

# Paperwork Reduction Act Submission

Please read the instruction before completing this form. For additional forms or assistance in completing this forms, contact your agency's Paperwork Reduction Officer. Send two copies of this form, the collection instrument to be reviewed, the Supporting Statement, and any additional documentation to: Office of Information and Regulatory Affairs, Office of Management and Budget, Docket Library, Room 10102, 725 Seventeenth St. NW, Washington, DC 20503.

1. Agency/Subagency Originating Request: <b>U.S. Department of Housing and Urban Development</b> Office of Community Development and Development, Office of Block Grant Assistance		2. OMB Control Number: a. <span style="float: right;">2506-0185</span>	
3. Type of information collection: (check one) a. <input type="checkbox"/> New Collection b. <input type="checkbox"/> Revision of a currently approved collection c. <input checked="" type="checkbox"/> Extension of a currently approved collection d. <input type="checkbox"/> Reinstatement, <b>without change</b> , of previously approved collection for which approval has expired e. <input type="checkbox"/> Reinstatement, <b>with change</b> , of previously approved collection for which approval has expired f. <input type="checkbox"/> Existing collection in use without an OMB control number For b-f, note item A2 of Supporting Statement instructions.		4. Type of review requested: (check one) a. <input checked="" type="checkbox"/> Regular b. <input type="checkbox"/> Emergency c. <input type="checkbox"/> Delegated  5. Small entities: Will this information collection have a significant economic impact on a substantial number of small entities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  6. Requested expiration date: a. <input checked="" type="checkbox"/> Three years from approval date    b. <input type="checkbox"/> Other (specify)	
7. Title: <b>Neighborhood Stabilization Program 2 (NSP2) Reporting</b>			
8. Agency form number(s): (if applicable) 9. Keywords: Neighborhood Stabilization, Grants Administration, Foreclosure, Community Development			
10. Abstract: This information describes the reporting and recordkeeping requirements of the Neighborhood Stabilization Program 2 (NSP2). The data required includes program level, project level and beneficiary level information collected and reported on by NSP2 grantees. The data identifies who benefits from the NSP2 program and how statutory requirements are satisfied. The respondents are state, local government, non-profit and consortium applicants.			
11. Affected public: (mark primary with "P" and all others that apply with "X") a. Individuals or households    e. Farms b. Business or other for-profit    f. Federal Government c. <b>P</b> Not-for-profit institutions    g. <b>P</b> State, Local or Tribal Government		12. Obligation to respond: (mark primary with "P" and all others that apply with "X") a. Voluntary b. <b>P</b> Required to obtain or retain benefits c. Mandatory	
13. Total reporting and recordkeeping hour burden: a. Number of respondents <span style="float: right;">62</span> b. Total responses <span style="float: right;">4,362</span> Percentage of these responses collected electronically <span style="float: right;">100%</span> c. Total hours requested <span style="float: right;">2,923</span> d. Current OMB inventory <span style="float: right;">27,744</span> e. Difference (+,-) <span style="float: right;">-24,821</span> f. Explanation of difference: 1. Program change: 2. Adjustment: <span style="float: right;">-24,821</span>		14. Annual reporting and recordkeeping cost burden: (in thousands of dollars) Do not include costs based on the hours in item 13. a. Total annualized capital/startup costs <span style="float: right;">0</span> b. Total annual costs (O&M) <span style="float: right;">0</span> c. Total annualized cost requested <span style="float: right;">0</span> d. Current OMB inventory <span style="float: right;">0</span> e. Difference <span style="float: right;">0</span> f. Explanation of difference: 1. Program change: 2. Adjustment:	
15. Purpose of Information collection: (mark primary with "P" and all others that apply with "X") a. <b>X</b> Application for benefits    e. <b>X</b> Program planning or management b. <b>X</b> Program evaluation    f. Research c. General purpose statistics    g. <b>P</b> Regulatory or compliance d. Audit		16. Frequency of recordkeeping or reporting: (check all that apply) a. <input type="checkbox"/> Recordkeeping    b. <input type="checkbox"/> Third party disclosure c. <input checked="" type="checkbox"/> Reporting: 1. <input type="checkbox"/> On occasion    2. <input type="checkbox"/> Weekly    3. <input type="checkbox"/> Monthly 4. <input checked="" type="checkbox"/> Quarterly    5. <input type="checkbox"/> Semi-annually    6. <input checked="" type="checkbox"/> Annually 7. <input type="checkbox"/> Biennially    8. <input type="checkbox"/> Other (describe)	
17. Statistical methods: Does this information collection employ statistical methods? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		18. Agency contact: (person who can best answer questions regarding the content of this submission) Name: Stanley Gimont Phone: (202) 708-3587	

