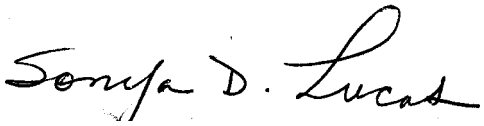
U.S. Department of Housing and Urban Development
Office of the Inspector General for Audit, Region 4
Richard B. Russell Federal Building
75 Spring Street, SW, Room 330
Atlanta, GA 30303-3388
(404) 331-3369

March 5, 2004

Memorandum No.
2004-AT-1802

MEMORANDUM FOR: Ziva James, Acting Director, Jackson Multifamily Program Center, 4GHMLAV, and

Elizabeth Hanson, Director, REAC, PX



FROM: Sonya D. Lucas
Acting Regional Inspector General for Audit, 4AGA

SUBJECT: Saraland Manor Apartments
Gulfport, Mississippi

INTRODUCTION

This memorandum report presents the results of an Office of Inspector General (OIG) inspection of the Saraland Manor Apartments, 8010 Highway 49, Gulfport, Mississippi. The OIG conducted a physical inspection of the project in response to a complaint forwarded by Senator Trent Lott. The complaint, signed by numerous tenants, cited declining and substandard living conditions.

Saraland is a multifamily apartment project consisting of 2 3-story buildings with 101 apartment units. Saraland serves elderly and handicapped residents and 100 percent of the apartments are Section 8 subsidized. Saraland was first occupied 22 years ago in December 1981.

In accordance with the Department of Housing and Urban Development (HUD) Handbook 2000.06 REV-3, OIG concurs with the management decisions taken or planned in response to the recommendations in this report. The management decisions are included in the Jackson field office and Real Estate Assessment Center (REAC) written replies to the draft report, which are attached herein as Appendices C and D, respectively. Please provide us with a copy of the field office management review report when that planned review has been completed.

METHODOLOGY AND SCOPE

An OIG appraiser-construction specialist inspected the property during the week of August 18, 2003. Deficiencies identified by OIG's inspector were documented in photographs and written record. Our inspection included the exteriors and common areas of the 2 apartment buildings, and interiors of 32 apartment units. A project maintenance man accompanied us during our inspection. During our inspection, maintenance personnel informed us that they had fixed some of the deficiencies we had identified. OIG observed that certain deficiencies, such as replacing light bulbs in exit signs and stairways, were made. However, OIG did not verify all repairs cited by the maintenance personnel.

We also compared the deficiencies we identified to the results of the HUD REAC's last inspection on July 1, 2003.

RESULTS OF REVIEW

Our inspection identified numerous deficiencies in building exteriors, common areas, and in the 32 apartments. Most of the deficiencies were the result of the project's age and inadequate maintenance and repairs. The most significant and frequently noted deficiencies are cited below. Numerous health (sanitation) and safety deficiencies we identified in the apartment units were not cited in the last REAC inspection. We concluded that the last REAC inspection did not identify all significant health and safety deficiencies and that the owner/management agent did not operate an adequate maintenance program. Appendix A lists all the deficiencies we noted, and Appendix B contains photographs illustrating the deficiencies.

We discussed the apparent disparities between our inspection results and the July 1, 2003, inspection by a REAC contract inspector, with a REAC official. He stated that REAC has quality assurance procedures in place, and REAC would be agreeable to review and, if necessary, re-inspect the property to assess whether the REAC inspection did not properly identify deficient conditions.

HUD regulations, 24 Code of Federal Regulations, Part 5, Subpart G, and Part 200, require that HUD housing, as defined in the rule, must meet Uniform Physical Condition Standards (UPCS) to ensure that the HUD housing is decent, safe, sanitary, and in good repair.

Apartment Units

We noted significant deficiencies in the condition of kitchen cabinets, stove vent hoods, and bathroom vanities that were observed in most of the 32 apartment units we inspected. In our opinion, these conditions are health and safety deficiencies under HUD Regulations. Furthermore, these conditions were not reflected in the REAC inspection on July 1, 2003.

- Nearly all of the 32 apartment units inspected had severely deteriorated kitchen sink cabinets and countertops, making it impossible for tenants to maintain sanitary food preparation areas. Cabinets were delaminating and had rotted shelves. Countertops were worn or heavily marred and the underlay material was crumbling. In a few apartments, replacement cabinets had been installed with numerous unfinished surfaces.

- Stove vent hoods were rusting and/or had exposed wiring and light bulbs in 25 apartment units. The exposed wires and bulbs are directly over the cook tops where they are exposed to steam condensation and food spatters, which we consider safety hazards. The rusting vent hoods are an unsanitary condition over the cook tops. We also noted exposed wires on a garbage disposal unit in one apartment.

- Bathroom vanities in 22 units were deteriorated with rotted shelves, and delaminating or unfinished surfaces. These conditions made it impossible for tenants to maintain sanitary bathrooms.

Other deficiencies we noted included the following.

Windows in living rooms and bedrooms were in poor condition despite recent repairs to some. Windows were too difficult to operate (open, close, and lock), particularly for the elderly residents. Missing or damaged trim and broken thermoseals allowed air and moisture penetration from the outside.

In six apartments, in water heater closets, holes through the ceilings for water and drainpipes were not sealed. The holes are a safety hazard and should be sealed as a fire barrier.

Numerous deficiencies in routine maintenance and repairs were noted. Examples included excessively dirty Heat/Air Conditioning (HVAC) filters, water damaged ceilings and walls, and loose and worn through floor tiles.

Building Exteriors & Common Areas

We noted exposed electrical wires at the connection to a roof Air Conditioner (AC) Unit on Building B. This is an exigent safety hazard. REAC's last inspection also noted two similar exposed electrical connections. We also noted other loose AC electrical connections.

The meter room in Building A had exposed electrical wires due to a missing junction box cover and an open breaker box slot. These are safety hazards.

Missing and burned out florescent light tubes and missing tube covers were noted in stairways and halls throughout both buildings. Light bulbs in emergency exit signs were also burned out in multiple locations in both buildings. Poor lighting in these areas is a safety hazard for residents. The prior REAC inspection did not cite these conditions.

Non-functioning AC condensation lines and pooling water were noted on the roofs of both buildings. The conditions made the roofs slippery and hazardous for maintenance personnel, and can cause water damage to interior areas.

There was a large crack and upheaval in the concrete walkway for Building A. This is a tripping hazard for the elderly residents.

The trash dumpster at Building B was missing one cover and the second cover was open and damaged. This is a health hazard.

Damaged, missing, and heavily worn floor tile was noted in several common area hall and stairwell locations. These conditions could present a tripping hazard to elderly residents.

The entryway light fixtures were missing light bulb covers on both buildings.

HUD Jackson Field Office Comments

The field office proposed to conduct a management review of the property by July 1, 2004, to verify that deficiencies noted in the latest REAC report have been corrected and to verify that acceptable management controls are in place and are being implemented properly.

REAC Comments

On February 5, 2004, REAC Quality Assurance performed a re-inspection of the property and determined that the physical inspection score resulting from the prior (July 1, 2003) inspection accurately reflected the condition of the property.

REAC noted that: "In most instances where the PIH-REAC inspection results differ from the results of the OIG inspection, the differences are attributable to disparities in inspection standards between the OIG and the Uniform Physical Condition Standards (UPCS) related to definitions and proportionality."

OIG Evaluation of HUD Comments

OIG concurs with the field office management decisions.

OIG also concurs with the action taken by REAC, however, we are troubled by the inspection results. REAC confirmed a passing physical condition score of 67. REAC notes that its UPCS does not recognize many of the conditions noted in this report as deficiencies. For example, REAC's inspection did not identify any deficiencies related to (1) unit kitchen sink cabinets, (2) unit stove hoods, (3) living room and bedroom windows, and (4) burned out lights in common areas. REAC cited the following UPCS criteria for these four conditions:

1. A deficiency exists when cabinets are missing or the laminate is separating. "The criticality level is based on proportionality, i.e.; for Level 2: 10 to 50 percent of the cabinets, doors, or shelves are missing or the laminate is separating." Level 3 is for more than 50 percent. There is no level 1 deficiency for cabinets.

2. The UPCS does not define rust and the absence of a lens cover over exposed wires and light bulbs as defects in stove vent hoods.

3. A window deficiency is a Level 2 when most of the window shows missing or deteriorated caulk, or Level 3 when there is missing or deteriorated caulk or seals with evidence of leaks or damage to the window or surrounding structure.

