



## **NSPIRE for Vouchers GET READY Session**

#### HUD's Real Estate Assessment Center (REAC) July 16, 2024

## **NSPIRE for Vouchers: Policy**

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## **Introduction to NSPIRE**

- National Standards for the Physical Inspection of Real Estate (**NSPIRE**)
  - Final Rule May 11, 2023
  - Final (current) Standards June 22, 2023
- Replaces Uniform Physical Conditions Standards (UPCS) for Public Housing
- Redefines Housing Quality Standards (HQS) for Housing Choice Voucher (HCV) programs
- Updates HUD's 20+ year old physical inspection models
- Prioritizes health, safety, and functional and structural defects
- Puts the focus on the areas that impact residents the most
- Better aligns inspection standards across HUD Housing



#### Administrative Notices for Voucher Programs

- On July 5, 2024, HUD gave PHAs the option to extend compliance for Voucher programs for another year until October 1, 2025, through Federal Register Notice (89 FR 55645).
  - HUD first gave PHAs the option to extend NSPIRE compliance for Voucher programs until October 1, 2024, on September 28, 2023 (88 FR 66882).
- Notice PIH 2023-28 was issued on September 29, 2023, which implemented NSPIRE for HCV programs, including the Project-Based Voucher (PBV) program, and the Section 8 Moderate Rehabilitation (Mod Rehab) program, included details about the initial extension, and additional administrative procedures for NPSIRE implementation.
- REVISION to Notice PIH 2023-28 currently in clearance process to include:
  - Details about the new extension of compliance date to October 1, 2025.
  - Updates to the requirements to notify HUD.
  - Reminders to PHAs that certain standards must be met due to statutes.



## Compliance Date Extended

- Previous Compliance Date: October 1, 2024
- New Compliance Date: October 1, 2025
- If you have already implemented NSPIRE into your HQS inspections and notified HUD, there is nothing further you need to do at this time
- If you will delay until October 1, 2025, there is nothing further you need to do at this time.
- If you plan to implement NSPIRE anytime before the new compliance date, you will need to notify HUD (instructions forthcoming).



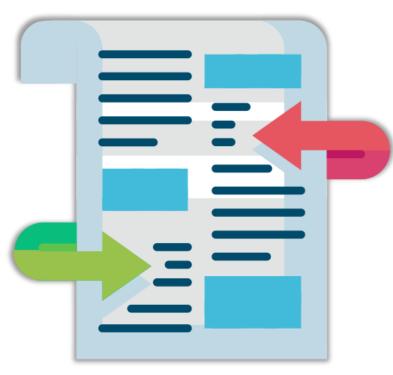
#### Notification of Implementation NSPIR of NSPIRE for Vouchers

- With the new extension, PHAs are now only required to notify HUD if they will implement NSPIRE for Voucher programs before October 1, 2025.
  - If they have already implemented NSPIRE for Voucher programs and have already informed us and received confirmation, they do not need to inform us again.
- We are working on a form that we may be able to link in the Notice Revision to make the notification process easier. If we succeed, PHAs won't need to email, just click a link to submit a form. If we are not, then just like before...
- If a PHA plans to implement NSPIRE any date prior to October 1, 2025, they must notify HUD by emailing <u>NSPIREV AlternateInspection@hud.gov</u> and cc'ing their Field Office representative with the following:
  - PHA Name & PHA Code
  - The date they plan to implement NSPIRE (and keep us posted if it changes).



## **NSPIRE Final Rule**

- Established NSPIRE as the unified inspection protocol for HUD Housing
- HUD will update NSPIRE Standards every three years through Federal Register notice allowing opportunity for public comment
- "Affirmatives" now in regulation for all HUD Housing (previously "acceptability criteria" for HCV)
- New nomenclature for health and safety deficiencies:
  - Life-threatening, Severe, Moderate, Low
- Aligns all HUD Housing with HOTMA's Life-Threatening List
- Many other specifics for Public Housing and Multifamily Housing (can be found in Notice PIH 2023-16)





#### **Standards Notice**

- Published on June 22, 2023 (Federal Register)
- Included new H&S classifications:
  - Life-threatening
  - Severe
  - Moderate
  - Low
- Designated three inspectable areas:
  - Unit
  - Inside
  - Outside

