

To: Property Owners and Managers

From: Jennifer Henderson, Director
Planning and Housing Development Division

Re: **Preparations for NSPIRE Implementation**

Compliance Memorandum: 23-05

Date: September 11, 2023

Dear Property Managers,

I hope this memo finds you well. As we approach the implementation date for the new HUD inspection protocol, the National Standards for the Physical Inspection of Real Estate (NSPIRE), effective October 1, 2023, I wanted to provide you with important information and guidance on how to prepare for this transition. NSPIRE aims to enhance the accuracy and transparency of property inspections and promote safe, decent, and sanitary housing for our residents. NDHFA has been working to inspect all properties under HOME, Housing Trust Fund, LIHTC, and Housing Incentive Fund prior to October 1, to ensure we have some time to implement the new inspection protocol. We are still awaiting the HUD Administrative Notice to be published and cannot make changes to our compliance manual until it is published.

Below are key considerations and steps to ensure a smooth transition:

Familiarize Yourself with NSPIRE

Take the time to thoroughly understand the NSPIRE protocol, including the new scoring system, inspection procedures, and documentation requirements. Review the official NSPIRE guide provided by HUD and any additional training materials available.

Training and Education

Ensure that all relevant staff members receive comprehensive training on the NSPIRE protocol. This includes onsite staff, maintenance personnel, and anyone involved in the inspection process. Knowledgeable staff will be crucial in accurately implementing the new standards. Reminder NDHFA is hosting in-person NSPIRE training October 12, 2023. Register online at <https://cvent.me/VKPGeB>.

In addition, several reputable companies have published NSPIRE resources and guides.

Review Property Conditions

Conduct an internal assessment of your properties to identify potential issues that might be flagged under the new NSPIRE criteria. Address any maintenance, health, or safety concerns proactively to improve inspection outcomes. (See checklist on page 3.)

Document Review

Review and organize your property documentation to ensure it aligns with the new NSPIRE documentation requirements. This may include leases, maintenance records, and any other relevant paperwork.

Communication with Residents

Inform your residents about the upcoming changes in the inspection process and what they can expect. Clear communication can help alleviate concerns and streamline the inspection process.

Update Standard Operating Procedures

Revise your property management procedures to align with NSPIRE requirements. This could involve adjustments to maintenance schedules, recordkeeping practices, and communication protocols.

Budgeting and Resource Allocation

Assess whether your current budgeting and resource allocation align with the potential changes brought about by NSPIRE inspections. Consider factors such as increased maintenance costs and potential impact on occupancy rates.

Data Management and Reporting

Implement systems to efficiently manage inspection data and generate necessary reports. Accurate and timely reporting will be vital for compliance and continuous improvement.

Mock Inspections

Conduct mock NSPIRE inspections to familiarize your staff with the new process and to identify any gaps in preparation. These practice runs can help identify areas for improvement before the official implementation.

Continuous Improvement

NSPIRE is designed to promote ongoing improvement in housing quality. Establish a process for reviewing inspection results, identifying trends, and implementing corrective actions as needed.

Remember, the goal of NSPIRE is to ensure the well-being of our residents and the integrity of our properties. Your dedication to preparing for this transition is invaluable in achieving these objectives. Should you have any questions or require further assistance, do not hesitate to reach out to me. As mentioned, we will not be releasing any new policies or procedures until HUD releases the administrative notices pertaining to the programs administered under the Planning and Housing Development Division.

Thank you for your attention to this matter. Your commitment to maintaining high standards in our properties is greatly appreciated.

PROPERTY REVIEW CHECKLIST

Exterior Conditions

- Building Structure: Inspect for signs of structural damage, such as cracks, leaning walls, or sagging roofs.
- Foundation: Check for foundation cracks, water damage, or uneven settling.
- Siding and Paint: Ensure that siding is intact and free from rot or peeling paint.
- Windows and Doors: Verify that windows and doors are properly sealed, operable, and not broken

Interior Conditions

- Floors, Walls, and Ceilings: Examine for water stains, cracks, or damage. Ensure that floors are even and free from trip hazards.
- Plumbing Systems: Check for leaks, proper drainage, and functional faucets, toilets, and sinks.
- Electrical Systems: Inspect outlets, switches, and wiring for safety and functionality. Ensure that there are no exposed wires.
- Heating and Cooling: Test heating systems as applicable and make sure air conditioning units are operational.
- Appliances: Verify that appliances are functioning properly and safely. Address any gas leaks or faulty wiring.

Common Areas

- Hallways and Staircases: Check for trip hazards, proper lighting, and well-maintained railings.
- Laundry Facilities: Inspect laundry rooms for cleanliness and proper functioning of machines.
- Exterior Grounds: Evaluate sidewalks, parking lots, and landscaping for hazards or needed repairs.

Health and Safety Considerations

- Mold and Pest Control: Address any signs of mold, mildew, or pest infestations promptly.
- Lead Paint and Asbestos: Ensure compliance with regulations related to lead-based paint and asbestos materials.

Accessibility

- Confirm that units are accessible for individuals with disabilities as required by the Fair Housing Act. Those of you who have units that must qualify under the NDHFA Universal Design (UD) Standards should also take some time to review those elements and ensure your UD units are compliant.

Safety Features

- Ensure smoke detectors, carbon monoxide detectors, and fire extinguishers are in place and working. NSPIRE standards focus heavily on health and safety of tenants including additional requirements for smoke detectors, outlets, and carbon monoxide.

This expanded checklist includes specific details related to smoke detectors, outlets, carbon monoxide detectors, and call-for aid systems.

Smoke Detectors

- Verify smoke detectors are installed in all sleeping rooms.
- Verify smoke detectors are installed outside each sleeping room.
- Verify smoke detectors are installed on every level of the dwelling unit.
- Verify smoke detectors are not located within 10 feet of a cooking appliance.
- Verify smoke detectors are not within 3 feet of ceiling fans, air ducts, exterior doors or windows.
- If smoke detector is mounted on ceiling it must be more than 4 inches from the wall.
- If mounted on the wall it cannot be closer than 4 inches or more than 12 inches from the ceiling
- Test all smoke detectors in each unit to ensure they are operational.
- Check the expiration date on smoke detectors with replaceable batteries and replace them if expired.
- Ensure smoke detectors are securely mounted on ceilings or walls and are not missing or damaged.
- Confirm that smoke detectors in common areas and units are tamper resistant to prevent unauthorized removal or tampering.
- Ensure that smoke detectors are equipped with appropriate covers or devices to deter interference.
- Document the testing, battery replacement, and status of smoke detectors for each unit and ensure your staff can explain to inspectors the presence of tamper resistant features.

Outlets and Electrical Systems

- Inspect all electrical outlets and switches for functionality and safety.
- Check for exposed wires or other electrical hazards.
- Test GFCIs in kitchens, bathrooms, and required areas to ensure proper operation.
- Verify that outlets are grounded and not overloaded.
- Document any repairs or maintenance performed on electrical systems.

Carbon Monoxide Detectors

- Test carbon monoxide detectors in each unit to confirm they are operational.
- Ensure carbon monoxide detectors are appropriately located near sleeping areas and fuel burning appliances.
- Replace carbon monoxide detectors that have reached their expiration date.
- Document the testing and status of carbon monoxide detectors for each unit.

Call For Aid Systems

- If there are call for aid systems, they must be tested to determine if the system is functional and if the elements are operating as intended. If the system is abandoned, all pull stations must have been removed; all that remains are the indicator lights, audible indications, or annunciator panels. The primary consideration will be that no part of the user interface remains.