
From: Rural Development <ruraldevelopment@public.govdelivery.com>
Sent: Friday, March 12, 2021 10:11 AM
To:
Subject: Multifamily Housing Leasing Policies and Emergency Rental Assistance



Together, America Prospers

Multifamily Housing

March 12, 2021

Multifamily Housing Partners,

Thank you for the work you do to advance RD's mission of providing quality affordable housing in rural areas. We're writing to inform Rural Development stakeholders of an update to eviction requirements under the CARES Act, remind them of existing leasing policies, and notify Borrowers and Management Agents of letters being sent to Section 515 and Section 514 tenants from Rural Development.

Leasing and Eviction Policies

1. Section 4024(c)1 of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) states "The lessor of a covered dwelling unit may not require the tenant to vacate the covered dwelling unit before the date that is 30 days after the date on which the lessor provides the tenant with a notice to vacate". **This protection is not time limited by the CARES Act and does not expire.**

Many states already require a 30-day notice for evictions; however, if your property is in a state without that restriction, this change must be implemented immediately. The Agency is in the process of updating the Handbooks to include this requirement.

2. Under current RD guidance, **Borrowers and Management Agents cannot refuse to renew a tenant's lease as an alternative to removing a tenant.** In accordance with 7 CFR 3560.159(a), Borrowers may terminate or refuse to renew a tenant's lease only for material non-compliance with the lease provisions, material non-compliance with the occupancy rules, or other good causes.

7 CFR 3560.159(b) Lease expiration or tenant eligibility. A tenant's occupancy in an Agency-financed housing project **may not be terminated by a borrower when the lease agreement expires unless the tenant's actions meet the conditions described in paragraph (a) of this section**, or the tenant is no longer eligible for occupancy in the housing.

3. The Center for Disease Control (CDC) extension of the Temporary Halt in Residential Evictions is still in effect **through March 31, 2021.**

Letters to Tenants

During March 2021, the Agency will be sending letters to our Section 515 and Section 514 tenants, with different formats for subsidized tenants and non-subsidized tenants. Each letter will inform tenants of protections and programs available to assist them with maintaining housing during the COVID-19 pandemic. The below information will be included for non-subsidized tenants:

1. Emergency Rental Assistance (ERA) is available through the Department of Treasury. These funds are administered through State and local grantees and are available to assist households that are unable to pay rent and utilities due to the COVID-19 pandemic.

- a. Eligible households may receive up to 12 months of rent assistance, plus an additional 3 months if the State or local grantee determines the extra months are needed to ensure housing stability and funds are available.
- b. **The program allows for landlords to apply on behalf of an eligible household; therefore, tenants are being advised to notify their landlord and work jointly with their landlord to gather the information necessary to apply for the ERA.**
- c. **In general, funds will be paid directly to landlords and/or utility service providers.**
- d. Click on [ERA State List](#) to view a list of contacts for each State including the State's website and phone number.

2. A link to the Consumer Financial Protection Bureau which has additional resources available for renters.

For additional information on the Emergency Rental Assistance program, including a list of Frequently Asked Questions (FAQ's), please visit:

<https://home.treasury.gov/policy-issues/cares/emergency-rental-assistance-program>

The National Council of State Housing Agencies (NCSHA) also has a resource page to assist in finding the Emergency Rental Assistance contact in each state – <https://www.ncsha.org/emergency-housing-assistance/>

The CDC has published a factsheet on their eviction moratorium with additional information here - <https://www.cdc.gov/coronavirus/2019-ncov/downloads/eviction-moratoria-order-faqs.pdf>

The Consumer Financial Protection Bureau also has resources for renters available here - <https://www.consumerfinance.gov/coronavirus/mortgage-and-housing-assistance/renter-protections/>

For program information...

- [Farm Labor Direct Loans & Grants](#)
- [Housing Preservation & Revitalization Demonstration Loans & Grants](#)
- [Housing Preservation Grants](#)
- [Multi-Family Housing Direct Loans](#)
- [Multi-Family Housing Loan Guarantees](#)
- [Multi-Family Housing Rental Assistance](#)
- [Rural Housing Site Loans](#)



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