

which a mortgagor seeks mortgage insurance under the Act.”

FHA Catalyst allows FHA-approved multifamily lenders to submit electronic applications for FHA multifamily mortgage insurance and related documents to HUD through a web-based portal, and HUD staff are able to receive and download the documents from the portal. The system is designed to streamline existing processes for collecting information to administer FHA multifamily mortgage insurance programs; no new information will be collected as a result of *FHA Catalyst*. Prior to the COVID-19 pandemic, multifamily lenders submitted applications to HUD in USB and hard copy format via mail. Due to the pandemic, multifamily lenders are currently submitting electronic applications using various online file-sharing platforms (e.g., Dropbox) as a short-term solution. *FHA Catalyst* provides multifamily lenders and MFH with a central, secure portal and long-term solution for online application submissions that will be used for the duration of the COVID-19 pandemic and beyond. Hard copies and/or removable USB drives will no longer be required for applications submitted through *FHA Catalyst* once *FHA Catalyst* becomes mandatory.

Respondents (i.e., affected public): Business or other for-profit; individuals or households; not-for-profit intuitions; state, local, or tribal government.

Estimated Number of Respondents: 741.

Estimated Number of Responses: 741.

Frequency of Response: 1.

Average Hours per Response: 1.

Total Estimated Burden: 741.

B. Solicitation of Public Comment

This notice is soliciting comments from members of the public and affected parties concerning the collection of information described in Section A on the following:

(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;

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

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

(4) Ways to 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.

HUD encourages interested parties to submit comment in response to these questions.

C. Authority

Section 3507 of the Paperwork Reduction Act of 1995, 44 U.S.C. 3507.

Janet M. Golrick,

Acting, Chief of Staff for the Office of Housing, Federal Housing Administration.

[FR Doc. 2021-14146 Filed 7-1-21; 8:45 am]

BILLING CODE 4210-67-P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-6275-N-01]

Statutorily Mandated Designation of Difficult Development Areas and Qualified Census Tracts: Revision of Effective Date for 2019 and 2020 Designations

AGENCY: Office of the Assistant Secretary for Policy Development and Research, HUD.

ACTION: Notice.

SUMMARY: This document revises the effective date for designations of “Difficult Development Areas” (DDAs) and “Qualified Census Tracts” (QCTs) for purposes of the Low-Income Housing Tax Credit (LIHTC) under Internal Revenue Code (IRC) Section 42 (26 U.S.C. 42) published on October 22, 2018, (83 FR 53282) and September 25, 2019, (84 FR 50465) in response to the Presidentially-declared COVID-19 emergency. This notice extends from 730 days to 910 days the period for which the 2019 and 2020 lists of QCTs and DDAs are effective for projects (1) located in an area not on subsequent lists of DDAs or QCTs; and (2) that submitted applications while the area was a 2019 or 2020 QCT or DDA.

FOR FURTHER INFORMATION CONTACT: For questions on how areas are designated and on geographic definitions, contact Michael K. Hollar, Senior Economist, Economic Development and Public Finance Division, Office of Policy Development and Research, Department of Housing and Urban Development, 451 Seventh Street SW, Room 8234, Washington, DC 20410-6000; telephone number (202) 402-5878, or send an email to Michael.K.Hollar@hud.gov. For specific legal questions, contact Branch 5, Office of the Associate Chief Counsel, Passthroughs and Special Industries, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224; telephone number (202) 317-4137, fax number (855) 591-7867. (These are not toll-free telephone

numbers.) Additional copies of this notice are available through HUD User at (800) 245-2691 for a small fee to cover duplication and mailing costs.

Copies Available Electronically: This notice and additional information about DDAs and QCTs are available electronically on the internet at <http://www.huduser.org/datasets/qct.html>.

SUPPLEMENTARY INFORMATION:

Background

On March 13, 2020, the President issued major disaster declarations under the authority of the Stafford Act with respect to all 50 States, the District of Columbia, and 5 territories (American Samoa, Guam, Puerto Rico, Northern Mariana Islands, and the U.S. Virgin Islands) to assist with additional needs identified under the nationwide emergency declaration for COVID-19. In the context of a Presidentially-declared Major Disaster, IRS Revenue Procedure 2014-49, 2014-37 I.R.B. 535, provides temporary relief to housing finance agencies (HFAs) and owners from certain requirements of IRC Section 42. Among the relief provided, if an owner has a carryover allocation for a building located in a Major Disaster Area and the Major Disaster occurs on or after the date of the carryover allocation, an HFA may grant an extension to the placed-in-service requirement. Rev. Proc. 2014-49, Section 6.03. This extension applies only to properties receiving IRC Section 42 allocated credits and does not apply or provide relief to properties receiving credits associated with IRC Section 142 tax-exempt bond revenue. HUD is revising the effective date of the 2019 and 2020 QCTs and DDAs at this time to aid the ability of areas affected by COVID-19 to place in service affordable housing under both Section 42 and Section 142.

