# Yolo County Housing
# Yolo County, California

## May 13, 2020

## MINUTES

The Yolo County Housing met on the 13th day of May, 2020, via teleconference at 3:00 p.m. pursuant to the Governor's Executive Order N-29-20 (March 17, 2020), available at the following link.

Present: Will Arnold; Richard Lansburgh; Pierre Neu; Babs Sandeen; Gary Sandy; Karen Vanderford

Absent: Joe Walters

Staff Present: Lisa Baker, CEO
Janis Holt, General Director
Megan Stedtfeld, Agency Counsel
Julie Dachtler, Clerk

## CALL TO ORDER

1. Pledge of Allegiance.

2. Consider approval of the agenda.

> Minute Order No. 20-14: Approved agenda as submitted noting Closed Session Agenda Item No. 11 was pulled and continued to the next regularly scheduled meeting on June 17, 2020 .
>
> MOTION: Lansburgh. SECOND: Neu. AYES: Arnold, Lansburgh, Neu, Sandeen, Sandy, Vanderford. ABSENT: Walters.

3. Public Comment: Opportunity for members of the public to address the Housing Authority on subjects not otherwise on the agenda relating to Housing Authority business. The Board reserves the right to impose a reasonable limit on time afforded to any topic or to any individual speaker.

Janie Gonzales and Angelina Morales addressed the Housing Authority Board of Commissioners during public comment.

## CONSENT AGENDA

Minute Order No. 20-15: Approved Consent Agenda Item No. 4.

MOTION: Neu. SECOND: Sandeen. AYES: Arnold, Lansburgh, Neu, Sandeen, Sandy, Vanderford. ABSENT: Walters.

4. Review and Approve the Minutes of April 15, 2020

Approved the minutes of April 15, 2020 on Consent.

## REGULAR AGENDA

5. Receive Presentation on YCH COVID-19 Response, CARES Act Funding and Constraints

Received Presentation on YCH COVID-19 Response, CARES Act Funding and Constraints.

6. Review, Approve and Ratify a Resolution for the Adoption of HUD Waivers in Accordance with PIH Administrative Notice 2020-05 (Holt, Jimenez-Perez)

Minute Order No. 20-16: Approved recommended action by **Resolution No. 20-02**.

MOTION: Lansburgh. SECOND: Neu. AYES: Arnold, Lansburgh, Neu, Sandeen, Sandy, Vanderford. ABSENT: Walters.

7. Receive Report on BluePrint 2020 and Provide Input to Staff on Implementation in a COVID-19 Environment (Baker)

Received report on BluePrint 2020 and provided input to staff on implementation in a COVID-19 environment.

8. Receive Comments from CEO

Received the following comments from CEO Lisa Baker:

- Expressed her appreciation to all of the Commissioners for their service to their cities, county and Yolo County Housing during these unprecedented times
- Update on projects in Davis using CARES funding, to be discussed more in-depth during the New Hope CDC meeting
- Stay tuned for another potential opportunity in Winters
- Very excited to share they closed on the W. Sac project yesterday, which will bring 85 units of supportive housing; construction will begin soon with an estimated move-in date of Fall 2021

9. Receive Comments from Commissioners

There were no comments from the Commissioners.

## CLOSED SESSION

10. Conference with Legal Counsel – Anticipated Litigation
Pursuant to Government Code Section 54956.9(d)(2)
Significant exposure to litigation: 1 case(s)

11. Public Employment, Employee Appointment or Evaluation
Pursuant to Government Code Section 54957
Position title: Chief Executive Officer

Continued Agenda Item No. 11 to the next regularly scheduled meeting on June 17, 2020.

## LONG RANGE PLANNING CALENDAR

| ***June 2020*** | |
|---|---|
| Review and Approve Resolution Adopting FY 2020-2021 Annual Operating Budget and Receive 3rd Quarter Financial Report for FY 2019-2020 | Regular |
| Esparto Land Donation | Regular |
| Draft Implementation Plan - BluePrint 2020 | Regular |
| RAD Presentation (tentative) | Consent |

| ***July 2020*** | |
|---|---|
| RAD Status Update and Approval of Plan (tentative) | Regular |
| 4th Quarter Write Offs | Consent |
| Sewer System Maintenance Plan (SSMP) El Rio Villas | Public Hearing |

| ***August 2020*** | |
|---|---|
| None at this time | |

## ADJOURNMENT

Next meeting is June 17, 2020 at 3:00 p.m.

Julie Dachtler, Clerk of the Board

By:_____
Clerk

# YOLO COUNTY HOUSING

## AGENDA

## REGULAR MEETING

## May 13, 2020

## PLEASE NOTE TIME 3:00 p.m.

**YOLO COUNTY HOUSING**
HOUSING COMMISSION

WILL ARNOLD, CITY OF DAVIS
RICHARD LANSBURGH, CITY OF WOODLAND
PIERRE NEU, CITY OF WINTERS
BEVERLY SANDEEN, CITY OF WEST SACRAMENTO
GARY SANDY, COUNTY OF YOLO
KAREN VANDERFORD, YCH
JOE WALTERS, YCH

**NOTE: This meeting is being agendized to allow Board Members, staff and the public to participate in the meeting via teleconference, pursuant to the Governor's Executive Order N-29-20 (March 17, 2020), available at the following link.**

**Teleconference Options to join Zoom meeting:**
**By PC: https://yolocounty.zoom.us/j/92433533318**

**Meeting ID: 924 3353 3318**
**or**
**By Phone: (408) 638-0968**
**Meeting ID: 924 3353 3318**

**Executive Order N-29-20 authorizes local legislative bodies to hold public meetings via teleconference and to make public meetings accessible telephonically or otherwise electronically to all members of the public. Members of the public are encouraged to observe and participate in the teleconference.**

**Further instructions on how to electronically participate and submit your public comments can be found in the PUBLIC PARTICIPATION note at the end of this agenda.**

LISA A. BAKER
CHIEF EXECUTIVE OFFICER

MEGAN STEDTFELD
AGENCY COUNSEL

## CALL TO ORDER

1. Pledge of Allegiance.

2. Consider approval of the agenda.

3. Public Comment: Opportunity for members of the public to address the Housing Authority on subjects not otherwise on the agenda relating to Housing Authority business. The Board reserves the right to impose a reasonable limit on time afforded to any topic or to any individual speaker.

## CONSENT AGENDA

4. Review and Approve the Minutes of April 15, 2020

## REGULAR AGENDA

5. Receive Presentation on YCH COVID-19 Response, CARES Act Funding and Constraints

6. Review, Approve and Ratify a Resolution for the Adoption of HUD Waivers in Accordance with PIH Administrative Notice 2020-05 (Holt, Jimenez-Perez)

7. Receive Report on BluePrint 2020 and Provide Input to Staff on Implementation in a COVID-19 Environment (Baker)

8. Receive Comments from CEO

9. Receive Comments from Commissioners

## CLOSED SESSION

10. Conference with Legal Counsel – Anticipated Litigation
Pursuant to Government Code Section 54956.9(d)(2)
Significant exposure to litigation: 1 case(s)

11. Public Employment, Employee Appointment or Evaluation
Pursuant to Government Code Section 54957
Position title: Chief Executive Officer

## LONG RANGE PLANNING CALENDAR

| ***June 2020*** | |
|---|---|
| Review and Approve Resolution Adopting FY 2020-2021 Annual Operating Budget and Receive 3rd Quarter Financial Report for FY 2019-2020 | Regular |
| Esparto Land Donation | Regular |
| Draft Implementation Plan - BluePrint 2020 | Regular |
| RAD Presentation (tentative) | Consent |

| ***July 2020*** | |
|---|---|
| RAD Status Update and Approval of Plan (tentative) | Regular |
| 4th Quarter Write Offs | Consent |
| Sewer System Maintenance Plan (SSMP) El Rio Villas | Public Hearing |

| ***August 2020*** | |
|---|---|
| None at this time | |

## ADJOURNMENT

Next meeting is June 17, 2020 at 3:00 p.m.

I declare under penalty of perjury that the foregoing agenda was posted by May 8, 2020 by 5:00 p.m. at the following places:

- On the bulletin board at the east entrance of the Erwin W. Meier Administration Building, 625 Court Street, Woodland, California; and
- On the bulletin board of Yolo County Housing, 147 West Main Street, Woodland, California.
- On the Yolo County website: www.yolocounty.org.

Julie Dachtler, Clerk of the Board

By:_____
Clerk

**NOTICE**

If requested, this agenda can be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 and the Federal Rules and Regulations adopted in implementation thereof. Persons seeking an alternative format should contact the Clerk of the Board for further information. In addition, a person with a disability who requires a modification or accommodation, including auxiliary aids or services, in order to participate in a public meeting should telephone or otherwise contact the Clerk of the Board as soon as possible and at least 72 hours prior to the meeting. The Clerk of the Board may be reached at (530) 666-8195 or at the following address:

Yolo County Housing
c/o Clerk of the Board of Supervisors
County of Yolo
625 Court Street, Room 204, Woodland, CA 95695

**PUBLIC PARTICIPATION INSTRUCTIONS:**

Based on guidance from the California Department of Public Health and the California Governor's Office, in order to minimize the spread of the COVID 19 virus, please do the following:

1. You are encouraged to participate in the Yolo County Housing meeting by going to https://yolocounty.zoom.us/j/92433533318, Meeting ID: 924 3353 3318 or phone in via 1-408-638-0968 Meeting ID: 924 3353 3318.

2. If you are joining the meeting via zoom and which to make a comment on an item, press the "raise a hand" button. If you are joining the meeting by phone, press *9 to indicate a desire to make comment. The chair will call you by name or phone number when it is your turn to comment. Speakers will be limited to 3:00 minutes.

Yolo County Housing
Yolo County, California

To: Co. Counsel ✓
Yolo County Housing ✓

CONSENT CALENDAR

Excerpt of Minute Order No. 20-15 Item No. 4, of the Yolo County Housing meeting of May 13, 2020.

MOTION: Neu. SECOND: Sandeen. AYES: Arnold, Lansburgh, Neu, Sandeen, Sandy, Vanderford.
ABSENT: Walters.

4. Review and Approve the Minutes of April 15, 2020

Approved the minutes of April 15, 2020 on Consent.

# Yolo County Housing
# Yolo County, California

## April 15, 2020

## MINUTES

The Yolo County Housing met on the 15th day of April, 2020, in regular session via teleconference at 3:00 p.m. pursuant to the Governor's Executive Order N-29-20 (March 17, 2020), available at the following link.

Present: Will Arnold; Richard Lansburgh; Pierre Neu; Babs Sandeen; Gary Sandy; Karen Vanderford; Joe Walters

Staff Present: Lisa Baker, CEO
Janis Holt, General Director
Megan Stedtfeld, Agency Counsel
Julie Dachtler, Clerk

## CALL TO ORDER

1. Pledge of Allegiance.

2. Consider approval of the agenda.

> Minute Order No. 20-08: Approved agenda as submitted.
>
> MOTION: Lansburgh. SECOND: Neu. AYES: Arnold, Lansburgh, Neu, Sandeen, Sandy, Vanderford, Walters.

3. Public Comment: Opportunity for members of the public to address the Housing Authority on subjects not otherwise on the agenda relating to Housing Authority business. The Board reserves the right to impose a reasonable limit on time afforded to any topic or to any individual speaker.

There was no public comment.

## CONSENT AGENDA

Minute Order No. 20-09: Approved Consent Agenda Items No. 4-5, noting Agenda Item No. 5 should be corrected to read 3rd Quarter, instead of the 2nd. Additionally, comments were made on Agenda Item No. 5.

MOTION: Lansburgh. SECOND: Vanderford. AYES: Arnold, Lansburgh, Neu, Sandeen, Sandy, Vanderford, Walters.

4. Review and Approve the Minutes of February 19, 2020

Approved the minutes of February 19, 2020 on Consent.

5. Review, Approve and Authorize the Write-Off of 2nd Quarter Uncollectible Debt in Accordance with the Adopted Accounts Receivable Charge Off Policy (Dogias, Holt)

Approved recommended action on Consent, with the clarification the write-off is for the 3rd Quarter, instead of the 2nd.

## REGULAR AGENDA

6. Public Hearing to Consider Adoption of a Resolution Approving Proposed FY 2020 - 2025 Five Year Plan and 2020 Annual Plan (Holt)

Brielle Mansell from Legal Services of Northern California and Irma Jimenez-Perez from Yolo County Housing addressed the Board on this item.

Minute Order No. 20-10: Held public hearing and approved recommended action by **Resolution No. 20-01**, directing staff to take into account the suggestions made by Legal Services of Northern California with a deliberative process in the translation of the Welcome Packets and Housing Choice Vouchers (HCV) orientations into Spanish and Russian to assist Limited English Proficiency (LEP) persons have “meaningful access” to their programs.

MOTION: Lansburgh. SECOND: Neu. AYES: Arnold, Lansburgh, Neu, Sandeen, Sandy, Vanderford, Walters.

7. Public Hearing to Consider Adoption of the FY 2020 Capital Fund Five Year Plan and Annual Statement (Ichtertz)

Minute Order No. 20-11: Held public hearing and approved recommended action.

MOTION: Arnold. SECOND: Sandeen. AYES: Arnold, Lansburgh, Neu, Sandeen, Sandy, Vanderford, Walters.

8. Review and Approve the Proposed FY 2019 - 2020 Mid-Year Budget Revision with 2nd Quarter Financial Information (Gillette)

Minute Order No. 20-12: Approved recommended action.

MOTION: Sandeen. SECOND: Vanderford. AYES: Arnold, Lansburgh, Neu, Sandeen, Sandy, Vanderford, Walters.

9. Review and Approve Proposed Postponement of the Opening of the HCV Wait Lists and PBV Wait Lists with the Exception of Eleanor Roosevelt Circle (Holt, Jimenez-Perez)

Minute Order No. 20-13: Approved recommended action.

MOTION: Arnold. SECOND: Neu. AYES: Arnold, Lansburgh, Neu, Sandeen, Sandy, Vanderford, Walters.

10. Receive Comments from CEO

Received the following comments from CEO Lisa Baker:

- Mutual Housing California received final funding approvals Tuesday to build two new affordable housing communities, one of which will be the region's first intentionally-welcoming affordable community for LGBT elders, and another for very low-income families in Yolo County. Construction on the two communities – Lavender Courtyard by Mutual Housing in Sacramento and Mutual Housing at 5th Street in Davis – is expected to begin in October. Both communities are expected to be ready for occupancy in early 2022. Mutual Housing California sent a thank you letter to YCH.
- As to the West Sac Housing Project with funding provided from the California Department of Housing and Community Development that awarded Yolo County two "No Place Like Home" grants totaling $12.4 million to build new permanent supportive housing for people living with a mental illness who are at risk of homelessness or who are homeless or chronically homeless, has been pushed to May to close. The 85 units are on track to begin construction in Fall 2021.
- The contract to build senior units in the City of Winters has been approved and is on schedule, with most of the underground utility work completed.
- Project for 20-25 units for first time buyers, partially financed with sweat equity, is moving forward, with the same developer as Esparto Neighborhood.
- Both the Davis and Madison Migrant Centers opened this week, and staff worked diligently to open safely using COVID-19 practices. Working with school districts for schooling, with chrome books being made available. Davis has provided MI-FI, portable hot spots in the chrome books and Madison is working on mesh network for 23 hot spots in Madison.
- Mentioned Volunteers of America is doing a joint venture with YCH in Woodland - stay tuned.
- Uptick in vandalism with the Stay-in-Place order.
- Inspections on 100 hotel rooms in last 3 weeks have been done.

11. Receive Comments from Commissioners

Received the following comments from Commissioners:

- Commissioner Lansburgh was interested in knowing if any YCH employees or residents had gotten COVID-19. Lisa Baker responded that one employee was ill, however it was not with COVID-19. Their office is closed to the public and anyone working in the office is

practicing appropriate social distancing. Staff who are in the office cannot go into other parts of the building and as to the residents, there is potentially one voucher housing resident who is ill, but this has not been confirmed by the County if they have COVID-19. In addition, they are keeping routine maintenance down and staff are being protected during hotel inspections.

- Commissioner Sandeen thanked Lisa and staff for the updates during this stay-at-home shelter order, noting how important it is to have a place to stay and for all the good work the housing authority is doing during this crisis.
- Chair Sandy spoke about the importance of connectivity to schools at the migrant centers and for keeping the farm workers safe, as they are vital to Yolo County.

## LONG RANGE PLANNING CALENDAR

| ***May 2020*** | |
|---|---|
| Esparto Land donation | Regular |
| RAD Update | Regular, tentative. May be June or July |
| Draft Implementation Plan - BluePrint 2020 | Regular, tentative |

| ***June 2020*** | |
|---|---|
| Review and Approve Resolution Adopting FY 2020-2021 Annual Operating Budget and Receive 3rd Quarter Financial Report for FY 2019-2020 | Regular |
| RAD Status Update (tentative) | Consent |

| ***August 2020*** | |
|---|---|
| Review, Approve and Adopt Resolution for Section Eight Management Assessment Program (SEMAP) | Regular |

## ADJOURNMENT

Next meeting is May 13, 2020 at 3:00 p.m.

Yolo County Housing
Yolo County, California

Meeting Date: May 13, 2020

To: County Counsel ✓
Yolo County Housing ✓

5. Receive Presentation on YCH COVID-19 Response, CARES Act Funding and Constraints

Received Presentation on YCH COVID-19 Response, CARES Act Funding and Constraints.

# Status Report: Yolo County Housing COVID-19 Response and Impacts

05.13.2020

**02.04.2020**

Operational Area coordination and public information sharing.

**03.09.2020**

Emergency Operations Center (EOC) and Business Continuity Plan activated. EOC team establish operations matrix.

**03.19.2020**

Offices closed to in person service and public notified. PPE distributed. Telework options implemented. Connecting residents and staff to resources. (ongoing).

**04.06.2020**

Client services COVID-19 outreach to resident populations. Some families receiving weekly contact.

**05.11.2020**

Currently in planning process for potential of re-opening offices in accordance with public health orders.

# Progress/Status - Limit Contagion at Properties

## Changes Made:

- Offices closed to public including Computer Learning Centers effective 3/19/2020.
- Maintenance work order protocols adjusted.
- PPE's distributed and required. 24-hour hold on all documents.
- Client services education and outreach plan implemented.

**TEMPORARILY CLOSED TO THE PUBLIC**

**YCH Suspends All In-Person Customer Services at All Offices**

**Highest Importance: The health considerations of the local communities we serve.**

In an effort to help prevent the spread of the COVID-19 Virus, YCH has suspended all in-person services until further notice.

Limited customer service is available by telephone and email and for tenants, applicants and property owners.

Despite this reduction in services, your housing needs are important to us.

Here are alternate ways to communicate with the YCH team:

**Telephone**
Limited staff availability to take your calls, answer questions and provide service. Call your Housing Specialist or the main office (530) 662-5428. Please leave a message with your name, phone number, and question or comment.

**Email**
Email your Housing Specialist or our centralized email at MyHousing@ych.ca.gov.

**Customer Service Drop Box Available Monday - Thursday 8am - 5pm**
Documents can be dropped off at our administrative office location.
- 147 W. Main Street
  Woodland

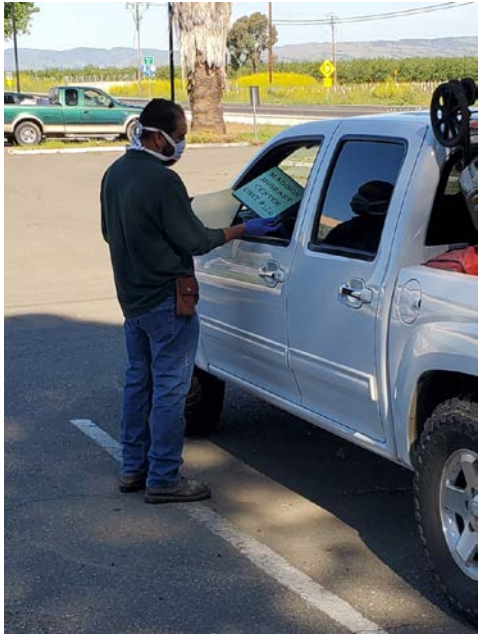
**US Mail**
You may mail documents to YCH's Customer Service team.
Send correspondence to:
**Yolo County Housing**
147 West Main Street
Woodland, CA 95695

**YCH Website and Facebook**
*www.ych.ca.gov*
*https://www.facebook.com/yolohousing/*

# Progress/Status - Staff & Resident Safety

## Operational Changes

- Suspend HQS with the exception of vacant units and exigent health & safety
- Migrant Center opening days and ongoing operations
- Accept self-certifications for job loss due to COVID-19 to expedite tenant rent reductions
- Quarantine paperwork a minimum of 24 hours.



# Progress/Status: Personal Protective Equipment (PPE's)

## PPE for Staff

- PPE's have been difficult to locate at times but availability has slowly increased. PPE's on hand and available for staff use include; KN-95 Masks, 3-Ply Disposable Masks, Face Shields, Shoe Covers, Tyvek Coveralls, Nitrile Gloves, Antibacterial Hand Soap, Bulk Hand Sanitizing Gel, Disinfectant/Sanitizing Wipes, and Bulk Multi-Surface Disinfectant Spray.
- All PPE's are secured and maintained by the Facilities Director (FD). Staff and outlying offices requesting PPE's must notify the FD by email. Requests are fulfilled by the FD who also maintains the list of available "PPE's On Hand". This list is updated and shared with YCH EOC members daily. In addition, sanitizing hand gel, disinfecting spray, disinfecting wipes and disposable face masks are available to all staff in the main office lunch room and are replenished as needed by the FD.

# Progress/Status: Personal Protective Equipment (PPE's)

## PPE for Residents

- 586 donated homemade masks
  - **480** donated by Yolo Interfaith Immigration Network (YIIN) and Gloria Ramirez (retired teacher) distributed to Madison and Davis Migrant Center families in April
  - **66** masks donated by Lucia Kaiser, distributed to Riverbend Manor seniors in West Sacramento
  - **40** donated by Charlotte Lucero for use by YCH employees
  - Additional masks donated and distributed by Maria Leyva to the Yolano/Donnelly community
- 2,500 Cal-OES washable/reusable masks for agricultural community
  - **1,500** provided through Yolo County Ag Commissioner John Young will be distributed to all families residing at the Davis and Madison Migrant Centers in May
  - **1,000** provided through Solano County Ag Commissioner Ed King will be distributed to Dixon Migrant Center families in May *(an additional **2,000** disposable masks were also provided)*
- Seeking hand sanitizer, clorox wipes and other cleaning products for distribution.

# Service Coordination with Community Partners

## On Site Food Delivery

- Yolo County Food Bank & Eat Well Yolo (5 locations)
- Dinner On Main (2 locations with plans to expand)
- La Superior Market (1 location)
- Contra Costa Food Bank (1 location)
- Davis Joint Unified School District - daily breakfast and lunch (1 location)
- Esparto Joint Unified School District - daily breakfast and lunch (1 location)

## Wellness Touches - 600 contacts/569 referrals in April

- Addressing family needs such as connecting them to local pharmacy for prescription refills, in-home support services, HEAP, free cell phones and low cost internet access, UI and tax filing, 2-1-1 Yolo, cash aide, CalFRESH and ongoing social service support. (all locations)

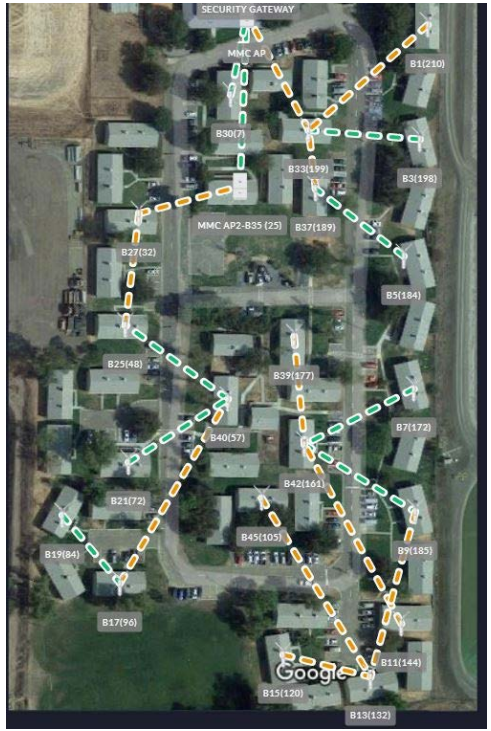
# Service Coordination with Community Partners

## Distance Learning - Migrant

- Esparto Broadband, Yolo County and Madison Migrant Center
  - Coordinated installation of MESH network. Improvements = ongoing internet access in future years.
- Davis Unified School District and Davis Migrant Center
  - Continue to coordinate with Ricardo Perez on distance learning and service partner support.
- Dixon Unified School District and Dixon Migrant Center
  - Additional bandwidth installed for internet access for students.

