proposed collection of information to: (1) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (2) Evaluate the accuracy of the agency’s estimate of the burden of the proposed collection of information; (3) Enhance the quality, utility, and clarity of the information to be collected; and (4) Minimize the burden of the collection of information on those who are to respond; including through the use of appropriate automated collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

This Notice also lists the following information:

Title of Proposal: Federal Housing Administration (FHA): Home Energy Retrofit Loan Pilot Program.

Description of Information Collection: Lender reporting requirements under the Retrofit Pilot Program.

OMB Control Number: 2502–0596.

Agency Form Numbers: None.

Members of Affected Public: FHA-approved lenders.

Estimation of the total number of hours needed to prepare the information collection including number of respondents, frequency of responses, and hours of response: An estimation of the total number of hours needed to prepare the information collection is 320, number of respondents is 20 frequency response is annually, and the estimated number of hours per response is 16.


Dated: March 09, 2011.

Colette Pollard, Departmental Reports Management Officer, Office of the Chief Information Officer.

FOR FURTHER INFORMATION CONTACT: Contact Danielle Bastarache, Director, Housing Voucher Management, Office of Public Housing and Voucher Programs, Office of Public and Indian Housing, 202–708–1380, for questions relating to the Project-Based Certificate and Moderate Rehabilitation programs (non Single Room Occupancy); Ann Oliva, Director, Office of Special Needs Assistance Programs, Office of Community Planning and Development, 202–708–4300, for questions regarding the Single Room Occupancy (SRO) Moderate Rehabilitation program; Willie Spearmon, Director, Office of Housing Assistance and Grant Administration, Office of Housing, 202–708–3000, for questions relating to other Section 8 programs; and Marie L. Lihn, Economist, Economic and Market Analysis Division, Office of Policy Development and Research, 202–708–0590, for technical information regarding the development of the schedules for specific areas or the methods used for calculating the AAFs. Mailing address for the above persons: Department of Housing and Urban Development, 451 7th Street, SW., Washington, DC 20410. Hearing- or speech-impaired persons may contact the Federal Information Relay Service at 800–877–8339 (TTY). (Other than the “800” TTY number, the above-listed telephone numbers are not toll free.)

I. Applying Contract Rent AAFs to Various Section 8 Programs

Contract Rent AAFs established by this Notice are used to adjust contract rents for units assisted in certain Section 8 housing assistance payment programs during the initial (i.e., pre-renewal) term of the HAP contract and for all units in the Project-Based Certificate program. There are three categories of Section 8 programs that use the Contract Rent AAFs:

Category 1—The Section 8 New Construction and Substantial Rehabilitation programs and the Section 8 Moderate Rehabilitation program.

Category 2—The Section 8 Loan Management (LM) and Property Disposition (PD) programs.

Category 3—The Section 8 Project-Based Certificate (PBC) program.

Each Section 8 program category uses the Contract Rent AAFs differently. The specific application of the Contract Rent AAFs is determined by the law, the HAP contract, and appropriate program regulations or requirements.

AAFs are not used in the following cases:

Renewal Rents. With the exception of the Project-Based Certificate program, Contract Rent AAFs are not used to determine renewal rents after expiration of the original Section 8 HAP contract (either for projects where the Section 8 HAP contract is renewed under a restructuring plan adopted under 24 CFR part 401; or renewed without restructuring under 24 CFR part 402). In general, renewal rents are based on the applicable State-by-State operating cost adjustment factor (OCAF) published by HUD; the OCAF is applied to the previous year’s contract rent minus debt service.

