Usage of Waiver: FMR for Individual Units and Leasing Costs

**CoC Program**

On March 31, 2020, the Department of Housing and Urban Development issued a memorandum regarding “Availability of Waivers of Community Planning and Development (CPD) Grant Program and Consolidated Plan Requirements to Prevent the Spread of COVID-19 and Mitigate Economic Impacts Caused by COVID-19,” which was supplemented by memos on May 22, 2020, September 30, 2020, December 30, 2020, March 31, 2021, June 30, 2021, December 30, 2021, and June 15, 2022. These memoranda outlined waivers of CoC Program grant requirements available to all CoC grant recipients.

* Use of Waiver Prior to March 31, 2022: [RECIPIENT NAME] notified the HUD San Francisco Regional Office of our intent to implement the FMR for Individual Units and Leasing Costs waiver on [DATE].
* Requested Non-Expedited Regulatory Waiver after June 15, 2022: [RECIPIENT NAME] submitted a non-expedited waiver request for this regulatory requirement from the HUD San Francisco Regional Office identifying the grant number(s) the waiver would apply to with a good cause justification to implement the FMR for Individual Units and Leasing Costs waiver on [DATE]. [RECIPIENT NAME] received approval from HUD by email on [DATE].
* Requested Expedited Regulatory Waiver after June 15, 2022: [RECIPIENT NAME] submitted an expedited regulatory waiver request to [SNAPSinfo@hud.gov](mailto:SNAPSinfo@hud.gov) on [DATE]. CPD replied on [DATE] that the request was received. [RECIPIENT NAME] received approval from HUD on [DATE].

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| **Fair Market Rent (FMR) for Individual Units and Leasing Costs** |
| **The FMR restriction is waived** for any lease executed by a recipient or subrecipient to provide transitional or permanent supportive housing during the period specified in HUD’s memos (March 31, 2020 – March 31, 2022). The restriction is waived for the life of the lease. Rent for leases executed must still meet rent reasonableness.  Waiver use after June 15, 2022: Recipients or subrecipients may request a waiver to provide transitional or permanent supportive housing during the period of June 15, 2022 and March 31, 2023. If the waiver request is approved by HUD, the restriction is waived from June 15, 2022 and March 31, 2023, although a recipient or subrecipient can request that the waiver remain applicable to a lease of an individiaul unit in which a program participant is assisted during that time period may continue to benefit from this waiver either until the end of the lease or the end of the period of performance/ approved budget for the recipients grant covered by the waiver, whichever comes first. |

# Instructions

This form documents the request of the FMR for Individual Units and Leasing Costs waiver. The waiver may only be used when necessary to enable a client to safely obtain permanent housing, in accordance with the CoC’s Quality Assurance Standards and [RECIPIENT/SUBRECIPIENT NAME]’s written policies. Complete this form and insert into the client file every time this waiver is requested:

1. Complete the “Documentation Checklist” section of this form to ensure that all necessary additional documentation is included in the client’s file, along with this completed form.
2. Complete the “Justification for Use of Waiver” section of this form.
3. Insert this form (and all documentation listed in the Documentation Checklist) in the client’s file.

# Documentation Checklist:

**Client name:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ **Date:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Address of Unit:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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| **The following additional documentation is included in the client’s file:** | **Checklist** |
| A copy of the lease clearly displaying the date of execution |  |
| A completed rent reasonableness analysis. |  |

# Good Cause Justification for Use of Waiver

Explain why it was necessary for the program to enter into a lease for a unit in excess of FMR, in order to quickly locate and move into housing. The good cause justification must include: why the recipient needs the waiver, the impact on the recipients ability to help people experiencing homelessness to obtain or maintain housing if the waiver is not provided, and the proposed waiver duration. The explanation must be related to HUD’s reasons for expediting the waiver request which include preventing the spread of COVID-19 and facilitate assistance to communities and households economically impacted by the pandemic.

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