



FEBRUARY 21 - 22, 2018

DESERT WILLOW CONFERENCE CENTER

UNDERSTANDING THE COMPLEXITY OF REAC AND THE UPCS-V PROGRAM

'GUIDANCE FOR HOUSING PROFESSIONALS'



WHAT YOU WILL LEARN

- ▶ Overview of REAC
- ▶ Your knowledge and approach to the REAC inspection
- ▶ What is UPCS-V?
- ▶ Housing Choice Vouchers & 'Unit Condition Index'
- ▶ The purpose of REAC
- ▶ Myths and Facts
- ▶ Preparing for the inspection
- ▶ Using the right tools to conduct the inspections
- ▶ Inspecting and testing of inspectable items
- ▶ Changes in REAC
- ▶ Visual aids on inspectable items
- ▶ Appeals

MORNING SESSION

- Purpose of REAC
- Overview of REAC
- UPCS-V PHA'S and Housing Choice Voucher Program
- Knowledge towards any REAC inspection
- Prior to the Inspection
- Certificates needed
- Myths & Facts about REAC
- The day of the inspection
- Review of the new Industry Standard Change

AFTERNOON SESSION

- Review of visual aids for a few inspectable items
- Repair solutions
- Understanding the appeal process

**LETS BEGIN TO
UNDERSTAND THIS
COMPLEXED ISSUE**

OVERVIEW OF REAC ` WHAT YOU SHOULD KNOW

- THE PURPOSE OF REAC AND THE CULTURE (HQS)
- UPCS-V PROGRAM FOR PHA's *and Housing Choice Vouchers*
- REVIEW OF THE (5) AREAS OF A REAC
- REVIEW THE CORRECT WAY TO CONDUCT THE INSPECTION
- REVIEW OF THE INSPECTABLE ITEMS AND CRITICAL FAILURES
- REVIEW OF A SCORE BELOW 60
- APPEALS

~ ABBREVIATIONS

UPCS ` Uniform Physical Condition Standard

UPCS-V Uniform Physical Condition Standards-Voucher

HCV ` Housing Choice Voucher

HHRS ` Healthy Home Rating System

HQS ` Housing Quality Standards

BACKGROUND

HOUSING QUALITY STANDARDS (HQS)

- Developed in the 1970's
- Does not produce consistent and accurate results
- Not reflective of current health and safety standards
- Does not include advances in technology

YOU MUST CHANGE ATTITUDES TOWARD REAC INSPECTIONS

All properties must start to look at REAC Compliance as an annual or even a semi-annual event, even if you are fortunate enough to receive a score that affords you years between inspections. With the new industry standards now in affect, general inspection of past repairs are, and should be a major concern to us all.

THE PURPOSE OF REAC

REAC's objective was to provide helpful inspection information that Public Housing Authorities and Multifamily property's can use to maintain safe, decent and sanitary housing units.

PROBLEMS WITH REAC!

- Pass/fail system for defects
- Inconsistency pervasive throughout the HQS process
- Subjective inspectors

ISSUES WITH HOUSING QUALITY STANDARDS

- Does not produce consistent and accurate results
- Not reflective of current health and safety standards
- Does not include advances in technology

WHAT IS UPCS-V?

- Uniform Physical Conditions Standards (the ‘V’ stands for Voucher)
- This is a ‘proposed’ inspection protocol that would replace the ‘Housing Quality Standards’ (HQS) inspections in the Housing Choice Voucher (HCV) program.
- This new protocol introduces new measures to enhance the consistency of the inspection process and will reflect more advances in standard home inspections.

PURPOSE OF A NEW STANDARD

- Maintain 'core concepts'
- 'Clarify and streamline' the inspection process
- Would include 'value-added' features
- Address the 'shortcomings' of the outdated HQs
- Provide owners' 'detailed information' about their units

WHAT IS THE UNIT CONDITION INDEX?

- The Unit Condition Index will serve as a valuable oversight tool for both PHA's and HUD.
- Unlike the current UPCS inspection, in which a low score can impact a property and have severe negative consequences, the Unit Condition Index will leverage the wealth of inspection data collected by HUD to provide PHA's and other owners a comparative condition of their units.
- Items outside of the unit that 'fail' inspections are those items that directly affect the tenant.

PRIMARY GOALS OF UPCS-V

- Ensure health and safety of tenants.
- Tenants are a major source of low scores.
- Align standards more closely with other HUD programs.
- Provide insight to the condition.
- REAC has been working with HUD policy, engineering, construction to develop the new protocol to include lead hazards.

