



FEMA

HURRICANE KATRINA FACT SHEET

FREQUENTLY ASKED QUESTIONS SECTION 403 SHELTERING

Introduction: This fact sheet answers questions pertaining to the provision of interim housing for evacuees from Hurricanes Katrina and Rita through the Public Assistance (PA) program, which is funded under the authority of Section 403 of the Stafford Act. Eligible applicants for reimbursement of costs for emergency sheltering under this program include state and local governments. It is not intended to address questions relating to the Individuals and Households Program (IHP) which is funded under the authority of Section 408 of the Stafford Act and provides assistance to individuals.

A. Grant Assistance – Administrative

- (1) Who are eligible applicants under the Section 403 Sheltering program?
 - State agencies and local governments are eligible applicants.
 - Reimbursement for PA applicant force account labor is governed by the PA regulations that apply to Category B funding; labor costs for full and part time regular employees are limited to overtime; eligible labor costs for extra hires include regular time and overtime.
 - Work performed by contract will be reimbursed in accordance with the terms of the contract.
- (2) Can Private Nonprofit (PNP) organizations that shelter evacuees be reimbursed as an applicant under the PA Program?
 - Only state and local governments can be reimbursed as applicants under the PA Program for sheltering evacuees. However, PNPs can be reimbursed for eligible costs through a state or local government, if a written statement from an eligible applicant is provided certifying that the PNP provided services on its behalf and the expenses are documented.
- (3) Is a State/local government eligible for PA funding for sheltering **self-evacuees**?
 - Yes. The method of evacuation does not impact the eligible cost for shelter.
 - Only the eligible PA applicants will be reimbursed for eligible sheltering costs. Host families are not eligible to receive funding for the costs of housing evacuees.



FEMA

HURRICANE KATRINA

FACT SHEET

FREQUENTLY ASKED QUESTIONS SECTION 403 SHELTERING

- (4) Do **leases for interim housing** have to be between the PA applicant (state or local government) and the lessor?
 - Yes. Leases have to be between the PA applicant or its agent (i.e. a PNP or contractor) and the lessor.
 - If an evacuee enters directly into a lease agreement, the costs will not be eligible for reimbursement under the PA Program. Individuals cannot serve as contractors to a PA applicant. However, these individuals may be eligible for assistance under IHP, and if so, have probably already received a check for \$2,358 under the Transitional Assistance Housing program.
- (5) How will the cost basis for PA grant items be audited?
 - Normal audit procedures will be followed. PA applicants must document all requests for reimbursement. OMB requires grant recipients to maintain financial and program records for three years following submittal of the final expenditure report.
- (6) Do evacuees have to register for FEMA assistance as a condition of receiving interim housing assistance?
 - No. Registration is not required, but is encouraged to ensure that the evacuee receives all assistance it is entitled to under the disaster programs, including IHP.
- (7) What information does a PA applicant have to submit to support its request for reimbursement for interim sheltering costs?
 - An applicant must submit the following information to support its request: name of head of household; number of household members; FEMA registration number (if available); address of damaged home; address of interim housing; name and mailing address of lessor; number of months evacuee resided in interim housing; term of lease in months; monthly rent; furniture costs; penalties (if claimed).



