

Email Copy To: feedback@dca.nj.gov

Dear Housing Members:

The past few weeks have been among the most tumultuous in not just modern American history, but also world history as the novel Coronavirus (aka, COVID-19 or SARS-CoV-2) spread into a global pandemic. As more information on COVID-19 became available, it became evident that we should all be looking out for our medically complex and elderly loved ones and community members who are at highest risk. With no precedence to draw experience from, LeadingAge housing members looked to the Federal government for guidance on how they should be managing and operating their senior housing projects.

In the US, the Secretary of Health and Human Services (HHS) officially declared a public health emergency on January 31, 2020. On March 13, 2020, the President issued a formal proclamation declaring the COVID-19 outbreak, a national emergency (effective March 1, 2020) and granted authority to HHS to waive or modify Medicare, Medicaid, other programs as needed in response to the situation. The same day, HUD issued a letter referring owners to the CDC, State and local health authorities for guidance and announcing the postponement of most REAC inspections and that they will be working to ensure there is no disruption to housing assistance payments or any other fund disbursements throughout. As helpful as these may be, our housing members have been waiting for more HUD guidance, specifically on how best to implement CDC recommendations to ensure the health of both their frontline team and residents, while also protecting their rights and services, as well as needs; all this, while also complying with other State and Fair Housing laws, and confronting cost and budget constraints. It was unclear what servicing procedures should be followed since the President's emergency declaration. The culmination of their concerns resulted in an FAQ (to be periodically updated by the Office of Multifamily Housing), followed by the first National call with HUD on COVID-19 which was held on March 18, 2010. Highlights from the call can be found here. The FAQ referred HUD stakeholders to the CDC, State, and local authorities and to Chapter 38 of the HUD Handbook (4350.1).

During the call, the Deputy Assistant Secretary Lamar Seats clarified that eviction and foreclosure suspensions are only applicable to FHA-insured, single family housing. HUD also mentioned that staff should decide for themselves if they wish to enter or show a unit of a resident confirmed COVID-19 positive but only after obtaining the resident's permission to enter. LANJDE Members expressed dissatisfaction and concerns though over HUD's nonchalant, visitor policy despite the COVID-19 risk to seniors. Owners were asked to consider resident rights pertaining to visitors in their independent living environments, unless visitor restrictions are mandated by the State or local requirements. The burden has been on the CDC, States and local authorities to address the pandemic needs of housing providers and residents and their communities with HUD stating that COVID-19 is a health issue. Members are left to interpret different guidance on how to prepare for continuity and emergency operations related to the outbreak. Numerous resources have been published by the CDC on the prevention of disease transmission, identification of symptoms, and on preparing long-term care and nursing homes for responding. The interim guidance though for schools, workplaces, and community locations which HUD referred its housing stakeholders to is said to be applicable to older adults and the 'vulnerable population' as defined by the CDC; however, the guidance is limited to the same infection control and mitigation strategizes with little in the way of guidance for actual servicing and operating senior



affordable housing under crisis. For this, we thank National for reaching out to HUD and Congress with various <u>LeadingAge priorities and needs</u>, including relief from various housing administrative tasks or deadlines and also a request for additional funding to employ service coordinators, wellness nurses, and for WiFi in senior housing to allow residents to stay apprised of news. These were just the beginning of housing needs or wants...

There is still a large number of members still uncertain of how to navigate the Federal emergency procedures with State and local ones.. Can housing providers restrict visitors to their senior housing projects at the sole recommendation of the CDC and local officials? Or must they wait for local and State governments to issue formal mandates? Or should residents still be permitted to host visitors in their respective units? Similarly, should communal dining or other activities be permitted among residents and or their visitors? What are the Fair Housing considerations in emergency situations? Chapter 38 of the Handbook was not intended to address infectious diseases and yet HUD referred stakeholders to it as a resource. It is unclear what additional emergency processes and procedures must be adhered to, on top of routine servicing and administration responsibilities. For example, what frontline staff is required to work onsite and what services must persist at this time to keep the projects well maintained and running, while encouraging 'social distancing' measures to protect the health of seniors. Can owners offer additional compensation to staff that work onsite during this challenging time? Who, in senior housing (if anyone), should be considered an "essential employee?" Aside from allowing owners to access operating funds, will HUD or FEMA provide additional non-project resources to help cover unforeseen costs for hiring, overtime, or simply, the added risks assumed by the individuals? These are a few of the real-world questions that our members have had to answer on their own. Over the weekend, NJ issued new Executive Orders (discussed below) which may clarify some of these questions for our members but not all.

