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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) appears 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 PHAs 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 Dominique Blom, Deputy Assistant Secretary	Date:
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# Supporting Statement for Paperwork Reduction Act Submissions (2577-0157)

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## A. Justification:

### 1. Why is this information necessary?

Section 9 of the U.S. Housing Act of 1937, 42 U.S.C., 1437q, authorizes the Secretary of the Department of Housing and Urban Development (HUD) to make annual contributions to the Public Housing Agencies (PHAs) and implement the grant program under the Capital Fund Program (CFP) for capital improvements for the existing low-income projects and construction of public housing units. As the units get old, they need modernization in order to bring them up to the standard that would provide healthy living environments to the low-income residents. Therefore, the PHAs rely on HUD's annual CFP contribution to maintain the healthy standard living in the public housing developments.

On October 21, 1998, Congress enacted the Quality Housing and Work Responsibility Act of 1998 (P.L. 195-276, approved October 21, 1998) (referred to as the "Public Housing Reform Act"). The Public Housing Reform Act made sweeping changes to HUD's public and assisted housing programs. Among other changes, Section 519 of the Public Housing Reform Act amended Section 9 of the 1937 Act. Section 9, as amended, establishes a capital fund for making assistance available to the PHAs or modernization and new construction of public housing (referred to as the "Capital Fund Program"). HUD regulations implementing Section 9 are found in 24 CFR Part 905. Section 535 of the Public Housing Reform Act amended Section 24 of the 1937 Act.

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

This information is collected to ensure that guidelines for standardized modernization and development will provide a healthy living environment to low-income residents.

The following types of information are included in this collection:

**Outline Specifications** Regulation 24 CFR 905 require that the architects provide this information for a project development proposal. This information is used by the Department to ensure that the specifications for a public housing development project are in accordance with the Minimum Property Standards and local and State codes.

**Contract for Development of A/E Services and CIAP A/E Services** Regulation 24 CFR Part 200 requires a contractual agreement between PHAs, owners, and an architect/engineer for design and construction services. The contracts themselves do not require either party to submit any materials to HUD. PHAs (grantees) enter into contracts with HUD for design and construction services in the development of public housing. The contracts are agreements between the parties that specific services will be provided. Since this is a contractual agreement both parties sign it.

**Periodic Estimate for Partial Payment and Related Schedules** This information is collected under the authority of Section 6(a) of the U.S. Housing Act of 1937 and HUD regulations. PHAs are responsible for contract administration during project development. PHAs must ensure project development work is completed in accordance with state laws and HUD requirements. The contractor/subcontractor reports provide summaries of payments, change orders, and schedules of materials stored for the project

**Public Housing Construction Report** PHAs are responsible for contract administration during project development and the hiring of architects or other persons licensed under the State law to assist and to advise them. Contract administration includes the submission of necessary information to the PHA by that advisor to monitor the status of construction.

**Request for Approval of Capital Fund Financing Proposal** PHAs must provide information to HUD before a proposal can be approved for modernization or mixed-finance modernization. Information on HUD-prescribed forms provides HUD with sufficient information to enable a determination that funds should or should not be reserved or a contractual commitment made. The Capital Fund Financing Program requires PHAs to submit a full proposal and evidentiary material for modernization involving Capital Fund Financing and mixed-finance modernization.

**PHA Development Budget/Cost Statement, Actual Modernization Cost Certificate, Actual Development Cost Certificate, Acquisition and Relocation Report** HUD administrative requirements necessitate that PHAs maintain certain records or submit certain documents pertaining to the cost in the modernization and development of low-income housing. Sections 5 and 6(b)(2)(A)(4) of the US Housing Act are the statutory requirements for this collection. This includes information about whether or not installing broadband infrastructure was feasible.

**Analysis of Proposed Main Construction Contract** This information collection is under the authority of Section 6(a) of the U.S. Housing Act of 1937. Under the Annual Contributions Contract (ACC), PHAs must prepare and submit main construction contracts for projects being developed or proposed to be developed under the Low-Income Housing Program. Construction bids and budgets are submitted to HUD for review and approval prior to signing construction contracts. The information allows HUD and the PHAs to compare adjusted bid elements to the approved pre-bid estimate and to determine whether or not the amounts allocated to dwelling construction and equipment are within approval housing construction costs limits and whether or not the total development (TDC) is within the appropriate allowable limit.

