

Supporting Statement for Paperwork Reduction Act Submissions Section 202 Supportive Housing for the Elderly Application Submission Requirements

OMB Control Number 2502-0267

Form SF-424, Form HUD-92015-CA, Form HUD-2530, Form HUD-2880, Form HUD-2993, Form HUD-92041, Form HUD-92042, Standard Form LLL

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. Include a statement regarding the changes for this submission. (Example: The changes for this submittal is as follows or the difference between this submission and the last is as follows....)

The Section 202 Supportive Housing for the Elderly program (Section 202 of the Housing Act of 1959, as amended, (12 U.S.C. 1701q) provides Capital Advance funding for the development and operation of supportive rental housing for very-low-income persons, aged 62 years or older and project rental subsidies in the form of a Project Rental Assistance Contract (“PRAC”) to maintain ongoing affordability. The program provides very-low-income elderly persons with options that allow them to live independently, but with important support services such as nutritional, transportation, continuing education, and/or health-related services. Capital Advance funds must be used to finance construction, reconstruction, moderate or substantial rehabilitation, or acquisition of a structure with or without rehabilitation. Section 202 program funds cannot be used to construct or operate assisted living facilities. Capital Advance funds bear no interest and repayment is not required when the housing remains available for occupancy by very-low-income elderly persons for at least 40 years. PRACs are used to cover the difference between the tenants' contributions toward rent and the HUD-approved cost to operate the project. PRAC funds may also be used to provide supportive services and to hire a service coordinator.

In FY2023 Congress, in the Consolidated Appropriations Act, 2023, appropriated \$949,000,000 for new capital advances and project-rental assistance contracts. The Section 202 program has been redesigned to (1) strategically target funds to the most vulnerable elderly persons with the greatest unmet housing needs, and (2) select the most effective sponsors that could achieve positive outcomes in the most expeditious manner. HUD seeks to fund Section 202 Supportive Housing properties that advance housing for the elderly as a platform for living independently and aging in community, even as residents may require more assistance with activities of daily living over time. HUD seeks to fund properties that will be at the forefront of design, service delivery best practices and efficient use of federal resources in supportive housing for very-low-income elderly persons to provide models for replication by other providers. To meet this outcome, HUD expects successful applicants to evidence best practices or innovation in both physical design and supportive services. Proposals must promote the long-term physical and mental health and wellness of very-low-income elderly and the efficient delivery of government assistance. Finally, HUD aims to provide Capital Advance funding to those applicants who leverage Capital Advance funds with other financing sources to meet the goal of building supportive housing for very-low-income elderly and demonstrate ways to stretch the value of HUD funding for supportive housing for very-low-income elderly.

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.

For this collection, the contents of the Application for a Section 202 Fund Reservation have been reorganized, streamlined, and simplified to include three (3) parts and 12 exhibits. The twelve (12) exhibits includes eight (8) prescribed forms, of which, three (3) are categorized as certifications and resolutions. The three components of the application submission are:

Part 1 - Application Form for Section 202 Supportive Housing - Capital Advance

In this part, applicants to submit Form HUD-92015-CA, Section 202 Supportive Housing for the Elderly - Application for Capital Advance Summary Information. The form identifies the applicant and its known development team members and collects basic information with regard to the proposed project's characteristics. HUD staff will use this exhibit to obtain basic information regarding the proposed project.

Part 2 – Narrative Exhibits

HUD will require a variety of exhibits from applicants to determine eligibility, evidence of satisfying programmatic requirements, and information needed to rate and score each application. These exhibits will be detailed in each particular NOFO and may include, but are not limited to:

Sponsor and Proposed Project

- The information will be used to determine the eligibility of an applicant.
- HUD will collect the Sponsor's organizational documents, by-laws, and an IRS tax exemption ruling in order for HUD to determine that it is an eligible applicant. This also includes a letter from a licensed architect with a set of schematic plans and outline specs of the proposed project in order to determine eligibility of the proposed project.
- The purpose of the information is to evaluate the adequacy of the provision of supportive services, how such services will be funded, and how the supportive services will meet the identified needs of the residents as well as accommodate the aging of the residents over the years.
- HUD will use this information to determine whether the applicant is proposing to serve an eligible population and whether the design will result in an economical building, which will accommodate the special physical needs of the elderly residents as well as the changing needs as they age in place.