## Distance Learning - Public Housing

- Chromebooks with hot-spots were distributed to low income public housing students.
- Client services staff provide resources and referrals to families as needed.

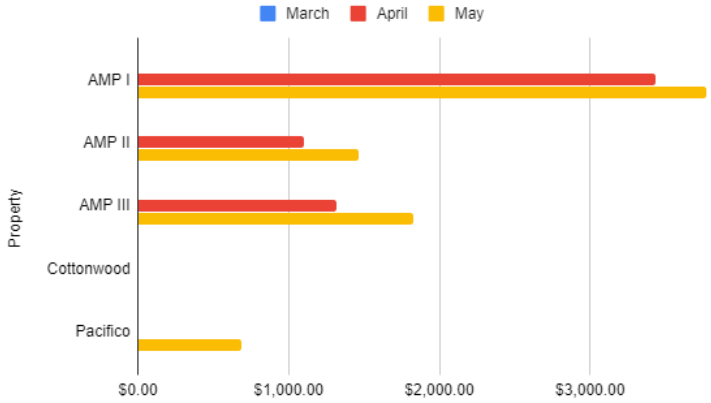


# Leasing Impacts

## Public Housing Interims and Rent Loss

- May Rent Loss due to COVID-19 = $7,756.00
- Interims for Reduced Tenant Rent = 21

Rent loss for March, April & May




## NHCDC/YCH General Partner Units

- Number of non-pays due to COVID-19 = 12 out 335

## Migrant Center Lease Up Opening May 2019 compared to May 2020

| | | Occupancy | | | |
|---|---|---|---|---|---|
| | | May 2019 | | May 2020 | |
| | Total Units | Units Rented | Lease Up % | Units Rented | Lease Up % |
| Davis MC | 62 | 62 | 100% | 52 | 83.87% |
| Madison MC | 88 | 88 | 100% | 87 | 98.86% |
| Dixon MC | 82 | 82 | 100% | 65 | 79.26% |

# CARES Supplemental Funding through HUD

## Housing Choice Voucher Program

- Administrative Fees = $251,280
    - Cost for completing recertifications
        - Exploring supplemental service options
    - Upgrades to email infrastructure such as Google Encryption
    - IT hardware improvements such as no contact self-help kiosks with fillable forms and e-signatures
- Housing Assistance Payment (HAP) = Not Currently Available from HUD.

## Low Rent Public Housing Program

- Operating Funds = $230,463
    - Mobile work order system for more efficient operations
    - IT hardware improvements such as fillable forms and e-signatures
    - Rent Track implementation expanding no contact tenant payment options
    - Expand client services as needed for pandemic response.

# Funding for Non-HUD Programs

## FEMA Public Assistance Grants

- Preliminary claim submitted as part of Yolo County estimate
    - Submitted prior to CARES funding announced for HUD programs
    - Claim may be submitted for any significant costs not covered by CARES funding to HUD programs.
    - Timing of claim submission under this program is currently unknown
    - An initial estimate of the costs incurred by YCH is approximately $19,000, which is subject to reduction by CARES Act funding expected to cover a significant portion of these costs.

# Current View from the State and DC -

It's a whole new world:

- Entitlement jurisdictions have one time funds through CARES CDBG and HOME for housing and homeless response. Currently in planning stages.
- Local and State budgets are facing estimated revenue shortfalls.
- Federal deficit has now pushed up past $738 billion for April 2020.
- House unveiled a $3 trillion dollar recovery package including housing, new housing vouchers and homeless funding
    - Senate has not agreed to take it up. Probably no movement till after Memorial Day recess;
    - Senate concerned about deficits;
    - 5/13/2020 Fed Chair warns of permanent economic damage without federal action

Yolo County Housing
Yolo County, California

Meeting Date: May 13, 2020

To: County Counsel ✓
Yolo County Housing ✓

6. Review, Approve and Ratify a Resolution for the Adoption of HUD Waivers in Accordance with PIH Administrative Notice 2020-05 (Holt, Jimenez-Perez)

Minute Order No. 20-16: Approved recommended action by **Resolution No. 20-02**.

MOTION: Lansburgh. SECOND: Neu. AYES: Arnold, Lansburgh, Neu, Sandeen, Sandy, Vanderford. ABSENT: Walters.

# Yolo County Housing

147 W. Main Street
WOODLAND, CA 95695

Woodland: (530) 662-5428
Sacramento: (916) 444-8982
TTY: (800) 545-1833

**DATE:** May 13, 2020

**TO:** YCH Housing Commission

**FROM:** Lisa A. Baker, Chief Executive Officer

**PREPARED BY:** Janis Holt, General Director

**SUBJECT:** **Review, Approve and Ratify a Resolution for the Adoption of HUD Waivers In Accordance with PIH Administrative Notice 2020-05 Due to COVID-19**

## RECOMMENDED ACTION

That the Housing Commission:

1. Review, approve and ratify a resolution adopting HUD Waivers; and
2. Authorize the CEO to execute adopted waivers effective April 15, 2020.

## BACKGROUND/DISCUSSION

On April 10, 2020, the U.S. Department of Housing and Urban Development (HUD) issued PIH Notice 2020-05, "COVID-19 Statutory and Regulatory Waivers for Public Housing, Housing Choice Voucher, Suspension of Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP)". Pursuant to the authority provided under the "Coronavirus Aid, Relief and Economic Security (CARES) Act", HUD waived and established alternative requirements for numerous statutory and regulatory requirements in order to allow public housing authorities to respond to the impacts caused by the current global pandemic.

The COVID-19 pandemic has presented significant challenges for HUD and local Public Housing Authorities to carry out program operations while complying with critically important advisories and directives from public health professionals, including social distancing and other preventive practices, to slow the spread and reduce the risk of exposure. Through PIH Notice 2020-05, HUD encouraged local housing authorities to authorize waivers based on local circumstances and needs to meet these conditions.

Staff reviewed the forty-four (44) allowable HUD statutory and regulatory waivers related to the public housing, housing choice voucher, capital fund programs and to financial reporting. Staff identified twenty-eight (28) optional waivers and two (2) mandatory waivers that would keep Yolo County Housing (YCH) public housing and housing choice voucher programs operational while maintaining social distancing guidelines and help protect our residents, landlords and staff from exposure to COVID-19. These waivers also allow the Agency to be capable of continued operations in a worse case scenario situation, such as staff shortages. Attached to this staff report is a summary table of proposed waivers and adoption dates.

To maintain operability and to meet HUD reporting requirements and objectives, staff recommends that the Commission adopt the following waivers to the public housing and housing choice voucher programs:

<u>Public Housing and Housing Choice Voucher Waivers (covers both programs)</u>

- 5-Year and Annual Plan
    - The Agency Five Year Plan and Annual Plan Update is due 75 days prior to the commencement of the Agency's fiscal year (or April 17, 2020). HUD is waiving this requirement to extend the revised due date to October 18, 2020.
    - On April 15, 2020, the Housing Commission held the public hearing, approved and adopted the YCH FY 2020-2024 Five-Year Plan and FY 2020 Annual Plan update. The agency is awaiting one additional required form to be signed before we can submit to HUD. Due to this, we were unable to meet the April 17, 2020 deadline, and therefore, propose to adopt this waiver and submit the approved plans later this month and prior to the October 18, 2020 deadline.
    - If, due to COVID-19, an amendment to the agency plan became necessary that would trigger the regular significant amendment process (45-day public comment period, public hearing, etc.), the waiver allows the Housing Commission to approve the amendment without completing this process through July 31, 2020. It **does still** require notification to public housing and voucher families of any impacts that the significant amendment may have on them.
- Family Income and Composition: Delayed Annual Examinations (PH & HCV-2)
    - The programs are required to conduct an annual reexamination of family income and composition. There are two instances by which an annual re-examination may need to be delayed:
        - Families are unable to respond to their annual re-exam due to COVID-19 related circumstances such as inability to obtain required documentation, delays in obtaining documentation from third parties, household illness or hospitalization, etc.
        - Staff shortages due to COVID-19 illness that limits the agency's capacity. This could require prioritizing processes to assist families such as job loss interims, unit lease up, or new housing assistance

payment contracts over annual re-examinations. This could cause delays in annual reexaminations that would be completed December 31, 2020.

- Family Income and Composition: Annual Examination Income Verification Requirements <u>and</u> Interim Examinations (PH & HCV 3 and 4)
    - The programs use a hierarchy rule for collecting documentation - with Earned Income Verification system as the primary/preferred source of information, followed by 3rd party verification directly from the source to the housing authority, followed by 3rd party documentation brought in by the household. The last tier in the system is self certification, which is available only when the other tiers are not.
    - The current situation creates unique challenges at both the federal and local level to meet this hierarchy of documentation. At the local level, obtaining other verifiable sources of income such as third-party employer verification, unemployment insurance income, social security income, etc. are currently also challenging as offices are closed, some employers and social service providers have their staff on telework or furlough. This waiver will allow staff to use "self-certification" of income from the tenant in order to complete the process as a replacement for the standard hierarchy.
    - Staff will be required to validate and address any material discrepancies between the tenant self-certification and the EIV where possible.
- Family Self-Sufficiency (FSS) Contract of Participation (PH & HCV 6)
    - The FSS Contract of Participation (COP) between YCH and the family is generally for five years with an extension period not to exceed two additional years with good cause. HUD has determined that circumstances surrounding COVID-19 qualify as "good cause" to extend family contracts through December 31, 2020. This waiver will allow staff to extend for good cause on a "case by case" basis when determining the family's eligibility for an extension.

<u>Housing Quality Standards Waivers (HQS 1-11)</u>

- Waiver of HQS inspection timing
    - Staff has continued to conduct inspections for:
        - Initial move-ins and lease ups (HCV and PBV) on vacant units prior to lease up.
        - Project based voucher turns on vacant units.
        - Emergency interim inspections for life-threatening health and safety issues in the unit following COVID-19 protocols.
    - Staff has delayed inspection protocols for occupied units for biennial inspections. Staff proposed that project-based voucher units, quality control inspections, homeownership and confirm non-life threatening repairs for unit approval be used.
        - Delayed inspections will be completed by 10/31/2020 or by alternative date required by HUD.

        - Staff propose to use landlord self-certification of completed repairs as an alternative confirmation method.
        - If the pandemic continues for an extended period, staff proposes to use virtual inspections that could be implemented through the use of programs such as Zoom or Facetime.

<u>Housing Choice Voucher Program Waivers</u>

- Administrative Plan (HCV-1)
    - Adoption of this waiver allows staff to implement changes to the Administrative Plan on a temporary basis prior to Board approval. For example, the implementation of the delay in biennial inspections was implemented on 4/15/2020 to remain in compliance with HQS and program requirements. Staff is requesting that the Board adopt the Resolution ratifying that action. The action must be approved by the Housing Commission no later than June 30, 2020.
- PHA Oral Briefing (HCV-2)
    - Staff continue to pull names from the wait list, conduct eligibility and issue vouchers to families in need through mail and email. The briefing is usually conducted in-person. This waiver proposes that staff be allowed to use alternative methods to conduct the briefing. All briefings are conducted in accordance with fair housing laws ensuring individuals with disabilities and limited english proficiency have meaningful access to the oral briefing. Staff have been continuing to safely brief families through conference call and paper packets in order to continue to house the most at risk during this period. Ratifying this action continues to have the Agency in compliance with federal requirements.
- PHA Approval of Tenancy (HCV-4)
    - Regulation requires that the HAP contract be executed within 60 days of the lease or it becomes void. If necessary to implement, approval of this waiver will allow the agency to enter into a HAP contract with the landlord beyond the 60 day timeframe and still have a legal contract. This is important because it might not always be easy to get the signatures within the required timeframe due to social distancing, the potential for illness and other factors that could delay signatures in our current environment.
- Absence from Unit (HCV-5)
    - Regulation requires that the agency terminate the tenant voucher if they have been absent from the unit for 180 days. This waiver will allow the agency to extend the 180-days that a HCV tenant is away from their unit due to extenuating circumstances (such as hospitalization, extended stays in nursing homes, etc.)
- Automatic Termination of HAP Contract (HCV-6)
    - When a family's income increases to the extent that the housing assistance payment is reduced to **zero dollars**, regulation requires that the agency automatically terminate the Housing Assistance Payment (HAP) Contracts 180 days after the last payment to the owner. Due to the

COVID-19 emergencyThis will allow the agency to extend the HAP contract beyond the 180 days after the last payment is made to the owner upon written notice to the owner and tenant.

- Increase in Payment Standard (HCV-7)
    - Regulation requires that if the payment standards increase during the term of the HAP contract, the increased amounts will be used at the next annual re-examination. This waiver will allow the agency to increase the payment standard at any time; this will provide assistance to helping a family remain housed at an affordable rate should rental prices continue to escalate.
- Family Unification Program (FUP) Vouchers (HCV-10)
    - Currently, foster youth placed in the FUP voucher program must be 24 years of age or younger to be placed under a Housing Assistance Payment (HAP) contract. This waiver will allow FUP youth to lease up at age 25 years, increasing the eligible youth and helping to mitigate viral spread through safe housing for this vulnerable population.

<u>Low Rent Public Housing Program Waivers</u>

- Admissions and Continued Occupancy Plan (PH-4)
    - Adoption of this waiver allows staff to implement changes to the ACOP on a temporary basis prior to Board approval. For example, the implementation of family income requirements at an interim examination allows staff to expedite rent changes for families that have experienced job loss due to COVID-19.
- Community Service and Self-Sufficiency Requirement (PH-5)
    - Regulation requires that each able adult resident of public housing contribute eight (8) hours of community service and/or participate in an economic self-sufficiency program. This waiver suspends this requirement due to COVID-19 as social distancing make most volunteer activities unavailable. Staff will continue to reach out and enroll participants that are interested in the Family Self-Sufficiency Program.
- Over-Income Families (PH-7)
    - Regulation requires the agency to terminate or charge an alternative rent for families whose income exceeds the program maximum income for two consecutive years. This waiver provides consistency with the delay in annual reexaminations extending the two-year limit and keeping the family stable during the pandemic.
- Tenant Notice of Changes to Project Rules and Regulations (PH-10)
    - This waives the “advance notice” requirement for implementation of temporary waivers. However, we are still required to notice impacted families within 30 days of the implementation of waivers. Changes in tenant charges do not apply to this waiver and that advance notice is still required, were the Agency to look at changing tenant charges.

There are 2 mandatory waivers. These HUD mandatory waivers include 1) suspending

the issuance of the Public Housing Assessment Score (PHAS); and 2) suspending the Section Eight Management Assessment Program (SEMAP) score. The SEMAP score from the previous year will carry forward for this year. YCH is not currently in PHAS due to its pending RAD conversion applications.

Staff is making every effort to minimize operational impacts during the pandemic and shelter-in-place orders. Adoption of these waivers by the Board will assist the Agency and its staff with processing changes to reduce the impact to voucher and public housing families, provide landlords with continuation of rent payments, and enable staff to continue operations at an optimal level under unprecedented circumstances.

## FISCAL IMPACT

Staff is tracking unanticipated operational costs associated with the COVID-19 pandemic for potential cost recovery through FEMA as part of the Operational Area for Yolo. If the waivers as presented are not adopted, there is a high degree of probability that there would be additional fiscal impacts to future funding and operations due to not meeting HUD regulatory requirements or taking the steps to meet those requirements with proffered waiver authority.

## CONCLUSION

Staff recommends that the Housing Commission review, approve, adopt the Resolution of the COVID-19 HUD Waivers in accordance with PIH Notice 2020-05.

**Attachments:**

Board Resolution
HCV and Public Housing COVID-19 Statutory and Regulatory Waivers
PIH Notice 2020-05

FILED

May 21, 2020

BY Julie Dachtler
DEPUTY CLERK OF THE BOARD

YOLO COUNTY HOUSING
RESOLUTION NO. **20-02**

(Resolution to Chief Executive Officer to Execute COVID-19 Temporary Waivers)

**WHEREAS**, the U.S. Department of Housing and Urban Development (HUD) issued PIH Administrative Notice 20-05 on Friday, April 10, 2020; and

**WHEREAS**, The Notice covered a variety of waivers and administrative exceptions that HUD is willing to grant to all public housing agencies to address the requirements of social distancing for the duration of any federal, State or local directives or Executive Orders that call for minimization of public contact and public interactions; and

**WHEREAS**, The Notice contains language that applies to administrative activities related to applicants and existing program participants for both the Low-Income Public Housing (LIPH) Program and the Housing Choice Voucher (HCV) Program; and

**WHEREAS**, the Notice generally requires a housing agency to opt in by July 31, 2020 to those waivers that it elects to implement; and

**WHEREAS**, the key administrative relief granted in the Notice is the ability of Yolo County Housing to carry out program operations and critical housing services while maintaining social distancing guidelines to protect residents, participants, landlords and staff from exposure during the COVID-19 pandemic; and

**WHEREAS**, administrative flexibility is required to allow the executive office to respond to rapidly changing circumstances and make decisions on a situation-by-situations basis,

**NOW, THEREFORE, BE IT RESOLVED, ORDERED AND FOUND** by the Housing Commission of the Housing Authority of the County of Yolo, as follows:

1. Instruct the CEO to delegate and direct staff to implement the twenty-eight (28) identified waivers or exceptions listed in the PIH Administrative Notice 20-05 to include
    i. Public Housing (PH)/Housing Choice Voucher (HCV) 1-4 and 6
    ii. Housing Quality Standards (HQS) 1-11,
    iii. Housing Choice Voucher (HCV) 1, 2, 4-7 and 10
    iv. Public Housing (PH) 4, 5, 7, and 10
    v. 60-day requirement to submit HUD Form 50058

    based on the best interest of the public, program participants, YCH employees and program integrity and compliance requirements.

.

2. Instruct the CEO to delegate and direct staff to maintain the information that HUD requires as to which waivers or exceptions are implemented and a list of the households that benefited from the waivers.

**EFFECTIVE DATES:** This Resolution shall take effect from April 15, 2020 and after the date of its adoption.

**PASSED AND ADOPTED,** by the Housing Commission of the Housing Authority of the County of Yolo, State of California, this 13th day of May, 2020 by the following vote:

AYES: **Arnold, Lansburgh, Neu, Sandeen, Sandy, Vanderford.**
NOES: **None.**
ABSTAIN: **None.**
ABSENT: **Walters.**

Gary Sandy, Chair
Housing Commission of the
Housing Authority of the County of Yolo

Approved as to Form:

By Megan Stedtfeld
Megan Stedtfeld, Agency Counsel

Attest:
Julie Dachtler, Agency Clerk
Housing Commission of the
Housing Authority of the County of Yolo

By Julie Dachtler

YOLO COUNTY HOUSING AUTHORITY
ESTABLISHED 1950

**Housing Choice Voucher (HCV) and Public Housing Program**
**COVID-19**
**Statutory and Regulatory Waivers**

On April 10, 2020, the United States Department of Housing and Urban Development (HUD) issued PIH Notice 2020-05 which contains Statutory and Regulatory Waivers for the Public Housing, Housing Choice Voucher, Indian Housing Block Grant and Indian Community Development Block Grant programs. Suspension of the Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) has been implemented by HUD in response to COVID-19.

The waivers and alternative requirements identified in the above-mentioned PIH Notice allow Public Housing Agencies (PHAs) to keep public housing and housing choice voucher programs operational to the extent practical during the COVID-19 pandemic. The following chart provides a list of waivers and alternatives that Yolo County Housing (YCH) has adopted for the Low Rent Public Housing (LRPH) program, the Housing Choice Voucher (HCV) program and the Project Based Voucher (PBV) program. The "item" description below correlates with the sections identified in the Notice. Additional information related to these waivers can be found in PIH Notice 2020-05.

**Note:** Once the period of availability deadline listed below **OR** any extension to the availability deadline is provided by HUD, YCH has an obligation to resume normal policies and procedures outlined in its Admissions and Continued Occupancy Plan (ACOP) and its Administrative Plan. Adoption of any waiver or alternative does not relieve public housing residents, HCV program participants or landlords from the requirement of reporting **true and accurate information** to YCH at all times in order to effectively administer YCH public housing programs.

| Item | Statutory and regulatory waivers | Summary of alternative requirements | Availability Period Ends | Did PHA implement waiver and alternative requirement ? | Date of PHA adoption |
|---|---|---|---|---|---|
| PH and HCV-1 PHA 5-Year and Annual Plan | Statutory Authority<br>Section 5A(a)(1), Section 5A(b)(1), Section 5A(g), Section 5A(h)<br><br>Regulatory Authority<br>§ 903.5(a)(3), 903.5(b)(3), 903.21 | • Alternative dates for submission<br>• Changes to significant amendment process | • Varies based on FYE<br>• 7/31/20 | Yes | 04/15/2020 |

| Item | Statutory and regulatory waivers | Summary of alternative requirements | Availability Period Ends | Did PHA implement waiver and alternative requirement? | Date of PHA adoption |
|---|---|---|---|---|---|
| PH and HCV-2 Family income and composition – delayed annual reexaminations | Statutory Authority<br>Section 3(a)(1)<br><br>Regulatory Authority<br>§ 982.516(a)(1), § 960.257(a) | • Permits the PHA to delay the annual reexamination of income and family composition<br>• HCV PHAs must implement HCV-7 for impacted families if they implement this waiver | • 12/31/20 | Yes | 04/15/2020 |
| PH and HCV-3 Annual reexamination Income Verification | Regulatory Authority<br>§ 5.233(a)(2)<br><br>Sub-regulatory Guidance<br>PIH Notice 2018-18 | Waives the requirements to use the income hierarchy, including the use of EIV, and will allow PHAs to consider self-certification as the highest form of income verification<br>• PHAs that implement this waiver will be responsible for addressing material income discrepancies that may arise later | • 7/31/20 | Yes | 04/15/2020 |
| PH and HCV-4 Interim reexaminations | Statutory Authority<br>Section 3(a)(1)<br><br>Regulatory Authority<br>§ 5.233(a)(2), 982.516(c)(2), 960.257(b) and (d)<br><br>Sub-regulatory Guidance | • Waives the requirement to use the income verification requirements, including the use of EIV, for interim reexaminations | • 7/31/20 | Yes | 04/15/2020 |

| | PIH Notice 2018-18 | | | | |
|---|---|---|---|---|---|
| **Item** | **Statutory and regulatory waivers** | **Summary of alternative requirements** | **Availability Period Ends** | **Did PHA implement waiver and alternative requirement ?** | **Date of PHA adoption** |
| PH and HCV-5 EIV System Monitoring | Regulatory Authority § 5.233<br><br>Sub-regulatory Guidance PIH Notice 2018-18 | • Waives the mandatory EIV monitoring requirements. | • 7/31/20 | Yes | 05/13/2020 |
| PH and HCV-6 FSS Contract of Participation | Regulatory Authority § 984.303(d) | • Provides for extensions to FSS contract of participation | • 12/31/20 | Yes | 05/13/2020 |
| PH and HCV-7 Waiting List | Regulatory Authority § 982.206(a)(2)<br>PIH Notice 2012-34 | • Waives public notice requirements for opening and closing waiting list<br>• Requires alternative process | • 7/31/20 | Yes | 04/15/2020 |
| HQS-1 Initial inspection | Statutory Authority Section 8(o)(8)(A)(i), Section 8(o)(8)(C)<br>Regulatory Authority § 982.305(a), 982.305(b), 982.405 | • Changes initial inspection requirements, allowing for owner certification that there are no life-threatening deficiencies<br>• Where self-certification was used, PHA must inspect the unit no later than October 31, 2020. | • 7/31/20<br><br>• 10/31/20 | Yes | 04/15/2020 |
| HQS-2: PBV Pre-HAP Contract Inspections, PHA | Statutory Authority: Section 8(o)(8)(A)<br><br>Regulatory Authority: §§ 983.301(b), | • Changes inspection requirements, allowing for owner certification that there are no life- threatening deficiencies | • 7/31/20<br><br>• 10/31/20 | Yes | 04/15/2020 |

| | | | | | |
|---|---|---|---|---|---|
| acceptance of completed units | 983.156(a)(1) | • Where self-certification was used, PHA must inspect the unit no later than October 31, 2020. | | | |