---

## 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.

Signature of Program Official:  X	Date:
---	-------

Signature of Senior Officer or Designee:  X Lillian Deitzer, Departmental Reports Management Officer, Office of the Chief Information Officer	Date:
---	-------

# Supporting Statement for Paperwork Reduction Act Submissions

## Neighborhood Stabilization Program 2

### A. Justification

#### 1. Circumstances that make the collection of information necessary.

On February 17, 2009, President Obama signed the American Recovery and Reinvestment Act (Recovery Act) of 2009 into law (Public Law 111-5, Section 2, Division A, Title XII of the Recovery Act, entitled "Community Development Fund"). This law provides \$1.93 billion of competitive grant funding for the redevelopment of foreclosed upon and abandoned homes in accordance with Title III of Division B of the Housing and Economic Recovery Act of 2008 (HERA) (Public Law 110-289). HERA provided for an initial round of formula funding to regular State and entitlement Community Development Block Grant (CDBG) grantees through the Neighborhood Stabilization Program (NSP1). ARRA provided for a competition that opened eligibility to non-profit groups and consortia that may include for-profit entities.

HUD will administer these funds as the Neighborhood Stabilization Program 2 (NSP2), and through a separate technical assistance grant program (NSP-TA). Although funds are otherwise to be considered CDBG funds, HERA and ARRA make substantive revisions to the eligibility, use, and method of distribution of NSP2 funds. In NSP1, grantees submitted substantial amendments to their consolidated plans to secure funding they were entitled to under the formula. In NSP2, grant amounts were determined by a competition as described in the NSP2 Notice, and required applications demonstrating threshold eligibility and capability for HUD to make funding decisions.

On February 18, 2009, the Office of Management and Budget (OMB) issued Initial Implementing Guidance for the American Recovery and Reinvestment Act of 2009. This guidance spelled out the reporting requirements for funds allocated under the Recovery Act, including NSP2 funds. Specifically, the guidance requires quarterly reporting on:

- (1) The total amount of recovery funds received from that agency;
- (2) The amount of recovery funds received that were obligated and expended to projects or activities. This reporting will also include unobligated Allotment balances to facilitate reconciliations.
- (3) A detailed list of all projects or activities for which recovery funds were obligated and expended, including --
  - (A) The name of the project or activity;
  - (B) A description of the project or activity;
  - (C) An evaluation of the completion status of the project or activity;
  - (D) An estimate of the number of jobs created and the number of jobs retained by the project or activity; and
  - (E) For infrastructure investments made by State and local governments, the purpose, total cost, and rationale of the agency for funding the infrastructure investment with funds made available under this Act, and name of the person to contact at the agency if there are concerns with the infrastructure investment.
- (4) Detailed information on any subcontracts or subgrants awarded by the recipient to include the data elements required to comply with the Federal Funding Accountability and Transparency act of 2006 (P.L. 109-282), allowing aggregate reporting on awards below \$25,000 or to individuals, as prescribed by the Director of OMB.

The applicable section of the American Recovery and Reinvestment Act (Public Law 111-5, Section 2, Division A, Title XII of the Recovery Act, entitled "Community Development Fund") is attached to this submission. Additionally, the applicable section of the Housing and Economic Recovery Act of 2008 (Public Law 110-289) is attached. Also attached is the Initial Implementing Guidance for the American Recovery and Reinvestment Act of 2009 issues by OMB on February 18, 2009. These three documents mandate and/or authorize the collection of data in this submission.