**Contract Administration – Public and Indian Housing** Standard construction practices and HUD administrative and procurement requirements under 24 CFR Part 200 necessitate that PHAs and Indian Housing Authorities (IHAs) maintain certain records or submit certain documents in conjunction with the award or oversight of construction contracts for development of new low-income public housing developments or modernization of existing public housing developments.

**Insurance Information** Section 6(c)(4) requires that PHAs comply with HUD procedures and requirements to assure that sound management practices will be followed in the operation of a public housing development. HUD regulations state that PHAs must obtain certain types and amounts of property and casualty insurance to protect the funds, operations and property of each HA, as well as the Federal interest.

**General Conditions of PHAs Construction Contracts** The General Conditions provide PHAs, contractors and subcontractors performance and compliance requirements for project construction under the conventional bid method and modernization.

**Modernization of Public Housing** Section 119 of the US Housing Act of 1937 authorizes the Comprehensive Grant Program to govern the modernization needs of larger PHAs, subject to congressional approval of the allocation forms.

All of the elements of the Capital Fund calculation and implementation are derived annually from the information PHAs provide in the following prescribed forms:

Form/Document	Title	Description
HUD-5084	Contract for Inspection Services	Provides a format for construction inspection services contract.
HUD-5087	Outline Specifications	Architects submit outline specifications before the plans are developed for a public housing project.
HUD-50071	Certification of Payments to Influence Federal Transactions	Required certification for Qualified PHAs submitting Emergency and Natural Grant Applications.
HUD-50075.1	Capital Fund Annual Statement/Performance and Evaluation Report	Provides HUD with PHA Capital Fund work items for the upcoming fiscal year.
HUD-50075.2	Capital Fund 5-Year Action Plan	Provides HUD with PHA Capital Fund work items for the next 5 fiscal years.
HUD-51000	Schedule of Amounts for Contract Payments	Used to provide construction progress schedule and schedule of amounts for contract payments.
HUD-51001	Periodic Estimate for Partial Payment	Provides an item by item listing of work including the value of work completed to date.
HUD-51002	Schedule of Change Orders	Records all change orders which have been processed and completed.
HUD-51003	Schedule of Materials Stored	Contractor records all materials stored on site (quantity, types and price).
HUD-51004	Schedule of Materials Store	Contractor uses to summarize the materials stored on site.
HUD-51915	Contract for Development of A/E Services	A contract between the PHA and the Architect/Engineer (A/E) for design & construction services.
HUD-51915-A	Contract Provisions Required by Federal Law or Owner Contract with the U.S. Department of Housing and Urban Development	Contains the required provisions for A/E contracts.
HUD-51971-I, II	Offer of Sale of Real Property	Used to decide whether or not funds should be reserved or a contractual agreement made.
HUD-52396	Analysis of Proposed Main Construction Contract	Reports pro-bid, actual bid, final bid and proposed changes for various elements in a construction project.

