



400 North Columbus Street
Suite 203
Alexandria, VA 22314
(703) 683-8630
www.nahma.org

May 29, 2020

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

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

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.
Washington, DC 20410

Subject: Request for Continued Postponement of HUD’s Physical Inspections through Year-end and Request for Temporary Suspension of 14-day Notification Timeframe

Dear Mr. Seats, Mr. Halliday, and Mr. Vargas:

On behalf of the National Affordable Housing Management Association (NAHMA), our members strongly request that HUD extend its postponement of property inspections during the coronavirus pandemic on all HUD-assisted multifamily housing, including project-based rental assistance programs, through the end of calendar year 2020, except where there is a threat to health and safety at a property. Since the beginning of the pandemic’s outbreak, our members have been on the frontlines working to provide a safe home for residents to “shelter at home”, as well as to provide safe working conditions for property employees, including maintenance staff. Many NAHMA members have faced significant numbers of COVID cases at their properties or on their staff, and all have had to suspend normal property management operations due to state and local public health emergency declarations and stay-at-home orders. With the exception of Exigent Health and Safety (EH&S) work orders, most maintenance work has not been addressed over the past few months due to the significant health risks for staff and residents of entering units. Even in cases of required emergency maintenance work, NAHMA members have reported that residents have expressed concern in allowing staff into their units. As the nation reopens, at different rates in different geographic areas, depending on how hard the area was hit by the pandemic, NAHMA members will need time to reopen their headquarters buildings, return to somewhat normal staff operational levels, assess their properties, and provide the necessary maintenance to bring all units up to appropriate standards.

To provide adequate time for NAHMA members to reopen, recover, assess and address maintenance needs across the entire portfolio across the country, we ask that HUD continue its postponement of property inspections on all HUD-assisted multifamily housing through the end of calendar year 2020.

At a minimum, if an extension of the physical inspection moratorium through the end of 2020 is not possible, we would ask HUD to consider other approaches that might mitigate the potential significant health risks and portfolio-wide negative scoring impacts resulting from operational disruptions caused by the pandemic. Such approaches could include, for the remainder of 2020, or even into early 2021:

- Scheduling physical inspections only for properties that scored 60 or below on their most recent REAC inspection;
- Applying an NSPIRE-demo-type approach to all physical inspections, in that properties would be inspected but not receive a specific score, but findings would be documented and work would need to be accomplished to address the findings;
- Phasing in the restart of physical inspections on a geographic basis, determined by how hard the area was hit by coronavirus cases, instead of having one “restart” date applicable at the same time across the country;
- Phasing in the restart of physical inspections on the basis of types of properties, with senior / special needs properties being last on the list of properties being scheduled for inspections.

On a separate but related issue, NAHMA strongly urges REAC to waive the drastically shortened physical inspection 14-day notification timeframe for assisted housing properties, as announced on February 22, 2019 through PIH Notice 2019-02. To ensure the maximum safety of residents, management staff, and inspectors, we strongly urge a temporary return to scheduling a physical property inspection in a 30 to 60 day timeframe. HUD should consider the health and safety risks of all parties involved and provide some flexibility given the logistical impacts of the pandemic. For example, many NAHMA members are multistate companies and travel options will likely not be readily available until well into 2021, according to recent reports from the airlines. Due to these logistical and remaining health and safety concerns, property owners and managers will simply not be able to meet the exact 14-day schedule for property inspections. What was an infeasible and burdensome requirement for both property managers and affordable housing residents before the pandemic will now be beyond tenable.

NAHMA’s membership represents 75 percent of the affordable housing management industry, and includes its most distinguished multifamily owners and management companies across the country. NAHMA members take great pride in providing quality housing that offers a safe, healthy environment for their residents. As property owners and managers, NAHMA members understand the agency’s efforts to ensure portfolio compliance during this time of crisis; however, we feel those efforts must be fair and realistic in light of the incredible negative impacts of the pandemic. Our membership shares the agency’s goal of providing quality affordable housing to low-and moderate-income households, in particular by consistently maintaining subsidized properties in good physical condition and providing a quality of life for residents.

We thank you for your urgent consideration of these matters, and we look forward to working together to advance our shared goal of providing quality housing and improving economic opportunity for communities across the country. Please do not hesitate to reach out with questions to Kris Cook,

NAHMA's Executive Director, at 703-683-8630 x113, or Larry Keys, NAHMA's Director of Government Affairs, at ext. 111.

Sincerely,

A handwritten signature in black ink, appearing to read "Kris Cook". The signature is fluid and cursive, with the first name "Kris" being larger and more prominent than the last name "Cook".

Kris Cook, CAE

Executive Director

CC:

U.S. Dept. of Agriculture, Rural Housing Service

U.S. Dept. of Treasury, Office of Tax Policy

U.S. Internal Revenue Service, Office of Services and Enforcement