Housing and Urban Development, 451 7th Street SW., Room 2000; Washington, DC 20410.

SUPPLEMENTARY INFORMATION:

I. Background

RAD, authorized by the Consolidated and Further Continuing Appropriations Act, 2012, (Pub. L. 112–55, signed November 18, 2011) (2012 Appropriations Act) allows for the conversion of assistance under the public housing, Rent Supp, RAP, and Moderate Rehabilitation (Mod Rehab) programs (collectively, ''covered programs'') to long-term, renewable assistance under Section 8 of the United States Housing Act of 1937. As provided in the **Federal Register** notice that HUD published on March 8, 2012, at 77 FR 14029, RAD has two separate components. This **Federal Register** notice applies only to the second component of RAD.

The second component of RAD, which is covered under Sections II and III of the Partial Implementation Notice (PIH Notice 2012–18), allows owners of projects funded under the Rent Supp, RAP and Mod Rehab programs with a contract expiration or termination occurring after October 1, 2006, and no later than September 30, 2013, to convert tenant protection vouchers (TPVs) to project-based vouchers (PBVs). There is no cap on the number of units that may be converted under this component of RAD and no requirement for competitive selection. While these conversions are not necessarily subject to current funding levels for each project or a unit cap similar to public housing conversions, the rents will be subject to rent reasonableness under the PBV program and are subject to the availability of overall appropriated amounts for TPVs.

II. Instructions for Processing of RAD Conversion Requests Submitted Under PIH Notice 2012–18, Rental Assistance Demonstration: Partial Implementation and Request for Comments

PIH Notice 2012–18 authorized owners of Rent Supp and RAP properties to submit requests for conversion of assistance under the terms and conditions enumerated in that Notice. The Partial Implementation Notice (PIH Notice 21012–18) stated that ''any Rent Supp or RAP projects that convert their assistance prior to the issuance of the Final Notice will be governed by the terms of this interim authority. Any subsequent conversions will be subject to any future instructions issued by HUD in the Final Notice.''

HUD received several written requests under the Partial Implementation Notice (PIH Notice 2012–18) to convert Rent Supp and RAP assistance under RAD prior to publication of the Final Notice (PIH Notice 2012–32) on July 26, 2012. These requests involved prospective conversions—requests to convert assistance in anticipation of a triggering event (a contract expiration or mortgage prepayment). Several conversions were still in progress at the time of publication of the Final Notice on July 26, 2012. Those owners that submitted requests to HUD Multifamily field offices to convert assistance, and for which conversion processing was underway following publication of the Partial Implementation Notice (PIH Notice 2012–18), may proceed to complete RAD conversions under the terms and requirements of the Partial Implementation Notice (PIH Notice 2012–18), provided that the Multifamily field office received a written request and/or supplemental materials from the owner or owner's representative to convert Rent Supp or RAP assistance to PBV assistance during the time period from March 8, 2012 (the date of publication of the Partial Implementation Notice (PIH Notice 2012–18)) through July 26, 2012 (the date of publication of the Final Notice (PIH Notice 2012–32)). The written request and/or supplemental materials submitted to the Multifamily field office during this time period must have included the following:

1. Information on the number of units proposed for the conversion and information on the triggering event (Rent Supp or RAP contract expiration or mortgage prepayment) anticipated prior to September 30, 2013; and

2. Evidence of owner actions completed, or in progress, to meet tenant notification and tenant comment requirements. Acceptable evidence includes one or more of the following: a draft tenant notification letter; written request to the Multifamily field office staff to schedule the required resident briefing; a copy of a dated tenant notification letter posted at the property, with a date during the period from March 8, 2012 through July 26, 2012; written confirmation that a resident briefing had been held during the period from March 8, 2012 through July 26, 2012; a copy of a resident sign-in sheet from the required RAD tenant briefing; a listing of tenant comments received during the RAD resident comment period; and/or a written description of how the owner or owner's representative responded to these comments; and

3. Information on the owner or property's compliance with business practices, including at least one of the following: REAC score; Management and Occupancy Review rating; and/or information on proposed management agent or proposed purchaser.

If the above conditions are met, the Department will continue to work with the owner to process the conversion request under the terms and conditions of the Partial Implementation Notice (PIH Notice 2012–18). Such requests will be subject to a 45-day grace period. Owners must meet all submission requirements of PIH Notice 2012–18 within 45 calendar days following publication of this **Federal Register** notice, which is the date provided for this purpose under the **DATES** heading at the beginning of this notice.

Any RAD request that does not meet all submission requirements detailed in PIH Notice 2012–18 within this 45-day period will be rejected in writing. The owner shall have the option to submit a new RAD conversion request under the terms and requirements of the Final Notice, PIH Notice 2012–32.

To the extent that any submission requirements or deadlines in PIH Notice 2012–18 or PIH Notice 2012–32 are not consistent with this notice, this notice governs.

Dated: September 24, 2012.

Sandra B. Henriquez,

Assistant Secretary for Public and Indian Housing.

Carol J. Galante,

Acting Assistant Secretary for Housing-Federal Housing Commissioner.

[FR Doc. 2012–23910 Filed 9–27–12; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5652–N–01]

Statutorily Mandated Designation of Difficult Development Areas for 2013

AGENCY: Office of the Secretary, Department of Housing and Urban Development.

ACTION: Notice.

SUMMARY: This notice designates ''Difficult Development Areas'' (DDAs) for purposes of the Low-Income Housing Tax Credit (LIHTC) under Section 42 of the Internal Revenue Code of 1986 (IRC). The United States Department of Housing and Urban Development (HUD) makes DDA designations annually. In addition to announcing the 2013 DDA designations, this notice responds to public comment received in response to the proposed use of Small Area Fair Market Rents (FMRs) for designating DDAs as

published in the notice ''Statutorily Mandated Designation of Difficult Development Areas and Qualified Census Tracts for 2012'', published in the **Federal Register** on October 27, 2011. After considering the public comments, HUD has decided to delay by one year the adoption of small area DDAs. The 2014 DDAs will be published in a separate notice at a later date after further consideration of the Small DDA concept.