4. In common areas where light bulbs are inoperable, light bulbs are not to be considered in the cumulative percentage if the fixture is proven operable. The definition addresses broken fixtures; bulbs are not addressed.

The UPCS criteria cited by REAC does not explain why no deficiencies were noted in sink cabinets, and few were noted in living room and bedroom windows. As illustrated in the Appendix B photos, sink cabinets had severe delaminations, crumbling underlay material, and rotted shelves; and some of the windows exhibited damage due to moisture intrusion. Exposed wiring and light bulbs directly over cook tops are subject to steam condensation and food splatters, and in our opinion are safety hazards. We also note that the vent hoods were designed to have lens covers over the wires and bulbs. We believe that numerous burned out lights in common areas is one clear indicator of inadequate routine maintenance and should be addressed by the HUD inspection standard. Many of the burned out bulbs were replaced because of our inspection.

REAC concurred that certain other conditions found by our inspection in August 2003 were defects under the UPCS, but noted that its July 2003 inspection and its February 2004 re-inspection did not find them. Examples include water pooling on roofs, tape over electrical box slot openings, and defective electrical Ground Fault Interrupters (GFI).

It is beyond the scope of this inspection report to address these concerns with the REAC inspection system and the UPCS. OIG will consider these concerns in its annual audit planning process.

RECOMMENDATIONS

Recommendations for HUD's Jackson Multifamily Program Center:

1A. Conduct a management review of Saraland as soon as possible in fiscal 2004. Assess why management has not performed routine maintenance and repairs, and whether management scheduled repairs of deficiencies identified by REAC inspections.

1B. Require the owner/management agent to implement adequate management controls to ensure health and safety hazards and other routine maintenance needs are timely identified and promptly corrected. For example, management should continually maintain a log of needed repairs including the date each item was reported or identified, and the date each repair was completed. Management should also post instructions for employees and tenants to report safety and health hazards and other maintenance needs as soon as they are noticed.

Recommendation for REAC:

1C. Re-inspect Saraland Manor to determine whether: (1) a revised physical condition score and correlating revisions of the repairs required by REAC are needed, and (2) corrective actions to address the contract inspector's performance are warranted.

Appendix A

SARALAND MANOR APARTMENTS
Gulfport, Mississippi

Building Exterior and Common Area Deficiencies

Building A: Exterior

- Loose electrical connections to roof AC units.
- Roof AC condensation lines are not in working order. Water pools on the roof.
- Exterior T-111 siding panels are deteriorated.
- Exterior stucco wall panels show some damage near the foundation. Probable cause is lawn maintenance equipment.
- Tree limbs have not been trimmed away from the roof and siding.
- The front entry canopy light fixtures are missing the globe covers.
- The front entry aluminum canopy roof has had little or no maintenance since the roof was installed. The roof exhibits an excessive amount of rust and an accumulation of pine needles and leaves.
- The concrete walkway has a large crack and upheaval, creating a tripping hazard.

Building A: Common Areas

- Light fixtures in exit stairwells have missing or burned out bulbs and no lens covers.
- The exit signs throughout building had no working bulbs or only one working bulb.
- The laundry room floor has several chipped and/or damaged tiles near the drain.
- The Common Social Room for tenants has a sink cabinet in disrepair – rotted out bottom shelf, drawers that will not open and close properly, and delaminations.
- The common hallway has an electrical outlet cover plate that is not properly secured to the wall.
- Each common hall vent fan is either missing or inoperative.

Building A: Maintenance & Utility Room

- The tub faucet will not turn off the water.
- The cover for the electrical junction box is missing. Electrical wiring is exposed.
- The electrical panel box is missing a slot cover for a breaker opening.

Building B: Exterior

- The electrical cable sheathing is disconnected at the AC unit on the roof, exposing electrical wiring. This is an exigent safety hazard.
- The roof turbine vent cover is not secured in place.

- The tree limbs are endangering the roof and siding.
- The gutter on the elevator tower roof is rusted out and partially filled with gravel.
- There are several broken roof drain caps.
- The roof AC condensation lines are not in working order, causing water to pool on the roof.
- The exterior T-111 siding panels are deteriorated.
- The front entry canopy light fixtures are missing the globe covers.
- The front entry aluminum canopy roof has had little or no maintenance since it was installed. The roof exhibits excessive rust and an accumulation of pine needles and leaves.
- The exterior stucco has been damaged in many areas.
- An AC compressor unit is rusting from sitting on the ground. Also, there is a loose wiring connection at the wall.
- The roof flashing is not sealed on the attached storeroom. Water is seeping under the flashing and onto the siding.

Building B: Common Areas

- The exit signs throughout this building either had no working bulbs or only one working bulb.
- The exit stairwells have several light fixtures with missing or burned out light bulbs and no lens covers.
- An electrical wall outlet is not adequately secured to, and is not flush with the wall.
- The tenant's arts and craft room:
    - exposed electrical wiring.
    - missing light fixture globe covers.
    - missing kitchen vent hood light cover with electrical wiring exposed.
    - kitchen sink cabinet and counter top in disrepair.
    - plumbing leak that has created a mold and mildew health hazard.
- The tenant's game/social room:
    - window sashes with broken seals, allowing air and moisture to enter the thermo pane areas. Glass in these sashes was recently replaced, but was not adequately trimmed and sealed by the contractor.
    - the sink bottom shelf is completely rotted out.

- Each common hall vent fan is either missing or inoperative.

Building B, Maintenance Room:

- The cover for the wall vent fan is missing.

Exterior Deficiencies Affecting All Units:

- The asphalt drive has deteriorated; resurfacing is needed in lieu of sealing.
- Trash dumpsters do not have covers.
- Parking signs for the handicapped are rusted out or missing.

SARALAND MANOR APARTMENTS - 32 Units Inspected

Appendix A

Apartment Numbers & Number of Deficiencies

Item Description	301A	303A	314A	315A	309A	110A-H	308A	202A	204A	208A	215A	214A	218A	101A	104A	115A	315B	313B	318B	302B	309B	306B	303B	215B	213B	203B	208B	101B	108B	103B	113B-H	106B	Totals	Comments
Living Rooms																																		
1.5 windows	1	1	1	1	1	1	1	2	2	1	1	2	1	2	1	1	1	1	1	1	1	2	2	2	2	2	1	1	2	2	2	1	44	Windows too hard to operate & broken seals.
1.6 walls	1											1		2																			4	
1.7 ceilings	1													2										1	1								5	
1.8 floors																								1	1								2	
1.9 paint	1																											1					2	
Kitchens																																		
2.3 electric hazard		1	1		1		1	1	1	1	1	1	1	1	1					1	2	1	1	1	1	1	1		1	1	1	1	25	stove hood, exposed wires & bulbs.
2.7 walls			1																1														2	
2.9 paint												1																			1		2	
2.10. stove		1			1		1	1				1				1			2									1				1	10	Vent hood rust, unsanitary. 1 defective oven door.
2.11 fridge						1	1							1																			3	2 door gaskets defective, 1 missing shelves.
2.12 sink			1			1																									1		3	
2.13 food prep.	1	2	2	1	2	1	2	1	2		1	2		3		1	2	1	2		2	2	1	1	3	3	2	2	2	3	2	1	50	Counters, cabinets unsanitary due to deterioration.
Baths																																		
3.3 electric hazard		1																															1	
3.7 walls														1									1					1		2	1	1	7	Wall repairs needed.
3.8 floors												1		1									1					1			1		5	Floors, baseboards need repairs.
3.9 paint														1																			1	
3.10. toilet																												1					1	
3.11 vanitys					1	1	1	1				1		1		2		1					1	1	2	1		2	2	1	1	2	22	Vanity defects, unsanitary. Pipes not insulated in H.
3.12 tub-shower																1															1		2	
Other Rooms																																		
4.3 electric hazard			1																1					3						1	1		7	Elec deficiencies (globes, covers, exposed wires).
4.4 security																							1										1	
4.5 windows	1	2	2	2	1	1	1	1	1	1	2	2	2	1	1	1	2	1	1	1	1	1	1	4	1	1	1	2	1	1	2	1	44	Window too hard to operate & broken seals.
4.6 ceiling	1													1								1		1			1						5	
4.7 walls	1													1								1		1			1						5	
4.8 floors							1																	1	1					2			5	
4.9 paint	1																					1		1									3	
4.10. smoke detector																										1							1	Weak smoke detector, repaired while on site.
Utility Closets																																		
5.3 electric box														1					1													1	3	2 defective bath GFI, 1 box with tape over slot.
5.4 other hazards								1	1	1		1	1	1																			6	Pipes thru ceiling, not sealed.
7.2 hvac filters	1		1	1				1	1			1		1		1	1						1				1	1	1	1	1	1	16	HVAC filters excessively dirty.
Totals	10	8	10	5	7	6	9	9	8	4	5	14	5	21	3	8	6	4	9	3	6	9	10	18	12	9	8	13	9	14	15	10	287	
																																	287	
A & B denote building.																																		
H denotes handicapped unit.																																		