I. This Notice

This notice extends from 730 days to 910 days the period for which the 2019 and 2020 lists of QCTs and DDAs are effective for projects that are not located in areas on subsequent lists of DDAs or QCTs but submitted applications while the area was a 2019 or 2020 QCT or DDA. HUD published lists of DDAs and QCTs for 2019 on October 22, 2018 (83 FR 53282); for 2020 on September 25, 2019 (84 FR 50465); and for 2021 on September 24, 2020 (85 FR 60255). The actual designations of 2019 and 2020 QCTs and DDAs are not affected by this notice. HUD is revising the effective date of the 2019 and 2020 QCTs and DDAs at this time to aid the ability of areas affected by COVID-19 to place in service affordable housing.

II. Extension of 2019 DDA and QCT Designations

For LIHTC and bond-financed projects, the sections entitled “Effective Date” and “Interpretive Examples of Effective Date” of the 2019 DDA and QCT designations as published October 22, 2018 (83 FR 53282) are hereby revised to read as follows:

Effective Date

The 2019 lists of QCTs and DDAs are effective:

(1) For allocations of credit after December 31, 2018; or

(2) for purposes of IRC section 42(h)(4), if the bonds are issued and the building is placed in service after December 31, 2018.

If an area is not on a subsequent list of DDAs, the 2019 lists are effective for the area if:

(1) The allocation of credit to an applicant is made no later than the end of the 910-day period after the applicant submits a complete application to the LIHTC-allocating agency, and the submission is made before the effective date of the subsequent lists; or

(2) for purposes of IRC section 42(h)(4), if:

(a) The bonds are issued or the building is placed in service no later than the end of the 910-day period after the applicant submits a complete application to the bond-issuing agency, and

(b) the submission is made before the effective date of the subsequent lists, provided that both the issuance of the bonds and the placement in service of the building occur after the application is submitted.

An application is deemed to be submitted on the date it is filed if the application is determined to be complete by the credit-allocating or bond-issuing agency. A “complete application” means that no more than de minimis clarification of the application is required for the agency to make a decision about the allocation of tax credits or issuance of bonds requested in the application.

In the case of a “multiphase project,” the DDA or QCT status of the site of the project that applies for all phases of the project is that which applied when the project received its first allocation of LIHTC. For purposes of IRC section 42(h)(4), the DDA or QCT status of the site of the project that applies for all phases of the project is that which applied when the first of the following occurred: (a) The building(s) in the first phase were placed in service, or (b) the bonds were issued.

For purposes of this notice, a “multiphase project” is defined as a set

of buildings to be constructed or rehabilitated under the rules of the LIHTC and meeting the following criteria:

(1) The multiphase composition of the project (*i.e.*, total number of buildings and phases in project, with a description of how many buildings are to be built in each phase and when each phase is to be completed, and any other information required by the agency) is made known by the applicant in the first application of credit for any building in the project, and that applicant identifies the buildings in the project for which credit is (or will be) sought;

(2) The aggregate amount of LIHTC applied for on behalf of, or that would eventually be allocated to, the buildings on the site exceeds the one-year limitation on credits per applicant, as defined in the Qualified Allocation Plan (QAP) of the LIHTC-allocating agency, or the annual per-capita credit authority of the LIHTC allocating agency, and is the reason the applicant must request multiple allocations over two or more years; and

(3) All applications for LIHTC for buildings on the site are made in immediately consecutive years.