HUD-52427	Actual Development Cost Certificate	Certifies what the actual bid, final bid and proposed changes for various elements in a construction projects.
HUD-52482	Guide Form of Turnkey Developer's Packet	Provides a potential turnkey developer with information necessary to make a proposal.
HUD-52483-A	Proposal for Public Housing Project	Used for developing a public housing project. Determines whether or not a contract should be established.
HUD-52484	Development Cost Budget/Cost Statement	Used to review and approve development funds.
HUD-52485	Demonstration of Financial Feasibility	Used to demonstrate financial feasibility of a project.
HUD-52651-A	Site, Design and Cost Report (PIH)	Summarizes site documents when a project involves 1-4 family projects.
HUD-52829	Physical Needs Assessment Form	Used by an HA to identify and prioritize work items to be funded with a Capital Fund Financing transaction.
HUD-52830	Portfolio Schedule Form	Used by an HA to project future capital funds.
HUD-52833	Management Needs Assessment	Identifies all improvements needed to upgrade the management and operations of the PHA.
HUD-52836	PHA Board Resolution Approving Application Emergency/ Natural Disaster Grant Application – Qualified PHAs	Qualified PHAs do not submit a board resolution due to the HERA Act. This form allows Qualified PHAs to submit a board resolution for Emergency and Disaster Grant applications.
HUD-52845	Capital Fund Financing Program Model Term Sheet	Provides summary information type and structure of the CFFP transaction for which a PHA is requesting HUD approval
HUD-52846	Capital Fund Financing Program Periodic Payment Debt Service Schedule	Provides the amount of Debt payment, source of payment, portion of CFP funds and date of payment for a CFFP bond transaction
HUD-52847	Capital Fund Financing Program Monthly Debt Service Schedule	Provides the amount of debt payment, source of payment, portion of CFP funds and date of payment for a CFFP direct loan transaction. Two parts to this form: Part A: Annual Summary and Part B: Monthly Detail.
HUD-52849	Capital Fund Financing Program List of Participating PHAs	Provides a summary breakdown of financial information for each PHA participating in a CFFP pooled transaction
HUD-53001	Actual Modernization Cost Certificate	Report on actual Cost of a modernization program on its completion
HUD-53015	Turnkey Contract of Sale Parts 1&2	Contract between developer and housing authority to develop a turnkey public housing project
HUD-5370	General Conditions of the Construction Contract (PHAs)	Provides general conditions for construction contracts including work, construction and administrative requirements
HUD-5370-C	General Conditions, Non-Construction Contract	Provides general conditions for non-construction and maintenance contracts including conduct of work and administrative requirements
HUD-5370-EZ	General Conditions of the Small Construction Contract (PHAs)	Provides general conditions for small construction contracts including work, construction and administrative requirements (less than \$100,000)
HUD-5372	Contract Administration (PIH)	Charts the plan of construction progress and schedule of payments
HUD-5378	Public Housing Construction Report	Used to track construction progress.
HUD-5460	Insurance Information	Used to establish an insurable value of project at the time of construction.
Electronic Input	Public Housing Information Center Certification of Accuracy	Used to certify that all CFP Formula Grant related data in the Public Housing Information Center is accurate and up to date.
HUD-52828	Physical Needs Assessment	20 year plan of capital needs for all PHA units

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

HUD electronically collects public housing finance, inventory and development data from the PHAs through its Public Housing Information Center, an automated data entry/database system. This data is reported under other collection numbers throughout HUD's Office of Public and Indian Housing. Some of this data is used by the Capital Fund Program to determine the amount of funding that each PHA should receive through annual formula grants. HUD is now requiring each PHA to certify to the accuracy and timeliness of the data that they submitted. This certification is collected electronically.

An automated system, the Subsidy and Grant Information System, is currently under development. It will automate all financial forms. However, progress on the system is slow and may take a few years. In addition, new Capital Fund Program and Capital Fund Financing proposed rules are in Departmental Clearance. The Capital Fund rule will make major changes to the program. Until these rules become final, decisions cannot be made on which existing forms will be retained, changed or cancelled and on the specifics of information automation.

**4. Duplication of Information**

This information is not being collected elsewhere.

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

This collection of information does not significantly impact small businesses or entities.

**6. Describe the consequences to Federal program or policy activities if the collection is not conducted or is conducted less frequently.**

The Department would not be able to ensure that funds were distributed and used effectively if this collection was conducted less frequently. This collection is necessary to administer and maintain grantee compliance with program funds.

**7. Explain any special circumstances that would cause an information to be collection in a manner:**

- requiring respondents to report information to the agency more than quarterly;  
**Not Applicable**
- requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;  
**Not Applicable**
- requiring respondents to submit more than an original and two copies of any document;  
**Not Applicable**
- requiring respondents to retain records other than health, medical, government contract, grant-in-aid, or tax records for more than three years;  
**Not Applicable**
- in connection with a statistical survey, that is not designed to produce valid and reliable results than can be generalized to the universe of the study;  
**Not Applicable**
- requiring the use of statistical data classification that has not been reviewed and approved by OMB;  
**Not Applicable**
- that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or  
**Not Applicable**
- requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.  
**Not Applicable**

There are no special circumstances. This collection of information is conducted in a manner consistent with the guidelines in 5 CFR 1320.5.

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

A notice of proposed information collection for the Public Housing Capital Fund was announced in the *Federal Register*, Volume 81; No. 178; page 63199, on September 14, 2016. No public comments were received.

**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 any 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.

**12. Annual Reporting Burden**

The annual reporting burden hours are based on the experience and estimated amount of time that takes to report the requested information. For non-Mixed-Finance development, the number of respondents is based on the fact that there are 3,100 housing authorities nation-wide and all of these housing authorities receive funds from, and are subject to the requirements of, the Capital Fund program. In some cases the number of respondents is less than 3,100. These respondent numbers are based on HUD’s historic number of public housing development projects that begin annually.