Photo Examples of Cited Conditions

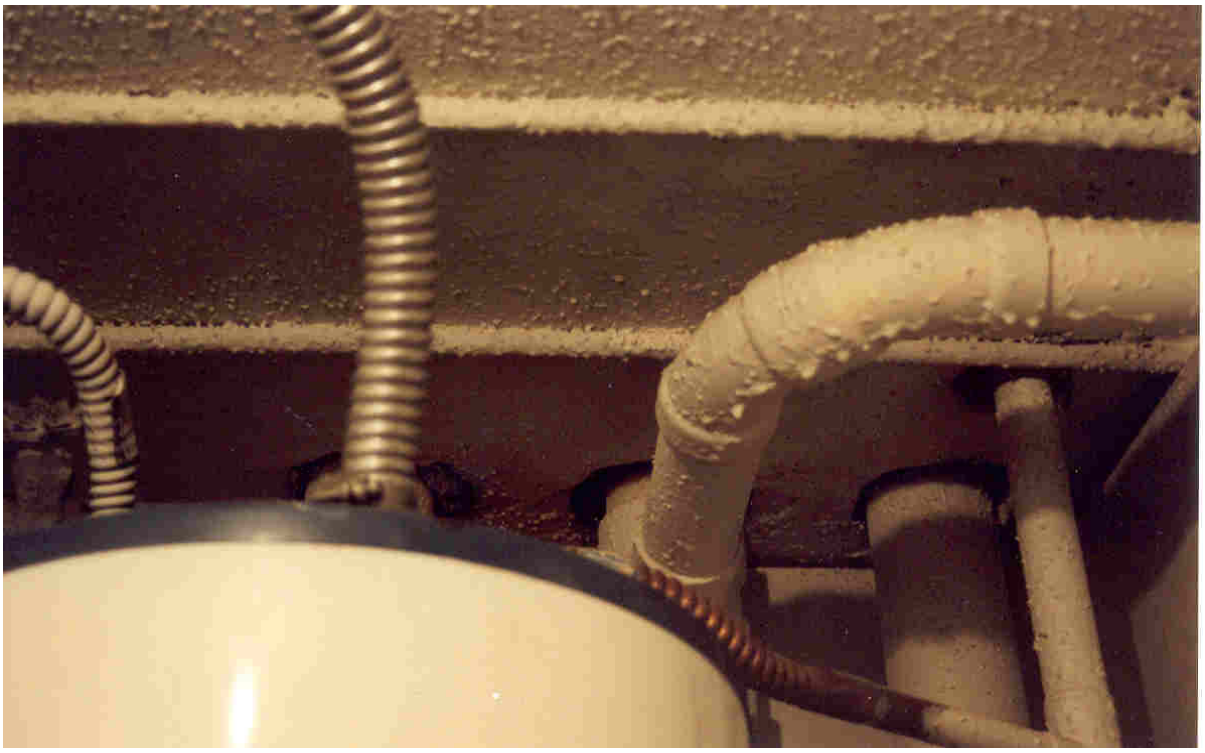
No.1, Building A Roof – Pooling water due to defects in AC condensation lines.

No. 2, Building A – Exterior siding panel is rotted.
This condition was noted in several places.

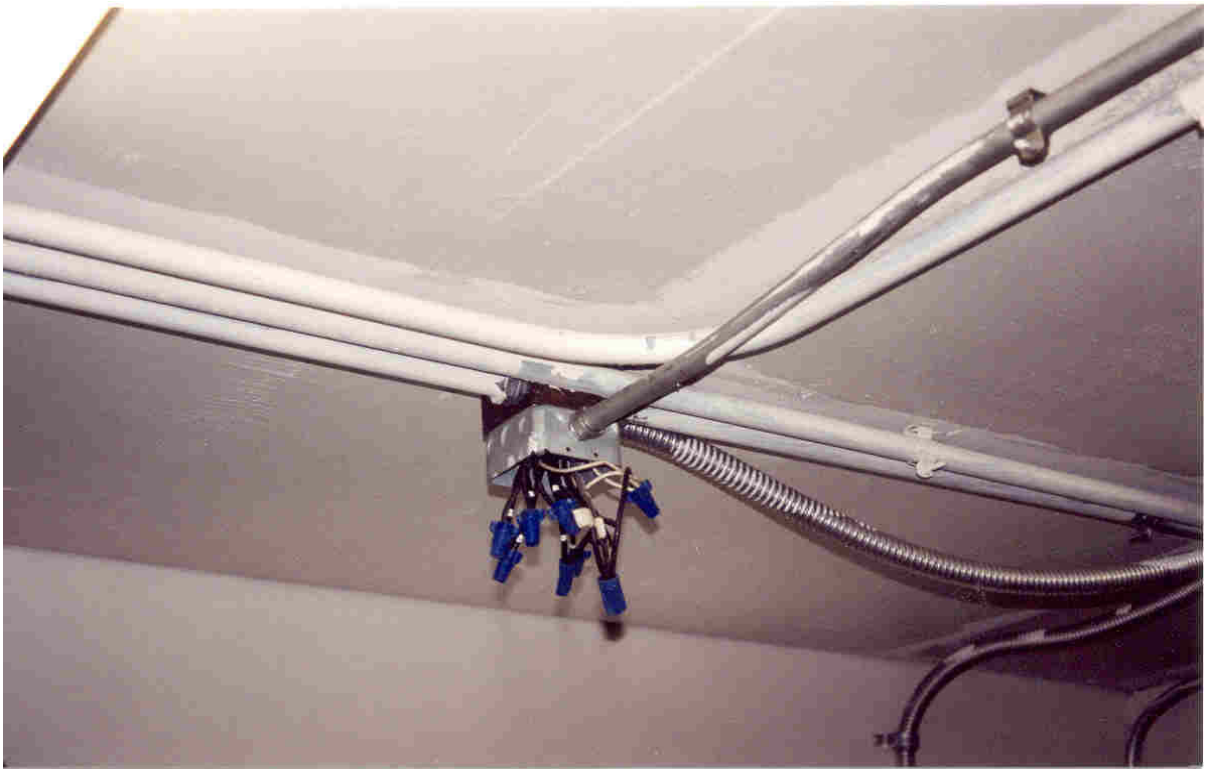
No. 3, Building A – Crack and upheaval in walkway is a tripping hazard.

No. 4, Building B – Trash dumpster with missing and damaged covers.

No. 5 & 6, Buildings A and B, stairwells – Burned out or missing bulbs and missing lens covers.

