

Type of Request: Extension of a currently approved information collection.

Abstract: The Community Facilities loan program is authorized by Section 306 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926) to make loans to public entities, nonprofit corporations, and Indian tribes for the development of community facilities for public use in rural areas.

Community facilities programs have been in existence for many years. These programs have financed a wide range of projects varying in size and complexity from large general hospitals to small rural water systems. The facilities financed are designed to promote the development of rural communities by providing the infrastructure necessary to attract residents and rural jobs.

Information will be collected by the field offices from applicants, borrowers, and consultants. This information will be used to determine applicant/borrower eligibility, project feasibility, and to ensure borrowers operate on a sound basis and use funds for authorized purposes. Failure to collect proper information could result in improper determination of eligibility, improper use of funds, and/or unsound loans.

Expiration Date of Approval: December 31, 1996.

Estimate of Burden: Public reporting burden for this collection of information is estimated to average 2.47 hours per response.

Respondents: Public bodies, not for profits, or Indian Tribes.

Estimated Number of Respondents: 10,520.

Estimated Number of Responses per Respondent: 9.06.

Estimated Total Annual Burden on Respondents: 235,854 hours.

Copies of this information collection can be obtained from the Director, Regulations and Paperwork Management Division at (202) 720-9725.

Comments

Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the function of the agency, including whether the information will have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on those who are to respond, including

through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology. Comments may be sent to Barbara Williams, Regulations and Paperwork Management Division, U.S. Department of Agriculture, Rural Development, Stop 0743, 1400 Independence Avenue, Washington, DC 20250. All responses to this notice will be summarized and included in the request for OMB approval. All comments will also become a matter of public record.

Dated: June 25, 1996.
Eileen Fitzgerald,
Acting Administrator, Rural Housing Service.
[FR Doc. 96-16854 Filed 7-01-96; 8:45 am]
BILLING CODE 3410-07-P

Notice of Availability of Funding and Requests for Proposals for the Section 538 Rural Rental Housing Guaranteed Loan Demonstration Program

AGENCY: Rural Housing Service, USDA.
ACTION: Notice.

SUMMARY: The Rural Housing Service (RHS) announces the availability of the Section 538 Rural Rental Housing Guaranteed Loan program on a demonstration basis. The intended outcome is to produce new affordable rental housing by inviting qualified lenders and eligible housing providers to propose rental complexes that will serve a wide range of incomes and better serve rural residents. The purpose of the demonstration is to encourage proposals that show the feasibility of the program in varying markets and with innovative financing proposals.

DATES: The deadline for receipt of applications is 4:00 PM, Eastern Daylight Savings Time on August 5, 1996. Applications received after such date and time will be returned. Lenders are encouraged to submit applications prior to the end of the period, as applications will be reviewed as they are received. If there are differences between any additional guidelines and this Notice, the requirements of this notice shall prevail. Notification of selected applications will be made by September 1, 1996. Commitments for guarantees will be issued on or before September 16, 1996. If RHS is unable to obligate section 538 funds for guaranteed loans by September 16, 1996, any remaining section 538 funds will be transferred for use prior to September 30, 1996, under the section 515 program. Qualified lenders may call Patrick Sheridan at 202-720-1600 or

Obediah G. Baker, Jr., at 202-720-1604 for a copy of the application package. This is not a toll-free number. Hearing- or speech-impaired persons may access that number by calling toll-free the Federal Information Relay Service at (800) 877-8339.

ADDRESSES: Applications for participation in the demonstration program must be identified as "Section 538 Demonstration Program" on the envelope or wrapper and be submitted as follows: Director, Multi-family Housing Processing Division, Rural Housing Service, US Department of Agriculture, South Agriculture Building, Room 5337 (stop 0781), 1400 Independence Ave., SW, Washington, DC 20250. Lenders shall submit an original and two copies (a FAX copy is NOT acceptable) of the application to the above address by the application deadline.

FOR FURTHER INFORMATION CONTACT: Patrick Sheridan, Chief, Management Branch, Multi-Family Housing Portfolio Management Division, US Department of Agriculture, South Agriculture Building, Room 5321 (stop 0782), 1400 Independence Ave., SW, Washington, DC 20250. Telephone: (202) 720-1600. (This number is not toll-free.) Hearing- or speech-impaired persons may access that number by calling toll-free the Federal Information Relay Service at (800) 877-8339.