- The standards are the SAME FOR ALL HUD HOUSING!
- Named eight critical focus areas:
  - Fire Safety
  - Water Safety
  - Mold & Moisture
  - Carbon Monoxide
  - Infestation
  - Lead-Based Paint
  - Structural
  - Habitability

## Unchanged for Voucher Programs

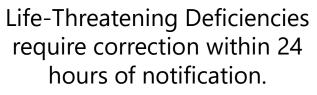
- Types of inspections (initial, periodic, special, turnover for PBV)
- Timing of inspections (biennial, triennial, sampling for PBV)
- Who conducts inspections (PHAs, Contractors, Independent Entity)
- Allowance for HUD-approved Variations (for local codes/conditions)
- Alternative Inspection Methods (inspections for other types of housing assistance)
- Special Housing Types (24 CFR Part 982 Subpart M)
  - Special requirements still exist
- Enforcement of Housing Assistance Payments (HAP) Contract
- Enforcement of Family Obligations



- <u>NSPIRE changes the standards</u>, not voucher inspection policy or procedures!
- Established standardized "Inspectable Areas"
  - Unit, Inside, Outside
- New categories for health and safety (H&S) deficiencies
  - Life-threatening, Severe, Moderate, Low
- Standards are different
  - Removed Site and Neighborhood requirements for inspections
    - Things like excessive noise, air pollution, traffic, etc.
  - HOTMA Life-Threatening List is now mandatory for all HUD housing.
  - Enhanced standards for many of the critical health areas (e.g., HVAC, mold, infestation, fire safety).
  - Implemented congressional changes (e.g., smoke detectors, carbon monoxide).
  - Provided a much more detailed process for inspectors for how conduct and inspection and observe each standard and deficiency.







Severe and Moderate Deficiencies require correction within 30 days (or PHA approved extension).

Low Deficiencies do not require correction in Voucher programs. For information purposes only (similar to previous "Pass with Comment").

#### **Debunking Myths of NSPIRE for Vouchers**

- **PHAs can begin anytime:** The Standards have been available since their release and NSPIRE HQS inspections could have started as soon as inspectors became familiar with these Standards and all administrative work was completed. There is no special technology needed and PHAs can proceed as they did with previously defined HQS.
- **HQS Terminology:** The HQS terminology isn't going anywhere. It remains in regulatory and statutory language and voucher inspections will still be HQS inspections. The Housing Quality Standards themselves are being replaced with NSPIRE standards.
- **No Scoring**: HQS inspections remain Pass/Fail under NSPIRE.
- **H&S Determinations and Correction Timeframes**: Only Life-Threatening conditions require 24-hour correction. Non-life-threatening, or Severe and Moderate, deficiencies require a 30-day correction (or a PHA reasonable extension). Low deficiencies do not require a correction and do not result in a Fail (for information purposes only).
- Self-Inspections: <u>No such requirement</u> for HCV, PBV, or Mod Rehab programs.

#### Debunking Myths of NSPIRE for Vouchers (continued)

- **Reporting**: Voucher program inspection results are not reported to HUD (except to the extent required by 50058 data or SEMAP data, and if requested by HUD).
- Scope of Inspections: Only the assisted unit, or unit to be assisted, and the inside common areas and outside/exterior areas servicing the unit should be inspected. This would include the paths of travel for the tenant, the utility rooms servicing the unit or providing any communicating openings, any common areas they would or could access, etc.
- **State and Local Codes**: State and local codes are not part of the inspection for Voucher programs and they never have been (unless approved as Variations by HUD). This isn't a "whichever is stricter" situation. Inspectors are only to inspect for NSPIRE standards in the voucher programs, not the local requirements in addition.
- **App for NSPIRE**: HUD's app for Voucher programs is not planned to be a centralized program and will not collect and store data.



## What's Next for Vouchers?

- HQS Guidebook Chapter ---- Coming Soon! ©
- Voucher App for NSPIRE ---- Coming Soon! ☺
- Inspection Criteria Variation Reviews
  - If still using HQS as previously defined, PHAs can continue to use any HUD-approved variations to HQS (except for unvented, fuel-burning space heaters), but all variations to NSPIRE Standards will need to be approved by REAC prior to implementation.
  - Any local housing codes or conditions are Variation requests, whether individual, multiple, or entire codes or variations to NSPIRE/HQS.

