

DISCUSSION BACKGROUND STATEMENT

ADOPTION OF ADDITIONAL TEMPORARY HUD WAIVERS

Item No. 6a

I. STATEMENT OF FACTS:

On March 27, 2020, the Coronavirus Aid, Relief and Economic Security (CARES) Act became law (Public Law 116-136) which provides HUD with broad authority to waive statues and regulations except for requirements related to fair housing, nondiscrimination, labor standards, and environmental concerns. This authority provides for the necessary continuance of the safe and effective administration of the Public Housing and Housing Choice Voucher (HCV) programs.

In alignment with the CARES Act, on April 10, 2020 and effective immediately, HUD issued Notice PIH 2020-05 allowing housing authorities the ability to exercise numerous waivers to statutory and regulatory requirements. On July 2, 2020 and effective immediately, HUD issued Notice PIH 2020-13 (HA), REV-1 that superseded PIH 2020-05. This second notice not only extended expiration dates on existing waivers but also added new waivers. These waivers provide administrative flexibilities and relief in response to the COVID-19 national emergency.

HUD allowed PHAs to adopt all, some, or none of the waivers at any time during the period of availability. HUD notification and approval are not required for implementation as authorization is given through PIH notification. Implementation of waivers does not require Board approval. Waivers may be extended by HUD through later PIH notices. PHAs are not required to keep waivers in place for the entire period of availability and may choose to revert to regular program requirements at any time. PHAs are only required to notify program residents and owners of waivers and impacts of waivers by whatever means is most effective as soon as practicable. All waivers are temporary.

On April 13, 2020, LMHA implemented a broad approach adopting most of the available waivers. However, through the course of business, several of the waivers were either not applicable or not required. LMHA received the revised notice on July 3, 2020 and decided to extend existing waivers and adopt additional waivers presented. LMHA has posted a listing with explanations and expiration dates on its website (see Attachment A with changes in red) as well as included a listing of the applicable waivers in the Admissions and Continued Occupancy Plan for Public Housing and the Administrative Plan for the Housing Choice Voucher program. LMHA has also distributed a listing of relevant waivers

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to residents of Public Housing as well as residents and property owners of the Housing Choice Voucher program.

The following waivers are active as of August 18, 2020:

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

- Extends due dates of above-mentioned plans.
- Allows PHAs to adopt significant amendment requirements

PH and HCV-2: Family income and composition – delayed annual reexaminations

- Extends due date of the annual reexamination of income and family composition

PH and HCV-3: Family income and composition – annual reexaminations – Income Verification requirements

- 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

PH and HCV-4: Interim reexaminations

- Waives the requirement to use the income verification requirements, including the use of EIV, for interim reexaminations

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

- Waives the mandatory EIV monitoring requirements.

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

- Provides for extensions to FSS contract of participation

HQS-2: PBV Pre-HAP Contract Inspections, PHA Acceptance of Completed Units

- Allows for owner certification when no life-threatening deficiencies exist.
- LMHA added stipulation that the waiver only applies to occupied PBV units.

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HQS-5: Biennial Inspections

- Allows for delay in biennial (annual for LMHA) inspections
- All delayed biennial inspections must be completed as soon as reasonably possible but by no later than October 31, 2020.

HQS-6: Interim Inspections

- Waives the requirement for the PHA to conduct interim inspection and requires alternative methods of verification.

HQS-9: HQS QC Inspections

- Provides for a suspension of the requirement for QC sampling inspections

HQS-10: HQS Space and Security

- 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: Homeownership HQS

- Waives the requirement to perform an initial HQS inspection in order to begin making homeownership assistance payments
- Still requires family to obtain independent professional inspection

HCV-1: Administrative Plan

- Waives the requirements to adopt revisions to the admin plan
- Changes must be approved by 12/31/2020

HCV-2: PHA Oral Briefing

- Waives the requirement for an oral briefing
- Provides for alternative methods to conduct required voucher briefing

HCV-3: Term of Voucher -Extensions of Term

- Allows PHAs to provide voucher extensions regardless of current PHA policy

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HCV-4: PHA Approval of Assisted Tenancy

- Provides for HAP payments for contracts not executed within 60 days but no later than 120 days.
- PHA must not pay HAP to owner until HAP contract is executed

HCV-5: Absence from unit

- Allows for PHA discretion on absences from units longer than 180 days
- PHAs must not make HAP payments beyond 12/31/20 for units vacant more than 180 consecutive days

HCV-6: Automatic Termination of the HAP Contract

- Allows PHA to extend the period of time after the last HAP payment is made before the HAP contract terminates automatically.

HCV-7: Increase in Payment Standard

- 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.

HCV-8: Utility Allowance Schedule

- Provides for delay in updating utility allowance schedule.

HCV-10: Family Unification Program (FUP)

- Allows PHAs to execute HAP contract to eligible FUP youth who have not reached 26th birthday.

HCV-11: Family Unification Program (FUP) Length of Assistance for Youth

- Allows PHAs to suspend termination of assistance for up to 6 months for FUP youth who will reach 36-month limit.

HCV-12: Family Unification Program (FUP) Timeframe for Referral

- Allows PHAs to accept referrals from child welfare agencies for youth who leave foster care within 120 days.

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HCV-13: Homeownership: Maximum Term of Assistance

- Allows PHAs to provide homeownership assistance for up to 1 additional year as a result of COVID-19.

HCV-14: Mandatory Removal of Unit from PBV HAP Contract

- Allows PHAs to keep a PBV HAP contract that exceed 180 days of zero HAP.

PH-1: Fiscal closeout of Capital Grant Funds

- Extension of deadlines for an Actual Development Cost Certificate (ADCC) and an Actual Modernization Cost Certificate (AMCC)

PH-2: Total Development Costs

- Waives the Total Development Cost (TDC) and Housing Construction Cost (HCC) limits permitting approval of amounts in excess of published TDC by 25% to 50% on a case by case basis

PH-3: Cost limitations

- Allows for the use of force account labor for modernization activities in certain circumstances.

PH-4: ACOP

- Waives the requirements to adopt revisions to the ACOP
- Changes must be approved by 7/31/2020

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

- Temporarily suspends CSSR

PH-6: Energy Audits

- Allows for delay in due dates of energy audits

PH-7: Over-income families

- Changes to time frames for determination of over-income

PH-8: Resident Council Elections Regulatory Authority

- Provides for delay in resident council elections

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PH-9: Utility Allowance

- Provides for delay in updating utility allowance schedule

PH-10: Tenant notifications

- Advance notice not required except for policies related to tenant charges.
- Notice required no later than 30 days after policy changes.

PH-12: PHA Annual Self-inspection

- Annual inspections of each project not required.
- PHAs may utilize remote or virtual means of inspections when conducted.

11c: Financial reporting

- Allows for extensions of financial reporting deadlines

12c: Deadline for reporting Operating and Capital Fund expenditures

- Provides a one-year extension

II. ALTERNATIVES:

N/A

III. RECOMMENDATION:

N/A

IV. JUSTIFICATION:

N/A

Submitted by: Heath Rico-Storey
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August 18, 2020