

U.S. Department of Housing and Urban Development

ADMINISTRATION

---

Special Attention of:

Transmittal Handbook No.: 3200.02 REV-3  
CHG 1

Issued: July 27, 1994

---

1. This Transmits Change 1 to Handbook 3200.02 REV-3, Disaster Response and Assistance, Chapter 3 and Appendix 1.
2. Summary. This change substitutes in Appendix 1 a new Memorandum of Understanding (MOU) between FEMA and HUD, effective February 20, 1994, for the old MOU negotiated in 1983. Also, in the Handbook text, the paragraph at the top of page 3-3 is modified to reflect the contents of the new MOU.
3. Filing Instructions:

Remove:

Insert:

Page 3-3, dated 3/93

Page 3-3, dated 7/94

Appendix 1, dated 3/93

Appendix 1, dated 7/94

---

R-9

W-3-1 Directives Management Officers--Headquarters and Regions,  
library, ACIR (Advisory Commission on Intergovernmental  
Relations)

R-2 Office Directors, Principal Assistants in Regional  
Administrators' offices

R-3-2 Directors, Administrative Services Divisions and  
Administrative and Management Services Divisions, and  
Administrative staffs

R-3-3 Category D offices - bulk

R-6 Category A offices - Office Managers and Deputy Office  
Managers

R-6-2 Category A offices - Division Directors

R-7 Category B offices - Office Managers and Deputy Office  
Managers

R-7-2 Category B offices - Division Directors

R-9 Directors and Deputy Directors, Offices of Indian Programs

U.S. Department of Housing and Urban Development

#### ADMINISTRATION

---

Special Attention of:

Transmittal Handbook No.: 3200.02 REV-3  
CHG 1

Issued: July 27, 1994

---

1. This Transmits Change 1 to Handbook 3200.02 REV-3, Disaster Response and Assistance, Chapter 3 and Appendix 1.
2. Summary. This change substitutes in Appendix 1 a new Memorandum of Understanding (MOU) between FEMA and HUD,

effective February 20, 1994, for the old MOU negotiated in 1983. Also, in the Handbook text, the paragraph at the top of page 3-3 is modified to reflect the contents of the new MOU.

3. Filing Instructions:

Remove:

Insert:

Page 3-3, dated 3/93

Page 3-3, dated 7/94

Appendix 1, dated 3/93

Appendix 1, dated 7/94

---

W-3-1, R-2, R-3-2, R-3-3, R-6, R-6-2, R-7, R-7-2, 8

R-9

W-3-1 Directives Management Officers--Headquarters and Regions, library, ACIR (Advisory Commission on Intergovernmental Relations)

R-2 Office Directors, Principal Assistants in Regional Administrators' offices

R-3-2 Directors, Administrative Services Divisions and Administrative and Management Services Divisions, and Administrative staffs

R-3-3 Category D offices - bulk

R-6 Category A offices - Office Managers and Deputy Office Managers

R-6-2 Category A offices - Division Directors

R-7 Category B offices - Office Managers and Deputy Office Managers

R-7-2 Category B offices - Division Directors

R-9 Directors and Deputy Directors, Offices of Indian Programs

U.S. Department of Housing and Urban Development  
Office of Administration

---

SPECIAL ATTENTION OF:            TRANSMITTAL

Handbook No: 3200.02 REV-3

Issued: March 4, 1993

---

1. This Transmits Handbook 3200.02 REV-3, Disaster Response and Assistance.

2. Summary. This handbook provides policy and guidance regarding HUD programs available for use in natural disaster situations, and assigns responsibilities for providing disaster assistance.

3. SIGNIFICANT CHANGES:

a. This revision of Handbook 3200.2 REV-2, Disaster Response and Assistance, brings it into accord with P.L. 93-288, as amended by P.L. 100-707, The Robert T. Stafford Disaster Relief and Emergency Assistance Act, and with current HUD programs.

4. CANCELLATION:

a. Handbook 3200.2 REV-2, Disaster Response and Assistance, dated May 1984 is cancelled.

5. FILING INSTRUCTIONS:

Remove:

Insert:

Handbook 3200.2 REV-2,  
dated May 1984

Handbook 3200.02  
REV-3, dated

March 1993

---

---

Handbook 3200.02 REV-3

U.S. Department of Housing and Urban Development  
Office of Administration

---

Departmental Staff

---

March 1993      Disaster Response

and Assistance

---

W-3-1, R-2, R-3-2, R-3-3, R-6, R-6-2, R-7, R-7-2,

R-8, R-9

W-3-1 Directives Management Officers--Headquarters and Regions,  
library, ACIR (Advisory Commission on Intergovernmental  
Relations)

R-2 Office Directors, Principal Assistants in Regional  
Administrators' offices

R-3-2 Directors, Administrative Services Divisions and  
Administrative and Management Services Divisions, and  
Administrative staffs

R-3-3 Category D offices - bulk

R-6 Category A offices - Office Managers and Deputy Office  
Managers

- R-6-2 Category A offices - Division Directors
- R-7 Category B offices - Office Managers and Deputy Office Managers
- R-7-2 Category B offices - Division Directors
- R-8 Category C offices - Office Managers and Deputy Office Managers
- R-9 Directors and Deputy Directors, Offices of Indian Programs

3200.02 REV-3

Paragraph	Page
-----------	------

Table of Contents

CHAPTER 1. GENERAL

1-1 Background .....	1-1
1-2 Purpose .....	1-1
1-3 Authorities .....	1-1
1-4 Responsibilities .....	1-1
1-5 Reporting .....	1-1

CHAPTER 2. CATEGORIES OF DISASTERS

2-1 Natural Disasters .....	2-1
-----------------------------	-----

CHAPTER 3. HUD DISASTER ASSISTANCE

3-1 Functions and Activities .....	3-1
3-2 Disaster Assistance Waivers .....	3-1
3-3 HUD Program Assistance .....	3-2
3-4 Flood Insurance Protection/Restrictions .....	3-6
3-5 Displacement, Relocation & Real Property Acquisition ..	3-6

CHAPTER 4. OTHER HUD EMERGENCY ACTIVITIES

4-1 Flood Hazard Mitigation . . . . . 4-1  
4-2 Federal Response Plan (FRP) . . . . . 4-1

APPENDICES

1. Memorandum of Understanding between FEMA and HUD
2. Interagency Agreement for Flood Hazard Mitigation
3. Reimbursement of other Federal Agencies, 44 CFR Part 205, Subpart I
4. Mission Assignment Letter Sample
5. Mortgagee Letter 92-38 - Sample
6. Reserved

---

CHAPTER 1. GENERAL

1-1 BACKGROUND. With the establishment of the Federal Emergency Management Agency (FEMA) in July 1979, most operational responsibilities related to disaster relief activities were removed from HUD. The Federal Disaster Assistance Administration (FDAA), which coordinated all natural disaster recovery programs, and the Temporary Housing Program, previously delegated to the Assistant Secretary for Housing, are now in FEMA. Under Public Law 93-288, as amended, the Robert T. Stafford Relief and Emergency Assistance Act (The Stafford Act), the President makes declarations of major disasters and emergencies that warrant Federal assistance. FEMA then designates the counties eligible for assistance and coordinates the disaster

assistance activities of all Federal Agencies. In extremely severe disasters, the Federal Response Plan may be activated; see below, paragraph 4-2.

1-2 PURPOSE. This Handbook describes disaster relief activities that HUD may undertake under existing program authorities, and references those activities that FEMA may assign to the Department under the Stafford Act.