Qualified Census Tracts (QCTs) for 2013 were previously designated in a notice published in the **Federal Register** on April 20, 2012.

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 pertaining to Section 42, 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 202–622–3040, fax number 202–622–4753. For questions about the ''HUB Zones'' program, contact Mariana Pardo, Assistant Administrator for Procurement Policy, Office of Government Contracting, Small Business Administration, 409 Third Street SW., Suite 8800, Washington, DC 20416; telephone number 202–205–8885, fax number 202–205–7167, or send an email to *hubzone@sba.gov*. A text telephone is available for persons with hearing or speech impairments at 202–708–8339. (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, including the 2013 DDAs, are available electronically on the Internet at *http://www.huduser.org/datasets/qct.html*.

SUPPLEMENTARY INFORMATION:

This Notice

This notice designates DDAs for each of the 50 states, the District of Columbia, Puerto Rico, American Samoa, Guam, the Northern Mariana Islands, and the U.S. Virgin Islands. The designations of DDAs in this notice, which are attached to this notice, are based on final Fiscal Year (FY) 2012 Fair Market Rents (FMRs), FY2012 income limits, and 2010 Census population counts.

This notice also responds to public comment HUD requested on the use of Small Area FMRs, estimated at the ZIP-code level and based on the relationship of ZIP-code rents to metropolitan area rents, as the housing cost component of the DDA formula rather than metropolitan-area FMRs (October 27, 2011, 76 FR 66741). HUD continues to believe that the small area concept best targets areas with high development costs, however, the Department has decided to delay the implementation for one year.

2010 Census, 2000 Census, and Metropolitan Area Definitions

Data from the 2010 Census on total population of metropolitan areas and nonmetropolitan areas are used in the designation of DDAs. The Office of Management and Budget (OMB) first published new metropolitan area definitions incorporating 2000 Census data in OMB Bulletin No. 03–04 on June 6, 2003, and updated them periodically through OMB Bulletin No. 10–02 on December 1, 2009. FY2012 FMRs and FY2012 income limits used to designate DDAs are based on these metropolitan statistical area (MSA) definitions, with modifications to account for substantial differences in rental housing markets (and, in some cases, median income levels) within MSAs.

Background

The U.S. Department of the Treasury (Treasury) and its Internal Revenue Service (IRS) are authorized to interpret and enforce the provisions of the IRC (26 U.S.C. 42), including the LIHTC found at Section 42. The Secretary of HUD is required to designate DDAs and QCTs by IRC Section 42(d)(5)(B). In order to assist in understanding HUD's mandated designation of DDAs and QCTs for use in administering IRC Section 42, a summary of the section is provided. The following summary does not purport to bind Treasury or the IRS in any way, nor does it purport to bind HUD, since HUD has authority to interpret or administer the IRC only when it receives explicit statutory delegation.

Summary of the Low-Income Housing Tax Credit

The LIHTC is a tax incentive intended to increase the availability of low-income housing. IRC Section 42 provides an income tax credit to owners of newly constructed or substantially rehabilitated low-income rental housing projects. The dollar amount of the LIHTC available for allocation by each state (credit ceiling) is limited by population. Each state is allowed a credit ceiling based on a statutory formula indicated at IRC Section 42(h)(3). States may carry forward unallocated credits derived from the credit ceiling for one year; however, to the extent such unallocated credits are not used by then, the credits go into a national pool to be redistributed to states as additional credit. State and local housing agencies allocate the state's credit ceiling among low-income housing buildings whose owners have applied for the credit. Besides IRC Section 42 credits derived from the credit ceiling, states may also provide IRC Section 42 credits to owners of buildings based on the percentage of certain building costs financed by tax-exempt bond proceeds. Credits provided under the tax-exempt bond ''volume cap'' do not reduce the credits available from the credit ceiling.

The credits allocated to a building are based on the cost of units placed in service as low-income units under particular minimum occupancy and maximum rent criteria. In general, a building must meet one of two thresholds to be eligible for the LIHTC; either: (1) 20 percent of the units must be rent-restricted and occupied by tenants with incomes no higher than 50 percent of the Area Median Gross Income (AMGI), or (2) 40 percent of the units must be rent-restricted and occupied by tenants with incomes no higher than 60 percent of AMGI. A unit is ''rent-restricted'' if the gross rent, including an allowance for tenant-paid utilities, does not exceed 30 percent of the imputed income limitation (i.e., 50 percent or 60 percent of AMGI) applicable to that unit. The rent and occupancy thresholds remain in effect for at least 15 years, and building owners are required to enter into agreements to maintain the low-income character of the building for at least an additional 15 years.

The LIHTC reduces income tax liability dollar-for-dollar. It is taken annually for a term of 10 years and is intended to yield a present value of either: (1) 70 percent of the ''qualified basis'' for new construction or substantial rehabilitation expenditures that are not federally subsidized (as defined in IRC Section 42(i)(2)), or (2) 30 percent of the qualified basis for the cost of acquiring certain existing buildings or projects that are federally subsidized. The actual credit rates are adjusted monthly for projects placed in service after 1987 under procedures specified in IRC Section 42. Individuals

can use the credits up to a deduction equivalent of $25,000 (the actual maximum amount of credit that an individual can claim depends on the individual's marginal tax rate). For buildings placed in service after December 31, 2007, individuals can use the credits against the alternative minimum tax. Corporations, other than S or personal service corporations, can use the credits against ordinary income tax, and, for buildings placed in service after December 31, 2007, against the alternative minimum tax. These corporations also can deduct losses from the project.