| Item | Statutory and regulatory waivers | Summary of alternative requirements | Availability Period Ends | Did PHA implement waiver and alternative requirement ? | Date of PHA adoption |
|---|---|---|---|---|---|
| HQS-3 Non-Life Threatening HQS - Initial Unit Approval | Statutory Authority<br>Section 8(o)(8)(A)(ii)<br><br>Regulatory Authority<br>HOTMA HCV Federal Register Notice January 18, 2017 | • Allows for extension of up to 30 days for owner repairs of non-life threatening conditions | • 7/31/20 | Yes | 04/15/2020 |
| HQS-4 Initial HQS – Alternative Inspections | Statutory Authority<br>Section 8(o)(8)(A)(iii)<br><br>Regulatory Authority<br>HOTMA HCV Federal Register Notice January 18, 2017 | • Under Initial HQS Alternative Inspection Option – allows for commencement of assistance payments based on owner certification there are no life-threatening deficiencies<br>• Where self-certification was used, PHA must inspect the unit no later than October 31, 2020. | • 7/31/20<br><br>• 10/31/20 | Yes | 04/15/2020 |
| HQS-5 Biennial Inspections | Statutory Authority<br>Section 8(o)(D)<br><br>Regulatory Authority<br>§§ 982.405(a), 983.103(d) | • Allows for delay in biennial inspections<br>• All delayed biennial inspections must be completed as soon as reasonably possible but by no later than October 31, 2020. | • 10/31/20 | Yes | 04/15/2020 |

| Item | Statutory and regulatory waivers | Summary of alternative requirements | Availability Period Ends | Did PHA implement waiver and alternative requirement ? | Date of PHA adoption |
|---|---|---|---|---|---|
| HQS-6<br>Interim Inspections | Statutory Authority<br>Section 8(o)(8)(F)<br><br>Regulatory Authority<br>§§ 982.405(g), § 983.103© | • Waives the requirement for the PHA to conduct interim inspection and requires alternative method<br>• Allows for repairs to be verified by alternative methods | • 7/31/20 | Yes | 04/15/2020 |
| HQS-7<br>PBV Turnover Inspections | Regulatory Authority<br>§ 983.103© | • Allows for PBV turnover units to be filled based on owner certification there are no life-threatening deficiencies<br>• Allows for delayed full HQS inspection | • 7/31/20<br><br>• 10/31/20 | Yes | 04/15/2020 |
| HQS-8: PBV HAP Contract – HQS Inspections to Add or Substitute Units | Statutory Authority<br>Section 8(o)(8)(A)<br>Regulatory Authority<br>§§ 983.207(a), 983.207(b) | • Allows for PBV units to be added or substituted in the HAP contract based on owner certification there are no life-threatening deficiencies<br>• Allows for delayed full HQS inspection | • 7/31/20<br><br>• 10/31/20 | Yes | 04/15/2020 |

| Item | Statutory and regulatory waivers | Summary of alternative requirements | Availability Period Ends | Did PHA implement waiver and alternative requirement ? | Date of PHA adoption |
|---|---|---|---|---|---|
| HQS-9<br>HQS QC Inspections | Regulatory Authority<br>§ 982.405(b) | • Provides for a suspension of the requirement for QC sampling inspections | • 10/31/20 | Yes | 04/15/2020 |
| HQS—10<br>HQS Space and Security | Regulatory Authority<br>§ 982.401(d) | • Waives the requirement that each dwelling unit have at least 1 bedroom or living/sleeping room for each 2 persons. | Remains in effect one year from lease term or date of notice, whichever is longer | Yes | 05/13/2020 |
| HQS-11<br>Homeownership HQS | Statutory Authority<br>Section 8(o)(8)(A)(i), Section 8(y)(3)(B)<br><br>Regulatory Authority<br>§ 982.631(a) | • Waives the requirement to perform an initial HQS inspection in order to begin making homeownership assistance payments<br>• Requires family to obtain independent professional inspection | • 7/31/20 | Yes | 05/13/2020 |
| HCV-1<br>Administrative Plan | Regulatory Authority<br>§ 982.54 (a) | • Waives the requirement to adopt revisions to the admin plan | • 7/31/20 | Yes | 04/15/2020 |
| HCV-2<br>PHA Oral Briefing | Regulatory Authority<br>§ 982.301(a)(3)<br>§ 983.252(a) | • Waives the requirement for an oral briefing<br>• Provides for alternative methods to conduct required voucher briefing | • 7/31/20 | Yes | 04/15/2020 |

| Item | Statutory and regulatory waivers | Summary of alternative requirements | Availability Period Ends | Did PHA implement waiver and alternative requirement ? | Date of PHA adoption |
|---|---|---|---|---|---|
| HCV-3<br>Term of Voucher – Extensions of Term | Regulatory Authority<br>§ 982.303(b)(1) | • Allows PHAs to provide voucher extensions regardless of current PHA policy | • 7/31/20 | Yes | 04/15/2020 |
| HCV-4<br>PHA Approval of Assisted Tenancy | Regulatory Authority<br>§ 982.305(c) | • Provides for HAP payments for contracts not executed within 60 days<br>• PHA must not pay HAP to owner until HAP contract is executed | • 7/31/20 | Yes | 05/13/2020 |
| HCV-5<br>Absence from unit | Regulatory Authority<br>§ 982.312 | • Allows for PHA discretion on absences from units longer than 180 days<br>• PHAs must not make HAP payments beyond 12/31/20 for units vacant more than 180 consecutive days | • 12/31/20 | Yes | 04/15/2020 |

| | | | | | |
|---|---|---|---|---|---|
| HCV-6 Automatic Termination of the HAP Contract | Regulatory Authority<br>§ 982.455 | • Allows PHA to extend the period of time after the last HAP payment is made before the HAP contract terminates automatically. | • 12/31/20 | Yes | 05/13/2020 |

| Item | Statutory and regulatory waivers | Summary of alternative requirements | Availability Period Ends | Did PHA implement waiver and alternative requirement ? | Date of PHA adoption |
|---|---|---|---|---|---|
| HCV-7 Increase in Payment Standard | Regulatory Authority § 982.505©(4) | • Provides PHAs with the option to increase the payment standard for the family at any time after the effective date of the increase, rather than waiting for the next regular reexamination to do so. | • 12/31/20 | Yes | 04/15/2020 |
| HCV-8 Utility Allowance Schedule | Regulatory Authority § 982.517 | • Provides for delay in updating utility allowance schedule | • 12/31/20 | No | N/A |
| HCV-9 Homeownership Counseling | Statutory Authority Section 8(y)(1)(D)<br><br>Regulatory Authority § 982.630, 982.636(d) | • Waives the requirement for the family to obtain pre-assistance counseling | • 7/31/20 | No | N/A |
| HCV-10 FUP | Statutory Authority Section 8(x)(2) | • Allows PHAs to increase age to 26 for foster youth initial lease up | • 12/31/20 | Yes | 04/15/2020 |
| PH-1 Fiscal closeout of Capital Grant Funds | Regulatory Authority § 905.322(b) | • Extension of deadlines for ADCC and AMCC | Varies by PHA | No | N/A |
| PH-2 Total | Regulatory Authority § 905.314© | • Waives the TDC and HCC limits permitting | Applies to development | No | N/A |

| Item | Statutory and regulatory waivers | Summary of alternative requirements | Availability Period Ends | Did PHA implement waiver and alternative requirement ? | Date of PHA adoption |
|---|---|---|---|---|---|
| Development Costs | | approval of amounts in excess of published TDC by 25% to 50% on a case by case basis | proposals submitted to HUD no later than December 31, 2021 | | |
| PH-3<br>Cost limitations | Regulatory Authority<br>§ 905.314(j) | • Allows for the use of force account labor for modernization activities in certain circumstances<br>□ | • 12/31/20 | No | N/A |
| PH-4<br>ACOP | Regulatory Authority<br>§ 960.202©(1) | • Changes to approval process for ACOP | • 7/31/20 | Yes | 04/15/2020 |
| PH-5<br>CSS<br>R | Statutory Authority<br>Section 12©<br><br>Regulatory Authority<br>§ 960.603(a) and 960.603(b) | • Temporarily suspends CSSR | • 3/31/21 | Yes | 04/15/2020 |
| PH-6<br>Energy Audits | Regulatory Authority<br>§ 965.302 | • Allows for delay in due dates of energy audits | One year beyond 2020 audit deadline | No | N/A |
| PH-7<br>Over-income families | Housing Opportunity Through Modernization Act of 2016: Final Implementation of the Public Housing Income Limit 83 FR 35490 | • Changes to timeframes for determination of over-income | • 12/31/20 | Yes | 04/15/2020 |

| Item | Statutory and regulatory waivers | Summary of alternative requirements | Availability Period Ends | Did PHA implement waiver and alternative requirement ? | Date of PHA adoption |
|---|---|---|---|---|---|
| | Notice: Notice PIH 2019-11 | | | | |
| PH-8 Resident Council Elections | Regulatory Authority § 964.130(a)(1) | • Provides for delay in resident council elections | • 7/31/20 | No | N/A |
| PH-9 Utility Allowance | Regulatory Authority § 965.507 | • Provides for delay in updating utility allowance schedule | • 12/31/20 | No | N/A |
| PH-10 Tenant notifications | Regulatory Authority § 966.5 | • Advance notice not required except for policies related to tenant charges | • 7/31/20 | Yes | 05/13/2020 |
| 11a PHAS | Regulatory Authority 24 CFR Part 902 | • Allows for alternatives related to inspections<br>• PHA to retain prior year PHAS score unless requests otherwise | HUD will resume issuing new PHAS scores starting with PHAs with FYE dates of 3/31/21 | N/A | N/A |
| 11b SEMAP | Regulatory Authority 24 CFR Part 985 | • PHA to retain prior year SEMAP score unless requests otherwise | HUD will resume issuing new SEMAP scores starting with PHAs with FYE dates of 3/31/21 | N/A | N/A |
| 11c Financial reporting | Regulatory Authority §§ 5.801©, 5.801(d)(1) | • Allows for extensions of financial reporting deadlines | Varies by PHA FYE | No | N/A |

| Item | Statutory and regulatory waivers | Summary of alternative requirements | Availability Period Ends | Did PHA implement waiver and alternative requirement ? | Date of PHA adoption |
|---|---|---|---|---|---|
| | | | | | |
| 12a<br>Form HUD 50058 | Regulatory Authority<br>24 CFR Part 908, § 982.158<br><br>Sub-regulatory Guidance<br>PIH Notice 2011-65 | • Waives the requirement to submit 50058 within 60 days<br>• Alternative requirement to submit within 90 days of the effective date of action | • 12/31/20 | Yes | 04/15/2020 |
| 12b<br>Designated housing plan | Statutory Authority<br>Section 7€(1) | • Allows for HUD to delay notification about designated housing plan | • 7/31/20 | N/A | N/A |
| 12c<br>Deadline for reporting Operating and Capital Fund expenditures | Statutory Authority<br>Section 9(j)<br>Regulatory Authority<br>§ 905.306(d)(5) | • Provides a one-year extension | One-year extension, however no programmatic expenditure end date shall be extended beyond one month prior to closure of relevant appropriations acc | No | N/A |

**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

**SPECIAL ATTENTION OF:**
Office Directors of Public Housing; Regional Directors; Public Housing Agencies; Offices of Native American Programs; Indian Tribes, and Tribally Designated Housing Entities
.

**NOTICE PIH 2020-05**

Issued: April 10, 2020

Expires: This notice remains in effect until amended, superseded or rescinded.

Cross References: PIH Notice 2018-18; PIH Notice 2019-11; PIH Notice 2011-64; 82 FR 5458 (January 18, 2017); 83 FR 35490 (July 26, 2018)

---

**SUBJECT:** COVID-19 Statutory and Regulatory Waivers for the Public Housing, Housing Choice Voucher, Indian Housing Block Grant and Indian Community Development Block Grant programs, Suspension of Public Housing Assessment System and Section Eight Management Assessment Program

## 1. PURPOSE

Pursuant to the authority provided under the Coronavirus Aid, Relief and Economic Security (CARES) Act (Public Law 116-136), HUD is waiving and establishing alternative requirements for numerous statutory and regulatory requirements for the Public Housing program, Housing Choice Voucher (HCV) program, Indian Housing Block Grant (IHBG) program, and Indian Community Development Block Grant (ICDBG) program. These waivers provide administrative flexibilities and relief to public housing agencies (PHAs), Indian tribes, and tribally designated housing entities (TDHEs) in response to the COVID-19 national emergency. With respect to the Public Housing and HCV programs, use of these waivers is at the discretion of the PHA; however, HUD strongly encourages PHAs to utilize any and all waivers and alternative requirements as necessary to keep public housing and HCV programs operational to the extent practicable.

This notice also provides information on additional actions HUD is taking, including the temporary suspension of the Public Housing Assessment System (PHAS) and the Section Eight Management Assessment Program (SEMAP).

## 2. BACKGROUND

An outbreak of a respiratory disease caused by a novel (new) coronavirus has as of this date been detected in over 200 countries world-wide, including in the United States. The virus has been named “severe acute respiratory syndrome coronavirus 2” (SARS-CoV-2) and the disease it causes has been named “Coronavirus Disease 2019” (“COVID-19”). On January 31, 2020, Secretary of Health and Human Services Alex M. Azar II declared a public health emergency for the United States to aid the nation’s healthcare community in responding to COVID-19. On March 13, 2020, President Trump declared the COVID-19 pandemic a

national emergency.

The Federal Government is working closely with state, local, Tribal, and territorial partners, as well as public health partners, to respond to this public health threat. While various parts of the country are experiencing different levels of COVID-19 activity all 50 states have reported cases of COVID-19 to the Centers for Disease Control and Prevention (CDC).

The COVID-19 pandemic presents significant challenges for HUD and our PHA, Tribal, and TDHE partners to continue to carry out HUD's fundamental mission to provide decent, safe, and sanitary affordable housing for low-income families. Program operations have been severely impacted as PHAs, tribes, and TDHEs comply with critically important advisories and directives from public health professionals, including social distancing and other preventive practices that will slow the spread of COVID-19 and reduce the risk of exposure.

On March 27, 2020, President Trump signed the CARES Act into law, which authorizes over $2 trillion in emergency assistance and health care response for individuals, families and businesses affected by the COVID-19 pandemic, and emergency appropriations to support Executive Branch agency operations during the COVID-19 pandemic. The CARES Act further provides HUD with broad authority, in the context of the current public health emergency, to waive statutes and regulations (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment) for the Public Housing and HCV programs, IHBG program, and ICDBG program. Through issuance of this notice, HUD is exercising this authority to provide PHAs, Indian tribes, and TDHEs with flexibility to adjust program practices where necessary to prioritize mission critical functions when normal operations are restricted and severely constrained, further prevent the spread of COVID-19, and mitigate the health risks posed by COVID-19 to PHA, Tribal, and TDHE staff, families, landlords, and their communities at large.

Note that the CARES Act also provides supplemental funding for the Public Housing and HCV programs as well as additional funding flexibilities with Operating and Capital funds for the Public Housing program. HUD will publish additional guidance describing the eligible uses of these additional funds, the allowable fungibility between the Operating and Capital Funds, and the process by which HUD will distribute the funds for the public housing and HCV program. HUD will also publish Implementation Notices in the very near future for both the IHBG and ICDBG programs funded under the CARES Act. These Notices will further describe eligible uses as well as the process by which HUD will distribute these funds.

## 3. CONTINUED OPERATIONS DURING THE COVID-19 NATIONAL EMERGENCY

The waivers implemented through this notice provide administrative relief and allow for alternative approaches to various aspects of PHA, Tribal, and TDHE operations. With this flexibility, HUD strongly encourages PHAs, Indian tribes, and TDHEs to continue using available funding to house families, keep families in their homes, and conduct critical operations that can be done remotely and safely. Some critical functions for PHAs include, but are not limited to issuing vouchers so families can find housing, processing Requests for

Tenancy Approvals (RFTAs) so families can be approved to move into a unit, processing requests for portability moves, ensuring occupancy of Public Housing units, processing minimum rent hardship exemptions, and completing reexaminations for participants who have experienced a decrease in income. Some critical functions for Indian tribes and TDHEs include but are not limited to ensuring low income Native American families remain housed, alleviating severe overcrowding, and carrying out eligible affordable housing activities.

HUD encourages PHAs, Indian tribes, and TDHEs to apply the waivers authorized in this notice based on local circumstances and needs. HUD also encourages PHAs, Indian tribes, and TDHEs to document and expeditiously implement plans for alternative procedures in order to provide stable housing for some of our country's most vulnerable families. Alternative processes may include electronic transmission of information to families, conducting briefings online, conducting conference calls, or using self-service features on the PHA's, Indian tribe's, or TDHE's website if available, and providing business-reply envelopes or secure drop-box apparatuses for document or rent submission for assisted families that do not have access to the Internet.

PHAs and industry groups are encouraged to work together with each other and with HUD during this challenging time to share ideas on how these critical functions can continue in order to house families. Likewise, it is imperative that Indian tribes, as well as regional and national organizations representing Native American housing interests, work together and with HUD's Office of Native American Programs (ONAP) and its area offices to find and share safe and efficient methods to carry out affordable housing activities to support low-income Indian families and their health in Indian Country and across the nation.

It is important to note that, for the Public Housing and HCV programs, HUD has not provided waiver authority that would allow tenants to stop paying their portion of the rent as determined by the PHA. Thus, it is critically important for PHAs to have revised procedures in place to allow for the timely completion of interim reexaminations for decreases in family income (see further discussion of this topic and the waiver authority/alternative requirement (PH and HCV-3) provided in section 7 of this notice).

## 4. WAIVER AND ALTERNATIVE REQUIREMENT AUTHORITY

These waivers and alternative requirements are established under the authority of the CARES Act as well as Secretary Carson's finding that these waivers and alternative requirements are necessary for the safe and effective administration of the Public Housing and HCV programs, consistent with the purposes described under the CARES Act, to prevent, prepare for, and respond to COVID-19.

The Secretary may waive and/or establish alternative requirements for additional statutory and regulatory provisions in addition to these waivers by subsequent notice.

With respect to the waivers and alternative requirements under Native American programs, such waivers and alternative requirements are also established under the authority of the CARES Act and Secretary Carson's finding that all waivers provided under this Notice are

necessary to expedite or facilitate the use of Indian Housing Block Grant and Indian Community Development Block Grant funds to prevent, prepare for, and respond to the coronavirus. HUD plans to continue to issue more waiver relief as the COVID-19 pandemic unfolds, and Indian tribes and TDHEs are encouraged to submit any additional waiver requests to their area ONAPs. HUD will consider all requests and determine whether to approve additional relief.

## 5. WAIVER AND ALTERNATIVE REQUIREMENT APPLICABILITY

Through this notice HUD is making the waivers and alternative requirements listed in this notice effective immediately for those PHAs that elect to adopt them. PHAs may adopt the use of these waivers at any time during the period of availability (see Section 6 below).

With respect to the Public Housing program, the CARES Act provides that the Secretary may waive or specify alternative requirements for any provision of any statute or regulation that the Secretary administers in connection with the use of amounts made available under the CARES Act supplemental appropriation, the FY 2020 Operating Fund and Capital Fund appropriations, and any prior Operating Fund or Capital Fund appropriations.

With respect to the HCV program, the CARES Act provides that the Secretary may waive or specify alternative requirements for any provision of any statute or regulation that the Secretary administers in connection with the use of amounts made available under the CARES Act supplemental appropriation or under the FY 2020 Tenant-Based Rental Assistance (TBRA) appropriation. This means the waiver/alternative requirements are applicable to the HCV program, including special purpose vouchers such as Mainstream vouchers, Family Unification Program (FUP) vouchers, and HUD-VASH vouchers, provided that HCV program operations including those special purpose vouchers are supported by amounts provided by the FY 2020 TBRA appropriation (including FY 2020 renewal funding, FY 2020 administrative fees, and FY 2020 new special purpose voucher allocations) or amounts from the CARES Act supplemental appropriation during the period of applicability.

The use of these waivers is at the discretion of the individual PHA. A PHA may choose to apply all, some, or none of the waivers to their Public Housing and HCV programs. (PHAs may continue to request regulatory waivers from HUD in accordance with Notice PIH 2018-16 for waivers that are not covered by this notice, however, the PHA may not implement those waivers until the waiver request is approved by HUD.)

Some of the waivers require the use of alternative requirements. If the PHA adopts a waiver with an alternative requirement, the PHA must comply with all the terms and conditions of the alternative requirement. Please see the individual waiver descriptions for information on the applicable alternative requirements.

PHAs are required to keep written documentation that record which waivers the PHA applied to their programs(s) and the effective dates. A summary of the available waivers/alternative requirements and a suggested format for such documentation is included as an attachment to this notice. A PHA does not need to notify HUD or receive HUD approval to begin utilizing

these waivers/alternative requirements. However, HUD may subsequently require the PHA to provide information to HUD on the waivers used by the PHA and the date the PHA applied the waiver to its program(s).

If a PHA chooses to apply any of the waivers provided for in this notice, the PHA is required to notify residents and owners of any impacts that the waiver and alternative requirement (where applicable) may have on them by whatever means it considers most effective as soon as practicable. HUD recognizes that the COVID-19 public health emergency presents unique challenges from a staffing and communication perspective and encourages PHAs to adapt their communications in consideration of local conditions and resources. For example, a PHA may need to initially provide this notification by placing information on its website and as a voice-mail message and following up with more formal written notice as circumstances allow.

HUD reminds PHAs that all materials, notices, and communications to families regarding the use of the waiver authorities must be clearly communicated and provided in a manner that is effective for persons with hearing, visual, and other communication-related disabilities consistent with Section 504 of the Rehabilitation Act (Section 504) and HUD's Section 504 regulation, and Titles II or III of the Americans with Disabilities Act (ADA) and implementing regulations. Section 504 and the ADA require recipients to ensure effective communication with applicants, participants, and members of the public and to provide appropriate auxiliary aids and services where necessary to afford individuals with hearing, vision, and other communication-related disabilities an equal opportunity to access information. PHAs must provide appropriate auxiliary aids and services necessary to ensure effective communication in all notices and communications, which includes ensuring that information is provided in appropriate accessible formats as needed, e.g., Braille, audio, large type, assistive listening devices, and sign language interpreters, accessible websites and other electronic communications (See 24 CFR 8.6, 28 CFR 35.160, and 28 CFR 36.303). PHAs must also continue to take reasonable steps to ensure meaningful access to their programs and activities to Limited English Proficient (LEP) individuals. As an aid to recipients, HUD published Final Guidance to Federal Financial Assistance Recipients: Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons (LEP Guidance) in the Federal Register on January 22, 2007 (72 FR 2732). LEP guidance and information is available here: https://www.federalregister.gov/documents/2007/01/22/07-217/final-guidance-to-federal-financial-assistance-recipients-regarding-title-vi-prohibition-against

## 6. PERIOD OF AVAILABILITY.

With respect to the Public Housing and HCV programs, pursuant to the CARES Act, the waivers/alternative requirements are effective for immediate use by PHAs as of the date of this notice. The specific statute and regulation being waived (or solely the regulation if no statutory requirement is being waived), the period of availability, and the alternative requirement (if applicable), are found in sections 7 through 12 of this notice. The period of

availability for these waivers/alternative requirements, collectively or individually, may be extended by PIH notice should HUD determine this to be necessary. PHAs are not required to keep the waiver/ alternative requirement in-place for the full period of availability (including any extension) but may at any time choose to revert to regular program requirements and operations.

The period of availability for the Public Housing and HCV waivers is in most cases either one of short-term or longer-term duration. Short-term waivers generally end on July 31, 2020, while the longer-term waivers typically expire on December 31, 2020. Short term waivers provide PHAs with essential flexibilities when normal operations are severely disrupted. Longer term waivers include waivers that permit PHAs to defer important but less critical functions to focus on their most vital responsibilities and effectively manage their transition back to normal operations. Other waivers have unique dates, such as when the period of availability is dependent on a PHA's fiscal year end date or based on a specific action or activity.

With respect to Native American programs, pursuant to the CARES Act, waivers and alternative requirements provided under the IHBG program and the ICDBG program are deemed to be effective as of the date the Indian tribe or TDHE began preparing for COVID-19. In accordance with the Act, this waiver relief is available only for IHBG funding and ICDBG funding provided under the CARES Act, and IHBG and ICDBG funding appropriated under the FY20 Consolidated Appropriations Act (Public Law 116-94).

The waivers and alternative requirements issued under the IHBG and ICDBG programs are generally available until funds are expended, unless otherwise noted under specific waivers below. HUD is allowing waivers and alternative requirements to remain available to Indian tribes and TDHEs until funds are expended because all funds subject to these waivers and alternative requirements must be used to prevent, prepare for, and respond to COVID-19.

## 7. WAIVERS APPLICABLE TO BOTH PUBLIC HOUSING AND HCV PROGRAMS

### PH and HCV-1: PHA 5-Year and Annual Plan Submission Dates, Significant Amendment Requirements

Statutory Authority: Section 5A(a)(1), Section 5A(b)(1), Section 5A(g), and Section 5A(h)(2) of the United States Housing Act of 1937 (hereafter "the USHA of 1937")
Regulatory Authority: 24 CFR §§ 903.5(a)(3); 903.5(b)(3), 903.21

Description: For all PHAs, after submission of their first 5-Year Plan, all subsequent 5-Year Plans must be submitted once every five PHA fiscal years, no later than 75 days before the commencement of the PHA's fiscal year. Non-qualified PHAs must also submit their Annual Plan no later than 75 days before the commencement of their fiscal year. Qualified PHAs are not required to submit an annual plan to HUD but are required to hold an annual hearing to discuss proposed plans for the upcoming fiscal year, and are required to submit an annual civil rights certification.