1-3 AUTHORITIES. HUD assistance for disaster-displaced families referenced in this handbook is provided under the following authorities.

A. The Robert T. Stafford Disaster Relief and Emergency Assistance Act, Public Law 93-288, as amended by P.L. 100-707 (The Stafford Act) provides authority for Federal assistance once the President declares a major disaster or emergency.

B. HUD housing programs provide the Department some discretion, to the extent permissible by law, in granting waivers of eligibility requirements to disaster-displaced families. These programs provide rental housing assistance, HUD/FHA-insured loans to repair and rebuild homes, and HUD/FHA-insured loans to purchase new or existing housing, under the following authorities:

1. National Housing Act, as amended
2. United States Housing Act of 1937, as amended.

3. Housing and Community Development Act of 1974

4. National Affordable Housing Act of 1990  
(P.L. 101-625)

C. Flood Disaster Protection Act of 1973, as amended.

D. The Federal Response Plan (for the Stafford Act, as amended), December, 1991.

1-4 Responsibilities. The FEMA Regional Director assigns most disaster tasks directly to the HUD Regional Administrator due to the localized nature of disaster occurrences.

Appendix 4 provides a sample of a Mission Assignment letter from the FEMA Regional Director to the HUD Regional Administrator. However, in the event of a very large disaster affecting States in more than one Region, FEMA may assign disaster response activities to the Secretary for overall management and coordination at the Headquarters level.

A. Headquarters.

1. The Assistant Secretary for Administration. The Secretary has delegated to the Assistant Secretary for Administration the authority vested in him/her under The Stafford Act, to coordinate disaster assistance and services as required by the President or by the Director of FEMA. When FEMA assigns a task to the Department at the Headquarters level, the Assistant Secretary for Administration will coordinate HUD's response with the appropriate program Assistant Secretary assigned the responsibility for providing the requested services.

a. Emergency Preparedness Staff. The focal point for HUD emergency program activities is the Emergency Preparedness Staff (EPS), in the Office of Administrative and Management Services, Office of Administration. EPS responsibilities are:

- (1) Notification. When the President declares a major disaster or emergency, FEMA notifies HUD through the Director, EPS. The EPS then notifies the Department's Principal Staff and the appropriate Regional Administrator (RA) and Regional Emergency

---

3/93

1-2

---

3200.02 REV-3

---

Coordinator (REC) by memorandum. EPS may initiate notification by telephone when the situation requires immediate and urgent action.

- (2) Coordination. The EPS is responsible for liaison and coordination with FEMA and other Federal agencies for all HUD emergency functions.
- (3) Reporting. The EPS maintains a summary of all disaster activities reported by the Regions, assuring that information regarding HUD disaster response activities are available to the Assistant Secretary for Administration.

2. Principal Office Heads. When FEMA assigns a task to the Department at the Headquarters level, under The Stafford Act, the HUD Principal Office Head assigned responsibility for the requested activities will implement them within his/her functional jurisdiction through the appropriate Regional Administrator in the field.
  
3. The Assistant Secretary for Community Planning and Development (CPD). The Assistant Secretary for CPD, and specifically the Office of Environment and Energy, has responsibility for the management and oversight of HUD's efforts regarding flood disaster planning and post-flood recovery practices. (See Appendix 2: Interagency Agreement for Flood Hazard Mitigation.)
  - a. Water Resources Coordinator, CPD: represents HUD on the FEMA Flood Hazard Mitigation Task Force.

B. Regional Office.

1. Regional Administrator (RA). The RA is responsible, within his/her area of jurisdiction, for implementation and management of HUD disaster activities assigned by the FEMA Regional Director or HUD Headquarters. The RA assures a timely and effective response by the Region in providing the disaster assistance requested. The Regional Administrator may redelegate authority to approve travel and travel advances to the appropriate field office manager if necessary to expedite disaster assistance operations.

2. Regional Director of Administration. The Regional Director of Administration is the Regional Emergency Coordinator (REC) who is responsible for liaison with the FEMA Regional Office and with EPS in Headquarters. The REC shall coordinate all HUD disaster activities within the Region with FEMA on behalf of the Regional Administrator, and shall report these activities to EPS.

3. Regional Environmental Officers: represent HUD on FEMA's Regional Hazard Mitigation Teams. Each region should also designate two alternate representatives to these teams.

C. Field Offices. The field office Manager and/or Supervisor shall direct disaster-related activities, assigned by the Regional Administrator within the boundaries of his/her jurisdiction, and shall report all activities to the REC.

1-5 REPORTING. The above officials are responsible for maintaining information concerning HUD disaster activities and reporting activity status to EPS. The REC shall make an initial report immediately by telephone to the Director, EPS, concerning disaster assistance requested or assigned by FEMA, and follow up within 10 working days by memorandum with details of the Region's disaster assistance activities. The REC shall also provide interim reports as appropriate (such as new FEMA requests or increased HUD staff involvement), and a closeout report upon completion of assistance activities. Reports should include at least the following information:

A. Disaster assistance requested by FEMA.

- B. Disaster assistance provided by HUD.
  - C. Assessment of the effectiveness of HUD housing programs used.
  - D. Cost to HUD in responding to FEMA's request for assistance, such as overtime, travel and per diem and cost of supplies, etc., and
  - E. Recommendations and comments.
- 

3/93

1-4

3200.02 REV-3

---

## CHAPTER 2. CATEGORIES OF DISASTERS

2-1 NATURAL DISASTERS. State and local governments have the primary responsibility for providing assistance in natural disaster occurrences. However, when the assistance needed exceeds the capability of the State and local governments, the State may request Federal assistance through FEMA. Most natural disaster occurrences fall into one of the following categories.

- A. **Presidentially-Declared Major Disasters.** Under the Stafford Act, the President declares a major disaster or emergency when the damage is determined severe enough to require Federal assistance. The extent of damaged housing determines the need for temporary housing assistance. FEMA is responsible for coordinating the Federal response in Presidentialy-declared disasters or emergencies, and

has recently changed its approach in providing temporary housing assistance to disaster victims. FEMA will normally provide a check for either rental assistance or minimal repairs - i.e., FEMA's preferred approach is to provide financial assistance to victims and allow them to find suitable rental housing or to make minimal repairs sufficient to make their homes habitable. HUD has no specific disaster programs for response to a Presidentially-declared major disaster. However, HUD housing assistance under on-going program authorities may be available on an individual request basis. HUD programs for housing assistance are identified in Chapter 3.

B. Small Business Administration (SBA) Declared Disasters. SBA may declare a disaster area under Section 7(b)(1) of the Small Business Act, as amended (15 U.S.C. 636). HUD has no specific assistance program for an SBA-declared disaster. However, individuals may qualify for housing assistance under one or more of the HUD regular housing programs. (See Chapter 3)

C. Local Disasters. Areas which have suffered a disaster occurrence but which do not meet the criteria for disaster declaration under A or B above are the responsibility of local and State emergency organizations. However, HUD's regular housing programs may very well serve the housing needs of individual victims and communities affected by this type of disaster. (See Chapter 3)

## CHAPTER 3. HUD DISASTER ASSISTANCE

3-1 FUNCTIONS AND ACTIVITIES. Executive Order 12148, Section 4, delegates the authority vested in the President to the Director, FEMA, to request or assign disaster assistance support activities to any Federal Department or Agency under The Stafford Act. FEMA may request or assign disaster temporary housing functions to HUD when determined necessary. Activities which HUD may be requested to perform by FEMA, include, among others, the following functions:

- A. Provide emergency support teams, or technical and advisory personnel.
- B. Conduct preliminary damage assessment including evaluation of the extent of damage to public and private housing, and provide a report on the number of families who may require temporary housing.
- C. Determine housing available in the private sector, and determine habitable properties to which HUD has title and possession.
- D. Establish fair-market rents and utility schedules for the affected area.
- E. Assist in administering the temporary housing program, which may include:
  - 1. Taking applications for temporary housing assistance.
  - 2. Inspecting an applicant's damaged home.
  - 3. Counseling families regarding permanent housing requirements.

