



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

ASSISTANT SECRETARY FOR
PUBLIC AND INDIAN HOUSING

OCT 17 2014

Mr. M. Blake Strehlow, PHM
Executive Director
Stark County Housing Authority
McKenzie County Housing Authority
Dunn County Housing Authority
P. O. Box 107
1449 West Villard Street
Dickinson, ND 58601

Dear Mr. Strehlow:

This letter is in response to your September 18, 2014, request for approval of emergency exception payment standards (EPS) for all bedroom sizes under the Stark County Housing Authority's (ND031), McKenzie County Housing Authority's (ND036), and the Dunn County Housing Authority's (ND037) Housing Choice Voucher (HCV) program. Please note that the Stark County Housing Authority administers the HCV program in the following counties: Stark, Bowman, Adams, Hettinger, Billings, Slope and Golden Valley. In accordance with 24 Code of Federal Regulations (CFR) § 982.503(c)(3)(i), Headquarters may approve EPS including if such approval is necessary to prevent financial hardship for families and can be supported by statistically representative rental housing survey data and program justification.

HUD has determined that the program justification required by 24 CFR §982.503(c)(3)(i)(C) to approve the exception payment standard amounts is in accordance with 24 CFR §982.503(c)(4)(B) as families in the three counties are unable to obtain housing during the term of their vouchers due to the scarcity of units and the general lack of affordability in the housing market. This condition has been caused by the oil industry in these counties.

In addition, a waiver of 24 CFR § 982.503(c)(4)(ii) is needed. This regulation states that HUD will only approve an EPS amount after six months from the date of HUD approval of an EPS amount above 110 percent to 120 percent of the published FMR. A waiver of 24 CFR § 982.503(c)(5) was also requested so that emergency EPS may apply to the entire population of the FMR area, rather than only up to 50 percent. These waiver requests were reviewed in accordance with the guidance from the Department's Office of Policy Development and Research (PD&R) for an alternate methodology for determining emergency EPS for areas impacted by oil exploration. Therefore, the methodology for determining EPS above the basic range defined in 24 CFR § 982.503(c)(3)(i)(B) also requires a waiver.

Accordingly, PD&R reviewed each county's documentation and determined that emergency EPS may be approved at 135 percent of the 2015 FMRs for Dunn, McKenzie, Bowman, Adams, Hettinger, Billings, Slope and Golden Valley Counties and at 125 percent for the Stark County FMR area for all bedroom sizes. Therefore, I am approving emergency EPS at the following amounts which may be used by any housing agency that administers a HCV

program in the same FMR area no earlier than the date of this letter:

Dunn County at 135 Percent of FMRs

Unit Size	FY 2015 FMR	Approved Emergency EPS
0-BR	\$462	\$ 623
1-BR	465	627
2-BR	600	810
3-BR	884	1,193
4-BR	887	1,197

McKenzie County at 135 Percent of FMRs

Unit Size	FY 2015 FMR	Approved Emergency EPS
0-BR	\$479	\$ 646
1-BR	483	652
2-BR	653	881
3-BR	962	1,298
4-BR	966	1,304

Bowman County at 135 Percent of FMRs

Unit Size	FY 2015 FMR	Approved Emergency EPS
0-BR	\$521	\$ 703
1-BR	544	734
2-BR	645	870
3-BR	950	1,282
4-BR	954	1,287

Adams County at 135 Percent of FMRs

Unit Size	FY 2015 FMR	Approved Emergency EPS
0-BR	\$477	\$ 643
1-BR	480	648
2-BR	600	810
3-BR	884	1,193
4-BR	887	1,197

Hettinger County at 135 Percent of FMRs

Unit Size	FY 2015 FMR	Approved Emergency EPS
0-BR	\$485	\$ 654
1-BR	506	683
2-BR	600	810
3-BR	884	1,193
4-BR	887	1,197

Billings County at 135 Percent of FMRs

Unit Size	FY 2015 FMR	Approved Emergency EPS
0-BR	\$487	\$ 657
1-BR	490	661
2-BR	612	826
3-BR	762	1,028
4-BR	830	1,120

Slope County at 135 Percent of FMRs

Unit Size	FY 2015 FMR	Approved Emergency EPS
0-BR	\$487	\$ 657
1-BR	490	661
2-BR	612	826
3-BR	853	1,151
4-BR	856	1,155

Golden Valley County at 135 Percent of FMRs

Unit Size	FY 2015 FMR	Approved Emergency EPS
0-BR	\$485	\$ 654
1-BR	506	683
2-BR	600	810
3-BR	836	1,128
4-BR	839	1,132

Stark County at 125 Percent of FMRs

Unit Size	FY 2015 FMR	Approved Emergency EPS
0-BR	\$ 599	\$ 748
1-BR	625	781
2-BR	741	926
3-BR	1,028	1,285
4-BR	1,032	1,290

These emergency EPS may remain in effect until HUD is able to complete a thorough market analysis of the affected area or if new data capturing the increased economic activity in the area and the related housing demand increases becomes available. Should HUD implement changes to the actual FMRs in affected areas, these emergency EPS may be rescinded.

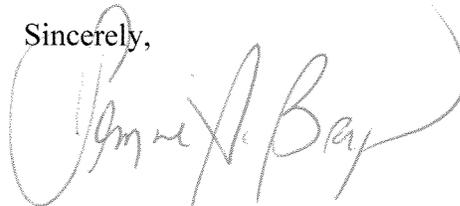
In order for these housing agencies to establish these emergency EPS timely and throughout the entire FMR area, I have determined, pursuant to the waiver authority provided at 24 CFR § 5.110, that there is good cause to waive, and I hereby waive, 24 CFR § 982.503(c)(4)(ii), § 982.503(c)(5) and § 982.503(c)(3)(i)(B).

Please be advised that these approved emergency EPS will, in all likelihood, increase the per unit housing assistance payments (HAP) costs for these housing agencies' HCV program during the 2015 calendar year. However, 2015 HCV renewal funding is finite and no additional funding will be provided to cover higher per unit HAP costs.

In addition, these emergency EPS amounts may remain in effect without additional approvals until such time as they are exceeded by 110 percent of the published FMRs. At that time these amounts will fall within the basic range of 90 to 110 percent of the FMR and no longer be exceptions.

Should you have any questions regarding this matter, please contact Phyllis Smelkinson, Housing Program Specialist, Housing Voucher Management and Operations Division, at 202-402-4138.

Sincerely,



Jemine A. Bryon
Acting Assistant Secretary