Due to the potential postponement of public hearings due to limitations on large public gatherings, HUD is waiving these requirements, and providing alternative deadlines for some PHAs. Specifically, HUD is establishing an alternative requirement under which PHAs with 6/30/20 or 9/30/20 fiscal year-end (FYE) dates must submit their 5-Year (if due in 2020) and Annual Plans or civil rights certification for qualified PHAs no later than 10/18/20 (75 days before 1/1/21) and PHAs with 12/31/20 FYE dates must submit their 5-Year (if due in 2020) and annual plans no later than 1/16/21(75 days before 4/1/21). Please see the chart below:

| PHA FYE | Revised Submission Requirement | Revised Due Date |
|---|---|---|
| 6/30/20 and 9/30/20 | 75 days before 1/1/21 | 10/18/20 |
| 12/31/20 | 75 days before 4/1/21 | 1/16/21 |

Unless HUD subsequently revises this waiver authority and alternative requirement, PHAs with FYE dates of 3/31 are not impacted by this waiver and are required to submit the 5-Year (if due in 2020) and Annual Plan no later than 75 days before the commencement of their fiscal years.

In addition, the statute and regulations further provide that a significant amendment or modification to the Annual Plan may not be adopted until the PHA has duly called a meeting of its board of directors (or similar governing body) and the meeting, at which the amendment or modification is adopted, is open to the public, and that notification of the amendment or modification is provided to and approved by HUD.

HUD is waiving these requirements and establishing an alternative requirement that any change to a PHA policy, except for changes related to Section 18, Section 22, or the Rental Assistance Demonstration (RAD), that would normally trigger significant amendment requirements of the PHA Plan, may be effectuated without completing the significant amendment process.

The PHA is required to notify public housing residents and HCV families of any impacts that the significant amendment may have on them by whatever means it considers most effective as soon as practicable. As noted earlier, HUD recognizes that the COVID-19 public health emergency presents unique challenges from a staffing and communication perspective and encourages PHAs to adapt their communications in consideration of local conditions and resources. For example, a PHA may need to initially provide this notification by placing information on its website and as a voice-mail message and following up with more formal written notice as circumstances allow. All materials, notices, and communications must be clearly communicated and provided in a manner that is effective for persons with hearing, visual, and other communication-related disabilities consistent with Section 504 of the Rehabilitation Act (Section 504) and HUD's Section 504 regulation, and Titles II or III of the Americans with Disabilities Act (ADA) and implementing regulations.

Period of Availability: The period of availability for the waiver of the significant amendment process ends on July 31, 2020. The period of availability for the 5-Year/Annual Plan

submission varies depending on the end date of the PHA fiscal year. Please see the description section above.

**PH and HCV-2: Family Income and Composition: Delayed Annual Examinations**

Statutory Authority: Section 3(a)(1) of the USHA of 1937
Regulatory Authority: 24 CFR § 982.516(a)(1) - HCV
Regulatory Authority: 24 CFR § 960.257(a) - Public Housing

Description: PHAs are required to conduct a reexamination of family income and composition at least annually. Recognizing the foreseeable difficulties in complying with this requirement in light of the COVID-19 emergency, HUD is waiving this statutory and regulatory requirement to permit PHAs to delay annual reexaminations of HCV and public housing families. However, if the PHA delays annual reexaminations for HCV families under this authority, it must also comply with the alternative requirement regarding the application of an increase in the payment standard amount during the Housing Assistance Payment (HAP) contract term (see HCV-7 below) if applicable, so as not to delay the application of the increased payment standard amount to the family's HAP calculation.

Period of Availability: All annual recertifications due in Calendar Year (CY) 2020 must be completed by December 31, 2020.

**PH and HCV-3: Family Income and Composition: Annual Examination - Income Verification requirements**

Regulatory Authority: 24 CFR § 5.233(a)(2)
Sub-regulatory Guidance: PIH Notice 2018-18

Description: PHAs are required to use the Enterprise Income Verification (EIV) System for verification of family income at the annual examination. 24 CFR § 5.233(a)(2) requires PHAs to use EIV as a third-party source to verify tenant employment and income information during mandatory reexaminations or recertifications of family composition and income in accordance with §5.236 and administrative guidance issued by HUD. PIH Notice 2018-18 describes the required verification hierarchy process PHAs must follow. HUD understands that documentation may be difficult to obtain as a result of the COVID-19 public health emergency. PHAs are also facing challenges with securely accessing HUD systems while many if not all staff are working remotely.

To address these challenges, HUD is waiving the requirements to use the income hierarchy described by PIH Notice 2018-18 and will allow PHAs to forgo third-party income verification requirements for annual reexaminations, including the use of EIV, if the PHA wishes to conduct the annual recertification rather than delaying the family's annual recertification (as permitted under PH and HCV-2 above).

During the allowable period of availability, PHAs may consider self-certification as the highest form of income verification to process annual reexaminations. This may occur over the telephone (but must be documented by PHA staff with a contemporaneous written record), through an email or postal mail with a self-certification form by the tenant, or through other electronic communications. PHAs are encouraged to incorporate procedures to remind families of the obligation to provide true and complete information when adopting these flexibilities.

PHAs are further reminded that there is no HUD requirement that income and family composition examinations and recertifications must be conducted in-person unless determined necessary as a reasonable accommodation as long as applicable public health guidelines are followed (e.g., social distancing) and any state or local ordinance is followed.

PHAs that conduct annual examinations under this waiver/alternative requirement will be responsible for addressing any material discrepancies that may arise later. For example, if a tenant self-certified that the tenant lost their job, but later the EIV Income Validation Tool (IVT) shows the tenant's employment continued, the PHA must take enforcement action in accordance with their policies and procedures.

Period of Availability: The period of availability to conduct annual reexaminations using these modified verification requirements ends on July 31, 2020.

**PH and HCV-4: Family Income and Composition: Interim Examinations**

Statutory Authority: Section 3(a)(1) of the USHA of 1937
Regulatory Authority: 24 CFR § 5.233(a)(2) - HCV and Public Housing
Regulatory Authority: 24 CFR § 982.516(c)(2) - HCV
Regulatory Authority: 24 CFR § 960.257(b) and (d) - Public Housing
Sub-regulatory Guidance: PIH Notice 2018-18

Description: For the HCV and public housing programs, PHAs are required to adopt policies (in their Administrative Plans and Admissions and Continued Occupancy Plans (ACOPs), respectively) prescribing when and under what conditions the family must report a change in family income or composition. However, at any time that a family requests an interim determination of family income or composition because of any changes since the last determination, the PHA must make the interim determination within a reasonable time after the family's request. In most cases, the reason a family requests an interim determination is due to a loss in income or a change in family composition.

PHAs are required to use EIV for verification of family income at interim reexamination. 24 CFR § 5.233(a)(2) requires PHAs to use EIV as a third-party source to verify tenant employment and income information during mandatory reexaminations or recertifications of family composition and income in accordance with §5.236 and administrative guidance issued by HUD. PIH Notice 2018-18 further describes the required verification hierarchy process PHAs must follow.

To assist PHAs that may be prioritizing the processing of interim reexaminations due to decreases in family income and mitigate the challenges of transferring documentation during periods of shelter-in-place/stay-at-home efforts in response to the COVID-19 emergency, HUD is waiving the requirements to use the income verification hierarchy as described by PIH Notice 2018-18. HUD will allow PHAs to forgo third-party income verification requirements for interim reexaminations, including the required use of EIV. During the allowable period of eligibility, PHAs may consider self-certification as the highest form of income verification to process interim reexaminations. This may occur over the telephone (with a contemporaneous written record by the PHA staff person), through an email with a self-certification form by the family, or through other electronic communications.

As noted in the previous waiver description, there is no HUD requirement that income and family composition examinations and recertifications must be conducted in-person unless it may be necessary as a reasonable accommodation for a person with a disability as long as applicable public health guidelines are followed (e.g., social distancing) and any local and state ordinances is followed.

PHAs that conduct interim reexaminations under this waiver/alternative requirement will be responsible for addressing any material discrepancies that may arise later. For example, if a tenant self-certified that the tenant lost their job, but later the EIV IVT Report shows the tenant's employment continued, the PHA must take enforcement action that is consistent with its policies and procedures.

PHAs may wish to review and adjust their interim reexamination policies (e.g., revising the PHA requirements when families must report increases in income between annual reexaminations or revising the policy regarding how to determine the effective date of an interim examination). PHAs should see HCV-1 and PH-4 for information on how these types of changes can be expedited.

Period of Availability: The period of availability ends on July 31, 2020.

**PH and HCV-5: Enterprise Income Verification (EIV) Monitoring**

Regulatory Authority: 24 CFR § 5.233
Sub-regulatory Guidance: PIH Notice 2018-18

Description: PIH Notice 2018-18 specifies the required monitoring of EIV reports. For example, PHAs are required to monitor the Deceased Tenants Report, the Identity Verification Report, the Immigration Report, the IVT Report, and the Multiple Subsidy Report and the New Hires Report on a monthly basis. Recognizing the challenges PHAs are facing with many if not all staff working remotely, HUD is waiving the mandatory EIV monitoring requirements.

Period of Availability: The period of availability ends on July 31, 2020.

**PH and HCV-6: Family Self-Sufficiency (FSS) Contract of Participation; Contract Extension**

Regulatory Authority: 24 CFR § 984.303(d)

Description: Part 984 establishes the requirements for the Section 8 and Public Housing FSS Program. Section 984.303(d) authorizes a PHA to extend a family's contract of participation for a period not to exceed two years upon a finding of good cause. HUD has made a determination that the circumstances surrounding COVID-19 qualify as "good cause" to extend family contracts, and FSS programs may consider this expanded definition of "good cause" as they make their determinations on each family's eligibility for an extension.

Period of Availability: The period of availability during which the PHA may extend the family's contract of participation using COVID-19 as the "good cause" ends on December 31, 2020.

**PH and HCV-7: Waiting List: Opening and Closing; Public Notice**

Regulatory Authority: 24 CFR § 982.206(a)(2)
Sub-regulatory Guidance: PIH Notice 2012-34

Description: The regulation provides that when a PHA opens its waiting list, the PHA must give public notice by publication in a local newspaper of general circulation and also by minority media and other suitable means. Recognizing the foreseeable difficulties in complying with this requirement in light of the COVID-19 emergency, HUD is waiving this requirement and is providing an alternative requirement that the PHA may provide public notice in a voicemail message on its main or general information telephone number and through its website (if such a PHA website is available). PHAs must comply with applicable fair housing and other civil rights requirements when they provide public notice under this alternative requirement, including ensuring effective communication with persons with hearing, visual, and other communication-related disabilities. PHAs must ensure effective communication with persons with disabilities in all notifications and communications. For example, a PHA that chooses to provide public notice through a voice-mail message must ensure the notice is accessible for persons with hearing impairments, which may include also distributing the notice by email and public postings on websites. The voice-mail notice also must comply with all other applicable civil rights requirements, including ensuring meaningful access for persons with limited English proficiency. See 24 CFR 5.105(a) ("Nondiscrimination and Equal Opportunity").

Period of Availability: The period of availability ends on July 31, 2020.

## 8. HOUSING CHOICE VOUCHER PROGRAM WAIVERS – HOUSING QUALITY STANDARDS (HQS) INSPECTIONS

Introduction: HUD recognizes the unprecedented challenge the COVID-19 pandemic poses to PHAs in carrying out the most essential of their HCV program administrative responsibilities – ensuring that assisted families are living in decent, safe, and sanitary housing. HQS inspections protect the health and safety of HCV families. However, conducting physical inspections of units in many communities during this national emergency poses its own health risks for families, participating owners, and PHA personnel, and may run counter to public health orders, directives, or recommendations such as shelter-in-place or other social distancing practices designed to contain and reduce exposure to COVID-19. In order to provide PHAs with the necessary flexibilities to continue to allow families to lease units and to postpone normally required HQS inspections for units under HAP contract, HUD is authorizing the use of the HQS-related waivers and alternative requirements listed in this section. PHAs are in the best position to determine which (if any) of these waivers should be applied to their HCV programs based on the needs and current conditions in their local communities.

PHAs that delay inspections under these waivers must inspect the units as soon as reasonably possible when it is again safe to do so, but must complete all delayed unit inspections no later than the date specified in this notice (or subsequent extensions provided by HUD). HUD has established relatively short periods of availability for these HQS waivers given the health and safety nature of these requirements. However, HUD will consider extending these HQS waivers and alternative requirements if HUD determines an extension is necessary.

Any PHA that applies any of these waivers to its HCV program retains the right to conduct an HQS inspection on any assisted unit at any time. Likewise, the PHA may always choose to conduct an initial inspection on a unit a family wishes to lease if such an inspection is determined to be warranted by the PHA, regardless of whether the PHA chooses to apply the initial HQS inspection waivers to its HCV program. Crucially, use of any of these waivers by the PHA does not relieve owners of their responsibility to maintain the unit in accordance with HQS as required in the HAP contract, nor does it in any way restrict the PHA from taking action to enforce the owner's obligations. Furthermore, use of any of these waivers by the PHA does not create any right in any third party (such as with the assisted family) to require enforcement of the HQS requirements by HUD or the PHA, or to assert any claim against HUD or the PHA, for damages, injunction or other relief, for alleged failure to enforce the HQS (see § 982.407).

### HQS-1: Initial Inspection Requirements

Statutory Authority: Section 8(o)(8)(A)(i), Section 8(o)(8(C) of the USHA of 1937
Regulatory Authority: 24 CFR §§ 982.305(a), 982.305(b), 982.405

Description: Section 8(o)(8)(A)(i) requires that the PHA must inspect the unit before any assistance payment is made to determine whether the unit meets HQS. Section 8(o)(8)(C)

requires the PHA to conduct the initial inspection within certain time frames after receiving the RFTA. Section 982.305 provides that the PHA may not approve the assisted tenancy or execute a HAP contract until the unit has been inspected by the PHA and passes HQS. Additionally, Section 982.305 requires that the PHA must inspect the unit to determine that the unit satisfies the HQS before the beginning of the initial lease term, and that the PHA must perform this inspection within either 15 days or within a reasonable time depending on the size of the PHA.

HUD is waiving these requirements and providing an alternative requirement. In order to place the unit under HAP contract and commence making payments, the PHA may rely on the owner's certification that the owner has no reasonable basis to have knowledge that life threatening conditions exist in the unit or units in question instead of conducting an initial inspection. At minimum the PHA must require this owner certification. However, the PHA may add other requirements or conditions in addition to the owner's certification but is not required to do so. The PHA is required to conduct an HQS inspection on the unit as soon as reasonably possible but no later than October 31, 2020.

This waiver and alternative requirement may also be applied to PHA-owned units if the independent entity is unable to perform the inspection.

Period of Availability: The period of availability for PHAs to accept owner's self-certification for an initial inspection ends on July 31, 2020. The period of availability for the PHA to inspect a unit that was placed under HAP contract based on the owner's self-certification ends on October 31, 2020.

**HQS-2: Project-Based Voucher (PBV) Pre-HAP Contract Inspections, PHA Acceptance of Completed Units**

Statutory Authority: Section 8(o)(8)(A) of the USHA of 1937
Regulatory Authority: 24 CFR §§ 983.301(b), 983.156(a)(1)

Description: The statute and regulations at § 983.301(b) provide that the PHA must inspect each contract unit before execution of the HAP contract and that the HAP contract may not be executed until the units fully comply with HQS. For rehabilitated and newly constructed units, § 983.156(a)(1) further provides that the PHA must inspect the units to determine if the housing has been completed in accordance with the Agreement to Enter into the HAP Contract (AHAP), including compliance with the HQS and any additional requirement imposed by the PHA under the Agreement.

HUD is waiving the HQS inspection requirement and establishing an alternative requirement. Instead of conducting the pre-HAP contract HQS inspection, the PHA may rely on the owner's certification that the owner has no reasonable basis to have knowledge that life threatening conditions exist in the unit or units in question. At minimum the PHA must require the owner's certification. However, the PHA may add other requirements or conditions in addition to the owner's certification but is not required to do so. The PHA is

required to conduct an HQS inspection on the unit as soon as reasonably possible but no later than October 31, 2020.

If the PHA has imposed an additional requirement under the AHAP for newly constructed or rehabilitated projects, the PHA may choose to allow the owner to certify that the PHA requirement has been met instead of inspecting the housing to make that determination.

This waiver and alternative requirement may also be applied to PHA-owned units if the independent entity is unable to perform the inspection.

Period of Availability: The period of availability for PHAs to accept owner's self-certification for the pre-HAP inspection/completion of work requirement ends on July 31, 2020. The period of availability for the PHA to complete all delayed inspections on units placed under a HAP contract based on the owner's self-certification ends on October 31, 2020.

**HQS-3: Initial Inspection: Non-Life-Threatening Deficiencies (NLT) Option**

Statutory Authority: Section 8(o)(8)(A)(ii) of the USHA of 1937
Regulatory Authority: Housing Opportunity Through Modernization Act (HOTMA) of 2016: Implementation of Various Section 8 Voucher Provisions, 82 Fed. Reg. 5458 (Jan. 18, 2017)

Description: Section 8(o)(8)(A)(ii) provides the PHA with the option to choose to approve an assisted tenancy, execute the HAP contract, and begin making housing assistance payments on a unit that fails the initial HQS inspection, provided the unit's failure to meet HQS is the result only of NLT conditions. The statute further requires that the PHA must withhold housing assistance payments from the owner if the NLT conditions are not corrected within 30 days.

HUD is waiving the requirement that the PHA must withhold the payment if the NLT repairs are not made in 30 days. Instead, the PHA may provide an extension of up to an additional 30 days to the owner to make the NLT repairs and continue to make payments to the owner during the period of that maximum 30-day extension. If the owner has not made the NLT repairs by the end of the PHA extension period, the PHA must withhold payments.

This NLT initial inspection option is available to the PHA for both tenant-based units and project-based units. This waiver and alternative requirement may also be applied to PHA-owned units if the independent entity is unable to perform the inspection.

Period of Availability: The period of availability for the PHA to approve an extension of up to an additional 30 days ends on July 31, 2020. The extension to make the NLT repairs may extend beyond July 31, 2020, depending on the date the PHA approved the extension. For example, if the PHA approved the extension on July 15th, the maximum extension provided to the owner would be August 15th.

**HQS-4: HQS Initial Inspection Requirement – Alternative Inspection Option**

Statutory Authority: Section 8(o)(8)(A)(iii) of the USHA of 1937
Regulatory Authority: Housing Opportunity Through Modernization Act (HOTMA) of 2016: Implementation of Various Section 8 Voucher Provisions, 82 Fed. Reg. 5458 (Jan. 18, 2017)

Description: Section 8(o)(8)(A)(iii) provides the PHA with the option to authorize occupancy of a unit prior to the initial inspection being completed if the unit had in the previous 24 months passed an alternative inspection. Under the statute the PHA may then make assistance payments retroactive to the beginning of the lease term once the unit had been determined to meet HQS pursuant to the PHA's inspection. The HOTMA HCV Federal Register Notice that implemented this statutory option further provided that the PHA must inspect the unit within 15 days of the RFTA.

HUD is waiving the requirement that the PHA must conduct its own inspection of the unit in order to commence making assistance payments under the Initial Inspection – Alternative Inspection option. Under this waiver and alternative requirement, the PHA may commence assistance payments at the beginning of the lease term based on the alternative inspection and the owner's certification that the owner has no reasonable basis to have knowledge that life threatening conditions exist in the unit or units in question. At minimum, the PHA must require this owner certification. The PHA may add other requirements or conditions in addition to the owner's certification but is not required to do so. The PHA must conduct the HQS inspection for the unit for which it has commenced assistance payments under this waiver authority as soon as reasonably possible but no later than October 31, 2020.

This initial inspection option is available to the PHA for both tenant-based units and project-based units.

This waiver and alternative requirement may also be applied to PHA-owned units if the independent entity is unable to perform the inspection.

Period of Availability: The period of availability for the waiver to place a unit under HAP contract and commence payments ends on July 31, 2020. The period of availability for the PHA to inspect a unit placed under HAP contract under this waiver authority is October 31, 2020.

**HQS-5: HQS Inspection Requirement – Biennial Inspections**

Statutory Authority: Section 8(o)(D) of the USHA of 1937
Regulatory Authority: 24 CFR §§ 982.405(a), 983.103(d)

Description: The statute and the regulations require the PHA to inspect the unit not less often than biennially during the term of the HAP contract. (Per the recent Federal Register Notice,

85 Fed. Reg. 11381 (Feb. 27, 2020), small rural PHAs may instead inspect the unit not less often than triennially, but since small rural PHAs do not have the authority to begin using a three-year inspection interval until after the next scheduled inspection after Feb. 27, 2020 is carried out, the majority of small rural PHAs have not yet moved from a biennial to a triennial requirement.) HUD is waiving this requirement and is allowing PHAs to delay biennial inspections for both tenant-based and PBV units. All delayed biennial inspections must be completed as soon as reasonably possible but no later than October 31, 2020.

This waiver and alternative requirement may also be applied to PHA-owned units if the independent entity is unable to perform the inspection.

Period of Availability: The period of availability ends on October 31, 2020.

**HQS-6: HQS Interim Inspections**

Statutory Authority: Section 8(o)(8)(F) of the USHA of 1937
Regulatory Authority: 24 CFR §§ 982.405(g), 983.103(e)

Description: The statute requires that upon notification to the PHA by a family or government official that the assisted unit does not comply with the HQS, the PHA must inspect the unit within 24 hours of when the PHA received the notification if the condition is life-threatening. 24 CFR 982.405(g) provides that if the reported condition is not life-threatening, the PHA must inspect the unit within 15 days. The regulation further provides that in the event of extraordinary circumstances HUD may waive the 24-hour or the 15-day inspection requirement until such time as an inspection is feasible.

HUD is waiving these requirements and establishing an alternative requirement for both tenant-based and PBV units. If the reported deficiency is life-threatening, the PHA must notify the owner of the reported life-threatening deficiency and that the owner must either correct the life-threatening deficiency within 24 hours of the PHA notification or provide documentation (e.g., text or email a photo to the PHA) that the reported deficiency does not exist. In the case of a reported non-life-threatening deficiency, the PHA must notify the owner of the reported deficiency within 30 days and the owner must either make the repair or document that the deficiency does not exist within 30 days of the PHA notification or any approved PHA extension. The PHA may add other requirements or conditions in addition to the owner's documentation but is not required to do so.

As is the case under the current HCV program requirements, the PHA is not required to conduct an on-site inspection to verify the repairs have been made but may rely on alternative verification methods (e.g., photos submitted by the owner, tenant certification, etc.).

This waiver may also be applied to PHA-owned units if the independent entity is unable to perform the inspection.

Period of Availability: The period of availability ends on July 31, 2020. After July 31, 2020, the PHA must conduct the HQS inspection in accordance with the applicable time periods upon notification by a family or government official that the assisted unit does not comply with the HQS.

**HQS-7: PBV Turnover Unit Inspections**

Regulatory Authority: 24 CFR § 983.103(c)

Description: The regulation requires that before providing assistance to a new family in a PBV contract unit, the PHA must inspect the unit. HUD is waiving this regulatory requirement and providing as an alternative requirement the PHA may rely on the owner's certification that the owner has no reasonable basis to have knowledge that life threatening conditions exist in the unit or units in question to allow a new family to occupy the vacated PBV unit. At minimum the PHA must require this owner certification. However, the PHA may add other requirements or conditions in addition to the owner's certification but is not required to do so. The PHA is required to conduct the HQS inspection on the unit as soon as reasonably possible, but no later than October 31, 2020.

This waiver may also be applied to PHA-owned units if the independent entity is unable to perform the inspection.

Period of Availability: The period of availability to fill a turnover PBV unit without conducting an HQS inspection ends on July 31, 2020. The period of availability for completing inspections for turnover PBV units that were reoccupied without an HQS inspection under this waiver authority ends on October 31, 2020.

**HQS-8: PBV HAP Contract – HQS Inspections to Add or Substitute Units**

Statutory Authority: Section 8(o)(8)(A) of the USHA of 1937
Regulatory Authority: 24 CFR §§ 983.207(a), 983.207(b)

Description: At the discretion of the PHA and subject to all PBV requirements (including the program cap and income-mixing requirements), the PHA may amend the HAP contract to add additional PBV contract units or to substitute a different unit for a previously covered contract unit. The PBV requirements include inspecting the proposed substitute or additional unit to determine that the unit meets HQS before it may be added to the HAP contract.

