

HUD Staff Review New COVID-19 Funding, Other Issues

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On April 7, HUD's Office of Multifamily Housing issued a recorded update on COVID-19 issues. Toby Halliday, Director of HUD's Office of Asset Management & Program Oversight, began [the April 7 recorded session](#) after a welcome from Office of Multifamily Deputy Assistant Secretary Lamar Seats.

A general transcript by LeadingAge of Mr. Halliday's portion of the recording is below:

On funding flowing from the CARES Act to Project-Based Rental Assistance, Section 202, and Section 811, most of this money will flow to replace reduced tenant incomes because of COVID-19. The funding to replace tenant incomes will be triggered by tenant recertifications and should be a fairly quick and invisible process. For the portion of funding going to Service Coordinators, this is slightly more complicated because these dollars usually would come with a NOFA and a longer process. We're working through the procedures to see what we can waive and what we can do to get that funding out to properties as quickly as we can

On the eviction moratorium in CARES Act. For federal housing there's a 120 day moratorium beginning on March 27. No eviction for nonpayment of rent, no late fees. Tenants should be very careful with how they respond to this moratorium. Evictions are still possible after the end of the moratorium and tenants are still responsible for their portion of the rent. We're in the process of developing resource materials for residents to help them understand their rights and responsibilities under this moratorium, and this should be coming soon. Tenants should also be aware that while Act prohibits evictions for nonpayment of rent, evictions are still possible for other lease violations so residents should be mindful of how they think about that moratorium.

Next, tenant income recertifications. A lot of time spent in Multifamily thinking how we can reduce the administrative burden and the face-to-face contact that's generally a part of annual and interim recertifications. We know a lot of tenants are affected by lost hours and this impacts their economic situation at home and their ability to pay their portion of rent. We have gone through a number of steps to make this more straightforward for residents and owners. Tenants can complete annual and income recertifications within 90 days of their regularly scheduled date. If a tenant has problems completing certification materials, they can tell their landlord and then tenants will have up to 90 days to complete these. For lost income for both annual and interim certifications, we are allowing tenants to self-certify or to provide family certifications in place of regular documentation. Owners need to document in their files why no third party documentation was present. We are recognizing that COVID-19 and all the issues surrounding that present extenuating circumstances and we'll accept those self- and family-certifications.

Where signatures are required in person and in ink, we will allow copies of signatures, photographs of signed documents, and emails of signed documents to be provided to owners as documentation. Owners must document why wet sigs were not documented and their plan to collect these at a later date. This includes signatures on HUD forms 9887 and 50059. These can be provided electronically. Owners need to provide their code in the TRACS system as to why this unusual form of certification was provided. There are three codes they might use: 1) medical, 2) extenuating circumstance, and 10) other.

Owners need to maintain 90% of their tenants in active status to ensure their subsidy to their property will continue to flow.

On visitors to properties, owners and tenants both concerned. Owners should be very mindful of all fair housing restrictions and regulations that apply to tenants. Owners shouldn't do anything that violates tenants' rights and their ability to use and enjoy their residences in a normal way expect when guided otherwise by the CDC or local health or law enforcement officials. So, use local guidance, use common sense, be mindful of the rights of residents. HUD does not provide any additional guidance other than what is provided by the CDC and state and local health and law enforcement officials.

The recording also goes over multifamily mortgage forbearance (HUD says that hopefully guidance will be out this week on this), multifamily production, and some Rental Assistance Demonstration updates.

HUD Multifamily Deputy Assistant Secretary Lamar Seats reminded listeners to send questions into MFCcommunications@hud.gov.