



NSPIRE

Get Ready Session Welcome

December 07, 2022



NSPIRE

General Session

Speaker: Ashley Leia Sheriff



Agenda



Time	Module Title	Speaker
8:30 am - 8:35 am	Welcome & Introductions	Marcel Jemio Kelsey Brown, Rhode Island Field Office Director
8:35 am – 8:45 am	Regional Leadership Remarks	Juana Matias, Regional Administrator
8:45 am - 9:30 am	General Session	Ashley Leia Sheriff, Deputy Assistant Secretary of REAC
9:30 am - 10:15 am	Policy	Tara Radosevich
10:15 am - 10:30 am	Break	
10:30 am - 12:00 pm	Standards	Cliff Kornegay
12:00 pm - 1:00 pm	Lunch	
1:00 pm - 1:45 pm	Scoring Model	Ashley Leia Sheriff & Cliff Kornegay
1:45 pm - 2:45 pm	Operations & IT Information	Marcel Jemio and Kevin Laviano
2:45 pm - 3:00 pm	Break	
3:00 pm - 3:45 pm	Prep for IOC	Marcel Jemio and Kevin Laviano
3:45 pm - 4:30 pm	Q&A	All Presenters
4:30 pm - 4:45 pm	Closeout	Ashley Leia Sheriff



Introduction



Customer
 Operations
Continuous Improvement
Health & Safety
 Quality
 Timely
 Change
 Innovation
Resident
 Inspections
 Technology
 Inspections
Customer
Centricity
 Connectivity
Standards



What is NSPIRE?



HUD's National Standards for the Physical Inspection of Real Estate (NSPIRE) strengthens HUD's physical condition standards, known as the Uniform Physical Condition Standard (UPCS) by:

- Prioritizing health, safety, and functional defects over appearance
- Updating HUD's physical inspection model, which is now 20+ years old
- Focusing on the areas that impact residents – their units
- Providing a more accurate score for property conditions
- Aligning inspection standards across all HUD-assisted properties, as directed by Congress
- Incorporating resident feedback regarding the condition of units



PEOPLE

Residents

- ✓ Ensure families are living in safe and tenantable homes
- ✓ Facilitate year-long maintenance with a unit-focused approach
- ✓ Prioritize residents over properties
- ✓ Explore resident feedback for better quality service

PROPERTIES

Health and Safety

- ✓ Better identification of substandard housing through clear, defined inspection protocols
- ✓ Increase inspection consistency
- ✓ Modernize health and safety standards
- ✓ Ensure homes are safe and suitable for residential use

PROGRAMS

Modernize HUD's Inspection Process

- ✓ Modernize HUD's physical inspection process
- ✓ Improve service delivery for our residents and housing principles
- ✓ Align multiple inspection standards into a clear, defined inspection protocol



How does NSPIRE Emphasize Resident Safety?



HUD published a proposed rule in January 2021 and the most recent version of the NSPIRE standards for public comment in June 2022 (with comments due 8/1/22). The rule and standards seek to:

- Emphasize the health and safety of the unit, which is where households spend the most time
- Specify the manner and timeframe for the remediation of health and safety deficiencies for three categories of health and safety defects with specific remediation timelines
- Require the same health and safety standards for all HUD housing portfolios, including privately owned properties where HUD-assisted residents reside (e.g., vouchers)
- Require an annual self-inspection and reporting requirement
- Outline the NSPIRE framework including standards, scoring, and administrative processes such as appeals and enforcement

How are we getting there?

NSPIRE Guiding Principles highlight continuous improvement, customer centricity, risk-based approaches, stakeholder engagement, and fostering relationships



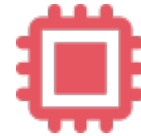
PEOPLE

- Engage experts
- Listen and incorporate feedback
- Prepare stakeholders for NSPIRE



PROCESS

- Utilize a human-centered design process and design thinking principles
- Deploy an initial operational capability and continuous improvement model



TECHNOLOGY

- Automate manually intensive processes
- Optimize workflows
- Improve transparency
- Bring analytical tools and technologies to improve decision making



Sunset of HQS and UPCS



UPCS and HQS has been the standard by which to measure the physical condition of properties for over 20 years



Recent NSPIRE Achievements

- Conducted four Customer Experience Workshops for Public Housing, Multifamily, Office of Field Operations, and the Office of Residential Care Facilities for over 120 internal participants; to include follow-up interviews
- Performed over 1,800 NSPIRE Demonstration inspections to evaluate NSPIRE Standards and processes
- Performed over 9,200 NSPIRE-V Demonstration inspections for the Voucher program
- Developed process models across the entire inspection lifecycle to include 13 process areas; developed over 180 use cases
- Developed the initial Federal IT application for testing in the field in the NSPIRE Demonstration



Upcoming Milestones



FY2023

Fall/Winter

Publish Scoring, Administrative Procedures & Standards notices for public comment

Publish Final NSPIRE Rule, with future effective date

Winter/Spring

Publish final Standards, Scoring, & Administrative procedures notices

NSPIRE Pilot & ongoing training

Summer

Implement resident feedback from Pilot – June 30, 2023

Public Housing compliance date – June 30, 2023



Winter

NSPIRE training begins

Spring

Final NSPIRE Rule effective for Public Housing – April 1, 2023

Fall

Multifamily Housing, Vouchers, CPD effective & compliance Date – October 1, 2023





Key Takeaways



- NSPIRE strengthens HUD's physical condition standards to emphasize resident health and safety
- NSPIRE utilizes a human-centered design approach to development and implementation
- NSPIRE implementation will include iterations to bring value and capabilities as soon as they are available
- NSPIRE seeks to continually improve
- NSPIRE is designed with the customer in mind



NSPIRE

Policy

Speaker: Tara Radosevich

Purpose



To help PHAs, owners, managers and industry understand the rulemaking process



Connect the dots on the NSPIRE Demonstration, NSPIRE proposed rule, and subordinate notices



Review areas open for comment



Ensure PHAs, owners and managers are ready for implementation




Introduction



- HUD's National Standards for the Physical Inspection of Real Estate **(NSPIRE) will replace** Uniform Physical Condition standards (UPCS) and Housing Quality Standards (HQS) in HUD regulations
- NSPIRE will:
 - Revise 24 CFR Part 5 Subpart G - Physical Condition Standards and Inspection Requirements
 - Replace the term "UPCS" in the regulations and associated guidance
 - Re-define the term "HQS" to be synonymous with HUD's Part 5 Subpart G regulations

Note: HUD's section of the Code of Federal Regulations (CFR) is Title 24 and is often referenced as 24 CFR

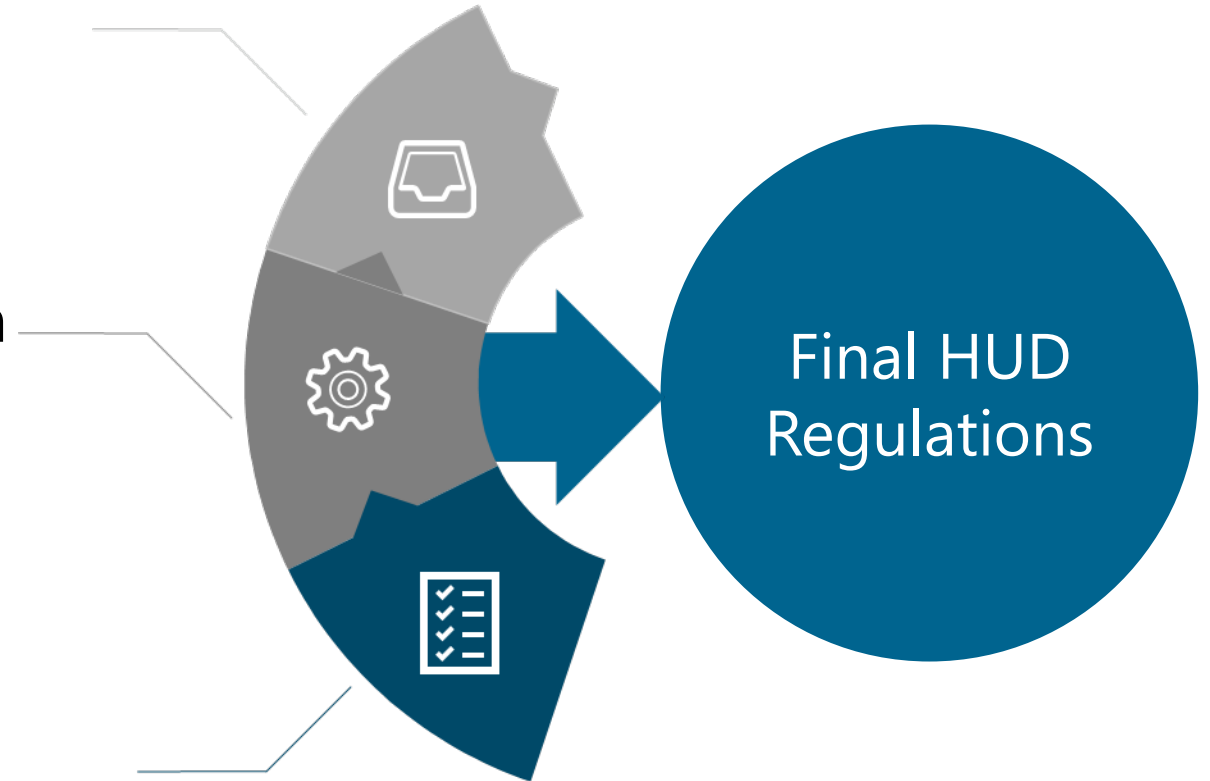


Inputs and Process

HUD will consider public comments on the NSPIRE regulations, standards and scoring before they are final