HUD is waiving the HQS inspection requirement. In order to substitute or add a new unit to the PBV HAP contract, the PHA may rely on the owner's certification that the owner has no reasonable basis to have knowledge that life threatening conditions exist in the unit or units in question instead of conducting an initial inspection. At minimum, the PHA must require the owner's certification. However, the PHA may add other requirements or conditions in addition to the owner's certification but is not required to do so.

This waiver may also be applied to PHA-owned units if the independent entity is unable to perform the inspection.

Period of Availability: The period of availability for PHAs to accept owner's self-certification for an initial inspection ends on July 31, 2020. The period of availability for the PHA to inspect a unit that was placed under HAP contract based on the owner's self-certification ends on October 31, 2020.

**HQS-9: HQS Quality Control Inspections**

Regulatory Authority: 24 CFR § 982.405(b)

Description: The regulations require PHAs to conduct supervisory quality control inspections of a sampling of units under contract. HUD is waiving this regulatory requirement.

Period of Availability: The period of applicability ends on October 31, 2020.

**HQS-10: Housing quality standards; Space and Security**

Regulatory Authority: § 982.401(d)

Description: The regulation establishes a minimum standard for adequate space for both an HCV and PBV -assisted family. Specifically, it requires that each dwelling unit have at least 1 bedroom or living/sleeping room for each 2 persons. HUD is waiving this requirement for PHAs where the PHA wishes to assist a current participant that needs to add a member or members to the assisted household as a result of the COVID-19 emergency, and the additional family members would result in the unit not meeting the space and security standards. This provision does not apply to an initial or new lease. A participant must not enter into a new lease for a unit that does not comply with the space and security standards.

Period of availability: For any family occupying a unit that does not meet the space and security requirements pursuant to this waiver, the waiver will be in effect for the duration of the current lease term or one year from the date of this notice, whichever period of time is longer.

**HQS-11: Homeownership Option – Initial HQS Inspection**

Statutory Authority: Section 8(o)(8)(A)(i), Section 8(y)(3)(B) of the USHA of 1937
Regulatory Authority: 24 CFR § 982.631(a)

Description: The statute provides that HQS re-inspections are not required for

homeownership vouchers but does not exempt the unit from the initial HQS inspection. The regulation provides that the PHA may not commence monthly homeownership assistance payments until the PHA has inspected the unit and determined that the unit passes HQS. HUD is waiving this requirement. However, the family is still required to obtain an independent professional inspector in accordance with § 982.631(b)(1) and the PHA is still required to review the independent inspection and has discretion to disapprove the unit for assistance under the homeownership option because of information in the inspection report in accordance with § 982.631(b)(4).

Period of Availability: The period of availability ends on July 31, 2020.

## 9. HOUSING CHOICE VOUCHER PROGRAM WAIVERS – GENERAL

### HCV-1: Administrative plan

Regulatory Authority: 24 CFR § 982.54 (a)

Description: The regulation requires that any revisions of the PHA's administrative plan must be formally adopted by the PHA Board of Commissioners or other authorized PHA officials. Recognizing the foreseeable difficulties in complying with this requirement in light of the COVID-19 emergency, HUD is waiving the requirement to allow the PHA administrative plan to be revised on a temporary basis without Board approval. As an alternative requirement any informally adopted revisions under this waiver authority must be formerly adopted as soon as practicable following June 30, 2020, but no later than July 31, 2020.

Period of Availability: The period of availability ends on July 31, 2020.

### HCV-2: Information When Family is Selected - PHA Oral Briefing

Regulatory Authority: 24 CFR § 982.301(a)(3), § 983.252(a)

Description: The regulation requires when the PHA selects a family to participate in either the HCV or PBV program, the PHA must give the family an oral briefing. HUD is waiving this requirement and as an alternative requirement allowing the PHA to conduct the briefing by other means such as a webcast, video call, or expanded information packet. Section 504 and the ADA require PHAs to ensure effective communication with applicants, participants and members of the public in all communications and notices. The PHA must ensure that the method of communication for the briefing effectively communicates with, and allows for equal participation of, each family member, including those with vision, hearing, and other communication-related disabilities, and ensures meaningful access for persons with limited English proficiency.

Period of Availability: The period of availability ends on July 31, 2020.

**HCV-3: Term of Voucher – Extensions of Term**

Regulatory Authority: 24 CFR § 982.303(b)(1)

Description: The regulation provides that at its discretion, the PHA may grant a family one or more extensions of the initial voucher term in accordance with the PHA policy as described in the PHA administrative plan. HUD is waiving the requirement that the extension(s) must be accordance with the PHA's administrative plan in order to allow the PHA to provide extensions even though it has been unable to formally amend its policy in the administrative plan.

Period of Availability: The period of availability ends on July 31, 2020.

**HCV-4: PHA Approval of Assisted Tenancy – When HAP Contract is Executed**

Regulatory Authority: 24 CFR § 982.305(c)

Description: The PHA may not make any housing assistance payments to the owner until the HAP contract is executed. The regulation provides that PHA must use best efforts to execute the HAP contract before the beginning of the lease term and that the HAP contract must be executed no later than 60 days from the beginning of the lease term. Any HAP contract executed after the 60-day period is void and the PHA may not pay any housing assistance payments to the owner. HUD is waiving the regulatory requirement to allow PHAs to execute the HAP contract after the 60-day deadline has passed and make housing assistance payments back to the beginning of the lease term. However, the PHA and owner must execute the HAP contract no later than 120 days from the beginning of the lease term.

Period of Availability: The period of availability to execute the HAP contract after the normally 60-day period from the beginning of the lease term ends on July 31, 2020.

**HCV-5: Absence from Unit**

Regulatory Authority: 24 CFR § 982.312

Description: The regulation requires that a family may not be absent from the unit for a period of more than 180 consecutive calendar days for any reason. HUD is waiving this regulatory requirement to allow the PHA at its discretion to continue housing assistance payments and not terminate the HAP contract due to extenuating circumstances (e.g., hospitalization, extended stays at nursing homes, caring for family members).

Period of Availability: The period of availability for the PHA to choose to continue making HAP payments despite the family's absence of more than 180 consecutive days ends on

December 31, 2020. The PHA may not make payments beyond December 31, 2020, and the HAP contract will terminate on that date if the family is still absent from the unit.

**HCV-6: Automatic Termination of HAP contract**

Regulatory Authority: 24 CFR § 982.455

Description: When an HCV family's income increases to the extent that the housing assistance payment is reduced to $0, PHAs are required by this regulation to automatically terminate HAP contracts 180 days after the last housing assistance payment to the owner. In recognition that the COVID-19 emergency is creating economic and employment instability for many families, as well as situations where families may on a temporary basis be adding members whose additional income may result in a $0 HAP subsidy calculation, HUD is waiving this requirement. As an alternative requirement, the PHA, upon written notice to the owner and family, may extend the period of time following the last payment to the owner that triggers the automatic termination of the HAP contract. The extension beyond the normally applicable 180 days is determined by the PHA but may not extend beyond December 31, 2020.

Period of Availability: The period of availability for the extension ends December 31, 2020. The PHA may not extend the HAP contract beyond December 31, 2020.

**HCV-7: Increase in payment standard under HAP contract term**

Regulatory Authority: 24 CFR § 982.505(c)(4)

Description: The regulation requires that if the payment standard amount is increased during the term of the HAP contract, the increased payment standard amount shall be used to calculate the monthly housing assistance payment for the family beginning at the effective date of the family's first regular reexamination on or after the effective date of the increase in the payment standard amount.

HUD is waiving this requirement and as an alternative requirement allowing the PHAs to apply the increased payment standard at any time (e.g., interim reexamination, owner rent increase) after the effective date of the increase in the payment standard amount, provided the increased payment standard is used to calculate the HAP no later than the effective date of the family's first regular reexamination following the change.

Note that if the PHA has delayed the family's annual recertification under the waiver authority described earlier in this notice (see PH and HCV-2), the PHA must use the increased payment standard amount to calculate the family's HAP beginning the date that the family's first regular examination would have been effective in the absence of the waiver. Alternatively, the PHA may conduct an interim reexamination where the only change is the increased payment standard amount. Regardless of the method used, the participant must

receive the increased payment standard no later than the effective date of the family's first regular reexamination following the increased payment standard.

Period of Availability: The waiver period of availability ends on December 31, 2020.

**HCV-8: Utility allowance schedule – required review and revision**

Regulatory Authority: 24 CFR § 982.517

Description: The regulations require the PHA to review its schedule of utility allowances each year and revise its allowance for a utility category if there has been a change of 10 percent or more in the utility rate since the last time the utility allowance schedule was revised. HUD is waiving this requirement to allow PHAs to delay the review and update of utility allowances.

Period of Availability: Any review and update of utility allowances that were due at some point in time in CY 2020 must be completed no later than December 31, 2020.

**HCV-9: Homeownership Option – Homeownership counseling**

Statutory Authority: Section 8(y)(1)(D) of the USHA of 1937
Regulatory Authority: 24 CFR §§ 982.630, 982.636(d)

Description: The statute requires that to be eligible for voucher homeownership assistance the family must participate in a homeownership and housing counseling program provided by the agency. The regulations at § 982.630 provide that before commencement of homeownership assistance for a family, the family must attend and satisfactorily complete the pre-assistance homeownership and housing counseling program required by the PHA. The regulations at § 982.636(d) provide that a family determined eligible for homeownership is moving under portability may purchase a unit if the receiving PHA is administering a voucher homeownership program and is accepting new homeownership families. However, the family must attend the briefing and counseling sessions required by the receiving PHA.

While HUD encourages families to continue to complete briefing and counseling sessions that are operational and can be accomplished in accordance with social distancing directives, HUD is waiving these requirements to allow the PHA to permit the family to purchase the home without fulfilling the normally applicable pre-assistance homeownership counseling requirements.

Period of Availability: The period of availability ends on July 31, 2020.

**HCV-10: Family Unification Program (FUP): FUP Youth Age Eligibility to Enter HAP Contract**

Statutory Authority: Section 8(x)(2) of the USHA of 1937

Description: The statute provides that a FUP youth must be not more than 24 years of age (not yet reached their 25th birthday) to be eligible to be placed under HAP contract. A FUP youth issued a voucher at 24 years of age may not be able to lease the voucher before their 25th birthday where PHA operations may have been shut down or severely curtailed, unit searches are not possible due to shelter-in-place orders, or where the movement of people is significantly restricted.

HUD is waiving this requirement and providing as an alternative requirement that the PHA may execute a HAP contract on behalf of any otherwise eligible FUP youth not more than 25 years of age (not yet reached their 26th birthday).

Period of Availability: The period of availability ends on December 31, 2020.

## 10. PUBLIC HOUSING PROGRAM WAIVERS

**PH-1: Fiscal Closeout of Capital Grant Funds**

Regulatory Authority: 24 CFR § 905.322(b)

Description: Section 905.322(b) establishes deadlines for the submission of an Actual Development Cost Certificate (ADCC) and an Actual Modernization Cost Certificate (AMCC) (two financial reporting documents required to close out Capital Fund grants). Specifically, the ADCC must be submitted 12 months from the date of completion or HUD termination of a development activity, and the AMCC must be submitted not later than 12 months from the activity's expenditure deadline. HUD is waiving this requirement and extending the deadlines for an ADCC or AMCC that fell between March 1, 2020, and September 30, 2020, by 6 months.

Period of Availability: Applies to DDCC and AMCC forms due between March 1 and September 30, 2020.

**PH-2: Total Development Costs**

Regulatory Authority: 24 CFR § 905.314(c)

Description: The public housing regulations establish a Maximum Project Cost which represents the total amount of Public Housing Funds that may be used for development of a

public housing project. The Total Development Cost (TDC) and Housing Construction Cost (HCC) limits are published periodically by HUD. These limits may not be exceeded without a waiver approved by HUD or an exception approved by HUD pursuant to 24 CFR § 905.314(c).

HUD is waiving the TDC and HCC limits to allow the amount of Public Housing Funds committed to development of a project to exceed the applicable TDC and HCC limits by 25% without a waiver from HUD. Amounts in excess of 25% up to 50% may be approved by the HUD program office on a case-by-case basis, if sufficient justification is provided. This waiver applies to public housing development, Mixed-Finance development and Choice Neighborhoods development. However, all other requirements of development set forth in 24 CFR § 905.600 still apply. HUD recognizes that COVID-19 may seriously impact development costs. The lack of available labor; shortage of materials; extended development timeframes; and changes in financial markets, all have the potential to increase development costs above the established HUD TDC and HCC limits.

If a project still exceeds TDC and HCC limits after the increase approved by HUD is taken into consideration, then a PHA may submit a request for an exception pursuant to 24 CFR § 905.314(c) or request a waiver for other good cause for HUD's consideration.

Period of Availability: A complete Development Proposal must be submitted to HUD no later than December 31, 2021 for a project to be eligible for this waiver.

**PH-3: Cost and Other Limitations; Types of Labor**

Regulatory Authority: 24 CFR § 905.314(j)

Description: This regulation establishes that non–high performer PHAs may use force account labor for modernization activities only when the use of force account labor for such activities has been included in a Capital Fund Program 5-Year Action Plan that is approved by the PHA Board of Commissioners and HUD. HUD will waive this requirement to allow for the use of force account labor for modernization activities even if this activity has not been included in the non–high performer PHA's 5-Year Action Plan.

Period of Availability: The period of availability ends on December 31, 2020.

**PH-4: ACOP: Adoption of Tenant Selection Policies**

Regulatory Authority: 24 CFR § 960.202(c)(1)

Description: The regulation requires that the PHA policies in the ACOP must be duly adopted and implemented. HUD is waiving this requirement to permit PHAs to adopt and implement changes to the ACOP on an expedited basis, without formal board approval. As an alternative requirement, any informally adopted revisions under this waiver authority must

be formally adopted as soon as practicable following June 30, 2020, but no later than July 31, 2020. Please note that the requirement for tenant selection policies to be consistent with the fair housing and equal opportunity at § 5.105 remains in effect.

Period of Availability: The period of availability ends on July 31, 2020.

**PH-5: Community Service and Self-Sufficiency Requirement (CSSR)**

Statutory Authority: Section 12(c) of the USHA of 1937
Regulatory Authority: 24 CFR § 960.603(a) and 960.603(b)

Description: The statute and regulations require that each adult resident of public housing, except for any family member that is exempt, must contribute 8 hours per month of community service or participate in an economic self-sufficiency program or a combination of both. A family's noncompliance with the service requirement is grounds for non-renewal of the lease at the end of the lease term. HUD is waiving this requirement and is alternatively suspending the community service and self-sufficiency requirement. If a PHA adopts this waiver, tenants will not be subject to this requirement until the family's next annual reexamination. Upon the family's next annual reexamination, PHAs should report on Form HUD-50058 each individual's CSSR status as either exempt for those that are exempt, or pending for those that are otherwise eligible but for which the suspension prevents a housing authority from determining compliance. After a PHA completes an annual reexamination for any family, the CSSR becomes effective again for family members for the subsequent annual reexamination cycle.

Period of Availability: The period of availability ends on March 31, 2021.

**PH-6: Energy Audits**

Regulatory Authority: 24 CFR § 965.302

Description: PHAs are required by this regulation to complete an energy audit for each PHA-owned project not less than once every five years. Due to shelter-in-place orders, and closures of many non-essential businesses, access to qualified energy auditors is likely to be limited during the period of time that the coronavirus is impacting the program. Therefore, HUD is waiving this requirement and is alternatively suspending the performance of the audits for one year for those that were due before December 31, 2020.

Period of Availability: The period of availability is one year beyond the date of the energy audit deadline in 2020 for the impacted project.

**PH-7: Over-Income Families**

Statutory Authority: Section 16(a)(5) of the USHA of 1937
Regulatory Authority: Housing Opportunity Through Modernization Act of 2016: Final Implementation of the Public Housing Income Limit (83 FR 35490, July 26, 2018)
Sub-regulatory Guidance: Notice PIH 2019-11

Description: PHAs are required by statute and the Federal Register Notice to terminate or charge an alternative rent to families whose income exceeds the program maximum income level for two consecutive years. HUD defined the two-year time period as two consecutive reexamination cycles. In order to be consistent with the delay in annual reexaminations permitted under waiver PH and HCV-2, HUD is waiving this requirement and is permitting families to remain in their units and to continue to pay the same rental amount until such time that a PHA conducts the next annual income recertification that would impact the family. In order to adopt this waiver, PHAs must also adopt a waiver under PH and HCV-2.

Period of Availability: The period of availability ends on December 31, 2020.

**PH-8: Resident Council elections**

Regulatory Authority: 24 CFR § 964.130(a)(1)

Description: The regulations require that resident councils must adhere to certain minimum standards regarding election procedures, including that all procedures must assure fair and frequent elections of resident council members—at least once every three years for each member. HUD recognizes that conducting resident council elections may not be possible as a result of COVID-19 public health actions. HUD is waiving the regulation to allow PHAs to delay resident council elections beyond the three-year limit if necessary. However, the delayed resident council election must be rescheduled and held as soon as reasonably possible once circumstances permit, after July 31, 2020.

Period of Availability: The period of availability of this waiver ends on July 31, 2020.

**PH-9: Review and Revision of Utility Allowances**

Regulatory Authority: 24 CFR § 965.507

Description: The regulations require the PHA to review at least annually the basis on which utility allowances have been established and revise allowances if required on the basis of that review. Due to shelter-in-place orders, and closures of many non-essential businesses, PHAs are encouraged to focus administration on critical program functions. Further, access to information on changing utility rates may be limited in some jurisdictions. Therefore, HUD is waiving this requirement to allow PHAs to delay the review and update of utility allowances.

Period of Availability: Any review and update of utility allowances that were due at some point in time in CY 2020 must be completed by the end of 2020.

**PH-10: Tenant Notifications for Changes to Project Rules and Regulations**

Regulatory Authority: 24 CFR § 966.5

Description: PHAs are required by this regulation to provide 30-day notice to impacted families for changes to policies, rules and special charges to families. HUD is waiving the requirement to provide such advance notice, except advance notice must be provided for any changes related to tenant charges. Although HUD is waiving the advanced notice, PHAs must still provide adequate notification to impacted families within 30 days of making such changes.

Period of Availability: The period of availability ends on July 31, 2020.

## 11. PHAS, SEMAP, and Uniform Financial Reporting Standards

### a. PHAS

Regulatory Authority: 24 CFR Part 902

Description: Part 902 sets out the indicators by which HUD measures the performance of a PHA. The indicators measure a PHA's physical condition, financial condition, management operations, and Capital Fund obligation and occupancy. HUD is waiving this inspection requirement and is alternatively postponing physical inspections for all PHAs until further notice, except where there is a threat to life or property. HUD will primarily rely on residents' complaints and potentially other sources such as news articles, Congressional inquiries and field office requests to identify threat to life or property.

Further, for PHA that had a PHAS score pending as of the date of this notice, and for any PHA with a fiscal year ending on or before December 31, 2020, HUD will not issue a new PHAS score unless the PHA requests that a new PHAS score be issued. HUD will instead carry forward the most recent PHAS score on record.

Period of Availability: HUD will resume issuing new PHAS scores beginning with PHAs with fiscal year end dates of March 31, 2021.

**b. SEMAP**

Regulatory Authority: 24 CFR Part 985

Description: Part 985 sets out the requirements by which Section 8 tenant-based assistance programs are assessed. For PHAs that have a SEMAP score pending as of the date of this notice, and for any PHA with a fiscal year ending on or before December 31, 2020, HUD will not issue a new SEMAP score unless the PHA requests a that new SEMAP score be issued. HUD will instead carry forward the most recent SEMAP score on record.

Period of Availability: HUD will resume issuing new SEMAP scores beginning with PHAs with fiscal year end dates of March 31, 2021.

**c. Uniform financial reporting standards; Filing of financial reports; Reporting Compliance Dates**

Regulatory Authority: 24 CFR §§ 5.801(c), 5.801(d)(1)

Description: Section 5.801 establishes uniform financial reporting standards (UFRS) for PHAs (and other entities). Section 5.801(c) requires that PHAs submit financial information in accordance with 24 CFR § 5.801(b) annually, not later than 60 days after the end of the fiscal year of the reporting period. Section 5.801(d)(1) requires that PHAs submit their unaudited financial statements not later than 60 calendar days after the end of their fiscal year, and that PHAs submit their audited financial statements not later than 9 months after the end of their fiscal year.

HUD is waiving these requirements and is providing the alternative requirements for the following PHAs:

(1) PHAs with a FYE of June 30, 2019; September 30, 2019; December 31, 2019; and March 31, 2020, and a deadline to submit audited financial information in accordance with 24 CFR § 5.801(b) and (d); and

| FYE | Due Date | Extended Due Date |
|---|---|---|
| 6/30/2019 | 3/31/2020 | 9/30/2020 |
| 9/30/2019 | 6/30/2020 | 12/31/2020 |
| 12/31/2019 | 9/30/2020 | 3/31/2021 |
| 3/31/2020 | 12/31/2020 | 6/30/2021 |

(2) PHAs with a FYE of December 31, 2019 and March 31, 2020, and a deadline to submit unaudited financial information in accordance with 24 CFR § 5.801(b) and (d).

| FYE | Due Date | Extended Due Date |
|---|---|---|
| 12/31/2019 | 2/29/2020 | 8/31/2020 |
| 3/31/2020 | 5/31/2020 | 11/30/2020 |

Period of Availability: Varies by PHA by FYE, see description for details.

## 12. Other Waivers and Administrative Relief.

### a. PHA Reporting Requirements on HUD Form 50058.

Regulatory Authority: 24 CFR Part 908, § 982.158
Sub-regulatory Guidance: PIH Notice 2011-65

Description: PHAs must submit form HUD-50058 no later than 60 calendar days from the effective date of any action recorded on line 2b of the form HUD-50058 or form HUD-50058 MTW. The Notice states HUD will monitor timeliness of reporting and may sanction a PHA for late reporting.

HUD recognizes that PHAs that implement waivers and alternative requirements under this notice likely will submit form HUD-50058 later than 60 calendar days from the effective date of certain actions, particularly related to reexaminations and inspections. HUD is waiving the 60-day deadline and providing that PHAs must submit form HUD-50058 or HUD-50058 MTW for transactions impacted by implemented waivers and alternative requirements within 90 days of the effective date of action.

Although this waiver provides up to 90 days for PHAs to submit HUD-50058 forms into IMS-PIC, HUD encourages those PHAS that are have operational capacity to do so to continue submitting HUD-50058 forms within the normal 60-day timeframe.

PIH recognizes this Notice and any subsequent Notices providing waiver authority to HUD-50058 submission requirements could impact the PHA's ability to submit HUD-50058 forms into the IMS-PIC system and potentially result in fatal errors. In order to minimize the occurrence of these errors resulting from implementing these waivers, PIH will be issuing guidance in the near future that will provide PHAs with workarounds to avoid any potential issues in the PIC system.

For PHAs that submit HUD-50058 forms and receive a fatal error, PIH will not require these HUD-50058 forms to be re-submitted consistent with the waiver of reporting provisions in the Notice. PIH encourages these PHAs to not re-submit these forms until

after PIH issues the revised guidance for HUD-50058 reporting. For PHAs that submit HUD-50058 forms successfully in the interim period before the new reporting guidance is issued, PIH may require corrections to these HUD-50058 forms and re-submission to IMS-PIC.

Period of Availability: The period of availability ends December 31, 2020.

**b. Designated Housing Plans – HUD 60 Day Notification**

Statutory Authority: Section 7(e)(1) of the USHA of 1937

Description: The statute requires HUD to notify PHAs that have submitted a Designated Housing Plan whether the plan complies with the requirements to establish the designation of a project for occupancy by elderly and/or disabled families no later than 60 days after receiving the plan. Under the statute, if HUD does not respond within 60 days the plan is considered accepted. HUD is temporarily waiving this deadline to ensure that it can review and adequately address any fair housing concerns while its operations are impacted by the COVID-19 emergency but will complete Designated Housing Plan reviews as expeditiously as possible. HUD is waiving the 60-day notification requirement for those plans submitted after March 1, 2020.

Period of Availability: This waiver ends on July 31, 2020, unless subsequently extended by HUD.

**c. Extension of Deadline for Programmatic Obligation and Expenditure of Capital Funds**

Statutory Authority: Section 9(j)
Regulatory Authority: 24 CFR § 905.306(d)(5) and 905.306(f)

Description: Section 9(j)(1) requires PHAs to obligate Capital Funds not later than 24 months after the date on which the funds became available, or the date on which the PHA accumulates adequate funds to undertake modernization, substantial rehabilitation, or new construction of units, plus the period of any extension approved under Section 9(j)(2). Section 9(j)(5)(A) requires a PHA to expend Capital Funds not later than four years after the date on which the funds become available for obligation, plus the period of any extension approved under section 9(j)(2). Section 9(j)(2) authorizes the Secretary to extend the time period for the obligation of Capital Funds for such period as the Secretary determines necessary if the Secretary determines that the failure of the PHA to obligate assistance in a timely manner is attributable to an event beyond the control of the PHA. The authority for extension of the section 9(j) obligation and extension deadlines for an event beyond the control of the PHA is also found in the implementing regulation at 24 CFR § 905.306 (d)(5). The regulations do not permit extensions of the expenditure dates other than for the period of time of a HUD-approved extension of the obligation deadline.