The qualified basis represents the product of the building's ''applicable fraction'' and its ''eligible basis.'' The applicable fraction is based on the number of low-income units in the building as a percentage of the total number of units, or based on the floor space of low-income units as a percentage of the total floor space of residential units in the building. The eligible basis is the adjusted basis attributable to acquisition, rehabilitation, or new construction costs (depending on the type of LIHTC involved). These costs include amounts chargeable to a capital account that are incurred prior to the end of the first taxable year in which the qualified low-income building is placed in service or, at the election of the taxpayer, the end of the succeeding taxable year. In the case of buildings located in designated DDAs or designated QCTs, eligible basis can be increased up to 130 percent from what it would otherwise be. This means that the available credits also can be increased by up to 30 percent. For example, if a 70 percent credit is available, it effectively could be increased to as much as 91 percent.

IRC Section 42 defines a DDA as an area designated by the Secretary of HUD that has high construction, land, and utility costs relative to the AMGI. All designated DDAs in metropolitan areas (taken together) may not contain more than 20 percent of the aggregate population of all metropolitan areas, and all designated areas not in metropolitan areas may not contain more than 20 percent of the aggregate population of all nonmetropolitan areas.

IRC Section 42(d)(5)(B)(v) allows states to award an increase in basis up to 30 percent to buildings located outside of federally designated DDAs and QCTs if the increase is necessary to make the building financially feasible. This state discretion applies only to buildings allocated credits under the state housing credit ceiling and is not permitted for buildings receiving credits in connection with tax-exempt bonds. Rules for such designations shall be set forth in the LIHTC-allocating agencies' qualified allocation plans (QAPs).

Response to Public Comment on Designating Metropolitan DDAs Using Small Area FMRs

On October 27, 2011 (76 FR 66741), HUD published a notice announcing the 2012 Difficult Development Area (DDA) designations and sought public comments on a major policy change in the method of designating metropolitan DDAs starting with the 2013 designations. The methodology proposed in that notice uses Small Area Fair Market Rents (SAFMRs) defined at the ZIP Code level within metropolitan areas rather than existing Fair Market Rents (FMRs) established for HUD metropolitan FMR areas (HFMAs). Under the methodology described in that notice, zip code areas rather than HFMAs would be ranked according to a ratio comparing ''construction, land, and utility costs relative to area median gross income.''

The public comment period on this notice closed on December 27, 2011. HUD received 6 public comments in response to the October 27, 2011 notice during the official public comment period defined in the notice; however, one commenter submitted 2 separate comments identical in substance. Overall, one commenter supported the proposal while the remaining expressed opposition. The commenter supported the proposal because the small area DDA concept would reach more than double the number of metropolitan areas and more than triple the number of states. The commenter also stated that use of SAFMRs to set DDAs encourages balance between low-and high-poverty neighborhoods under the LIHTC basis boost.

The commenters in opposition expressed several reasons. First, two commenters stated that HUD has not furnished any data to substantiate this proposal. HUD acknowledges that the evaluative list of metropolitan zip codes that would be designated Small Area DDAs using this methodology and based on the data available to HUD at the time of publication was released near the end of the comment period. However, the list continues to be available at *http://www.huduser.org/portal/datasets/qct.html*. The commenters also stated, ''It is inappropriate and premature to use SAFMRs for anything other than the current demonstration [of their use in the Housing Choice Voucher program].'' HUD notes, however, that whether SAFMRs are expanded for use in the Housing Choice Voucher program is irrelevant to the decision of using the areas as the unit of geography for DDA designation.

One commenter stated that HUD's proposal imposes burdens on cities with high housing costs, specifically, New York City. HUD acknowledges that DDA designations in cities with high housing costs, which were traditionally designated as DDAs in their entirety year after year, would be more limited since less than 100 percent of the metropolitan area would be eligible for the basis boost. However, many other metropolitan areas, some of which ranked just outside of the population-capped designation list, have high-cost areas which burden their cities' development and are also in need of federal assistance.

Finally, one commenter stated, ''Along with the data problems of using ZIP-Code gross rent as an indicator, it is simply a false measure for high costs in a densely built, vertical city like New York.'' HUD acknowledges the shortcomings of using gross rent as an indicator. However, the Department believes that FMRs are the best indicator of construction, utility and land costs that is available consistently and uniformly for all areas across the country. House Report No. 101–247, September 20, 1989 [To accompany H.R. 3299, the Omnibus Budget Reconciliation Act of 1989] states that the Secretary of HUD may use market rents as a proxy for construction, land and utility costs. Thus, HUD's methodology follows Congressional intent. The commenter recommended that, ''HUD permit an opt-out policy for high-cost cities with a high ratio of low-income households to vacant, affordable rental housing.'' The LIHTC statute states that the term ''difficult development area'' is ''an area which has a high construction, land, and utility costs relative to area median gross income.'' It does not state that the number of low-income households or the availability of affordable housing is to be used as criteria for DDA designations.

After consideration of these comments, and others submitted informally after the end of official public comment period, HUD has decided to delay the implementation of the small area DDAs for one year. Updates on the implementation of the small area concept, including any proposed changes in the calculation methodology and an updated list of anticipated areas designated, will be provided on *http://www.huduser.org/*. The Department expects to publish the final list of 2014 small area DDAs in the first half of 2013.

Explanation of HUD Designation Methodology

A. Difficult Development Areas

In developing the list of DDAs, HUD compared housing costs with incomes. HUD used 2010 Census population for metropolitan and nonmetropolitan areas, and the MSA definitions, as published in OMB Bulletin No. 10–02 on December 1, 2009, with modifications, as described below. In keeping with past practice of basing the coming year's DDA designations on data from the preceding year, the basis for these comparisons is the FY2012 HUD income limits for very low-income households (very low-income limits, or VLILs), which are based on 50 percent of AMGI, and metropolitan FMRs based on the Final FY2012 FMRs used for the Housing Choice Voucher (HCV) program.