## **2. How the information is used**

This request identifies the estimated reporting burden associated with additional information that NSP 2 grantees will report in the Disaster Recovery Grant Reporting System (DRGR), for NSP 2 assisted activities. The information required for any particular activity is generally based on the eligibility of the activity and the benefit to low-, moderate-, and middle-income persons the grantee has determined that the activity will address. Grantees provide information in DRGR and on [federalreporting.gov](http://federalreporting.gov)<sup>1</sup> that documents the outputs obtained from individual activities, and the performance measurement data will enable HUD to report on the outcomes that result from the use of NSP 2 funds.

The respondents are applicants that were awarded NSP 2 grants in the NSP 2 competition. NSP 2 grantees are required to serve areas of greatest need, capacity of the organizations, and the soundness of approach among other factors addressed in the Notice of Funding Availability. NSP1 and NSP2 grantees are required to collect information on the activities undertaken with NSP funds. HUD collects this information from recipients through DRGR. HUD Headquarters will use the information collected through DRGR to track compliance with NSP's statutory commitment and expenditure requirements and to generate the OMB prescribed quarterly reports. Program management reports are generated by DRGR to provide data on the status of each NSP recipients' commitment and disbursement of NSP funds. HUD will use this data to compile quarterly and annual reports to be posted on [www.recovery.gov](http://www.recovery.gov) and [www.hud.gov/recovery/](http://www.hud.gov/recovery/).

## **3. Improved technology.**

DRGR is a computerized, web-based data management system. As of July 2009, HUD users are able to use a single sign-on capability by entering the ID and password they use to log in their workstations. The collection of grant and project level information has been automated by DRGR. DRGR eliminates the need for respondents to submit paper reports. Once recipients are selected, they will be able to get system access by following the instructions on HUD's DRGR system website at <https://drgr.hud.gov/DRGRWeb/request.jsp>.

Last year's DRGR release (7.0) improved security by instituting a certification system where DRGR now requires users to include periodic user acceptance of "Rules of Behavior" for access to the system and certification/recertification of each DRGR user by higher-level users in DRGR.

Release 7.3 enables grantees to create a receipt for each Program Income (PI) transaction, budget and obligate PI funds, identify Revolving Loan Fund activities, create PI accounts identified with development partners and activities, and will require the grantee to utilize all PI or RLF funds prior to using grant funds. It also makes improvements to drawdown vouchers by allowing users to identify multiple revisions to each line item once. There will also be enhanced functionalities such as enhanced tracking of grantee and HUD user data changes and geocoding of addresses entered into the Quarterly Performance Report (QPR).

## **4. Efforts to identify duplication.**

No similar information exists. The information collected through DRGR is project-specific and, therefore, unique to each recipient's NSP program.

## **5. Burden to small business or small entities.**

The NSP2 Notice maintains a minimum threshold eligibility requirement that limits grantees to those with significant housing-related capacity. As such, HUD expects that such organizations should have the capacity to adhere to the reporting requirements in the Notice that are necessitated by program management rules, specific ARRA provisions, and the goal of prevention of fraud, waste and abuse.

## **6. Consequences if information is collected less frequently.**

Less frequent data collection would prevent timely reporting of the OMB prescribed reports and statutory requirements.

## **7. Special circumstances**

None.

---

<sup>1</sup> Federalreporting.gov reporting requirements fall under the OMB Control Numbers 0430-0004, 9000-0166, 9000-0167, 9000-0168, and 9000-0169.

**8. Public Notice.**

HUD published a notice describing the Paperwork Reduction Act Submission in the Federal Register on June 30, 2015; page 37285, vol 80, for 60 days, and no comments were received.

**9. Payment or gifts.**

None.

**10. Assurance of Confidentiality**

Recipients of the assistance will collect and maintain records of information. Information on activities and expenditures of grant funds is public information and is generally available for disclosure. Recipients are responsible for ensuring confidentiality when public disclosure is not required.

**11. Questions of a Sensitive Nature.**

None.

