

Supporting Statement for Paperwork Reduction Act Submissions

Revitalization Area Designation and Management OMB Control Number 2502-0566

A. Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal 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.

Section 204(h) of the National Housing Act (NHA), 12 U.S.C. 1710(h)(1)) authorizes the Department of Housing and Urban Development to make HUD-held single-family homes and formerly insured mortgages on single family properties, referred to as “eligible assets,” available for sale in a manner that promotes the revitalization, through expanded homeownership opportunities, of revitalization areas. Under section 204(h)(3) of the NHA (12 U.S.C. 1710(3)), HUD is required to designate revitalization areas, which must meet one of the statutory criteria for designation. Such criteria include whether the area is: (1) a very low-income area; (2) an area with a high concentration of eligible assets; or (3) an area with a low homeownership rate. Revitalization Areas are designated geographic areas in which HUD identifies properties eligible for disposition through discount sales programs. The program guidance is described in the Federal Housing Administration (FHA) Single Family Housing Policy Handbook 4000.1 (Handbook 4000.1), Section IV.B.2.c.vi. with regulatory development pending.

2. Indicate how, by whom, 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’s Regional Homeownership Center (HOC) Directors are responsible for making revitalization area designation determinations. State, local or tribal governments or HUD-approved nonprofits may submit a request to the Director of the Jurisdictional HOC for the area to designate a described geographic area as a Revitalization Area. Requests are generally stated in a one-to two-pages letter on the requester’s stationery. A request must describe the area using census block group designations. No other form of submission is required. The underlying research by the requester to identify an area of interest for designation is likely to be performed in the general course of the entity’s community development interests and work such that the principal effort will be discussing and formulating the actual request. HUD’s review is limited by legislation to determining or verifying that the nominated area meets at least one of three statutory established criteria. Deliberation is not required. HUD must examine and consider any area proposed by an entity. The entity is not required to justify the request. HUD uses the information to determine whether a property meets the requirements for that designation.

The requesting entity receives no direct benefit from approval of its request for designation. Individual citizens may receive a benefit resulting from the sale of Single Family HUD Real Estate Owned (REO)

properties, located in revitalization areas, which are sold at a discount through the Department's Mission Programs, such as the Asset Control Area (ACA), the Neighborhood Stabilization Program (NSP) and the Good Neighbor Next Door (GNND) Program. For example, the GNND sales program offers HUD REO properties for purchase to law enforcement officers, teachers, firefighters and emergency medical technicians at fifty percent off the list price. These REO properties must be in a revitalization area to be eligible for sale at the discount rate.

HUD is mandated to review the eligibility of all designated revitalization areas at least annually. The Department's Regional HOC Directors are responsible for reviewing the eligibility of designated areas within its jurisdiction and report the results to Headquarters.

This is an extension of a currently approved collection. The information collection is a Requesting Letter, without agency forms, and the estimates of the burden hours, responses and respondents remain unchanged.

3. 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 information is not generally collected electronically, although HUD will accept requests and related attachments via email. Requests are generally stated in a one-to two-pages letter on the requester's stationery or letterhead. The local government entity or interested HUD-approved nonprofit organization initiates a request to the Department through a regional Homeownership Center administrative office to designate a geographic area as a revitalization area. The requester identifies the nominated area by census block group listings. Currently, the Department utilizes geographic information systems to determine if the proposed area meets revitalization area designation criteria. Automation for the small number of estimated number of responses would not be cost-efficient at this time.

The HOCs review the existing 982 designated areas at least annually to determine the continuing appropriateness of a Revitalization Area designation for a geographic area. The Revitalization Area is reported in the Enterprise Geospatial Information System (eGIS) Data at: <https://egis.hud.gov>. The review process relies solely on geographic mapping tools for the review and does not request or require submissions by the original requesting party.

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

There is no duplication, the information is not collected elsewhere.

5. 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.

Governmental and non-profit entities making the requests may be small entities. The information required is the minimum possible for HUD to review the request and will not have a significant impact on them.

6. Describe the consequence 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.

Collection of proposed information is necessary for HUD to designate an area as a revitalization area designation. Designated revitalization areas are, in turn, the basis for selecting FHA foreclosed properties for sale through the Department's various mission programs. Selection of inappropriate areas may result in the inappropriate sale of the HUD REO properties at substantial discounts resulting in a consequent loss of revenue to the FHA insurance fund.

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

State, local or tribal governments or HUD-approved nonprofits may submit a Requesting Letter to HUD once that identifies the nominated area by census block group listings to designate a described geographic area as a Revitalization Area. No other form of submission is required in this collection. The collection of information is consistent with the OMB guidelines. There are no special circumstances required in this collection.

* The respondents are not required to report information to HUD more often than quarterly;

* The respondents are not required to prepare a written response to a collection of information in fewer than 30 days after receipt of it;

* The respondents are not required to submit more than an original and two copies of any document;

* The respondents are not required to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;

* The respondents are not required to provide a statistical survey;

* The respondents are not required to use a statistical data classification that has not been reviewed and approved by OMB;

* The respondents are not required to submit information that includes a pledge of confidentiality that is not supported by authority established in a 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

*The respondents are not required to submit proprietary trade secrets, 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.

8. 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.

The agency notice soliciting comments on the information collection was published in the Federal Register on Monday, October 22, 2018 (Volume 83, Number 204, Page 53288). No comments were received.

Regulatory development is pending and if development occurs the Department will solicit all public comments.

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

This collection does not provide any payment or gift to respondents.

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

No assurance of confidentiality is provided to respondents and there is no basis for the assurance in statute, regulation, or agency policy.

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 of a sensitive nature.

12. 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.

Estimates of the hour burden of the collection of information.

Information Collection	Number of Respondents	Frequency of Response	Annual Responses	Burden Hours Per Response	Annual Burden Hours	Hourly Cost Per Response	Annual Cost
Preparation of Requesting Letter	42.00	1.00	42.00	2.00	84.00	\$36.65	\$3,078.60

Average hourly wage rate based for urban and regional planner of the U.S. Department of Labor, Bureau of Labor Statistics website https://www.bls.gov/oes/current/oes_nat.htm is approximately \$76,240 annually.

13. Provide an estimate for the total annual cost burden to respondents or recordkeepers 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 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 are no additional costs to the respondents.

14. 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.

Estimated Burden and annualized costs to the Federal government:

Information Collection	Annual Responses	Burden Hours per Response	Annual Burden Hours	Hourly Cost	Annual Cost
Revitalization Area Requesting Letter	42.00	3.00	126.00	\$30.90	\$3,893.40
Annual review of designated areas (by 4 HOC offices)	4.00	8.00	32.00	\$30.90	\$988.80
Grand Totals	46.00	11.00	158.00	\$30.90	\$4,882.20

The hourly cost is based on a GS12 Step1 CY2019 General Schedule Base Annual Rate of \$64,490.

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

This is an extension of a currently approved collection. The information is submitted voluntarily. The information collection is a Requesting Letter, without agency forms, and the estimates of the burden hours, responses and respondents remain unchanged.

16. 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.

There are no plans to publish this collection of information for statistical use.

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

HUD is not seeking approval to avoid displaying the expiration date.

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

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

B. Collections of Information Employing Statistical Methods

This collection of information does not employ statistical methods.