In formulating the FY2012 VLILs, HUD modified the current OMB definitions of MSAs to account for substantial differences in rents among areas within each new MSA that were in different FMR areas under definitions used in prior years. HUD formed these ''HUD Metro FMR Areas'' (HMFAs) in cases where one or more of the parts of newly defined MSAs that previously were in separate FMR areas had 2000 Census based 40th-percentile recent-mover rents that differed, by 5 percent or more, from the same statistic calculated at the MSA level. In addition, a few HMFAs were formed on the basis of very large differences in AMGIs among the MSA parts. All HMFAs are contained entirely within MSAs. All nonmetropolitan counties are outside of MSAs and are not broken up by HUD for purposes of setting FMRs and VLILs. (Complete details on HUD's process for determining FY2012 FMR areas and FMRs are available at *http://www.huduser.org/portal/datasets/fmr/fmrs/docsys.html&data=fmr12*. Complete details on HUD's process for determining FY2012 income limits are available at *http://www.huduser.org/portal/datasets/il/il12/index.html*.)

HUD's unit of analysis for designating metropolitan DDAs consists of: entire MSAs, in cases where these were not broken up into HMFAs for purposes of computing FMRs and VLILs; and HMFAs within the MSAs that were broken up for such purposes. Hereafter in this notice, the unit of analysis for designating metropolitan DDAs will be called the HMFA, and the unit of analysis for nonmetropolitan DDAs will be the nonmetropolitan county or county equivalent area. The procedure used in making the DDA calculations follows:

1. For each metropolitan HMFA and each nonmetropolitan county, HUD calculated a ratio. HUD used the final FY2012 two-bedroom FMR and the FY2012 four-person VLIL for this calculation.

a. The numerator of the ratio, representing the development cost of housing, was the area's final FY2012 FMR. In general, the FMR is based on the 40th-percentile gross rent paid by recent movers to live in a two-bedroom apartment. In metropolitan areas granted a FMR based on the 50th-percentile rent for purposes of improving the administration of HUD's HCV program (see 76 FR 52058), HUD used the 40th-percentile rent to ensure nationwide consistency of comparisons.

b. The denominator of the ratio, representing the maximum income of eligible tenants, was the monthly LIHTC income-based rent limit, which was calculated as 1/12 of 30 percent of 120 percent of the area's VLIL (where the VLIL was rounded to the nearest $50 and not allowed to exceed 80 percent of the AMGI in areas where the VLIL is adjusted upward from its 50 percent-of-AMGI base).

2. The ratios of the FMR to the LIHTC income-based rent limit were arrayed in descending order, separately, for HMFAs and for nonmetropolitan counties.

3. The DDAs are those with the highest ratios cumulative to 20 percent of the 2010 population of all metropolitan areas and all nonmetropolitan areas.

B. Application of Population Caps to DDA Determinations

In identifying DDAs, HUD applied caps, or limitations, as noted above. The cumulative population of metropolitan DDAs cannot exceed 20 percent of the cumulative population of all metropolitan areas, and the cumulative population of nonmetropolitan DDAs cannot exceed 20 percent of the cumulative population of all nonmetropolitan areas.

In applying these caps, HUD established procedures to deal with how to treat small overruns of the caps. The remainder of this section explains those procedures. In general, HUD stops selecting areas when it is impossible to choose another area without exceeding the applicable cap. The only exceptions to this policy are when the next eligible excluded area contains either a large absolute population or a large percentage of the total population, or the next excluded area's ranking ratio, as described above, was identical (to four decimal places) to the last area selected, and its inclusion resulted in only a minor overrun of the cap. Thus, for both the designated metropolitan and nonmetropolitan DDAs, there may be minimal overruns of the cap. HUD believes the designation of additional areas in the above examples of minimal overruns is consistent with the intent of the IRC. As long as the apparent excess is small due to measurement errors, some latitude is justifiable, because it is impossible to determine whether the 20 percent cap has been exceeded. Despite the care and effort involved in a Decennial Census, the Census Bureau and all users of the data recognize that the population counts for a given area and for the entire country are not precise. Therefore, the extent of the measurement error is unknown. There can be errors in both the numerator and denominator of the ratio of populations used in applying a 20 percent cap. In circumstances where a strict application of a 20 percent cap results in an anomalous situation, recognition of the unavoidable imprecision in the census data justifies accepting small variances above the 20 percent limit.

C. Exceptions to OMB Definitions of MSAs and Other Geographic Matters

As stated in OMB Bulletin 10–02, defining metropolitan areas:

> ''OMB establishes and maintains the definitions of Metropolitan * * * Statistical Areas, * * * solely for statistical purposes. * * * OMB does not take into account or attempt to anticipate any non-statistical uses that may be made of the definitions[.] In cases where * * * an agency elects to use the Metropolitan * * * Area definitions in nonstatistical programs, it is the sponsoring agency's responsibility to ensure that the definitions are appropriate for such use. An agency using the statistical definitions in a nonstatistical program may modify the definitions, but only for the purposes of that program. In such cases, any modifications should be clearly identified as deviations from the OMB statistical area definitions in order to avoid confusion with OMB's official definitions of Metropolitan * * * Statistical Areas.''

Following OMB guidance, the estimation procedure for the FY2012 FMRs and income limits incorporates the current OMB definitions of metropolitan areas based on the Core-Based Statistical Area (CBSA) standards, as implemented with 2000 Census data, but makes adjustments to the definitions, in order to separate subparts of these areas in cases where FMRs (and in a few cases, VLILs) would otherwise change significantly if the new area definitions were used without modification. In CBSAs where subareas are established, it is HUD's view that the geographic extent of the housing markets are not yet the same as the

geographic extent of the CBSAs, but may approach becoming so as the social and economic integration of the CBSA component areas increases.