## 12. Annual Reporting and Recordkeeping Burden

The following tables demonstrate the estimated paperwork burden for recipients in the reporting processes. The deadline for the expenditure of NSP2 funds equivalent to the original award amount is February 11, 2013. Following the expenditure deadline, grantees will have the option of requesting closeout of their grant. Post-closeout, grantees will be required to report annually on affordability restriction certifications, and program income (PI), if more than \$250,000 of PI is generated in a program year. The following three tables show burden hours based on HUD's estimates of grantees requesting and completing closeout, and thus, reflect different burden hours for each of the three fiscal years covered by this collection. **The total burden hours requested is 2,923, annualized to an average of 975 responses per year.**

Neighborhood Stabilization Program 2 (Year 1)							
Description of Information Collection	Number of Respondents	Number of Responses	Total Number of Responses	Hours Per Response	Total Hours	Cost Per Response	Total Cost
Online Quarterly Reporting via DRGR	56	4	224	4	896	\$96.40	\$86,374
DRGR voucher submissions	56	38	2102	0.18	378	\$4	\$1,642
<b>TOTAL PAPERWORK BURDEN</b>	<b>N/A</b>	<b>42</b>	<b>2326</b>	<b>N/A</b>	<b>1274</b>	<b>N/A</b>	<b>\$88,016</b>
(Year 2)							
Online Quarterly Reporting via DRGR	42	4	168	4	672	\$96.40	\$64,781
Quarterly Voucher Submissions	42	38	1596	0.18	287	\$4	\$1,246
Annual Reporting via DRGR/IDIS	14	1	14	3	42	\$72.30	\$3,037
Annual Income Certification Reporting	14	1	14	3	42	\$72.30	\$3,037
<b>TOTAL PAPERWORK BURDEN</b>	<b>N/A</b>	<b>10</b>	<b>1792</b>	<b>N/A</b>	<b>1043</b>	<b>NA</b>	<b>\$72,100</b>
(Year 3)							
Online Quarterly Reporting via DRGR	22	4	88	4	352	\$96.40	\$33,933
Annual Reporting via DRGR/IDIS	34	1	34	4	136	\$96.40	\$13,110
Quarterly Voucher Submissions	22	4	88	0.18	16	\$4.34	\$69
Annual Income Certification Reporting	34	1	34	3	102	\$72.30	\$7,375
<b>TOTAL PAPERWORK BURDEN</b>	<b>N/A</b>	<b>10</b>	<b>244</b>	<b>N/A</b>	<b>606</b>	<b>NA</b>	<b>\$54,487</b>

### **13. Estimate of Total Costs to Respondents**

There are no additional costs to the respondents (other than the cost shown in item 12 above).

### **14. Estimate of Annualized Cost to Federal Government**

HUD estimates QPR reviews to take 2 hours, and annual reporting/income certification reviews to each take 1 hour. Because the types of reviews being undertaken will change each of the three years covered by this collection, HUD cannot provide an annualized cost. However, the total cost for three years is estimated at \$36,041. This amount is based on 1,056 hours of review at a GS-13 salary of \$34.34/hr.

### **15. Explanation of Program Changes / Adjustments**

This is an extension of a previously approved collection that was approved by OMB on May 4, 2009, and expires on November 30, 2009. Reporting requirements post-closeout of NSP2 grants require annual reporting, as opposed to quarterly. These changes have been reflected in the burden hour calculations.

### **16. Publication of Results**

For grantees that have not closed out their NSP2 grant, not later than 10 days after the end of each calendar year quarter, starting on October 10, 2009, each recipient of NSP2 funds must report to HUD on those items prescribed by OMB in its Initial Implementing Guidance for the American Recovery and Reinvestment Act of 2009 issued on February 18, 2009. Following closeout, program income receipt/usage and unit affordability certifications will be reported on annually as described in the Notice of Neighborhood Stabilization Program; Closeout Requirements and Recapture, published in the Federal Register on November 27<sup>th</sup>, 2012.

### **17. Display of the Expiration date for OMB Approval of the Information Collection**

The Office of Community Planning and Development is not seeking to not display the expiration date for OMB approval of the information collection.

### **18. Explanation of Each Exception to the Certification Statement**

No exceptions are made to the certification statement identified in item 19, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I.

### **B. This collection does not employ statistical methods.**