HUD used the NSPIRE Demonstration to develop and test NSPIRE inspection process and standards

Implementing NSPIRE requires a rulemaking process with implementing “subordinate” notices in the Federal Register





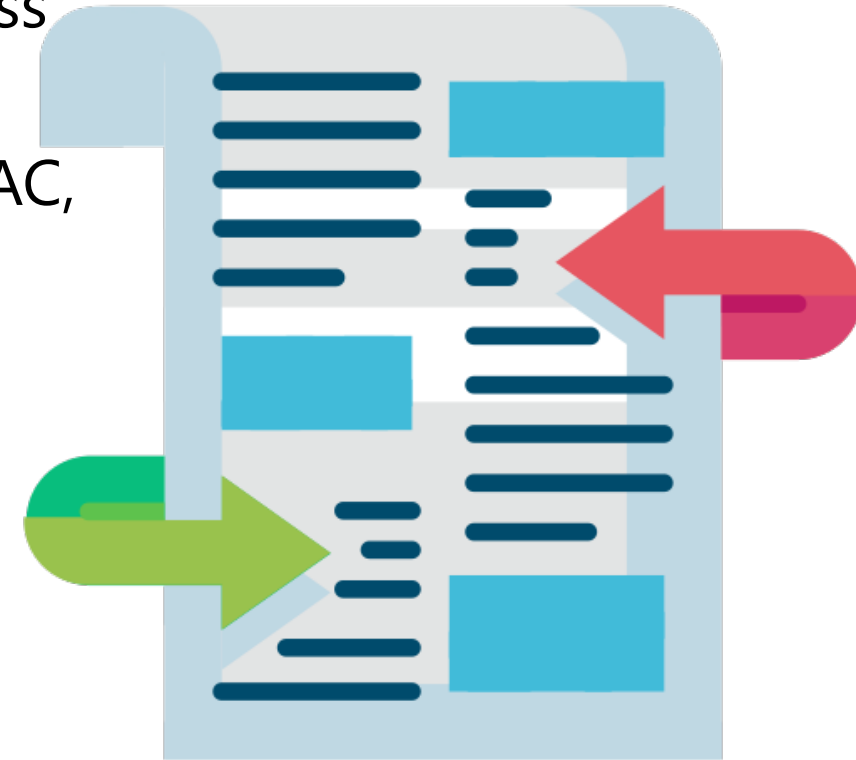
NSPIRE Proposed Rule



- Proposed rule was published January 13, 2021; with the comment period closed March 15, 2021
- Rule described the goals and priorities for NSPIRE
 - Emphasis on health and safety of residents and where they spend the most time (units)
 - Standardize inspection requirements across HUD rental assistance programs
 - Included a draft Regulatory Impact Analysis
- Additional implementation of Housing Opportunity Through Modernization Act of 2016 (HOTMA) and Economic Growth Act for Small Rural Public Housing Agencies (PHAs)
- Proposed regulations for 24 CFR Parts 5, 92, 93, 200, 574, 576, 578, 880, 882, 884, 886, 902, 982, 983, 985
- Rule covers Public Housing, Multifamily housing programs (e.g. PBRA, 202, 811), HCV, PBV, Section 8 Mod Rehab, HOME, HTF, ESG, CoC, HOPWA

Changes introduced for comment:

- New NSPIRE standards creation and review process every 3 years
- New “affirmatives” (e.g. GFCI outlets, lighting, HVAC, water safety)
- Site and neighborhood requirements from HQS
- Special considerations for single room occupancy (SROs) units
- Updated requirements for resolving deficiencies
- Self-inspections for both Public Housing and Multifamily Housing programs (new for MFH)
- Administrative referrals for failing scores



Rulemaking Process



Why is this taking so long? Why can't you just tell us more?

Federal rulemaking is covered by the Administrative Procedures Act and **we must...**

1. Make information available to all in the same way (Federal Register, website)

2. Take comments during a specified period, which post to a public docket

3. Issue a final rule with HUD's responses to comments received

4. Final rule will provide an effective date for the revised regulations



Rulemaking Process Cont.



- Proposed and final regulations and subordinate notices go through Office of Management and Budget (OMB) review
- Review by OMB is at least 90 days
 - OMB also considers the full administrative and economic/cost impact of all regulations, and HUD's "Regulatory Impact Analysis" with the final rule

The NSPIRE Rule will be implemented through “subordinate notices” including:



NSPIRE Standards Notice
(proposed and final)



Scoring Notice
(proposed and final)



Administrative Notice



Small Rural Public Housing
Assessment System (PHAS) and
Section 8 Management Assessment
Program (SEMAP)



Implementing notices for Community
Planning and Development (CPD)
programs (HOME, HTF, ESG, COC,
HOPWA)



Resident Feedback



NSPIRE Inspections



When will NSPIRE Inspections start?

When the rule is **final and effective**.*



NSPIRE Inspections Cont.



***But also:**

- NSPIRE Subordinate notices are published as final
- Consider there may be “compliance dates” in the final rule
- Public housing planned for April 2023
- Multifamily housing, HCV/PBV, Section 8 Mod Rehab and CPD programs planned for October 2023
- PHAs and owners will get advance notice of scheduled inspections

NSPIRE Standards Notice

- NSPIRE Standards proposed notice published in the Federal Register June 17, 2022. Comments were due August 1, 2022
- Notice included 13 questions for comment on mold, safe drinking water, requirements for a permanent heating source, minimum temperature, electrical outlets, deficiency correction time frames and pest infestation
- Included an attachment with 63 “tables” covering individual housing components or hazard inspected
- Proposed updates to the HOTMA Life Threatening or “HOTMA LT” standards for conditions that must be resolved before move-in/24 hours if occupied in the voucher program



NSPIRE Scoring Notice

- Will be published in Federal Register for comment
- Relevant to public housing and Multifamily housing program properties
- Scoring will reflect NSPIRE goals
 - Health and safety of residents over curb appeal, site conditions
 - Deficiencies in Units > Inside > Outside
- Notice will also include
 - What's changing from UPCS scoring
 - Methodology used to revise scoring
 - Expected sampling strategy
 - Justification for scoring decisions



- Information to submit in advance of inspection. REAC may collect:
 - Elevator, fire sprinkler certificates
 - Whether there are any current water safety alerts, name of public water system
 - Property construction date verification, scan of lead-based paint inspection (if built before 1978)
- Process for technical reviews
- Post inspection report process, how to report correction of deficiencies
- Communication with residents, making final inspections available for review
- Self inspection process
- Administrative referrals process for failing scores





Key Takeaways



- HUD's physical condition standards are based on federal regulations and implementing notices
- Changes to federal regulations are completed with advance notice and fair opportunity for public comment
- HUD used the NSPIRE Demonstration to design and test the NSPIRE standards and inspection process
 - Note: Demonstration scores were not scores of record
- NSPIRE inspections will commence once the rule is final and effective. All regulations, policies, and effective dates are TBD until published as final
- "Hoping" for rule effective in April 2023 for public housing, and October 2023 for Multifamily Housing, HCV/PBV and CPD programs



NSPIRE

Standards

Speakers: Cliff Kornegay

Module Objectives

- Define key focus areas for HUD's National Standards for the Physical Inspection of Real Estate (NSPIRE) Standards
- Describe new framework for physical inspections and key changes from UPCS/HQS to NSPIRE
- Demonstrate new deficiency rationales and categories
- Describe how to view NSPIRE Standards and available resources on HUD.gov

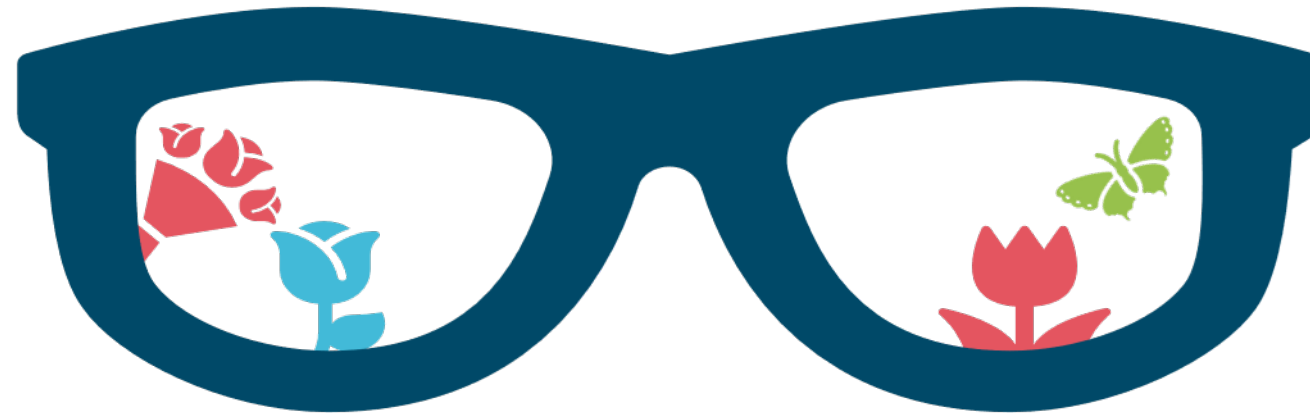




View Standards through the NSPIRE Lens



Comparing NSPIRE with UPCS or HQS can obscure your understanding of the Standards