The geographic baseline for the FMR and income limit estimation procedure is the CBSA Metropolitan Areas (referred to as Metropolitan Statistical Areas or MSAs) and CBSA Non-Metropolitan Counties (nonmetropolitan counties include the county components of Micropolitan CBSAs where the counties are generally assigned separate FMRs). The HUD-modified CBSA definitions allow for subarea FMRs within MSAs based on the boundaries of ''Old FMR Areas'' (OFAs) within the boundaries of new MSAs. (OFAs are the FMR areas defined for the FY2005 FMRs. Collectively, they include the June 30, 1999, OMB definitions of MSAs and Primary MSAs (old definition MSAs/PMSAs), metropolitan counties deleted from old definition MSAs/PMSAs by HUD for FMR-setting purposes, and counties and county parts outside of old definition MSAs/PMSAs referred to as nonmetropolitan counties). Subareas of MSAs are assigned their own FMRs and Income Limits when the subarea 2000 Census Base FMR differs significantly from the MSA 2000 Census Base FMR (or, in some cases, where the 2000 Census base AMGI differs significantly from the MSA 2000 Census Base AMGI). MSA subareas, and the remaining portions of MSAs after subareas have been determined, are referred to as ''HUD Metro FMR Areas (HMFAs),'' to distinguish such areas from OMB's official definition of MSAs.

In the New England states (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont), HMFAs are defined according to county subdivisions or minor civil divisions (MCDs), rather than county boundaries. However, since no part of an HMFA is outside an OMB-defined, county-based MSA, all New England nonmetropolitan counties are kept intact for purposes of designating Nonmetropolitan DDAs.

For the convenience of readers of this notice, the geographical definitions of designated Metropolitan DDAs are included in the list of DDAs.

Future Designations

DDAs are designated annually as updated income and FMR data are made public.

Effective Date

The 2013 lists of DDAs are effective:

(1) For allocations of credit after December 31, 2012; 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, 2012.

If an area is not on a subsequent list of DDAs, the 2013 lists are effective for the area if:

(1) The allocation of credit to an applicant is made no later than the end of the 365-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 365-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 2 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, 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.

The 2013 designations of ''Qualified Census Tracts'' under IRC Section 42 published April 20, 2012 (77 FR 23735) remain in effect. The above language regarding 2013 and subsequent designations of DDAs also applies to the designations of QCTs published April 20, 2012 and to subsequent designations of QCTs.

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 2013 DDA that is NOT a designated DDA in 2014. A complete application for tax credits for Project A is filed with the allocating agency on November 15, 2013. Credits are allocated to Project A on October 30, 2014. Project A is

eligible for the increase in basis accorded a project in a 2013 DDA because the application was filed before January 1, 2014 (the assumed effective date for the 2014 DDA lists), and because tax credits were allocated no later than the end of the 365-day period after the filing of the complete application for an allocation of tax credits.

(Case B) Project B is located in a 2013 DDA that is NOT a designated DDA in 2014 or 2015. A complete application for tax credits for Project B is filed with the allocating agency on December 1, 2013. Credits are allocated to Project B on March 30, 2015. Project B is not eligible for the increase in basis accorded a project in a 2013 DDA because, although the application for an allocation of tax credits was filed before January 1, 2014 (the assumed effective date of the 2014 DDA lists), the tax credits were allocated later than the end of the 365-day period after the filing of the complete application.

(Case C) Project C is located in a 2013 DDA that was not a DDA in 2012. Project C was placed in service on November 15, 2012. A complete application for tax-exempt bond financing for Project C is filed with the bond-issuing agency on January 15, 2013. The bonds that will support the permanent financing of Project C are issued on September 30, 2013. Project C is not eligible for the increase in basis otherwise accorded a project in a 2013 DDA, because the project was placed in service before January 1, 2013.

(Case D) Project D is located in an area that is a DDA in 2013, but is not a DDA in 2014. A complete application for tax-exempt bond financing for Project D is filed with the bond-issuing agency on October 30, 2013. Bonds are issued for Project D on April 30, 2014, but Project D is not placed in service until January 30, 2015. Project D is eligible for the increase in basis available to projects located in 2013 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 April 30, 2014, within the 365-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.

(Case E) Project E is a multiphase project located in a 2013 DDA that is not a designated DDA in 2014. The first phase of Project E received an allocation of credits in 2013, pursuant to an application filed March 15, 2013, which describes the multiphase composition of the project. An application for tax credits for the second phase Project E is filed with the allocating agency by the same entity on March 15, 2014. The second phase of Project E is located on a contiguous site. Credits are allocated to the second phase of Project E on October 30, 2014. The aggregate amount of credits allocated to the two phases of Project E exceeds the amount of credits that may be allocated to an applicant in one year under the allocating agency's QAP and is the reason that applications were made in multiple phases. The second phase of Project E is, therefore, eligible for the increase in basis accorded a project in a 2013 DDA, because it meets all of the conditions to be a part of a multiphase project.

(Case F) Project F is a multiphase project located in a 2013 DDA that is not a designated DDA in 2014. The first phase of Project F received an allocation of credits in 2013, pursuant to an application filed March 15, 2013, which does not describe the multiphase composition of the project. An application for tax credits for the second phase of Project F is filed with the allocating agency by the same entity on March 15, 2015. Credits are allocated to the second phase of Project F on October 30, 2015. The aggregate amount of credits allocated to the two phases of Project F exceeds the amount of credits that may be allocated to an applicant in one year under the allocating agency's QAP. The second phase of Project F is, therefore, not eligible for the increase in basis accorded a project in a 2013 DDA, since it does not meet all of the conditions for a multiphase project, as defined in this notice. The original application for credits for the first phase did not describe the multiphase composition of the project. Also, the application for credits for the second phase of Project F was not made in the year immediately following the first phase application year.