The Need for Supportive Housing

- The information will be used to determine the need for supportive housing.
- HUD will collect the information.
- The purpose of the information is to analyze the absorption ratio of income eligible households aged 62 years and older with severe housing needs.
- HUD will use the information to assess the unmet housing needs in the proposed development area relative to the number of proposed assisted units.

Project Development Plan

- The information will be used to assess the quality of the project development plan.
- HUD will collect the information.
- The purpose of the information will be for HUD to get a detailed description of the proposed property, a description of how project plans could be modified in the event that HUD's selection of the application would, when taking into account all awarded applications, modestly exceed the

total estimated funding provided for under this NOFA, and a project development timeline.

- HUD will use the information relative to the “award” to fund all requested PRAC units for any applications and if necessary to make an additional award if the application’s requested number of PRAC units or Capital Advance were modestly reduced HUD will provide the applicant an opportunity to reduce the Capital Advance or reduce the PRAC to fit within the remaining estimated total funding.

Development Budget

- The information will be used as a detailed budget of the proposed development.
- HUD will collect the information.
- The purpose of this information is to identify sources and uses which indicate the committed or proposed resources that are necessary to cover the cost of the project.
- HUD will use this information to identify requested capital advance funds in the requested budget and determine eligibility to convert to the Section 8 platform using the authorities under the Rental Assistance Demonstration (RAD).

Operating Pro Forma

- The information will be used to display the cash flow pro forma of the proposed development.
- HUD will collect the information.
- The purpose of this information is to demonstrate the ability of the property to cover all expenses for 20 years.
- HUD will use this information to ensure revenue for PRAC-assisted units must be consistent with Operating Cost Standards as published within the NOFA.

Capital Needs Assessment

- The information will be used to determine the development’s physical capital needs over the next 20 years based upon the observed current physical conditions of a property.
- HUD will collect the information.
- The purpose of the information will be for applicants who are requesting the use of capital advance funds for the purposes of rehabilitation or acquisition.
- HUD will use this information to justify the rehabilitation costs being requested in the application.

Environmental Review – Phase I Environmental Site Assessment and Partner Worksheets

- The information will be used to provide information about the environmental condition of the proposed site.
- HUD will collect the information.
- The purpose is to determine the potential environmental impacts to determine whether it meets federal, state, and local environmental standards.
- HUD will use the information as a part the application process to ensure the project has met the given standards and either started the process or completed a Phase I Environmental Site Assessment (ESA) with the application.

Site Control

- The information is evidence of control of the site for which they are applying for Capital Advance funds.
- HUD will collect the information.

- The purpose is to provide proof that the applicant has a right to use a parcel of land for the purpose of the project facility for the life of the project facility.
- HUD will use the information for proof of site control by verifying a deed/long term leasehold, Contract of Sale, and/or evidence of the option to purchase the site.

Statement of Encumbrances

- The information is the evidence of free title/ownership of the project.
- HUD will collect the information following an award of Capital Advance .
- The purpose is to verify that the property does not have any monetary or legal dues.
- HUD will use the information to ensure if there are any encumbrances, they will not impede the use of the proposed project.

Site and Neighborhood Standards

- The information is the evidence that the proposed site is in compliance of all applicable site selection requirements in 24 CFR §891.125.
- HUD will collect the information.
- The purpose is to verify applicants proposing new construction provide evidence that the site is (1) not located in an area of minority elderly concentration or (2) if the site is in an area of minority elderly concentration, that the site meets the requirements applicable to new construction in an area of minority concentration at 24 CFR §891.125(b) and (c).
- HUD will use this information to approve or disapprove an application based on information provided via Minority Concentration Analysis tool on whether the site is in an area of minority concentration.