Changes from UPCS to NSPIRE

Mastering the NSPIRE standards will require learning a new framework

- **More Emphasis on:**

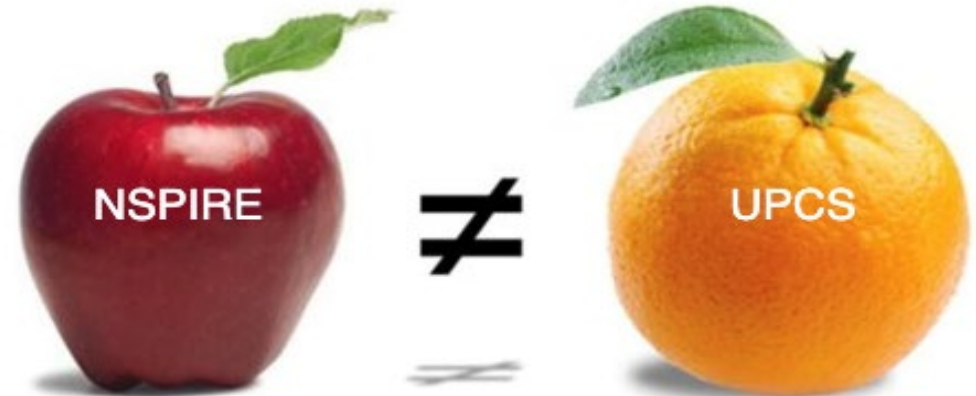
- Health, safety, and functional defects
- Areas that impact residents – their units

- **Less Emphasis on:**

- Condition and appearance defects
- Inspectable areas outside units

- **Objective Deficiency Criteria**

- Criticality levels do not exist within NSPIRE
- Removed subjective deficiency criteria based on feedback



Deficiency Classification



- **H&S** make up most of the NSPIRE deficiencies because they are focused on the most critical elements that impact resident safety and habitability
- The other two categories of **Function and Operability (F&O)** and **Condition and Appearance (C&A)** deficiencies will make up a much smaller portion of NSPIRE deficiencies. These new categories allow HUD to focus on the most important defects and conditions to support healthy and safe homes

Deficiency Rationales

The “why”

Life-Threatening

Deficiencies that, if evident in the home or on the property, presents a high risk of death or severe illness or injury to a resident.

Severe Non-Life-Threatening

Deficiencies that, if evident in the home or on the property, present a high risk of permanent disability, or serious injury or illness, to a resident; or the physical security or safety of a resident or their property would be seriously compromised.

Moderate

Deficiencies that, if evident in home or on property, present a moderate risk of an adverse medical event requiring a healthcare visit; cause temporary harm; or if left untreated, cause or worsen a chronic condition that may have long-lasting adverse health effects; or that the physical security or safety of a resident or their property could be compromised.

Advisory

Deficiencies critical to habitability but not presenting a substantive health or safety risk to residents.



Inspectable Areas



NSPIRE establishes the three inspectable areas of a REAC inspection into three easily identified locations: Unit, Inside, and Outside.

- This increases the usability of the standards and streamlines the inspection process
- Ensures that all residents live in safe, habitable homes, the items and components located inside the building, outside the building, and within the units of HUD housing must be functionally adequate, operable, and free of health and safety hazards
- This streamlined approach allows inspectors to cite deficiencies based on where they are standing and eliminates potential subjectivity or ambiguity about a deficiency's location

Inspectable Areas Continued

Unit

A “Unit” of housing refers to the interior components of an individual dwelling, where the resident lives.

Inside

“Inside” refers to the common areas and building systems within the building interior and are not inside a unit. This could include interior laundry facilities, workout rooms, etc.

Outside

“Outside” refers to the building site, building exterior components, and any building systems located outside of the building or unit. This includes things like playgrounds, sidewalks, and air-conditioning units.

Unit



Inside



Outside



Example Unit Health & Safety Defects



Chimney or flue piping is blocked, misaligned, or missing (i.e., evidence of prior installation, but now not present or is incomplete).



Electrical conductor is not enclosed or properly insulated (e.g., damaged sheathing, open port, missing knockout, missing outlet or switch cover, missing breaker or fuse, or missing lightbulb).



Smoke alarm is not installed inside each sleeping area, outside each sleeping area, and on each level.

Core Health & Safety Focus

The eight focus areas are critical to the habitability and safety of residents



Addressing Fire Safety

NSPIRE improves fire safety standards in several ways from UPCS

- ✓ Implementation of National Fire Protection Association (NFPA) 72
- ✓ Minimum temperature requirement
- ✓ Permanent heating source requirement
- ✓ Prohibition of unvented space heaters
- ✓ New fire sprinkler defects related to the proper functioning of these systems
- ✓ GFCIs, AFCIs, CO alarms, dryer exhaust, and electrical outlets
- ✓ More stringent & specific fire door requirements



Addressing Fire Safety Cont.

NSPIRE conforms with (NFPA 72)

- NFPA 72 is the preeminent national standard for smoke alarms and fire and existing Housing Quality Standards for vouchers align with this standard

NSPIRE Smoke Alarm Standards Conform with 2019 NFPA 72 Requiring:

At least one working smoke alarm installed on every level of property



At least one working smoke alarm installed outside every sleeping area



At least one working smoke alarm installed inside each sleeping area



Lack of conformance with the NSPIRE smoke alarm standard requires mitigation within 24 hours

Addressing Fire Safety Cont.

Properly functioning heating systems are critical to maintain healthy unit temperatures and prevent fires in public housing

Housing Opportunity through Modernization Act directed HUD to set minimum temperature standards

- PIH Notice 2018-19 set a minimum heating temperature standard for public housing
- The PIH notice set 68 degrees, which is carried over into NSPIRE

Forthcoming NSPIRE Standards Notice will contain the heating source and space heater requirements

Addressing Fire Safety Cont.

Properly functioning fire doors are critical to slow the spread of an active fire in buildings

Fire doors have been addressed in NSPIRE with a standard specific to fire doors

Under UPCS fire doors were inspected and cited with other non-fire doors

The fire door standard details the specific function, operability and structural integrity requirements for fire doors

Defects and deficiency criteria will be based on research and discussions with fire safety professionals



Addressing Fire Safety Cont.

Properly functioning fire sprinklers are critical for the suppression of fires

Current NSPIRE
version has
additional defects
and criteria

- 1 Deficiency criteria is more detailed and objective
- 2 New deficiency for obstruction of the spray area
- 3 The deficiencies have elevated severity levels



Additional Life Safety Defects



New Electrical Life Safety Deficiencies include:

Ground Fault Circuit
Interrupters

Arc Fault Circuit
Interrupters

Properly Wired Outlets

Grounded Outlets

Addressing Water Safety

Water safety was introduced through the NSPIRE Proposed Rule

HUD recognizes the EPA is the government agency tasked with testing and measuring water quality

HUD is considering collecting information on local water outages or water quality alerts

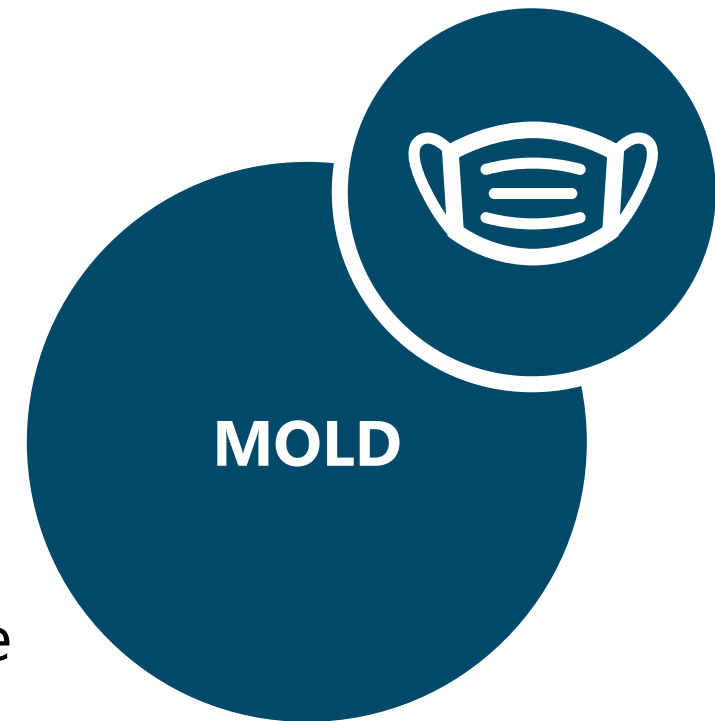
HUD is considering recording observations of lead water service lines in HUD assisted properties



