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## CSP Eligibility: Making the Case for Back-Up Generators in HUD-Assisted Senior Housing

As the leading voice for aging in America, LeadingAge is thrilled that back-up generator costs were eligible for COVID-19 Supplemental Payment (CSP) reimbursement for HUD-assisted senior housing properties the fourth round of CSPs, issued in late 2021. Similar reimbursement eligibility is anticipated for the forthcoming fifth round of CSPs expected in Summer or Fall of 2022.

Equipping the affordable senior housing portfolio with back-up power supply and other key disaster preparedness measures is a necessary step to allowing older adults to age independently with dignity and health. A power outage that knocks out a building's elevators, changes the unit temperature drastically, and/or prevents the resident from accessing power supply for refrigerated medicine or electricity-powered oxygen displaces residents and often causes them to go to group shelters where they are very likely to be exposed to COVID-19 and other risks.

### COVID-19 Supplemental Payments

HUD's COVID-19 Supplemental Payments (CSP) are funded through COVID-19 relief funds approved by Congress on March 27, 2020. To date, HUD has issued four rounds of CSPs to cover unanticipated costs related to preventing, preparing for, and responding to COVID-19 throughout HUD's Multifamily Housing portfolio. Project-based Section 8, Section 202, and Section 811 housing communities are eligible for both operating cost and capital cost reimbursements for certain eligible expenses.

### Positioning for the Fifth CSP Round

Despite the recently expanded CSP eligibility category that included back-up generator installation, timing constraints in the fourth CSP round made it very challenging for housing providers to secure contracts for generators ahead of HUD's request deadline. Many HUD-assisted senior housing providers are therefore hoping to utilize fifth round CSP payments to install back-up generators.

LeadingAge is encouraging housing providers to begin lining up the pieces now to be best positioned in anticipation of the next CSP notice, which in previous rounds came with narrow turnaround times. Lining up multiple bids as required by HUD for capital project reimbursement, and completing the necessary building specs and planning for generator installation, can take quite a bit longer than anticipated.

### CSP Reimbursement Eligibility

As housing providers begin their planning and preparation, some communities are uncertain about their eligibility to seek reimbursement funds for back-up generators through HUD's CSPs. LeadingAge has encouraged HUD to update the CSP Notice and FAQ language to clearly broaden the eligibility to use CSPs to cover back-up generator installation costs, or to add a broader category for exceptions to the requirements previously outlined by HUD.

For example, The fourth round CSP [FAQ](#) language about back-up generators details the two eligibility requirements from the fourth round CSP Notice:

- **Property is serving vulnerable elderly residents.** Designation as an elderly property is sufficient to meet the criteria. If a property serves families, the owner justification must discuss presence of an elderly resident population, for instance, by stating the percent of units occupied by elderly residents.
- **The property has a documented risk of power outages that may necessitate temporary relocations.** This may be established in two ways: 1) by identifying that there has been at least one break in supply of electrical service by the utility provider of four hours or more to the subject property since January 1, 2019, or 2) if the property is located in an area covered by a Presidential Disaster Declaration issued since January 1, 2019. HUD may also consider other evidence of risk of recurring outages on a case-by-case basis. Outages may be due to grid failures, planned provider outages, or weather-related disruptions. If a narrative justification is required for the CSP request (requests exceeding the Standard amount only), please include approximate dates and general cause of the power outages, and if relevant, information on the Presidential Disaster Declaration (PDD).

The highlighted portion has been challenging for housing providers because in some parts of the country, there have been thankfully few major disasters within the prescribed limited timeframe (since 2019). In addition, some housing communities have experienced power loss, but not for four hours continuously, or they have no record of the length of the power outage. Just because a property has not seen a lengthy outage or PDD in the last few years does not mean the property and its residents are not vulnerable to power outages and in need of generators as intended to be made available by CSPs funds.

HUD's stated intention of utilizing CSPs for generator installation is to allow older adults to safely shelter in place during the ongoing COVID-19 pandemic. LeadingAge does not believe HUD intended for the reimbursement eligibility requirements to be so strict as to prevent housing communities serving older adults – many with chronic conditions, higher COVID risk, and mobility restrictions – from accessing CSP funds for their intended purpose of equipping senior properties with back-up generators and enabling residents to shelter in place safely during a pandemic-era emergency.

### **LeadingAge and Housing Provider Advocacy with HUD**

LeadingAge has urged HUD Headquarters to update both their fifth round CSP Notice and FAQs to be less restrictive in terms of eligibility for back-up generator installation cost reimbursement. In addition, LeadingAge has advocated with HUD Multifamily Regions to support housing providers in project eligibility consideration for generators.

Regional HUD staff are the main staff who review and approve CSP applications. To make the case of back-up generator installation cost reimbursement through future CSP rounds, housing providers can communicate the property's back-up generator needs, and the need for residents to shelter in place, to the property's Account Executives, Contractor Administrators, and regional MFH leadership.

LeadingAge is available to support providers in these conversations with HUD at both the regional and headquarter level. Please reach out to Juliana Bilowich, LeadingAge's Director of Housing Operations and Policy, at [jbilowich@leadingage.org](mailto:jbilowich@leadingage.org) for support.

### **Additional Information**

[CSP Round IV One-Pager](#) (HUD's Round V CSPs anticipated to be similar)

[CSP Round IV FAQs](#) (LeadingAge is advocating for fifth round updates to the FAQs)

[LeadingAge CSP Round IV Overview Article](#) (LeadingAge will update with fifth round once available)