Findings and Certifications

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).

Federalism Impact

Executive Order 13132 (entitled ''Federalism'') prohibits an agency from publishing any policy document that has federalism implications if the document 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 as required under Section 42 of the IRC, as amended, for the use by political subdivisions of the states in allocating the LIHTC. This notice also details the technical methodology used in making such designations. As a result, this notice is not subject to review under the order.

2013 IRS SECTION 42(d)(5)(B) METROPOLITAN DIFFICULT DEVELOPMENT AREAS

(OMB Metropolitan Area Definitions, December 1, 2009 [MSA] and derived FY2012 HUD Metro FMR Area Definitions [HMFA])

State	Metropolitan Area	Metropolitan Area Components			
Arizona	Yuma, AZ MSA	Yuma County			
California	Los Angeles-Long Beach, CA HMFA	Los Angeles County			
	Orange County, CA HMFA	Orange County			
	Oxnard-Thousand Oaks-Ventura, CA MSA	Ventura County			
	Riverside-San Bernardino-Ontario, CA MSA	Riverside County	San Bernardino County		
	Salinas, CA MSA	Monterey County			
	San Diego-Carlsbad-San Marcos, CA MSA	San Diego County			
	San Francisco, CA HMFA	Marin County	San Francisco County	San Mateo County	
	Santa Barbara-Santa Maria-Goleta, CA MSA	Santa Barbara County			
	Santa Cruz-Watsonville, CA MSA	Santa Cruz County			
Florida	Cape Coral-Fort Myers, FL MSA	Lee County			
	Fort Lauderdale, FL HMFA	Broward County			
	Miami-Miami Beach-Kendall, FL HMFA	Miami-Dade County			
	Orlando-Kissimmee-Sanford, FL MSA	Lake County	Orange County	Osceola County	Seminole County
	Port St. Lucie, FL MSA	Martin County	St. Lucie County		
	Punta Gorda, FL MSA	Charlotte County			
	Sebastian-Vero Beach, FL MSA	Indian River County			
	Tampa-St. Petersburg-Clearwater, FL MSA	Hernando County	Hillsborough County	Pasco County	Pinellas County
Hawaii	Honolulu, HI MSA	Honolulu County			
New Jersey	Atlantic City-Hammonton, NJ MSA	Atlantic County			
	Jersey City, NJ HMFA	Hudson County			
	Vineland-Millville-Bridgeton, NJ MSA	Cumberland County			
New York	Nassau-Suffolk, NY HMFA	Nassau County	Suffolk County		
	New York, NY HMFA	Bronx County	Kings County	New York County	Putnam County
		Queens County	Richmond County	Rockland County	Westchester County
Puerto Rico	Aguadilla-Isabela-San Sebastián, PR MSA	Aguada Municipio	Aguadilla Municipio	Añasco Municipio	Isabela Municipio
		Lares Municipio	Moca Municipio	Rincón Municipio	San Sebastián Municipio
	Arecibo, PR HMFA	Arecibo Municipio	Camuy Municipio	Hatillo Municipio	
	Barranquitas-Aibonito-Quebradillas, PR HMFA	Aibonito Municipio	Barranquitas Municipio	Ciales Municipio	Maunabo Municipio
		Orocovis Municipio	Quebradillas Municipio		
	Caguas, PR HMFA	Caguas Municipio	Cayey Municipio	Cidra Municipio	Gurabo Municipio
		San Lorenzo Municipio			
	Fajardo, PR MSA	Ceiba Municipio	Fajardo Municipio	Luquillo Municipio	
	Guayama, PR MSA	Arroyo Municipio	Guayama Municipio	Patillas Municipio	
	Mayagüez, PR MSA	Hormigueros Municipio	Mayagüez Municipio		
	Ponce, PR MSA	Juana Díaz Municipio	Ponce Municipio	Villalba Municipio	
	San Germán-Cabo Rojo, PR MSA	Cabo Rojo Municipio	Lajas Municipio	Sabana Grande Municipio	San Germán Municipio
	San Juan-Guaynabo, PR HMFA	Aguas Buenas Municipio	Barceloneta Municipio	Bayamón Municipio	Canóvanas Municipio
		Carolina Municipio	Cataño Municipio	Comerío Municipio	Corozal Municipio
		Dorado Municipio	Florida Municipio	Guaynabo Municipio	Humacao Municipio
		Juncos Municipio	Las Piedras Municipio	Loíza Municipio	Manatí Municipio
		Morovis Municipio	Naguabo Municipio	Naranjito Municipio	Río Grande Municipio
		San Juan Municipio	Toa Alta Municipio	Toa Baja Municipio	Trujillo Alto Municipio
		Vega Alta Municipio	Vega Baja Municipio	Yabucoa Municipio	
	Yauco, PR MSA	Guánica Municipio	Guayanilla Municipio	Peñuelas Municipio	Yauco Municipio

2013 IRS SECTION 42(d)(5)(B) NONMETROPOLITAN DIFFICULT DEVELOPMENT AREAS (OMB Metropolitan Area Definitions, December 1, 2009)

