



STATE OF MICHIGAN

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GOVERNOR

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY  
LANSING

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INTERIM EXECUTIVE DIRECTOR

## TECHNICAL SERVICES MEMORANDUM - #2010 - 1

**TO:** Owners and Management Agents  
MSHDA Physical Inspectors

**FROM:** Terry Bunn, Technical Services  
Sherri Davio, Compliance Manager  
Donna McMillan, Director, Office of Asset Management

**DATE:** September 27, 2010 (Revised October 8, 2010)

**RE:** Bed Bugs – Owner/Manager Responsibility and UPCS Inspection Protocol

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This Memorandum establishes protocol requirements to be utilized by physical inspectors who conduct inspections of MSHDA financed and/or assisted developments. The inspection requirements are applicable to all developments in the MSHDA Compliance Monitoring portfolio, which include LIHTC, Section 8, Section 236, HOME and bonds. Owners and managers are responsible for initiating and following procedures that remove bed bugs from the property and inhibit further infestation. For comprehensive educational information regarding the identification, treatment and prevention of bed bugs, please review the Michigan Manual for the Prevention and Control of Bed Bugs and other information provided on the State of Michigan website at [www.michigan.gov/bedbugs](http://www.michigan.gov/bedbugs). For your convenience, MSHDA Compliance has also provided links to this website under Recent Updates and Related Links:

Recent Updates: [http://www.michigan.gov/mshda/0,1607,7-141-8002\\_26576\\_26577---,00.html](http://www.michigan.gov/mshda/0,1607,7-141-8002_26576_26577---,00.html) or  
Related Links: [http://www.michigan.gov/mshda/0,1607,7-141-8002\\_22688---,00.html](http://www.michigan.gov/mshda/0,1607,7-141-8002_22688---,00.html)

HUD Inspector Notice No. 2010-01 provides guidance to inspectors who conduct REAC inspections concerning the identification and/or reporting of the presence of bedbugs at properties. MSHDA physical inspectors are to follow the applicable parts of the HUD protocol when conducting MSHDA UPCS and UPCS Plus Physical Inspections. REAC appears to be treating the reporting of bed bugs much like HUD treats Fair Housing accessibility items. There is no negative implication in the scoring of the REAC inspection due to the presence of bed bugs. MSHDA will adopt the same protocol and will not consider bed bugs in rating the physical condition of the development.

Effective September 20, 2010, MSHDA inspectors were required to implement the following protocol:

1. Before beginning the inspection, the inspector will inquire of the property representative or management if bed bugs have been observed or reported in any buildings or units. (Does not pertain to bed bugs previously observed or reported, which were eradicated/treated more than 60 days previous and for which there have been no reports or observations of recurrence).



2. The inspector will enter the results of the inquiry in the “General Comments” field as “Bed Bugs – No” or “Bed Bugs – Yes”.
  - a. If no, there is no additional inspection requirement.
  - b. If yes, the inspector will list the building(s) and unit(s) with bed bugs identified or reported in the “General Comments” field. If there are too many units to easily enter in the field, the inspector will enter “Bed Bugs - Yes, Bldg 1, 50 of 100 units”. If the representative does not give the inspector the number of units, the inspector should enter “Bed Bugs – Yes, Bldg1, numerous units – mgt. did not provide number.” At the end of the bed bug information entered into the “General Comments” field, the inspector will include the following statement: “MSHDA holds the owner and management of the site responsible for initiating and following procedures that remove the bed bugs from the property and inhibit further infestation.”
  - c. The presence of bed bugs will not be considered in the rating of the development. However, this data is being collected to ensure that MSHDA developments are maintained in a decent, safe and sanitary condition, and in good repair.
3. Inspectors will not inspect or enter into units where management states that bed bugs have been observed or reported, and will select alternate units to inspect in place of those that are reported as having bed bugs.

If you have any questions or concerns, please contact the Compliance staff at 517-241-2560 or [mshdacompliance@michigan.gov](mailto:mshdacompliance@michigan.gov).

cc: Gary Heidel, Acting Executive Director  
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Compliance Staff  
Asset Management Staff