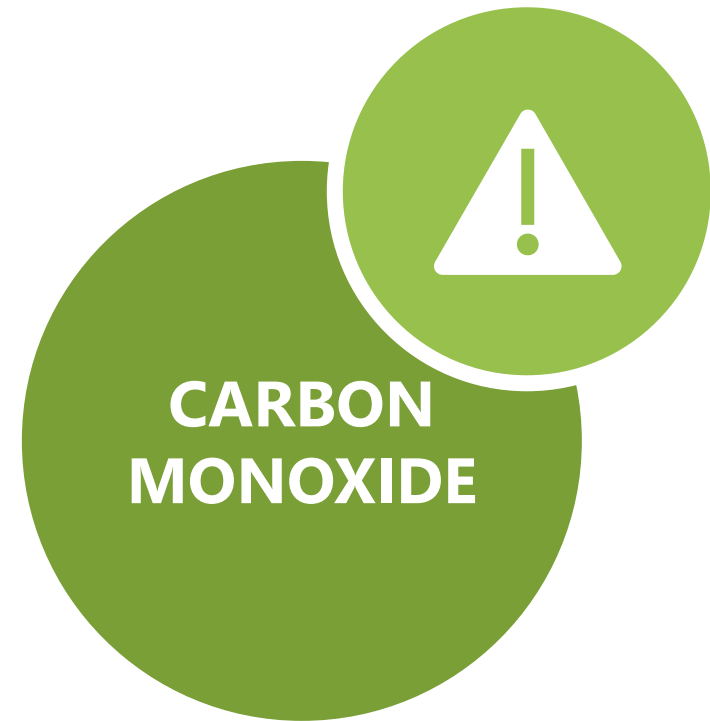
Addressing Mold & Moisture

NSPIRE takes a comprehensive approach to mold and moisture

- Objective and measurable mold deficiency criteria that recognizes different severity levels
- The current mold standard also contains a deficiency for ventilation or dehumidification of bathrooms
- The most recent leak standard contains multiple deficiencies with specific criteria to capture a broad range of plumbing and environmental leaks
- NSPIRE is considering **requiring the use of moisture meters** and **recommending the use of infrared cameras** during inspections



- Transitioning from a survey question to an enforceable standard
- 2021 Consolidated Appropriations Act included a statutory requirement for CO alarms to be installed with the requirements of the 2018 International Fire Code
 - Effective date of requirement is December 27, 2022
 - Chapters 9 & 11 of the 2018 IFC contain the specific installation requirements & are available free online
- REAC will be publishing a PIH notice for the implementation of the CO requirements within UPCS before the NSPIRE final rule is published and effective
- Future publication of a decision tree for CO installation



NSPIRE infestation standards are changing

- Objective deficiency criteria
 - Specific observed numbers of pests result in different severity levels
- REAC is considering alternative correction options and longer time frames for properties using industry best practices
 - An example of best practices would be integrative pest management



NSPIRE will have a different approach than UPCS

- Current lead-based paint standard
 - Incorporates requirements from HUD's Lead Safe Housing Rule regulations for the voucher program
 - In buildings constructed before 1978, inspector will perform a visual assessment for deteriorated paint in units with children under age 6
 - NPSIRE does not replace HUD's safe lead requirements



You can find the standards on the NSPIRE Standards web page.

This web page provides:

- Ability to view the standards and download:
 - Single standards
 - All standards in a zip file
- Guidance for navigating the standards
- Access to previous versions of the standards
- Guidance for submitting feedback will be provided when the feature is available

NSPIRE STANDARDS

HUD Seeks Stakeholder Feedback on Standards

Following intensive review and revision, HUD presents a fully updated set of NSPIRE standards. The improvements in this release focus on technical accuracy, relevance, and clarity. We welcome your comments on all aspects of the standards.

- [Standards Update](#)
- [Current Standards](#)
- [How to Navigate NSPIRE Standards](#)
- [Related Links](#)

Standards Update

HUD published the Proposed National Standards for the Physical Inspection of Real Estate (NSPIRE) in the Federal Register on June 16, 2022. The public comment period closed on August 1, 2022. The final set of standards will be published in the Federal Register following HUD's review and adjudication of public comments.

Current Standards

STANDARDS	Version	Last Updated	Inspectable area(s) standard applies to:		
			Unit	Inside	Outside
Address and Signage Standard	2.2	06-23-2022			Y
Bathtub and Shower Standard	2.2	06-23-2022	Y	Y	
Cabinets Standard	2.2	06-23-2022	Y	Y	
Call-for-Aid System Standard	2.2	06-23-2022	Y	Y	
Carbon Monoxide Alarm Standard	2.2	06-23-2022	Y	Y	

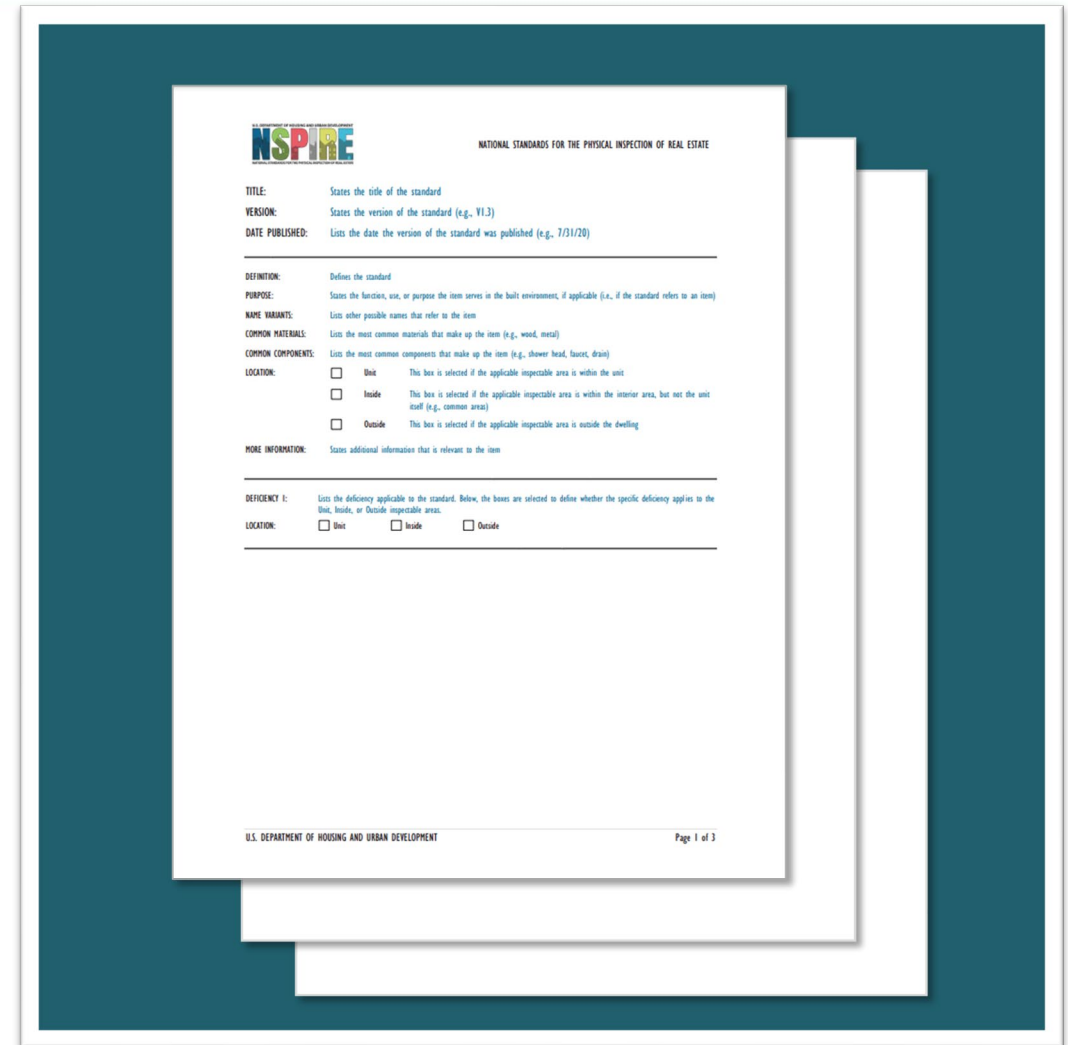
Explore NSPIRE

- [NSPIRE Official Notices](#)
- [NSPIRE Mission and Vision](#)
- [NSPIRE Answers](#)
- [NSPIRE Concept](#)
- [NSPIRE Inspection Types](#)
- [NSPIRE Inspectable Areas](#)
- [NSPIRE Deficiency Categories](#)
- [NSPIRE Deficiency Rationales](#)
- [NSPIRE Terms and Definitions](#)
- [NSPIRE Demonstration Notice](#)
- [Voluntary Demonstration Registration](#)
- [Demonstration Property Selections](#)
- [NSPIRE Demonstration Resident Engagement Initiative](#)
- [NSPIRE Stories](#)

NSPIRE Standards Template Guide

To help inspectors, quality control reviewers, and other stakeholders understand the terminology and layout of the NSPIRE standards, HUD developed a standards template guide to provide:

