



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

OFFICE OF PUBLIC AND INDIAN HOUSING
OFFICE OF HOUSING

SPECIAL ATTENTION OF:
Public Housing Agencies (PHAs)
Public Housing Hub Office Directors;
Public Housing Program Center Directors;
Regional and Field Office Directors;
Moving to Work Agencies
Multifamily Owners, Regional Centers

**NOTICE PIH-2019-02 (HA)
H-2019-04**

Issued: February 22, 2019

Expires: This notice remains in effect until amended, superseded or rescinded

Cross References:

Subject: Standardization of REAC Inspection Notification Timelines

1. Purpose: To announce a standardized notification period for HUD-assisted properties subject to Real Estate Assessment Center (REAC) Uniform Physical Condition Standards (UPCS) inspections.

2. Applicability: This notice applies to inspections performed by government personnel or contractors on behalf of HUD and under REAC management. This notice applies to properties subject to REAC UPCS inspections in the following programs: Public Housing; Office of Housing programs covered under 24 CFR §200.853(a); non-insured properties under Section 236 of the National Housing Act with an active Housing Assistance Payment, Rental Assistance Payment, Rent Supplement Program or Interest Reduction Payment contract; and properties under §542(b) of the Housing and Community Development Act of 1992, as amended, with a Section 8 contract; as well as HUD-held projects.

3. Authority: 42 U.S.C. §3535(r); 24 CFR part 200, subpart P; 24 CFR part 5, subpart G; 24 CFR part 902.

4. Background: The Secretary encourages Property Owners and Agents (POA) to adopt year-round maintenance practices instead of undertaking extraordinary “just in time” repairs to meet minimal compliance thresholds at the time of inspection. Just in time repairs compromise the health and safety of residents. This practice also detracts from the good work done by many of HUD’s public and private sector participants to improve housing conditions for millions of families. A key element in effectively undertaking year-round maintenance practices is a REAC

inspection that is completed with minimal lead time from notification to execution. It is preferable for there to be only a brief interval between the inspection notice and the actual inspection. A brief time window is likely to result in an inspection that more accurately reflects the housing conditions and operations the POA maintains year-round.

5. Effective Date: This notice will be effective 30 days after publication except in instances where inspections were previously procured under a Period of Performance (PoP) that extends beyond the effective date of this policy. In those cases, inspection notifications will be issued in accordance with previous guidance and those established PoPs.

6. Policy: Beginning 30 days after publication of this notice, HUD employees and contract inspectors acting on behalf of HUD shall provide to POAs 14 calendar days of notification prior to a REAC inspection. Any inspections that would fall on a federal holiday will be scheduled for the next business day. To reduce any opportunity for the disclosure of inspection schedules, government personnel, contractors, independent inspectors, and anyone else who may have access to schedules and other information¹ will not prematurely release that information to POAs.

The following provisions will apply to any POA subject to this notice who refuses to undergo an inspection:

- If a POA declines to accept an inspection at the time of initial notification, a presumptive score of “0” (zero) will be recorded but held in abeyance pending the outcome of a second attempt to schedule the inspection.
- If a POA cancels or refuses entry for an inspection scheduled during the initial notification, a presumptive score of “0” (zero) will be recorded but held in abeyance pending the outcome of a second attempt to schedule the inspection.
- If the second attempt results in a successfully completed inspection within seven calendar days of the initial scheduled date, the resulting inspection score shall be recorded.
- If the second attempt does not result in a successfully completed inspection within seven calendar days of the initial scheduled date due to the fault of the POA, the resulting score shall be recorded as “0” (zero) and the POA may be subject to any and all penalties and remedies established through statute, regulation, sub-regulatory policy, grant agreement, or contract.

The following clarifications and limitations apply:

- This policy does not cancel or supersede guidance for inspections procured prior to the effective date of this notice. In these cases, inspectors will follow previous guidance and PoPs issued at the time of procurement.

¹ This includes information (e.g., travel itineraries provided to POAs; inadvertent references to schedules in email or phone calls) that alone or when combined can reveal inspection schedules.

- This policy does not cancel or supersede any guidance related to inspections required as part of an existing Compliance, Disposition, and Enforcement or Corrective Action Plan.
- Inspection notification timelines must adhere to all state and local laws regarding resident notification, including where such laws mandate a greater than 14 calendar day timeframe.
- HUD reserves the right to conduct inspections with no or limited notice to safeguard resident health and safety and HUD's interests in a property.
- Requests to extend or reschedule an inspection outside of the notification window, such as for any circumstances which may significantly impact the execution of an inspection or inspection results (e.g., major renovations, significant rehabilitation, fire, etc.), must be submitted by the POA and approved by HUD prior to the proposed date of inspection.
- HUD further reserves the right to modify the inspection notification process at any time in accordance with any statutory, regulatory, or contractual limitations.

7. Comments or Questions: Comments or questions about this notification should be directed to UPCSInfo@hud.gov.

/s/
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General Deputy Assistant Secretary
Public and Indian Housing

/s/
Brian D. Montgomery
Assistant Secretary for Housing -
Federal Housing Commissioner