Real Property Acquisition and Relocation

- The information is a statement of compliance with the Uniform Relocation Assistance and Real Property Acquisition Act of 1970 (URA), as amended.
- HUD will collect the information.
- The purpose is to ensure protections and assistance for people affected by the acquisition, rehabilitation, or demolition of real property for Federal or federally funded projects.
- HUD will use this information to verify whether the property was vacant or occupied at any time since the earlier of publication of this NOFO and securing of site control by the applicant. Where the development proposal will require the relocation of businesses or residents from an existing site, the application must include a relocation plan and budget in compliance with the URA.

In addition to the Narrative Exhibits, the application must also include the following Standard and/or HUD Forms with a descriptive for each form listed below:

Form SF-424, Application for Federal Assistance is used for the applicant to provide a funding matrix listing each program for which HUD funding is being requested. Pursuant to Executive Order (EO) 12372, the applicant submits this form to the State where it is used by the State to initiate the intergovernmental review process and the applicant certifies to the same on the form. The applicant also uses the form to certify that it is not delinquent on any Federal debt and that it is in compliance with the requirements regarding payments to influence Federal transactions, which are OMB requirements. Applicants for this Federal assistance program must submit all required forms in the SF-424 Family of forms, including SF-424B (Assurances of Non construction Programs) or SF-424D (Assurances for Construction Programs). Applications receiving funds for both non-construction programs and construction programs must submit both the SF-424B and SF-424D.

- **Form HUD-92015-CA, Application for Capital Advance Summary Information.** Applicants provide a summary of the proposed project using the HUD-92015-CA form. Provided information includes requested funding amount, site address, unit number, and building type, etc.
- **Form HUD-2530, Previous Participation Certification.** Applicants provide a description of their previous participation in HUD Programs. Controlling participants and a list of previous HUD projects and Section 8 contracts is required.
- **Form HUD-2880, Applicant/Recipient Disclosure/Update Report,** includes the Social Security and Employee Identification Numbers, is required by Section 102 of the HUD Reform Act of 1989. The applicant uses this form to disclose any other Government assistance, which may be provided in connection with the proposed project. This information assists HUD by ensuring that the applicant does not receive more assistance than is necessary to develop and operate the proposed project. All HUD applicants applying for competitive assistance must complete the HUD-2880.
- **Form HUD-2993, Acknowledge of Application Receipt.** The HUD – 2993 is completed by HUD staff
- **Form HUD-92041, Sponsor’s Conflict of Interest Resolution** requires the Sponsor to certify that none of its officers or directors has or will have any financial interest in any contract with the Owner or in any firm or corporation that has or will have a contract with the Owner, for the provision of goods or services to the project, which is a regulatory requirement.
- **Form HUD-92042, Sponsor’s Resolution for Commitment to Project** is a certified resolution from the applicant’s Board acknowledging its responsibilities of sponsorship and long-term support of the project, along with its willingness to fund the minimum capital investment, estimated start-up expenses, and the cost of any amenities or features that cannot be covered by the capital advance.
- **Standard Form LLL, Disclosure of Lobbying Activities.** If applicable, the applicant must submit this form to disclose any activities conducted by the applicant to influence any Federal transactions pursuant to 31 U.S.C. 1352
- **Form HUD-2991, Certificate of Consistency with the Consolidated Plan.** A Consolidated Plan is a document developed by states and local jurisdictions. This plan is completed by engaging in a participatory process to assess their affordable housing and community development needs and market conditions, and to make data-driven, place-based investment decisions with funding from formula grant programs. This certification means the proposed activities in the application are consistent with the jurisdiction's strategic plan and the location of the proposed activities is consistent with the geographic areas for such activities specified in the Consolidated Plan. The HUD-2991 should be signed by an official of the proposed jurisdiction.

