

**Supporting Statement for Paperwork Reduction Act Submissions
Rental Assistance Demonstration (RAD): Supporting Contracts and
Processing Requirements
OMB Control Number 2502-0612**

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.**

The previous ICR for 2577-0276 Rental Assistance Demonstration (RAD); Supporting Contracts and Processing Requirements was due to expire on February 29, 2016 and a request for an emergency four-month short-term extension has been submitted to the Office of Management and Budget (OMB) for approval. OMB accepted the request and approved four-month short-term extension to June 30, 2016. A second emergency request for an additional short-term extension was requested to OMB which was also approved, extending the expiration date to October 31, 2016. The purpose of this submission is to renew and update the ICR for these documents.

The Rental Assistance Demonstration (RAD) is authorized by the Consolidated and Further Continuing Appropriations Act, 2012, Pub. L. No. 112-55, 125 Stat. 673-675 (Nov. 18, 2011); as amended by the Consolidated Appropriations Act, 2014, Pub. L. No. 113-76, 128 Stat. 635 (Jan 17, 2014); as further amended by the Consolidated and Further Continuing Appropriations Act, 2015, Pub. L. No. 113-235, 128 Stat. 2757-2758 (Dec. 6, 2014), as further amended from time to time; section 8 of the United States Housing Act of 1937 (Act), 42 U.S.C. 1437 et seq; and the Department of Housing and Urban Development Act, 42 U.S.C. 3531 et seq. The Demonstration allows Public Housing, Moderate Rehabilitation (Mod Rehab), Rent Supplement (Rent Supp), and Rental Assistance Payment (RAP) properties to convert to long-term project-based Section 8 rental assistance contracts. Participation in the initiative is voluntary.

The information collection contained herein supports two activities: first, it includes the related contract documents that awardees will sign as part of the conversion process and, second, it includes the associated program submission requirements for Public Housing awardees prior to the moment of conversion.

Additional Background

There are two components to the RAD Demonstration, influencing the collection requirements. Under the first component, PHAs may compete for conversion to either a Project Based Voucher (PBV) or Project Based Rental Assistance (PBRA) HAP contract, limited to 185,000 units. Under the second component, owners of Mod Rehab, including Single Room Occupancy, as well as owners of Rent Supplement and Rental Assistance projects, may, at contract expiration or termination, convert to a long-term section 8 contract. Requirements under both the First and Second component of RAD are established in PIH Notice 2012-32 Rev 2 (“RAD Notice”). Unique contractual and processing requirements are

associated with each component and for each pre-conversion program type.

The contractual documents included under this collection include:

First Component (public housing conversions):

- Financing Plan Template
- Fair Housing Accessibility and Relocation Checklist
- RAD Conversion Commitment (RCC)
- Housing Assistance Payments (HAP) Contract for Conversion of Public Housing to PBRA Parts I & II
- Housing Assistance Payments (HAP) Contract Rider for Conversion of Public Housing to PBV
- RAD Use Agreement

Second Component (Mod Rehab, Rent Supp, and RAP conversions):

- Housing Assistance Payments (HAP) Contract for Conversion of Moderate Rehabilitation to PBRA Parts I & II
- Housing Assistance Payments (HAP) Contract for Conversion of Rent Supplement and RAP to PBRA Parts I & II
- Housing Assistance Payments (HAP) Contract Rider for Conversion of Moderate Rehabilitation, Rent Supplement and RAP to PBV

This is a renewal of a previous ICR (2577-0276). The changes between the previous submission and this submission are as follows:

Under the First Component of RAD

- A significant simplification of the submission requirements for PHAs under the First Component
- An update of all forms to reflect programmatic changes and improvements over the past three years

Under the Second Component of RAD

- Pursuant to the most recent RAD Notice, all Mod Rehab conversions will occur under the Second Component. As a result, two previously approved PRA documents are no longer needed:
 - Rider to the Section 8 Project-based Voucher (PBV) Housing Assistance Payments (HAP) Contract for Existing Housing (Section 8 Moderate Rehabilitation Program Conversions; First Component)
 - Rider to the Section 8 Project-based Voucher (PBV) Housing Assistance Payments (HAP) Contract for New Construction or Rehabilitated Housing (Section 8 Moderate Rehabilitation Program Conversions; First Component)
- Pursuant to the RAD Notice, a repurposing and revision of the existing PBRA “HAP Contract for the Conversion of Moderate Rehabilitation” for use under the Second Component of RAD for all Mod Rehab, Rent Supp, and RAP conversions to PBRA.
- Pursuant to the RAD Notice, removal of the:
 - Agreement to Enter into Housing Assistance Payments Contract (AHAP) Contract Rider for Mod Rehab, Rent Supp and RAP Conversions to Project