Budget-Based Rents. Contract Rent AAFs are not used for budget-based rent adjustments. For projects receiving Section 8 subsidies under the LM program (24 CFR part 886, subpart A) and for projects receiving Section 8 subsidies under the PD program (24 CFR part 886, subpart C), contract rents are adjusted, at HUD’s option, either by applying the Contract Rent AAFs or by budget-based adjustments in accordance with 24 CFR 886.112(b) and 24 CFR 886.312(b). Budget-based adjustments are used for most Section 8/202 projects. Certificate Program. In the past, Contract Rent AAFs were used to adjust the contract rent (including manufactured home space rentals) in both the tenant-based and project-based certificate programs. The tenant-based certificate program has been terminated and all tenancies in the tenant-based certificate program have been converted...
to the Housing Choice Voucher Program, which does not use Contract Rent AAFs to adjust rents. All tenancies remaining in the project-based certificate program continue to use Contract Rent AAFs to adjust contract rent for outstanding HAP contracts. 

**Voucher Program.** Contract Rent AAFs are not used to adjust rents in the Tenant-Based or the Project-Based Voucher programs.

**Moderate Rehabilitation Program.** Under the Section 8 Moderate Rehabilitation program (both the regular program and the single room occupancy program), the public housing agency (PHA) applies the Contract Rent AAF to the base rent component of the contract rent, not the full contract rent.

### II. Adjustment Procedures

This section of the Notice provides a broad description of procedures for adjusting the contract rent. Technical details and requirements are described in HUD notices H 2002–10 (Section 8 New Construction and Substantial Rehabilitation, Loan Management, and Property Disposition) and PIH 97–57 (Moderate Rehabilitation and Project-Based Certificates).

Because of statutory and structural distinctions among the various Section 8 programs, there are separate rent adjustment procedures for the three program categories:

**Category 1: Section 8 New Construction, Substantial Rehabilitation, and Moderate Rehabilitation Programs**

In the Section 8 New Construction and Substantial Rehabilitation programs, the published Contract Rent AAF factor is applied to the pre-adjustment contract rent. In the Section 8 Moderate Rehabilitation program, the published Contract Rent AAF is applied to the pre-adjustment base rent.

For Category 1 programs, the Table 1 Contract Rent AAF factor is applied before determining comparability (rent reasonableness). Comparability applies if the pre-adjustment gross rent (pre-adjustment contract rent plus any allowance for tenant-paid utilities) is above the published Fair Market Rent (FMR).

If the comparable rent level (plus any initial difference) is lower than the contract rent as adjusted by application of the Table 1 Contract Rent AAF, the comparable rent level (plus any initial difference) will be the new contract rent. However, the pre-adjustment contract rent will not be decreased by application of comparability.

In all other cases (i.e., unless the contract rent is reduced by comparability):

- The Table 1 Contract Rent AAF is used for a unit occupied by a new family since the last annual contract anniversary.
- The Table 2 Contract Rent AAF is used for a unit occupied by the same family as at the time of the last annual contract anniversary.

**Category 2: The Loan Management Program (24 CFR Part 866, Subpart A) and Property Disposition Program (24 CFR Part 866, Subpart C)**

At this time Category 2 programs are not subject to comparability. (Comparability will again apply if HUD establishes regulations for conducting comparability studies under 42 U.S.C. 1437f(c)(2)(C).) Rents are adjusted by applying the full amount of the applicable AAF under this Notice. The applicable Contract Rent AAF is determined as follows:

- The Table 1 Contract Rent AAF is used for a unit occupied by a new family since the last annual contract anniversary.
- The Table 2 Contract Rent AAF is used for a unit occupied by the same family as at the time of the last annual contract anniversary.

**Category 3: Section 8 Project-Based Certificate Program**

The following procedures are used to adjust contract rent for outstanding HAP contracts in the Section 8 PBC program:

- The Table 2 Contract Rent AAF is always used. The Table 1 Contract Rent AAF is not used.
- The Table 2 Contract Rent AAF is always applied before determining comparability (rent reasonableness).
- Comparability always applies. If the comparable rent level is lower than the rent to owner (contract rent) as adjusted by application of the Table 2 Contract Rent AAF, the comparable rent level will be the new rent to owner.

- The new rent to owner will not be reduced below the contract rent on the effective date of the HAP contract.

