



AFFORDABLE HOUSING PARTNERS

April 12, 2019

Anna P. Guido, Reports Management Officer, QDAM  
Department of Housing and Urban Development  
451 7th Street SW, Room 4176  
Washington, DC 20410-5000

RE: OMB 2528-0165  
Statutorily-Mandated Collection of Information for  
Tenants in LIHTC Properties  
[Docket No. FR-7007-N-08]

Ms. Guido:

Navigate Housing Partners is pleased to provide the following comments on HUD's proposed new methods of data collection for tenants in Low-Income Housing Tax Credit (LIHTC) properties. To inform the comments below, Navigate has further investigated related publications and data sets such as HUD's Placed in Service Database, *Understanding Whom the LIHTC Serves - Data on Tenants in LIHTC Units as of December 31, 2015*, and multiple years of NCSHA's *Annual Fact-Book*.

Based on the numerous GAO reports over the past five years on the deficiencies in the overall system of LIHTC compliance, we believe that full collection of the mandated data could serve as a component of a more comprehensive compliance process that safeguards federal funds, promotes affordable housing and bolsters confidence and support of affordable housing funding.

**1) 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;**

Complete collection of the statutorily mandated data serves multiple purposes. Aside from this data collected by HUD on the individual units subsidized with LIHTC, there is no other set of data to assess the effectiveness of multibillion-dollar tax expenditure by the federal government. Given the relatively small number of properties and units funded since 1986, (considering the current power to collect, standardize and analyze substantially larger datasets) having full and internally consistent data would seem to be achievable and desired by housing agencies, policymakers and regulators.

As the credit is one of very few remaining options for the production or renovation of rent restricted housing, it is critical to collect a robust and accurate picture of the public gain

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(in the form of higher-quality and or reduced-cost housing) that should be provided given the level of tax expenditure.

Second, housing tax credits have been and continue to be frequently combined with other federal resources (particularly those funded and administered by HUD) including subsidized capital through programs such as CDBG, HOME, PIH Capital Funds, Choice Neighborhoods and HOPE VI as well as through FHA insured mortgages. In addition, complete and proper data is needed for the ongoing evaluation the effectiveness of these resources as well as an initial compliance check. With the expansion of FHA insured mortgages to tax credit properties, in particular, the databases should be seen as critical risk management and mitigation assets for the Department.

Most troubling is the level of non-reporting of statutorily mandated figures ten years after the original requirement. The 2015 study reported that most data elements were report by only around 75% of the properties. Also troubling is the inability to reconcile basic programmatic data such as property and unit count across datasets.

**2) The accuracy of the agency's estimate of the burden of the proposed collection of information;**

We are unable to estimate the time burden for form completion. If electronic submission were required, it is likely that most of the required fields would be captured (or could be computed from) the tenant file.

**3) Ways to enhance the quality, utility, and clarity of the information to be collected;**

Standardization of data definitions and formats coupled with required electronic submission produces high quality initial data and allows for the most effective data audits once files are received. Ideally, a standardized user interface aids in up-front data. As a PBCA, Navigate processes payments to approximately 60,000 units of project-based Section 8 housing each month with similar information to that required annually of LIHTC units. For more than a decade, HUD has required electronic submission of this data via the TRACS system.

A full set of data that has been audited for internal consistency and reconciled with HUD's Placed in Service Database would serve as a risk management tool for the Agency.

Additionally, a complete, audited dataset would allow initial risk indicators of properties where fair housing issues might be present as well as properties that report data that appears to show violations of basic LIHTC requirements.

**4) Ways to minimize the burden of the collection of information on those who are to respond; including the use of appropriate automated collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.**

In the latest Understanding Whom the LIHTC Serves, HUD cites the lack of automatic collection as a potentially major factor in the lack of reporting:

"[S]ome states previously accepted Tenant Income Certification (TIC) forms from smaller properties in hard copy as opposed to electronically, because independent owners, who may not have the ability to submit electronically, manage many of these properties. Converting or hand entering the information into electronic compliance and reporting systems requires considerable time, and some states were not able to complete this type of labor-intensive work."

As stated above, HUD should migrate the submission of data to electronic submission. Further, HUD should be able to crossmatch its Placed in Service database with the database of required elements for tenants in properties. This would give the fullest picture of the effectiveness of the program, the efficient use of funds, and serve as a component of a more comprehensive compliance process – the need for which has been comprehensively described in multiple GAO reports



## Hill, Ronald M

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**From:** Hollar, Michael K  
**Sent:** Friday, April 26, 2019 9:49 AM  
**To:** lmccarroll@navigatehousing.com  
**Cc:** Guido, Anna P; Hill, Ronald M  
**Subject:** RE: Statutorily Mandated Collection of Information for Tenants in LIHTC Properties.

Ms. McCarroll,

Thank you for your comments on HUD's Statutorily-Mandated Collection of Information for Tenants in LIHTC Properties. HUD manages the LIHTC data collection with the intent of both increasing the response rate from HFAs that submit the information and releasing information in a way that is most beneficial to users of the data. Although the data collection forms are provided in a hard-copy format, HFAs are required to submit the data electronically. HUD also provides documentation to assist HFAs and their data vendors. Finally, HUD does crossmatch data received in the Placed-in-Service database with the tenant data to both determine the completeness of each dataset and to provide additional insight.

Thank you again for taking to time to provide comments on this data collection effort!

Sincerely,  
Michael Hollar  
Senior Economist  
Office of Policy Development & Research (PD&R)

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**From:** Lisa McCarroll <[lmccarroll@navigatehousing.com](mailto:lmccarroll@navigatehousing.com)>  
**Sent:** Friday, April 12, 2019 4:00 PM  
**To:** Guido, Anna P <[Anna.P.Guido@hud.gov](mailto:Anna.P.Guido@hud.gov)>  
**Subject:** Statutorily Mandated Collection of Information for Tenants in LIHTC Properties.

Ms. Guido: Per the Federal Register notice, our comments are attached. Please do not hesitate to contact me should you have questions.

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Best regards,



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