Thank you for your continued work to help participants during this challenging time. We want to provide additional communication regarding the initial physical inspection information that we sent to you on June 8, 2020 and additional clarification to the annual recertification inspection guidance sent on March 19, 2020.

When issuing the guidance to complete retroactive physical inspections (initial or annual) within 30 days after the end of the peacetime emergency, we did not anticipate that we would continue to be in this 10+ month COVID-19/pandemic status and that the peacetime emergency would continue. We recognize this guidance creates an inspection backlog that we are strategizing how best to address, and we will continue to provide instructions as we develop steps to mitigate this situation.

Guidance previously shared will remain intact through the peacetime emergency:

- If an initial physical inspection is not conducted, documentation of a virtual physical inspection or landlord self-certification for a new unit (either a new admission or a unit transfer) meets the Housing Trust Fund or Bridges rental assistance program requirement that the unit complies with the local maintenance code; or if no local maintenance code, then the housing quality standards (HQS) adopted by HUD (462A.201 Subd. 2.(c)). The virtual physical inspection or landlord self-certification document must be completed for each unit prior to the date of move-in and sent to Minnesota Housing staff for approval before rental assistance subsidy payments can begin.

- The option to suspend annual HQS inspections required by Minnesota Housing remains available until recommendations by the Minnesota Department of Health (MDH) allow for unit inspections to resume.

The following procedures will continue for new admission and unit transfer inspections. Submit a request for exception to the physical inspection to mhfa.grants@state.mn.us, and include the following:

- State the hardship that is preventing the initial physical inspection from taking place.
- Indicate the unit and the participant (initials only) for whom the exception is being requested.
- Include documentation that supports that the unit is safe and habitable and meets the local housing maintenance code or HQS, as applicable (e.g., copy of the virtual physical inspection; self-certification form from the landlord).

Minnesota Housing will respond to these exception requests within two business days in order to help with the move-in process; please plan accordingly for the approval step, as subsidy payments cannot be dated retroactively. Rental assistance subsidy payments can begin either the day that Minnesota Housing staff approves the documentation or the effective date of the lease, whichever is later. In addition to the required inspection documentation and approval, all other mandatory paperwork must be completed and placed in the participant file before rental assistance can begin. Following this process will maintain compliance with state statute and the terms of your Grant Contract.

Thank you for your continued flexibility and work through these difficult times. Please reach out to Erin Menne, Ellie Miller, or Merideth Mayrand with any questions.