

COVID-19 Supplemental Payment (CSP) Requests**Due December 11 by 11:59 p.m.**

On November 24, 2020, the United States Department of Housing and Urban Development (HUD) Office of Housing published [Housing Notice H-2020-11](#), "Continued Availability of Funds for COVID-19 Supplemental Payments (CSPs) for Properties Receiving Project-Based Rental Assistance under the Section 8, Section 202, or Section 811 Programs." HUD is making CARES Act funds available to offset property expenditures to combat the effects of COVID-19.

The supplemental payments may cover costs incurred between March 27 - November 30, 2020 related to:

- Additional cleaning and disinfecting services and supplies,
- Additional staff to address COVID-19 related needs, and
- Increased costs for supplies, Personal Protective Equipment (PPE), and other expenses to help keep properties safe for residents.

For properties in Minnesota Housing's Section 8 Portfolios (both TCA and PBCA), please submit your questions and CSP Requests to rose.marsh@state.mn.us.

What You Need to Know:

- There are now two time frames: March 27 - July 31, 2020 AND August 1 - November 30, 2020.
- If you applied for the first round (March 27 - July 31) of CSP, you are eligible **ONLY** for the new time frame of August 1 - November 30, 2020.
- If you have not applied for **ANY** CSP funds, you can submit a HUD 52671-E claim for the time frame of March 27 - November 30, 2020.
- If you are applying for **BOTH** time frames and your total claim amount is **UNDER** the Tier I cap (see below), you can submit a HUD 52671-E claim on one form.
- If you are applying for **BOTH** time frames and your total claim is **OVER** the Tier I cap, you will need to submit two separate HUD 52671-E claims - one for each time frame.
- [HUD Form 52671-E](#) has been updated to include the time frame changes.

There are Two Tiers of CSP Requests that Properties May be Eligible for:**Tier 1**

Payments are standardized and are primarily intended to help offset costs for COVID-19 prevention and preparation:

- \$2,000 base amount per property, plus \$60 per assisted unit,
- \$1,000 additional per-property allowance for properties specified to house elderly residents, and
- Up to \$3,000 additional allowance for properties with a budget-based service coordinator program.

Tier 2

Owners may request larger sums under "Tier 2 Exceptional Cost Payments" to address cost increases associated with responding to reported COVID-19 outbreaks among property residents or in response to extensive community exposure that creates a greater threat to the health and safety of residents within the community.

- Other factors in the threshold calculation for Tier 2 payments include elderly designations, Service Coordinator funding, number of assisted units, surplus cash, MOR/REAC scores, and timely voucher submissions.
- Owners may submit only one claim request per property (not contract), to include all eligible expenses between March 27 - November 30, 2020.
- Complete claim submissions will include a completed form HUD 52671-E and paid receipts for items owners expended due to COVID-19 during HUD's timeframe (if the amount exceeds the Tier I threshold).

All claim submissions must be emailed directly to rose.marsh@state.mn.us at Minnesota Housing for processing and MUST be received by 11:59 p.m. on Friday, December 11, 2020.

Incomplete claim submissions must be corrected within two business days or will be rejected.

New HUD Guidance on Minnesota Supplementary Assistance Program Special Diet Allowance

On November 30, 2020, [HUD released a Memorandum](#) regarding the treatment of benefits received through the Minnesota Supplementary Assistance Program (MSA) that are provided for "medically prescribed diets if the cost of such dietary needs cannot be met through some other maintenance benefit". This is often referred to as a special diet allowance.

Because Minnesota makes MSA special diet allowance available specifically for the cost of state determined medical expenses, HUD has determined that the MSA special diet allowance meets the income exclusion found in HUD Handbook 4350.3 Exhibit 5-1, Income Exclusions (4):

- Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member.

HUD instructs owners to exclude this MSA special diet benefit from income calculations and to correct any previous certifications in which this benefit was included in income. Any underpaid subsidy will be credited to the tenant.

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