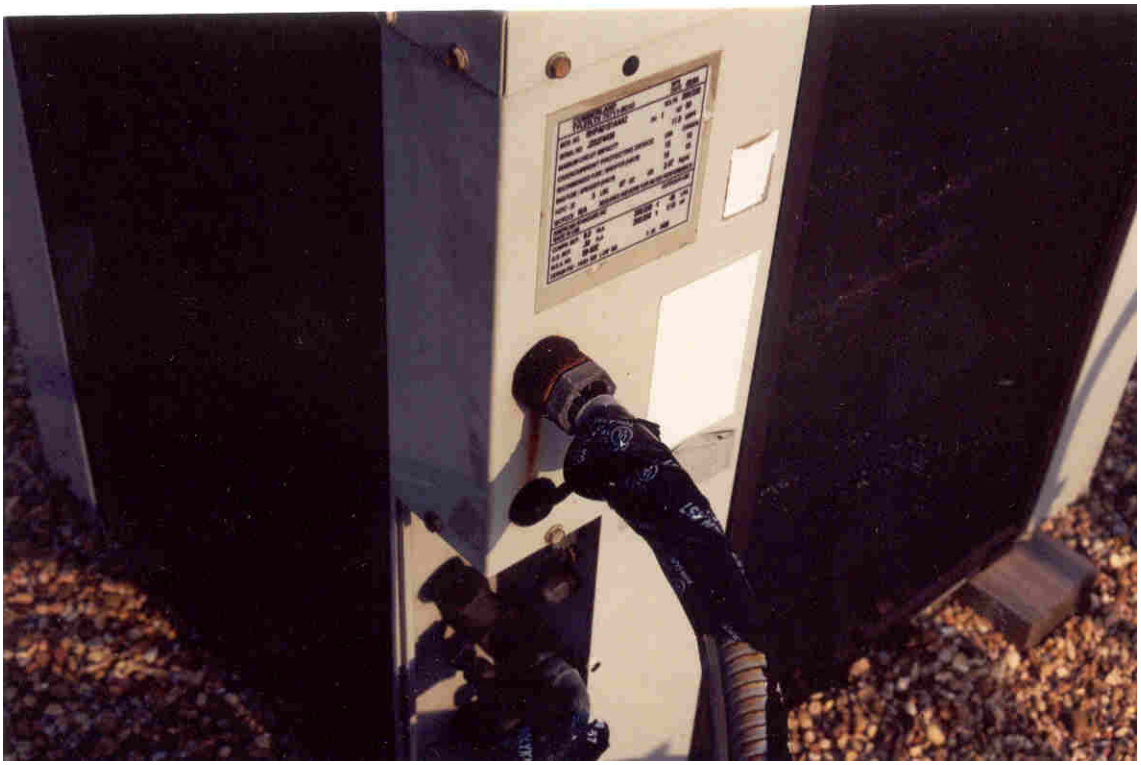


No. 7, Unit 101A – Water heater closet – plumbing holes in ceiling not sealed to provide fire barrier.



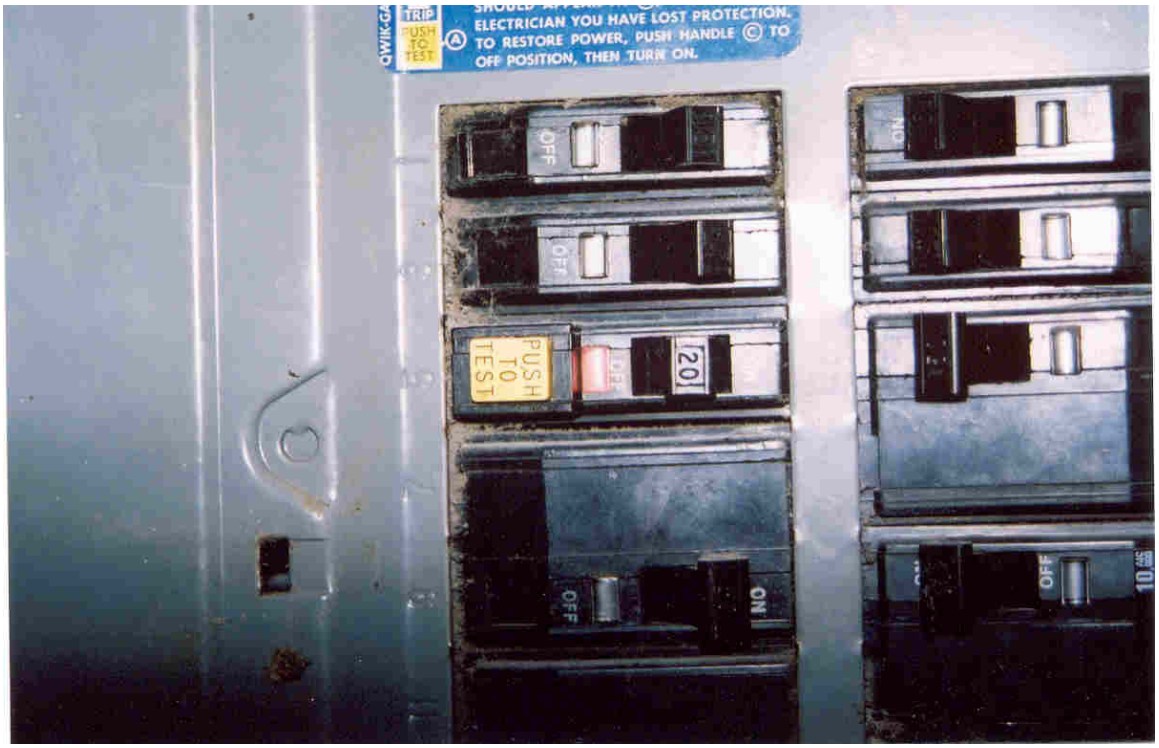
No. 8, Building A- Meter room – exposed wiring

No. 9, Building A Meter room – Electrical breaker box, open breaker slot covered with tape.



No. 10, Building B Roof – Exposed AC electrical wires due to separated cable sheathing.

No. 11, Unit 101A – Electrical breaker slot covered with tape.



No. 12, Unit 318B – GFI breaker for bathroom was defective.

No. 13, Building A Common room – sink cabinet sides and bottom shelf are rotted out.

No. 14, Unit 112B – Arts and Crafts room – sink cabinet is delaminating and countertop underlay is crumbling.

No. 15, Unit 112B – Arts and Crafts room – exposed electrical wiring.

No. 16, Unit 309A – Stove vent hood is rusted, bulb cover is missing, and wiring exposed. This condition was similar in most apartment units.

No. 17, Unit 214A – Kitchen sink cabinet is delaminating. Countertop underlay is crumbling. Similar conditions were noted in nearly all units inspected.

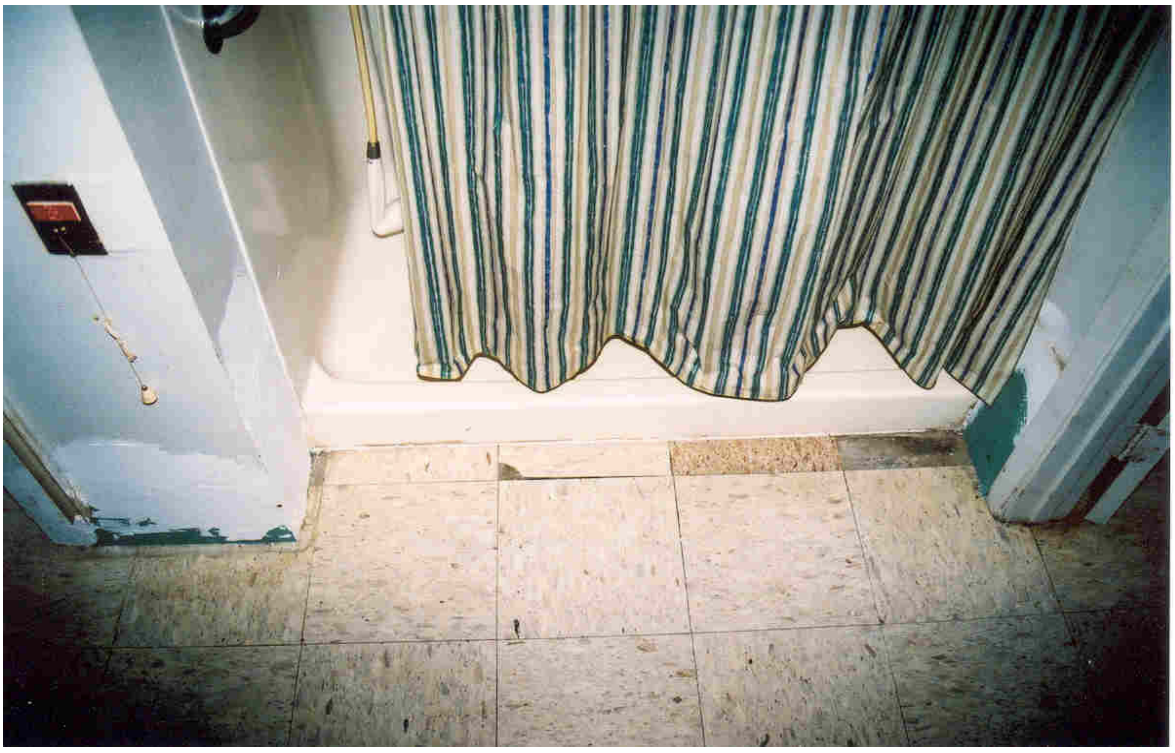
No. 18, Unit 314A – Kitchen sink cabinet, sidewall and bottom shelf are rotted out and mildewed.