4. Assuring that there is no discrimination on the grounds of race, color, national origin, sex, handicap, age or religion in the temporary housing program.

3-2 DISASTER ASSISTANCE WAIVERS. The Stafford Act, Section 301 authorizes any Federal agency to waive or modify administrative requirements for assistance to public bodies making application and unable to meet such requirements as a result of a major disaster. Section 310 (a) (1) authorizes

---

3/93

3-1

---

3200.02 REV-3

---

the Secretary to establish priority considerations for low-income housing assistance requested by public bodies affected by a major disaster.

3-3 HUD PROGRAM ASSISTANCE. Several of HUD's regular programs have specific provisions which permit the Department to provide special or priority assistance to disaster victims or communities.

A. Individual Assistance. Certain HUD housing programs can provide assistance to disaster victims on an individual request basis. These include rental assistance, temporary housing assistance, the repair and rebuilding of existing housing, mortgage relief and the construction of new housing.

1. Rental Assistance.

- a. Section 8/Section 221(d)(3)/Section 236. HUD encourages the owners of Section 8, Section 221 (d)(3) and Section 236 projects to give priority admission to vacant units to low-income, disaster-displaced families. Rents are generally limited to 30% of income under these programs.
- b. Rental Vouchers/Certificates. Public Housing Agencies can apply for additional rental vouchers/certificates to assist low-income families displaced by natural disasters. In such cases these families would be eligible for immediate assistance to find affordable housing on the open market. Again, rents are generally limited to 30% of income.

2. Temporary Housing Assistance.

- a. Public Housing. In all types of disasters the Regional Administrator may request local housing agencies operating low-income public housing to temporarily house disaster-displaced families, regardless of their eligibility for public housing, in existing vacant units or other suitable available space, such as community areas, warehouse and storage space, for the duration of the emergency. Families meeting the low-income eligibility requirements may make application for continued occupancy.
- b. HUD-Owned Housing. In Presidentially-declared

disasters, HUD may provide temporary housing (i.e., dwellings in the possession of and titled \* to HUD) to disaster victims especially those referred by FEMA to HUD. See Appendix 1: "Memorandum of Understanding between FEMA and HUD". FEMA assists homeless disaster victims primarily by providing financial assistance with which they can rent or lease an available home of their choosing - e.g., a HUD-owned home directly from HUD. \*

Costs incurred by HUD in carrying out this activity or any disaster assistance function assigned by FEMA for any Presidentially-declared major disaster or emergency, may be reimbursed when approved by FEMA, under procedures found in 44 CFR Part 205, Subpart I (see Appendix 3).

This assistance is available directly from HUD for all other types of disasters, at the Secretary's discretion.

### 3. Repair and Rehabilitation Assistance.

- a. Title I property improvement loans insured by HUD/FHA may include loans for repair or improvement of disaster-damaged homes. The work done must substantially protect or improve the basic livability or utility of the property.
- b. Reconstruction loans, insured by HUD/FHA under Section 203(h) of the National Housing Act, may be used to reconstruct or replace housing severely damaged or destroyed in a declared major disaster area. The amount of the loan cannot exceed the appraised value of the property. The Secretary

may waive eligibility requirements for disaster victims applying for this assistance.

4. Mortgage Relief.

- a. Mortgage payments may be reduced or suspended on HUD/FHA-insured loans when defaults are caused by

---

3-3

7/94

---

3200.02 REV-3

---

death, illness, curtailment of income or damage to property not adequately protected by insurance. Lenders are authorized, without prior approval by HUD, to grant this forbearance. However, if for any reason they cannot, the mortgage may be assigned to HUD for granting appropriate relief. Existing home repair and modernization loans may also qualify for this forbearance.

- b. Moratorium on Foreclosures. HUD establishes a moratorium on foreclosures in all National Disaster Areas identified by FEMA, which is generally effective for ninety (90) days, unless extended by HUD. See Appendix 5: Mortgagee Letter 92-38 (sample), dated October 15, 1992. In addition, these Mortgagee Letters contain recommendations for lenders to consider in handling cases where the disaster directly affects the condition of the property and/or the mortgagor's financial viability.

5. Replacement or Purchase of New Housing.

- a. Mortgage-insured home purchase loans. In major disasters, HUD may give preferential treatment to disaster-displaced families under the Section 221(d)(2) program for the purchase of housing at regular interest rates. Lower down-payments, long term mortgages and other benefits are available under this program.

B. Assistance for State and Local Governments.

- 1. Community Development Block Grant (CDBG). States and other entitlement entities at their discretion may use CDBG funds for disaster assistance as long as the expenditure meets the statutory requirements and National objectives of the Housing and Community Development Act of 1974, as amended.

In addition, HUD may have limited funds available for emergency community development needs under Section 106(c) of Title I of the Housing and Community Development Act of 1974, as amended by Section 933, Disaster Relief, Subtitle B, Title IX of Public Law 101-625. Section 933 provides for funds returned to the Secretary from metropolitan cities and urban counties under the authority of Section 104(e) and Section 111 of

counties located or partially located in  
Presidentially-declared major disaster areas for emergency  
community development needs.

2. Section 108 Loan Guarantees. Section 108 is the loan guarantee provision of the CDBG program. Communities pledge current and future CDBG funding as security for the loan, which can finance debris removal, repair, rehabilitation or demolition of buildings on public land, housing rehabilitation and economic development activities.
3. The State-Administered Small Cities Program. Under the Housing and Community Development Act of 1974, if a State chooses to do so, Small Cities Grant Funds may be set aside for use in mitigating an "imminent threat" to life and/or property.

C. Assistance for Public Housing Agencies (PHAs).

1. Comprehensive Improvement Assistance Program (CIAP). Under the CIAP, HUD provides financial assistance to PHAs (with less than 250 units), including Indian Housing Authorities, to improve the physical condition, management and operations of existing public housing projects. PHAs may reprogram unobligated funds to address disaster needs, but only to the extent these needs are in excess of expected reimbursement from insurance and other sources, such as from the Federal Emergency Management Agency (FEMA).
2. Comprehensive Grant Program (CGP). Under the CGP, HUD provides financial assistance, on a formula basis, to PHAs with 250 or more units for the modernization of public and Indian housing. PHAs may reprogram unobligated funds to address disaster needs.

3. CGP Reserve for Disasters. In each fiscal year, HUD reserves \$75 million to be made available to CGP agencies (PHAs) for modernization needs resulting from natural and other disasters. A natural or other disaster is defined as an extraordinary event, such as a hurricane or earthquake, affecting only one or a few PHAs. Any disaster declared by the President or any event which HUD determines would qualify for a Presidential declaration, if it were on a larger scale,

---

3/93

3-5

---

3200.02 REV-3

---

shall qualify as a disaster for purposes of the CGP.