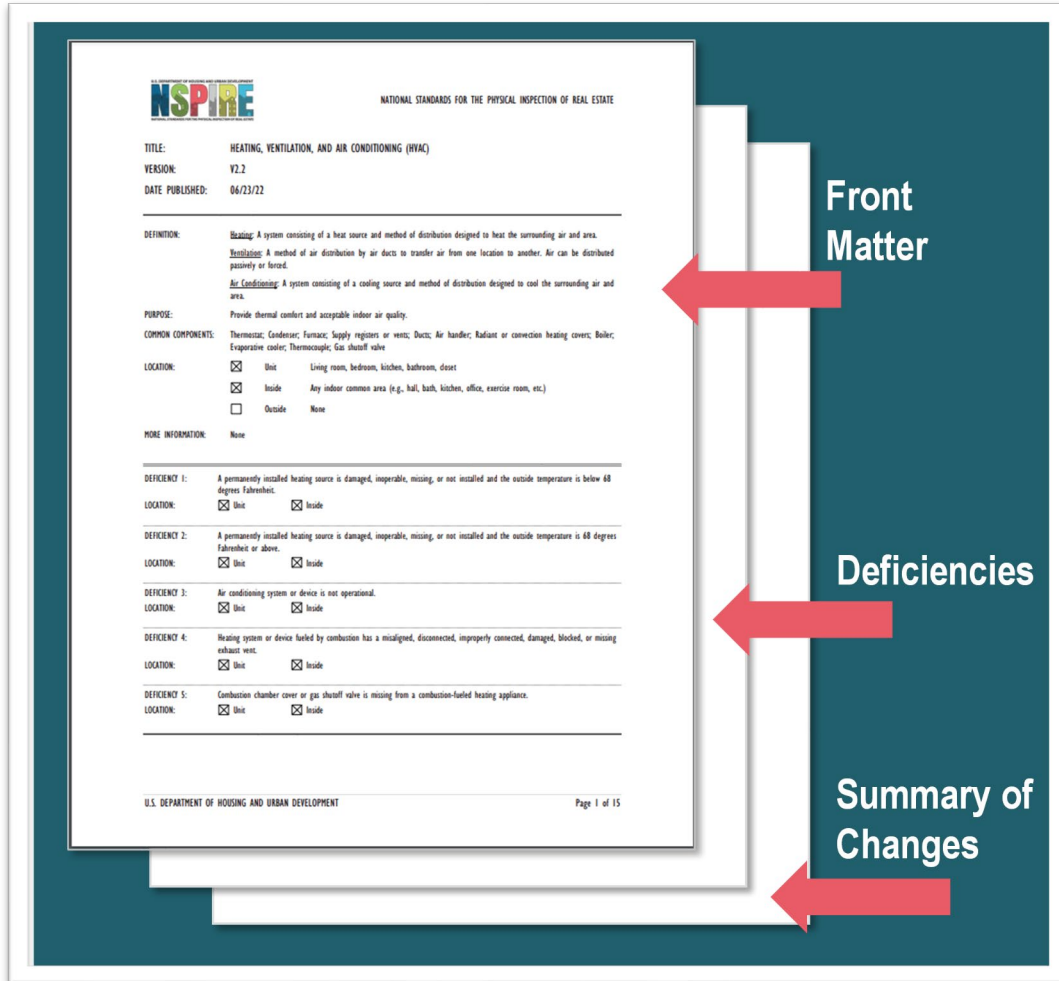
- Terminology
- Layout of the standards
- An overview of each component section of a standard, from front to back



The image shows a screenshot of a document titled "NSPIRE NATIONAL STANDARDS FOR THE PHYSICAL INSPECTION OF REAL ESTATE". The document is a template for a standard, with various sections and fields. The sections include:

- TITLE:** States the title of the standard
- VERSION:** States the version of the standard (e.g., V1.3)
- DATE PUBLISHED:** Lists the date the version of the standard was published (e.g., 7/31/20)
- DEFINITION:** Defines the standard
- PURPOSE:** States the function, use, or purpose the item serves in the built environment, if applicable (i.e., if the standard refers to an item)
- NAME VARIANTS:** Lists other possible names that refer to the item
- COMMON MATERIALS:** Lists the most common materials that make up the item (e.g., wood, metal)
- COMMON COMPONENTS:** Lists the most common components that make up the item (e.g., shower head, faucet, drain)
- LOCATION:** This section has three checkboxes: Unit (This box is selected if the applicable inspectable area is within the unit), Inside (This box is selected if the applicable inspectable area is within the interior area, but not the unit itself (e.g., common areas)), and Outside (This box is selected if the applicable inspectable area is outside the dwelling)
- MORE INFORMATION:** States additional information that is relevant to the item
- DEFICIENCY I:** Lists the deficiency applicable to the standard. Below, the boxes are selected to define whether the specific deficiency applies to the Unit, Inside, or Outside inspectable areas.
- LOCATION:** This section has three checkboxes: Unit, Inside, and Outside

At the bottom of the page, it says "U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT" and "Page 1 of 3".



Organization of NSPIRE standards

HUD redesigned the format and language.

- Beginning section (front matter)
 - Defines the inspectable item
 - Summarizes the deficiencies
- Deficiencies
 - In order of inspectable area
 - Provides additional information to inspect the deficiency
- Summary of Changes lists revisions to the standard

Summary of Changes

- As part of its continuous improvement of NSPIRE, HUD documents the revisions it makes to each standard
- The Summary of Changes is provided at the end of each standard and lists:
 - Fields updated in the standard
 - Revision dates starting with the most recent version

Deficiency 1		V2.2	2022-06-23
Health and Safety Determination	Unit: Relabeled from "Standard" to "Moderate" Inside: Relabeled from "Standard" to "Moderate"		
Deficiency 3		V2.2	2022-06-23
Health and Safety Determination	Outside: Relabeled from "Standard" to "Moderate"		
More Information	Revised response	V2.1	2021-04-02
Deficiency 2		V2.1	2021-04-02
Health and Safety Determination	Unit & Inside: Revised to "Severe Non-Life-Threatening"		
Inspection Process	Unit & Inside: Revised more information		
Deficiency 4		V2.1	2021-04-02
Health and Safety Determination	Outside: Revised to "Severe Non-Life-Threatening"		
Inspection Process	Outside: Revised more information		
Title	Revised title	V2.0	2020-10-28
Definition	Revised definition	V2.0	2020-10-28
Purpose	Revised purpose	V2.0	2020-10-28
Name Variants	Revised name variants	V2.0	2020-10-28
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		Page 8 of 10	

Key Takeaways

- NSPIRE strengthens HUD’s physical condition standards to emphasize resident health and safety
- NSPIRE aligns inspection standards across all HUD-assisted properties, as directed by Congress
- NSPIRE Standards can be found on HUD.gov
- Get ready now for changes to come (e.g., check fire doors, smoke detectors, carbon monoxide alarm)
- NSPIRE will prioritize the components of the property that impact the resident the most – resident units



NSPIRE

Scoring Model

Speakers: Ashley Leia Sheriff & Cliff Kornegay

Purpose

By the end of this module you will be able to:

- Understand the mechanics of the old (UPCS) Inspection Scoring Model
- Comprehend the proposed NSPIRE Inspection Scoring Model features
- Align proposed NSPIRE goals with NSPIRE Inspection Scoring Model features



Background - UPCS Scoring Model

- **100-point score scale:**
 - The best possible inspection score is 100 and deficiencies generally cause the inspection score to decrease by some amount.
- **Item and Area-Based Limits**
 - Under UPCS, the total score of 100 is comprised of five area scores that each comprised a certain limited percentage of the total score.

Area	Typical % of Property Inspection Score
Units	35
Building Systems	20
Common Areas	15
Building Exterior	15
Site	15

Item and Area-Based Limits

- Further, each area is inspected for specific items.
 - For example: if a kitchen has 10 inspectable items (e.g., door, ceiling, cabinet, floor, lighting, HVAC, etc.,) each of the 10 items (if present) have a 10% “item weight.”
- When a deficiency is cited, the impact that the deficiency has on the area score relates to this “item weight” that is subsequently multiplied by a few additional values, which are shown and described on the following slide.

Criticality and severity level:

- Under UPCS, each “item weight” is multiplied by a predetermined severity and criticality level.

Severity Level	Multiplier Value
3	1.00
2	0.50
1	0.25

Criticality Level	Multiplier Value
5	5.00
4	3.00
3	2.25
2	1.25
1	0.50

Draft NSPIRE Physical Inspection Model Features



UPCS Comparison to NSPIRE Scoring Model



UPCS	NSPIRE
Complex system of weightings, multipliers, and limits	Simplified three-step scoring system
Unsafe properties could still receive a passing score for a variety of reasons, including mechanisms of “capped” item and area weights	Unsafe properties will not receive a passing score due to focus on Health & Safety and Unit-based defects
Item and area weights could sometimes cause less important defects to disproportionately factor into inspection scoring	Defect Valuation Table makes clear the hierarchy of defect importance on Inspection Score



NSPIRE Draft Scoring Model



- **Not Finalized – currently undergoing calibration**
- **Draft Defect point system:**
 - Each deficiency causes the inspection score to decrease by some prescribed amount according to severity and location.
 - ***Health and safety (H&S)*** make up most of the NSPIRE deficiencies because they are focused on the most critical elements that impact resident safety and habitability.
 - Sum of “Defect Points” will be standardized to accommodate different property sizes

NSPIRE Draft Scoring Model

The **Draft Defect Valuation Table** concept is the backbone of the scoring model. ⊗ Symbols shown in the table represent increasing defect value, not actual values for location and severity blocks.

