any special circumstances.** No special circumstances are applicable to this collection..

**8. Identify date and page number of the Federal Register notice soliciting comments on the information.**

HUD published a Notice of Proposed Information Collection for public comments in the *Federal Register*, Volume 79; Number 32; Page 9258 on February 18, 2014. The public was given until April 21, 2014, to submit comments on the proposed information collection.

**9. Explain any payments or gifts to respondents, other than remuneration of contractors or grantees.**

No payments or gifts to respondents are provided.

**10. Describe any assurance of confidentiality provided to respondents.** The information provided is not of a confidential nature.

**11. Justify questions of a sensitive nature, such as sexual, religious beliefs and other matters that are commonly considered private.** The information collected does not contain questions of a sensitive nature. The forms and collections associated with the Consolidated ACC and Public Housing Inventory Removal Application requirements do not require the collection of private information.

**12. Annual Reporting Burden**

The annual reporting burden hours are based on estimated amounts of time for each action from the execution of a new ACC to the reporting of required information under specific sections of the ACC. Amendments for funding are submitted annually; ACC-related information in lines other than line 22 is submitted once, on occurrence. Inventory removal applications are submitted when PHAs make changes to their public housing inventory.

The information collection, recordkeeping, and reporting requirements will result in the following approximate burden:

	ACC Provision	Total Responses	Total Hours	Cost per hour	(\$ Total Cost
1	Execute new ACC via HUD form 53012-A and B	42	205	\$24.34	\$4,990

	ACC Provision	Total Responses	Total Hours	Cost per hour	(\$ Total Cost
2	Terminate or amend ACC	78	390	\$24.34	\$9,493
3	Request HUD approval of non-dwelling leases or agreements	114	735	\$24.34	\$17,890
4	HUD approval for easement uses	48	3524	\$24.34	\$8,567
5	Submit General Depository Agreement (GDA) via form HUD 51999	265	651	\$24.34	\$15,845
6	Request to terminate GDA	107	202	\$24.34	\$4,917
7	ACC revisions to change year end dates	23	257	\$24.34	\$6,255
8	ACC to consolidate PHAS	18	217	\$24.34	\$5,282
9	ACC revision to transfer programs	43	391	\$24.34	\$9,517
10	Request review of Conflict of interest	102	951	\$24.34	\$23,147
11	Request pooling of insurance	5	97	\$24.34	\$2,361
12	Request for new Declaration of Trust (DOT) via form HUD 52190-A and B	142	1249	\$24.34	\$30,400
13	Request DOT amendment or termination	221	2031	\$24.34	\$49,435
14	Amend ACC for Capital Fund Finance via form HUD 52840-A	73	788	\$24.34	\$19,180
15	Amend ACC for Mixed Finance Supplementary Legal Document	94	1981	\$50	\$99,050
16	Amend ACC for Capital Grant	2820	11,070	\$24.34	\$269,443
17	Amend ACC for Emergency Capital Fund Grant	38	100	\$24.34	\$2,434
18	Amend ACC Capital Fund for Safety and Security	75	96	\$24.34	\$2,337
19	Amend ACC to Recapture Capital Fund Grant	123	643	\$24.34	\$15,650
20	Amend ACC for Energy Performance Contract	38	192	\$24.34	\$4,673
21	Amend ACC for Community Facilities Grants	13	28	\$24.34	\$682
22	Demo Disposition Approvals and	162	1696	\$24.34	\$41,280

	ACC Provision	Total Responses	Total Hours	Cost per hour	(\$ Total Cost
	Removing Units form ACC- HUD Form 52860				
23	Chicago Special Applications Center Approval for Inventory Removal Applications	851	6,010	\$33.06	\$225,072
24	Supplementary Document: Unique Legal Document used by HQ Staff Mixed-Finance Amendment to the ACC	60	1440	\$50	\$72,000
	Totals	6,765	34,944		\$926,205

**13. Additional cost to respondents.** There are no additional costs to respondents other than as reported in Item 12.

**14. Annualized cost to the Federal Government in 2013.**

The estimated annualized cost to the Federal Government for ensuring execution of the ACC, and those actions in Lines X- Y in the table above, including any required review, is based on an average annual salary of field staff of \$ 50,790, or \$ 24.34 per hour, which is the 2014 General Pay Scale salary for a GS 11 Step 1. At \$ 24.34 per hour for an estimated 28,934 hours per year, the annual cost is \$ 701,133.00.

The estimated annualized cost to the Federal Government for inventory removals, Line 22 and 23, is based on a yearly salary of \$68,998, or the hourly rate of \$33.06, from the 2014 General Pay Scale for a GS-12, Step 5, which represents the average grade of the staff at the Special Application Center (SAC). The SAC enables HUD's Office of Public and Indian Housing to assist PHA's in their efforts to efficiently and effectively meet the housing needs of their communities through the specialized review and approval of non-funded, non-competitive applications, related to the removal of public housing property from a PHA's inventory. The SAC has approximately 19 full-time employees that work on these programs. The average amount of time an employee spends reviewing an application is 8 hours. Thus 851 Respondents x \$ 33.06 x 8 hours = \$225,072.48

<b>Total Estimated Cost to the Federal Government</b>						
<b>ACC Submission</b>	<b>Number of Responses</b>	<b>Total Burden Hours</b>	<b>X</b>	<b>Hourly Rate</b>	<b>=</b>	<b>Annualized Cost</b>
Field Office Review	5,914	28,934	x	\$24.34		\$701,133
Chicago Special Applications Center (SAC) Review	851	6,808		\$33.06		\$225,072
<b>Totals</b>	6,765	34,944				\$926,205

- 15. Explain any program changes or adjustments. This Information Collection estimate is revised for the following reasons:** The program changes and adjustments are due to the consolidation of an information collection, OMB Control Number 2577-0270, Public Housing Annual Contributions Contract, which was approved by OMB on 09/30/13 to discontinue, and an existing collection, OMB Control Number 2577-0075, which will expire 08/31/2014. The purpose of discontinuing OMB Control Number 2577-0270 is that the functions and activities for Public Housing Annual Contributions Contractor has been combined with the existing OMB Control Number 2577-0075, Public Housing Inventory Removal Application. The cost and time estimates are based on information from 8 regional field offices as well as information from PHAs. In addition, this collection cross-references PHA submissions for ACC amendments for Mixed-Finance development actions that use a special legal document referenced above in line-item 15 and 23. This legal document is approved under OMB in 2577-0275 - Public/Private Partnerships for the Mixed-Finance Development of Public Housing which expires on 6/30/15.
- 16. If the information will be published, outline plans for tabulation and publication.**  
The results of this information collection will not be published.
- 17. OMB Expiration Date.** HUD is not seeking approval to avoid displaying the OMB expiration date.
- 18. Certification of Paperwork Reduction Act Submission** There is no exception to Item # 19 "Certification of Paperwork Reduction Act Submission."
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- B. Collections of Information Employing Statistical Methods.**  
The collection of information does not employ statistical methods.