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Equal Opportunity Housing and Equal Opportunity Employment

Date: December 6, 2016

To: Property Owners/Management Agents

From: Minnesota Housing Multifamily Division
HUD Portfolio Section 8 Contract Administration
MHFA Portfolio Section 8 Contract Administration
Tax Credit Portfolio

Subject: September 2016 Flooding

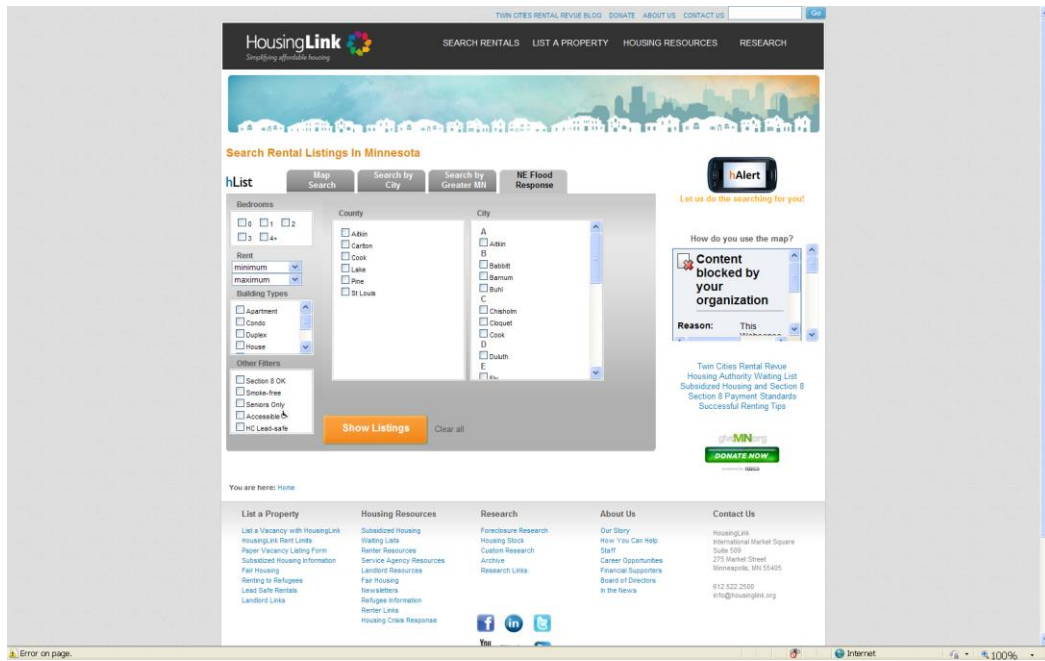
On November 30, 2016 notification was received from the Federal Emergency Management Agency (FEMA) that a Presidential Disaster Declaration with Individual Assistance has been issued for the following counties:

Blue Earth, Freeborn, Hennepin, Le Sueur, Rice, Steele and Waseca

While the areas identified may not impact your development, staff at Minnesota Housing wanted to make sure to communicate to our partners across the state that residual impacts such as providing temporary shelter may be requested of you by displaced households. Our agency wanted to be sure you had the information necessary to respond to any requests that you may get for providing temporary shelter.

Housing search and other disaster relief resources:

1. Disaster displaced residents should register with FEMA as soon as possible by calling 1-800-621-3362, 1-800-462-7585, or apply on line at www.DisasterAssistance.gov or [FEMA Mobile App](#)
2. The State Emergency Management Agency website at www.hsem.state.mn.us, provides a variety of links and useful resources.
3. Minnesota Recovers is a task force that brings together state and federal agencies to work with local governments to ensure a coordinated response. The task force is led by representatives of the Minnesota Division of Homeland Security and Emergency Management, and also includes the Department of Natural Resources, Department of Employment and Economic Development, Pollution Control Agency, Board of Water and Soil Resources, Department of Agriculture, Minnesota Housing, Department of Health, and Department of Human Services. Federal agencies include FEMA, U.S. Department of Agriculture, and Housing and Urban Development. The website is located at www.minnesotarecovers.org.
4. Minnesota Housing encourages owners and agents of properties in the affected region to consider listing rental vacancies with HousingLink. HousingLink is an organization that connects people and communities to information that supports the resolution of their affordable housing issues. HousingLink can be accessed by going to: www.housinglink.org, or by calling 612.522.2500



Housing requirements:

The requirements for providing temporary shelter are varied depending on the type of Disaster Declaration that is issued. Additionally, there are different requirements for Federally Subsidized developments than for Tax Credit developments. For both Section 8 and Tax Credit developments-until the area affected by disaster is designated a "Presidentially Declared Disaster Area" with Individual Assistance, all existing eligibility requirements are still in place for vacant units.

1. A Presidentialy declared disaster with public assistance only - This type of declaration is focused on municipalities and infrastructure. It does not address housing response. Waivers of federal regulations for housing persons displaced due to a disaster are not allowed under a public assistance declaration.

Owners/agents are encouraged to allow community space, kitchens, restrooms, and other facilities to be used as shelters or for disaster recovery related activities if necessary.

2. A Presidentialy declared disaster with individual assistance - This type of declaration does incorporate housing related response.