	Outside	Inside	Unit	
Life-Threatening	⊗ ⊗ ⊗ ⊗ ⊗ ⊗ ⊗ ⊗ ⊗ ⊗	⊗ ⊗ ⊗ ⊗ ⊗ ⊗ ⊗ ⊗ ⊗ ⊗ ⊗	⊗ ⊗ ⊗ ⊗ ⊗ ⊗ ⊗ ⊗ ⊗ ⊗ ⊗ ⊗	24-hour remediation
Severe, Non-Life-Threatening	⊗ ⊗ ⊗ ⊗ ⊗ ⊗ ⊗	⊗ ⊗ ⊗ ⊗ ⊗ ⊗ ⊗ ⊗	⊗ ⊗ ⊗ ⊗ ⊗ ⊗ ⊗ ⊗ ⊗	
Moderate	⊗ ⊗ ⊗ ⊗	⊗ ⊗ ⊗ ⊗ ⊗	⊗ ⊗ ⊗ ⊗ ⊗ ⊗	30-day remediation
Advisory		⊗ ⊗	⊗ ⊗ ⊗	

Higher defect Point Value (indicated by an arrow pointing from the bottom-left to the top-right of the table)

Final Defect Valuations are in the process of being finalized.

Draft Scoring 3-Step Process

1. Count defects of each type. Multiply by values in defect valuation table (*example* values shown in table to right). Yields **total defect points**.
2. Size-adjust **total defect points**
 - May divide total defect points by units inspected to adjust for property size
3. Normalize **area-adjusted defect points** into **0-100 scoring scale**

	Outside	Inside	Unit
Life-Threatening			
Severe, Non-Life-Threatening			
Moderate			
Advisory			

Draft Scoring Example



	Outside	Inside	Unit
Life-Threatening	Gas dryer exhaust ventilation system has restricted airflow.	Structural system exhibits signs of serious failure.	Flammable or combustible material is on or near an ignition source.
Severe, Non-Life-Threatening	A sharp edge that can result in a cut or puncture hazard is present.	Fire labeled door does not close and latch or self-close and latch.	Call-for-aid system is blocked.
Moderate	Trip hazard on walking surface.	Plumbing leak that allows for water intrusion in unintended areas.	Refrigerator component is damaged such that it impacts functionality.
Advisory	Water runoff is unable to flow through the site drainage system.	Auxiliary lighting component is damaged or missing.	Presence of mold-like substance at very low levels is observed visually.

Categorization into Letter Grades (Proposed Feature)

Grade A	Great condition Minor defects and patterns	Least frequent inspections	90-100	} Passing Grade
Grade B	Good condition Mostly minor defects and patterns	Less frequent inspections	80-89	
Grade C	Marginal condition Livable conditions but should be monitored	Standard inspection frequency	60-79	} Substandard Grade
Grade D	Bad condition Serious defects and patterns	Higher inspection frequency	30-59	} Failing Grade
Grade F	Very bad condition More serious defects and patterns	Highest inspection frequency	0-29	

Draft NSPIRE Sampling Plan

Draft NSPIRE Sampling Plan

- **Not Finalized – currently undergoing calibration**
- **Draft NSPIRE Sampling Plan:**
 - Number of Units Sampled during inspections may increase under NSPIRE
 - Resident-selected Units may not be excluded from the Inspection Sample
 - Buildings may be inspected with a likelihood that is related to their number of units (e.g., buildings with higher unit counts are more likely to be inspected)



NSPIRE

Operations & IT Information

Speaker: Marcel Jemio and Kevin Laviano

Key Topics

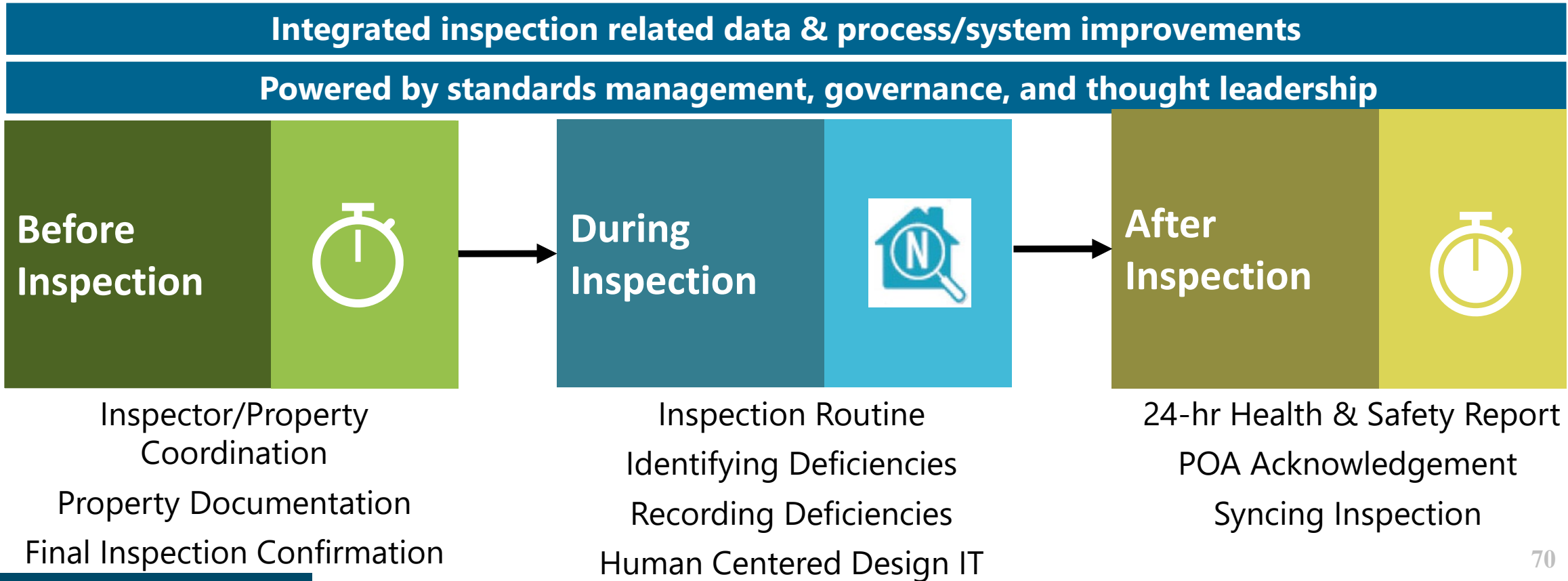
Delivering on NSPIRE is built on top of process improvements, talented people, and the use of state-of-the-art technology

- Before the inspection
- During the inspection
- After the inspection
- Value Statement/Benefits



Improvements to Operations

- What happens before, during, and after inspections is changing
- We are designing as digital an experience as possible



Before Inspection

Before-Inspection Highlights


- POAs will receive automatic emails directing them to verify their property profiles prior to inspection
- POAs will have access to an integrated dashboard to update property information including certificate upload (elevator, fire extinguishers, etc.)
- Continued effective coordination between NSPIRE inspectors and POA once inspection is scheduled
- HUD upgraded back-end automated systems to streamline internal inspection administrative processes (i.e., scheduling, inspectors' roles)



Inventory Management


Inventory Management is the process to ensure that property inventory for the inspection line of business are complete and accurate

Inventory Management – Key Changes

- 
- A blue pushpin icon is pinned to the top right corner of the text box.
- Field Offices (FOs) will have the ability to track and query property profiles directly in the Salesforce platform but will still need to update the property profiles in the source systems
 - Processes will be streamlined to notify down stream customers when to verify and update property profiles prior to an inspection thus resulting in increased inventory accuracy
 - Variance report will identify properties with inconsistent, incomplete, or inaccurate profiles based on the inspection

Ordering is the process for creating property inspection orders

Ordering – Key Changes

- 
- A blue pushpin icon is pinned to the top right corner of the list box.
- Generate a collection of Inspection of Record Orders including properties to be inspected, which are then automatically routed to FOs and Program Offices (POs) for review and approval
 - FOs new responsibility includes examining new orders for issues, or delaying the inspection for any property in the collection
 - FOs and POs will receive automated notifications when orders are placed to vendors
 - Ad-hoc orders initiated as “one-off” inspections performed as a result of Congressional inquiry, low scores, high risk, etc.

Scheduling is reengineered to include an Integrated Master Schedule (IMS) on Salesforce to improve resource, workload, and financial planning.