WHEN WILL UPCS-V BECOME EFFECTIVE?

- This new protocol is in the middle of the three-year review period. HUD has accepted volunteer housing authorities to evaluate the program.
- The protocol is being oversighted by REAC.

WHAT ARE SOME DIFFERENCES?

▶ Instead of using a complex static checklist (REAC) Inspectors will use a new protocol system that will record all deficiencies in two classifications.

1. Life threatening (L1, L2, L3) and,
2. Emergency (E)

New software and hardware will have to be used to record in real-time.

CHANGES HUD IS CONSIDERING WITH THE NEW INSPECTION STANDARD (UPCS-V)

- Use of a deficiency driven protocol, and not go through a static checklist.
- Establish a new classification system for describing deficiencies.
- Deficiencies would be classified on an escalating scale.
- A new data transmission tool that will allow to generate the 'Unit Condition Index' This will allow the PHA's, tenants, and homeowners to ascertain the condition of individual units.
- Integration of system will be necessary to use new technology to integrate into a prototype system in real-time. HUD would then provide a data exchange framework for all inspection data.

PRIOR TO THE INSPECTION

- Complete a 100% unit inspection using a hand held or written program.
- Inspect all (5) areas of the inspection criteria.
- All areas within a building that are not residential units, are common areas.
- Inspectors must have access to all the common areas. No exceptions.
- Maintain a REAC file with all property information and update as needed.

PRE-INSPECTIONS

KNOWLEDGE

Know the various inspectable items within the units and common areas.

Understand how they work.

Use good software or manual checklists.

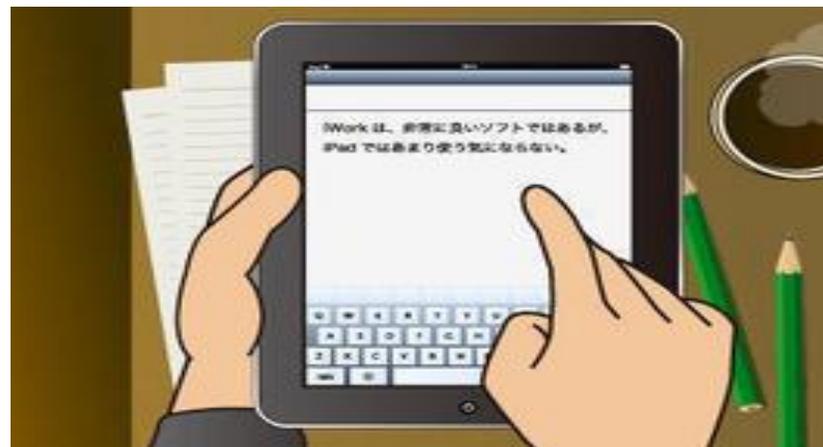
Do a 100% inspection.

TOOLS

Pro-tab PC unit

Software

Static Checklist



Current (within 12 months) Inspection Certificates For:

PROVIDE:

KEEP A FILE, AND KEEP IT CURRENT

- Fire AND sprinkler alarm systems
- Boilers for hot water and hot water heat
- Chiller maintenance for whole building air conditioning
- Elevators must be posted in the elevator cab
- Fire extinguishers in cabinets and in hallways
- Swimming pool (if applicable)



TAKE THE TIME TO DO A 100% INSPECTION

BUILDING(S)

Systems

Common areas

Health & Safety items:

- Fire doors & seals
- Sprinkler heads
- Call-to Aid devices
- Elevators

APARTMENTS

Plumbing

Electrical

Hardware

Appliances

Windows

Screens

Missing components

Floors/Walls



Effective July 5, 2016 REAC inspectors can cite anything they want as a defect—whether it's broken or not. This new change simply throws the old inspection rules out.

THE DAY OF THE INSPECTION !

Do not schedule maintenance or contract services for the day of the inspection. If the item is “Out of Order” it will be cited as a level 3 deficiency.

If property staff or contractors have work in progress or have recently completed work that required removal of panel covers exposing electrical wiring and connections, outlet/switch cover plates (painting) you will need to ensure that these items will be or have been properly re-installed locked or zip-tied.

Note: Work in Progress ~ If buildings or units are occupied and rehabilitation work is in progress during the inspection, the inspector must make the inspection, and all deficiencies must be recorded.

Carry note pad and camera so you can take pictures of defects and deficiencies.

