Dear NAHMA Members,

Below, please find an update from HUD regarding changes to the REAC inspection notification timeline, which will take effect thirty days from the publication of the attached notice. To read the notice online, please click here.

Thanks, Juliana

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NAHMA is the leading voice for affordable housing management, advocating on behalf of multifamily property managers and owners whose mission is to provide quality affordable housing.



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HUD TO DRASTICALLY CUT NOTICE FOR INSPECTIONS OF PUBLIC HOUSING AND PRIVATELY OWNED APARTMENT BUILDINGS

14-day advance notice designed to encourage year-round maintenance

WASHINGTON – The U.S. Department of Housing and Urban Development (HUD) today announced it is dramatically reducing the advance notice it provides to public housing authorities (PHAs) and private owners of HUD-subsidized apartment developments before their housing is inspected to ensure it is decent, safe and healthy. HUD's new standard provides PHAs and private owners of HUD-assisted housing 14 calendar days' notice before an inspection, a dramatic reduction from the current notice which can frequently extend up to four months. Read HUD's notice.

In addition, HUD is launching a series of listening sessions around the nation to gather input from the public and HUD stakeholders about a planned pilot program to

test innovative new approaches to inspecting HUD-assisted properties. Initial listening sessions are planned in Philadelphia, Fort Worth, Atlanta, Detroit and Seattle.

Currently, HUD's Real Estate Assessment Center (REAC) provides advance notice before a scheduled inspection which frequently extends up to 120 days. This amount of lead time allows certain public housing authorities and property owners to undertake cosmetic, 'just-in-time' repairs to their properties rather than adopting year-round maintenance practices.

"It's become painfully clear to us that too many public housing authorities and private landlords whom we contract with were using the weeks before their inspection to make quick fixes, essentially gaming the system," said HUD Secretary Ben Carson. "The action we take today is part of a broader review of our inspections so we can be true to the promise of providing housing that's decent, safe and healthy to the millions of families we serve."

Today's notice is part of a wholesale reexamination of REAC's inspection process that Secretary Carson launched shortly after taking office. HUD will be consulting with PHAs and property owners over the next several months to discuss other improvements to REAC's process.

REAC is responsible for inspecting properties owned and operated by approximately 3,700 local public housing authorities nationwide. In addition, REAC-contracted inspectors evaluate approximately 23,000 privately owned apartment buildings. Combined, approximately 96 percent of these properties pass their inspections.

Still, it has been HUD's observation that many public housing authorities and private owners of HUD-subsidized housing have grown accustomed to REAC's 20-year-old inspection regime and, in some cases, invest more resources in passing minimal inspection requirements rather than satisfying their obligation to provide quality housing.

Beginning 30 days after publication of this notice, HUD employees and contract inspectors acting on behalf of HUD shall provide property owners and their agents 14 calendar days of notice prior to their inspection. If an owner/agent declines, cancels or refuses entry for an inspection, a presumptive score of "0" (zero) will be recorded. If the second attempt results in a successful inspection within seven calendar days, the resulting score will be recorded.

Read more about how HUD works to ensure taxpayer-supported housing is decent, safe and sanitary.