### III. When To Use Reduced AAFs (From AAF Table 2)

In accordance with Section 8(c)(2)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437f(c)(2)(A)), the Contract Rent AAF is reduced by 0.01:

- For all tenancies assisted in the Section 8 Project-Based Certificate program.
- In other Section 8 programs, for a unit occupied by the same family at the time of the last annual rent adjustment (and where the rent is not reduced by application of comparability (rent reasonableness)).

The law provides that:

Except for assistance under the certificate program, for any unit occupied by the same family at the time of the last annual rent adjustment, where the assistance contract provides for the adjustment of the maximum monthly rent by applying an annual adjustment factor and where the rent for a unit is otherwise eligible for an adjustment based on the full amount of the factor, 0.01 shall be subtracted from the amount of the factor, except that the factor shall not be reduced to less than 1.0. In the case of assistance under the certificate program, 0.01 shall be subtracted from the amount of the annual adjustment factor (except that the factor shall not be reduced to less than 1.0), and the adjusted rent shall not exceed the rent for a comparable unassisted unit of similar quality, type and age in the market area. 42 U.S.C. 1437f(c)(2)(A).

Legislative history for this statutory provision states that “the rationale [for lower AAFs for non-turnover units is] that operating costs are less if tenant turnover is less * * *.” Department of Veteran Affairs and Housing and Urban Development, and Independent Agencies Appropriations for 1995, Hearings Before a Subcommittee of the Committee on Appropriations 103d Cong., 2d Sess. 591 (1994).

The Congressional Record also states the following:

Because the cost to owners of turnover-related vacancies, maintenance, and marketing are lower for long-term stable tenants, these tenants are typically charged less than recent movers in the unassisted market. Since HUD pays the full amount of any rent increases for assisted tenants section 8 projects and under the Certificate program, HUD should expect to benefit from this “tenure discount.” Turnover is lower in assisted properties than in the unassisted market, so the effect of the current inconsistency with market-based rent increases is exacerbated. (140 Cong. Reg. 8659, 8693 (1994)).

To implement the law, HUD publishes two separate Contract Rent AAF Tables, Tables 1 and 2. The difference between Table 1 and Table 2 is that each Contract Rent AAF in Table 2 is 0.01 less than the corresponding Contract Rent AAF in Table 1. Where a Contract Rent AAF in Table 1 would otherwise be less than 1.0, it is set at 1.0, as required by statute; the corresponding Contract Rent AAF in Table 2 will also be set at 1.0, as required by statute.

### IV. How To Find the AAF

Tables 1 and 2 that show Contract Rent AAFs are posted on the HUD User Web site at http://www.huduser.org/portal/datasets/aaf.html/ FY2011_GR_tables.pdf. There are two columns in each table. The first column is used to adjust contract rent for rental units where the highest cost utility is
included in the contract rent, i.e., where the owner pays for the highest cost utility. The second column is used where the highest cost utility is not included in the contract rent, i.e., where the tenant pays for the highest cost utility.

The applicable Contract Rent AAF is selected as follows:

- Determine whether Table 1 or Table 2 is applicable. In Table 1 or Table 2, locate the Contract Rent AAF for the geographic area where the contract unit is located.
- Determine whether the highest cost utility is or is not included in contract rent for the contract unit.
- If highest cost utility is included, select the Contract Rent AAF from the column for “highest cost included.” If highest cost utility is not included, select the Contract Rent AAF from the column for “utility excluded.”

V. Methodology

Contract Rent AAFs are rent inflation factors. Two types of rent inflation factors are calculated for Contract Rent AAFs: gross rent factors and shelter rent factors. The gross rent factor accounts for inflation in the cost of both the rent of the residence and the utilities used by the tenant; the shelter rent factor accounts for the inflation in the rent of the residence, but does not include any change in the cost of utilities. The gross rent inflation factor is designated as “Highest Cost Utility Included” and the shelter rent inflation factor is designated as “Highest Cost Utility Excluded”.

