RD Multifamily Housing (MFH) - Disaster Guidance to RD State Offices

For Presidentially-declared disasters, the following waivers are available for MFH housing. Since revisions to the Hand Book (HB), RD State Directors can now provide these waivers; State Offices do not need National Office approval. In addition, regardless of whether the disaster is presidentially-declared, RD may offer Letter of Priority Entitlement (LOPE) letters to any victim of a disaster. The person does not need to be a resident of an RD property. The LOPE letter, of course, is good only at an RD property. The LOPE letter Guide (#201) is in appendix 4 of HB-2-3560.

RD does not "place" people in RD properties because RD does not own these properties. Therefore, it still remains up to the owner to qualify and otherwise screen, in accordance with his tenant selection policies, applicants who may be victims that we send their way. RD does not have Rental Assistance available for disaster victims, and the RD Voucher program cannot be used for these purposes.

The waivers are listed in HB-2-3560, Chapter 9, Section 6:

- 1. Applicants may receive a LOPE letter issued by USDA Rural Development or may provide the property owners with documentation of being registered with FEMA in lieu of a LOPE letter.
  - 2. If an applicant does rent in a Rural Development-financed property, the FEMA registration

number must be entered into Multi-Family Information System (MFIS). Within *90 days*, field staff will need to conduct a random sampling of tenant files to assure that the FEMA data was input into MFIS correctly. (see the HB for further guidance).

- 3. Allow for imputed income from assets due to homeownership affected by the disaster.
- 4. Zero income applicants will be allowed to reside in apartment units; rental assistance (if available) will be made available to the applicant.
- 5. Collection of security deposit per 7 CFR 3560.204 may be waived, if requested by the owner of the property.
- 6. Owners of elderly designated properties may rent to age ineligible applicants for 6 months from the date of the State Director decision.
- 7. Annual lease required per 7 CFR 3560.156 (b)(2) is waived and leases may be issued on a month-to-month basis.

For property owners affected by the disaster, a moratorium could be granted for up to six months. Please see HB2, Chapter 9, Section 6 for more information.