#### Alternative Inspection Methods Reviews

- These are inspection methods used for other housing assistance types that PHAs want to rely on for voucher programs.
   PHAs must have any HUD-approved Alternative Inspection Methods re-reviewed by REAC (except those already pre-approved by regulation).
- Note that Alternative Inspection Methods can only be used for initial move-ins, not payments on HAP. PHA inspections must still be done in order to make payments.



#### **Resources and Training**

#### HCV Tool/Checklist for NSPIRE

• HUD's NSPIRE checklist for voucher inspections has been posted to the website since September 2023 (<u>https://www.hud.gov/program\_offices/public\_indian\_housing/reac/nspire</u>).

#### • Training

- NEW!!! <u>HCV Inspector training is now available on HUD Exchange</u> (<u>https://www.hudexchange.info/programs/public-housing/nspire-standards-how-to-inspect/</u>).
- May 28 webinar has been posted (<u>https://www.hud.gov/program\_offices/public\_indian\_housing/reac/nspire/webinars</u>)
- Upcoming NSPIRE for Vouchers Get-Ready Session July 16 webinar!

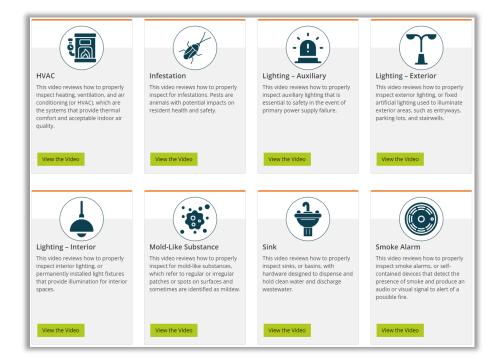
#### Other Important NSPIRE Resources

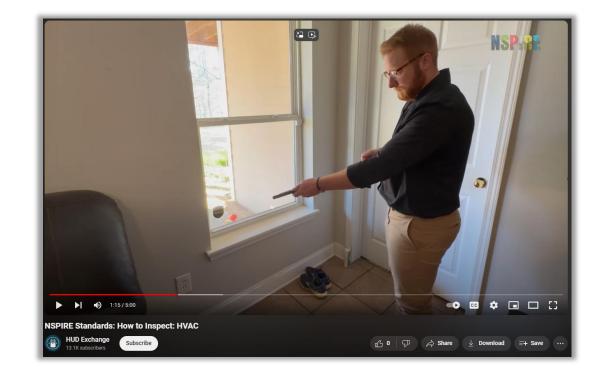
- NSPIRE Notices: <a href="https://www.hud.gov/program\_offices/public\_indian\_housing/reac/nspire/notices">https://www.hud.gov/program\_offices/public\_indian\_housing/reac/nspire/notices</a>
- NSPIRE Main Website: <a href="https://www.hud.gov/program\_offices/public\_indian\_housing/reac/nspire">https://www.hud.gov/program\_offices/public\_indian\_housing/reac/nspire</a>
- Email: <u>NSPIRE@hud.gov</u>



#### **HCV Inspector Training Available!**

#### HCV Inspector training is now available as text and video format





# **Policy Questions?**

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Email NSPIRE@hud.gov with general NSPIRE for Voucher questions. Follow REAC on X (formerly Twitter): @HUDREAC

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## **NSPIRE for Vouchers: Standards**

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Director, NSPIRE Standards and Quality Assurance Rich Scalzo Business Area Director Real Estate Assessment Center (REAC)



#### **Standards Notice**

The Standards Notice detailed inspectable items at HUD-assisted and Multifamily-insured properties. This includes a classification of which conditions are considered life-threatening, severe, moderate, or low-risk by item and inspectable area. HUD will subsequently update these Standards through future Federal Register notices at least once every 3 years with an opportunity for public comment and feedback.