SUPPLEMENTARY INFORMATION: On March 28, 1996, President Clinton signed the "Housing Opportunity Program Extension Act of 1996," Public Law 104-120. One of the actions was the authorization of the section 538 Rural Rental Housing Guaranteed Loan Program. The program is intended to reach the needs of rural America by complimenting the section 515 Rural Rental Housing Direct Loan Program. It is anticipated that beneficiaries of the program will be rural residents with low and moderate incomes provided rental housing through the use of loan guarantees. Partnership opportunities exist to utilize the section 538 program with other affordable housing programs.

In Fiscal Year (FY) 1996, approximately \$25 million is available under the section 538 demonstration program that was funded under the "Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1996," Public Law 104-37. If the program is extended, final regulations will be developed based on information gathered during administration of the demonstration program.

I. Purpose and Program Summary

Public Law 104-37 provided funds to the Department to implement a multifamily mortgage guarantee demonstration program subject to enactment of authorizing legislation. Public Law 104-120 provided authorization for that program with qualified lenders, the purpose of which is to demonstrate the effectiveness of providing new forms of Federal credit enhancement for the development of affordable multifamily housing by lenders.

The program has been designed to increase the supply of affordable multifamily housing through partnerships between RHS and major lending sources, as well as State and local housing finance agencies and bond issuers. Qualified lenders will be authorized to originate, underwrite, and close loans for multifamily housing projects requiring new construction. RHS will guarantee such loans upon presentation and review of appropriate certifications, project information and satisfactory completion of the appropriate level of environmental review by RHS. Lenders will be responsible for the full range of loan management, servicing, and property disposition activities associated with these projects. The lender will be expected to provide servicing or contract for servicing of each loan it underwrites. RHS, in turn, commits to pay up to a maximum of 90 percent of the outstanding principal and interest mortgage balance in the case of default of the loan and filing of a claim.

II. Eligible Housing and Tenants

A loan may be guaranteed only if the loan is generally used for the development costs of housing and related facilities as such term is defined in 7 CFR 1944.205 that also meet the following criteria:

(a) **Occupancy Requirements.** The housing must be available for occupancy only by low or moderate income families or persons, whose incomes at the time of initial occupancy do not exceed 115 percent of the median income of the area. After initial occupancy, a tenant's income may exceed these limits.

(b) **Location.** Projects must be located in areas considered eligible as defined in 7 CFR 1944.10. The eligible areas are the same as those eligible under the section 515 program.

(c) **Minimum Project Size.** Projects must consist of 5 or more rental dwelling units. The site may consist of two or more noncontiguous parcels of land situated so as to comprise a readily

marketable real estate entity within an area small enough to allow convenient and efficient management.

(d) **Types of Housing.** For the purposes of the demonstration program, only proposals for new construction will be considered. The complexes may contain units that are detached, semi-detached, row houses, or multifamily structures.

(e) **Housing Standards.** The standards established under 7 CFR part 1944, subpart E for housing and related facilities assisted under section 515 shall generally apply to housing and related facilities, the development costs of which are financed in whole or in part with a loan guaranteed under this program. The Agency anticipates and will guarantee loans in which the fees and the proposed housing may exceed the amounts or size allowances and amenities contained in 7 CFR part 1944, subpart E provided such costs and features are generally found in similar housing proposals for similar income families in the market area. Such costs, features and amenities may include larger units, dishwashers, microwaves, increased and multi-purpose community spaces, developer's fees, etc. For loans where RHS is requested to provide interest credits, the proposed housing must more closely follow the standards contained in 7 CFR part 1944, subpart E.

(f) **Tenant Protections.** The standards for the treatment of tenants of housing developed using amounts from a loan guaranteed under this program shall incorporate standards for lease and grievance procedures and tenant appeals of adverse actions used under the section 515 Rural Rental Housing Program.

(g) **Fair Housing and Equal Opportunity.** No person shall be subjected to discrimination because of race, color, religion, sex, disability, familial status, or national origin in the sale, rental or advertising of dwellings, in the provisions of brokerage services, or in the availability of residential real estate related transactions involving RHS or housing in the Rural Development mission area.

(h) **Environmental.** The environmental requirements established under 7 CFR part 1940, subpart G, for housing and related facilities under the section 515 program shall apply to housing and related facilities under the section 538 program.