FEMA

HURRICANE KATRINA

FACT SHEET

FREQUENTLY ASKED QUESTIONS SECTION 403 SHELTERING

- (8) Can Time and Materials contracts be used for contracting services for interim shelter management?
 - Yes. Service contracts are generally procured on a time and materials basis. However, the scope of services and level of effort should be well defined and monitored for efficient operations.
- (9) Are individuals who receive interim shelter under Section 403 eligible for **IHP funds** later?
 - Yes. However, once an evacuee receives housing assistance under IHP, they will be phased out of the interim housing program funded under Section 403.
- (10) Will FEMA accept retroactive agreements/contracts between faith-based organizations and state and local governments that are PA program applicants?
 - Yes. A written statement must be provided by an eligible applicant verifying that the faith-based organization performed sheltering operations on its behalf and the expenses must be documented. The written statement may be completed after the sheltering activities occurred.
- (11) Can a state agency contract with another state agency to manage the Interim Housing Program, thus making straight time for regular employees eligible?
 - No.
- (12) Are the costs of housing evacuees from Hurricane Rita eligible under the existing Emergency Declarations for Hurricane Katrina?
 - Yes, in most circumstances, unless the eligible applicant can otherwise definitively delineate which disaster should be charged.
- (13) A state housing agency is using the Section 8 model to provide interim housing for evacuees. The Housing Finance Agency will contract with the landlord for the unit, but the lease will be between the landlord and tenant (evacuee household) as a condition for occupancy of the rental unit. The contract specifies the cost for the unit for a specified period of time and would define what is reimbursable under the PA program. As long as there is a contract between the state (or local) housing agency and the landlord, are these eligible costs under the PA program?
 - Yes.



FEMA

HURRICANE KATRINA

FACT SHEET

FREQUENTLY ASKED QUESTIONS SECTION 403 SHELTERING

B. Sheltering Eligibility

- (1) What costs may be reimbursed to the eligible PA applicant for the transportation of **evacuees**?
 - A “Facilitated Relocation Program” is being established under the management of the Recovery Division’s Individual Assistance Program. This program will provide transportation assistance to evacuees to: 1) re-unite family members placed in different shelters, 2) travel from a shelter to stay in a family member or friend’s home for at least 90 days, 3) travel to interim housing ready for occupancy, or 4) travel to their permanent home. The Facilitated Relocation Program is tentatively scheduled to be fully functional by October 15, 2005, and after it is established travel services available through it will not be eligible for reimbursement to a PA applicant. Details are forthcoming.
 - Only eligible transportation costs incurred by a PA applicant will be reimbursed under the PA program. These include:
 - Transportation of the evacuee to the host state is eligible for reimbursement.
 - If the host state is not able to accommodate the sheltering of an arriving evacuee due to lack of capacity, the cost to transport the evacuee to an alternate host state is eligible.
 - The cost to transport an evacuee from one shelter to another within the same host state is eligible only when the move is necessary due to lack of capacity at the original shelter or to reunite a family.
 - Transportation costs for the evacuee to place of work or for other general purposes while in host state is not an eligible cost that is directly reimbursable under the PA program. However, requests for assistance through mission assignments to the Department of Transportation will be evaluated on their merits.
 - Transportation costs of the evacuee to be transported back to their point of origin are eligible. If the evacuee chooses to relocate permanently to another location, transportation costs to that location are eligible.
 - Transportation to return evacuees home to be present for an IA or insurance home inspection is not eligible.
 - Reimbursement of self evacuees for their transportation home using their own vehicles is eligible. The PA applicant must use the current federal reimbursement rate of 48.5 cents per mile.
 - Transportation of the body of a deceased evacuee from the host state to the location of next of kin is eligible.



