

Office of Multifamily Housing Programs

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COVID-19 Supplemental Payments (CSP), Round V

Additional Funds Now Available to Multifamily Property Owners with HUD Assistance Contracts

Complete Your Expenditures by January 31, 2023 Reimbursement Requests Due by February 21, 2023

Who is eligible?

Owners of properties with all types of project-based rental assistance contracts directly administered by the Office of Multifamily Housing. This includes Section 8 PBRA, Section 202 PRACs, SPRACs, and PACs, and Section 811 PRAC. Properties that receive Section 811 Project Rental Assistance via a state housing agency are not eligible. To receive CSP, all properties must be in good standing with HUD and must meet certain financial need criteria. See Sections III, VIII, and IX of Notice H-2022-6.

What types of costs will be reimbursed?

CSP funds are available for operating cost increases and limited types of capital expenses that are directly related to a property's efforts to prevent and respond to the COVID-19 pandemic. Personal protective equipment (PPE), increased cleaning and sanitization, as well as air filtration expenses, are among the most common expenditures. See Section V of Notice H-2022-06.

What's different for CSP Round V?

Several new types of eligible expenses have been added – including cost for outdoor seating areas and training for tenants on using the Internet to access services and social supports. As in Round IV, Standard CSP amounts are available for recent expenses without regard to availability of surplus cash or residual receipts. There are also clarifications about the amount that can be requested when expenditures exceed the Standard CSP amount. See Sections V and VIII of Notice H 2022-06.

Will I be reimbursed for all my COVID-related expenses?

That depends. Under the 5th round of CSPs, all properties with CSP-eligible expenses can expect to receive a minimum payment that is calculated based on each property's *Standard CSP* payment amount. Payments for requests above the minimum level may be prorated if funds are not sufficient to fully reimburse all eligible requests. Also, keep in mind that for a project that has surplus cash or large residual receipt account balances, you may only be able to

request a CSP for a portion of otherwise eligible expenses. See Sections VI, VII, and VIII of Notice H-2022-06.

How do I know what the minimum payment will be for my property?

You can calculate this amount using basic information about your property and the formula specified in Section VI of Notice H-2022-06. First, you will need to determine the *Standard CSP* amount for your property. This is calculated similar to the *Tier I* level used in prior rounds with some adjustments:

- \$2,500 base amount per property
- Add \$75 for each HUD-assisted unit
- Add \$1,000 if designated as an Elderly Property
- Add up to \$1,250 for a budget-based service coordinator program.

Due to the lower level of funding remaining for Round V, minimum payments for Section 8 PBRA properties will be 90 percent of the *Standard CSP* amount, 75 percent for Section 811 PRACs/202 PACs, and 7 percent Section 202 PRACs and SPRACs.

How do I request funds?

To request CSP funds, you will need to complete form HUD 52671-E and email it to HUD/the Contract Administrator no later than February 21, 2023. An updated copy of the request form will be posted on HUDCLIPs prior to the Reimbursement Request deadline. You will need to organize your expenses into specified cost categories, i.e. PPE, staffing, equipment. Expense documentation must be submitted for requests that exceed the *Standard CSP* amount. See Section X of Notice H-2022-06.

For more information, please review <u>Notice</u>
<u>H 2022-06</u>. Contact your local HUD office or
Contract Administrator with questions about your
property's eligibility.