State	Nonmetropolitan Counties or County Equivalents			
Alabama	Choctaw County	Conecuh County		
Alaska	Aleutians West Census Area	Bethel Census Area	Dillingham Census Area	Hoonah-Angoon Census Area
	Kodiak Island Borough	Nome Census Area	North Slope Borough	Northwest Arctic Borough
	Petersburg Census Area	Sitka City and Borough	Skagway Municipality	
Arizona	Apache County	Cochise County	Gila County	Greenlee County
	La Paz County	Navajo County	Santa Cruz County	
Arkansas	Baxter County	Montgomery County	St. Francis County	
California	Amador County	Colusa County	Del Norte County	Glenn County
	Humboldt County	Lake County	Lassen County	Mariposa County
	Mendocino County	Mono County	Nevada County	Plumas County
	Siskiyou County	Tehama County	Tuolumne County	
Colorado	Archuleta County	Eagle County	Garfield County	Gunnison County
	Lake County	Mineral County	Ouray County	Routt County
	San Juan County	Summit County		
Florida	Bradford County	Calhoun County	Citrus County	Columbia County
	DeSoto County	Dixie County	Franklin County	Glades County
	Gulf County	Hamilton County	Hardee County	Hendry County
	Highlands County	Holmes County	Lafayette County	Levy County
	Madison County	Monroe County	Okeechobee County	Putnam County
	Sumter County	Suwannee County	Walton County	Washington County
Georgia	Baldwin County	Clay County	Gilmer County	Hancock County
	Lumpkin County	Polk County	Sumter County	Troup County
	White County			
Hawaii	Hawaii County	Kalawao County	Kauai County	Maui County
Illinois	McDonough County			
Indiana	Jackson County	Scott County		
Kentucky	Jackson County	Leslie County	Robertson County	
Louisiana	Tangipahoa Parish	Vernon Parish		
Maine	Knox County	Lincoln County		
Maryland	Worcester County			
Massachusetts	Dukes County	Nantucket County		
Michigan	Kalkaska County	Montmorency County		

2013 IRS SECTION 42(d)(5)(B) NONMETROPOLITAN DIFFICULT DEVELOPMENT AREAS (OMB Metropolitan Area Definitions, December 1, 2009)

State	Nonmetropolitan Counties or County Equivalents			
Mississippi	Adams County	Amite County	Attala County	Benton County
	Bolivar County	Calhoun County	Carroll County	Choctaw County
	Claiborne County	Clarke County	Clay County	Coahoma County
	Covington County	Franklin County	Holmes County	Humphreys County
	Issaquena County	Jasper County	Jefferson County	Jefferson Davis County
	Jones County	Leake County	Leflore County	Marion County
	Montgomery County	Neshoba County	Noxubee County	Panola County
	Pike County	Prentiss County	Quitman County	Scott County
	Sharkey County	Sunflower County	Tallahatchie County	Tippah County
	Tishomingo County	Walthall County	Washington County	Wayne County
	Wilkinson County	Yalobusha County	Yazoo County	
Missouri	Madison County	Putnam County	Randolph County	Stone County
	Taney County			
Nebraska	Keith County	Logan County		
Nevada	Lincoln County			
New Hampshire	Belknap County	Carroll County	Cheshire County	Grafton County
	Merrimack County			
New Mexico	Rio Arriba County	Taos County		
New York	Cattaraugus County	Chautauqua County	Chenango County	Clinton County
	Cortland County	Essex County	Franklin County	Fulton County
	Genesee County	Greene County	Jefferson County	Montgomery County
	Otsego County	St. Lawrence County	Seneca County	Steuben County
	Sullivan County			
North Carolina	Avery County	Camden County	Chowan County	Craven County
	Dare County	Hyde County	Lenoir County	Macon County
	Pamlico County	Pasquotank County	Scotland County	Swain County
	Vance County	Watauga County	Wilson County	
Ohio	Fayette County			
Oregon	Clatsop County	Curry County	Gilliam County	Josephine County
South Carolina	Beaufort County	Jasper County		

2013 IRS SECTION 42(d)(5)(B) NONMETROPOLITAN DIFFICULT DEVELOPMENT AREAS (OMB Metropolitan Area Definitions, December 1, 2009)

State	Nonmetropolitan Counties or County Equivalents			
Texas	Anderson County	Angelina County	Bailey County	Bee County
	Borden County	Brewster County	Brown County	Childress County
	Colorado County	Concho County	Cottle County	Crane County
	Dallam County	Deaf Smith County	Donley County	Erath County
	Freestone County	Gillespie County	Henderson County	Hill County
	Hockley County	Hopkins County	Houston County	Howard County
	Jack County	Jasper County	Jeff Davis County	Jim Wells County
	Kenedy County	Kent County	Kerr County	Kimble County
	King County	Kleberg County	Lamar County	Limestone County
	Live Oak County	Llano County	McMullen County	Marion County
	Martin County	Matagorda County	Montague County	Moore County
	Nacogdoches County	Navarro County	Oldham County	Palo Pinto County
	Polk County	Rains County	Reagan County	Refugio County
	San Saba County	Stephens County	Throckmorton County	Titus County
	Tyler County	Uvalde County	Van Zandt County	Walker County
	Washington County	Wilbarger County	Willacy County	Winkler County
	Yoakum County	Young County		
Utah	Rich County	Wayne County		
Vermont	Addison County	Bennington County	Lamoille County	Orange County
	Rutland County	Washington County	Windham County	Windsor County
Virginia	Essex County	Lancaster County	Northampton County	Nottoway County
	Westmoreland County			
Washington	Clallam County	Island County	Jefferson County	Kittitas County
	Lewis County	Mason County	San Juan County	
American Samoa	Eastern District	Manu'a District	Swains Island	Western District
Guam	Guam			
Northern Mariana Islands	Northern Islands Municipality	Rota Municipality	Saipan Municipality	Tinian Municipality
Puerto Rico	Adjuntas Municipio	Coamo Municipio	Culebra Municipio	Jayuya Municipio
	Las Marias Municipio	Maricao Municipio	Salinas Municipio	Santa Isabel Municipio
	Utuado Municipio	Vieques Municipio		
Virgin Islands	St. Croix	St. John	St. Thomas	

Dated: September 24, 2012.

Erika C. Poethig,

Acting Assistant Secretary for Policy Development and Research.