Scheduling – Key Changes

- Vendors and POAs will have access to view scheduled inspections associated with their organization
- Prior to inspection day POAs will:
 - Receive an email link to their property profile for validation
 - Interface with a single platform to verify and update property profiles and view scheduled inspections
 - Upload certificates to Salesforce (e.g., fire suppression, elevator, boiler)
 - Provide an accurate point of contact to generate work orders and close out H&S items



Tracking & Managing Inspections



ExAM Inspection

INSP-01045

+ Follow

✓

✓

✓

✓

✓

In Review

Review Complete

Details

✓ Information

Inspection Name	INSP-01045	Owner	Matt Crockett
Inspection ID	REAC QA Internal Test Dev 12	Inspection Vendor	REAC QA Internal
Development	A-077524	Assigned Inspector	Robert West
Inspection Unsuccessful Reason	📌 N/A	Number of Sample Buildings	2
Occupancy Percentage		Number of Sample Units	4
Inspection Due Date		Number of Sample Alternate Units	0
RVI	In-Person	Total Number of Units	4
		Min Number of Units Required to Inspect	4
		Total Number of Sample Units Inspected	4
		Cancellation Day of Inspection	
		Cancellation Prior to Inspection	

✓ Inspection Date/Time Information

ExAM Deficiencies (3+)

[QR-2622](#)

Corrective Timeframe: 30 days
Status: Acknowledged/Unmitigated
Development: [A-077524](#)

[QR-2624](#)

Corrective Timeframe: 24 hours
Status: Acknowledged/Unmitigated
Development: [A-077524](#)

[QR-2626](#)

Corrective Timeframe: 30 days
Status: Acknowledged/Unmitigated
Development: [A-077524](#)

[View All](#)

Assignment Manager (3+)

[AM-1275 09-27-2022](#)

Property:
Assessment Template ... H&S Acknowledgment
Assessment Classificati... NSPIRE Inspection

[AM-1276 09-27-2022](#)

Property:
Assessment Template ... Outside Inspection
Assessment Classificati... NSPIRE Inspection

[AM-1277 09-27-2022](#)

During Inspection

During Inspection Highlights

- Actions on the day of inspection are streamlined due to:
 - Previous validation of property profile information
 - Previous validation of profile sampling variables such as offline buildings and units, vacancy rates, and converted units (if applicable)
 - More efficient visual verification of properties based on “real time” information
 - Modern inspection software



Discussion – App Features

8:35 PM Wed Sep 28 5G E 48%

Inside Inspection Submit All

Assessment Viewer

Assessable Record: A-074170
Assignment Manager: AM-1457 09-27-2022

Inside Standards
(1/51) 2% Completed

NOD OD NA

12. Egress *

NOD OD NA

13. Electrical - Conductor *

NOD OD NA

14. Electrical - GFCI or AFCI Outlet or Breaker * 1

NOD OD NA

15. Electrical - Outlet and Switch *

NOD OD NA

16. Electrical - Service Panel *

NOD OD NA

17. Elevator *

Electrical - GFCI or AFCI Outlet or Breaker

Electrical - GFCI or AFCI Outlet or Breaker

AFCI breaker

AFCI outlet

GFCI breaker

GFCI outlet

Cancel Next




Discussion – App Features



Electrical - GFCI or AFCI Outlet or Breaker

GFCI outlet

- Test or reset button is inoperable



Electrical - GFCI or AFCI Outlet or Breaker

Corrective Timeframe

24 hours

Image


* This field is required

Comment

Does not test

Room Inside

Garage




Discussion – App Features

Health_and_Safety_Report_-_09-28-2022_15-19.pdf - Adobe Acrobat Reader DC (32-bit)

File Edit View Sign Window Help

Home Tools Albany Dashboard... Health_and_Safety_... x

Save Print Email Search Up Down 2 / 5 Mouse Hand Min Max 129% Find Comment Annotations

Location Building 1 Victory Square_1 Parking Garage Sampling Status In Sample Corrective Timeframe 24 hours	Electrical - GFCI or AFCI Outlet or Breaker GFCI outlet or GFCI breaker is not visibly damaged and the test or reset button is inoperable. Comment Behind ac units in garage 
Location Building 1 Victory Square_1	Electrical - Outlet and Switch An unprotected outlet is present within six feet of a water source.

After Inspection

After-Inspection Highlights

- New inspection software automatically syncs with records
- Property representatives given health & safety reports daily, acknowledge receipt electronically and have immediate access to H&S report via automated links
- Information flows and timeliness between QC reviewers, Inspection Vendors, and POAs will be improved
- The inspection report format will be more user friendly
- Under NSPIRE, deficiencies have specific mitigation/repair timeline requirements (i.e., 24-hrs, 30-days)






Health & Safety



Health & Safety – Key Changes

- 
- H&S defects are synced (uploaded to Salesforce) at the end of an inspection
 - Records will be created and tracked through resolution including POA mitigations, supporting documentation, and FO verification
 - Multifamily and public housing organizations will receive H&S reports by their field office and region
 - Automated notifications for: open H&S items; items awaiting mitigation; insufficient defect resolution; and, when defect resolution is complete



Health & Safety



5:16 PM Wed Sep 28 5G 53%

U.S. Department of
Housing and Urban Development

Real Estate Assessment Center (REAC)
NSPIRE Inspection Report

Inspection Report for VICTORY SQUARE SENIOR APARTMENTS_1

Inspection ID	Inspector	Inspection Start Date	Inspection End Date
Victory Square Sample 1	Robert West		
Development	Organization Name	Address	
VICTORY SQUARE SENIOR APARTMENTS_1		600 BARNES STREET, NE, WASHINGTON, 20019, US	
Reason Unsuccessful	Inspection Status	Loan Status	
N/A	Partially Completed		
	# Total	# In Sample	# Inspected
Buildings	1	1	0
Units	97	21	1

Health and Safety Acknowledgement Signatures

Day 1 H&S

Point of Contact Signature

Bobby

Point of Contact Name

09/28/2022

Date of Signature

Day 2 H&S

Point of Contact Signature

Point of Contact Name

Date of Signature

Day 3 H&S

Point of Contact Signature

Point of Contact Name

Date of Signature

Building Deficiencies

Location	Electrical, GFI or AFCI Outlet or Breaker
----------	--

Submitting Evidence of Mitigations

The screenshot displays the NSPIRE web interface. A modal window titled "Submit Evidence of Mitigation" is open, allowing a user to provide details for a deficiency. The background shows a deficiency record for QR-4355658, including its information, details, and property information.

Submit Evidence of Mitigation

* Date/Time Mitigated
Oct 20, 2022 6:05 AM

* Mitigation Details

Evidence of Mitigation (REQUIRED)
Upload Files Or drop files

Next

Background Deficiency Record:

- NSPIRE Deficiency QR-4355658
- Deficiency Information: Life-Threatening
- Deficiency Details: Unit -> Carbon Monoxide Alarm -> Carbon monoxide detector does not produce audio or visual alarm when tested -> Carbon monoxide detector does not produce audio or visual alarm when tested.
- Property: TEST- MF PROPERTY
- Deficiency Location: MF TEST UNIT 1
- Deficiency Location Address: [Redacted]



Reviewing & Adjudicating Mitigations



Approve Mitigation

Mitigation Reviewer Comment

Evidence and repair is acceptable.

Status

Mitigation Approved

Cancel Save

NSPIRE Field Office App NSPIRE Inspections NSPIRE Deficiencies

NSPIRE Deficiency QR-4355658

Details

Deficiency Information

NSPIRE Health & Safety Life-Threatening

Deficiency ID QR-4355658

Question Label Unit -> monoxide detector or visual alarm when tested.

Building Address MF TEST UNIT 1

Room/Location

Deficiency Location Address

Location (Unit/Inside/Outside) Unit



Appeals



Appeals is the process responsible for POAs submitting appeal requests associated with an inspection on their property

Appeals – Key Changes

- POAs will submit appeals digitally via Salesforce
- Appeals lifecycle management is streamlined thereby improving visibility, tracking and reducing process cycle times



Reports and Dashboards

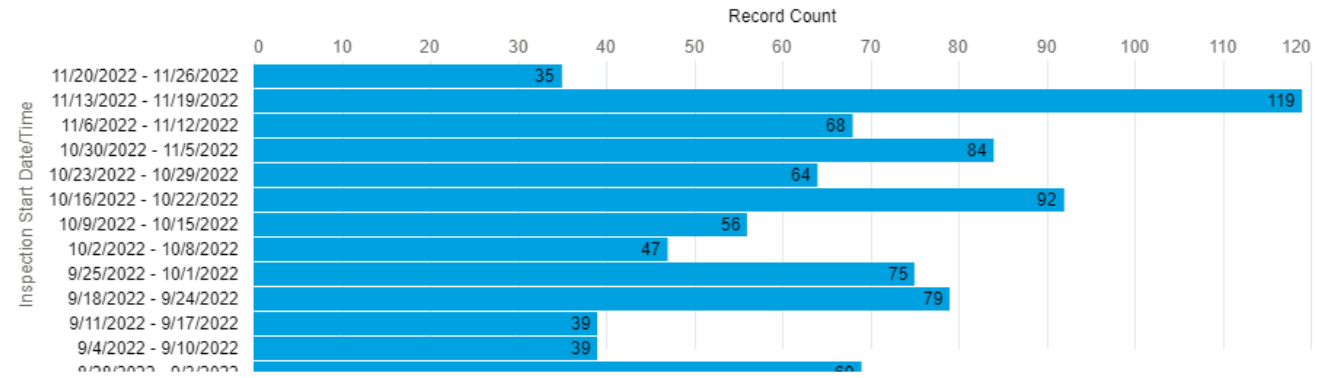


NSPIRE Demo Inspections Running Total

2,181

(does not include 24 Sharepoint inspections)
[View Report \(ExAM Inspections for NSPIRE\)](#)