Any CGP agency is eligible to apply for and receive funds from the \$75 million reserve regardless of the availability of other modernization funds or reserves.

The same restriction noted above for CIAP funds applies for CGP funds. That is, CGP funds (both formula grants and reserve funds) may be used for disaster purposes only to the extent that the PHA's needs are in excess of its expected reimbursement from insurance and other sources, such as the Federal Emergency Management Agency.

#### 3-4 FLOOD INSURANCE PROTECTION/RESTRICTIONS.

A. Compliance with the Flood Disaster Protection Act of 1973

(42 U.S.C. 4001, et seq.), as amended, is required for all HUD program assistance, except for formula grants made to States. Section 202(a) of the 1973 Act (42 U.S.C. 4106(a) prohibits HUD approval of financial assistance for the acquisition, construction, reconstruction, repair, or improvement of any publicly or privately owned building located within a Special Flood Hazard Area (SFHA) of a community suspended or sanctioned by the National Flood Insurance Program (NFIP). Section 202(a) does not prevent financial assistance for other purposes such as for the construction or repair of roads and bridges located within the SFHA of non-participating communities.

Section 102(a) of the Act (42 U.S.C. 4012(a)) mandates the purchase of flood insurance protection for a prescribed period of time and dollar amount for any assisted SFHA building. The only exception is for State-owned property that is covered by an adequate State policy of self insurance approved by the Director of FEMA. HUD financial assistance may not be made for acquisition, construction, reconstruction, repair, or improvement purposes where the building owner knowingly failed to have obtained and/or maintained a flood insurance policy required as a condition of previous HUD financial assistance for the SFHA building.

### 3-5 DISPLACEMENT, RELOCATION AND REAL PROPERTY ACQUISITION.

- A. Basic Requirements. As a condition of receiving HUD financial assistance, grantees must comply with the

requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) and, where applicable, the "section 104(d)" relocation requirements applicable to CDBG and HOME-assisted projects. These requirements are described in HUD Handbook 1378, Tenant Assistance, Relocation and Real Property Acquisition.

- B. Special Disaster Relief Act Provisions. Ordinarily, to be eligible for URA replacement housing assistance, a person must be occupying a dwelling unit at the time the HUD-assisted project is undertaken. Section 414 of the Stafford Act waives these occupancy requirements for persons who would be occupying the property if they had not been forced to move by an earlier Presidentially-declared disaster. In other words, these persons become eligible for URA replacement housing payments if their property is later acquired, renovated or demolished for a HUD-assisted project and they are unable to return to the property under reasonable terms and conditions.
- C. Grantee Contact. Relocation requirements for projects in Presidentially declared disaster areas are complicated and present significant cost issues. Grantees should be cautioned about these issues if HUD financial assistance (e.g., HOME, CDBG) is used to help repair, demolish or acquire disaster-caused damaged property. HUD program staff should contact CPD relocation staff in the appropriate Field Office (or the Headquarters CPD Relocation and Real Estate Division staff) who will provide advice and assistance to grantees as to the applicability of these requirements and grantee responsibilities.

## CHAPTER 4. OTHER HUD EMERGENCY ACTIVITIES

4-1 FLOOD HAZARD MITIGATION. HUD, along with several other Federal Departments and Agencies, has pledged to support the flood hazard reduction effort by active participation in the Hazard Mitigation Team (HMT) established in each of the 10 Federal Regions. The FEMA Regional Director activates the HMT when a major flood disaster or emergency is declared by the President. The HMT conducts an on-site analysis of the flood area, researches the flood history of the area and makes recommendations for assistance that will reduce the vulnerability of the area to repetitive flooding. The Office of Environment and Energy within CPD, Headquarters, oversees Regional participation in the HMT. The Regional Administrator is responsible for assuring that a HUD-HMT representative is designated and attends FEMA-called training sessions and responds to team call ups for declared flood disasters. See Appendix 2 for the Interagency Agreement on Flood Hazard Reduction Measures.

4-2 FEDERAL RESPONSE PLAN (FRP). The FRP is a plan which describes how and when Federal Agencies provide assistance to State and local governments impacted by a significant disaster or emergency requiring a Federal response. Under this plan, HUD is a support agency to the American Red Cross in providing mass care to disaster victims. For purposes of the FRP, the American Red Cross is considered a Federal

Agency.

In most disasters/emergencies, historically, State and local governments, in conjunction with volunteer agencies such as the American Red Cross, have been able to handle the immediate response (mass care) without the need to activate the FRP. However, if a massive disaster did require the activation of the FRP, HUD's responsibilities under the FRP are as follows:

- A. Provide listings of available, habitable housing units, owned or in the possession of the Secretary of HUD, within or adjacent to the disaster or affected areas; and make these units available for temporary use when needed.
  
- B. Provide available HUD staff to assist when needed in counseling or processing disaster victims in mass care facilities.

---

3/93

4-1

---

3200.02 REV-3

---

- C. Provide information on all HUD programs which might be of assistance to State/local governments, or individuals affected by the disaster.
  
- D. Provide available information, as needed, regarding Public Housing Authorities and fair market rents for the affected areas.

MEMORANDUM OF UNDERSTANDING  
between the  
FEDERAL EMERGENCY MANAGEMENT AGENCY  
and the  
U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Background

Following the Presidential declaration of a major disaster or emergency, the Federal Emergency Management Agency (FEMA) Regional Director may request the United States Department of Housing and Urban Development (HUD) Regional Administrator to provide a list of available, habitable, single-family and/or multi-family housing units in which HUD has title and possession to FEMA for the provision of disaster housing for individuals and families displaced from their homes as a result of the disaster.

When FEMA determines an applicant eligible for disaster housing assistance, FEMA may give the applicant a rent check based on the fair market rent in the affected area for use in obtaining disaster housing. If an applicant experiences difficulty in finding a place to rent that meets their needs, FEMA assists by referring them to vacant housing, including vacant housing controlled by HUD.

If it is discovered during the disaster recovery operation

that discriminatory housing practices may be occurring in the disaster area, FEMA disaster officials should make a request for a HUD Secretarial Investigation into housing practices in a certain area on behalf of all recipients of disaster housing assistance. FEMA and HUD share a common commitment to making every effort to minimize additional trauma to victims which would result from discriminatory housing practices interfering with their efforts to obtain disaster housing. It is the policy of FEMA and HUD to ensure that all eligible recipients of rental checks are provided fair and equitable housing in accordance with Public Law 100-430, the Fair Housing Act.

---

3200.02 REV-3

CHG-1

APPENDIX 1

---

#### General Provisions

A. Purpose. Pursuant to the provisions of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Public Law 93-288, as amended, (Stafford Act) and the delegation of authority to the Director, FEMA, by Section 4-203 of Executive Order 12148, Federal Emergency Management Agency, dated July 20, 1979, as amended, FEMA may request the Department of Housing and Urban Development (HUD) to perform one or more of the following services in support of the purposes of the Stafford Act:

1. Assist with or accompany FEMA when conducting a preliminary damage assessment in response to a

Governor's request for major disaster or emergency assistance. HUD's expertise in this area could aid in the evaluation of the extent of damage to public and private housing.