Period of Availability: HUD is extending both the obligation end date and the expenditure end date for all open Capital Fund grants by one year from the current obligation and expenditure end date; however, no programmatic expenditure end date shall be extended beyond one month prior to the closure of the relevant appropriation account, pursuant to 31 U.S.C. § 1552.

## WAIVERS APPLICABLE TO NATIVE AMERICAN PROGRAMS

### 13. Waivers and Alternative Requirements Applicable to the IHBG Program Under the Native American Housing Assistance and Self-Determination Act of 1996, as amended, (NAHASDA).

Introduction: The following waivers and alternative requirements apply only to new IHBG funding provided under the CARES Act (IHBG-CARES grants), and FY2020 IHBG formula funds under the Further Consolidated Appropriations Act, 2020. IHBG recipients are reminded that these waivers and alternative requirements do not apply to IHBG funds appropriated in any other prior year. In applying these waivers and alternative requirements, IHBG recipients must ensure that they are doing so only with respect to IHBG-CARES grants and their FY 2020 IHBG grant.

The CARES Act also provides that any waivers granted by HUD shall be deemed to be effective as of the date an Indian tribe or TDHE began preparing for COVID-19. Accordingly, the relief provided by the following waivers and alternative requirements will apply retroactively to the date that the respective IHBG recipient began preparing for COVID-19. Additionally, any related costs previously incurred by IHBG recipients that are also eligible and allowable IHBG-CARES costs may be covered or reimbursed with IHBG-CARES grant funding. Recipients should maintain documentation demonstrating when the recipient began preparing for COVID-19. Such documentation should be maintained to ensure that both HUD and the recipient can clearly identify the date when waivers and alternative requirements issued by HUD began to apply, and to support costs incurred by the recipient that it covers or reimburses with IHBG-CARES grant funding.

HUD has determined that the following waivers and alternative requirements are necessary to expedite or facilitate the use of IHBG funds to prevent, prepare for, and respond to COVID-19.

**Period of Availability**: The period of availability of each IHBG waiver and alternative requirement below ends when funds subject to the waiver and alternative requirement are expended, unless otherwise specified under each waiver and alternative requirement (e.g., IHP/APR deadline extensions).

#### a. Application Process for IHBG-CARES Grants and Indian Housing Plan (IHP) Requirements

Statutory Authority: Section 101(b), Section 102, and Section 103 of NAHASDA

Regulatory Authority: 24 C.F.R. §§ 1000.214; 1000.218;1000.220; 1000.224; 1000.226; 1000.228;1000.230; and 1000.232

Description: Section 101(b), Section 102, and Section 103 of NAHASDA and the implementing regulations in Subpart C of 24 CFR Part 1000 require IHBG recipients to submit an IHP that must be found to be in compliance with NAHASDA as a condition of receiving an IHBG grant. HUD is required to act on IHP submissions within 60 days or it is deemed approved. These provisions also provide that IHBG recipients may amend their IHPs and outline the process of HUD review of such IHP amendments. Certain IHP amendments that add new activities or involve a decrease in the amount of funds provided to protect and maintain the viability of housing assisted under the 1937 Act known as Formula Current Assisted Stock (FCAS) units require HUD to review such modifications and determine that they comply with NAHASDA. HUD is required to act on such modifications within 30 days.

HUD recognizes the challenges that Indian tribes and TDHEs are facing at the present time. Many IHBG recipients are shut down for business. Many Indian tribes have declared a state of emergency, limited travel, and have imposed social distancing directives to minimize the risk of spreading COVID-19 in their communities. This has had a severe impact on Tribes' and TDHEs' abilities to conduct business.

To facilitate and expedite the use of IHBG-CARES grant funding and FY 2020 IHBG funding for COVID-19 related purposes, HUD is waiving the requirements in Section 101(b), Section 102, and Section 103 of NAHASDA, and regulations in Subpart C of 24 CFR Part 1000, including 24 CFR §§ 1000.214; 1000.218; 1000.220; 1000.224; 1000.226; 1000.228; 1000.230; and 1000.232, only to the extent necessary to establish the following alternative requirements:

In recognition of the limited ability of Indian tribes and TDHEs to conduct regular business at this time, HUD is minimizing application requirements while also ensuring that IHBG recipients will expend CARES Act funding in accordance with the Act and program requirements.

1) *Abbreviated IHP to Receive IHBG-CARES Grant Funding*

   Given the current exigent situation, applicants for IHBG-CARES grants funding will only be required to submit an Abbreviated IHP, in accordance with guidance that will be published by HUD in the very near future, in order to receive an IHBG-CARES grant. An Abbreviated IHP is a more streamlined version of the regular IHP.

   These Abbreviated IHPs must specify how the IHBG recipient will carry out activities or projects that meet the requirements of the CARES Act (to prevent, prepare for, and respond to COVID-19), will allow the IHBG recipient to rely on certain information included in its previously submitted FY 2020 IHP, and provide HUD with specific information that will be requested in further guidance. To the extent feasible, HUD will expedite its review and approve all Abbreviated IHPs

within 15 days to expedite awarding grant funding under the CARES Act. Abbreviated IHPs that HUD fails to act on in a timely manner will not be deemed to be approved by operation of law.

HUD will also accept any Abbreviated IHPs that cannot be formally adopted by an Indian tribe or TDHE in accordance with their normal policies and procedures for adopting IHPs, provided an official or principal of the Indian tribe or TDHE who is authorized to act on behalf of the Indian tribe or TDHE provides a statement to HUD indicating that it is not practical or safe for the Indian tribe or TDHE to assemble a board or other governing body to conduct business to secure required approvals, at the time, due to the impact of COVID-19 on operations of the Indian tribe or TDHE (or the beneficiary Indian tribe of the TDHE). The Indian tribe or TDHE should take the necessary action, at a later date, when it is feasible and safe to do so, to either ratify the Abbreviated IHP previously submitted by the official or principal, if required under its policies and procedures, or submit an amendment to the Abbreviated IHP.

2) *Recipients that did Not Submit an IHP in FY 2020*

Section 101(b)(1) of NAHASDA states that the Secretary may make a grant under the Act if an IHP is submitted and determined to comply with the requirements of section 102 of the Act.

Sections 101(b)(1) and (2) are waived for any Tribe or TDHE that did not submit an IHP, or whose IHP was not approved in FY 2020, and accordingly did not receive an IHBG grant in FY 2020. A Tribe or TDHE that did not receive IHBG funds in FY 2020 may still apply to receive an IHBG-CARES grant, provided it submits an Abbreviated IHP to HUD, in accordance with further guidance that will be published by HUD. HUD may require additional information from these recipients but will seek to streamline the application process to ensure that funding can be awarded as expeditiously as possible, while also ensuring compliance with the CARES Act and NAHASDA. This waiver is necessary to provide an opportunity to all potential IHBG applicants to access this new funding to help address the ongoing crisis, regardless of whether they failed to submit an IHP in FY 2020.

3) *IHP Certifications*

Some Indian tribes and TDHEs have expressed to HUD that under the current conditions, they likely will have difficulty securing required internal approvals to be able to provide HUD with information normally required under a regular IHP. This includes certifications submitted by an Indian tribe authorizing a TDHE to act as its IHBG recipient, and other certifications of compliance required under section 102(b) of NAHASDA.

Accordingly, HUD is waiving the IHP certification requirements in Section 101-103 of NAHASDA and establishing the following an alternative requirements as follows: IHBG recipients are required to provide HUD with all required IHP certifications in their Abbreviated IHPs. However, if an authorized official of an Indian tribe or TDHE provides a statement to HUD indicating that it is not practical or safe for the Indian tribe or TDHE to secure new certifications due to the impact of COVID-19 on its operations, or the operations of a beneficiary Indian tribe, HUD will, consistent with Section 103(d) of NAHASDA, accept all IHP certifications that were previously submitted and accepted by HUD for FY 2020 IHBG grants (or for FY 2019 IHBG grants for those IHBG recipients that have not yet submitted their FY 2020 IHP), in lieu of requiring new tribal certifications to be submitted. IHBG recipients that choose to use this alternative requirement will be deemed to have submitted such past certifications for the IHBG-CARES grant and will be bound by such certifications, accordingly.

Under this alternative requirement, TDHEs may submit Abbreviated IHPs on behalf of their beneficiary Indian tribes without having to provide any required new IHP Tribal certifications when applying for IHBG CARES Act funds or amending their FY 2020 IHBG IHPs for COVID-19 related purposes. However, these TDHEs are required to consult with their beneficiary Indian tribes that they serve, in a manner that is feasible and when it is safe and practical to do so, and submit any appropriate amendments or certifications to their Abbreviated IHPs if they are directed to do so by the beneficiary Indian tribe.

4) *Reprogramming of FY 2020 IHBG Funding*

HUD strongly encourages IHBG recipients to consider reprogramming existing FY 2020 IHBG funding to help address COVID-19, because this funding likely is more immediately available. To expedite and facilitate the use of such funds for this purpose, HUD is waiving Section 103 of NAHASDA and 24 CFR § 1000.230 to the extent necessary to allow IHBG recipients to expend IHBG FY 2020 funds on IHBG activities that meet the eligible purposes of the CARES Act (to prevent, prepare for, and respond to COVID-19), (including activities made eligible under the waivers and alternative requirements provided in this Notice), without first having to amend their FY 2020 IHP. IHBG recipients that choose to do this must still amend their FY 2020 IHP, at a later date, but prior to submission of their APR, to reflect these new uses or activities, but may request an extension if doing so is not feasible and safe for Tribal or TDHE staff at that time.

Additionally, HUD is waiving the requirement in 24 CFR § 1000.232 that provides that certain IHP amendments that add new activities or involve a decrease in the amount of funds provided to protect and maintain the viability of FCAS units require HUD to review such modifications and determine that they comply with NAHASDA.

IHBG recipients may reprogram FY 2020 funding to add new activities and decrease funding for FCAS units without HUD prior review and approval, provided that the IHBG recipient is carrying out eligible COVID-19-related IHBG activities. Similarly, the FY 2020 IHP must be amended to reflect these changes prior to submission of their APR, to reflect these added activities or a decrease in the amount of FCAS funds, but may request an extension if doing so is not feasible and safe for Tribal or TDHE staff at that time.

**b. IHP Submission Deadline for Annual IHBG Formula Grants**

Statutory Authority: Section 101(b) and 102(a) of NAHASDA
Regulatory Authority: 24 CFR §§ 1000.214, 1000.216, 1000.225

Description: Section 101(b) of NAHASDA permits the Secretary to make a grant on behalf of an Indian tribe for a fiscal year only if the Indian tribe has submitted an IHP for such fiscal year. Section 102(a) of NAHASDA requires the IHP be submitted no later than 75 days before the beginning of each tribal program year.

Due to the disruption in Tribal and TDHE operations caused by COVID-19, and to facilitate recipients' efforts to respond, HUD is waiving these requirements and modifying them to allow for a new IHP submission deadline for recipients with program years beginning April 1, 2020, and July 1, 2020. IHBG recipients with these program years beginning these dates may submit their IHP for their program year on or before October 16, 2020. HUD is also establishing alternative requirements for the content of IHPs.

**Original and Extended IHP Due Dates by Program Year Starts**

| Program Year Starts | Original IHP Due Date | Extended IHP Due Date |
|---|---|---|
| 4/1/2020 | 1/17/2020 | 10/16/2020 |
| 7/1/2020 | 4/17/2020 | 10/16/2020 |

As the ongoing COVID-19 pandemic progresses, HUD will assess whether additional extensions are needed and may grant further extensions, if appropriate.

**c. Annual Performance Report Submission Deadline**

Statutory Authority: Sections 403 and 404 of NAHASDA
Regulatory Authority: 24 CFR § 1000.514

Description**:** NAHASDA requires that, not less frequently than annually, each recipient must review the activities conducted and housing assisted under the Act to assess compliance with the IHBG program requirements. The results of each review must be included in an Annual Performance Report (APR) submitted to the Secretary under section 404 and made available to the public. 24 CFR § 1000.514 of IHBG Regulations

requires the APR be submitted to HUD within 90 days of the end of a recipient's program year.

Due to the disruption in Tribal and TDHE operations caused by COVID-19, and to facilitate recipients' efforts to respond, HUD is establishing an alternative requirement under which IHBG recipients with Program Years ending December 31, 2019, submit their APRs for their program year on June 28, 2020, and IHBG recipients with program years ending March 31, 2020, submit their APR for their program year on September 27, 2020.

**Original and Extended APR Due Dates by Program Year Ends**

| Program Year Ends | Original APR Due Date | Extended APR Due Date |
|---|---|---|
| 12/31/2019 | 3/30/2020 | 6/28/2020 |
| 3/31/2020 | 6/29/2020 | 9/27/2020 |

As the ongoing COVID-19 pandemic progresses, HUD will assess whether additional extensions are needed and may grant further extensions, if appropriate.

## d. Income Verification

Regulatory Authority: 24 CFR § 1000.128

Description: 24 CFR § 1000.128 requires IHBG recipients to verify that a family is income-eligible. Families are required to provide documentation to verify this determination, and a recipient is required to maintain that documentation. Families may be required by the IHBG recipient to periodically verify income after initial occupancy, and the recipient is required to maintain documentation.

Given the COVID-19 related challenges facing families seeking IHBG assistance, families currently receiving IHBG assistance that are due for income recertification, and Tribal and TDHE staff charged with verifying income and maintaining documentation, HUD is establishing the following alternative requirement under 24 CFR § 1000.128:

1) IHBG recipients may deviate from their current written admissions and occupancy policies, and may allow less frequent income recertifications; and

2) IHBG recipients may carry out intake and other tasks necessary to verify income remotely if the IHBG recipient or eligible families chooses to do so, including allowing income self-certification over the phone (with a written record by the IHBG recipient's staff), or through an email with a self-certification form signed by a family.

## e. Public Health Services

Statutory Authority: Section 202(3) of NAHASDA

Description: Section 202(3) of NAHASDA authorizes the use of IHBG funds for the provision of housing-related services for affordable housing. Under this eligible activity, IHBG funds can be used to provide services such as housing counseling, activities related to the provision of self-sufficiency and other services related to assisting owners, tenants, contractors, and other entities, participating or seeking to participate in the IHBG program.

HUD is waiving Section 202(3) and establishing an alternative requirement to the extent necessary to allow IHBG funds to be used to carry out a wide range of public health services under this category of eligible activities. Accordingly, in addition to the housing services normally eligible under Section 202(3), IHBG recipients may be used on a wide range of public health activities designed to allow IHBG-eligible residents and staff of the IHBG recipient prepare for, prevent, or respond to COVID-19.

Eligible uses of IHBG funds under this waiver and alternative requirement include, but are not limited to: providing testing, diagnosis or other related services to residents; establishing a fixed or mobile location to conduct testing and treatment; paying for necessary equipment, supplies, and materials, including personal protective equipment; carrying out public health services designed to help staff, eligible residents, and other third-party providers serving eligible residents, prepare for, prevent, or respond to COVID-19; delivering meals on wheels or other food delivery services to eligible residents that are sheltered-in-place and complying with a stay at home order, or otherwise maintaining recommended social distancing.

HUD strongly encourages IHBG grantees to coordinate with recipients of other Federal sources of funding for this purpose, including funding provided by the Indian Health Service, to ensure IHBG funds are used to supplement rather than supplant such funding.

### f. COVID-19-related Assistance to Non-Low Income and Non-Native Families

Statutory Authority: Section 201(b) of NAHASDA
Regulatory Authority: 24 CFR §§ 1000.104, 1000.106, 1000.108, 1000.110; 1000.312, 1000.314, 1000.318

Description: Section 201(b) of NAHASDA and its implementation regulations, except for specified exceptions, limit assistance under eligible housing activities to low-income Indian families.

The COVID-19 pandemic poses a unique threat to the health and safety of Tribal communities. Persons infected with the virus, regardless of income or tribal membership, pose a health risk to the entire community, and low-income families are especially vulnerable given the severe overcrowding in Indian Country, infrastructure challenges, and the lack of access to running water and readily available health care services in many

remote communities. To effectively prevent, prepare for, and respond to COVID-19, IHBG recipients may find the need to use IHBG resources or NAHASDA-assisted housing units to provide shelter-in-place housing and public health services to otherwise ineligible persons and families, with the goal of protecting the health and safety of the most vulnerable low-income Native American families who may be infected.

Given this, HUD is waiving Section 201(b) and its implementing regulations, and establishing alternative requirements to the extent necessary to allow IHBG funds to be used by recipients to prevent, prepare for, and respond to COVID-19 through the following limited activities that provide assistance to all affected and threatened people without regard to income limits or Indian status: temporary shelter-in-place, isolation centers, purchasing and making medical testing kits available, purchasing and distributing masks and other personal protection equipment, emergency food preparation and distribution, cleaning and decontamination, and other directly related activities. Permanent rental assistance, mortgage assistance, housing rehabilitation and new housing construction may not be provided for the benefit of such otherwise ineligible families under this waiver and alternative requirement.

This assistance may only be provided to such otherwise ineligible families if: it is provided during the COVID-19 emergency; if it is designed to protect the health and safety of low-income Native American families; if it is provided on an urgent basis (as documented by the IHBG recipient); and if it is temporary in nature. When providing this assistance, IHBG recipients must maintain records documenting that these criteria were met at the time that such assistance was provided.

Under this waiver and alternative requirement, IHBG recipients may house low-income non-Indian families or over-income Indian and non-Indian families in NAHASDA-assisted units, including FCAS units) to shelter-in-place those families per CDC guidelines to protect low-income Indian families and the Tribal community from the further spread of COVID-19, regardless of income or Indian status. IHBG funds may also be used to provide temporary rental assistance to otherwise ineligible persons or families in privately owned units, hotels/motels, and similar facilities designed to shelter-in-place or isolate infected persons from others, if the criteria under this waiver and alternative requirements are met. The use of NAHASDA-assisted units, including FCAS, or funds for the temporary shelter-in-place or isolation of any individuals shall be temporary.

24 CFR §§ 1000.312 and 1000.314 identify FCAS units as low rent, Mutual Help and Turnkey III housing units owned and operated by an IHBG recipient. 24 CFR § 1000.318 establishes when these units can be considered FCAS for purposes of the IHBG formula. These regulations are also waived and modified to the extent necessary to not impact the FCAS eligibility of FCAS units used for this purpose of addressing COVID-19 regardless of income or Indian status, provided such units are operated as low income housing dwelling units once no longer needed to shelter-in-place persons, and upon a determination that such units are safe to be occupied again by low income families not infected with COVID-19.

Assistance provided in accordance with this waiver shall not count towards the maximum amount of assistance that IHBG recipients may otherwise provide to non-low-income families specified in 24 CFR § 1000.110.

By providing temporary assistance to address the immediate health, safety and economic needs of all citizens in Indian Country, recipients can better insure the health and safety of low-income Indian families in their communities.

## g. Useful Life

Statutory Authority: Section 205 of NAHASDA
Regulatory Authority: 24 CFR §§ 1000.141, 1000.142, 1000.143, 1000.144, 1000.146, 1000.147

Description: Section 205(a)(2) of NAHASDA requires each dwelling unit in a recipient's housing developed or assisted under the Act will remain affordable, according to binding commitments satisfactory to HUD, for the remaining useful life of the property. The IHBG regulations require each recipient to describe, in its IHP, its determination of the useful life of the assisted housing units in its developments in accordance with the local conditions of the Indian area of the recipient. By approving the IHP, HUD determines the useful life in accordance with section 205(a)(2).

HUD is waiving these requirements to determine and maintain affordability during the useful life of housing units assisted with IHBG-CARES grant funding and FY 2020 IHBG funding used to address COVID-19 if that assistance is related to cleanup of COVID-19 contamination and temporary use dwelling units for purposes of housing and quarantining families to inhibit the spread of COVID-19 to low-income Indian families and the Tribal community.

## h. Total Development Cost (TDC) Limits

Regulatory Authority: 24 CFR §§ 1000.156, 1000.158, 1000.160, 1000.162

Description: The IHBG regulations require that affordable housing under NAHASDA be of moderate design with a size and with amenities consistent with unassisted housing offered for sale in the Indian tribe's general geographic area to buyers who are at or below the area median income. To achieve this requirement the recipient must either, adopt written standards for its affordable housing programs that reflect the requirement specified, or use TDC limits published periodically by HUD that establish the maximum amount of funds (from all sources) that the recipient may use to develop or acquire/rehabilitate affordable housing. The limits provided by the TDC may not, without prior HUD approval, exceed by more than 10 percent the TDC maximum cost for the project. Non-dwelling structures used to support an affordable housing activity must

be of a design, size and with features or amenities that are reasonable and necessary to accomplish the purpose intended by the structures.

HUD expects that COVID-19 will likely have both a short-term and the long-term impact of IHBG recipients' programs. Because of the long-term need to prevent, prepare for, and respond to COVID-19, IHBG recipients may find it appropriate to use IHBG-CARES grant funds to acquire or construct new housing units with the goal of reducing severe overcrowding in Indian Country that leave Native American populations, particularly the elders and disabled, especially vulnerable to COVID-19. Accordingly, HUD is establishing an alternative requirement relating to limitations on cost or design standards and TDC with respect to dwelling and non-dwelling units developed, acquired or assisted with funding provided to be used by recipients to prevent, prepare for, and respond to COVID-19. An IHBG recipient may exceed the current TDC maximum by 20 percent without HUD review or approval if the purpose of the development, acquisition or assistance is to prevent, prepare for, and respond to COVID-19. The recipient, however, must maintain documentation that indicates the dwelling and non-dwelling units developed, acquired or assisted with this funding will, after this crisis, be for IHBG eligible families and the design, size, and amenities are moderate and comparable to housing in the area. The TDC limits can be exceeded by more than 20 percent if the recipient receives written approval from HUD Headquarters. This waiver applies to both single-family and multi-family housing, as well as non-dwelling structures supporting an activity to prevent, prepare for, and respond to COVID-19.

Period of Availability: This waiver and alternative requirement is available only so long as the Total Development Costs specified in PIH Notice 2019-19 remain in effect.

### i. Prohibition Against Investment of CARES Act Grant Funds

Statutory Authority: Section 204(b) of NAHASDA
Regulatory Authority: 24 CFR § 1000.58

Description: Section 204(b) of NAHASDA permits IHBG recipients to invest grant amounts for the purposes of carrying out affordable housing activities in investment securities and other obligations as approved by HUD. Under 24 CFR § 1000.58 of the IHBG regulations, HUD has approved certain IHBG recipients based, among other things, on a history of compliance and capacity, to invest IHBG funding certain securities and interest-bearing accounts for the purpose of carrying out affordable housing activities.

HUD is waiving section 204(b) of NAHASDA and 24 CFR § 1000.58 and prohibiting the investment of any IHBG funding provided under the CARES Act. Such funding is to be used by recipients to prevent, prepare for, and respond to COVID-19, including to maintain normal operations and fund eligible affordable housing activities under NAHASDA during the period that each recipient's program is impacted by COVID-19. Given the limited scope of this funding to address the immediate health, safety and

economic needs of citizens in Indian Country, drawing down funds for investment in securities and long-term interest-bearing accounts is prohibited.

## 14. Waivers and Alternative Requirements Applicable to the Indian Community Development Block Grant Program.

Introduction: Pursuant to the CARES Act, HUD may waive, or specify alternative requirements for, any provision of any statute or regulation that HUD administers in connection with the use of amounts made available for the ICDBG program under the CARES Act (ICDBG-CARES grants), and FY 2020 ICDBG funds (both Single Purpose Grants and Imminent Threat Grants) appropriated under the Further Consolidated Appropriations Act of 2020 (Public Law 116–94) (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a finding by HUD that any such waivers or alternative requirements are necessary to expedite or facilitate the use of such amounts to prevent, prepare for, and respond to COVID-19.

Accordingly, the following waivers and alternative requirements apply only to ICDBG-CARES grants (the new ICDBG funding provided under the CARES Act), and FY 2020 ICDBG funds. ICDBG grantees are reminded that these waivers and alternative requirements do not apply to ICDBG funds appropriated in any other prior year. In applying these waivers and alternative requirements, ICDBG grantees must ensure that they are doing so only with respect to ICDBG-CARES grant funding and their FY 2020 ICDBG grant(s).