(i) **Preservation.** The housing developed will remain available for occupancy as provided in paragraph II (a) of this notice, for the period of the original term of the loan guaranteed unless the housing is acquired by

foreclosure (or instrument in lieu of foreclosure) or the Administrator waives the applicability of such requirement for the loan only after determining, based on objective information, that:

(1) There is no longer a need for low- and moderate-income housing in the market area in which the housing is located;

(2) Housing opportunities for low-income households and minorities will not be reduced as a result of the waiver; and

(3) Additional Federal assistance will not be necessary as a result of the waiver.

(j) It is anticipated that complexes developed under this program may utilize other affordable housing programs such as the Low Income Housing Tax Credit, tax-exempt or taxable bonds, HOME Investment Partnerships Program (HOME) funds, and other State or locally funded tenant assistance or grants.

III. Loans Eligible for Guarantee

(a) **Eligible Borrowers.** A loan guaranteed under this program may be made to a nonprofit organization, an agency or body of any State government or political subdivision thereof, or a private entity.

(b) **Loan Terms.** Each loan guaranteed shall:

(1) Provide for complete amortization by periodic payments to be made for a term not to exceed 40 years;

(2) Involve a fixed rate of interest agreed upon by the borrower and the lender that does not exceed the maximum allowable rate established by the Administrator. For purposes of the demonstration program, the maximum allowable rate is 300 basis points over the 30-year Treasury Bond Rate as published in the Wall Street Journal as of the business day previous to the business day the rate is set;

(3) Involve a principal obligation (including initial service charges, appraisal, inspection, and other reasonable fees) not to exceed:

(i) In the case of a borrower that is a nonprofit organization or an agency or body of any State or local government, up to 97 percent of the development costs of the housing and related facilities or the value of the housing and facilities, whichever is less;

(ii) In the case of a borrower that is a for-profit entity or other entity not referred to in paragraph III(b)(3)(i) of this notice, up to 90 percent of the development costs of the housing and related facilities, whichever is less;

(iii) In the case of any borrower, for such part of the property as may be attributable to dwelling use, the

applicable maximum per unit dollar amount limitations under section 207(c) of the National Housing Act; and

(iv) In the case of a borrower utilizing Low Income Housing Tax Credits, a review will be conducted in conjunction with the applicable tax credit administration entity to determine if the proposal is in conformance with subsidy layering requirements.

(4) Be secured by a first mortgage on the housing and related facilities for which the loan is made, or in the case where the loan upon which the RHS guarantee is requested is not the primary funding source, be secured by a parity lien;

(5) May be a permanent loan or a combination construction and permanent loan; and

(6) For 20 percent of the loans made under the demonstration program, RHS shall provide the borrower with assistance in the form of interest credits to the extent necessary to reduce the rate of interest under paragraph III(b)(2) of this notice to the applicable Federal rate, as such term is used in section 42(l)(2)(D) of the Internal Revenue Code of 1986.

(c) Refinancing of Loans Made Under the Program. Any loan guaranteed under the program may be refinanced and extended in accordance with the terms and conditions that the Agency shall prescribe, but in no event for an additional amount or term that exceeds the limitations under paragraph III(b) of this notice.

(d) Nonassumption. The borrower under a loan that is guaranteed under this program and under which any portion of the principal obligation or interest remains outstanding may not be relieved of liability with respect to the loan, notwithstanding the transfer of property for which the loan was made. Loans guaranteed under this program may be made on a recourse or nonrecourse basis.

(e) Issuance of Guarantee on Permanent Loans. Guarantees may be issued on permanent loans financing new construction once the final certificate of occupancy for the complex has been issued by the appropriate governmental body.

IV. Guarantee Provisions

(a) Lender eligibility. Those lenders currently approved and considered eligible by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, or the Department of Housing and Urban Development for guaranteed loan programs supporting multifamily housing will be considered approved lenders for this demonstration program.

Lenders may use their own underwriting standards and loan terms and conditions with approval from RHS subject to statutory program constraints. In addition, State Housing Finance Agencies (HFAs) are also considered eligible lenders to participate in the demonstration program provided they demonstrate they have the ability to underwrite, originate, process, close, service, manage, and dispose of multifamily housing loans in a prudent manner.