2. Provide FEMA with information regarding the fair market rent schedules for the disaster-affected areas throughout the disaster recovery operation.
  3. When necessary, contact Public Housing Authorities (PHA's) and, through the PHA's, compile a list of available public housing units and encourage the PHA's to give priority to displaced disaster victims. To the extent permissible by law, HUD will approve waivers of eligibility and occupancy requirements, as appropriate.
  4. Make available to FEMA lists of livable single-family and multi-family housing units to which HUD has title and possession and which are not under lease or under agreement of sale for the purpose of providing disaster housing to eligible victims.
  5. Place in FEMA's available vacant housing data base the housing options stated in subparagraphs A.3 and A.4 to be used for referrals when applicants are unable to find rental resources on their own.
  6. Provide disaster assistance applicants with: (1) Fair Housing counseling to inform them of their fair housing rights under the Fair Housing Act, specifically, Section 808 (d) and (e); (2) HUD's Housing Discrimination Complaint Hotline telephone number; and (3) information on how to file housing discrimination complaints with HUD by using the HUD Housing Discrimination Complaint Form, Form HUD-903.
-

---

3200.02 REV-3

CHG-1

APPENDIX 1

---

7. Act upon requests from FEMA to conduct Secretarial Investigations based on knowledge of incident-specific discriminatory activities reported by recipients of disaster housing assistance.
- B. Delegation of Authority. The signatories to this Memorandum of Understanding (MOU) will delegate authority to implement this MOU to their respective employees verbally and in writing. The Director, FEMA, will delegate this authority to the FEMA Regional Directors, and the Secretary of HUD to the HUD Regional Administrators. When a disaster occurs, these delegates will identify employees and contractors who are authorized to implement the appropriate provisions of this MOU.
- C. Implementation of the Agreement. The FEMA Regional Director will request implementation of this agreement (orally and confirm in writing) from the HUD Regional Administrator. Whenever possible, the services HUD performs will be accomplished during regular business hours, with no costs involved. However, when the approval of travel or overtime costs is necessary, the FEMA Regional Director may issue a mission assignment letter to the HUD Regional Administrator specifying the nature of work to be accomplished and the reimbursement provisions. Reimbursement is subject to the availability of funds. Reimbursement will be based upon the terms of the mission assignment, which may be retroactive to the date the incident occurred. Policies and procedures

governing such reimbursements are outlined at 44 CFR, Part 206.8.

D. Effective Date of this MOU. This MOU becomes effective on the latest signature date below.

E. Duration of Agreement. This MOU remains effective until the authorities under which it is entered are no longer in effect.

F. Modifications and Amendments. This MOU may be modified or amended in writing, by mutual consent of both parties.

-----

Secretary	Director
United States Department of Housing and Urban Development	Federal Emergency Management Agency

Date:\_\_\_\_ Feb 20 '94\_\_\_\_\_ Date:\_\_\_\_ 12-20-93\_\_\_\_\_

---

3 of 3                      7/94  
3200.02 REV-3  
APPENDIX 2

---

December 15, 1980

INTERAGENCY AGREEMENT  
FOR  
NONSTRUCTURAL DAMAGE REDUCTION MEASURES  
AS APPLIED TO COMMON  
FLOOD DISASTER PLANNING  
AND  
POST-FLOOD RECOVERY PRACTICES

## I. INTRODUCTION

Federal, State and local interests have expended over \$10 billion for structural measures to mitigate flood losses.

Notwithstanding this effort, average annual flood losses have continued to increase. This experience has generated renewed interest in non-structural flood damage reduction measures which are usually complementary and, in some situations, necessary substitutes for structural approaches.

Since nonstructural measures frequently can be used in flood disaster recovery situations, the Director of the Office of Management and Budget (OMB), in a memorandum dated July 10, 1980, has directed that "All Federal programs that provide construction funds and long term recovery assistance must use common flood disaster planning and post-flood recovery practices." The objective of this policy is to coordinate flood disaster recovery efforts and to assure that these efforts give full consideration to nonstructural as well as structural measures to minimize flood losses to the extent practicable, and thereby reduce the flood vulnerability of riverine and coastal communities.

The Federal Emergency Management Agency (FEMA) is directed to coordinate and lead twelve key departments and agencies in the development of an interagency agreement that establishes a common policy statement and guidelines to implement the policy. The President has assigned to the Director of the Federal Emergency Management Agency the responsibility to establish Federal policies for and to coordinate all mitigation and assistance functions of Executive agencies. The Director shall represent the President in working with state and local governments and the

APPENDIX 2

---

private sector to stimulate vigorous participation in mitigation, response and recovery programs. All Executive agencies are to cooperate with and assist the Director in the performance of his functions (E.O. 12148, July 20, 1979).

The July 10, 1980 memorandum from OMB provides that:

The common flood disaster planning and post-flood recovery practices will ensure that Federal financial and technical assistance minimizes flood losses.

Flood disaster planning, as used in this agreement, occurs in response to an officially declared disaster. Pre-disaster planning, as used in this agreement, is a planning initiated hazard mitigation effort that addresses potential (prior to flood events) flood problems. These planning processes can proceed concurrently with agency studies that are being conducted to identify justified flood damage reduction measures.

Consistent with the President's July 1978 Water Policy Initiatives, nonstructural measures are to be used wherever practicable.

Structural measures affect the floodwaters. Nonstructural measures affect activities in the flood plain. Nonstructural measures will play an important role in flood hazard mitigation programs, and used alone, will often be the most acceptable and efficient approach. The degree of nonstructural as related to structural measures will vary with respective problems but will always be given full consideration in detailed as well as general studies. The post-disaster situation affords unique

opportunities for hazard mitigation through the effective use of nonstructural measures. This agreement does not address emergency actions (work essential to save lives and protect property) in a post-disaster situation. It is concerned primarily with nonstructural measures for hazard mitigation which may be accomplished in the post-disaster recovery period. Such measures include, but are not limited to:

- flood plain regulations;
- relocation of structures and facilities out of the flood hazard area with attendant land acquisition and management;

---

3/93

2 of 15

---

3200.02 REV-3

APPENDIX 2

---

- floodproofing of existing and new structures and facilities;
- forecasting, warning and evacuation plans; and
- vegetative measures to reduce runoff.

This policy is also designed to encourage wise use of the Nation's flood plains.

The concept of "wise use of the Nation's flood plains" is discussed in the Water Resources Council's "Unified National Program for Flood Plain Management." In the context of this agreement, wise use of flood plains includes minimizing flood losses to the extent practicable and restoring and preserving the natural and beneficial values served by flood plains. Flood

plains generally provide excellent resources for agricultural, aquacultural, and forestry production, and these activities are included in the concept of "natural and beneficial values." This agreement focuses on urban, suburban and rural areas, and is not intended to cover land used in the production of primary agricultural products. The goal is to achieve an absolute decline in communities' average annual flood losses due to unwise flood plain use. Activities and programs to accomplish this goal shall address both future and existing development. Emphasis shall be on reserving or clearing land to ensure open floodways and coastal high hazard areas.

## II. COMMON FEDERAL POLICY

In order to ensure that Federal financial and technical assistance minimizes flood losses and that future Federal expenditures for flood disaster recovery and relief will be minimized, the parties to this agreement agree to the following elements of a common Federal policy in response to flood disasters:

- A. All Federal programs that provide construction funds and long-term recovery assistance shall use common flood disaster planning and post-flood recovery practices.
- B. Wise use of the Nation's flood plain shall be an objective of this agreement and shall be encouraged.