The CARES Act also provides that any waivers granted by HUD shall be deemed to be effective as of the date an Indian tribe began preparing for COVID-19. Accordingly, the relief provided by following waivers and alternative requirements will apply retroactively to the date that the respective ICDBG grantee began preparing for coronavirus. Additionally, any related costs previously incurred by ICDBG grantees that are also eligible and allowable ICDBG-CARES costs may be covered or reimbursed with ICDBG funding provided under the CARES Act. ICDBG-CARES grantees should maintain documentation demonstrating when the grantee began preparing for COVID-19. Such documentation should be maintained to ensure that both HUD and the grantee can clearly identify the date when waivers and alternative requirements issued by HUD began to apply, and to support costs incurred by the recipient that it covers or reimburses with ICDBG-CARES grant funding.

HUD has determined that the following waivers and alternative requirements are necessary to expedite or facilitate the use of ICDBG funds to prevent, prepare for, and respond to COVID-19.

**Period of Availability**: The period of availability of each ICDBG waiver and alternative requirement below ends when funds subject to the waiver and alternative requirement are expended, unless otherwise specified under each waiver and alternative requirement.

## a. Citizen Participation

Statutory Authority: Section 104 of the Housing and Community Development Act of 1974 (HCD Act)
Regulatory Authority: 24 CFR §§ 1003.604,1003.305(b)(3)

Description: Section 104 of the HCD Act and 24 CFR § 1003.604 requires ICDBG applicants to consult with residents prior to submitting their funding applications. The regulation mandates minimum citizen participation requirements, including holding one or more meetings to obtain the views of residents. 24 CFR § 1003.305(b)(3) requires ICDBG recipients to meet the citizen participation requirements of 24 CFR § 1003.604 before amending previously awarded ICDBG grants.

Considering COVID-19-related social distancing directives, and other prohibitions against large in-person gatherings, in person citizen meetings are not advised. Accordingly, HUD is waiving 24 CFR § 1003.604(a)(2) and 24 CFR § 1003.305(b)(3), and will not require Indian tribes to hold one or more meetings to obtain the views of residents before applying for ICDBG-CARES grant funding or amending their FY 2020 ICDBG grants to address COVID-19. Indian tribes will continue to be required, however, to meet the citizen participation requirements by publishing or posting information on their plans to use ICDBG grants, and accepting and considering comments, to the extent the Indian tribe determines that that can be done without subjecting residents to unnecessary risks to health and safety. Indian tribes may also choose to hold virtual meetings with the public to meet these streamlined citizen participation requirements, if feasible.

When holding a virtual meeting, a grantee should take appropriate steps to ensure effective communication with persons with disabilities consistent with the requirements of accessibility laws, such as Section 504 of the Rehabilitation Act.

For virtual meetings, such steps will include ensuring that information is provided on an accessible website, that e-mails and other digital notifications are accessible, and that the application or platform used to host the hearing is also be accessible. Additional services such as audio description or captioning may also be needed to provide effective communication in a digital context. Helpful guidelines for ensuring the accessibility of web-based and digital materials are available through the World Wide Web Consortium's Web Accessibility Initiative at https://www.w3.org/WAI/. Examples of auxiliary aids and services that may be necessary when conducting hearings online can be found at 28 C.F.R. § 35.104. If no method of conducting a virtual hearing is available that appropriately accommodates an individual's disability, the grantee may not hold against the individual his or her inability to participate in the hearing, and an in-person hearing may be scheduled for a later date when the unnecessary risks to the health and safety of participants have alleviated.

Additionally, grantees should be mindful that many low-income persons may not be able

to participate in a virtual meeting due to lack of Internet access. Grantees are encouraged to also make any virtual meetings available via telephone so that persons can participate even if they do not have access to the Internet.

**b. Application Process for ICDBG-CARES Grants and Funding Criteria**

Regulatory Authority: 24 CFR §§ 1003.400, 1003.401, 1003.402; Section I.A.1.b. of the combined FY 2019/2020 ICDBG Notice of Funding Availability (NOFA)

Description: The regulation at 24 CFR § 1003.400 specifies the funding criteria for ICDBG Imminent Threat (IT) grants. It provides that: 1) The urgency and immediacy of the threat must be independently verified before an ICDBG IT application can be approved by HUD; 2) Funds may only be used to deal with imminent threats that are not of a recurring nature and which represent a unique and unusual circumstance, and which impact on an entire service area; 3) HUD will establish grant ceilings. The regulation at 24 CFR § 1003.401 specifies the application process that applicants must follow. The regulation at 24 CFR § 1003.402 addresses the availability of funding and what happens to remaining unobligated ICDBG IT funds at the end of each fiscal year. It provides that if any reserved funds are not used to fund ICDBG IT grants during a fiscal year, they will be added to the allocation of ICDBG funds for the subsequent fiscal year and will be used as if they were a part of the new allocation.

The COVID-19 pandemic has resulted in a declared national emergency and is a domestic and international crisis. This is a unique well-documented emergency that is having an impact on all Tribal communities. Considering this, HUD is waiving and modifying 24 CFR § 1003.400, 24 CFR § 1003.401, 24 CFR § 1003.402, and Section I.A.1.b. of FY 2019/2020 ICDBG NOFA to the extent necessary to provide for the following alternative requirements:

1) *Criteria for Funding*

HUD will issue further guidance in the very near future on the application process and criteria for ICDBG applicants applying for ICDBG-CARES grants to address the COVID-19 emergency.

With respect to applications for ICDBG-CARES grants and FY 2020 ICDBG Imminent Threat grants to address the COVID-19 emergency: The urgency and immediacy of the threat need not be independently verified before approval of an application. The urgency and immediacy of the threat will be presumed by HUD, unless HUD has evidence to the contrary. Similarly, these applications need not demonstrate that COVID-19 is a non-recurring imminent threat and that it has an impact on an entire service area. HUD will presume these criteria are met unless HUD has evidence to the contrary.

2) *Grant Ceilings*

For ICDBG-CARES grants, HUD is waiving the current ICDBG Imminent Threat grant ceilings (currently set at $450,000 for projects in areas that have not received a Presidential Major Disaster Declaration, and $900,000 for areas that have received a Presidential Major Disaster Declaration). HUD will publish an ICDBG-CARES Implementation Notice in the very near future and establish grant ceilings in that notice.

HUD may also further revise these grant ceilings in the future depending on how the pandemic evolves, program demand, the availability of additional appropriations, and related factors. HUD will notify Indian tribes in writing if these grant ceilings are revised in the future.

3) *Reimbursement of Costs and Letter to Proceed*

The CARES Act provides that ICDBG-CARES grant funds provided under the Act may be used to cover or reimburse allocable costs to prevent, prepare for, and respond to COVID-19 incurred by an ICDBG applicant, including costs incurred prior to the enactment of the Act. Accordingly, any previous costs incurred by an ICDBG applicant or grantee before the enactment of the Act may be reimbursed with ICDBG-CARES grant funding. Considering this, HUD is waiving 24 CFR § 1003.400(b) to the extent necessary to allow ICDBG applicants and grantees to receive ICDBG-CARES grants without having to demonstrate to the satisfaction of HUD that other Tribal funding sources cannot be made available to alleviate the threat. Additionally, HUD will not consider recently awarded IHBG funding provided under the CARES Act, and regular IHBG funding that has already been budgeted in the relevant IHP or contracted, when assessing available Federal resources. HUD is also waiving the letter to proceed provision in 24 CFR § 1003.401(a) so that ICDBG applicants and grantees do not need to have received a letter to proceed from the Area ONAP as a condition of reimbursing themselves for eligible costs already incurred that can be reimbursed pursuant to the CARES Act.

ICDBG-CARES grantees remain responsible for ensuring that they are coordinating locally, and with other Federal agencies, to ensure that funds are used appropriately to address gaps in funding, and to avoid any duplication of benefits.

4) *Availability of Funds*

HUD is waiving 24 CFR § 1003.402 which provides that if any reserved funds are not used to fund imminent threat grants during a fiscal year, they will be added to the allocation of ICDBG funds for the subsequent fiscal year and will be used as if they were a part of the new allocation. HUD is waiving this regulation to expedite and facilitate the use of ICDBG-CARES grant funds to address COVID-19. If ICDBG-

CARES grant funds are not awarded in a fiscal year, HUD will assess how the pandemic is progressing, program demand, available funding, and related factors, and reserves the right to adjust how funding is awarded to ensure needs of tribes are met, including possibly setting aside a portion of funding to address the needs of Tribes with the greatest needs. HUD may also award additional funding through the IHBG-CARES program if a sufficient amount of ICDBG-CARES funding remains unobligated after a period of time and projected program demand is low.

**c. Removal of Public Services 15 Percent Cap under FY 2020 ICDBG Grants**

Statutory Authority: Section 105 of HCD Act

Regulatory Authority: 24 CFR § 1003.201(e); FY 2019/2020 ICDBG NOFA

Description: Section 105 of the HCD Act and the ICDBG implementing regulation at 24 CFR § 1003.201(e) authorize the use of ICDBG funds to carry out public services activities, but provide that the amount of ICDBG funds used for public services shall not exceed 15 percent of the respective ICDBG grant. Congress lifted the 15 percent cap on public services funded under the ICDBG Imminent Threat funding appropriated under the CARES Act and for FY 2020 ICDBG funding in recognition of the great and immediate need for public services to help address and prepare for the impact of COVID-19 in Tribal communities.

Accordingly, HUD is waiving Section 105 of the HCD Act, 24 CFR § 1003.201(e), and language in the definition of the term "public services" in the FY 19/20 ICDBG NOFA to the extent necessary to remove the 15 percent cap on FY 2020 ICDBG funding (both Single Purpose and Imminent Threat grants), to align with ICDBG Imminent Threat funding provided under the CARES Act. ICDBG grantees that have been awarded FY 2020 ICDBG funds are reminded that they must still comply with the provisions of 24 CFR § 1003.305 if they are seeking to amend their grants to carry out additional public services or other activities to prevent, prepare for, or respond to COVID-19.

**d. Rental Assistance, Utility Assistance, Food, Clothing, and Other Emergency Assistance**

Statutory Authority: Section 105 of the HCD Act.
Regulatory Authority: 24 CFR § 1003.207(b)(4)

Description: Section 105(a)(8) authorizes the use of ICDBG funds for a variety of public services. Under the implementing regulation at 24 CFR § 1003.207(b)(4), the general rule is that ICDBG funds may not be used for income payments. For purposes of the ICDBG program, income payments mean a series of subsistence-type grant payments made to an individual or family for items such as food, clothing, housing (rent or mortgage) or utilities, but excludes emergency payments made over a period of up to

three months to the provider of such items or services on behalf of an individual or family.

COVID-19 is having a substantial negative impact on Native American families' ability to work, earn an income, pay their rent or mortgage, access or pay for food and clothing, and access many other essential services. Many tribes and TDHEs have reported to HUD that they shut down and community members are sheltering in place. Additionally, HUD expects that tribes will need to respond to long-term impacts of COVID-19. To help Tribal communities address these challenges, HUD is waiving Section 105(a)(8) and 24 CFR § 1003.207(b)(4) to the extent necessary to establish the following alternative requirement:

1) ICDBG grant funds may be used to provide emergency payments for low and moderate income individuals or families impacted by COVID-19 for items such as food, medicine, clothing, and other necessities, as well as rental assistance and utility payment assistance, without regard for the 3-month limitation in 24 CFR § 1003.207(b)(4), but for a period not to exceed six months unless further expanded by HUD at a later date. At this time, emergency mortgage assistance will remain limited to no more than 3 months under 24 CFR § 1003.207(b)(4). However, HUD may provide additional waiver relief for ICDBG-funded mortgage assistance at a later date as the pandemic progresses. Indian tribes are reminded that the CARES Act provided foreclosure and forbearance relief for borrowers under the Section 184 Indian Home Loan Guarantee program, as well as other borrowers.

2) These emergency payments must be used to either cover costs incurred directly by the ICDBG grantee in cases where the ICDBG grantee is providing this assistance, or made directly to a third party provider of such items or services on behalf of an individual or family, and may not be paid directly to an individual or family in the form of income payments, debit cards, or similar direct income payments. ICDBG grantees must ensure that proper documentation is maintained to ensure that all costs incurred are eligible.

   ICDBG grantees using this alternative requirement must document, in its policies and procedures, how they will determine the amount of assistance to be provided is necessary and reasonable.

**e. <u>Purchase of Equipment</u>**

Regulatory Authority: 24 CFR §§ 1003.207(b)(1); 1003.201(c)(1)(ii)

<u>Description</u>: The purchase of equipment with ICDBG funds is generally ineligible under 24 CFR § 1003.207(b)(1), with some exceptions.

Given the immediate need for medical and personal protective equipment, and other

related equipment needed to help prevent, prepare for, and respond to the COVID-19 pandemic in Tribal communities, HUD is waiving 24 CFR § 1003.207(b)(1) and authorizing the use of ICDBG funds for the purchase of equipment necessary to prevent, prepare for, and respond to the COVID-19.

ICDBG grantees must ensure that ICDBG funds are used to supplement other Federal sources of funding for this purpose, including funding provided by the Indian Health Service, and should not be used to supplant such funding.

### f. Operating Expenses for Public Facilities

Regulatory Authority: 24 CFR § 1003.207(b)(2)

Description: 24 CFR § 1003.207(b)(2) provides that expenses associated with repairing, operating or maintaining public facilities, improvements and services are generally ineligible, with some exceptions.

Indian tribes may find the need to use ICDBG funds to fund a variety of public facilities, including constructing facilities for testing, diagnosis, or treatment, rehabilitating existing facilities to establish infectious disease treatment clinics, acquiring and converting hotels, motels, or similar facilities to expand capacity of hospitals to accommodate isolation of patients during recovery, and more. These facilities will likely need to be operated and maintained for the duration of the COVID-19 pandemic. Accordingly, HUD is waiving 24 CFR § 1003.207(b)(2) to the extent necessary to allow the use of ICDBG funds to pay for such operating and maintenance expenses of any public facility, to the extent it is used for COVID-19-related purposes. In incurring such costs, ICDBG grantees may not use this waiver to pay for associated staffing costs of such public facilities. ICDBG grantees must also ensure that ICDBG funds are used to supplement other Federal sources of funding for this purpose, including funding provided by the Indian Health Service, and should not be used to supplant such funding.

### g. New Housing Construction by Tribe

Statutory Authority: Section 105 of the HCD Act
Regulatory Authority: 24 CFR § 1003.207(b)(3)

Description: 24 CFR 1003.207(b)(3) generally prohibits the use of ICDBG funds for new housing construction, with some exceptions. ICDBG may be used for new housing construction if provided as last resort housing under 24 CFR Part 42, or when carried out by a Community-Based Development Organization (CBDO).

As HUD found in its 2017 Native American Housing Needs Study, severe overcrowding and substandard housing is a major challenge in Indian Country. These conditions increase risks of infection amongst low- and moderate-income Native American families. Indian tribes may find the need to construct temporary or permanent new

housing to help prevent, prepare for, and respond to COVID-19, and may find it necessary to do so without having to carry out such activities through a CBDO. Accordingly, HUD is waiving and modifying Section 105 of the HCD Act and 24 CFR 1003.207(b)(3) to the extent necessary to provide for the following alternative requirement: Indian tribes and tribal organizations may use ICDBG funds to carry out new housing construction when such construction is carried out to reduce overcrowding, or to otherwise prevent, prepare for, or respond to COVID-19.

When assessing applications for ICDBG-CARES grants that propose to carry out new housing construction, HUD will only fund applications that propose to carry out new housing construction that is clearly designed to prevent, prepare for, and respond to COVID-19, and that the applicant plans to carry out expeditiously. HUD will issue additional ICDBG-CARES implementation guidance in the near future.

**15. Further Information.** Question concerning this notice should be submitted by email to the following HUD mailbox: PIH-covidwaivers@hud.gov

R. Hunter Kurtz
Assistant Secretary for Public and
Indian Housing

**Attachment: Summary of Public Housing and HCV Waivers and Alternative Requirements**
**(Refer back to the Notice using the item code for a full description and more detailed information.)**

**This chart summarizes the waivers authorized under this notice and the availability period for each. As stated in Section 5, PHAs must keep written documentation on the waivers applied by the PHA as well as the effective dates. To fulfill those requirements, PHAs may but are not required to utilize the last two columns to record this information.**

| Item | Statutory and regulatory waivers | Summary of alternative requirements | Availability Period Ends | Did PHA implement waiver and alternative requirement? | Date of PHA adoption |
|---|---|---|---|---|---|
| PH and HCV-1 PHA 5-Year and Annual Plan | Statutory Authority<br>Section 5A(a)(1), Section 5A(b)(1), Section 5A(g), Section 5A(h)<br><br>Regulatory Authority<br>§ 903.5(a)(3), 903.5(b)(3), 903.21 | • Alternative dates for submission<br>• Changes to significant amendment process | • Varies based on FYE<br>• 7/31/20 | | |
| PH and HCV-2 Family income and composition – delayed annual reexaminations | Statutory Authority<br>Section 3(a)(1)<br><br>Regulatory Authority<br>§ 982.516(a)(1), § 960.257(a) | • Permits the PHA to delay the annual reexamination of income and family composition<br>• HCV PHAs must implement HCV-7 for impacted families if they implement this waiver | • 12/31/20 | | |
| PH and HCV-3 Annual | Regulatory Authority<br>§ 5.233(a)(2) | • Waives the requirements to use the income | • 7/31/20 | | |

| Item | Statutory and regulatory waivers | Summary of alternative requirements | Availability Period Ends | Did PHA implement waiver and alternative requirement? | Date of PHA adoption |
|---|---|---|---|---|---|
| reexamination Income Verification | Sub-regulatory Guidance<br>PIH Notice 2018-18 | hierarchy, including the use of EIV, and will allow PHAs to consider self-certification as the highest form of income verification<br>• PHAs that implement this waiver will be responsible for addressing material income discrepancies that may arise later | | | |
| PH and HCV-4 Interim reexaminations | Statutory Authority<br>Section 3(a)(1)<br><br>Regulatory Authority<br>§ 5.233(a)(2), 982.516(c)(2), 960.257(b) and (d)<br><br>Sub-regulatory Guidance<br>PIH Notice 2018-18 | • Waives the requirement to use the income verification requirements, including the use of EIV, for interim reexaminations | • 7/31/20 | | |
| PH and HCV-5 EIV System Monitoring | Regulatory Authority<br>§ 5.233<br><br>Sub-regulatory Guidance | • Waives the mandatory EIV monitoring requirements. | • 7/31/20 | | |

| Item | Statutory and regulatory waivers | Summary of alternative requirements | Availability Period Ends | Did PHA implement waiver and alternative requirement? | Date of PHA adoption |
|---|---|---|---|---|---|
| | PIH Notice 2018-18 | | | | |
| PH and HCV-6 FSS Contract of Participation | Regulatory Authority<br>§ 984.303(d) | • Provides for extensions to FSS contract of participation | • 12/31/20 | | |
| PH and HCV-7 Waiting List | Regulatory Authority<br>§ 982.206(a)(2)<br>PIH Notice 2012-34 | • Waives public notice requirements for opening and closing waiting list<br>• Requires alternative process | • 7/31/20 | | |
| HQS-1 Initial inspection | Statutory Authority<br>Section 8(o)(8)(A)(i), Section 8(o)(8)(C)<br>Regulatory Authority<br>§ 982.305(a), 982.305(b), 982.405 | • Changes initial inspection requirements, allowing for owner certification that there are no life-threatening deficiencies<br>• Where self-certification was used, PHA must inspect the unit no later than October 31, 2020. | • 7/31/20<br>• 10/31/20 | | |
| HQS-2: PBV Pre-HAP Contract Inspections, PHA acceptance of completed units | Statutory Authority:<br>Section 8(o)(8)(A)<br><br>Regulatory Authority:<br>§§ 983.301(b), 983.156(a)(1) | • Changes inspection requirements, allowing for owner certification that there are no life-threatening deficiencies<br>• Where self-certification was used, PHA must inspect the unit no later than October 31, 2020. | • 7/31/20<br>• 10/31/20 | | |

| Item | Statutory and regulatory waivers | Summary of alternative requirements | Availability Period Ends | Did PHA implement waiver and alternative requirement? | Date of PHA adoption |
|---|---|---|---|---|---|
| HQS-3<br>Non-Life Threatening HQS - Initial Unit Approval | Statutory Authority<br>Section 8(o)(8)(A)(ii)<br><br>Regulatory Authority<br>HOTMA HCV Federal Register Notice January 18, 2017 | • Allows for extension of up to 30 days for owner repairs of non-life threatening conditions | • 7/31/20 | | |
| HQS-4<br>Initial HQS - Alternative Inspections | Statutory Authority<br>Section 8(o)(8)(A)(iii)<br><br>Regulatory Authority<br>HOTMA HCV Federal Register Notice January 18, 2017 | • Under Initial HQS Alternative Inspection Option - allows for commencement of assistance payments based on owner certification there are no life-threatening deficiencies<br>• Where self-certification was used, PHA must inspect the unit no later than October 31, 2020. | • 7/31/20<br><br>• 10/31/20 | | |
| HQS-5<br>Biennial Inspections | Statutory Authority<br>Section 8(o)(D)<br><br>Regulatory Authority<br>§§ 982.405(a), 983.103(d) | • Allows for delay in biennial inspections<br>• All delayed biennial inspections must be completed as soon as reasonably possible but | • 10/31/20 | | |

| Item | Statutory and regulatory waivers | Summary of alternative requirements | Availability Period Ends | Did PHA implement waiver and alternative requirement? | Date of PHA adoption |
|---|---|---|---|---|---|
| | | by no later than October 31, 2020. | | | |
| HQS-6 Interim Inspections | Statutory Authority Section 8(o)(8)(F)<br><br>Regulatory Authority §§ 982.405(g), § 983.103(e) | • Waives the requirement for the PHA to conduct interim inspection and requires alternative method<br>• Allows for repairs to be verified by alternative methods | • 7/31/20 | | |
| HQS-7 PBV Turnover Inspections | Regulatory Authority § 983.103(c) | • Allows for PBV turnover units to be filled based on owner certification there are no life-threatening deficiencies<br>• Allows for delayed full HQS inspection | • 7/31/20<br>• 10/31/20 | | |
| HQS-8: PBV HAP Contract – HQS Inspections to Add or Substitute Units | Statutory Authority Section 8(o)(8)(A)<br>Regulatory Authority §§ 983.207(a), 983.207(b) | • Allows for PBV units to be added or substituted in the HAP contract based on owner certification there are no life-threatening deficiencies<br>• Allows for delayed full HQS inspection | • 7/31/20<br>• 10/31/20 | | |

| Item | Statutory and regulatory waivers | Summary of alternative requirements | Availability Period Ends | Did PHA implement waiver and alternative requirement? | Date of PHA adoption |
|---|---|---|---|---|---|
| HQS-9<br>HQS QC Inspections | Regulatory Authority<br>§ 982.405(b) | • Provides for a suspension of the requirement for QC sampling inspections | • 10/31/20 | | |
| HQS--10<br>HQS Space and Security | Regulatory Authority<br>§ 982.401(d) | • Waives the requirement that each dwelling unit have at least 1 bedroom or living/sleeping room for each 2 persons. | Remains in effect one year from lease term or date of notice, whichever is longer | | |
| HQS-11<br>Homeownership HQS | Statutory Authority<br>Section 8(o)(8)(A)(i), Section 8(y)(3)(B)<br><br>Regulatory Authority<br>§ 982.631(a) | • Waives the requirement to perform an initial HQS inspection in order to begin making homeownership assistance payments<br>• Requires family to obtain independent professional inspection<br>• | • 7/31/20 | | |
| HCV-1<br>Administrative Plan | Regulatory Authority<br>§ 982.54 (a) | • Waives the requirement to adopt revisions to the admin plan | • 7/31/20 | | |
| HCV-2<br>PHA Oral Briefing | Regulatory Authority<br>§ 982.301(a)(3)<br>§ 983.252(a) | • Waives the requirement for an oral briefing<br>• Provides for alternative methods to conduct required voucher briefing | • 7/31/20 | | |

| Item | Statutory and regulatory waivers | Summary of alternative requirements | Availability Period Ends | Did PHA implement waiver and alternative requirement? | Date of PHA adoption |
|---|---|---|---|---|---|
| HCV-3<br>Term of Voucher - Extensions of Term | Regulatory Authority<br>§ 982.303(b)(1) | • Allows PHAs to provide voucher extensions regardless of current PHA policy<br>• | • 7/31/20 | | |
| HCV-4<br>PHA Approval of Assisted Tenancy | Regulatory Authority<br>§ 982.305(c) | • Provides for HAP payments for contracts not executed within 60 days<br>• PHA must not pay HAP to owner until HAP contract is executed | • 7/31/20 | | |
| HCV-5<br>Absence from unit | Regulatory Authority<br>§ 982.312 | • Allows for PHA discretion on absences from units longer than 180 days<br>• PHAs must not make HAP payments beyond 12/31/20 for units vacant more than 180 consecutive days | • 12/31/20 | | |
| HCV-6<br>Automatic Termination of the HAP Contract | Regulatory Authority<br>§ 982.455 | • Allows PHA to extend the period of time after the last HAP payment is made before the HAP contract terminates automatically. | • 12/31/20 | | |

