

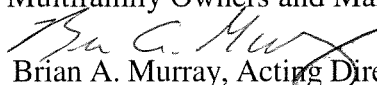


U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-8000

OFFICE OF HOUSING

JUL - 8 2019

MEMORANDUM FOR: Multifamily Regional Directors  
Multifamily Satellite Office Directors  
Performance Based Contract Administrators  
Multifamily Owners and Management Agents

FROM:   
Brian A. Murray, Acting Director, Office of Asset Management  
and Portfolio Oversight, HTG

SUBJECT: **Working with Owners and Residents at Department of Housing and Urban  
Development (HUD) Multifamily Housing (MFH) Properties**

This memorandum provides clarifications to existing HUD guidance related to working with residents and addressing issues at HUD MFH properties as well as a reminder of the importance of following the guidance.

**Owners' Responsibility to Notify Residents of a Physical Inspection**

The Code of Federal Regulations at 24 CFR, part 200, subpart P, §200.857(g) states that an "Owner must notify its residents of any planned physical inspections of their units or the housing development generally." Residents should be given at least 24-hour notice of a planned inspection unless state and/or local law requires more than a 24-hour notice. HUD encourages owners to give as much advance notice as possible to residents.

**Owners' Responsibility to Make Inspection Documents Available for Comment and Review**

The Code of Federal Regulations at 24 CFR, Part 200, Subpart P, §200.857(g)(2) describes an owner's obligation to make certain physical inspection documents available for review and comment. Once the technical review appeal period (30-days) and the database adjustment appeal (45-days) time periods have expired, the owner must make its physical inspection report and all related documents available to residents during regular business hours and upon reasonable requests for review and copying. Related documents in this case include, but are not limited to, the following:

- Notice of Default (NOD) of Housing Assistance (HAP) contract or a Notice of Violation (NOV) of Regulatory Agreement, if the owner received one. Owners must provide a copy of the NOV/NOD to residents receiving project-based Section 8 assistance by leaving a notice under each door, posting the notice in the mail room, and on each floor, or by other means;
- The "Owner's Certification that the Physical Condition of the Project is in Compliance with

HUD Contracts and the Physical Condition Standards of 24 C.F.R §5.703”, along with the 100% survey of the project, as requested in an NOD or NOV;

- Owner’s Plan of Corrective Action, if one was submitted.

Once the owner’s final physical inspection score is issued, the owner must make any additional information, such as the results of any re-inspections, technical review and database adjustment appeal requests available for review and copy by residents upon reasonable request during regular business hours. All documents must remain available for review for 60-days from the date the final score was issued.

The owner must also post a Notice to the residents in the owner’s management office and on any bulletin boards in all common areas that advises the residents of the availability of the materials noted above. The Notice should include the name, address, and telephone number of the HUD Field Office Account Executive or Resolution Specialist. Residents are encouraged to comment on all the information provided by the owner directly to the applicable HUD Field Office. Should residents discover that the owner provided HUD with a false certification during the review they are encouraged to notify the applicable Field Office for the appropriate action. The appropriate course of action may include a site visit to verify the repairs. Based on that visit, staff may feel the need to pursue the owner for false certification and/or call for a REAC Quality Assurance (QA) inspection. Field staff should work with their local Office of General Counsel (OGC) on false certification charges. Requests for Real Estate Assessment Center (REAC) Quality Assurance (QA) inspections are not to be used to confirm repairs and must be coordinated with HQ Multifamily Asset and Counterparty Oversight Division (MACOD) staff due to the limited QA resources.

### **Implementation of New House Rules at Assisted Housing Properties**

House Rules are the owner’s written and displayed policies outlining the residents’ responsibilities. Clear, concise, and reasonable House Rules are crucial to the residents’ quality of life at an assisted housing property. House Rules establish normal conduct for owners, management agents, and residents at the property and provide the rules for areas of mutual interest such as noise, pest management, security, and trash disposal. Owners and management agents are encouraged to consult their residents before establishing or making significant changes to the House Rules. It is in the best interest of owners, management agents and residents to work collaboratively in development of the House Rules that are fair, practical, and effective in supporting a safe, sanitary and decent living environment. In addition, all residents must receive a copy of the House Rules and have opportunities to ask questions to ensure they understand the policies.

House Rules are not reviewed by HUD Asset Management staff unless they are the subject of a tenant complaint or other concern about a property’s management. House Rules must be consistent with the HUD Model Lease, any applicable Use Agreement, and in accordance with residents’ rights under federal, state and local law. HUD staff and/or the Performance Based Contract Administrator (PBCA) must work with an owner to resolve any issues that are inconsistent with these requirements.

## **Owner Responses to Tenant Complaints**

When an owner or management agent submits a written response to a resident complaint to HUD or the PBCA, a copy of that response should be provided to the person who made the complaint, if requested. Since the owner's response may contain references to a tenant's personal information or circumstances, all applicable HUD privacy procedures must be followed in order to provide a copy of the response to anyone other than the person who made the original complaint. If the owner discusses more than one topic in the document, only the portions related to the resident's complaint should be provided. Normal records management policies apply. If the tenant is requesting an older document that falls outside of the normal records retention period and is no longer available, they should be promptly notified of the reason their request for documentation cannot be fulfilled.

## **Owner Self-Certification of Completed Repairs and Exigent Health & Safety (EH&S) Findings**

Resident advocates have raised concerns about owner self-certification of completed repairs. Owners and management agents are encouraged to submit supporting documentation with their reports identifying and certifying completion of repairs, such as:

- Photographs taken before and after repairs;
- Work orders or invoices from the contractor whom completed the repairs;
- Letters from relevant tenant organizations satisfied with the repairs.

The HUD staff and PBCAs may request supporting documentation, at their discretion, and are encouraged to do so, when appropriate. If Asset Management staff have concerns about an owner's certification of repairs, they should work with their Branch Chief to determine and follow the appropriate course of action.

If you have any questions, please contact Brandt Witte at (202) 402-2614 or [Brandt.T.Witte@hud.gov](mailto:Brandt.T.Witte@hud.gov).