INDUSTRY STANDARD REPAIR RULE CHANGE TO REAC

▶ JULY 5, 2016

A new standard that details that all repairs must be made in a good and workmanlike manner with materials that suitable for the purpose and free from defects. This was a significant departure from previous interpretations of the UPCS. This old approach focused on the existence of qualifying condition instead of evaluating the manner of *repair or design*. *The (NIS) non-industry standard is being implemented.*

THESE STANDARDS HAVE BEEN ADDED:

1. All repairs and the associated components, as repaired, perform to the intended purpose and function design, and
2. That all repairs are finished in a manner reasonably compatible in design and quality with the original and adjoining decorative materials.

NOTE: This is referred to NIS (Not Industry Standards)

NON-INDUSTRY STANDARD REPAIRS WILL BE OBSERVED

EXAMPLES:

Drywall including textures

Holes not repaired on the exterior

Gates & latches

Window locks

Refrigerator gaskets and working conditions to include lights and fans

Filling cracks in brick veneer

Door repairs

Electrical panels

Erosion in landscape including leaking sprinklers

REAC Pre-Inspection Checklist

- Check all elevator control panels, signal panels and hoist controls
- Inspect all fire extinguishers in public areas, common areas and units
- Remove any unused items that are abandoned and have wiring
- Check for deficiencies in units and repair them
- Check battery-powered emergency lights
- Inspect all sprinkler heads
- Inspect seals on all exterior doors
- Test every GFI with a GFI tester (GFCI testers help determine whether electrical receptacles are providing power and that they are properly wired for safe operation)
- Check smoke detectors

REAC Pre-Inspection Checklist

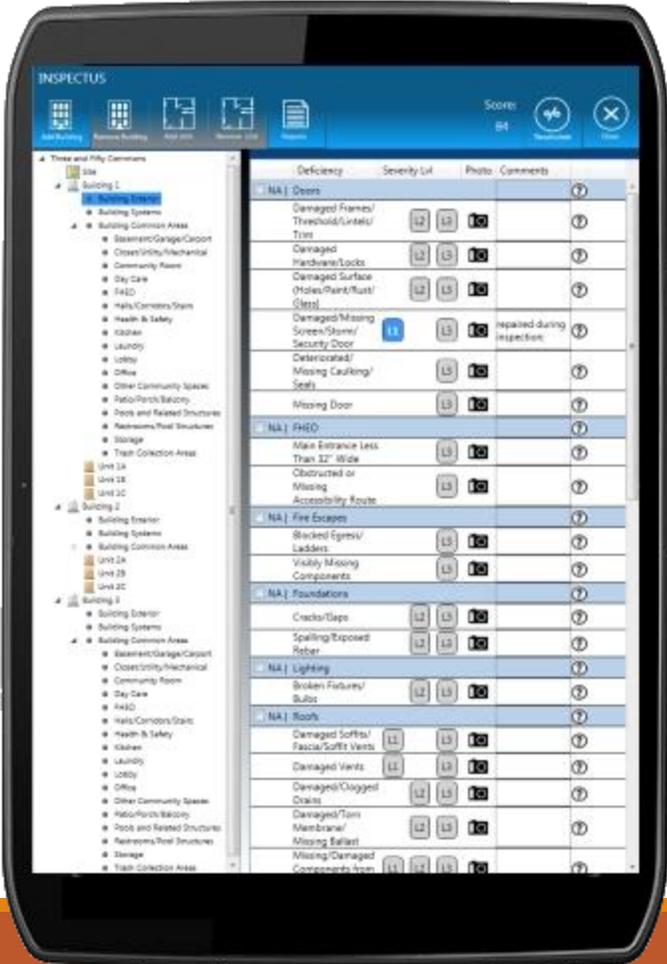
- Inspect for any trip hazards
- Inspect parking lots for ponding water
- Inspect basement area for settlement
- Check roof for any holes or openings, and check the ballast on flat roofs to be sure it's even
- Check all brick and concrete buildings for any exposed reinforcing bar, missing mortar or any holes
- Inspect cable television and telephone wiring
- Check all satellite television dishes for proper mountings
- Check the disconnects for large equipment and make sure all disconnects have padlocks
- Check all breaker boxes for missing covers or plates
- Check all windows for cracked or fogged window panes

INDUSTRY STANDARD REPAIRS:

States that Sub-Standard industry repairs on all HUD REAC properties will NO longer be acceptable.

All repairs should be consistent with what a reasonable person would expect when looking for a new apartment.