Members of the public are hereby reminded that the Secretary of Housing and Urban Development, or the Secretary’s designee, has legal authority to designate DDAs and QCTs, in accordance with 26 U.S.C. 42(d)(5), by publishing lists of geographic entities as defined by, in the case of DDAs, the Census Bureau, the several states and the governments of the insular areas of the United States and, in the case of QCTs, by the Census Bureau; and to establish the effective dates of such lists. The Secretary of the Treasury, through the IRS thereof, has sole legal authority to interpret, and to determine and enforce compliance with the IRC and associated regulations, including **Federal Register** notices published by HUD for purposes of designating DDAs and QCTs. Representations made by any other entity as to the content of HUD notices designating DDAs and QCTs that do not precisely match the language published by HUD should not be relied upon by taxpayers in determining what actions are necessary to comply with HUD notices.

Interpretive Examples of Effective Date

For the convenience of readers of this notice, interpretive examples are provided below to illustrate the consequences of the effective date in areas that gain or lose DDA status. The examples covering DDAs are equally applicable to QCT designations.

(*Case A*) Project A is located in a 2019 DDA that is NOT a designated DDA in 2020, 2021, or 2022. A complete application for tax credits for Project A is filed with the allocating agency on November 15, 2019. Credits are allocated to Project A on January 30, 2022. Project A is eligible for the increase in basis accorded a project in a 2019 DDA because the application was filed BEFORE January 1, 2020 (the effective date for the 2020 DDA lists), and because tax credits were allocated no later than the end of the 910-day period after the filing of the complete application for an allocation of tax credits.

(*Case B*) Project B is located in a 2019 DDA that is NOT a designated DDA in 2020, 2021, or 2022. A complete application for tax credits for Project B is filed with the allocating agency on December 1, 2019. Credits are allocated to Project B on June 30, 2022. Project B is NOT eligible for the increase in basis accorded a project in a 2019 DDA because, although the application for an allocation of tax credits was filed BEFORE January 1, 2020 (the effective date of the 2020 DDA lists), the tax credits were allocated later than the end of the 910-day period after the filing of the complete application.

(*Case C*) Project C is located in a 2019 DDA that was not a DDA in 2018. Project C was placed in service on November 15, 2018. A complete application for tax-exempt bond financing for Project C is filed with the bond-issuing agency on January 15, 2019. The bonds that will support the permanent financing of Project C are issued on September 30, 2019. Project C is NOT eligible for the increase in basis otherwise accorded a project in a 2019 DDA, because the project was placed in service BEFORE January 1, 2019.

(*Case D*) Project D is located in an area that is a DDA in 2019, but is NOT a DDA in 2020, 2021, or 2022. A complete application for tax-exempt bond financing for Project D is filed with the bond-issuing agency on October 30, 2019. Bonds are issued for Project D on January 30, 2022, but Project D is not placed in service until July 30, 2022. Project D is eligible for the increase in basis available to projects located in 2019 DDAs because: (1) One of the two events necessary for triggering the effective date for buildings described in Section 42(h)(4)(B) of the IRC (the two events being bonds issued and buildings placed in service) took place on January 30, 2022, within the 910-day period after a complete application for tax-exempt bond financing was filed, (2) the application was filed during a time when the

location of Project D was in a DDA, and (3) both the issuance of the bonds and placement in service of Project D occurred after the application was submitted.

Extension of 2020 DDA and QCT Designations

For LIHTC and bond-financed projects, the sections entitled “Effective Date” and “Interpretive Examples of Effective Date” of the 2020 DDA and QCT designations as published September 25, 2019 (84 FR 50465) are hereby revised to read as follows:

Effective Date

The 2020 lists of QCTs and DDAs are effective:

(1) For allocations of credit after December 31, 2019; or

(2) for purposes of IRC section 42(h)(4), if the bonds are issued and the building is placed in service after December 31, 2019.

If an area is not on a subsequent list of DDAs, the 2020 lists are effective for the area if:

(1) The allocation of credit to an applicant is made no later than the end of the 910-day period after the applicant submits a complete application to the LIHTC-allocating agency, and the submission is made before the effective date of the subsequent lists; or

(2) for purposes of IRC section 42(h)(4), if:

(a) The bonds are issued or the building is placed in service no later than the end of the 910-day period after the applicant submits a complete application to the bond-issuing agency, and

(b) the submission is made before the effective date of the subsequent lists, provided that both the issuance of the bonds and the placement in service of the building occur after the application is submitted.

An application is deemed to be submitted on the date it is filed if the application is determined to be complete by the credit-allocating or bond-issuing agency. A “complete application” means that no more than de minimis clarification of the application is required for the agency to make a decision about the allocation of tax credits or issuance of bonds requested in the application.