Contract Rent AAFs are calculated using CPI data on “rent of primary residence” and “fuels and utilities”. The CPI inflation index for rent of primary residence measures the inflation of all surveyed units regardless of whether utilities are included in the rent of the unit or not. In other words, it measures the inflation of the “contract rent” which includes units with all utilities included in the rent, units with some utilities included in the rent and units with no utilities included in the rent. In producing a gross rent inflation factor and a shelter rent inflation factor, HUD decomposes the contract rent CPI inflation factor into parts to represent the gross rent change and the shelter rent change. This is done by applying the percentage of renters who pay for heat (a proxy for the percentage renters who pay shelter rent) from the Consumer Expenditure Survey (CEX) and American Community Survey (ACS) data on the ratio of utilities to rents.2

Survey Data Used to Produce Contract Rent AAFs

In this publication, the rent and fuel and utilities inflation factors for large metropolitan areas and Census regions are based on changes in the rent of primary residence and fuels and utilities CPI indices from 2008 to 2009. The CEX data used to decompose the contract rent inflation factor into gross rent and shelter rent inflation factors come from a special tabulation of 2008 CEX survey data produced for HUD for the purpose of computing Contract Rent AAFs. The utility-to-rent ratio used to produce Contract Rent AAFs comes from 2008 ACS median rent and utility costs.

Geographic Areas

Contract Rent AAFs are produced for all Census Regions. These are applied to core-based statistical areas (CBSAs), as defined by the Office of Management and Budget (OMB), according to how much of the CBSA is covered by the CPI city-survey. If more than 75 percent of the CBSA is covered by the CPI city-survey, the Contract Rent AAF is based on that CPI survey and is applied to the whole CBSA and to any HUD-defined metropolitan area, called “HUD Metro FMR Area” (HMFA), within that CBSA. If the CBSA is not covered by a CPI city-survey, the CBSA uses the relevant regional CPI factor. Almost all non-metropolitan counties use regional CPI factors.3 For areas assigned the Census Region CPI factor, both metropolitan and non-metropolitan areas receive the same factor. Each metropolitan area that uses a local CPI update factor is listed alphabetically in the tables, by State and each HMFA is listed alphabetically within its respective CBSA. Each Contract Rent AAF applies to a specified geographic area and to units of all bedroom sizes. Contract Rent AAFs are provided:

- For separate metropolitan areas, including HMFAs and counties that are currently designated as non-metropolitan, but are part of the metropolitan area defined in the local CPI survey.
- For the four Census Regions for those metropolitan and non-metropolitan areas that are not covered by a CPI city-survey.

The Contract Rent AAFs shown at http://www.huduser.org/portal/datasets/aaf.html/FY2011_CR_table.pdf use the same OMB metropolitan area definitions, as revised by HUD, that are used in the FY 2011 FMRs.

Area Definitions

To make certain that they are using the correct Contract Rent AAFs, users should refer to the Area Definitions Table section at http://www.huduser.org/portal/datasets/ aaf.html/FY2011_AreaDef.pdf. For units located in metropolitan areas with a local CPI survey, Contract Rent AAF areas are listed separately. For units located in areas without a local CPI survey, the metropolitan or nonmetropolitan counties receive the regional CPI for that Census Region.

The Area Definitions Table at http://www.huduser.org/portal/datasets/ aaf.html/FY2011_AreaDef.pdf lists areas in alphabetical order by State. The associated CPI region is shown next to each State name. Areas whose Contract Rent AAFs are determined by local CPI surveys are listed first. All metropolitan areas with local CPI surveys have separate Contract Rent AAF schedules and are shown with their corresponding county definitions or as metropolitan counties. In the six New England States, the listings are for counties or parts of counties as defined by towns or cities. The remaining counties use the CPI for the Census Region and are not specifically listed in the Area Definitions Table at http://www.huduser.org/portal/datasets/ aaf.html/FY2011_AreaDef.pdf.