All repairs must be made in a professional/trade manner with similar materials, free from defects. Repairs should not stand out as an obvious repair.



INSPECTUS

+ Add Building + Remove Building + Add Site + Remove Site + Reports

Score: 94 + ×

- 3 Three and Piny Commons
 - Site
 - Building 1
 - Building System
 - Building Common Area
 - Basement/Garage/Ceiling
 - Classrooms/Mechanical
 - Community Room
 - Day Care
 - FIELD
 - Halls/Corridors/Stair
 - Health & Safety
 - Kitchen
 - Laundry
 - Lobby
 - Office
 - Other Community Space
 - Patio/Porch/Balcony
 - Pools and Related Structures
 - Restrooms/Toilet Structures
 - Storage
 - Trash Collection Area
 - Unit 1A
 - Unit 1B
 - Unit 1C
 - Building 2
 - Building Exterior
 - Building System
 - Building Common Area
 - Unit 2A
 - Unit 2B
 - Unit 2C
 - Building 3
 - Building Exterior
 - Building System
 - Building Common Area
 - Basement/Garage/Ceiling
 - Classrooms/Mechanical
 - Community Room
 - Day Care
 - FIELD
 - Halls/Corridors/Stair
 - Health & Safety
 - Kitchen
 - Laundry
 - Lobby
 - Office
 - Other Community Space
 - Patio/Porch/Balcony
 - Pools and Related Structures
 - Restrooms/Toilet Structures
 - Storage
 - Trash Collection Area

Deficiency	Severity List	Photo	Comments
NA Doors			?
Damaged Frames/Threshold/Linets/Trim	L2 L3 L4		?
Damaged Hardware/Locks	L2 L3 L4		?
Damaged Surface (Holes/Peint/Rust/Slits)	L2 L3 L4		?
Damaged/Missing Screen/Storm/Security Door	L1 L3 L4		repaired during inspection ?
Deliberate/ Missing Caulking/Seals	L3 L4		?
Missing Door	L3 L4		?
NA FHOD			?
Main Entrance Less Than 32" Wide	L3 L4		?
Obstructed or Missing Accessible Route	L3 L4		?
NA Fire Escapes			?
Blocked Egress/Ladders	L3 L4		?
Visibly Missing Components	L3 L4		?
NA Foundations			?
Cracks/Gaps	L2 L3 L4		?
Spalling/Exposed Rebar	L2 L3 L4		?
NA Lighting			?
Broken Fixtures/Bulbs	L2 L3 L4		?
NA Roofs			?
Damaged Soffits/Fascia/Soffit Vents	L1 L3 L4		?
Damaged Vents	L1 L3 L4		?
Damaged/Chopped Drains	L2 L3 L4		?
Damaged/Torn Membranes	L2 L3 L4		?
Missing Ballast			?
Missing/Damaged Components/Issues	L1 L2 L3 L4		?













AFTERNOON SESSION
~SOLUTIONS & APPEALS



Timer



(A)

Disconnect



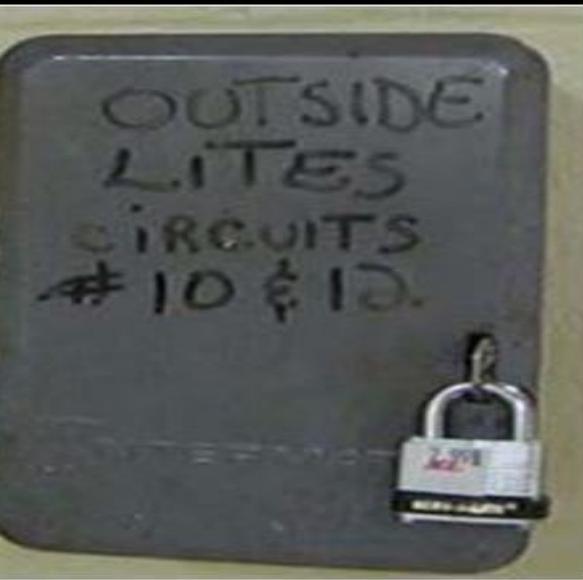
(B)

Panel



(C)

•Timers•



Scenario #1:	The timer door is observed to be secured .
Protocol:	Inspector must ensure that the device, whether it is a lock, zip tie, etc., is properly securing the door. If so, the inspector will not open this device. The Compilation Bulletin defines secured as requiring a tool, key, cutters, etc. to open the cover. (i.e.. It cannot be opened with a bare hand.)
Defect:	No defect
Level:	N/A
Guidance:	<u>Compilation Bulletin:</u> "Electrical System" – Only timers that are unsecured will be opened to inspect for defects. This disconnect is secured and therefore will not be opened to inspect.