In the case of a “multiphase project,” the DDA or QCT status of the site of the project that applies for all phases of the project is that which applied when the project received its first allocation of LIHTC. For purposes of IRC section 42(h)(4), the DDA or QCT status of the site of the project that applies for all phases of the project is that which

applied when the first of the following occurred: (a) The building(s) in the first phase were placed in service, or (b) the bonds were issued.

For purposes of this notice, a “multiphase project” is defined as a set of buildings to be constructed or rehabilitated under the rules of the LIHTC and meeting the following criteria:

(1) The multiphase composition of the project (*i.e.*, total number of buildings and phases in project, with a description of how many buildings are to be built in each phase and when each phase is to be completed, and any other information required by the agency) is made known by the applicant in the first application of credit for any building in the project, and that applicant identifies the buildings in the project for which credit is (or will be) sought;

(2) The aggregate amount of LIHTC applied for on behalf of, or that would eventually be allocated to, the buildings on the site exceeds the one-year limitation on credits per applicant, as defined in the Qualified Allocation Plan (QAP) of the LIHTC-allocating agency, or the annual per-capita credit authority of the LIHTC allocating agency, and is the reason the applicant must request multiple allocations over two or more years; and

(3) All applications for LIHTC for buildings on the site are made in immediately consecutive years.

Members of the public are hereby reminded that the Secretary of Housing and Urban Development, or the Secretary’s designee, has legal authority to designate DDAs and QCTs, in accordance with 26 U.S.C. 42(d)(5), by publishing lists of geographic entities as defined by, in the case of DDAs, the Census Bureau, the several states and the governments of the insular areas of the United States and, in the case of QCTs, by the Census Bureau; and to establish the effective dates of such lists. The Secretary of the Treasury, through the IRS thereof, has sole legal authority to interpret, and to determine and enforce compliance with the IRC and associated regulations, including **Federal Register** notices published by HUD for purposes of designating DDAs and QCTs. Representations made by any other entity as to the content of HUD notices designating DDAs and QCTs that do not precisely match the language published by HUD should not be relied upon by taxpayers in determining what actions are necessary to comply with HUD notices.

Interpretive Examples of Effective Date

For the convenience of readers of this notice, interpretive examples are provided below to illustrate the consequences of the effective date in areas that gain or lose DDA status. The examples covering DDAs are equally applicable to QCT designations.

(Case A) Project A is located in a 2020 DDA that is NOT a designated DDA in 2021, 2022, or 2023. A complete application for tax credits for Project A is filed with the allocating agency on November 15, 2020. Credits are allocated to Project A on January 30, 2023. Project A is eligible for the increase in basis accorded a project in a 2020 DDA because the application was filed BEFORE January 1, 2021 (the effective date for the 2021 DDA lists), and because tax credits were allocated no later than the end of the 910-day period after the filing of the complete application for an allocation of tax credits.

(Case B) Project B is located in a 2020 DDA that is NOT a designated DDA in 2021, 2022, or 2023. A complete application for tax credits for Project B is filed with the allocating agency on December 1, 2020. Credits are allocated to Project B on June 30, 2023. Project B is NOT eligible for the increase in basis accorded a project in a 2020 DDA because, although the application for an allocation of tax credits was filed BEFORE January 1, 2021 (the effective date of the 2021 DDA lists), the tax credits were allocated later than the end of the 910-day period after the filing of the complete application.

(Case C) Project C is located in a 2020 DDA that was not a DDA in 2019. Project C was placed in service on November 15, 2019. A complete application for tax-exempt bond financing for Project C is filed with the bond-issuing agency on January 15, 2020. The bonds that will support the permanent financing of Project C are issued on September 30, 2020. Project C is NOT eligible for the increase in basis otherwise accorded a project in a 2020 DDA, because the project was placed in service BEFORE January 1, 2020.

(Case D) Project D is located in an area that is a DDA in 2020, but is NOT a DDA in 2021, 2022, or 2023. A complete application for tax-exempt bond financing for Project D is filed with the bond-issuing agency on October 30, 2020. Bonds are issued for Project D on January 30, 2023, but Project D is not placed in service until July 30, 2023. Project D is eligible for the increase in basis available to projects located in 2020 DDAs because: (1) One of the two events necessary for

triggering the effective date for buildings described in Section 42(h)(4)(B) of the IRC (the two events being bonds issued and buildings placed in service) took place on January 30, 2023, within the 910-day period after a complete application for tax-exempt bond financing was filed, (2) the application was filed during a time when the location of Project D was in a DDA, and (3) both the issuance of the bonds and placement in service of Project D occurred after the application was submitted.

