



Instructions for Completing HUD 52671-E to Request COVID-19 Supplemental Payments (CSP) per Notice H20-08 effective July 23, 2020

Purpose of form HUD 52671-E

CSP funds are to help address operating cost increases incurred by owners to prevent, prepare for, or respond to COVID-19 at their properties, including to maintain normal operations and to take other necessary actions while project-based Section 8, Section 202, and Section 811 programs are impacted by coronavirus.

Please refer to the Notice for specific examples of eligible activities, eligible properties, and other valuable information.

How to Complete HUD 52671-E:

- Enter the **Project Name**
- Enter the **FHA Project Number** – Only pertains to properties with a HUD-held or HUD-insured mortgage; If not applicable, please leave blank
- Enter the Section 8 contract number in the **Assistance Contract(s) #** field. This is an 11-digit number that starts with your state code.
- Enter the **Property/Management Company** telephone number and the submitter's **Property/Management Email Address**
- Select the **Contract Type** from the listed options. If Navigate is your PBCA, the type should be HAP.
- Select the **CSP Request Type**:
 - a. Tier 1 – if requesting a reimbursement amount that DOES NOT exceed the calculated Tier 1 Standard Payment Cap
 - b. Tier 2 – if requesting a reimbursement amount that DOES exceed the calculated Tier 1 Standard Payment Cap

PART I. Amounts Requested for Eligible Covid-19 Operating Expense Increases

Lines 1-7: Enter any eligible expenses incurred between March 27, 2020 and July 31, 2020 into the correct line

Line 8. The sum of lines 1-7 will automatically show on this line.

PART II. Multifamily Service Coordination for the Elderly and Disabled

If you **do not have** a budget-based **Service Coordinator** program (as reported to HUD through *Standards for Success*), please skip to line 15.

If you **do have** a budget-based **Service Coordinator** program as described above:

Lines 9-12: Enter any eligible expenses incurred between March 27, 2020 and July 31, 2020 into the correct line

Line 13. The sum of Lines 9-12 will show automatically on this line.

Line 14. The sum of Lines 8 and 13 will show automatically on this line.

PART III. Calculation of Tier I Standard Payment Cap

Line 15. Enter the number of assisted units under the HAP contract. Do not include non-assisted units on your property.

Line 16. This number is automatically calculated; the number entered on Line 15 is multiplied by \$60

Line 17. Enter \$1,000 **if your property is designated to serve the Elderly** (please see Notice H 2020-8, Footnote 3); leave Line 17 blank if your property is not designated Elderly.

Line 18. No action needed

Line 19. This amount will automatically calculate as the lesser of Line 13 or \$3,000

Line 20. This is the maximum amount you can request for a Tier I claim

If your expenses (line 14) are less than the Maximum Tier I Standard Payment (line 20), skip to Part V.

VERY IMPORTANT: If your expenses on line 14 are more than line 20, you can request a Tier II request instead of a Tier I request. There are several requirements that will be discussed in the next section.

PART IV. Tier II Request Information (if applicable):

Line 21. This line will automatically calculate – this is the difference between Line 14 and Line 20

Line 22. Select all reasons to request a Tier II payment

Line 23. Provide a Justification Narrative for your Tier II request (See Notice H 2020-8)

Line 24. If your property has positive cash flow on the most recent Annual Financial Statement, provide a Financial Need Justification as described on page 8 of Notice H 2020-8. The description must detail material operating cost increases and may include a current surplus cash calculation.

Short-term cash flow concerns will not be accepted as sufficient justification.

- A property must submit an Annual Financial Statement (owner-certified allowed) if not required to submit one annually to HUD Systems.
- If an Annual Financial Statement is not available, the property must submit a surplus cash computation as of June 30, 2020.

- A property must submit invoices, payroll documentation, or other records of payment for ALL expenses requested on a Tier II claim, not just the expenses that exceed the Tier I amount.

PART V. Other Supplemental Information (Both Tier I and Tier II Requests):

- Line 25. Select the correct response to show whether the property has received other program assistance authorized by the CARES Act.
- Line 26. If the answer to Line 25 is Yes – Line 26 must be completed with the name of the program and the amount of assistance.
If the answer to Line 25 is No – skip this line.
- Line 27. Answer Yes if you currently have a budget-based rent increase pending with HUD or PBCA, otherwise select No.
- Line 28. Select the correct response to determine if you have requested a withdrawal from residual receipts. If the answer is Yes, enter the amount of the withdrawal.

PART V. Certification and Acceptance of Terms

- Line 29. Once you have reviewed the Certification and Acceptance of Terms, please **digitally sign**,
Line 30. and, date the fields in this section

These steps are important. HUD wants to use this form to automatically update the values in each Line once they receive the approved form. If a form is not digitally signed, it will have to be manually uploaded by HUD/PBCA.

YOU ARE NOW READY TO SUBMIT YOUR COMPLETED FORM

- Select the **“Save as PDF”** button at the bottom of the page and save the form in a place on your computer where you can easily retrieve it.

Documentation needed for complete package for a Tier I request:

- The HUD 52671-E form only.

Documentation needed for complete package for a Tier II request:

- The HUD 52671-E form
- All invoices, payroll documentation, or other record of payment for all expenses.
- The property must submit an Annual Financial Statement (owner-certified allowed) IF it is not required to submit one annually in the HUD Systems. If one is not available, the property must submit a surplus cash computation as of June 30, 2020.
- Evidence of specific COVID-19 impacts that necessitated the exceptional expenditures.
- Email the complete package to Navigate’s CSP dedicated email address:

CARESActforms@navigatehousing.com

This email address can also be used for any questions about the CSP process.

DEADLINES. Filing deadline and incomplete package deadline:

- All requests **must** be received by 11:59PM local time on August 5, 2020.
- Requests received after this deadline may be evaluated at HUD's discretion only after all other eligible CSPs have been funded, and in no case will be considered if received after August 12, 2020.
- The owner will have 2 business days to remedy any deficiencies when sent notice by HUD/PBCA.

Other items related to CSP requests:

- Projects with current residual receipts account balances must first utilize any balances in those accounts that are in excess of \$250 per unit prior to requesting a CSP.
- CSP reimbursements for eligible expenses may be used to replenish R4R accounts if amounts were borrowed to finance COVID-19 related operating cost increases incurred from March 27, 2020 through July 31, 2020.
- Any properties that anticipate recognition of surplus cash at the close of their current project fiscal year and any Section 8 project that anticipates taking owner distributions at any point within the next 12 months may not request a CSP.
- When accepting CSP funding, Section 8 owners must agree to deposit an amount at least equal to the amount of the CSP in the project residual receipt account, prior to taking cash distributions at any point from July 23, 2020 through July 31, 2021.
- If the property does not have a residual receipt account, the owner must agree that upon taking distributions at any point from July 23, 2020 through July 31, 2021, an amount at least equal to the amount of the CSP must be retained in the operating account over-and-above resources needed for current operating requirements (surplus cash) to address future project costs.