No. 19, Unit 318B – Wall under kitchen sink is in disrepair. Mold is accumulating. Plumbing holes are not sealed.

No. 20, Unit 203B – Kitchen sink cabinet has delaminated. Underlay material for doors and countertop are crumbling.

No. 21, Unit 103B – Kitchen cabinets were replaced, but staining was incomplete and shelving was omitted.

No. 22, Unit 203B – Bathroom vanity is delaminating. Side finish and inside shelf surface are deteriorated and not impervious to moisture.

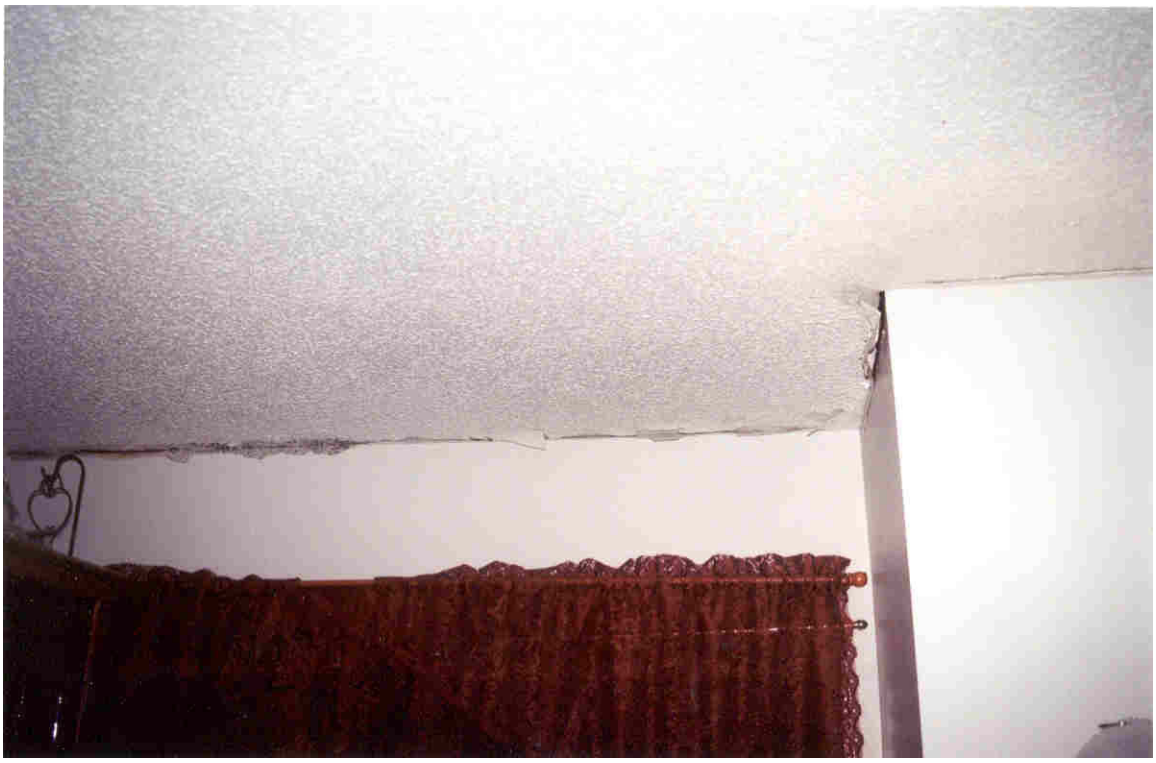


No. 23, Unit 101B – Bathroom floor has damaged and missing tiles.
Wall repairs were not painted. Vinyl baseboard is missing.

No. 24, Building B, east stairwell – missing and damaged floor tiles.

No. 25, Unit 308A – Dining area floor tiles are completely worn through.

No. 26, Unit 301A – Peeling paint in utility closet. Tenant stated the apartment had not been painted in 16 years.



No. 27, Unit 301A – The living room ceiling to wall joint has separated.

No. 28, Unit 303A – Water damage to living room ceiling has not been repaired. Trim molding was not painted.

No. 29, Unit 214 A – Living room window shows deterioration and mildew due to moisture damage. The glass panes were not adequately sealed.

No. 30, Unit 203B – Moisture damaged drywall at window frame. The age and condition of window units makes them too difficult to operate, and subject to moisture intrusion.

U. S. Department of Housing and Urban Development

Mississippi State Office, Southeast / Caribbean
Dr. A. H. McCoy Federal Building, Room 910
100 West Capitol Street
Jackson, Mississippi 39269-1096

February 20, 2004

MEMORANDUM FOR: Sonya Lucas, Acting Regional Inspector General for Audit, 4AGA

FROM: Ziva M. James, Acting Director, Jackson Multifamily Program Center, 4GHM

SUBJECT: Project No.065-EH006
Saraland Manor Apartments
Gulfport, Mississippi

Attached is the Jackson Mississippi Program Center's written response to the Draft OIG Memorandum Report for the subject property. Included are the proposed corrective actions and dates of completion for each recommendation. If you have any questions, please feel free to contact Bill Duckworth at (601) 965-4700, extension 3022.

Attachment

Recommendation	Proposed Corrective Action by Jackson Field Office	Proposed Date of Completion
1A. Conduct a management review of Saraland as soon as possible in fiscal 2004. Assess why management has not performed routine maintenance and repairs, and whether management scheduled repairs of deficiencies identified by REAC inspections.	During fiscal year 2004, the Jackson Multifamily Program Center (JMFPC) will conduct a management review of the property to verify that deficiencies noted in the latest REAC report have been corrected. In addition, JMFPC will secure and review the project's standard written procedure that explains the process for inspecting units and the timeframe for completing repairs under the procedure.	July 1, 2004
1B. Require the owner/ management agent to implement adequate management controls to ensure health and safety hazards and other routine maintenance needs are timely identified and promptly corrected. For example, management should continually maintain a log of needed repairs including the date each item was reported or identified, and the date each repair was completed. Management should also post instructions for employees and tenants to report safety and health hazards and other maintenance needs as soon as they are noticed.	During fiscal year 2004, the Jackson Multifamily Program Center (JMFPC) will conduct a management review of the property to verify that acceptable management controls are in place and are being implemented properly. If deficiencies are uncovered in management controls, project management will be instructed to correct all deficiencies.	July 1, 2004

U.S. Department of Housing and Urban Development
1280 Maryland Avenue, SW
Suite 800
Washington, D.C. 20024-2135

OFFICE OF PUBLIC AND INDIAN HOUSING
REAL ESTATE ASSESSMENT CENTER

MEMORANDUM FOR: James D. McKay
Acting Regional Inspector General for Audit, 4AGA

FROM: Elizabeth Hanson, Director, Office of Public and Indian Housing, Real Estate Assessment Center, PX

SUBJECT: Office of Inspector General OIG Memorandum No. 2004-AT-xxx Draft Report on Saraland Manor Apartments, Gulfport, Mississippi

In response to the Office of Inspector General (OIG) Memorandum No. 2004-AT-xxx, wherein you cited a complaint received from the office of Senator Trent Lott about the physical condition of Saraland Manor Apartments in Gulfport, Mississippi, PIH-REAC has performed a re-inspection of the property and determined that the physical inspection score resulting from the original inspection accurately reflected the condition of the property.

Results of the PIH-REAC Quality Assurance re-inspection confirmed that the previous physical inspection score of 67c for Saraland Manor Apartments was valid as measured within PIH/REAC Inspection protocol and scoring algorithms. The determination is based on a comparative analysis of 1) the re-inspection, 197712, performed February 5, 2004, by PIH-REAC Quality Assurance; 2) the contract inspection, 185691, performed July 1, 2003; 3) previous inspections 112344 and 165474; and 4) the OIG inspection conducted the week of August 18, 2003.

Differences between the findings of the original inspection and the re-inspection are, in part, the result of changes in the condition of the property that occurred during the 6-month period between inspections, including the correction of some previously-cited deficiencies. While the number of deficiencies identified are consistent between the two inspections, there are differences in the categorization of a few of the deficiencies.

In most instances where the PIH-REAC inspection results differ from the results of the OIG inspection, the differences are attributable to disparities in inspection standards between the OIG and the Uniform Physical Condition Standards (UPCS) related to definitions and proportionality. Specific examples can be found in Appendix A.

RESULTS OF ANALYSIS

Table A, below, represents a comparison between the number of units inspected during each of the last 5 PIH-REAC inspections and the average amount of time each inspector spent in each unit performing the inspection.