[FR Doc. 2012–23900 Filed 9–27–12; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF THE INTERIOR

Office of the Secretary

[Docket No. ONRR–2012–0003]

15-Day Extension of Call for Nominations for the U.S. Extractive Industries Transparency Initiative Advisory Committee

AGENCY: Office of Natural Resources Revenue, U.S. Department of the Interior.

ACTION: Notice.

SUMMARY: The United States Department of the Interior (DOI) published a request for nominees and comments on July 27, 2012. Subsequently, DOI published a 30-day extension of this nomination period. This **Federal Register** Notice extends the nomination and comment period end date by an additional 15 days.

DATES: Nominations will be accepted through October 11, 2012.

ADDRESSES: You may submit nominations to the Committee by any of the following methods.

- Mail or hand-carry nominations to Ms. Shirley Conway; Department of the Interior; Office of Natural Resources Revenue; 1849 C Street NW—MS 4211; Washington, DC 20240.
- Email nominations to *Shirley.Conway@onrr.gov* or *EITI@ios.doi.gov*.

FOR FURTHER INFORMATION CONTACT: Ms. Shirley Conway, Office of Natural Resources Revenue; telephone (202) 513–0598; fax (202) 513–0682; email *Shirley.Conway@onrr.gov*. Mailing address: Department of the Interior; Office of Natural Resources Revenue; 1849 C Street NW.—MS 4211; Washington, DC 20240.

SUPPLEMENTARY INFORMATION: On July 27, 2012, the Department published in the **Federal Register** a notice of establishment of the United States Extractive Industries Transparency Initiative (USEITI) Multi-Stakeholder Group (MSG). This notice also included a request for nominees and comments under a standard 30-day period. In response to feedback and public requests, the Department extended this period for an additional 30 days to September 26, 2012. To maximize the opportunity for nominee submissions, the Department is extending this nomination period for an additional 15 days. The new nomination and comment period ends October 11, 2012. If you have already submitted your nomination materials, you are not required to resubmit.

Dated: September 25, 2012.

Paul A. Mussenden,

Deputy Assistant Secretary for Natural Resources Revenue Management.

[FR Doc. 2012–23940 Filed 9–26–12; 11:15 am]

BILLING CODE 4310–T2–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[FWS–R1–R–2012–N095; 1265–0000–10137–S3]

Bear Lake National Wildlife Refuge, Bear Lake County, ID and Oxford Slough Waterfowl Production Area, Franklin and Bannock Counties, ID; Draft Comprehensive Conservation Plan and Environmental Assessment

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Notice of availability; request for comments.

SUMMARY: We, the U.S. Fish and Wildlife Service (Service), announce the availability of our draft comprehensive conservation plan and environmental assessment (Draft CCP/EA) for the Bear Lake National Wildlife Refuge (NWR, Refuge), 7 miles south of Montpelier, Idaho; the Refuge-managed Thomas Fork Unit (Unit) in Montpelier; and the Oxford Slough Waterfowl Production Area (WPA) in Oxford, Idaho, for public review and comment. The Draft CCP/EA describes our proposal for managing the Refuge for the next 15 years.

DATES: To ensure consideration, we need to receive your written comments by October 29, 2012.

ADDRESSES: You may submit comments, requests for more information, or requests for copies by any of the following methods. You may request a hard copy or a CD–ROM of the documents.

Email: FW1PlanningComments@fws.gov. Include ''Bear Lake NWR CCP'' in the subject line.

Fax: Attn: Annette de Knijf, Refuge Manager, 208–847–1757.

U.S. Mail: Annette de Knijf, Refuge Manager, Bear Lake NWR, Box 9, Montpelier, ID 83254.

Web site: http://www.fws.gov/bearlake/refuge_planning.html; select ''Contact Us.''

In-Person Drop-off, Viewing or Pickup: You may drop off comments during regular business hours at Refuge Headquarters at 322 North 4th St. (Oregon Trail Center), Montpelier, ID.

FOR FURTHER INFORMATION CONTACT: Annette de Knijf, Refuge Manager, 208–847–1757.

SUPPLEMENTARY INFORMATION:

Introduction

With this notice, we continue the CCP process at Bear Lake NWR and Oxford Slough WPA. We started this process through a notice in the **Federal Register** (75 FR 35829; June 23, 2010).

Bear Lake National Wildlife Refuge

Bear Lake NWR was established in 1968 and is located in Bear Lake County, near the community of Montpelier, in southeast Idaho. The Refuge lies in Bear Lake Valley at approximately 5,925 feet in elevation in the historic location of Dingle Swamp. The Thomas Fork Unit is a 1,015-acre tract of land managed by the Refuge and situated at an elevation of 6,060 feet, approximately 20 miles east of Montpelier, Idaho, along U.S. Hwy. 30, near Border, Wyoming. The Unit's eastern boundary is the Wyoming State line. It contains upland and wet meadows used by sandhill cranes, and stream habitat important to the conservation of Bonneville cutthroat trout.

The Refuge is composed of a 16,000-acre emergent marsh, 1,200 acres of uplands, 550 acres of wet meadows, and 5 miles of riparian streams. Approximately 100 species of migratory birds nest at Bear Lake NWR, including large concentrations of colonial waterbirds, and many other species of wildlife utilize the Refuge during various periods of the year. In the early 1900s, the Telluride Canal Company substantially modified the natural hydrology of the former Dingle Swamp by diverting Bear River to flow into Bear Lake for irrigation storage. The indirect effects were numerous and significantly altered the hydrology and ecological processes of the Bear Lake Watershed.

Oxford Slough Waterfowl Production Area

Oxford Slough is the only waterfowl production area in the Service's Pacific Northwest region. It is located 10 miles north of Preston, Idaho, abutting the small town of Oxford in the Cache Valley. Oxford Slough is the drainage for Oxford and Deep Creeks, as well as other streams and creeks in the surrounding mountain ranges. Oxford Slough WPA provides valuable foraging habitat for species such as cranes, geese,