Part 3 - General Application Requirements, Certifications, and Resolutions

The Section 202 Supportive Housing for the Elderly submission requirements are necessary to assist HUD in determining an applicant’s eligibility and capacity to develop housing for the elderly consistent with prescribed statutory and program criteria. A thorough evaluation of an applicant’s qualifications and capabilities is critical in protecting the Federal Government’s financial interest and to mitigate any possibility of fraud, waste, or mismanagement of public funds. In the absence of collecting the information, the Department would not be able to assess the worthiness of the applications, determine whether the projects and services meet statutory and regulatory requirements, or make sound judgments regarding the potential risk to the Government.

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.

All applications must be submitted electronically via Grants.gov. In the event applicants are unable to submit their application electronically, the applicant must seek a waiver of the electronic grant submission requirement. To date, less than five percent of applicants in a respective year have received a waiver of the electronic submission requirement. The electronic submission requirement will reduce paperwork, submission and processing cost as well as eliminate postal costs and storage costs that are typically associated with paper applications.

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.

No duplication exists, as there are no other forms or exhibits used for the purposes specified under Item 2 herein. Individual applications are evaluated and rated by HUD on the merits of the responses submitted with the application. Each application is unique. The information contained in each application relates to a particular Sponsor proposing a specific project, design, site, etc., and, as such, the information collected from applicants will be significantly different per application.

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.

This information collection will not have a significant economic impact on small entities. Due to the highly competitive nature of the Section 202 program, the application submission requirements were designed to minimize the front-end cost to the nonprofit applicant and only require the minimum amount of information needed in HUD's evaluation. This is important because, historically, only about 40 percent of the universe of applications received ultimately get selected.

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.

HUD recognizes that some applicants who are sincerely interested in providing housing may lack the staff and other resources to develop such a project. Therefore, in recognition of the need for these applicants to use the services of professional housing consultants, HUD permits a reasonable fee for consultant's services to be included in the Owner's Developer's Fee, which is an eligible cost for inclusion in the Section 202 capital advance. The consultant may assist the applicant in preparing the Application Package to request a Section 202 Capital Advance and throughout the final development of the project should the applicant be selected for funding. The information collection activities under both the Section 202 Supportive Housing for the Elderly Program occur to coincide with the receipt of fiscal year appropriations for the program. HUD invites applications and makes selections based on the funds available for the year. Funds for the Supportive Housing for the Elderly Program are normally exhausted at the end of each fiscal year. The Section 202 regulations require HUD to publish a Notice of Funding Opportunity (NOFO). The regulations also require HUD to specify a deadline date for receipt of applications. In order for HUD to accept an application, the application

must have been submitted in response to a specific NOFO by the closing date stated in the NOFO. As the funding cycle for the program occurs annually it is not possible to require the submission of this information less frequently.

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

- * requiring respondents to report information to the agency more often than quarterly;
 - No special circumstances exist requiring respondents to report information to the agency more often than quarterly.

- * requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;
 - No special circumstances exist requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it.

- * requiring respondents to submit more than an original and two copies of any document;
 - No special circumstances exist requiring respondents to submit more than an original and two copies of any document.

- * requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;
 - No special circumstances exist requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years.

- * in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;
 - No special circumstances exist in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study.

- * requiring the use of a statistical data classification that has not been reviewed and approved by OMB;
 - No special circumstances exist requiring the use of a statistical data classification that has not been reviewed and approved by OMB;

- * 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
 - There are no special circumstances 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.

- * requiring respondents 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.

- No special circumstances exist requiring respondents 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.

In accordance with 5CFR 1320.8(d), this information collection soliciting public comments was announced in the *Federal Register* on **December 6, 2022**, Volume **87**, No. **233**, Pages **74650**. (0) Comments received.

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

HUD does not provide any payment or gift to respondents, other than the award of capital advance and project rental assistance funds for those Sponsors selected for funding.

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

HUD does not provide an assurance of confidentiality. Documentation and other information regarding each application submitted, including any letters of support, will be made available for public inspection in accordance with the Freedom of Information Act (5 U.S.C. 552) and HUD's implementing regulations in 24 CFR Part 15. Also, since HUD-2880 requires a Social Security number from the applicant, the form addresses the Privacy Act.

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.

The application does not contain any sensitive questions.

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.