- Published on June 22, 2023
- Full Standards Notice found on the Federal Register
- REAC web versions should be duplicates of FRN Attachment

## **Changes from HQS 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
  - Removed subjective deficiency criteria
  - Less inspector discretion



#### **H&S Determinations**

**Life Threatening Moderate** Severe Low Deficiencies that, if evident Deficiencies that, if Deficiencies that, if evident in the home or in home or on property, Deficiencies critical to present a moderate risk of evident in the home on the property, habitability but not an adverse medical event ( lacksquareor on the property, present a high risk of presenting a present a high risk of requiring a healthcare visit; permanent disability, substantive health or death or severe illness cause temporary harm; or or serious injury or safety risk to residents. if left untreated, cause or or injury to a resident. illness, to a resident; or worsen a chronic condition the physical security or that may have long-lasting safety of a resident or adverse health effects; or their property would that the physical security be seriously or safety of a resident or compromised. their property could be compromised.



#### **Inspectable Areas**

#### Unit

#### Inside

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



"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

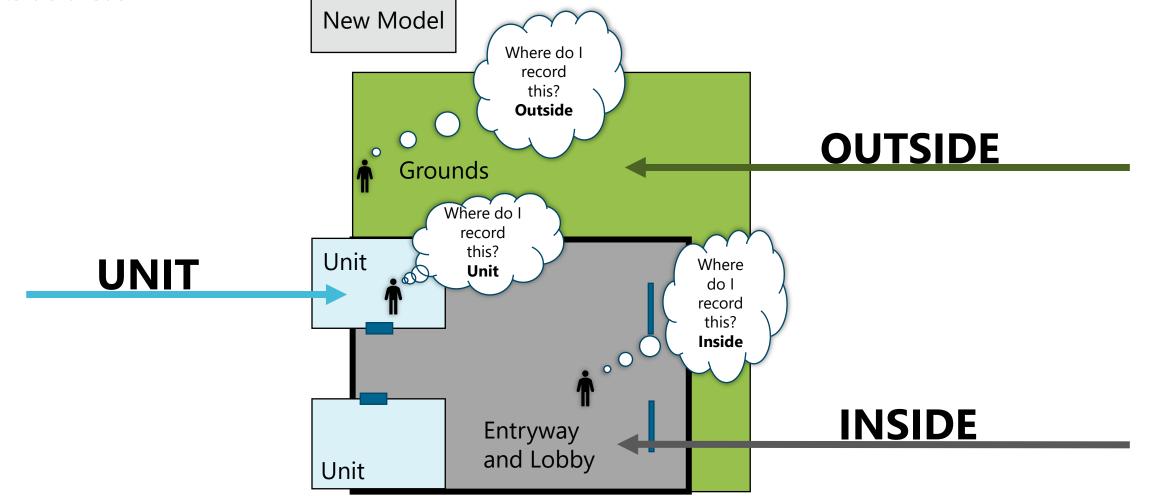
"Outside" refers to the building site, building exterior components, and any building systems located outside of the building or unit. This includes things like sidewalks, parking lots, and retaining walls.





#### **Inspectable Areas Cont.**

The model below illustrates the appropriate inspectable areas, which includes the unit, inside, and outside areas.





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 HQS



Implementation of National Fire Protection Association (NFPA) 72



New fire sprinkler defects related to the proper functioning of these systems



Minimum temperature requirement

Permanent heating source requirement



Prohibition of unvented space heaters



GFCIs, AFCIs, CO alarms, dryer exhaust, and electrical outlets



More stringent & specific fire door requirements





#### **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

At the end of 2024 new smoke alarm requirements will be in effect

• Should be hardwired or sealed 10yr battery unit – December 2024



Properly functioning and safe 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

NSPIRE Standards contain the heating source & space heater requirements



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 HQS 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



Fire sprinklers are critical for the suppression of fires

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NSPIRE has new defects and criteria Deficiency criteria is more detailed and objective

New deficiency for obstruction of the spray area

Some deficiencies have elevated severity levels



### **Additional Fire Safety Items**

#### New Electrical Life Safety Deficiencies include:

#### Ground Fault Circuit Interrupters

#### Arc Fault Circuit Interrupters

#### Properly Wired Outlets

#### Grounded Outlets



## **Addressing Water Safety**

#### Water safety in the NSPIRE Final Rule

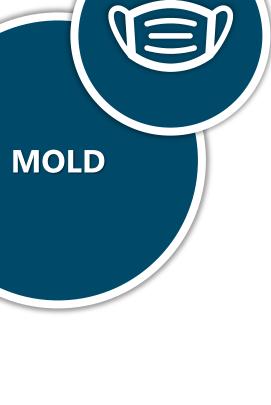
- HUD recognizes the EPA is the government agency tasked with testing and measuring water quality
- HUD will collect information on local water outages or water quality alerts
- HUD will record observations of lead water service lines in HUD assisted properties