Table A			
Inspection	**Inspection Date**	**Units Inspected**	**Avg time per Unit**
197712	2/5/2004	21	11:43
185691	7/1/2003	21	5:59
165474	9/11/2002	21	6:57
112344	10/31/2000	21	2:59

Table B provides the physical inspection scores and the number of deficiencies observed in each of the 5 inspectable areas, during each of the 5 PIH-REAC inspection.

Table B						
Inspection	**Score**	**DU**	**Site**	**CA**	**System**	**Exterior**
112344	86c	97	82	68	100	59
165474	63a	79	55	0	93	42
185691	67c	90	92	3	94	0
197712	67c	73	32	0	95	90

Table C provides the number of deficient items observed in all 5 inspectable areas, the number of deficiencies observed in the dwelling units, the total number of deficiencies and the number of deficiencies sorted by criticality level.

Table C						
Inspection	**OD**	**DU-OD**	**Defects**	**Level 1**	**Level 2**	**Level 3**
112344	21	10	26	18	7	1
165474	48	27	57	19	12	26
185691	41	23	53	28	13	12
197712	41	28	51	20	10	21

The most significant discrepancies in Level 3 defects between Inspection 185691 and 197712 were three (3) H&S – Emergency/Fire Exits Unusable in Dwelling Units, three (3) H&S – Air Quality – Mold & Mildew for Dwelling Units and two (2) Electrical Systems – Missing Breaker/Fuses in Dwelling Units.

Table D compares the results of Inspection Number 185691 to the prior years' results. The comparison includes the score calculated before and after Health and Safety deficiencies were corrected, the final scores of record, variations among the inspections, the number of items reported with no observed deficiency, the number of non-applicable items, the number of observed deficiencies and the number of Level 3 deficiencies.

Table D								
Inspection	**Date**	**Pre-H&S**	**SOR**	**vs Current**	**NOD**	**NA**	**OD**	**Level 3**
197712	2/5/2004	79	67	0	322	78	48	21
185691	7/1/2003	67	67	+4	319	81	43	12
165474	9/11/2002	63	63	-23	309	83	49	26
112344	10/31/2000	87	86	N/A	340	80	21	1

See Appendix B for details of the defects observed during the re-inspection, Inspection Number 197712, and the previous contract inspection, Inspection Number 185691.

The physical inspection score resulting from the July 1, 2003 inspection has been validated and a determination has been made that the contract inspector substantially followed the UPCS inspection protocol. PIH-REAC will continue to review 100% of the contract inspector's inspections, including his timestamp data, and will continue to conduct regularly scheduled quality assurance reviews to monitor the inspector's performance.

APPENDIX A

SARALAND MANOR APARTMENTS
GULFPORT, MISSISSIPPI

OIG FINDING	PIH-REAC RESPONSE
Building A: Exterior	
• Loose electrical connections to roof A/C units	This deficiency was identified by the contract inspector during Inspection Number 185691 and by OIG. The defect may have been repaired, as it was not identified during the re-inspection by PIH-REAC QA.
• Roof A/C condensation lines are not in working order. Water pools on the roof.	The PIH-REAC definition of pooling is that there is evidence of areas of standing water--roof depression, mold ring, or effervescence water ring. The only criticality level is Level 3, which requires evidence of standing water on the roof, causing potential or visible damage to roof surface or underlying materials. This condition was not reported by either the contract inspector or QA inspector.
• Exterior T-111 siding panels are deteriorated	REAC inspector recorded Level 2 – Walls (Building Exterior) – Missing Pieces/Holes/Spalling The defect may have been repaired, as it was not identified during the re-inspection by PIH-REAC QA..
• Exterior stucco wall panels show some damage near the foundation. Probable cause is lawn maintenance equipment.	The contract inspector recorded this condition as a Level 1 – Walls (Building Exterior) - Missing/Damaged Caulking/Mortar. The defect may have been repaired, as it was not identified during the re-inspection by PIH-REAC QA.
• Tree limbs have not been trimmed away from the roof and siding.	The PIH-REAC definition for a deficiency is Site - Overgrown/Penetrating Vegetation (Grounds); plant life has spread to unacceptable areas, unintended surfaces, or has grown in areas where it was not intended to grow. Criticality levels can be Levels 2 or 3. To be reported as a Level 2 deficiency, the vegetation is extensive and dense; it is difficult to see broken glass, holes, and other hazards or vegetation contacts or penetrates an unintended surface--buildings, gutters, fences/walls, **roofs**, HVAC units, etc.--but you see no visible damage. To be reported as a Level 3 deficiency, plants have visibly damaged a component, area, or system of the property or have made them unusable/unpassable. Neither condition was reported by either the contract inspector or the QA inspector.

• Front entry canopy light fixtures are missing the globe covers	Based on REAC definitions, missing globe covers, while unsightly, do not constitute a defect, unless the condition constitutes an obvious safety hazard. This condition was not reported by the QA inspector.
• Front entry aluminum canopy roof has had little or no maintenance since the roof was installed. The roof exhibits an excessive amount of rust and an accumulation of pine needles and leaves.	The contract inspector recorded a Level 2 – Building Exterior – Walls - Stained/Peeling/Needs Paint. This appears to be the correct categorization for such a deficiency. This condition was not reported by the QA inspector.
• Concrete walkway has a large crack and upheaval, creating a tripping hazard.	Based on the photograph provided by the OIG, the upheaval does not appear to be severe. This property houses senior citizens and the definition of a deficiency for walkways includes the note "…when observing traffic ability, consider the capacity to support pedestrians, wheelchairs, and people using walkers". Although the single crack would not meet the definition of a deficiency due to the required proportionality of a minimum of 5% being met, it could constitute a tripping hazard. Apparently, in the contract inspector's judgment, the crack was not significant enough to report as a health and safety defect.. This condition was not reported by the QA inspector.
Building A: Common Areas	
• Light fixtures in exit stairwells have missing or burned out bulbs and no lens covers	Based on REAC definition and Compilation Bulletin; in common areas where light bulbs are inoperable, light bulbs are not to be considered in the cumulative percentage if the fixture is proven operable. The definition addresses broken fixtures; bulbs are not addressed. 20%-50% of the permanent lighting fixtures must be missing or damaged for it to be categorized as a Level 2 deficiency. This condition was not reported by the QA inspector.
• Exit signs throughout building had no working bulbs or only one working bulb.	Missing Exit Signs (Emergency/Fire Exit) are recorded as deficiencies when exit signs that clearly identify all emergency exits are missing or there is no illumination in the area of the sign (this would include if there is a window near the sign). This condition was not reported by either the contract inspector or the QA inspector.

• Laundry room floor has several chipped and/or damaged tiles near the drain.	The contract inspector recorded a Level 1 deficiency for this condition. This condition was not reported by the QA inspector.
• Common Social Room for tenants has a sink cabinet in disrepair – rotted out bottom shelf, drawer that will not open and close properly, delaminations.	Based on UPCS inspection protocol, the correct place to record this deficiency is under Common Areas – Kitchen. According to the definition for Cabinets - Missing/Damaged (Common Areas), a deficiency exists when cabinets are missing or the laminate is separating. This includes cases, boxes, or pieces of furniture with drawers, shelves, or doors--primarily used for storage--mounted on walls or floors. The criticality level is based on proportionality, i.e.; for Level 2: 10-50% of the cabinets, doors, or shelves are missing or the laminate is separating. The contract inspector reported Common Area – Kitchen as not applicable. This condition was not reported by the QA inspector, however he did identify a Level 1 – Walls – Water Stains/Water Damage/Mold/Mildew and an H&S Air Quality for Mold/Mildew.
• Common hallway has an electrical outlet cover plate that is not properly secured to the wall.	UPCS inspection protocol does not address where to record an unsecured outlet cover plate. The definition for Outlets/Switches/Cover Plates (Common Areas) states that a deficiency exists when the flush plate that covers the opening around a switch or outlet is damaged or missing, or a switch or outlet is missing. This condition was not reported by the QA inspector
• Each common hall vent fan is either missing or inoperative	The contract inspector did not associate this HVAC condition with hallways; however, he did record two Level 3 HVAC – Inoperable defects for the Lobby and the Laundry room. The QA inspector recorded a Level 2 defect for Restrooms/Pool Structures - Ventilation/Exhaust System – Inoperable.
Building A: Maintenance & Utility Room	
• Tub faucet will not turn off the water	Based on UPCS inspection protocol, the only place this deficiency could have been recorded is under Common Areas – Kitchen or Bathroom. The defect may have been repaired, as it was not identified during the re-inspection by the QA inspector.