Based on previous fiscal year NOFO submissions, HUD estimates the number of applicants that annually submit a proposal for funding under the Section 202 program is 150.

Information Collection	Number of Respondents	Frequency of Response	Responses per Year	Burden Hours per Response	Annual Burden Hours	Hourly Cost per Response *	Total Annual Cost
Part 1 - Application Form for Section 202 Supportive Housing - Capital Advance	150	1	150	2	300	\$ 94.25	\$ 28,275
Part 2 - Narrative Responses and Forms BELOW							
Tab A: Eligibility and Articles of Incorporation	150	1	150	2	300	\$ 94.25	\$ 28,275
TabB: Demonstration of Need	150	1	150	2	300	\$ 94.25	\$ 28,275
Tab C: The Development Plan	150	1	150	3	450	\$94.25	\$42,412
Tab D: Development Budget	150	1	150	3	450	\$94.25	\$42,412
Tab E: Committed Funds	150	1	150	3	450	\$94.25	\$42,412
Tab F: Capital Needs Assessment	150	1	150	3	450	\$94.25	\$42,412
Tab G: Operating Pro Forma	150	1	150	3	450	\$94.25	\$42,412
Tab H: Site Control	150	1	150	3	450	\$94.25	\$42,412
Tab I: Site and Neighborhood Standards	150	1	150	3	450	\$94.25	\$42,412
Tab J: Real Property Acquisition and Relocation	150	1	150	3	450	\$94.25	\$42,412
Tab K: Physical Design	150	1	150	3	450	\$94.25	\$42,412
Tab L Supportive Services	150	1	150	3	450	\$94.25	\$42,412
Tab M: Section 3	150	1	150	2	150	\$94.25	\$ 28,275

Employment Opportunities for Low and Very-Low Income Persons							
Tab N: Market	150	1	150	3	450	\$94.25	\$42,412
Tab O: Capacity and Leverage	150	1	150	3	450	\$94.25	\$42,412
Tab P: Evidence of Compliance with Local Land Use and Zoning Regulations	150	1	150	1	150	\$94.25	\$ 28,275
Tab Q: Intergenerational Housing (Optional)	150	1	150	1	150	\$94.25	\$ 28,275
Environmental: Output Sheet verifying HEROS Submission, Phase I Environmental Assessment, Phase II (if required) and description of remedial actions, if required): and Related Laws and Authorities Screens	150	1	150	2	300	\$94.25	\$28,275
Form HUD-92041	150	1	150	.40	60	\$94.25	\$5,655
Form HUD-92042	150	1	150	.40	60	\$94.25	\$5,655
Form HUD-92015-CA	150	1	150	.50	75	\$94.25	\$7,069
TOTALS	150		3300		6795		0
ASSOCIATED FORMS							
Form HUD-2530**	150	1	150	0	** Expres sion is faulty **	0	0
Form HUD-2880**	150	1	150	0	0	0	0
Form HUD-2993**	150	1	150	.25	0	0	0
STANDARD FORMS							
Form SF-424**	150	1	150	.75	0	0	0
Standard Form LLL**	150	1	150	.50	0	0	0

*Hourly cost estimates are the “mean” estimate based on the owner, owner’s attorney, or public agency’s senior management staff (Chief Executive) to review, execute, and/or submit the documentation to HUD. The source is the Bureau of Labor Statistics – Occupational Employment Statistics (<https://www.bls.gov/oes/current/oes111011.htm>).

**Forms are a part of another collection and burden hours are not included under 2502-0267.

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.

The figures below are based on HUD's experience, as well as consultation with housing professionals in the field. It should be noted that many professionals work on a retainer basis and if the application is not approved, a full fee will not be collected. To assist the applicant with assembling an Application for the Section 202 Program, the Department developed an Application Package consisting of the information, forms, and materials needed by the applicant to assemble an application. The HUD Application Package, which is made available to all applicants, is expected to aid the applicant and housing consultant in reducing time and effort in assembling an application.

