



1400 16th St. NW
Suite 420
Washington, DC 20036
(202) 939-1750
Fax (202) 265-4435
www.housingonline.com

July 28, 2020

Brian Montgomery
Deputy Secretary
U.S. Department of Housing
and Urban Development
451 7th Street S.W.,
Washington, DC 20410

Hunter Kurtz
Assistant Secretary
Public and Indian Housing
U.S. Department of Housing
and Urban Development
451 7th Street S.W.,
Washington, DC 20410

C. Lamar Seats
Deputy Assistant Secretary
Office of Multifamily Housing Programs
U.S. Department of Housing and Urban
Development
451 7th Street S.W.,
Washington, DC 20410

David Vargas
Deputy Assistant Secretary
Real Estate Assessment Center
550 12th Street, S.W.,
Suite 100
Washington, DC 20410

Toby Halliday
Director
Office of Asset Management and Portfolio Oversight
Office of Multifamily Housing Programs
U.S. Department of Housing and Urban Development
451 7th Street S.W.,
Washington, DC 20410

Dear Deputy Secretary Montgomery, Assistant Secretary Kurtz, 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,

Abode Communities
AMCAL Multi-Housing Inc.
Atlantic Housing Foundation
AU Associates, Inc.
Avesta Housing

BGC Advantage, LLC
Boisclair Corporation
Bon Secours Liberty Village Senior Living
Cabouchon Properties, LLC
Carabetta Enterprises

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

Center Development Corporation
Century Housing Corporation
Cinnaire
Claiborne Place Apartments
Commonwealth Community Developers, LLC
Community Roots Housing
Conifer Realty, LLC
Corcoran Jennison Management, LLC
Dominium
Eagle Point Management
Echelon Towers Apartments
Edgewood Management Corporation
Elmington
Evergreen Partners, LLC
Evergreen Real Estate Group
Foundation Communities
Foundation for Affordable Housing, Inc.
Foundation Housing
FPI Management
Gatehouse Management, Inc.
Gorman & Company
Gulf Coast Housing Partnership
HallKeen Management
Hispanic Housing Development Corporation
Home Leasing
Homes for America
Housing Management Resources, Inc.
Housing on Merit
INTERVEST Corp.
James Doran Company
Klein Hornig LLP
Leland Enterprises, Inc.
LHP Capital, LLC
MACO Management Company, Inc.
MBS Property Management, Inc.
McCormack Baron Asset Management
McCormack Baron Management
Mercy Housing Inc.
MidCity Development
Midwest Affordable Housing Management
Association
Montgomery Housing Partnership
Morrow Realty Company, Inc.
MRK Partners
Community Preservation Partners
National Affordable Housing Management
Association
National Health Care for the Homeless Council

National Housing & Rehabilitation Association
National Housing Trust
National Leased Housing Association
New York State Homes and Community
Renewal
New York State Housing Trust Fund Corporation
ND Consulting Group
New Community Partners, LLC
Norstar Group of Companies
Odyssey Residential Holdings
Ohio Capital Corporation for Housing
Pacific West Communities, Inc.
Paso Robles Housing Authority
Peabody Properties, Inc.
Pennrose Properties, LLC
PRD Management, Inc.
Prestwick Development
Property Rental People
RCAP Solutions, Inc.
Renzi Bulger Group, LLC
Rose Community Management, LLC
SKA Marin
Somerset Development Company
TCG Management, LLC
The Abrams Management Company, Inc.
The Boston Land Company
The Community Builders
The Finch Group
The Michaels Organization
The NHP Foundation
The Provident Companies
The Wishcamper Companies
TM Associates Management, Inc.
Trinity Financial
Trinity Management, LLC
USA Multifamily Management
Valued Housing
Vantage Management, Inc.
Volunteers of America
Wallick Communities
Wesley Housing
Wingate Companies
WinnCompanies
Wishrock Housing Partners, LLC
Wisznia Company, Inc.
WNC