

6. SUMMARY OF PARTICIPANT OBSERVATIONS:

Deficiency Definitions

There were some common deficiency definitions that the Industry Observers did not think were clear or were still too strict. They included:

- **Graffiti** - The change in the definition from "...as to be seen by the public" is not significantly different from "...as to be seen by the public from a distance of 30 feet"

Response: This definition will be revised.

- **Sidewalk Cracks** - The addition of "proportionality" is a positive change. However, the level 2 deficiency states that "Evidence of cracks (greater than 1/8 of an inch) which effects traffic ability over more than 5% of the property's walkways/steps". The definition does not explicitly state how much of the crack needs to be greater than 3/4 of an inch in order to be considered a deficiency.

Response: This definition will be revised.

- **Fire Extinguishers** - Expiration of certification does not mean that the fire extinguisher does not operate. That language should be removed from the definition.

Response: The definition was revised to state "In cases where the tag is missing, accompanying authority may produce proof of current fire extinguisher certification during the REAC inspection. In such cases, do not record a deficiency for a missing tag."

- **Resident Damage** - The protocol does not take into account resident damage to the units.

Response: The Management ultimately bears the responsibility of the condition of the dwelling units. This is true in private housing as well as public housing. If the HA discovers that a resident is not keeping their dwelling unit in good condition it has remedies through lease enforcement.

- **Penetrating Vegetation** - Level 2 of the deficiency states "Plant life is in contact with an unintended surface....,but visible damage is not observed".

Response: This definition will be revised.

- **Locked Rooms** - PHAs are cited for health and safety violation in a locked room, where only qualified personnel are allowed in (i.e. electrical room).

Response: This is addressed in the revised training protocols.

- **Slow Drains** - Inspectors determine if a unit has a "slow drain", that is a subjective observation.

Response: This is addressed in the revised training protocols.

- **Play Area vs. Open Community Area** - Does the inspector or the PHA determine what is a Play Area vs. Open Community Area?

Response: This is addressed in the revised training protocols.

- **Floor Covering** - Is a hardwood flooring a “floor covering”?

Response: This is addressed in the revised training protocols.

- **Proportionality** - This concept should also be applied to fencing, erosion, pot holes, ruts, tripping hazards, and litter.

Response: Fencing is addressed in the revised training protocols.

- **Non-PHA Property** - The inspector should note what the PHA owns. PHA’s should not have to submit database corrections to REAC.

Response: The database correction is the best method for capturing this information. Each year there may be a new inspector, the database correction permanently corrects the problem.

- **State Code** - The inspection should account for differences between the PHAS rule and state codes in the software. PHAs should not be penalized for PHAS deficiencies, if they are mandated by state code.

Response: The database correction rectifies this issue.

- **Smoke Detectors** - Smoke detectors are still an open issue.

Response: This definition will be revised.

PHAS (General)

In addition, the Industry Observers felt there were various items that still has not been addressed in the PHAS.

- **Appeals Process** - The Final Rule does not provide adequate time to the PHAs to review the Physical Inspection reports and create a written appeal.

Response: The 30 day appeal timeline does not begin until the aggregate PHAS score is received by the PHA. PHAs will receive physical inspection scores on a “rolling” basis. They can begin investigating the basis for a written appeal as soon as they receive the first physical inspection score.

- **PHA PHAS Training** - PHAs feel they need intensive PHAS training on each of the indicators, in order to fully comply with the PHAS.

Response: HUD is currently conducting six training sessions across the country. Once these sessions are complete, we will assess the need for future training.

- **Inspector Training** - There is a perception that the inspectors lack the necessary training and experience to objectively complete an inspection.

Response: To ensure uniform application of the inspection protocols, REAC has enhanced its Quality Control and Quality Assurance processes, to reflect incorporation of the new 2.3 software and its application and revised inspector training protocol. This was accomplished by revising the Quality Assurance process to include more contractor audits and reinforced training and qualification validation.

- **Inspector Communication with the PHAs** - The PHAs felt that the inspector communication with them during the testing was invaluable. HUD should instruct all inspectors to freely communicate with the PHA representatives.

Response: Inspectors are objectively focused on the inspection. Answering PHA questions may detract from the inspection.

- **Reports as a Management Tool** - The report should be formatted so PHAs can utilize it as a management tool.

Response: The revised PHAS physical inspection report has been reformatted so that the PHA knows the amount of points deducted for each deficiency.

- **Funds for Rectifying the Deficiencies** - Many Industry Observers pointed that PHAS imposed stricter standards on PHAs, while not providing any additional funding to meet the standards.

Response: While additional funds have not been made available by Congress, the Quality Housing and Work Responsibility Act of 1998 gives PHAs significantly more flexibility to manage their own funds and to explore new funding sources. For example, there is an expanded number of eligible activities under capital funding and PHAs can keep earned income that is above and beyond resident rents.

- **Scoring Methodology** - The PHAS scoring is too complex. PHAs will have difficulty determining where they are losing the majority of their points.

Response: The revised PHAS physical inspection report will clearly show how items are scored.

- **HUD's System Capacity** - Does the REAC system have adequate capacity?

Response: The system capacity is being enhanced to accommodate "surge" inputs by June 1, 2000.

- **Statically Valid Sampling** - PHAs should be notified of what are considered "statically valid samples" and why.

Response: The tables used to sample units in specific projects can be derived from most statistical text books such as "Sampling Techniques," by William G. Cochran, published by John Wiley and Son in 1963.

- **Resident Service and Satisfaction Survey (RASS)** - The survey results do not provide enough information for PHAs. The results should be delivered by development and question.

Response: We are aware that the RASS does not currently provide development specific information to PHAs. Further, we understand that development specific information would assist the PHA in targeting their Follow-up Plan. In response to the industry's request, we are working to provide this information at that level of detail. We expect to do so for PHAs in the first quarter for FY 2001. Later this year, HUD will be able to provide aggregate results on-line by survey question as well as by survey section. In addition, we will provide information on how many surveys were mailed to residents and how many responded.

- **Work In Progress Modernization** - Only deficiencies in the unit are exempted under the PHAS rule.

Response: The exemption applies to all area in the PHA. This change will be published in the technical correction to the PHAS rule.