- Based Vouchers (PBV)
 - Rider to the Section 8 Project-based Voucher (PBV) Housing Assistance Payments (HAP) Contract for New Construction or Rehabilitation (Rent Supplement, Rental Assistance Payment and Section 8 Moderate Rehabilitation Program Conversions; Second Component)
 - An update of all forms to reflect programmatic changes and improvements over the past three years
- 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 conversions under the First Component of RAD, PHAs submit a Financing **Plan**, which HUD uses in order to ensure program goals – namely that the PHAs has completed all necessary due diligence to ensure that the conversion will result in long-term physical and financial viability of the project. Part of this due diligence is the completion of the **Fair Housing and Equal Opportunity (FHEO) Fair Housing and Relocation Checklist** which allows HUD to monitor compliance with fair housing and relocation laws. Following HUD’s review and approval of the Financing Plan, HUD issues the **RAD Conversion Commitment (RCC) for the PHA and new project owner (if applicable) to execute**. The RCC outlines the key components of the planned RAD conversion and the conditions that need to be satisfied in order to close the conversion. When a PHA has met all of the conditions of conversion, the applicable **PBV or PBRA HAP contract** can be executed and **the Use Agreement recorded**. The HAP Contract sets forth the rights and duties of the applicant and HUD with respect to the converted project and any payments to that project. The Use Agreement sets out affordability and use restrictions for converted projects. |

For Conversions under the Second Component, HUD utilizes standard HAP contract riders to clearly delineate the unique rights and duties under RAD of the applicant and HUD with respect to the converted project and any payments to that project.

- 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.**

To minimize the public reporting burden, HUD has set up a RAD Web Portal in order to allow for the online electronic collection of documentation that would otherwise have been submitted in hard copy. All of the elements of the Financing Plan, which includes the FHEO Accessibility and Relocation Checklist, are submitted via the web portal.

The Web Portal will be accessed and submitted through the RAD website and RAD resource desk.

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 of reporting. The covered collection activities are not available elsewhere. Respondents are only asked to provide information that is not already in HUD's possession.

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 has no impact on small businesses or other small entities.

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.

Public Housing Authorities and project owners interested in participating in the Demonstration and who have had their applications approved are required to submit information so that HUD can ensure that the goals of RAD, as well as compliance with all related laws, are met. Failure to collect this information in the timeframes indicated would impede the Department's ability to determine continued eligibility for participation in RAD and would impair HUD's ability to enter into binding contractual relations to effectuate the successful conversion of units under the Demonstration.

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;**

None

*** requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**

None

*** requiring respondents to submit more than an original and two copies of any document;**

None

*** requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;**

None

*** 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;**

None

*** requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**

None

*** 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**

None

*** 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.**

None

- 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 **March 17, 2016**, Volume **81**, No. **133**, Pages **14473**. Six (6) Comments were received. HUD has included a summary of comments as well as responses to comments the 30-day FR Notice that is being published as part of this collection. As a result of the comments received, HUD has made modifications to the documents that:

- Eliminate requests for unnecessary information, reducing the burden on respondents;
- Strengthen HUD's ability to monitor and enforce program requirements; and
- Improve the functionality of the documents to accommodate the variety of potential responses.

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

No payment or gift will be granted to the respondents.

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

Assurance of confidentiality is neither provided nor needed for 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.

No sensitive information is being asked by this collection.

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.**

The number of respondents for the forms listed below and reflected in the chart below indicates the amount of potential respondents. Individual forms must be submitted for each project that the applicant is seeking to convert under RAD. Under the First Component of RAD, HUD has made initial awards to public housing properties up to the 185,000-unit cap authorized by Congress. This equates to roughly 1,500 projects, each of which must complete the documents necessary for conversion, including the Financing Plan, FHEO Accessibility and Relocation Checklist, and RCC. HUD anticipates a conversion pace of 500 projects per year. Half of the projects will convert to PBV and half to PBRA (and as such will use the applicable HAP contracts). All converting public housing projects will be required to sign a RAD Use Agreement.

Meanwhile, HUD has streamlined the processing of Mod Rehab, Rent Supp, and RAP projects by making two documents unnecessary such that they are not being renewed under this request

1. All Mod Rehab conversions are being processed under the Second component. As a

result, the PBV HAP Contract Rider for Mod Rehab conversions under the First Component is no longer needed

2. Based on changes in program requirements, conversions will no longer need to use the Agreement to Enter into Housing Assistance Payments Contract (AHAP) Contract Rider for Mod Rehab, Rent Supp and RAP Conversions to Project Based Vouchers (PBV)

At the same time, authority under RAD has also expanded, necessitating to PRA-related changes:

- 1,400 properties covered under Mod Rehab Single Room Occupancy (SRO) contracts are eligible under RAD
- Owners of Rent Supp, and RAP projects are eligible to convert to PBRA, in addition to PBV. For PRA purposes, the primary impact is that a) the existing PBRA contract was modified to fit these conversions and b) fewer owners will use the PBV contract rider moving forward.

Given the current and project pipeline of Second Component conversions of Mod Rehab, Rent Supp, and RAP properties, HUD anticipates that 70 projects will convert annually to PBV and 70 projects will convert annually to PBRA.

