



STATE OF MICHIGAN

GRETCHEN WHITMER
GOVERNOR

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
LANSING

GARY HEIDEL
ACTING EXECUTIVE DIRECTOR

April 23, 2021

TO: Owners & Management Agents of ALL MSHDA monitored properties

FROM: Nathan Thelen, Compliance Manager

SUBJECT: Virtual Physical Inspections (VPI) and Exterior, Common Area, Vacant Unit inspections (ECV)-**Update 4/23/21**

MSHDA contractors will soon begin scheduling virtual physical inspections (VPI) as a short-term alternative to on-site physical inspections during the COVID-19 pandemic. Also, MSHDA Compliance Department will be performing on-site exterior, common area, and vacant unit inspections (ECV) for properties that were scheduled to have inspections completed in 2020. Below is some information about how this process will work.

With the current number of Covid cases continuing to rise, and vaccines just now starting to become available to all, we have decided to hold off on inspecting occupied units at this time.

Below is a step-by-step plan that we plan to follow once the number of cases in Michigan begin to decrease. We will continue to work with our partners to determine when each step is appropriate.

- Step 1. No occupied units. VPI inspections/ECV inspections only.
- Step 2. Survey of Resident Units. Occupied units will only be inspected if requested by resident. VPI inspections/ECV inspections only.
- Step 3. 20% of all units per IRS requirements, no resident survey. VPI inspections/ECV inspections only.
- Step 4. Full in person inspections by our contractors. ECV inspections may still take place for developments that have not had required inspections in 2020 and 2021.

The virtual inspections are intended to limit the amount of people within a unit. Since an on-site staff person is required to go into units with our inspectors during a routine inspection, we feel it is best to conduct virtual inspections to limit the number of people in a unit to help abide by social distancing guidance put forth by the CDC.

VPI Inspections:

- The scope of the VPI will be the same as an on-site physical inspection. Step 1 will focus on grounds, building exteriors, common areas, building systems and vacant units over 30 days.

735 EAST MICHIGAN AVENUE • P.O. BOX 30044 • LANSING, MICHIGAN 48909
Michigan.gov/MSHDA • FAX 517-335-4797 • TOLL-FREE 855-MI-MSHDA (855-646-7432)





STATE OF MICHIGAN

GRETCHEN WHITMER
GOVERNOR

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
LANSING

GARY HEIDEL
ACTING EXECUTIVE DIRECTOR

- The contractor will schedule the VPI via email and set an agreed-upon time and date. At least 15 days will be given between the notice of inspection and the inspection date.
- The agent will receive a pre-visit questionnaire which will need to be completed and returned to the contractor along with applicable certifications and documents.
- The agent will receive instructions regarding the flow of the VPI on or before the date of inspection.
- Using an application like Zoom, Microsoft Teams, or Facetime, the inspector will guide a site representative to view building systems, units, common areas, grounds, etc. in real time. The inspector will call out all deficiencies and document the same.
- Exigent Health and Safety and Life-Threatening violations will be documented and sent to the agent via email at the conclusion of the inspection. The agent will have 24 hours to correct those violations and 72 hours to return the signed notice/response to the inspector.
- All corrective action/owner response deadlines will remain in place.
- Issues relating to technology and data usage check with your Asset Manager on reserve availability
- Please remember that, effective January 1, 2020, MSHDA requires carbon monoxide (CO) detectors in ALL units that have fuel-fired/burning appliance(s), and/or an attached garage. If an inspection is conducted on your unit by MSHDA or Contracted Inspection Agent on or after January 1, 2020, and it is determined the CO detector is not present or not fully operational, the unit will fail the inspection as a (L3) item similar to Smoke Detectors. CO detectors should be installed in the following locations:
 - In the immediate vicinity of sleeping rooms for units with a fuel-burning appliance and/or an attached garage.
 - Within the bedroom for a bedroom with a fireplace or another fuel-burning appliance.
 - In the immediate vicinity of sleeping rooms for units without fuel-burning appliances, located within a multi-unit building that has integral garage space and/or fueled central heat or hot water systems. If your local code requires CO detectors in additional locations within the unit and/or building, MSHDA or the Contracted Inspection Agent must inspect those as well to ensure they are fully operational. CO detector installation/replacement is a Replacement Reserve eligible item. For more information on HUD/USDA requirements, click the

735 EAST MICHIGAN AVENUE • P.O. BOX 30044 • LANSING, MICHIGAN 48909
Michigan.gov/MSHDA • FAX 517-335-4797 • TOLL-FREE 855-MI-MSHDA (855-646-7432)



STATE OF MICHIGAN

GRETCHEN WHITMER
GOVERNOR

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
LANSING

GARY HEIDEL
ACTING EXECUTIVE DIRECTOR

following link. <https://www.us-hc.com/blogs/carbon-monoxide-alarms-to-be-required-in-hud-and-usda-properties/>

- **Please note that, MSHDA will assess a fee of \$100 if an owner/agent fails to prepare for the Virtual Physical Inspection in such a way that the Virtual Physical Inspection must be canceled. Examples include but are not limited to failing to have a representative present and failing to properly notify tenants of the Virtual Physical Inspection.**

ECV Inspections:

Due to the COVID-19 Pandemic, many developments under MSHDA's oversight did not have a 2020 Physical Inspection. To ensure that developments are being maintained to the required standards, and not experiencing deferred maintenance, we will be performing inspections of the grounds, building exteriors, common areas, building systems, and vacant units. Occupied units will not be inspected. MSHDA staff will adhere to all CDC safety precautions and guidelines while on site.

- The scope of the ECV will be the same as an on-site physical inspection for grounds, building exteriors, common areas, building systems and vacant units over 30 days.
- The MSHDA staff person will schedule the ECV via email and set an agreed-upon time and date. At least 15 days will be given between the notice of inspection and the inspection date.
- The agent will receive a pre-visit questionnaire which will need to be completed and returned to the MSHDA staff person along with applicable certifications and documents.
- Exigent Health and Safety and Life-Threatening violations will be documented and sent to the agent via email at the conclusion of the inspection. The agent will have 24 hours to correct those violations and 72 hours to return the signed notice/response to the inspector.
- All corrective action/owner response deadlines will remain in place.
- If you have any questions, please contact me at thelenn5@michigan.gov.

735 EAST MICHIGAN AVENUE • P.O. BOX 30044 • LANSING, MICHIGAN 48909
Michigan.gov/MSHDA • FAX 517-335-4797 • TOLL-FREE 855-MI-MSHDA (855-646-7432)