(b) Extent of Guarantee. RHS will guarantee repayment of an amount not exceeding 90 percent of the total of the amount of the unpaid principal and interest of the loan.

(c) Guarantee Fee. At the time of issuance of a loan guarantee under this program, RHS will collect a fee equal to 1 percent of the guaranteed principal obligation of the loan from the lender.

(d) Transferability of the Guarantee. It is anticipated that loans guaranteed under this program may be sold into the secondary market. The guarantee may be transferred to other eligible lenders with the written consent of RHS.

(e) Payment Under Guarantee.

(1) Notice of default. In the event of default under the loan documents by the borrower on a loan guaranteed, the holder of the guarantee certificate for the loan shall provide written notice of the default to the Administrator.

(2) Lenders will be required to discuss future servicing strategies with RHS prior to proceeding to liquidation. Before any payment under a guarantee is made, the holder of the guarantee certificate must exhaust all reasonable possibilities of collection on the loan guaranteed.

(3) Foreclosure. After receiving notice under paragraph IV(e)(1) of this notice and providing written notice of action to RHS, the holder of the guarantee certificate for the loan may initiate foreclosure proceedings, with the concurrence of RHS, in a court of competent jurisdiction, to obtain possession of the security property. After the court issues a final order authorizing foreclosure on the property, the holder of the certificate shall be entitled to payment by RHS under the guarantee upon:

(i) Conveyance to RHS of title to the security property;

(ii) Submission to RHS of a claim for payment under the guarantee; and

(iii) Assignment to RHS of all the claims of the holder of the guarantee against the borrower or others arising out of the loan transaction or foreclosure proceedings, except claims released with the consent of RHS.

(4) Acceptance of the Assignment by RHS. After receiving notice under paragraph IV(e)(1) of this notice, RHS may accept assignment of the loan if RHS determines that the assignment is in the best interests of the United States. Assignment of a loan under this paragraph shall include conveyance to RHS of all rights and interests arising under the loan, and assignment to RHS of all claims against the borrower or others arising out of the loan transaction. Upon assignment of a loan under this paragraph, the holder of a guarantee for the loan shall be entitled to payment by RHS under the guarantee. Upon payment, in whole or in part, to the holder, the note or judgment evidencing the debt shall be assigned to the United States and the holder shall have no further claim against the borrower or the United States.

V. Demonstration Selection Criteria

(a) The Agency intends under the demonstration program to fund varying financing proposals to help determine the areas of need, the types of financing packages possible and the demand in the various eligible market areas. Selection of proposals under this demonstration program will be based on the following criteria:

(1) Flexibility, innovation and variation of funding models;

(2) Partnering and leveraging;

(3) No more than one viable application will be selected in any State (unless the number of viable applications are limited and sufficient funds remain to allow more than one application in any one State); and

(4) Administrator's discretion in order to effectively use funding to best explore program structure and effectiveness consistent with the best interests of the Government.

(b) For 20 percent of the loans made under the demonstration program, RHS shall provide the borrower with interest credits to the extent necessary to reduce the rate of the loan to the applicable Federal rate. Proposals that could be viable with or without interest credits are encouraged to submit an application showing financial and market feasibility under either scenario. Applications proposing to receive interest credit will be selected using the following criteria:

(1) Geographical location with emphasis on smaller rural communities versus larger rural communities;

(2) The most needy communities based on income limits;

(3) Commitments by the applicant to maintain occupancy standards throughout the term of the loan for families with low and moderate

incomes, with a priority at initial occupancy for low income families.

(4) The lowest overall proportional effective subsidy cost to the Government when section 521 interest credit is involved.

VI. Review Criteria

RHS will review each request for participation under the demonstration program to determine if the lender and the proposal meet all the requirements of this notice and the lender demonstrates the ability to underwrite, originate, process, close, service, manage, and dispose of multifamily loans in a prudent manner. Applications will be reviewed to determine financial feasibility, compliance with cost limitations, and market need of the proposal. RHS will review each application for compliance with subsidy layering requirements of the Act. RHS also reserves the right to negotiate with potential lenders over the scope of the proposal to ensure the best interests of the Government and objectives of the demonstration program are achieved.

