

**Supporting Statement for Paperwork Reduction Act Submissions
Consolidated Plan, Annual Action Plan & Annual Performance Report
OMB # 2506-0117**

A. Justification

1. Circumstances that make the collection of information necessary. Identify any legal or administrative or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

Submission of the Consolidated Plan is required every 3-5 years for grantees who receive one or more of the formula grant programs administered by the Department of Housing and Urban Development's Office of Community Planning and Development (CPD). The formula grant programs include four formula block grant programs: Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Shelter Grants (ESG), and Housing Opportunities for Persons with AIDS (HOPWA); and, one formula program for States: Housing Trust Fund (HTF). The requirement that grantees submit this information is in compliance with statutory provisions of the Cranston Gonzalez National Affordable Housing Act of 1990 that requires participating jurisdictions to submit a Comprehensive Housing Affordability Strategy (Section 105 (b)); the 1974 Housing and Community Development Act, as amended, that requires states and localities to submit a Community Development Plan (Section 104 (b)(4) and Section 104 (m)); and statutory provisions of these Acts that requires states and localities to submit applications and reports for these formula grant programs.

2. By whom, how, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

The Department and CPD grantees are the primary users of this information. This information is submitted electronically through the Integrated Disbursement and Information System (IDIS), the Office of Community Planning and Development's grants management system. The purpose of the Consolidated Plan is to provide HUD with preliminary assessment as to the statutory and regulatory eligibility of proposed grantee projects, for informing citizens of intended uses of program funds, and for tracking progress against the goals. Each year grantees are also required to complete an Annual Action Plan that outlines activities to be undertaken under the Consolidated Plan. The Annual Performance Report is the report back to HUD on how the grantee is making progress toward the goals established in the Consolidated Plan and towards those identified for the past year in the Annual Action Plan.

3. Consideration of the use of improved information technology. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.

The Department has determined that the use of improved IT systems - through upgrades to the (IDIS), the Office of Community Planning and Development's grants management system – are being used to allow for electronic submission of this information. Ninety-nine percent of the reporting and record keeping requirements is accomplished online. Forms requiring an original signature continue to be submitted through the mail as a paper document. The Department does not have the authorization to accept electronic signatures at this time. These forms include the SF-424 and certifications required by regulations and statutes for the Consolidated Plan and each of the formula grant programs. However, while original “wet” signatures are required on the SF-424, the grantee is able to submit the executed form by attaching it to the electronic submission the annual action plan.

Applicants can use previous entered information where possible to reduce completion time using the IDIS system. The grantee is able to copy over prior information and edit the document for updates. Estimates provided are based on a grantee starting a blank document (without using the copy option) to reflect the most burden hours that could be incurred.

4. Efforts to identify duplication. Why similar information cannot be used. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

The Department has not identified other information collections that meet the statutory requirements for Consolidated Plan submission. However, where information in the Consolidated Plan has been required by other offices within the Department, grantees are provided with that information. For example, tables in the submission template for the Consolidated Plan pre-populate with data that has been provided on public housing (by Public Housing Agencies) and homeless programs (by Continuums of Care).

5. Methods to minimize the burden to small businesses, if involved. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden.

The information required is collected from State and local governments. Therefore, it does not have any impact on small businesses or other small entities.

6. Consequences to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

The requirement that grantees receiving CDBG, HOME, ESG, HTF or HOPWA submit a Consolidated Plan every 3-5 year (timing is at the grantee's discretion) and an Annual Action Plan every year is statutory and regulatory. A grantee that does not submit a Consolidated Plan or Annual Action Plan cannot and will not receive funding under the covered programs. The Cranston Gonzalez National Affordable Housing Act of 1990 and the 1974 Housing and Community Development Act, as amended, are legal obstacles to reducing this information collection or making the collection less frequent. In addition, the submission of the Consolidated Plan is vital to the Department in determining the preliminary eligibility of grantee's proposed projects for each program year.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner inconsistent with the guidelines.
 - requiring respondents to report information to the agency more than quarterly; - **N/A**
 - requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it; - **N/A**
 - requiring respondents to submit more than an original and two copies of any document; - **N/A**
 - requiring respondents to retain records other than health, medical, government contract, grant-in-aid, or tax records for more than three years; - **N/A**
 - in connection with a statistical survey, that is not designed to produce valid and reliable results than can be generalized to the universe of study; - **N/A**
 - requiring the use of a statistical data classification that has not been reviewed and approved by OMB; - **N/A**
 - 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 - **N/A**
 - pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or - **N/A**
 - 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 - **N/A**

There are no special circumstances that would cause an information collection to be conducted in a manner inconsistent with the guidelines. The requirement that grantees submit information is in compliance with statutory provisions of the Cranston Gonzalez National Affordable Housing Act of 1990 that requires participating jurisdictions to submit a Comprehensive Housing Affordability Strategy (Section 105 (b)); the 1974 Housing and Community Development Act, as amended, that requires states and

localities to submit a Community Development Plan (Section 104 (b)(4) and Section 104 (m)); and statutory provisions of these Acts that requires states and localities to submit applications and reports for these formula grant programs. This information is submitted electronically through the Integrated Disbursement and Information System (IDIS), the Office of Community Planning and Development's grants management system.

8. Consultation. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden. Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported. Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years - even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

A Federal Register Notice soliciting comments was published on March 15, 2018, vol 83, page 11556. No comment was received.

9. Explain any decision to provide any payment or gift to respondents, other than re-enumeration of contractors or grantees.

There is no offer of monetary of material value to the respondents of this information collection (localities and state grantees). Grantees must submit a Consolidated Plan and Annual Action Plans to receive their annual formula funding allocations under the covered programs.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

The Department does not make assurances of confidentiality pertaining to this information collection.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions

necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

There are no questions contained in this information collection regarding sensitive or private subjects.