In estimating the cost to the applicants, it should be noted that in order to comply with the revised program requirements, the applicant may retain an attorney, must have control of the site, and conduct a Phase I Environmental Site Assessment (ESA), including a Phase II ESA if needed based on the conclusion reached in the Phase I ESA. In addition, as many nonprofit organizations do not have in-house expertise or staff to develop an application, the applicant usually hires a housing consultant. However, the applicant can perform the services of a housing consultant or hire an independent housing consultant. If the applicant hires an independent housing consultant to prepare the application, any additional services provided by the applicant in connection with the preparation of the application will be at no cost to the project. In view of this, the following illustrates the estimated cost to the respondent:

* No more than 5% of proposals will involve relocation.

Section 202 Supportive Housing for the Elderly Program

Housing Consultant	\$2,200
Applicant (Sponsor)	Pro bono
Attorney	2,200
Site Option Cost	8,700
Phase I Environmental Site Assessment	<u>2,700</u>
Total Cost Per Respondent	\$15,800
Total Annual Number of Responses	<u>x 150</u>
Estimated Annual Cost for Applicants	\$2,370,000

There are no additional costs to respondents or record keepers for collection of information for the components: (a) total capital and start-up cost; and (b) total operation and maintenance and purchase of services.

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.

The significant costs attributable to the promulgation of the application requirements will be the cost involved in reviewing the information submitted by applicants. Outstanding program procedures require the following reviews performed by the various Field Office staff. The cost to the Federal Government is based on an average salary using GS 2018 Pay Scale at the GS-13/1 and 14/1 level, also included is the cost associated with the preparation and printing of the HUD Application Package for use by the applicants in assembling their individual Application Packages.

Section 202 Fund Reservation Reviews:

HUD Staff	Total Hours Per Application	Hourly Rate	Total
GS 13/1 Staff Person	4	\$53.85	** Expression is faulty **
GS 14/1 Staff Person	4	\$63.63	\$254.55
Total Staff time Per Application	0		\$469.960
Total Annual Number of Response			300
Total Annual Staff Time Cost to Gov't			\$140,989.00

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.

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.

Collection of this information will not be published. However, a list of awardees will be made public, usually by *Federal Register* publication, upon completion of selection process.

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 OMB 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 of the OMB 83-I.

B. Collections of Information Employing Statistical Methods

The agency should be prepared to justify its decision not to use statistical methods in any case where such methods might reduce burden or improve accuracy of results. When Item 17 on the Form OMB 83-I is checked, "Yes," the following documentation should be included in the Supporting Statement to the extent that it applies to the methods proposed:

1. Describe (including a numerical estimate) the potential respondent universe and any sampling or other respondent selection methods to be used. Data on the number of entities (e.g., establishments, State and local government units, households, or persons) in the universe covered by the collection and in the corresponding sample are to be provided in tabular form for the universe as a whole and for each of the strata in the proposed sample. Indicate expected response rates for the collection as a whole. If the collection had been conducted previously, include the actual response rate achieved during the last collection.

2. Describe the procedures for the collection of information including:

- * Statistical methodology for stratification and sample selection,
- * Estimation procedure,
- * Degree of accuracy needed for the purpose described in the justification,
- * Unusual problems requiring specialized sampling procedures, and
- * Any use of periodic (less frequent than annual) data collection cycles to reduce burden.

3. Describe methods to maximize response rates and to deal with issues of non-response. The accuracy and reliability of information collected must be shown to be adequate for intended uses. For collections based on sampling, a special justification must be provided for any collection that will not yield "reliable" data that can be generalized to the universe studied.

4. Describe any tests of procedures or methods to be undertaken. Testing is encouraged as an effective means of refining collections of information to minimize burden and improve utility. Tests must be approved if they call for answers to identical questions from 10 or more respondents. A proposed test or set of test may be submitted for approval separately or in combination with the main collection of information.

5. Provide the name and telephone number of individuals consulted on statistical aspects of the design and the name of the agency unit, contractor(s), grantee(s), or other person(s) who will actually collect and/or analyze the information for the agency.

There are no plans to use statistical methods for collection of this information. Collection for this information occurs once for each application submitted.