Scenario #2:	The timer door is observed to be unsecured .
Protocol:	Inspector will open cover to ensure that the interior cover is in place, secured, and that there are no exposed bare wiring and/or connections.
Defect:	No defect because the interior cover (shown by the arrow) is in place during the inspection.
Level:	N/A
Guidance:	<u>Compilation Bulletin:</u> "Electrical System" - Timers that are not secured must be inspected provided that doing so will not interrupt electrical service.





Scenario #2:	The disconnect door is observed to be unsecured .
Protocol:	Inspector will open disconnect to inspect for any bare electrical wiring and/or connections that may be exposed. While inspecting electrical equipment the inspector will not touch or move the “cut-off” handle.
Defect:	There is no defect for being unsecured unless doing so causes bare wiring and/or connections to be exposed. Because some disconnects are designed with an interior cover and some are not, the defect, if any, can only be assessed after opening cover of disconnect.
Level:	N/A
Guidance:	<u>Compilation Bulletin</u> : “Electrical System” Disconnects that are not secured must be inspected provided that doing so will not interrupt electrical service.



Scenario #3:	The disconnect door is observed to be unsecured .
Protocol:	Inspector will open disconnect to inspect for any bare electrical wiring and/or connections that may be exposed. This disconnect is not designed with an interior cover, but because the device is unsecured and the bare wiring and connections are exposed it is a defect.
Defect:	Life threatening H&S deficiency caused by it being unsecured exposing bare connections.
Level:	Level 3 - Life threatening H&S deficiency for the exposed bare connections.
Guidance:	<u>Compilation Bulletin</u> : Regardless of the design, if the disconnect is found to be unsecured at the time of inspection and the bare wiring and/or connections are exposed it will recorded as life threatening H&S.

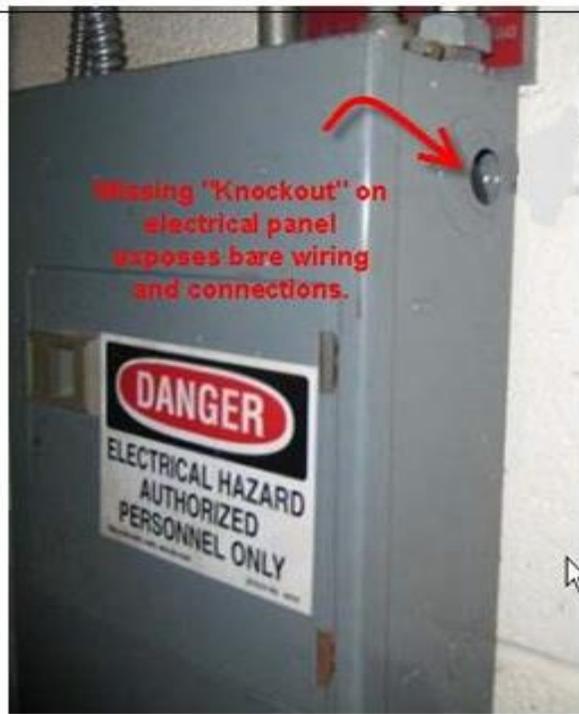
•Disconnect designed with interior cover•



Scenario #1:	The disconnect door is observed to be secured with the plastic zip tie.
Protocol:	Inspector must ensure that the device, whether it is a lock, zip tie, etc., is properly securing the door. If so, the inspector will not open this device. The Compilation Bulletin defines secured as requiring a tool, key, cutters, etc. to open the cover. (i.e.. It cannot be opened with a bare hand.)
Defect:	No defect
Level:	N/A
Guidance:	<u>Compilation Bulletin:</u> "Electrical System" - Disconnects that are not secured must be inspected provided that doing so will not interrupt electrical service. This disconnect is secured and therefore will not be opened to inspect.



Scenario #2:	The disconnect door is observed to be unsecured .
Protocol:	Inspector will open the disconnect door to inspect for any bare electrical wiring and/or connections that may be exposed.
Defect:	There is no defect for being unsecured unless doing so causes bare wiring and/or connections to be exposed. Because some disconnects are designed with an interior cover and some are not, the defect, if any, can only be assessed after opening the exterior cover of the disconnect box.
Level:	N/A
Guidance:	<u>Compilation Bulletin:</u> "Electrical System" - Disconnects that are not secured must be inspected provided that doing so will not interrupt electrical service.