With the health aspects of COVID-19 a top priority, rental housing matters have been secondary concerns. Truth is, we know a healthy resident cannot exist without a healthy home, and a healthy community cannot exist without healthy schools, or healthy multifamily, office, and other developments. Turning to the state for housing policy, New Jersey senior housing owners and agents are asked to refer to Executive Order Number 104, which once more excludes any direct mention of multifamily or senior housing projects. A discussion with a staff member of the Governor's Office revealed that senior housing and senior living facilities have been implementing their own policies and procedures as deemed necessary to minimize the health risks for building occupants, owners and property managers and help prevent community spread.

Absent emergency servicing procedures for the continue operations of HUD-subsidized affordable housing for the elderly, LeadingAge (the National Chapter) is holding daily calls (24/7 at 3:30pm EST) for members and colleagues to allow them to share knowledge, best practices, and discuss the emergency response, procedures, and issues they are running into and how they are addressing them. To access the call, please dial in at: (914) 614-3221 and using this access code: 782-462-988. In addition to our resources, I encourage you explore National's Coronavirus Resources which will include various template letters, forms, procedures and more.

It is worth repeating that there were a few positive outcomes related to the National HUD call including the: 1) Ability to use operating funds for unforeseen COVID-19 costs with no advance approval may be permitted (consider cleaning supplies and other personal protective equipment), 2) HUD is not requiring



MORs be done at this time. 3) REAC inspections will temporarily cease (unless there are exigent concerns), 4) Rent Comp Studies have been suspended; although may be accepted provisionally for rent increase requests, and 5) Given the extenuating circumstances, extensions for AFS filings and interim income recertifications may be granted. 6) Lastly, we can be thankful that HUD expects business to proceed as usual where contract renewals, RAD transactions and Multifamily underwriting is concerned.

The NJ State Department of Human Services recently announced <u>additional support available</u>, including <u>those for older residents</u> with or without disabilities or mental health considerations. Meanwhile, the President earlier this week issued additional relief in the First Corona Response Act; major provisions of the act called for federal emergency paid leave benefits and an increase in Medicaid. Here's a full version of the <u>Act</u>. More recently, National informed us of new <u>available guidance</u> from the CDC that is applicable to Federally-Assisted Housing or all age-restricted housing, including senior housing. Similar to other CDC guidance, the guidance focuses on the health aspect and prevention of community spread of the virus; limiting visitation is one option a community may implement. However, there are no set requirements and no additional servicing or operational considerations. The full CDC guidance can be found <u>here</u>.

To provide clarity to the public, the State issued two more Executive Orders ("EO") 107 & 108—the second invoking the Governor's right to establish, amend, and rescind any local (county or municipality) orders, rules or regulations under the Civilian Defense and Disaster Act, which was necessary to have State laws and requirements prevail (in the event of any contradictions or conflicts) as set forth under EO 107. In it, the Governor mandated the cancellation of social gatherings and residents to stay home until further notice, except to allow individuals access to food and essential materials (the full list can be found here. All non-essential businesses would temporarily close. Businesses were asked to implement telework arrangements when possible and restaurants are to offer food delivery and or take out services only. Some of this would help members answer questions pertaining to communal dining and activities, but we know more firm guidance is still needed on how to safely and fairly maintain and operate senior housing projects during this time. We will continue to work with the National Chapter and keep you apprised.

On behalf of LANJDE, I would like to wish you, your families, and your communities all wellness during this pandemic. If LANJDE can assist or support you in any way, please do not hesitate to reach out to me or my staff.

Sincerely,

Dao Degnan

Housing Consultant – LeadingAge New Jersey & Delaware

James W McCracken
CEO & President – LeadingAge New Jersey & Delaware