## Addressing Mold & Moisture

## NSPIRE takes a comprehensive approach to mold and moisture

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



## Addressing Carbon Monoxide Alarms

- 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 was December 27, 2022
  - Chapters 9 & 11 of the 2018 IFC contain the specific installation requirements & are available free online
- REAC notice published December 27, 2022, for the implementation of the CO requirements within UPCS/HQS before the NSPIRE final rule is published and effective
- Decision tree for CO installation guidance published to NSPIRE website December 27, 2022. Look for Update

**CARBON** 

MONOXIDE



## **Addressing Infestation**

#### **NSPIRE infestation standards include:**

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





## Addressing Lead-Based Paint

#### **NSPIRE** has 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
  - NSPIRE does not replace HUD's safe lead requirements





## Affirmative Requirements – Kitchen

The table below contains affirmative habitability requirements (new standards/defects) for the kitchen and bathroom:

Standard		New Affirmative Requirement (Deficiency)
Bathtub and Shower		Bathtub or shower cannot be used in private
Cabinet and Storage	$\Rightarrow$	Food storage space is not present
Cooking Appliance	$\Rightarrow$	Primary cooking appliance is missing
Food Preparation Area	$\Rightarrow$	Food preparation area is not present
Lighting – Interior		At least one permanently installed light fixture is not present in the kitchen and bathroom
Refrigerator		Refrigerator is missing
Sink	$\Rightarrow$	<ul> <li>Cannot activate or deactivate hot and cold water</li> <li>Sink is missing or not installed within the primary kitchen</li> </ul>



## **Affirmative Requirements (Cont.)**

Standard		New Affirmative Requirement (Deficiency)
Carbon Monoxide Alarm		Carbon monoxide alarm is missing, not installed, or not installed in a proper location
Heating, Ventilation, and Air Conditioning	•	<ul> <li>The inspection date is on or between October 1 and March 31 and the permanently installed heating source is not working or the permanently installed heating source is working and the interior temperature is below 64 degrees Fahrenheit.</li> <li>The inspection date is on or between October 1 and March 31 and the permanently installed heating source is working and the interior temperature is 64 to 67.9 degrees Fahrenheit.</li> <li>Unvented space heater that burns gas, oil, or kerosene is present.</li> <li>The inspection date is on or between April 1 and September 30 and a permanently installed heating source is damaged, inoperable, missing, or not installed.</li> </ul>
Guardrail	⇒	Guardrail is missing or not installed
GFCI/AFCI – Outlet or Breaker		An unprotected outlet is within six feet of a water source
Handrail		Handrail is missing (evidence of prior installation)
Minimum Electrical and Lighting	➡	At least two (2) working outlets are not present within each habitable room OR At least one (1) working outlet and one (1) permanently installed light fixture is not present within each habitable room.
Smoke Alarm	⇒	Smoke alarm is not installed where required

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## **NSPIRE Standards Webpage**

**Final Standards** 

#### You can find the standards on the NSPIRE Standards web page:

#### This web page provides:

- Ability to view the standards and download:
  - Single standards
  - $_{\odot}$  All standards in a zip file
- Guidance for navigating the standards

CTANDADDC	Inspectable area(s) standard applies to:		
STANDARDS	Unit	Inside	Outside
Address and Signage Standard			Y
Bathtub and Shower Standard	Y	Y	
Cabinet and Storage Standard	Y	Y	
Call-for-Aid System Standard	Y	Y	
Carbon Monoxide Alarm Standard	Y	Y	
Ceiling Standard	Y	Y	
Chimney Standard	Y	Y	Y



#### **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

TITLE:	States the title of the standard		
VERSION:	States the version of the standard (e.g., VI.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:		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)
		Outside	This box is selected if the applicable inspectable area is outside the dwelling
MORE INFORMATION:	States a	dditional inform	nation that is relevant to the item
		ficiency applicat or Outside ins	ble to the standard. Below, the boxes are selected to define whether the specific deficiency applies to the
LOCATION:	Unit	Г	Inside Outside



