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Brian Montgomery
Deputy Secretary
U.S. Dept. of Housing and Urban Development
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C. Lamar Seats
Deputy Assistant Secretary
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David Vargas
Deputy Assistant Secretary
Real Estate Assessment Center
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Toby Halliday
Director,
Office of Asset Management and Portfolio Oversight,
Office of Multifamily Housing Programs
U.S. Dept. of Housing and Urban Development
451 Seventh Street S.W.
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Dear Deputy Secretary Montgomery, Mr. Seats, Mr. Vargas and Mr. Halliday:

Due to the continued health and safety threat of the COVID-19 pandemic, the undersigned organizations urge you to extend the current moratorium on Real Estate Assessment Center (REAC) inspections for all Multifamily programs through the end of 2020, except where there is a documented threat to health and safety at a property. Such an extension is consistent with the Office of Public and Indian Housing's (PIH) decision to waive inspections as outlined in PIH Notice 2020-05.

We are appreciative of HUD's commitment to a Return to Operations (RTO) plan that prioritizes the health and welfare of residents, property staff and inspectors. Clearly, the Department is working to identify properties that are in "critical need" of inspection with an eye toward health and safety restrictions and any property specific health issues. We respectfully suggest, however, that HUD has not sufficiently considered that consequences of COVID-19, across the board, require providers to operate properties with reduced on-site staffing due to illness and the need to alter operations to insure that both site staff and residents are kept safe, and temporarily defer routine maintenance and capital projects to mitigate the spread of Coronavirus.

The latter most significantly includes the essentially universal decision to temporarily forego non-emergency work orders, which was largely based on HUD's own guidance to make the decision to defer non-essential or non-health and safety repairs on a unit-by-unit basis.¹ As we believe all would agree should be the case, in addition to responding to emergency work orders, priority was given to sanitizing properties with products and techniques designed to mitigate the spread of COVID-19, as well as

¹ Office of Multifamily Housing Programs. *Questions and Answers for Office of Multifamily Stakeholders*. May 21, 2020. Q28. Retrieved from:
www.hud.gov/sites/dfiles/Housing/documents/HUD_Multifamily_Corona_QA_FINAL.pdf

assisting tenants who lost employment with access to much needed benefits and services and processing income recertifications as required by HUD.

Once it is safe for owners to resume routine maintenance work-orders and conduct their own unit inspections, it will likely take months to catch up with the backlog. It will also take considerable time for other non-urgent work to be performed. Responsible property owners should not be subject to inspections that will likely generate artificially low scores because they did not have sufficient time to resolve every work order or perform other non-urgent work under current conditions.

It is also worth noting that data from 2015 estimates that over 1.7 million households or one-third of all HUD-assisted households are headed by an individual over 62 and 1.2 million households or 23 percent are headed by a person with a disability, putting them in a high-risk category for the Coronavirus.² We applaud HUD's decision to exempt these households from the inspections, but question how many others live with or provide care to someone in a high-risk category? How many HUD-assisted households have a resident with a medical condition (e.g. asthma or a compromised immune system) that is not considered a disability that puts them in a high-risk category? How many others simply do not feel comfortable letting a stranger into their home in the current environment? If HUD resumes REAC inspections in the current environment, will residents have the right to refuse to allow inspectors into their unit without negatively effecting the properties REAC score?

These questions as well as the logistical and procurement hurdles are immense and should not be overlooked. For example, REAC inspectors and owners' representatives would need to change their PPE between each in-unit inspection to guarantee the virus is not unwittingly transmitted to another unit. We understand that HUD's preliminary plans indicating a restart of inspections this summer is currently aspirational. We encourage HUD to consider revising the aspirational timeline to begin January 2021 at the earliest.

Further, REAC's current plans to provide owners at least 45 days from when the inspection commencement notice is published may be insufficient for the reasons outlined above. Our preference would be that the lead time be at least 60 days, with a waiver of the 14-day property specific scheduling notice to permit a 30-day scheduling notification. If HUD decides to proceed with REAC inspections on a more accelerated schedule, we recommend that at a minimum, properties which received a score of 60 or above on their last inspection be exempted from inspection at least through the end of the year, unless there is a significant reason to believe that the health and/or safety of residents is in imminent danger.

Thank you for your time and consideration. Please feel free to contact Thom Amdur, NH&RA president, directly with any questions at 202-939-1753.

Sincerely,

² McClure, Kirk. *Length of Stay in Assisted Housing*. October 2017. Retrieved from: www.huduser.gov/portal/sites/default/files/pdf/LengthofStay.pdf