FEMA

HURRICANE KATRINA

FACT SHEET

FREQUENTLY ASKED QUESTIONS SECTION 403 SHELTERING

- (2) How will the reasonable costs for the purchase of **furniture** be determined?
 - The PA applicant may obtain three quotes to establish the reasonableness of costs.
- (3) How will the cost of furniture be reimbursed?
 - Furniture will be purchased by the PA applicant or its agent, for which it will be reimbursed.
 - If furniture is purchased in bulk, the cost for storage of the items until shelter units are established is eligible.
- (4) Are the costs for additional **teachers** and books for evacuated students eligible?
 - No. The U.S. Department of Education may seek authority to reimburse for these items.
- (5) Are the costs of additional police for **traffic control** eligible?
 - Yes, the overtime costs for an eligible PA applicant's own forces and all labor costs for contracts would be eligible as long as those costs are incurred while engaged in traffic control in the vicinity of mass shelters. These costs are not eligible after the mass shelters close.
- (6) What costs are eligible for the **medical care of animals** in sheltering states?
 - If the receiving state requires a vaccination for animals coming into the state, those costs would be eligible for health and safety reasons. Beyond that, no treatment is eligible.
- (7) Can self-placed evacuees who rented houses be reimbursed for first month's rent and deposit?
 - No. Direct assistance to individuals is not eligible under Section 403 sheltering. However, they may be eligible for assistance under IHP, and if so, have probably already received a check for \$2,358 under the Transitional Assistance Housing program.
- (8) Are those that have already been placed in short-term transient lodgings (hotels/motels) by the American Red Cross (ARC) eligible for the "Interim Sheltering" program identified in DSG #2 if the local agency can provide more appropriate interim housing?
 - Yes. If an eligible PA applicant provides interim shelter for an evacuee, the cost of the housing is eligible per DSG #2. The fact that an evacuee was originally placed in short-term lodging by the ARC has no bearing on this issue.



FEMA

HURRICANE KATRINA

FACT SHEET

FREQUENTLY ASKED QUESTIONS SECTION 403 SHELTERING

- (9) Are evacuees who have been staying with friends or relatives eligible for the “Interim Sheltering” program identified in DSG #2 if the local agency can provide more appropriate interim housing?
- Yes. If an eligible PA applicant provides interim shelter for an evacuee, the cost of the housing is eligible per DSG #2. The fact that an evacuee was originally staying with friends or relatives has no bearing on this issue.
- (10) Will agencies and organizations providing shelter to pets evacuated from Katrina impact area be eligible for assistance?
- Reasonable costs for sheltering pets brought with their owners to shelters in host states are eligible. Requests for reimbursement must be submitted by state and local governments.
- (11) Where can the guidance be found that lists the Fair Market Rent (FMR) for apartments and other housing stock?
- HUD FMR listing is available at www.huduser.org. Select “Datasets” on the left side of the page. Menus provide access to FMRs specific to counties or county equivalents within each State.
- (12) A State is sponsoring the interim housing process and is not using ARC hotel vouchers. Are costs for the personnel to manage that process eligible for reimbursement?
- Yes. Overtime for a PA applicant’s regular employees is eligible for reimbursement. Work performed by contract is also eligible in accordance with the terms of the contract.
- (13) The DSG #2 and the “FEMA Fact Sheet for Emergency Declarations for Sheltering Evacuees” specifies that the leasing of apartments, hotels, or motels for up to 12 months is eligible “transitional Housing.” What about single family units?
- Leasing of single family homes is acceptable, if it is more cost effective.
- (14) Should state and local governments contract for 12-month leases for each evacuee?
- Applicants are encouraged to contract for shorter renewable lease period (e.g. 3 months) to allow evacuees maximum flexibility in making long-term housing decisions.



FEMA

HURRICANE KATRINA

FACT SHEET

FREQUENTLY ASKED QUESTIONS SECTION 403 SHELTERING

- (15) Is the cost of food eligible after an evacuee leaves a mass shelter environment to go into interim shelter?
- No. The cost of food provided while an evacuee is living in a mass shelter is reimbursable through a PA applicant; however, once the evacuee is provided with interim shelter in housing units with kitchens, food costs are not eligible. If the interim housing consists of hotels without kitchen facilities, the cost of food would remain a reimbursable expense to a PA applicant.
- (16) Is the cost to supply the evacuees with emergency medication an eligible reimbursable cost?
- The cost of medication provided by an eligible PA applicant to an evacuee for emergency medical care is eligible while the evacuee is in a mass shelter; however, once the evacuee is provided with interim shelter medication costs are not eligible.
- (17) Are the costs of the state agency to assist evacuees in locating employment eligible?
- If an employment counselor employed by the eligible PA applicant is providing assistance to evacuees at a mass shelter, his/her overtime would be eligible for reimbursement.
- (18) Can local governments claim costs for emergency medical care for evacuees who reside in interim housing?
- No. Limited emergency medical care is available to evacuees in mass shelters only.