

(i) The number of days in the assessed fiscal year it takes to close active nonemergency work orders carried over from the previous fiscal year;

(ii) The number of days it takes to complete nonemergency work orders issued and closed during the assessed fiscal year; and

(iii) The number of days all active nonemergency work orders are open in the assessed fiscal year, but not completed;

(2) By the total number of non-emergency work orders used in the calculation of paragraphs (1)(i), (ii) and (iii) of this definition.

*Days* in this part, unless otherwise specified, refer to calendar days.

*Deficiency* means any PHAS score below 60 percent of the available points in any indicator, sub-indicator or component. (In the context of physical condition and physical inspection, deficiency refers to a physical condition and is defined for purposes of subpart B of this part in §902.24)

*Improvement plan* is a document developed by a PHA, specifying the actions to be taken, including timetables, that shall be required to correct deficiencies identified under any of the sub-indicators and components within the indicator(s), identified as a result of the PHAS assessment when a Memorandum of Agreement (MOA) is not required.

*Occupancy loss* is the sum of the number one (1) minus the unit months leased divided by unit months available (or Occupancy loss = 1-(unit months leased/unit months available).

*Property* is a project/development with a separate identifying project number.

*Reduced actual vacancy rate within the previous three years* is a comparison of the vacancy rate in the PHAS assessed fiscal year (the immediate past fiscal year) to the vacancy rate of that fiscal year two years prior to the assessed fiscal year. It is calculated by subtracting the vacancy rate in the assessed fiscal year from the vacancy rate in the earlier year. If a PHA elects to certify to the reduction of the vacancy rate within the previous three years, the PHA shall retain justifying documentation to support its certification for HUD post review. Reduced actual vacancy

rate within the previous three years only applies to PHAs with fiscal years ending September 30, 1999, and December 31, 1999.

*Reduced average time nonemergency work orders were active during the previous three years* is a comparison of the average time nonemergency work orders were active in the PHAS assessment year (the immediate past fiscal year) to the average time non-emergency work orders were active in that fiscal year two years prior to the assessment year. It is calculated by subtracting the average time non-emergency work orders were active in the PHAS assessment year from the average time non-emergency work orders were active in the earlier year. If a PHA elects to certify to the reduction of the average time nonemergency work orders were active during the previous three years, the PHA shall retain justifying documentation to support its certification for HUD post review.

*Tenant Receivable Outstanding* is defined in §902.35(b)(3).

*Unit months available* is the total number of units managed by a PHA multiplied by 12 (adjusted by new units entering a PHA's public housing stock during the fiscal year) exclusive of unit months vacant due to: demolition; conversion; ongoing modernization; and units approved for non-dwelling purposes.

*Unit months leased* is the actual number of months each unit was rented during the fiscal year based on the PHA's tenant rent rolls or Housing Assistance Payments records.

*Work order deferred to the Capital Fund Program* is any work order that is combined with similar work items and completed within the current PHAS assessment year, or will be completed in the following year when there are less than three months remaining before the end of the PHA fiscal year from the time the work order was generated, under the PHA's Capital Fund Program or other PHA capital improvements program.

#### § 902.9 Frequency of PHAS scoring for small PHAs.

REAC will assess and score the performance of a PHA with less than 250

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public housing units every other PHA fiscal year, unless the small PHA:

- (a) Elects to have its performance assessed on an annual basis; or
- (b) Is designated as troubled, in accordance with § 902.67.

[68 FR 37671, June 24, 2003]

### Subpart B—PHAS Indicator #1: Physical Condition

#### § 902.20 Physical condition assessment.

(a) *Objective.* The objective of the Physical Condition Indicator is to determine whether a PHA is meeting the standard of decent, safe, sanitary, and in good repair (DSS/GR), as this standard is defined in § 902.23 (a standard that provides acceptable basic housing conditions) and the level to which the PHA is maintaining its public housing in accordance with this standard.

(b) *Physical inspection under PHAS Indicator #1.* (1) To achieve the objective of paragraph (a) of this section, REAC will provide for an independent physical inspection of a PHA's property or properties that includes, at minimum, a statistically valid sample of the units in the PHA's public housing portfolio to determine the extent of compliance with the DSS/GR standard.

(2) Only occupied units will be inspected as dwelling units (except units approved by HUD for non-dwelling purposes, e.g., daycare or meetings, which are inspected as common areas). Vacant units that are not under lease at the time of the physical inspection will not be inspected, but vacant units are assessed under the Financial Condition Indicator #2 (§ 902.35(b)(4)). The categories of vacant units not under lease that are exempted from physical inspection are as follows:

(i) Units undergoing vacant unit turnaround—vacant units that are in the routine process of turn over; *i.e.*, the period between which one resident has vacated a unit and a new lease takes effect;

(ii) Units undergoing rehabilitation—vacant units that have substantial rehabilitation needs already identified, and there is an approved implementation plan to address the identified re-

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habilitation needs and the plan is fully funded;

(iii) Off-line units—vacant units that have repair requirements such that the units cannot be occupied in a normal period of time (considered to be between 5 and 7 days) and which are not included under an approved rehabilitation plan;

(c) *PHA physical inspection requirement.* The HUD-conducted physical inspections required by this part do not relieve the PHA of the responsibility to inspect public housing units as provided in section 6(f)(3) of the Act (42 U.S.C. 1437d(f)(3)), and § 902.43(a).

(d) *Compliance with State and local codes.* The physical condition standards in this subpart do not supersede or preempt State and local building and maintenance codes with which the PHA's public housing must comply. PHAs must continue to adhere to these codes.

[65 FR 1738, Jan. 11, 2000, as amended at 65 FR 36044, June 6, 2000]

#### § 902.23 Physical condition standards for public housing—decent, safe, and sanitary housing in good repair (DSS/GR).

(a) *General.* Public housing must be maintained in a manner that meets the physical condition standards set forth in this part in order to be considered decent, safe, sanitary and in good repair (standards that constitute acceptable basic housing conditions). These standards address the major physical areas of public housing: site; building exterior; building systems; dwelling units; and common areas (see paragraph (b) of this section). These standards also identify health and safety considerations (see paragraph (c) of this section). These standards address acceptable basic housing conditions, not the adornment, decor or other cosmetic appearance of the housing.

(b) *Major inspectable areas.* The five major inspectable areas of public housing are the following:

(1) *Site.* The site includes components, such as fencing and retaining walls, grounds, lighting, mailboxes, signs (such as those identifying the development or areas of the development), parking lots/driveways, play areas and equipment, refuse disposal,