Puerto Rico and the Virgin Islands use the South Region Contract Rent AAFs. All areas in Hawaii use the Contract Rent AAFs identified in the Table as “STATE: Hawaii,” which are based on the CPI survey for the Honolulu metropolitan area. The Pacific Islands use the West Region Contract Rent AAFs.

DEPARTMENT OF THE INTERIOR

Office of the Assistant Secretary—Water and Science; Environmental Assessment for the Proposed Restoration of a Portion of Lower Hobble Creek

AGENCY: Central Utah Project Completion Act Completion Office, Interior.

ACTION: Notice of intent.

SUMMARY: We, the U.S. Fish and Wildlife Service, invite the public to comment on the following applications to conduct certain activities with endangered species. With some exceptions, the Endangered Species Act (Act) prohibits activities with endangered and threatened species unless a Federal permit allows such activity. The Act also requires that we invite public comment before issuing these permits.

DATES: Comments on these permit applications must be received on or before April 15, 2011.

ADDRESSES: Written data or comments should be submitted to the U.S. Fish and Wildlife Service, Endangered Species Program Manager, Region 8, 2800 Cottage Way, Room W–2606, Sacramento, CA 95825 (telephone: 916–414–6464; fax: 916–414–0486). Please refer to the respective permit number for each application when submitting comments.


SUPPLEMENTARY INFORMATION: The following applicants have applied for scientific research permits to conduct certain activities with endangered species under section 10(a)(1)(A) of the Act (16 U.S.C. 1531 et seq.). We seek review and comment from local, State, and Federal agencies and the public on the following permit requests. Before including your address, phone number, e-mail address, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

Permit No. TE–33863A

Applicant: Deborah K. Blackburn. Austin, Texas.

The applicant requests a permit to take (harass by survey) the southwestern willow flycatcher (Empidonax traillii extimus) in conjunction with surveys and population monitoring activities throughout the range of the species in California and Nevada for the purpose of enhancing its survival.

Permit No. TE–064431


The applicant requests an amendment to an existing permit (February 10, 2011, 76 FR 7577) to take (harass by survey and monitor nests) the southwestern willow flycatcher (Empidonax traillii extimus), and take (harass by survey) the Yuma clapper rail (Rallus longirostris yumanensis) in conjunction with surveys and population monitoring activities throughout the range of each species in California and Nevada for the purpose of enhancing their survival.

Permit No. TE–027422

Applicant: Brian T. Pittman, Petaluma, California.

The applicant requests an amendment to an existing permit (June 20, 2000, 65 FR 38297) to take (harass by survey, capture, handle, measure, and release) the arroyo toad (Anaxyrus californiae), and take (harass by survey, capture, handle, mark, collect biological samples, collect voucher specimens) the California tiger salamander (Ambystoma californiense) in conjunction with surveys, genetic study, and population monitoring activities throughout the range of each species in California for the purpose of enhancing their survival.

Permit No. TE–213726

Applicant: Joelle J. Fournier, San Diego, California.

The applicant requests an amendment to an existing permit (May 3, 2010, 75 FR 23287) to take (harass by survey, trap, capture, band adults, erect fence, use cameras, handle, transport sick and injured chicks and adults, and collect and transport abandoned eggs) the California least tern (Sternula antillarum browni) in conjunction with surveys, population monitoring and rehabilitation activities at Camp Pendleton Marine Base, Naval Amphibious Base Coronado, Naval Air County, California, for the purpose of enhancing their survival.

Endangered Species Recovery Permit Applications

AGENCY: Fish and Wildlife Service, Interior.

The applicant requests an amendment to an existing permit (February 13, 2008, 73 FR 8344) to take (set up and use remote sensing cameras to document and identify predation) the California least tern (Sternula antillarum browni) in conjunction with population monitoring and predator management activities in San Luis Obispo and Santa Barbara Counties, California, for the purpose of enhancing their survival.