Findings and Certifications

A. Environmental Impact

This notice involves the establishment of fiscal requirements or procedures that are related to rate and cost determinations and do not constitute a development decision affecting the physical condition of specific project areas or building sites. Accordingly, under 40 CFR 1508.4 of the regulations of the Council on Environmental Quality and 24 CFR 50.19(c)(6) of HUD's regulations, this notice is categorically excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321).

B. Federalism Impact

Executive Order 13132 (entitled "Federalism") prohibits an agency from publishing any policy document that has federalism implications if the document either imposes substantial direct compliance costs on state and local governments and is not required by statute, or the document preempts state law, unless the agency meets the consultation and funding requirements of section 6 of the executive order. This notice merely designates DDAs and QCTs as required under IRC Section 42, as amended, for the use by political subdivisions of the states in allocating the LIHTC. As a result, this notice is not subject to review under the order.

Kurt G. Usowski,

Deputy Assistant Secretary for Economic Affairs.

[FR Doc. 2021-14235 Filed 7-1-21; 8:45 am]

BILLING CODE 4210-67-P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-7038-N-11; OMB Control No. 2502-0554]

60-Day Notice of Proposed Information Collection: Request for Prepayment of Section 202 or 202/8 Direct Loan Project

AGENCY: Office of the Assistant Secretary for Housing—Federal Housing Commissioner, HUD.

ACTION: Notice.

SUMMARY: HUD is seeking approval from the Office of Management and Budget (OMB) for the information collection described below. In accordance with the Paperwork Reduction Act, HUD is requesting comment from all interested parties on the proposed collection of information. The purpose of this notice is to allow for 60 days of public comment.

DATES: *Comments Due Date:* August 31, 2021.

ADDRESSES: Interested persons are invited to submit comments regarding this proposal. Comments should refer to the proposal by name and/or OMB Control Number and should be sent to: Colette Pollard, Reports Management Officer, Department of Housing and Urban Development, 451 7th Street SW, Room 4176, Washington, DC 20410-5000; telephone 202-402-3400 (this is not a toll-free number) or email at Colette.Pollard@hud.gov for a copy of the proposed forms or other available information. Persons with hearing or speech impairments may access this number through TTY by calling the Federal Relay Service at (800) 877-8339 (this is a toll-free number).

FOR FURTHER INFORMATION CONTACT: Colette Pollard, Reports Management Officer, QDAM, Department of Housing and Urban Development, 451 7th Street SW, Washington, DC 20410; email Colette Pollard at Colette.Pollard@hud.gov or telephone 202-402-3400 (this is not a toll-free number). Persons with hearing or speech impairments may access this number through TTY by calling the Federal Relay Service at (800) 877-8339 (this is a toll-free number).

Copies of available documents submitted to OMB may be obtained from Ms. Pollard.

SUPPLEMENTARY INFORMATION: This notice informs the public that HUD is seeking approval from OMB for the information collection described in Section A.

A. Overview of Information Collection

Title of Information Collection: Request for Prepayment of Section 202 or 202/8 Project. *OMB Approval Number:* 2502-0554.

Type of Request: Reinstatement, with change, of previously approved collection for which approval has expired.

Form Number: HUD-9808.

Description of the need for the information and proposed use: The Owner must execute the Section 202 Prepayment Use Agreement provided as Attachment 1 to this Notice that will ensure the continued operation of the project until at least 20 years following the maturity date of the original loan under terms at least as advantageous to existing and future tenants as the terms required by the original loan agreement. The Use Agreement must be executed by the Owner and the Department and recorded upon HUD's approval of the prepayment transaction.

Respondents (i.e., affected public): Business, Not for profit institutions.

Estimated Number of Respondents: 1,566.

Estimated Number of Responses: 1,566.

Frequency of Response: On occasion.

Average Hours per Response: 1 hours.

Total Estimated Burdens: 1,566.

B. Solicitation of Public Comment

This notice is soliciting comments from members of the public and affected parties concerning the collection of information described in Section A on the following:

(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;

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

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

(4) Ways to 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.

HUD encourages interested parties to submit comment in response to these questions.