NSPIRE Demo Inspections in Last 7 Group



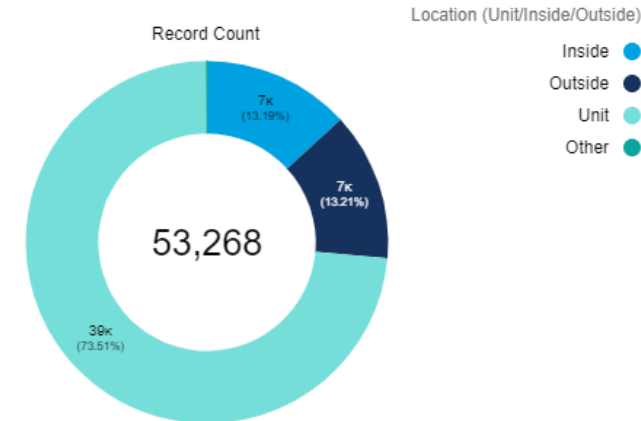
[View Report \(NSPIRE Demo Inspections in Last 7 Group\)](#)

Total Number of Deficiencies

53,268

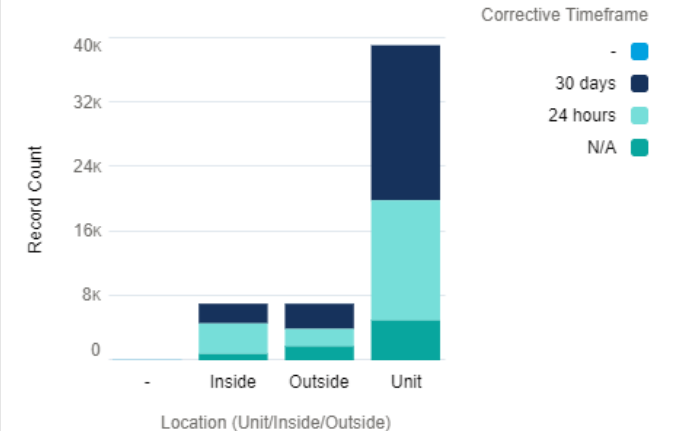
[View Report \(Deficiency Report\)](#)

Location of Deficiency Breakdown



[View Report \(Deficiency Report\)](#)

Location by Corrective Timeframe



[View Report \(Deficiency Report02\)](#)



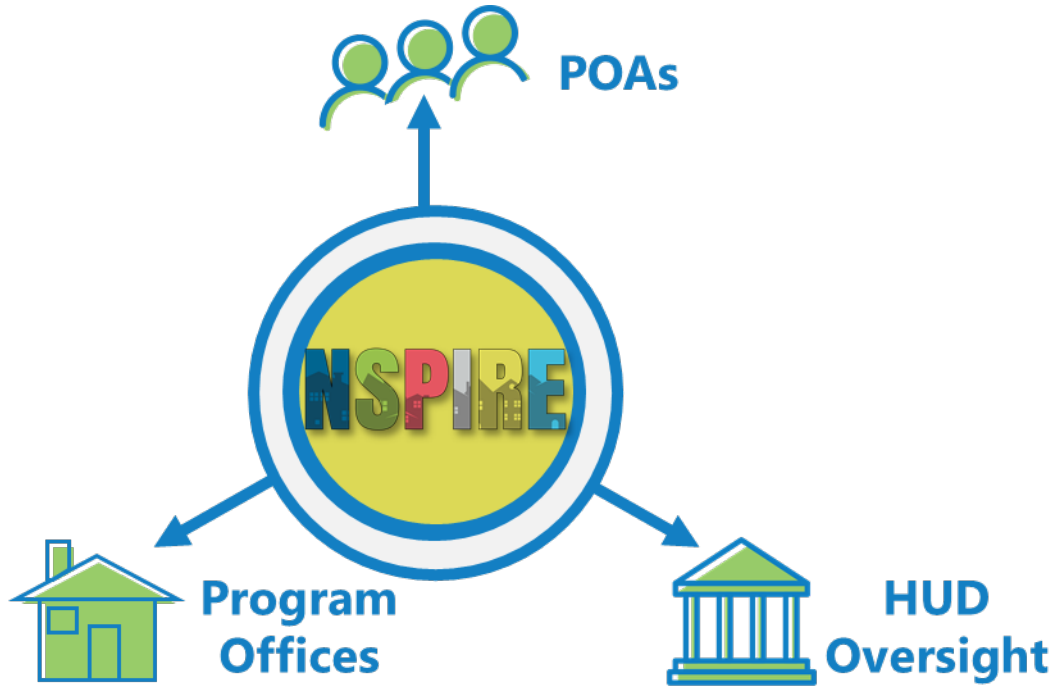
Value Statement



We are transforming the way HUD manages the quality of more than 6 million affordable housing units, emphasizing the health and safety of more than 10 million residents. We are improving our core business capabilities by:

- **Integrating operations** and improving infrastructure to streamline workflows and utilize automation technology
- **Utilizing advanced analytics** to improve risk management and better allocate resources to housing improvements that are most needed
- **Improving** assessments to more accurately detect properties with hazardous conditions, promote timely response, and incentivize continuous quality improvement for properties

Revitalized Service Delivery Model



We value our customers and seek to prioritize improvements that re-establish relevance and align services with customer needs

ENHANCED CONNECTIVITY

to accelerate housing quality improvement

Connected Property Owners and Agents (POAs), HUD Oversight (i.e., REAC, OFO, DEC), and Program Offices increases transparency and coordination

ENHANCED OPERATIONS

to streamline business processes & user experience

Real-time data and intuitive automated workflows improve business processes focusing on timely detection, remediation, and improvement of homes

ENHANCED TECHNOLOGY

to increase productivity and data analytics

Modern, digital experience improves portfolio management, risk assessment, and predictive analytics

Benefits to POAs & Field Staff

For POAs:

- Efficient coordination and scheduling
- System generated health and safety notifications and instructions for appropriate users
- Enhanced case management for appeals
- Technology solution can integrate with required systems such as property source systems, procurement systems, and financial systems
- Refreshed scoring model promotes emphasis on health and safety of residents

For Field Staff:

- Improved transparency and communication from REAC to equip Field Staff to provide tailored support to its customers
- Manually intensive tasks are automated to maximize staff's efforts on high value, high return items
- Direct input from staff informs ongoing NSPIRE process design and continuous improvement



Key Takeaways



- NSPIRE strives to enhance connectivity, enhance operations, and enhance technology as part of the end-to-end inspection life-cycle
- Business processes have been reengineered to improve timeliness, efficiency, and accuracy of organizational performance
- POAs and Field staff will see benefits of streamlined workflows and reduction in manual work



NSPIRE

Prep for NSPIRE

Initial Operating Capabilities (IOC)

Speaker: Marcel Jemio and Kevin Laviano

Key Topics

Delivering on NSPIRE is built on top of process improvements, talented people, and the use of state-of-the-art technology

- Overall plan for the Initial Operating Capability (IOC)
- NSPIRE Demonstration work and activities
- Training preparation
- NSPIRE Pilot definition and expected outcomes






Planning for System Delivery

CALENDAR YEAR 2022

CALENDAR YEAR 2023

JULY | AUG | SEPT | OCT | NOV | DEC | JAN | FEB | MARCH | APRIL | MAY | JUNE

<p>Stage 1 – Learning</p> <p>Evaluate standards, evaluate protocol, & research initial IT</p>	<p>Stage 2 – Testing</p> <p>Conduct inspections to collect data, perform field evaluation QA (i.e., side by side), & refine scoring model</p>	<p>Stage 3 – Pilot</p> <p>Evaluate end-to-end life-cycle operations</p>	<p>Go-Live </p>
--	--	--	---

NSPIRE Standards & Inspector Protocol Processes Refinement

System Development, Testing, and Improvement



Training Preparation for IOC

CALENDAR YEAR 2023

JAN

FEB

MARCH

APRIL

MAY

JUNE

➤ Training Development

Go-Live



➤ Training Delivery

Get Ready Series, Office Hours, Webinars, FAQs

Audience Groups:

- Federal Inspectors
- Contract Inspectors
- POAs
- Property Maintenance Staff
- Service Mortgagees
- Field Office Staff

Topics:

- Standards
- Application
- Protocol
- Back End Processes

➤ Training Publishing

Full NSPIRE toolkit will be available on the HUD.gov
NSPIRE webpage

https://www.hud.gov/program_offices/public_indian_housing/reac/nspire

Pilot Description

The Pilot has inspection lifecycle functionality live for all parties involved in a REAC inspection. The Pilot includes:

- Simulation of the inspection process for real properties as if it were an inspection of record – under the NSPIRE Demonstration Notice
- Testing the inspection end-to-end lifecycle
- Testing with up-to-date NSPIRE standards
- Demonstrating roles in the field based on new/shifted NSPIRE processing standards and functions (e.g., operations, systems, standards, & protocols, reporting)





Pilot Expected Outcomes



**Begin With
Basic
Operational
Readiness**

**Prepare
For Full
Operations**

**Incorporate
Iterative
Improvements
&
Enhancements**

**Perform
Operational
Readiness
Assessment**

**Identify
Potential
Blockers for
Go-live**



Key Takeaways



- The NSPIRE Demonstration serves as an opportunity to gather input from stakeholders, refine processes, and ensure all mechanisms are in place to facilitate the nationwide IOC go-live
- Prior to IOC go-live, NSPIRE will undergo a Pilot
- Training will be provided for impacted groups



NSPIRE

Questions and Feedback

NSPIRE@hud.gov or search for “HUD NSPIRE” found on HUD.gov

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