- 
- C. These common practices shall ensure that responses to flood disasters are prompt and effective to the fullest extent practicable and are based on evaluation and delineation of the flood and related hazards.
- D. These common practices for pre-disaster planning and post-flood recovery, including nonstructural flood damage reduction measures and flood disaster recovery activities shall be based on and implemented in accordance with the Unified National Program for Flood Plain Management, Executive Orders 11988 and 11990, and the President's July 1978 Water Policy Initiatives, and shall be guided by the Water Resources Council's Guidelines for Implementing E.O. 11988.
- E. As provided in E.O. 11988, having determined that a proposed action is located in the base flood plain, an agency is required to identify and evaluate practicable alternatives to locating in the flood plain.
1. Relocation of existing structures and facilities from flood hazard areas may well be an appropriate action. In either a planning initiated activity prior to a disaster (see V.A.2 and V.C.3) or as part of post-flood disaster recovery activities, structures and facilities that may be or have been adversely affected by floods shall be considered for relocation out of the flood plain in the following situations:
    - a. the structure or facility is located in a designated or approximate floodway;
    - b. the structure or facility is located in a designated or approximate coastal high hazard

area;

- c. the structure or facility was substantially damaged;
- d. State or local legislation, regulations, and/or restrictions have designated the structure or facility as a non-conforming use

---

3/93

4 of 15

---

3200.02 REV-3

APPENDIX 2

---

and discourage its continuation or prohibit the repair of the structure or facility when affected by a flood disaster; or

- e. the structure or facility has experienced repetitive flooding.
2. In a flood hazard area where it has been determined that relocation of existing flood damaged structures and facilities is not practicable, floodproofing may be an appropriate response in the following situations:
- a. Where evaluations have shown that the floodproofed structures and facilities will not affect adversely lives and property or the natural and beneficial values served by flood plains.

- b. Where new water dependent structures and facilities, after proper evaluation, are deemed necessary.
  - 3. In a flood hazard area where it has been determined that neither relocation nor floodproofing are practicable, alternative actions, including the no action option, must be considered.
- G. The parties to this agreement will support coordinated post-flood recovery efforts by:
- 1. Striving toward coordinated hazard mitigation in the post-flood recovery effort. To achieve that result, the parties shall work to develop actions necessary to reduce the threat to lives and property posed by future floods and to encourage all other levels of government and private interest to do likewise.
  - 2. Agreeing to have representatives participate in hazard mitigation teams to be established by the FEMA Regional Director in each of the ten Federal regions, as appropriate, to implement this agreement. These teams will involve appropriate state and local participation.

---

### III. INTERAGENCY TASK FORCE

An Interagency Task Force for Nonstructural Flood Damage Reduction Measures and Flood Disaster Recovery is hereby established by and comprised of the parties to this agreement. This interagency task force, which operates at the Washington level, will be chaired by the FEMA representative designated to coordinate the development of the Interagency Agreement and the Handbook of Procedures for Flood Disaster Mitigation Planning as called for by the OMB Directive.

### IV. RESPONSIBILITIES OF THE INTERAGENCY TASK FORCE

#### A. Pre-Disaster Planning

Develop procedures in cooperation with State and local representatives, when appropriate, for pre-disaster planning to avoid future flood losses. Those procedures include:

- coordinating Federal technical assistance and other program resources;
- packaging of Federal program elements to promote the use of nonstructural measures for flood damage reduction;
- developing and disseminating information on the packages of Federal program assistance available;
- encouraging the preparation of pre-disaster plans for reducing future flood losses and encouraging wise use of flood plains;
- encouraging the development of flood forecasting

and warning systems;

- providing guidance for preparation and review of post-disaster plans; and
- avoiding redundant or competitive expenditures.

---

3/93

6 of 15

---

3200.02 REV-3

APPENDIX 2

---

The parties and each FEMA Regional Director will encourage all levels of government and all private interests to use the procedures developed. Agencies required to follow the Water Resources Council's Principles and Standards for Planning Water and Related Land Resources will implement measures by actions consistent with the Principles and Standards.

B. Post Flood Recovery

Assist in efforts to coordinate activities and facilitate commitment of funds to help implement the report recommendations of the hazard mitigation team.

C. Preparation of Handbook of Procedures

Prepare a handbook of procedures for flood hazard mitigation planning. This handbook should be suitable for use by members of the hazard mitigation teams, and if appropriate, by State and local agencies in carrying

out their responsibilities. The handbook will be prepared prior to October 1, 1981.

#### D. Quarterly Reports

Submit to the Office of Management and Budget through October 1, 1982, quarterly progress reports on the development of a common post-flood response policy, flood hazard mitigation teams, and future flood disaster planning procedures. To expedite the preparation of these quarterly reports, copies of hazard mitigation reports will be forwarded to the Task Force by the FEMA Regional Directors. Staff support for preparation of these reports shall be provided by FEMA.

#### V. HAZARD MITIGATION TEAMS

The parties agree to the following elements pertaining to hazard mitigation teams.

---

3/93

7 of 15

---

3200.02 REV-3

APPENDIX 2

---

#### A. General

1. Within 90 days from the date of this Agreement, these teams shall be operational in each of the 10 Federal Regions.

2. The teams shall be mobilized by the FEMA Regional Director in response to a Presidentially-declared flood disaster or emergency. The teams may also be mobilized by the FEMA Regional Director in response to planning initiated hazard mitigation effort. An agency, in response to a request to participate in a hazard mitigation team effort in other than a Presidentially-declared disaster or emergency, may reply that other program commitments preclude any involvement.

#### B. Composition

1. Composition of the teams shall be interagency, inter-disciplinary, and intergovernmental with representation from all appropriate agencies which are party to this agreement. Appropriate State and local participation will be arranged by the team leader. Federal and State team members shall be familiar with their agency programs and will have either had experience or will receive training in flood plain management and hazard mitigation. The Federal Emergency Management Agency shall conduct a training program to assure that the teams are prepared to deal with both future disaster planning and post-flood recovery efforts.
2. Each party shall designate a representative and two alternates in each Federal region, as appropriate, to participate on hazard mitigation teams.
3. The hazard mitigation team leader in each of the ten Federal regions will be designated by the FEMA Regional Director and will be familiar with flood plain management and hazard mitigation.

C. Tasks

1. In a post-flood recovery effort, the hazard mitigation team shall prepare recommendations for actions to be taken by each agency and each non-federal level of government. Such recommendations shall be in accordance with the following principles of E.O. 11988: avoidance of flood plain unless it is the only practicable alternative; and minimization of harm to and within flood plains.

a. Hazard Mitigation Report - due within 15 days from the date of the disaster. This report will provide an overall framework for the hazard mitigation and disaster recovery activities conducted by the parties to this agreement including those conducted by FEMA in implementing Section 406, P.L. 93-288. The 406 surveys are to be complementary to and a part of the implementation of the hazard mitigation report. The report shall be submitted concurrent with implementation to the FEMA Regional Director for comment and coordination and shall include the following elements:

- Assessment of the nature, cause and extent of flood damage to structures and facilities, by watershed where practical.
- Identification, based upon best available data, of: high hazard flood areas, areas likely to be in a floodway; and coastal high hazard areas.
- Identification of areas in which Federal investment to repair or replace

---

3/93

9 of 15

---

3200.02 REV-3

APPENDIX 2

---

structures and facilities should be avoided and the relocation of people and structures out of these areas should be encouraged.

- Identification of emergency actions (work essential to save lives and protect property) when it is necessary to separate restoration activities from these emergency actions which are to proceed while the Hazard Mitigation Report is being prepared.