For a Tax Credit Development-Individual Assistance Declaration:

If an Individual Assistance declaration is made, owners and agents should follow the instructions found in the Rev. Proc 2014-49 for Tax Credit Developments and HUD's Federal Notices and Memorandums pertaining to Disaster Response (see references below).

[Revenue Procedure 2014-49](#) contains temporary relief from certain requirements of Sec. 42 of the Internal Revenue Code for owners of low-income housing buildings and housing credit agencies of states in Major Disaster areas declared by the President. This relief only applies during a Temporary Housing Period not to exceed 12 months.

Sections 12, 13 and 14 of the Revenue Procedure contain the requirements and restrictions for Emergency Housing Relief. This email serves as the "Agency Approval", referred to in 12.02, for owners/managers of tax credit properties **in the affected counties listed above** to provide

Emergency Housing Relief to families displaced by the federally declared disaster. The Temporary Housing Period ends 11/30/2017.

If an owner chooses to provide Emergency Housing Relief to a Displaced Individual that cannot establish eligibility for section 42, it may disregard the income of the Displaced Individual's household during the Temporary Housing Period and the unit retains the status it had prior to occupancy by the Displaced Individual (see section 13.04 regarding treatment of units in the first year of the credit period). However, the rent cannot exceed the applicable section 42 rent limit and owner must obtain a statement signed by the Displaced Individual under penalties of perjury containing the following information (see Disaster Certification form, attached):

- (1) The name of the Displaced Individual (including the names of all household members);
- (2) The address of the Displaced Individual's principal residence at the time of the Major Disaster;
- (3) The Displaced Individual's social security number; and
- (4) A statement that s/he was displaced from his or her principal residence as a result of a Major Disaster and that the residence was located in a city, county, or other local jurisdiction that is covered by the President's declaration of a Major Disaster and that is designated as eligible for Individual Assistance by FEMA because of the Major Disaster.

Owners must retain a record of this approval in its property files as it may be subject to review by Internal Revenue Service. The Owner must provide the Agency a list of the names of Displaced Individuals and the dates the Displaced Individuals covered by this relief began and ended occupancy. When entering the move-in information in PORT, use the Notes section to record if the move-in is a Displaced Individual receiving Emergency Housing Relief.

No existing low-income household may be evicted or otherwise have his or her occupancy terminated solely to provide emergency housing relief for a Displaced Individual.

If a Displaced Individual wishes to continue to occupy a low-income unit after the end of the Temporary Housing Period, the household must be initially qualified for section 42 and all documentation rules apply. Owner must complete a full and complete initial Tenant Income Certification and Annual Student Certification. The effective date must be no later than the day following the end of the above-identified Temporary Housing Period.

For a Federally Subsidized development-Individual Assistance Declaration:

Follow all existing housing requirements found in applicable handbooks.

HUD has specific requirements related to federally subsidized housing and encourages owners of developments that are able to, to make their vacant units available to disaster victims as **temporary** housing.

Critical pieces of information related to housing displaced residents and obtaining policy relief specific to assisted developments can be found at:

<http://www.hud.gov/offices/hsg/mfh/disasterguide.cfm>.

The HUD notices, and Departmental Memorandums found on this web page will provide necessary guidance for owners/agents of assisted developments to make decisions as to their ability to provide **temporary** housing to residents displaced because of the disaster. These documents will also update

owners/agents that need additional guidance pertaining to financial considerations that may be necessary as a result of this disaster (for example: mortgage servicing, forbearance, requests for reserve dollars etc.).

If you have any questions regarding the information above, please feel free to contact your Compliance or Housing Management officer at 1.800.657.3647 or Lori Lindberg at 651.297.3741.

**Certification for Emergency Housing Relief
Due to Federally Declared Disaster**
(Pursuant to IRS Rev. Proc. 2014-49, Effective 8/21/2014)

Property Name: _____

BIN: _____ Building Address: _____

Unit: _____ #Bedrooms: _____

Date of President's Major Disaster declaration: _____, FEMA Disaster # _____

Address of Damaged Residence (must be the Principal Residence):

_____, County _____

1. Household (Head): _____ SSN: _____

2. Household (Co-head): _____ SSN: _____

3. Household Name _____ SSN: _____

4. Household Name _____ SSN: _____

5. Household Name _____ SSN: _____

6. Household Name _____ SSN: _____

7. Household Name _____ SSN: _____

8. Household Name _____ SSN: _____

I hereby certify, under penalty of perjury, that the above household members were displaced from our principal residence as a result of a Major Disaster. Our residence was located in a city, county or other local jurisdiction that is covered by the above declaration of a Major Disaster which has been designated as eligible for Individual Assistance by FEMA.

Head of Household

Date

Owner Certification:

I certify, under penalty of perjury, that the above household is being housed pursuant to Revenue Procedure 2014-49, and that no tenants have been evicted or terminated as a result of efforts to provide Emergency Housing Relief for Displaced Individuals.

Beginning Date of Temporary Occupancy: _____ Gross Rent: \$ _____

Date Project Will Discontinue Providing Temporary Housing (no later than the last date of the Temporary Housing Period, unless the household is certified to be section 42 eligible): _____

Owner or Owner's Representative

Date

Retain this form in the Tenant File as part of Sec. 42 compliance monitoring documentation.

WARNING: Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.