

Date: October 16, 2020

To: CoC Recipients/ESG Sub-Recipients

RE: HUD Megawaiver #3

HUD has released [Megawaiver #3](#), instituting a number of programmatic waivers for the CoC and ESG programs. These waivers build on Megawaiver #1 and #2 (find more information on [our website](#)) and will allow more flexibility in continuing to serve clients in light of the current crisis.

To utilize the waivers:

1. Submit a notification per the last page of the [memo](#) as follows:
 - a. **For CoC Projects (NY-503 ONLY):** CARES has submitted a waiver notification on your behalf. Please email [CARES staff](#)* your intention to utilize any of the below waivers.
 - b. **For ESG Projects (NY-503 ONLY):** Send notification to [CARES staff](#)*
 - a. **For CoC Projects (Other CoCs):** Please notify your [HUD Field Office](#)** ; cc [CARES staff](#)*
 - b. **For ESG Projects (Other CoCs):** Send notification to your respective ESG Grantee; cc [CARES staff](#)* for monitoring purposes.
2. Update program records to include written documentation of the specific conditions that justify the recipient's use of the waiver (examples on our website).

Below is a brief summary of each waiver, and how it differs from prior waiver(s) (if applicable):

New Waivers

#1: CoC: Third-Party Documentation of Income

Applicability: Written certification by the program participant of the amount of income that the program participant is reasonably expected to receive over the 3-month period following the evaluation shall be accepted, even if source documents and third-party verification are obtainable. This is applicable for initial or subsequent rent or occupancy charge calculations.

Expiration: 12/31/2020

#3: CoC: Suitable Dwelling Size and Housing Quality Standards

Applicability: The dwelling unit does not need to have at least one bedroom or living/sleeping room for each two persons. Recipients are still required to follow State and local occupancy laws.

Expiration: The later of 1) the end of the initial lease term for leases originating on or before 12/31/2020 or 2) 12/31/2020

#4: CoC: Coordinated Entry-Annual Ongoing Planning and Stakeholder Consultation

Applicability: The CoC does not need to solicit feedback at least annually from participating projects and households that participated in coordinated entry to evaluate the quality and effectiveness of the entire coordinated entry experience.

Expiration: 1-year (from) the date of this memorandum

#5: CoC: Homeless Definition-Temporary Stays in Institutions of 90 days or Less

Applicability: An individual may qualify as homeless so long as they are exiting an institution where they resided for 120 days or less (change from 90 days or less) and resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.

Expiration: 6-months (from) the date of this memorandum.

#6: CoC: Assistance Available at Time of Renewal

Applicability: This waiver allows projects to move funds between budget line items. The requirement that the renewal grant amount be based on the budget line items in the final year of the grant being renewed is waived for all projects that amend their grant agreement between October 1, 2020 and December 31, 2020 to move funds between budget line items in a project in response to the COVID-19 pandemic. Recipients may then apply in the next FY CoC Program funding cycle based on the budget line items in the grants before they were amended. Recipients do not need to notify HUD of the change. HUD will consider any grant agreement amendment executed between March 31, 2020 and December 31, 2020 to move funds between budget line items in response to the COVID-19 pandemic as notification to HUD.

Expiration: December 31, 2020

11. ESG: Homeless Definition - Temporary Stays in Institutions of 90 Days or Less

Applicability: An individual may qualify as homeless under paragraph (1)(iii) the homeless definition in 24 CFR 576.2 so long as he or she is exiting an institution where they resided for 120 days or less (change from 90 days or less) and resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.

Expiration: 3/31/21

Updates to Existing Waivers

#2: CoC: Housing Quality Standards - Initial Inspection of Unit

Applicability: The April 1 waiver allowed visual inspections via technology in place of physical inspections. This waiver now allows an owner certification in place of either a physical or virtual inspection.

Expiration: 12/31/2020

#7: CoC: Permanent Housing-Rapid Re-housing Monthly Case Management

Applicability: The requirement that projects require program participants to meet with case managers not less than once per month is waived for all permanent housing-rapid re-housing projects.

Expiration: December 31, 2020.

#8: CoC: Fair Market Rent for Individual Units and Leasing Costs

Applicability: The recipient may use grant funds for leasing to pay above FMR when leasing individual units so long as the rent is reasonable when compared to other similar, unassisted units.

Expiration: Any lease executed by a recipient or subrecipient to provide transitional or permanent supportive housing from the date of the memorandum until December 31, 2020.

#9: CoC: Disability Documentation for Permanent Supportive Housing (PSH)

Applicability: On March 31, 2020 HUD waived the requirement to obtain additional evidence within 45 days and instead allowed recipients up to 6-months from the date of application for assistance to confirm intake staff-recorded observations of disability with other evidence. HUD is

now entirely waiving the requirement, allowing projects to rely on intake-staff recorded observations without additional evidence to verify until the end of the pandemic.

Expiration: From publication of this waiver until public health officials determine no additional special measures are necessary to prevent the spread of COVID-19.

#10: CoC: One-Year Lease Requirement

Applicability: Program participants residing in PSH may have an initial lease term of less than one year provided it is for at least one month.

Expiration: Initial leases executed between the date of this memorandum and December 31, 2020

Please note, many of these waivers are incorporated into the ESG-CV regulations, which can be applied to annual ESG projects under certain conditions. Please contact CARES for more information.

If you have any questions, please let us know. We are happy to collaborate with the HUD Field Office to field pertinent questions and report back in a timely fashion. Thank you for all of your work to ensure the safety and security of the most vulnerable during this trying time and always.

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