- Identification of areas in which Federal assistance should seek to mitigate hazards through the floodproofing of structures.
- Identification of those immediate actions and alternatives that are required to minimize recurring flood damage within those identified areas.
- Delineation of areas subject to specific nonstructural policies and measures.
- Specific recommendations which when taken will leave the community less vulnerable to future flood hazards.
- An implementation program initiating a package of Federal and State programs to address hazard mitigation opportunities with emphasis on non-structural measures.
- Identification of priorities and a schedule for implementation of the report recommendations.
- Definition of agency actions including the appropriate Federal agency to lead in the implementation of the report recommendations.

APPENDIX 2

---

- b. In extraordinary circumstances involving large scale, major disasters, the FEMA Regional Director may determine that a preliminary Hazard Mitigation Report will be submitted within 15 days. A more detailed report would be presented by the Team within 30 days from the date of the disaster.
  
- c. Post-Flood Recovery Progress Report - due 90 days from the date of the receipt of the Hazard Mitigation Report. This report shall be submitted to the FEMA Regional Director for comment and coordination by the designated lead agency and shall include:
  - Identification of progress made in implementing the hazard mitigation report.
  
  - Description of problems or issues that have developed after completion of the report.
  
  - Recommendations for further actions.
  
- 2. The FEMA Regional Director shall bring any difficulties in the implementation of the report recommendations to the immediate attention of the Task Force Leader. The Regional Director and the Task Force Leader shall, in consultation with the appropriate agencies, together decide on the proper course of action.

3. In a pre-disaster hazard mitigation planning effort, the hazard mitigation team shall review and evaluate existing local and State plans for flood hazard mitigation and shall report its findings and recommendations concerning specific needs to:

- Assess the nature and causes of the flood risk.

---

3/93

11 of 15

---

3200.02 REV-3

APPENDIX 2

---

- Identify, based upon best available data: high hazard flood areas; areas within a floodway; and coastal high hazard areas.
- Prepare a Hazard Mitigation Report to include:

Conceptual Plan.

Specific recommendations which, when taken by the community, will leave them less vulnerable to future flood losses.

Efforts to be taken to avoid harmful land uses in flood areas and evaluation of alternatives.

Package of Federal and State programs

available to assist community nonstructural measures.

Suggested legislative or code amendments required.

Suggested priorities action list and implementation schedule.

- Review and comment by public.

## VI. COMPLIANCE

The Parties agree to the following compliance measures.

- A. Federal agencies shall conform their recovery actions to the recommendations of the hazard mitigation report to the fullest extent practicable.
  
- B. When a proposed action does not follow the recommendations of the Hazard Mitigation Report, the initiating department or agency shall report the proposed action to the FEMA Regional Director along with the reasons therefore prior to the initiation of the action.
  
- C. When appropriate, unresolved differences between FEMA and a Federal department or agency may be referred to the CEQ, pursuant to 40 CFR 1504.

D. FEMA's Regional Director shall require states to identify a State agency and a local agency to provide on-going local leadership in implementing the Hazard Mitigation Report. Federal agencies working with other State and local agencies will encourage their cooperation with the designated non-Federal lead agency.

E. Within manpower and funding limitations, Federal Agencies shall give due consideration to providing financial and technical assistance, as needed in furtherance of the hazard mitigation recommendations.

## VII. OVERSIGHT RESPONSIBILITY

The Parties acknowledge that the Office of Management and Budget, the Council on Environmental Quality, and the Water Resources Council shall jointly oversee the compliance to this agreement.

## VIII. ANNEXES TO AGREEMENT

1. Clarify the basic agreement's provisions and their relation to specific programs and authorities.
2. Identify the parties' procedures for carrying out the common Federal policy.
3. Set forth common program areas for effectuating flood hazard mitigation.
4. Provide further details for coordinating respective agencies' activities.

The executed agreement and the annexes will be included in the Handbook of Procedures for Flood Hazard Mitigation.



---

3/93

14 of 15

---

3200.02 REV-3  
APPENDIX 2

---

Enclosure  
January 3, 1983

ANNEX TO THE INTERAGENCY AGREEMENT  
FOR  
NONSTRUCTURAL DAMAGE REDUCTION MEASURES  
AS APPLIED TO COMMON FLOOD DISASTER PLANNING  
AND POST FLOOD RECOVERY PRACTICES  
FOR  
THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Annex:

The Department of Housing and Urban Development (HUD) has  
entered this Interagency Agreement with the following  
understanding:

(1) The responsibilities of the various program offices of  
HUD and certain assisted communities are to be carried out in  
accordance with the statutes, executive orders, regulations, and



\* \*  
\* \*  
\* \*  
\* \*  
\* GRAPHICS MATERIAL IN ORIGINAL DOCUMENT OMITTED \*  
\* \*  
\* \*  
\* \*  
\* \*  
\* \*  
\* \*  
\* \*  
\* \*  
\* \*  
\* \*  
\* \*  
\* \*  
\* \*  
\* \*

\*\*\*\*\*

3200.02 REV-3  
APPENDIX 4

---

APPENDIX 4. Mission Assignment Letter Sample

FEDERAL EMERGENCY MANAGEMENT AGENCY  
Washington, D. C. 20472

FEMA-655-DR  
Declared 4/8/82  
DHUD Request No. 1

SAMPLE

Mr. Dick Eudaly

Regional Administrator  
Department of Housing & Urban  
Development  
221 West Lancaster Avenue  
Post Office Box 2905  
Fort Worth, Texas 76113

Dear Mr. Eudaly:

On April 8, 1982, the President declared a major disaster to exist in the State of Texas as a result of severe storms and tornadoes on April 2, 1982. Pursuant to the provisions of Public Law 288, 93rd Congress (hereinafter called the Act), Executive Order 12148, Title 44 of the Code of Federal Regulations and Part 205 (Federal Disaster Assistance), and Subpart I (Reimbursement of Other Federal Agencies) (Please note that these regulations were previously designated as 24 CFR, Part 2205.); your agency is hereby requested to provide an Equal Employment Opportunity and Civil Rights Compliance Officer.

Reimbursement for Expenses incurred in complying with this request shall be in accordance with the provisions of 44 CFR 205.150 through 205.153, Reimbursement of Other Agencies, and shall not exceed \$2,500. Expenses incurred above this limitation will not be eligible for reimbursement unless approved by the FEMA Regional Director by amendment to this letter. In order to receive additional obligating authority above the cited limitation, your agency is required to submit a request to this office for revision of that limitation, to include:

---

3/93

1 of 3

## APPENDIX 4

---

- (1) An accounting of actual costs incurred to date under the cited limitation and any amendment thereto;
- (2) An estimate of the revised total cost of the project;
- (3) Any specific information necessary to support the request.

Additional funding may then be authorized by amendment to this letter.

Request for reimbursement (SF-1080 or SF-1081) must be submitted to this office in accordance with Subpart 205.153 of the previously cited Regulations, and contain sufficient detailed information on which to base approval.

The requests for reimbursement will be accompanied by documentation which specifically details personnel services, travel, and all other expenses by object class, as specified in OMB Circular A-12, and by any sub-object classification used in the agency's accounting system. Any single item costing \$200 in value shall also be identified. However, they should be referred to by name with as much detailed identification as possible. Please note that non-expendable materials, equipment, and supplies purchased in accomplishment of this mission will be properly accounted for and returned to this office with final billing. The final billing for this assignment should be received in this office no later than one fiscal quarter after the last inspection has been accomplished. This bill should be clearly identified as a FINAL BILL to facilitate closing of this mission assignment once final payment has been forwarded to your agency.