| Item | Statutory and regulatory waivers | Summary of alternative requirements | Availability Period Ends | Did PHA implement waiver and alternative requirement? | Date of PHA adoption |
|---|---|---|---|---|---|
| HCV-7 Increase in Payment Standard | Regulatory Authority § 982.505(c)(4) | • Provides PHAs with the option to increase the payment standard for the family at any time after the effective date of the increase, rather than waiting for the next regular reexamination to do so. | • 12/31/20 | | |
| HCV-8 Utility Allowance Schedule | Regulatory Authority § 982.517 | • Provides for delay in updating utility allowance schedule | • 12/31/20 | | |
| HCV-9 Homeownership Counseling | Statutory Authority Section 8(y)(1)(D)<br><br>Regulatory Authority § 982.630, 982.636(d) | • Waives the requirement for the family to obtain pre-assistance counseling | • 7/31/20 | | |
| HCV-10 FUP | Statutory Authority Section 8(x)(2) | • Allows PHAs to increase age to 26 for foster youth initial lease up | • 12/31/20 | | |
| PH-1 Fiscal closeout of Capital Grant Funds | Regulatory Authority § 905.322(b) | • Extension of deadlines for ADCC and AMCC | Varies by PHA | | |
| PH-2 Total | Regulatory Authority § 905.314(c) | • Waives the TDC and HCC limits permitting | Applies to development | | |

| Item | Statutory and regulatory waivers | Summary of alternative requirements | Availability Period Ends | Did PHA implement waiver and alternative requirement? | Date of PHA adoption |
|---|---|---|---|---|---|
| Development Costs | | approval of amounts in excess of published TDC by 25% to 50% on a case by case basis | proposals submitted to HUD no later than December 31, 2021 | | |
| PH-3<br>Cost limitations | Regulatory Authority<br>§ 905.314(j) | • Allows for the use of force account labor for modernization activities in certain circumstances<br>• | • 12/31/20 | | |
| PH-4<br>ACOP | Regulatory Authority<br>§ 960.202(c)(1) | • Changes to approval process for ACOP | • 7/31/20 | | |
| PH-5<br>CSSR | Statutory Authority<br>Section 12(c)<br><br>Regulatory Authority<br>§ 960.603(a) and 960.603(b) | • Temporarily suspends CSSR | • 3/31/21 | | |
| PH-6<br>Energy Audits | Regulatory Authority<br>§ 965.302 | • Allows for delay in due dates of energy audits | One year beyond 2020 audit deadline | | |
| PH-7<br>Over-income families | Housing Opportunity Through Modernization Act of 2016: Final Implementation of the Public Housing Income Limit 83 FR 35490 | • Changes to timeframes for determination of over-income | • 12/31/20 | | |

| Item | Statutory and regulatory waivers | Summary of alternative requirements | Availability Period Ends | Did PHA implement waiver and alternative requirement? | Date of PHA adoption |
|---|---|---|---|---|---|
| | Notice: Notice PIH 2019-11 | | | | |
| PH-8 Resident Council Elections | Regulatory Authority § 964.130(a)(1) | • Provides for delay in resident council elections | • 7/31/20 | | |
| PH-9 Utility Allowance | Regulatory Authority § 965.507 | • Provides for delay in updating utility allowance schedule | • 12/31/20 | | |
| PH-10 Tenant notifications | Regulatory Authority § 966.5 | • Advance notice not required except for policies related to tenant charges | • 7/31/20 | | |
| 11a PHAS | Regulatory Authority 24 CFR Part 902 | • Allows for alternatives related to inspections<br>• PHA to retain prior year PHAS score unless requests otherwise | HUD will resume issuing new PHAS scores starting with PHAs with FYE dates of 3/31/21 | N/A | N/A |
| 11b SEMAP | Regulatory Authority 24 CFR Part 985 | • PHA to retain prior year SEMAP score unless requests otherwise | HUD will resume issuing new SEMAP scores starting with PHAs with FYE dates of 3/31/21 | N/A | N/A |
| 11c Financial reporting | Regulatory Authority §§ 5.801(c), 5.801(d)(1) | • Allows for extensions of financial reporting deadlines | Varies by PHA FYE | | |

| Item | Statutory and regulatory waivers | Summary of alternative requirements | Availability Period Ends | Did PHA implement waiver and alternative requirement? | Date of PHA adoption |
|---|---|---|---|---|---|
| | | | | | |
| 12a<br>Form HUD 50058 | Regulatory Authority<br>24 CFR Part 908, § 982.158<br><br>Sub-regulatory Guidance<br>PIH Notice 2011-65 | • Waives the requirement to submit 50058 within 60 days<br>• Alternative requirement to submit within 90 days of the effective date of action | • 12/31/20 | | |
| 12b<br>Designated housing plan | Statutory Authority<br>Section 7(e)(1) | • Allows for HUD to delay notification about designated housing plan | • 7/31/20 | N/A | N/A |
| 12c<br>Deadline for reporting Operating and Capital Fund expenditures | Statutory Authority<br>Section 9(j)<br>Regulatory Authority<br>§ 905.306(d)(5) | • Provides a one-year extension | One-year extension, however no programmatic expenditure end date shall be extended beyond one month prior to closure of relevant appropriations acc | | |

**Attachment: Summary of IHBG and ICDBG Statutory and Regulatory Waivers and Alternative Requirements**

| COVID-19 Statutory and Regulatory Waivers for ONAP programs | | | | |
|---|---|---|---|---|
| Item | Statutory and Regulatory Waivers | Waiver/Alternative Requirement Summary | | |
| 13a. Application Process for IHBG-CARES Grants and Indian Housing Plan (IHP) Requirements | Statutory Authority: Section 101(b), Section 102, and Section 103 of NAHASDA Regulatory Authority: 24 C.F.R. §§ 1000.214; 1000.218;1000.220; 1000.224; 1000.226; 1000.228;1000.230; and 1000.232 | 1) *Abbreviated IHP to Receive IHBG-CARES Grant Funding:* Applicants for IHBG-CARES funding must submit an abbreviated IHP specifying how the funds will be used. | | |
| | | 2) *Recipients that did Not Submit an IHP in FY2020:* A Tribe or TDHE that did not submit a timely or compliant IHP in FY 2020 may still qualify for an IHBG-CARES grant. | | |
| | | 3) *IHP Certifications:* IHBG recipients that cannot provide HUD with IHP certifications may still submit an Abbreviated IHP provided an authorized official of the IHBG recipient provides a statement on inability to secure certifications. | | |
| | | *4) Reprogramming of FY2020 IHBG Funding:* FY2020 IHBG funds may be reprogrammed to address COVID-19 through streamlined process. | | |
| 13b. IHP Submission Deadline for Annual IHBG Formula Grants | Statutory Authority: Section 101(b) and 102(a) of NAHASDA, Regulatory Authority: 24 CFR §§ 1000.214, 1000.216, 1000.225 | IHP Submission Deadlines Extended | Org. IHP Due Date | Extension |
| | | | 1/17/2020 | 10/16/2020 |
| | | | 4/17/2020 | 10/16/2020 |
| 13c.Annual Performance Report Submission Deadline | Statutory Authority: Sections 403 and 404 of NAHASDA, Regulatory Authority: 24 CFR § 1000.514 | APR Submission Deadlines Extended | Org. APR Due Date | Extension |
| | | | 3/30/2020 | 6/28/2020 |
| | | | 6/29/2020 | 9/27/2020 |

| | | |
|---|---|---|
| 13d. Income Verification | Regulatory Authority: 24 CFR § 1000.128 | IHBG recipients may deviate from their current written admissions and occupancy policies, including allowing less frequent income recertifications, remote income verification, and self-certification over the phone or email. |
| 13e. Public Health Services | Statutory Authority: Section 202(3) of NAHASDA | Recipients may use IHBG-CARES funding to carry out a wide range of public health services. |
| 13f. COVID-19-related Assistance to Non-Low Income and Non-Native Families | Statutory Authority: Section 201(b) of NAHASDA, Regulatory Authority: 24 CFR §§ 1000.104, 1000.106, 1000.108, 1000.110; 1000.312, 1000.314, , 1000.318 | Recipients may use IHBG-CARES funding to prevent, prepare for, and respond to COVID-19 through certain limited activities that provide assistance to all affected and threatened people without regard to income limits or Indian status. |
| 13g. Useful Life | Statutory Authority: Section 205 of NAHASDA, Regulatory Authority: 24 CFR §§ 1000.141, 1000.142, 1000.143, 1000.144, 1000.146, 1000.147 | If the assistance is related to inhibiting the spread of COVID-19 to low-income Indian families and the Tribal community, Recipients may use IHBG-CARES funding to assist housing units without determining and maintaining affordability during their useful life. |
| 13h. Total Development Cost (TDC) Limits | Regulatory Authority: 24 CFR §§ 1000.156, 1000.158, 1000.160, 1000.162 | Recipients may exceed TDC by 20 percent without HUD approval for dwelling and non-dwelling units developed, acquired or assisted to prevent, prepare for, and respond to COVID-19. |
| 13i. Prohibition Against Investment of CARES Act Grant Funds | Statutory Authority: Section 204(b) of NAHASDA, Regulatory Authority: 24 CFR § 1000.58 | Recipients are prohibited from investing any IHBG funding provided under the CARES Act. |
| 14a. Citizen Participation | Statutory Authority: Section 104 of the Housing and | |

| | | |
|---|---|---|
| | Community Development Act of 1974 (HCD Act) Regulatory Authority: 24 CFR § 1003.604 | Indian tribes are not required to hold one or more meetings to obtain the views of residents before applying for ICDBG-CARES grant funding or amending their FY 2020 ICDBG grants to address COVID-19. . |
| 14b. Application Process for ICDBG-CARES Grants and Funding Criteria Regulatory Authority: 24 CFR §§ 1003.400, 1003.401, 1003.402; Section I.A.1.b. of FY19/20 ICDBG Notice of Funding Availability (NOFA) | | *1) Criteria for Funding:* With respect to applications for ICDBG-CARES grants and FY 2020 ICDBG Imminent Threat grants to address the COVID-19 crisis, the urgency and immediacy of the threat will be presumed. |
| | | *2) Grant Ceilings:* Current grant ceilings are waived for ICDBG-CARES and will be set in an ICDBG-CARES Implementation Notice to be published in the very near future. |
| | | *3) Reimbursement of Costs and Letter to Proceed:* ICDBG applicants and grantees to receive ICDBG-CARES grants do not have to demonstrate other Tribal funding sources cannot be made available to alleviate the threat and may use the funding to cover or reimburse costs to prevent, prepare for, and respond to COVID-19 without a Letter to Proceed from the area ONAP. |
| | | *4) Availability of Funds:* If ICDBG-CARES grant funds are not awarded in a fiscal year, HUD reserves the right to adjust how funding is awarded to ensure needs of Tribes are met, including possibly setting aside a portion of funding to address the needs of Tribes with the greatest needs. |
| 14c. Removal of Public Services 15% Cap under FY 2020 ICDBG Grants | Statutory Authority: Section 105 of the HCD Act; Regulatory Authority: 24 CFR § 1003.201(e); FY 19/20 ICDBG NOFA | HUD is eliminating the 15 percent cap on FY 2020 ICDBG funding (both Single Purpose and Imminent Threat grants), to align with ICDBG Imminent Threat funding provided under the CARES Act. |
| 14d. Rental Assistance, Utility Assistance, Food, Clothing, and Other Emergency Assistance | Statutory Authority: Section 105 of the HCD Act; Regulatory Authority: 24 CFR § 1003.207(b)(4) | ICDBG grant funds may be used to provide emergency payments for low and moderate income individuals or families impacted by COVID-19 for items such as food, medicine, clothing, and other necessities, as well as utility payment assistance. |

| | | |
|---|---|---|
| 14e. Purchase of Equipment | Regulatory Authority: 24 CFR §§ 1003.207(b)(1); 1003.201(c)(1)(ii) | Grantees may use of ICDBG funds for the purchase of medical and personal protective equipment to prevent, prepare for, and respond to the COVID-19. |
| 14f. Operating Expenses for Public Facilities | Regulatory Authority: 24 CFR § 1003.207(b)(2) | Grantees may use ICDBG funds to pay operating and maintenance expenses of any public facility, to the extent it is used for COVID-19-related purposes but not for staffing costs of public facilities. |
| 14g. New Housing Construction by Tribes | Statutory Authority: Section 105 of the HCD Act, Regulatory Authority: 24 CFR § 1003.207(b)(3) | ICDBG grantees may use ICDBG funds to carry out new housing construction under certain conditions without having to use a CBDO. |

Yolo County Housing
Yolo County, California

Meeting Date: May 13, 2020

To: County Counsel ✓
Yolo County Housing ✓

7. Receive Report on BluePrint 2020 and Provide Input to Staff on Implementation in a COVID-19 Environment (Baker)

Received report on BluePrint 2020 and provided input to staff on implementation in a COVID-19 environment.

# Yolo County Housing

147 W. Main Street
WOODLAND, CA 95695

Woodland: (530) 662-5428
Sacramento: (916) 444-8982
TTY: (800) 545-1833, ext. 626

**DATE:** May 13, 2020

**TO:** YCH Board of Commissioners

**FROM:** Lisa A. Baker, CEO

**SUBJECT:** **Receive Report on BluePrint 2020 and Provide Input to Staff on Implementation in a COVID-19 Environment**

## RECOMMENDED ACTION

That the Board of Commissioners:

1. Receive a preliminary evaluation of current market conditions and update on implementation components

2. Provide Input to Staff on any proposed modifications to the Plan itself to be folded into the Implementation Plan

## BACKGROUND/DISCUSSION

At the close of 2019, the Board approved the overall BluePrint 2020 Strategic Plan document with direction to return to the Board with a timeline, task and set of deliverables in the form of an Implementation Plan. Beginning in early March, most of the Agency's focus has been turned to providing essential services and implementation of emergency protocols against the COVID-19 global pandemic, including preparing to receive hundreds of seasonal migrant farmworkers into Yolo and the preparation to help minimize potential contagion vectors, while protecting residents and ensuring access to distance learning by the returning students.

As of the beginning of May, it is apparent that we are headed for a "new normal" that will be of unknown duration. Part of that new normal is an alteration of capital markets and loss of local and state government revenue, leading to a vastly different fiscal and financial landscape than we have known for the last decade. Our BluePrint was predicated on existing financial tools and a relatively stable economy to address the lack of housing stock, especially affordable multi-family housing stock, as way to reduce rent burdens and provide housing for those experiencing homelessness.

Currently, YCH remains relatively unharmed economically by the situation, as opposed to our city and county sisters and brothers. But, while they are working to give their

elected representatives an overview of the revenue impacts to current and future budgets, we will need to rethink what service delivery and development might look like in the new environment. In an attempt to be sure our Plan is flexible enough to help us continue to deliver the mission, be alert to new opportunities and plan for continuing massive change to our programs and funding, we have prepared an overview of the current financial thinking and view from Washington, in order to receive additional guidance from the Board.

***The Fiscal and Programmatic Outlook***

Manufacturing Market Contraction. At the time the BluePrint was completed, we had a discussion with the Board around development opportunities being contingent on continued availability of capital, good financial markets and a stable programmatic environment. At the close of 2019, there was already an indication that the long economic expansion was coming to a close. Indeed, in December, manufacturing was already in contraction, with seasonally adjusted manufacturing purchasing managers' index (PMI), dropping to 47.2% in December 2019 from 48.1% in November. (An index reading below 50% indicates a contraction.) In April 2020, that has fallen further to 41.1%.

The City/County/YCH View. In December 2019, cities and the county in Yolo had robust budgets, the State had amassed a rainy day fund of $20 billion and there was sufficient funding at the State level to fund grants through realignment, Mental Health Services Act (MHSA), bond funded multi family housing programs such as the MHP program. At the Federal and State level, new interest in housing programs resulted in small increases in HOME and CDBG funds and robust home sales resulted in funds flowing into the national Housing Trust Fund program to pass on to the States for projects.

YCH has used its share of these programs to build West Beamer Place (80 units), IGT House (1 home), received additional grant funding for 2 more post incarceration homes through a different program, along with being awarded grant funding for residential drug treatment in partnership with the County, funding award for 1801 West Capitol Avenue (85 units, due to close 5/12/2020). Separate from that, YCH helped Davis, the County and Winters with funding for rehabilitation or new construction of affordable housing, including 2 developments in Esparto and the Blue Mountain Terrace currently under construction in Winters.

Where we are Today. Today, we encounter a different landscape - Governor Newsom has recently stated that the rainy day fund will be exhausted shortly. The State is looking at a May budget revise that will pull back from many programs - the impact to housing programs is unknown at this time. Some states are already having difficulty placing bond deals. Banks are getting much stricter about lending and taking a second look at existing deals for viability, including our own 1801 West Capitol.

The US economy shrank 4.8% in the first quarter. According to Fed Chair, Jerome Powell, it could shrink as much as 30% by the second quarter. For context, the drop due to the 2009 Financial Crisis was 3.5%. Market forecasts believe that recovery in 2021 will be partial at best - that’s assuming we don’t have an exacerbation of issues due to

COVID-19 or other unforeseen disaster. These issues will have a major impact on YCH and how we do business and what opportunities may be available to us.

There are also local impacts. These include job loss and impacts on our rents, social impacts from sheltering in place, the next steps for programs at the county level, such as Operation Roomkey.

There are both real and potential opportunities at this time for housing authorities. According to Standard & Poor's (S&P), PHAs are generally highly rated entities and the outlook is good that this will continue through the pandemic. This could make YCH a continued good development partner for non profit developers as our stability will be an enhancement in uncertain times. S&P has also recognized that the CARES act funding will help PHAs compensate for revenue loss due to COVID-19. For the first time in a generation, PHA reliance on the US Dept of Housing and Urban Development for funding is seen as a financial positive with a reduced risk of volatility, especially as compared to the private market. On the downside, multi-family products without subsidy are seen as being at more risk to market fluctuations.

Currently for YCH, job loss is having a relatively minor impact of +/- 2% on rents and housing assistance payments. Overall, non federal portfolio rents have not been hugely impacted, except for 10 (out of 80) units at West Beamer Place. Some job loss, such as at Mariani Nuts, affecting residents at El Rio Villas, began at the end of 2019 and have already been factored into financial calculations.

***Overview of Plan Components***

The original building blocks of the Plan were made up of partnerships, programs, funding sources and housing opportunities available to YCH and plans for expansion of those partnerships, widening access to capital and financial products, while building YCH's team and toolkit. The Plan is made up of several components. The following are important to our discussion today:

BluePrint Strategic Priorities. The Plan proposes four (4) Strategic Priorities and interlinking goals for implementation. They are:

- **Building Up our Communities** - goals to expand our work with the jurisdictions, have the Commissioners serve as YCH ambassadors, ensure sustainability and resilience in our communities and expand resident and participant opportunity.
- **Investing in Development** - goals to exit Public Housing and unleash the development potential of newly available vacant land, begin re-use planning, complete current unit in development and continue with units in the preliminary thought stage, expand access to, and types, of capital available to us, increase development capacity and advocate for federal and state funding, support and reasonable rule-making that helps our jurisdictions and our mutual constituents.
- **Investing in Our People** - Continue to invest in staff training, growing our career ladders, streamlining our processes, strengthening our mid level management

leadership capacities, reorganizing to meet our challenges and expanding opportunity for residents.

- **Expanding Our Capacity and Building Our Systems** - continuing to automate processes, complete our cybersecurity upgrades, invest in technology that serves our staff and our constituents and enhance our presence and communication so that we can get our message out to residents, community members and partners.

***Questions and Priorities***

*The (sort of ) Good News:*

CURRENT PROGRESS

Priority 1 - Building up our Community - *goal 4*: Continue to participate in the Joint Emergency Management Services to ensure our people and properties are prepared for emergencies. As part of the COVID-19 response, YCH has opened its Emergency Operations Center (EOC) and is coordinating and participating with the jurisdictions in coordinated response. This has also resulted in fast partner response for distance learning for Migrant farmworker children and new ways to link to the internet, especially at Davis and Madison Centers. These enhancements will last beyond the current pandemic bringing new opportunities to residents.

Priority 2 - Investing in Development - *goal 3*: Complete build-out of 100 units in current phase and 90 to 100 units in 2nd phase. 85 units of new permanent supportive housing being developed in West Sacramento closing financing on May 12. Financing closed and construction begun on 63 units in Winters at Blue Mountain Terrace, which YCH acting as the city's housing oversight on the grant administration and development. Pending development (Phase 2 of goal 3) of a new self-help subdivision by NeighborWorks in the City of Winters - currently in ENA/DDA for approximately 25 affordable homes for first time homebuyers. Total in Phase I and Phase II: approximately 173 units. Does not count the pending Woodland Micro Village (YCH Project Based Vouchers) for Phase II or the Esparto homeownership program or Esparto land donation.

Priority 4 - Expanding Capacity and Building Systems - *goal 2*: complete cybersecurity upgrades. This has been completed. We are currently building stronger connections at higher speeds at our outlying offices to improve performance. *Goal 3*: we are beginning the transition from our existing Google platform to a new Google Enterprise system, featuring end to end encryption to make it easier to communicate securely with residents, landlords and partners.

PROGRESS DUE TO CARES ACT FUNDING

Priority 3 - Investing in Our People - goal 5: Expand opportunity within the YCH umbrellas for resident and participant job and job training. CARES Act funding will potentially allow YCH to hire residents for site based work around additional sanitation, site cleaning and light maintenance to mitigate COVID-19 and ameliorate employment loss.

Priority 4 - Expanding Capacity - goal 4: Continue to invest in technology and systems. CARES Act funds can be specifically used to improve automated systems to help offset the need for social distance and potential absenteeism due to COVID-19. This will allow YCH to move forward immediately with funding for a mobile work order system and Rent Tracker, as well as to replace our mobile field communications with better equipment to manage data in the field.

*The Less Good, the Bad and the Questions:*

Where we foresee difficulties or huge uncertainties are in the following areas:

Priority 1 - Building our Communities:

- Goal 1 - what does partnership expansion look like with local jurisdictions in reduced financial circumstances during a pandemic?
- Goal 4 - what can we do to expand opportunity and self-sufficiency if there is a prolonged economic downturn?

Priority 2 - Investing in Development:

- Goal 1 - Will RAD still be viable in this market? What about subsequent property redevelopment?
- Goal 2 - What types of opportunities are there for additional expansion beyond 200 - 400 units if the markets don't stabilize after 2022? Additionally, what is the longer term response to temporary programs like Operation Roomkey?
- Goal 3 - In what ways might YCH look to participate and/or partner in a longer term solution? Examples: motel acquisition/rehabilitation? Advocacy at the federal level for a support package that includes access to streamlined housing funds, or focused on short term funds and/or new vouchers?

New Needs, New Priorities - When the BluePrint was devised, it was to serve existing need in a marketplace that has now changed significantly. If the economic downturns and unemployment forecasts are true, there will be a much larger potential customer base needing YCH's assistance, but, absent significant federal investment, there will be no new resources to address need. For context, YCH recently connected with the County's Advance Planning Team to pose the following questions:

*Operation Roomkey* - What is the proposed exit strategy? What is next for the 200+ persons who have temporary housing? How can we think cost effectively about that?

*Deferred Rent and Utilities* - When the deferral period ends, what happens if households owe rent, but still have reduced hours or are unemployed? How do we prevent households falling into homelessness, as happened in 2009?

*Mortgage Forbearance* - the same issues hold true for households that own units and are currently using mortgage forbearance to stay housed. There is the potential for very large sums due to financial corporations. Households who have had to use their savings in the downturn may be unable to immediately pay the total due, while those in un or under-employment will also have difficulty paying. If there is a large market dislocation,

such as happened in the 2009 Financial Crisis, what would we do differently this time to help mitigate impacts on existing renters, the new renters and how do we prevent market speculation and unit loss to speculators?

*Advocacy* - how can we help our respective groups work better together around housing and recovery? That includes the housing trade associations, along with the League, CSAC, NACo and others. What should be YCH's position? What type of role would Board members want to play in helping to move an advocacy package forward?

**FISCAL IMPACT:**

None directly

**CONCLUSION:**

We find ourselves in truly unpredictable situations and unprecedented times. Having a good roadmap forward will help YCH be ready for opportunities as they are presented, as well as being able to help direct that future in partnership with the local jurisdictions.