12. Estimates of reporting and recordkeeping hour and cost burdens of the collection of information. Provide estimates of the hour burden of the collection of information. The statement should:

- Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.
- If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I.
- Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 13.

The total number of U.S. burden hours is 393,338.00 This is 293 burden hours for each Locality and 741 burden hours for States. Cost per site is \$9,962.00 for localities and \$25,194.00 for States. Calculations are estimates of annual costs to respondents for the preparation of a complete Consolidated Plan, Annual Action Plan and Annual Performance Report. HUD provides an electronic template that provides pre-populated demographic and housing data based upon the grantee's geographic area. Because HUD provides this pre-populated data at the grantee's geographic level, additional time would not be required for a larger state/locality versus a smaller state/locality to undertake additional data collection or analysis. States are estimated to have 741 burden hours in the development of a consolidated plan. This is because of the additional public hearings and the method of distribution requirements associated with state grantees. Localities are estimated to have 293 burden hours. Localities are not required to use a method of distribution process and regulatorily may hold fewer public hearings. The process to complete a plan is standardized for localities and standardized for states based on the regulations. Burden hours are the same as reported in 2015. Interviews with grantees in 2015 and again in 2018 confirmed these burden hours.

A complete Consolidated Plan that contains a Strategic Plan and Annual Action Plan is submitted once every 3-5 years. An Annual Action Plan is submitted once a year. An annual

performance report is submitted once per year. A grantee would respond twice per year: once at con plan/action plan submission and once at annual report submission. The total number of respondents is 1,266. This includes 1,209 local governments, 146 HOME Consortia, 4 Insular Areas, 3 Hawaiian non-entitlement areas and 50 states that receive direct CDBG or HOME funding and are required to submit a complete Consolidated Plan, Annual Action Plan, and Annual Performance Report. HUD has determined that it no longer has jurisdictions that are required to submit an abbreviated strategy. An abbreviated strategy is submitted in lieu of a complete Consolidated Plan when a jurisdiction does not receive direct CDBG or HOME funding and is not a member of a HOME Consortia. For State CDBG grantees, the regulations at 24 CFR part 91 are clarified to reiterate that the method of distribution description should include locally-held revolving loan funds. The State CDBG grantees already have this data but consolidating and formatting for inclusion in the action plan would take an average of 1 hour for each of the 50 grantees (50 hours).

Information Collection	Number of Respondents	Frequency of Response	Responses Per Annum	Burden Hour Per Response	Annual Burden Hours	Hourly Cost Per Response	Annual Cost
2506-0117 - localities	1,216.00	1.00	1,216.00	293.00	356,288.00	\$39.85	\$14,198,076.80
2506-0117 - States	50.00	1.00	50.00	741.00	37,050.00	\$39.85	\$1,476,442.50
Total	*1,266.00				393,338.00	**\$39.85	***\$15,674,519.30

* Total number of respondents of 1,266 = sum of localities (1,216) and states (50). Total localities of 1216 includes 1209 entitlements + 3 non-entitlements (Hawaii, Kauai, Maui) and four Insular Areas (Guam, Mariana Islands, Samoa, Virgin Islands)
 **Estimates assume a blended hourly rate that is equivalent to a GS-12, Step 5, Federal Government Employee
 ***Total burden hours are different for states and localities vary. The result impacts the ability to make calculations work across table when combined as one total.

13. Estimates of annualized capital and start-up costs. Provide an estimate for the total annual cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).

- The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life) and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.
- If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collections services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents

(fewer than 10), utilize the 60-day pre-OMB submission public comment process and use 10/95 existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.

- Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government or (4) as part of customary and usual business or private practices.

There is no additional cost to respondents or record keepers for collection of this information for the elements: (a) a total capital and start-up cost component (annualized over its expected useful life) and (b) a total operation and maintenance and purchase of services component.

14. Estimates of annualized Federal Government Costs. Provide estimates of annualized costs to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies may also aggregate cost estimates from Items 12, 13, and 14 in a single table.

Information Collection	Number of Respondents	Frequency of Response	Responses Per Annum	Burden Hour Per Response	Annual Burden Hours	Hourly Cost Per Response	Annual Cost
Consolidated Plan & Performance Reports	1,266.00*	2.00	2,532.00	15.00	37,980.00	\$39.85**	\$1,513,503.00

* Total responses of 2,532 = Number of Combined Consolidated Plans and Action Plans for Localities and States (1216+50) + Number of Performance Reports for Localities and States (1216+50) + Number of abbreviated plans (0).

** Estimate assumes a blended hourly rate that is equivalent to a GS-12, Step 5, Federal Government Employee

15. Explanation of change in burden. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I.

Overall burden hours are reduced through automated data and reporting. The calculation of burden hours in this document has changed from 395,973 hours to 393,338 hours for the following reasons: (1) the reduction in the number of abbreviated strategies completed by grantees; (2) the change in the number of localities from 1205 to 1216; (2) the addition of Housing Trust Fund (HTF) requirements (FR-5246-I-03) to the consolidated plan; and, (3) the addition of broadband and resiliency requirements (FR-5891-F-02) to the consolidated plan. HTF, broadband and resiliency requirements are specific to the development of the strategic plan. The burden hours for the annual action plan and the annual performance reporting would not change.

16. Information collections data planned to be published for statistical area. For collections of information whose results will be published, outline plans for tabulation and publication, address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

The results of this information collection will not be published, nor will any complex analytical techniques be used.

17. Explanation for seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

The Department will display the expiration date for OMB approval of this information collection.

18. Exception to the certification statement. Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I.

The Department does not request an exception to the certification of this information collection.