All financial records, supporting documents, statistical records,

and other records pertinent to the assignment shall be retained and shall be accessible to duly authorized representatives of FEMA and the U.S. Comptroller General for a period of three years, starting from the date of submission of the final billing.

---

3/93

2 of 3

---

3200.02 REV-3

APPENDIX 4

---

In accordance with the provisions of Title 44, CFR, Section 205.16, you shall assure that the activities authorized to be performed by this letter are accomplished in an equitable and impartial manner without discrimination on the grounds of race, color, religion, nationality, sex, age, or economic status.

Any problem with accomplishment of this assignment must be brought to my attention within twenty-four (24) hours of receipt of this letter so that consideration may be given to alternatives.

All communications related to this assignment must bear the previously mentioned request and disaster numbers.

Sincerely,

Joe D. Winkle  
Acting Regional Director

---

3/93

APPENDIX 5. Mortgagee Letter 92-38 - Sample

October 15, 1992

MORTGAGEE LETTER 92-38

TO: ALL APPROVED MORTGAGEES

ATTENTION: SERVICING MANAGERS (Single Family)

SUBJECT: Servicing FHA-Insured Mortgages Affected by  
Hurricane Iniki

The Department of Housing and Urban Development (HUD) is providing the following information to mortgagees and servicers of FHA-insured mortgages on one-to-four-family residences to assist them in responding to the hurricane victims. The relief measures described in this Mortgagee Letter are intended not only to mitigate the hardships faced by mortgagors with FHA-insured mortgages in areas affected by the hurricane, but also to allow mortgagees time to obtain the hazard insurance benefits that are available and to reduce the impact of the hurricane on claims submitted for FHA insurance benefits. Included are certain directives pertaining to a moratorium on foreclosures, as well as a series of recommended actions HUD/FHA would prefer that mortgagees take in regard to servicing the affected mortgages.

- I. MORATORIUM ON FORECLOSURES. The Department is hereby establishing a moratorium on the initiation of foreclosures in all the National Disaster Areas identified by FEMA, the Federal Emergency Management Agency, following the hurricane. The moratorium is

effective as of the date of this Mortgagee Letter, and will expire in ninety (90) days, unless extended by HUD. Foreclosures already in process should be suspended for the duration of the 90-day period.

The property has to be directly affected by the hurricane to be included in the moratorium. All mortgagors affected by the moratorium on foreclosures should be seriously considered for the recommended servicing actions enumerated below. In those cases where the moratorium causes the initiation of foreclosure to occur past the normal deadline of twelve months after the date of default, the Department will grant an extension of up to 90 days for the mortgagee

---

3/93

1 of 4

---

3200.02 REV-3

APPENDIX 5

---

to initiate foreclosure. Extensions will have to be requested in writing from the HUD Field Office with jurisdiction over the properties.

II. RECOMMENDED SERVICING ACTIONS. In addition to the above moratorium on foreclosures, HUD is strongly recommending that cases where the hurricane directly affected the condition of the property and/or the mortgagor's financial viability be given utmost consideration by mortgagees or their servicers for forbearance. The Department recommends exploration of one or more of the following, depending on the circumstances of each case. Refer to Chapter 8,

"HUD-Approved Relief Provisions", of HUD Handbook 4330.1 REV-3, Administration of Insured Home Mortgages, for additional details.

1. Special (written) forbearance can be for up to 18 months, and mortgagors with no other property subject to an FHA-insured mortgage are eligible without HUD's advance approval.
2. Refinancing, reamortization or recasting the mortgage may be appropriate, especially where repairs to the property are necessary and secondary financing may be sought to complete the repairs.
3. Mortgagees should also consider waiving any late payment charges if the mortgagor's payment is late because he or she incurred added expenses or loss of income as a result of the hurricane, or if he or she needs additional time to receive a pending insurance settlement.
4. In addition, mortgagees or their servicers should temporarily suspend reporting delinquencies to credit bureaus if they are aware that the mortgagor's delinquency is attributable to hardships he or she incurred as the result of the hurricane.
5. If a viable forbearance plan cannot be reached, servicers may accept deeds-in-lieu of foreclosure after the moratorium, if they are offered and the applicable criteria are met.

APPENDIX 5

---

III. DEALING WITH PROPERTY DAMAGE. Mortgagees are expected to follow existing procedures pertaining to damaged properties unless instructed by HUD to do otherwise. No action should be taken (including the initiation or completion of foreclosure proceedings, after expiration of the foreclosure moratorium), if it will jeopardize the full recovery of a hazard insurance settlement. Mortgagees or their servicers should take affirmative steps to ensure that hazard insurance claims are filed and settled as expeditiously as possible, and that the affected properties undergo full repair. In damage cases, insurance proceeds are payable jointly to the mortgagee and the mortgagor and are frequently mailed to the mortgagee. The mortgagee should expedite turning over proceeds to the mortgagor, in accordance with existing inspection and verification procedures, and should not retain proceeds to make up an existing arrearage without the written consent of the mortgagor. (See Handbook 4330.1, REV-3, Chapter 9, paragraph 9-10E; also refer to Instructions for Single Family Application for Insurance Benefits, page 8.)

Property damage caused by the hurricane and its aftermath, whether or not a given mortgage delinquency preceded the hurricane date, should predispose the mortgagee to consider forbearing on the loan in order to allow the mortgagor additional time to stabilize his or her financial situation, as well as to arrange with the insurance carrier for repair and restoration of the premises. The goal should be a formal relief provision that will cure the delinquency as soon as possible without imposing an undue hardship on the mortgagor.

Headquarters has instructed the HUD Field Office with jurisdiction over the area(s) affected by the hurricane to have available a complete list of FHA-approved fee appraisers who can be called upon to perform inspections as the repair work progresses on damaged properties. Mortgage servicers should contact the Loan Management Branch Chief to obtain a copy of this list.

If the premises has been totally destroyed, the mortgagee should compare the unpaid principal balance with the anticipated insurance proceeds and any other circumstances

---

3/93

3 of 4

---

3200.02 REV-3

APPENDIX 5

---

affecting the case, for example, local laws barring reconstruction of the destroyed property. If, after referring to HUD Handbook instructions, questions regarding the most appropriate course of action remain, they should be directed to the Property Disposition Branch Chief in the HUD Field Office with jurisdiction over the property.

IV. PROCESSING ASSIGNMENT APPLICATIONS. Mortgagees are encouraged to send the HUD Exhibit Letters (pertaining to the assignment program) via Certified Mail-Return Receipt Requested, as well as by first class mail, to mortgagors in the identified disaster areas. Also, mortgagors affected by the hurricane should generally be granted "good cause" deadline extensions by mortgagees for responding to these letters.

The Department appreciates your cooperation and your attention to the directives and the recommendations contained in this Mortgagee Letter. Servicers are reminded to document fully their mortgage files regarding all servicing actions relating to the hurricane and its aftermath. Reasonable doubts as to the hurricane effect on a property's condition or a mortgagor's income or employment status should either be resolved in the mortgagor's favor, or else cause any proposed action against the mortgagor to be suspended until a definite determination can be made.

Questions pertaining to this Mortgagee Letter should be directed to the HUD Field Office which has jurisdiction over the properties affected by the hurricane.

---

3/93

4 of 4

3200.02 REV-3

APPENDIX 6

---

APPENDIX 6. RESERVED

---

3/93

1 of 1

\*U.S. G.P.O.:1993-342-362:80046