• The cover for the electrical junction box is missing. Electrical wiring is exposed.	Based on the photograph provided by OIG, it appears that all of the wires are capped, which is acceptable. The definition for Electric Hazard notes that if the accompanying authority has identified abandoned wiring, capped wires do not pose a risk and should not be recorded as a deficiency. A deficiency was not reported by the QA inspector.
• The electrical panel box is missing a slot cover for a breaker opening.	Based on the photograph provided by OIG, the slot is covered by a piece of tape, which is not an appropriate method of blanking off the slot. This condition was not reported by either the contract inspector or the QA inspector.
Building B: Exterior	
• Electrical cable sheathing is disconnected at the A/C unit on the roof, exposing electrical wiring.	The contract inspector recorded this deficiency as Electrical Hazards – Exposed Wires/Open Panels (LT) – Location; roof, with the comment "exposed wire in unsecured a/c disconnect box". The defect may have been repaired, as it was not identified during the re-inspection by PIH-REAC QA.
. • Roof turbine vent cover is not secured in place.	This condition would be a deficiency if a potential Electric Hazard exists due to exposed wires or the possibility of water leaking, puddling, or ponding on or immediately near the device which could pose a risk of fire, electrocution, or explosion. This condition was not reported by either the contract inspector or the QA inspector.
• The tree limbs are endangering the roof and siding	The PIH-REAC definition of a deficiency is Site – Overgrown/Penetrating Vegetation (Grounds); plant life has spread to unacceptable areas, unintended surfaces, or has grown in areas where it was not intended to grow. Criticality levels can be Levels 2 or 3. To be reported as a Level 2 deficiency, the vegetation is extensive and dense; it is difficult to see broken glass, holes, and other hazards or vegetation contacts or penetrates an unintended surface--buildings, gutters, fences/walls, **roofs**, HVAC units, etc.--but you see no visible damage. To be reported as a Level 3 deficiency, plants have visibly damaged a component, area, or system of the property or have made them unusable/unpassable. Neither condition was reported by either the contract inspector or the QA inspector.

• Gutter on the elevator tower roof is rusted out and partially filled with gravel	Rusted gutters are not addressed in the definition of Missing/Damaged Components from Downspout/Gutter (Roofs). A deficiency exists when the components of the drainage system-including gutters, leaders, downspouts, splashblocks, and drain openings--are missing or damaged. The criticality levels for a deficiency are Level 1: splashblocks are missing or damaged; Level 2: drainage system components are missing or damaged, but there is no visible damage to the roof, structure, exterior wall surface, or interior; and Level 3: drainage system components are missing or damaged, causing visible damage to the roof, structure, exterior wall surface, or interior. Note: This does not include clogged drains, which are addressed in "Building Exterior – Roofs - Clogged Drains." The definition specifically states that this deficiency does not include gutters and downspouts. Neither the contract inspector, nor the QA inspector, reported a deficiency.
• Broken roof drain caps	The contract inspector did not record this deficiency, which should have been recorded as Level 2 - Missing/Damaged Components from Downspout/Gutter (Roofs). The defect may have been repaired, as it was not identified during the re-inspection by the QA inspector.
• Roof of A/C condensation lines are not in working order, causing water to pool on the roof	The PIH-REAC definition of pooling is that there is evidence of areas of standing water--roof depression, mold ring, or effervescence water ring. The only criticality level is Level 3, which requires evidence of standing water on the roof, causing potential or visible damage to roof surface or underlying materials. This condition was not reported by either the contract inspector or the QA inspector.
• Exterior T-111 siding panels are deteriorated	Both the contract inspector and the QA inspector recorded this deficiency as Level 2 – Walls (Building Exterior) - Missing Pieces/Holes/Spalling.
• Front entry canopy light fixtures are missing the globe covers	Based on REAC definitions, missing globe covers, while unsightly, do not constitute a defect, unless the condition constitutes an obvious safety hazard. This condition was not reported by the QA inspector.

• Front entry aluminum canopy roof has had little or no maintenance since it was installed. The roof exhibits excessive rust and an accumulation of pine needles and leaves	The contract inspector did not record a deficiency reflecting this condition, he did, however, record a Level 1 deficiency for Building Exterior – Walls - Stained/Peeling/Needs Paint. The defect may have been repaired, as it was not identified during the re-inspection by the QA inspector.
• Exterior stucco siding has been defaced in many areas	The contract inspector recorded Level 1 – Walls (Building Exterior) - Missing/Damaged Caulking/Mortar.. The defect may have been repaired, as it was not identified during the re-inspection by the QA inspector.
• A/C compressor unit is rusting from sitting on the ground. Also, there is a loose wiring connection at the wall	The contract inspector did not identify a deficiency for this condition. The issue is whether the compressor functions as designed. A health and safety deficiency would exist if the loose wiring includes any exposed wires that may create a health and safety hazard. No photograph was provided, so the exact condition is unclear. The QA inspector identified a deficiency for HVAC – General Rust/Corrosion – Level 2 for Building B (2) Building Systems.
• Roof flashing is not sealed on the attached storeroom. Water is seeping under the flashing and onto the siding	The contract inspector recorded a deficiency as Level 1 – Roofs – Damaged Soffits/Fascia, which may have been the same condition referenced in the draft OIG report. The defect may have been repaired, as it was not identified during the re-inspection by the QA inspector.
• Exterior stucco wall panels show some damage near the foundation area	The contract inspector recorded Level 1 – Walls (Building Exterior) - Missing/Damaged Caulking/Mortar. The defect may have been repaired, as it was not identified during the re-inspection by the QA inspector.
Building B: Common Areas	
• Exit signs throughout this building either had no working bulbs or only one bulb was working	Based on REAC definition and Compilation Bulletin; in common areas where light bulbs are inoperable, light bulbs are not to be considered in the cumulative percentage if the fixture is proven operable. The definition addresses broken fixtures; bulbs are not addressed. 20%-50% of the permanent lighting fixtures must be missing or damaged for it to be categorized as a Level 2 deficiency. This condition was not reported by the QA inspector.

• Exit stairwells have several light fixtures with missing or burned out light bulbs and no lens covers	Based on REAC definition and Compilation Bulletin; in common areas where light bulbs are inoperable, light bulbs are not to be considered in the cumulative percentage if the fixture is proven operable. The definition addresses broken fixtures; bulbs are not addressed. 20%-50% of the permanent lighting fixtures must be missing or damaged for it to be categorized as a Level 2 deficiency. This condition was not reported by the QA inspector,
• Electrical wall outlet is not adequately secured to, and is not flush with the wall	UPCS inspection protocol does not address where to record an unsecured outlet cover plate. The definition for Outlets/Switches/Cover Plates (Common Areas) states that a deficiency exists when the flush plate that covers the opening around a switch or outlet is damaged or missing, or a switch or outlet is missing. This condition was not reported by the QA inspector. The contract inspector recorded a deficiency for Outlet Switches/Cover Plates Missing Broken in the Lobby. The QA Inspector recorded a missing switchplate cover near the front entry of the building. It is unclear if these are the same defect to which OIG refers.
• The tenant's arts and craft room:	
- Exposed electrical wiring	Although the cover is clearly missing in the photograph provided by OIG, it appears that the wires are all capped, therefore, no deficiency appears to exist. The definition of Electric Hazard notes that if the accompanying authority has identified abandoned wiring, capped wires do not pose a risk and should not be recorded as a deficiency. This condition was not reported by the QA inspector.
- Missing light fixture globe covers	Based on REAC definitions, missing globe covers, while unsightly, do not constitute a defect, unless the condition constitutes an obvious safety hazard. This condition was not reported by the QA inspector.