It is the policy of RHS to consider environmental quality as equal with economic, social, and other relevant factors in program development and decision making. Proposals which have the potential for adverse impact to protected resources (wetlands, floodplains, and important farmland, for example) will receive low priority, since the brief period of time allocated for obligation of funds may be insufficient for RHS to satisfactorily complete the environmental review process if the proposal has adverse environmental impacts. Therefore, it is important that lenders and applicants submit proposals which minimize the potential to adversely impact the environment.

Since RHS will complete the appropriate environmental review at the field level, the appropriate field office will need certain information from the lender or applicant in order to complete the environmental review. Lenders or applicants who plan to file an application should call *at the earliest date possible* for directions on how to contact the applicable field office.

VII. Other Matters

(a) *Environmental Finding*. A Finding of No Significant Impact with respect to the environment has been made in accordance with RHS regulations at 7 CFR part 1940, subpart G.

(b) *Civil Rights Impact Analysis*. It is the policy within the Rural Development mission area to ensure that the consequences of any proposed project approval do not negatively or disproportionately affect program

beneficiaries by virtue of race, color, sex, national origin, religion, age, disability, marital or familial status. To ensure that any proposal under this demonstration program complies with these objectives, the RHS approval official will complete Form RECD 2006-38, "Civil Rights Impact Analysis Certification."

(c) *Executive Order 12612, Federalism*. The General Counsel, as the Designated Official under section 6(a) of Executive Order 12612, Federalism, has determined that the policies and procedures contained in this Notice will not have substantial direct effects on States or their political subdivisions, or the relationship between the federal government and the States, or on the distribution of power and responsibilities among the various levels of government. As a result, the Notice is not subject to review under the Order.

(d) *Prohibition Against Advance Information on Funding Decisions*. The requirements of the rule continue to apply until the announcement of the selection of successful applicants. RHS employees involved in the review of applications and in the making of funding decisions are restricted from providing advance information to any person (other than an authorized employee of RHS) concerning funding decisions, or from otherwise giving any applicant an unfair competitive advantage.

(e) *Paperwork Reduction Act*. The information collection requirements within this notice are covered under OMB Nos. 0575-0042, 0575-0047, 0575-100, 0575-0024, 0575-0029, and 0075-0137.

Dated: June 27, 1996.

Maureen Kennedy,

Administrator, Rural Housing Service.

[FR Doc. 96-16866 Filed 6-27-96; 4:08 pm]

BILLING CODE 3410-07-U

DEPARTMENT OF COMMERCE

Bureau of the Census

Broadwoven Fabrics (Gray) Average Weight and Width Study—MC22T Supplement

ACTION: Proposed agency information collection activity; comment request.

SUMMARY: The Department of Commerce, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information

collections, as required by the Paperwork Reduction Act of 1995, Pub. L. 104-13 (44 U.S.C. 3506(c)(2)(A)).

DATES: Written comments must be submitted on or before September 3, 1996.

ADDRESSES: Direct all written comments to Linda Engelmeier, Acting Departmental Forms Clearance Officer, Department of Commerce, Room 5327, 14th and Constitution Avenue, NW., Washington, DC 20230.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the information collection instrument(s) and instructions should be directed to Robert Reinard, Bureau of the Census, Room 2132 FB-4, Washington, DC 20233, Telephone (301) 457-4637.

SUPPLEMENTARY INFORMATION:

I. Abstract

The Census Bureau plans to conduct a study of Broadwoven Fabrics (Gray) Average Weight and Width. This study is conducted every five years and used to be part of the Census of Manufactures. To minimize the reporting burden and the cost to the Government and also to improve the timeliness of the report, it has been conducted separately for the past six censuses. The results of the survey provide Government and industry analysts with conversion factors to measure the relationship between fabric yardage produced and the volume of fiber consumed. These changes reflect the constant changes in fabric fiber content and machinery used by the textile industry.

II. Method of Collection

The Census Bureau will use mail out/mail back survey forms to collect data. Companies will be asked to respond to the survey within 15 days of the initial mailing. Telephone calls and/or letters encouraging participation will be mailed to respondents that have not responded by the designated time.

III. Data

OMB Number: 0607-0752.

Form Number: MC-22T.

Type of Review: Regular Review.

Affected Public: Businesses, Other for Profit Institutions.

Estimated Number of Respondents: 350.

Estimated Time Per Response: 3 hours.

Estimated Total Annual Burden Hours: 1,050.

Estimated Total Annual Cost: 28,000.