	Form/ Document	No. of Respondents	Frequency	Total Responses	Hours per Response	Total Hours	Cost per hour	Total Cost
1	HUD-5084	3,100	1	3,100	1.5	4,650.00	\$30	\$139,500
2	HUD-5087	50	1	50	3	150	\$50	\$7,500
3	HUD-50071	10	1	10	0.5	5	\$50	\$250
4	HUD-50075.1	3,100	1	3,100	2.2	6,820	\$30	\$204,600
5	HUD-50075.2	3,100	1	3,100	1	3,100	\$30	\$93,000
6	HUD-51000	590	1	590	1	590	\$30	\$17,700
7	HUD-51001	2,550	12	30,600	3.5	107,100.00	\$30	\$3,213,000
8	HUD-51002	1,600	5	8,000	1	8,000.00	\$30	\$240,000
9	HUD-51003	500	2	1,000	1.5	1,500.00	\$30	\$45,000
10	HUD-51004	500	2	1,000	2.5	2,500.00	\$30	\$75,000
11	HUD-51915							
	HUD-51915-A	2,630	1	2,630	3	7,890.00	\$30	\$236,700
12	HUD-51971-I, II	80	1	80	1.5	120	\$30	\$3,600
13	HUD-52396	96	1	96	2	192	\$30	\$5,760
14	HUD-52427	88	1	88	0.5	44	\$30	\$1,320
15	HUD-52482	40	1	40	2	80	\$30	\$2,400
16	HUD-52483-A	40	1	40	2	80	\$30	\$2,400
17	HUD-52484	532	4	2,128	10	21,280.00	\$30	\$638,400
18	HUD-52485	40	1	40	1	40	\$30	\$1,200
19	HUD-52651-A	40	1	40	2.5	100	\$30	\$3,000
20	HUD-52829	25	1	25	40	1000	\$50	\$50,000
21	HUD-52830	25	1	25	16	400	\$50	\$20,000
22	HUD-52833	3,100	1	3,100	13	40,300.00	\$30	\$1,209,000

23	HUD-52836	10	1	10	0.5	5	\$50	\$250
24	HUD-52845	25	1	25	8	200	\$50	\$10,000
25	HUD-52846	25	1	25	16	400	\$50	\$20,000
26	HUD-52847	25	1	25	8	200	\$50	\$10,000
27	HUD-52849	25	1	25	1	25	\$50	\$1,250
28	HUD-53001	3,100	1	3,100	2.5	7,750.00	\$30	\$232,500
29	HUD-53015	40	1	40	3	120	\$30	\$3,600
30	HUD-5370, 5370EZ	2,694	1	2,694	1	2,694.00	\$30	\$80,820
31	HUD-5370C	2,694	1	2,694	1	2,694.00	\$30	\$80,820
32	HUD-5372	590	1	590	1	590	\$30	\$17,700
33	HUD-5378	158	24	3,792	0.25	948	\$30	\$28,440
34	HUD-5460	40	1	40	1	40	\$30	\$1,200
35	Public Housing Information Center Certification of Accuracy	3,100	1	3,100	2	6,200.00	\$30	\$186,000
36	HUD-52828 Physical Needs Assessment form	3,100	1	3,100	15.4	47,740.00	\$50	\$2,387,000
37	Broadband Feasibility determination	3,100	1	3,100	10	31,000	\$50	\$1,550,000
<b>Totals</b>						-		<b>\$10,818,919</b>
						<b>306,547.00</b>		<b>9</b>

**13. Additional Cost to Respondents**

There are no additional costs to respondents other than what is reported in Items 12 and 14.

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

The estimated annualized cost to the Federal Government is based on the hourly rate of \$48.59, of the 2017 General Pay Scale for a GS 14 Step 1, which represents the staff of HUD's Office of Public Housing Investments (OPHI). This office primarily administers the Capital Fund Program, and both administers and implements the Capital Fund Financing Program, and Mixed-Finance transactions for the Capital Fund, Capital Fund Financing, and HOPE VI Programs. OPHI has approximately 40 full-time employees that work on these programs. 40 x \$48.59 x 2080 hours per year, equals \$4,042,688.

There is no additional cost to the Government related to processing less complex Capital Fund public housing development, since such processing is included as part of standard Field Office staff work.

**15. Explain any program changes or adjustments.**

None

**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.