Information Collection	Number of Respondents	Annual Responses	Total Responses	Burden Hours Per Responses	Total Burden Hours	Salary (per hour)	Total Burden Cost
PBV HAP Contract Rider – Public Housing Conversions	250	1	250	1	250	\$47.81	\$11,952.50
PBRA HAP Contract – Public Housing Conversions Parts I + II	250	1	250	1	250	\$47.81	\$11,952.50
RAD Use Agreement	500	1	500	1	500	\$47.81	\$23,905.00
RCC	500	1	500	1	500	\$47.81	\$23,905.00
Financing Plan (including Accessibility and Relocation Plan Checklist)	500	1	500	10	5000	\$47.81	\$239,05.00
PBRA HAP Contract – Mod Rehab Conversions Parts I & II	35	1	35	1	35	\$47.81	\$1,673.35
PBRA HAP Contract – Rent Supp and RAP Conversions Parts I & II	35	1	35	1	35	\$47.81	\$1673.35
PBV Existing Housing HAP Contract Rider – Mod Rehab, Rent Supp, RAP	70	1	70	1	70	\$47.81	\$3,346.70
TOTALS	2,140		2,140		6,640		\$317,458.40

13. 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).

There is no start-up or additional costs to the respondents other than those reported in Item 12 above in the Burden Cost Column. The GS-14-1 wage was used for this collection, at \$47.81 per hour.

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.

Provided below is an analysis of the costs for review and approval of documents within this collection for purposes of transparency in the internal costs borne onto HUD.

The cost was estimated based on the number of expected annual responses as described in Item 12. The government cost of the collection is exclusively borne by the staff time needed to review and act on (i.e. approve, reject, solicit additional information) each submission. Most of the documents listed require a low-level of staff effort, but at a GS-14 level, while the most time intensive review (the Financing Plan) is performed by staff at a GS-13 level.

Information Collection	Number of Respondent	Annual Responses	Total Responses	Gov't Burden Hours Per Responses	Total Gov't Burden Hours	Salary (per hour)	Total Burden Cost
PBV HAP Contract Rider – Public Housing Conversions	250	1	250	1	250	\$47.81	\$11,952.50
PBRA HAP Contract – Public Housing Conversions Parts I + II	250	1	250	1	250	\$47.81	\$11,952.50
RAD Use Agreement	500	1	500	1	500	\$47.81	\$23,905.00
RCC	500	1	500	1	500	\$47.81	\$23,905.00
Financing Plan (including Accessibility and Relocation Plan Checklist)	500	1	500	3	1500	\$40.46	\$60,690.00
PBRA HAP Contract – Mod Rehab Conversions Parts I & II	35	1	35	1	35	\$47.81	\$1,673.35
PBRA HAP Contract – Rent Supp and RAP Conversions Parts I & II	35	1	35	1	35	\$47.81	\$1,673.35
PBV Existing Housing HAP Contract Rider – Mod Rehab, Rent Supp, RAP	70	1	70	1	70	\$47.81	\$3,346.70
Total	2,140		2,140		3,140		\$139,098.40

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

This is a revision of a previous ICR (2577-0276) transferred to Housing. The changes are as follows:

Under the First Component of RAD

- A significant simplification of the submission requirements for PHAs under the First Component
- An update of all forms to reflect programmatic changes and improvements over the past three years

Under the Second Component of RAD

- Pursuant to the most recent RAD Notice, all Mod Rehab conversions will occur under the Second Component. As a result, two previously approved PRA documents are no longer needed:
 - Rider to the Section 8 Project-based Voucher (PBV) Housing Assistance Payments (HAP) Contract for Existing Housing (Section 8 Moderate Rehabilitation Program Conversions; First Component)
 - Rider to the Section 8 Project-based Voucher (PBV) Housing Assistance Payments (HAP) Contract for New Construction or Rehabilitated Housing (Section 8 Moderate Rehabilitation Program Conversions; First Component)
- Pursuant to the RAD Notice, a repurposing and revision of the existing PBRA “HAP Contract for the Conversion of Moderate Rehabilitation” for use under the Second Component of RAD for all Mod Rehab, Rent Supp, and RAP conversions to PBRA.
- Pursuant to the RAD Notice, removal of the:
 - Agreement to Enter into Housing Assistance Payments Contract (AHAP) Contract Rider for Mod Rehab, Rent Supp and RAP Conversions to Project Based Vouchers (PBV)
 - Rider to the Section 8 Project-based Voucher (PBV) Housing Assistance Payments (HAP) Contract for New Construction or Rehabilitation (Rent Supplement, Rental Assistance Payment and Section 8 Moderate Rehabilitation Program Conversions; Second Component)
- An update of all forms to reflect programmatic changes and improvements over the past three years

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.

Information collection results will not be published.

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.

The OMB approval number and date will appear on the HUD-prescribed forms.

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.

B. Collections of Information Employing Statistical Methods

There are no collections of information that employ statistical methods.