Scenario:	While inspecting the mechanical room you observe the "knock-out" missing from the side of this electrical panel.
Protocol:	Unlike timers and disconnects, when a "knock-out" is missing on a panel, regardless if bare connections or wiring exists, it will be recorded as a defect for having an opening in the electrical panel.
Defect:	The "knock-out" is missing creating an opening in the panel.
Level:	Level 3 - Life threatening H&S deficiency for having an opening in electrical panel.
Definition:	<u>Dictionary of Deficiency Definitions:</u> Exposed Wires/Open Panels (Electrical Hazards) Deficiency: You see exposed bare wires or openings in electrical panels.



Scenario:	Upon entering an inspectable area you observe this electrical box contains wiring that has bare ends that pose an electrical hazard.
Protocol:	When this is observed by the inspector it will be recorded as an electrical hazard.
Defect:	This will be recorded as a life threatening H&S for the exposed bare wiring.
Level:	Level 3 - Life threatening H&S deficiency for the exposed bare wiring.
Definition:	<u>Dictionary of Deficiency Definitions:</u> Exposed Wires/Open Panels (Electrical Hazards) Deficiency: You see exposed bare wires or openings in electrical panels.

APPEALS

▶ ALL APPEALS FALL INTO TWO AREAS:

1. A Technical Review ~ Must be filed within 30-days of the release of the inspection.
2. A Data Base Adjustment ~ Must be filed within 45-days of the release of the inspection.

TECHNICAL REVIEW (TR)

Deficiencies that are based upon a technical error.

The inspector cited the defect under the wrong area or,

The inspector did not understand the circumstance of the element being inspected or,

Cited a blocked egress that was never intended to be an exit.

Building or unit count errors ~ this is rare but can occur

3RD PARTY VERIFICATION LETTERS OF SUPPORT

Must be on business letterhead

Must be signed

Must be licensed trade group

Example: mis-identified components

The inspector cites a leak in the Sanitary System - the sewer plumbing - because he or she sees a little standing water on the basement floor. The water is not leaking from the sewer plumbing, it is leaking from a clogged air conditioner condensate line. We have a licensed plumber examine this and sign a letter stating that he has examined it personally and (date after REAC) and found that there is no leak from the sanitary system. The letter explains that the apparent leak was actually coming from the AC condensate line, and that this line is not connected to the sewer system in any way.

Example:

Improperly cited according to REAC rules

The inspector cites a Sharp Edges hazard due to the presence of a broken mirror on the resident owned dresser in the bedroom. REAC's current rules as spelled out in Compilation Bulletin 4.0 version 3 direct the inspector to cite this as Other Hazards, which is non-scoring. We explain this, inserting the inspector's comments in the report that say, "bedroom 2 broken mirror" and the inspector's photo which shows the piece of furniture into the appeal document along with the instructions from the Comp Bulletin.

Ownership Issues

Deficiencies applied to elements not under the ownership and/or control of the property owner - i.e. a deficiency on a fence, sidewalk, driveway, or other item owned by the city or a neighboring property - does not apply to resident owned items in Units

Conditions Beyond the Control of the Owner

- ▶ Deficiencies involving conditions caused by severe weather, vandalism, accident, criminal activity within a too short a period before the inspection to allow the owner to reasonably address them. These would often involve a police report or an insurance claim as a supporting document. In lieu of these documents, it might include an official government issued weather report that has been interpreted by an expert party providing a professional opinion saying that a condition has been caused by such a weather event. Reports from a private security agency may be valuable where a police report is not available. This type of appeal can also include breach of contract, where a contractor fails to perform, and can include conditions caused by delays in the performance of a contract, where the wrong parts are ordered and must be re-ordered, etc.

Local Conditions and Exceptions

Deficiencies involving conditions that are specifically allowable under local code and/or pre-existing conditions that do not conform to the UPCS protocol. Items can sometimes be appealed on the basis that they are not prohibited by local code, but REAC has tightened up on granting these in recent years, raising the bar so that we must often prove a condition is specifically allowed. "Pre-existing conditions" suggests that conditions that can be said to be "grandfathered" are also appealable, but this requires a very sophisticated argument for which it will almost certainly require a very technical explanation by an architect or engineer, or a letter signed by a local code official.

QUESTIONS

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