## Deficiencies - Inspection Process

#### **Example Standard: Address, Signage**

NATIONAL STANDARDS FOR THE PHYSICAL INSPECTION OF REAL ESTA			
DEFICIENCY I — OUTSIDE:	Address, signage	, OR BUILDING IDENTIFICATION CODES ARE BROKEN, ILLEGIBLE, OR NOT VISIBLE.	
DEFICIENCY CRITERIA:	Address or building identification codes are broken, illegible, or not visible.		
HEALTH AND SAFETY DETERMINATION:	Moderate	The Moderate Health and Safety category includes deficiencies that, if evident in the home or on the 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.	
CORRECTION TIMEFRAME:	30 days		
HCV PASS / FAIL:	Fail		
HCV Correction Timeframe:	30 days		
INSPECTION PROCESS:			
Observation:		perty and locate any signage or address. al buildings on the property and locate any signage or building identification codes identifying the	
REQUEST FOR HELP:	- None		
Action:	- Approach the entrance to the building from the main street, road, or parking area.		
	- None		

## Each deficiency includes an Inspection Process section:

- Observation
- Request for Help (e.g., from resident or POA)
- Action
- More Information



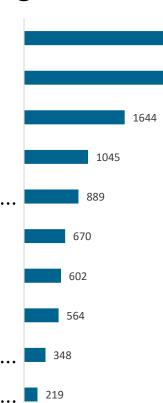
## **Top Defects Based on Demonstration**

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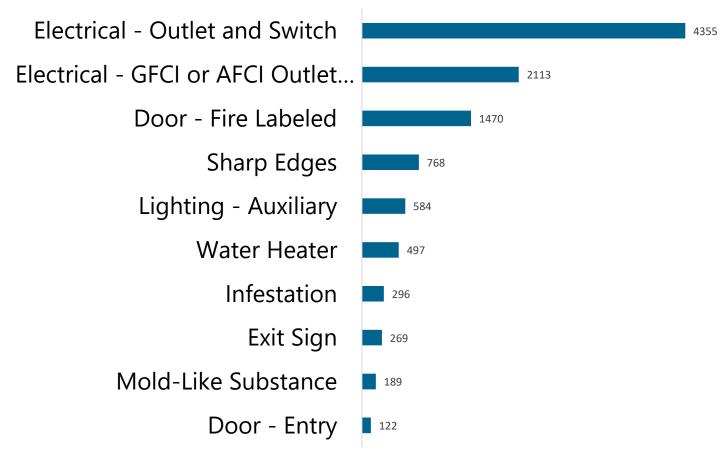
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#### Top 10 Most Occurring Life Threatening Defects

Smoke Alarm Carbon Monoxide Alarm Electrical - Conductor Egress Electrical - Outlet and... Sprinkler Assembly Fire Extinguisher Call-For-Aid System Flammable and... Clothes Dryer Exhaust... 219



#### Top 10 Most Occurring Severe Defects





#### **Resources and Training**

- NSPIRE/Federal Register Notice
  - <u>https://www.federalregister.gov/documents/2023/05/11/2023-09693/economic-growth-</u> regulatory-relief-and-consumer-protection-act-implementation-of-national-standards
- 2018 International Fire Code (IFC) Chapters 9 & 11 For CO Alarms
  - <u>https://codes.iccsafe.org/content/IFC2018</u>
- U.S. Department of Housing and Urban Development (HUD)-Carbon Monoxide Alarms or Detectors in HUD assisted housing properties
  - <u>https://www.hud.gov/sites/dfiles/PIH/documents/PIH2022-01.pdf</u>



## Tell us how we did

NSPIRE for Vouchers Get Ready Session Post-Session Survey



#### **QR Code Scanning Instructions**

- 1. Open the camera app
- 2. Point your device at the QR code so the QR code appears on your screen
- 3. Your phone will display a notification that directs you to the polling questions

#### **Additional Tips for Androids**

- 1. Tap the settings gear, and turn on "Scan QR codes"
- 2. Download Google Lens, if not already installed, and share access with your camera if asked

## Standards Questions?

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Email <u>NSPIRE@hud.gov</u> with questions.

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