- Missing kitchen vent hood light cover with electrical wiring exposed	Based on REAC Inspection definition of Range Hood/Exhaust Fans - Excessive Grease/Inoperable, a deficiency exits when the apparatus that draws out cooking exhaust does not function as it should. Criticality levels include Level 1: An accumulation of dirt threatens the free passage of air; and Level 3: the exhaust fan does not function or it is estimated that the flue may be completely blocked. The definition does not specifically identify rust as a deficiency. Further, there is no specific deficiency for the light not having a cover. Concerning the exposed wires, no photograph was provided to document this condition. Based on a review of a photograph for another of the units, it did not appear that the wires were bare, but rather ran from the light back into the fan device. The contract inspector recorded Common Areas – Kitchen as N/A. A deficiency was not reported by either the contract inspector or the QA inspector.
- Kitchen sink cabinet and countertop in disrepair	The contract inspector recorded Common Areas – Kitchen as N/A. The QA inspector confirmed that there exists a kitchen in the Common Area, but cited no deficiency.
- Plumbing leak that has created a mold and mildew health hazard	Neither the contract inspector, nor the QA inspector, recorded a deficiency for Air Quality – Mold/Mildew at this location. If a deficiency existed at the time of the original inspection, it may have been corrected prior to the re-inspection.
• Tenant's game/social room:	
-window sashes with broken seals, allowing air and moisture to enter the thermo pane areas. Glass in these sashes was recently replaced, but was not adequately trimmed and sealed by the contractor	The REAC inspector identified no Common Area window defects. The REAC Inspector did identify a Level 3 – Window – Missing/Deteriorated Caulking/Seals defects for Building Exterior for Building 2 (B); it appears they should have been placed under Common Areas based on REAC protocol concerning inspectable buildings, however it is unclear if these are the same windows the OIG inspector refers to. The REAC inspector stated for location; front of building. The REAC definition states, that the caulking or seals that resists weather is missing or deteriorated. The levels of deficiency are either Level 2 when most of the window shows missing or deteriorated caulk, but there is no evidence of damage to the window or surrounding structure or Level 3 when there are missing or deteriorated caulk or seals--with evidence of leaks or damage to the window or surrounding structure**.** Based on the description provided by the OIG inspector there was evidence of leaks.

- the sink bottom shelf is completely rotted out	The contract inspector recorded Common Areas – Kitchen as N/A.
• Common hall vent fans are missing or inoperative	The contract inspector did not identify this deficiency, however he reported a Level 3 – HVAC deficiency in the Laundry Room.
Building B, Maintenance Room:	
• Cover for the wall vent fan is missing	The actual condition referenced by OIG is unclear and no photograph was provided for reference. If the condition creates a potential health and safety hazard, it should have been reported. There is nothing in either inspection report that appears to identify this condition.
Exterior Deficiencies Affecting All Units	Based on REAC definition, the criticality level is either Level 1 or Level 3. Level 1 addresses potholes or loose material that has caused the pavement to fail, exposing the subsurface; Level 3 addresses potholes or loose material that has made a parking lot/driveway **unusable/unpassable** for vehicles and/or pedestrians. Both the contract inspector and the QA inspector recorded a Level 1 deficiency for Site - Parking Lots/Driveways/Roads - Potholes/Loose Material.
• Asphalt drive has deteriorated; resurfacing is needed in lieu of sealing	
• Trash dumpsters do not have covers	The definitions do not specifically address trash dumpsters. The deficiency definition states that the outdoor enclosed area used as a trash/refuse site is either broken or damaged, including its walls or is too small to properly store refuse until disposal. The only criticality level for this deficiency is Level 2, the definition for which states that a single wall or gate of the enclosure has collapsed or is leaning and is in danger of falling or trash cannot be stored in the designated area because it is too small to store refuse until disposal. The QA inspector did not record a deficiency for this condition.
Parking signs for the handicapped are rusted out or missing	The definitions do not specifically address this condition and neither the contract inspector, nor the QA inspector recorded a deficiency.

APPENDIX B

SARALAND MANOR APARTMENTS
GULFPORT, MISSISSIPPI

The following summary report represents details of the defects observed during Inspection Numbers 197712 and 185691. The fourth column represents the criticality level of the deficiency as determined by the QA inspector during the re-inspection. Where the QA inspector did not observe that particular deficiency, the criticality level defaults to the level reported by the contract inspector during the previous inspection. The fourth and fifth columns represent the number of deficiencies recorded by each inspector. See Table C for a the total number of deficiencies reported and the criticality level of each.

Area	Inspectable Item	Defect	Level	197712	185691
BldgExt	Roofs	Damaged Soffits/Fascia	1	0	1
BldgExt	Roofs	Damaged Vents	1	0	1
BldgExt	Walls	Missing Pieces/Holes/Spalling**	2	1	2
BldgExt	Walls	Missing/Damaged Caulking/Mortar	1	0	2
BldgExt	Walls	Stained/Peeling/Needs Paint	1	0	1
BldgExt	Walls	Stained/Peeling/Needs Paint	2	0	1
BldgExt	Windows	Missing/Deteriorated Caulking/Glazing Compound**	3	0	2
BldgSys	Emergency Power	Run-Up Records/Documentation Not Available	3	0	2
BldgSys	HVAC	General Rust/Corrosion	2	1	0
CA	Closet/Utility/Mechanical	Ceiling - Peeling/Needs Paint**	2	0	1
CA	Closet/Utility/Mechanical	Walls - Damaged**	2	0	1
CA	Closet/Utility/Mechanical	Walls - Peeling/Needs Paint**	2	0	1
CA	Closet/Utility/Mechanical	Walls - Water Stains/Water Damage/Mold/Mildew**	2	0	2
CA	Community Room	Walls - Water Stains/Water Damage/Mold/Mildew**	1	1	0
CA	Halls/Corridors/Stairs	Ceiling - Holes/Missing Tiles/Panels/Cracks**	1	0	1
CA	Halls/Corridors/Stairs	Ceiling - Water Stains/Water Damage/Mold/Mildew**	2	0	1
CA	Halls/Corridors/Stairs	Doors - Damaged Hardware/Locks**	3	1	0
CA	Kitchen	Plumbing - Clogged Drains	1	1	0

CA	Laundry Room	Floors - Floor Covering Damage**	1	0	1
CA	Laundry Room	HVAC - Inoperable**	3	0	2
CA	Laundry Room	Walls - Peeling/Needs Paint**	1	1	0
CA	Lobby	HVAC - Inoperable**	3	0	1
CA	Lobby	Outlets/Switches/Cover Plates - Missing/Broken	3	1	0
CA	Lobby	Walls - Peeling/Needs Paint**	1	0	1
CA	Other Community Spaces	Doors - Missing Door	1	1	0
CA	Other Community Spaces	Windows - Inoperable/Not Lockable**	1	1	0
CA	Other Community Spaces	Windows - Missing/Deteriorated Caulking/Seals/Glazing Compound**	3	1	0
CA	Patio/Porch/Balcony	Ceiling - Peeling/Needs Paint**	1	0	1
CA	Restrooms/Pool Structures	Ventilation/Exhaust System - Inoperable**	2	1	0
CA	Storage	Walls - Peeling/Needs Paint**	2	0	1
DU	Bathroom	Bathroom Cabinets - Damaged/Missing**	1	0	2
DU	Bathroom	Lavatory Sink - Damaged/Missing**	1	1	3
DU	Bathroom	Water Closet/Toilet - Damaged/Clogged/Missing	2	1	1
DU	Call-for-Aid	Inoperable	3	3	2
DU	Ceiling	Holes/Missing Tiles/Panels**	1	0	1
DU	Ceiling	Peeling/Needs Paint**	1	1	0
DU	Ceiling	Water Stains/Water Damage/Mold/Mildew**	1	1	1
DU	Doors	Damaged Hardware/Locks**	1	1	0
DU	Doors	Damaged Hardware/Locks**	2	1	1
DU	Electrical System	GFI - Inoperable	3	1	0
DU	Electrical System	Missing Breakers/Fuses	3	2	0
DU	Floors	Floor Covering Damage**	1	0	1
DU	HVAC System	Noisy/Vibrating/Leaking**	1	0	1
DU	Kitchen	Plumbing - Leaking Faucet/Pipes	1	0	1
DU	Kitchen	Range Hood/Exhaust Fans - Excessive Grease/Inoperable	1	0	1
DU	Kitchen	Range Hood/Exhaust Fans - Excessive Grease/Inoperable	3	1	1
DU	Kitchen	Range/Stove -	1	0	6

		Missing/Damaged/Inoperable**			
DU	Kitchen	Range/Stove - Missing/Damaged/Inoperable**	2	1	0
DU	Kitchen	Refrigerator - Missing/Damaged/Inoperable	1	4	1
DU	Outlets/Switches	Missing/Broken Cover Plates	3	1	0
DU	Walls	Peeling/Needs Paint**	1	4	0
DU	Walls	Peeling/Needs Paint**	2	1	1
DU	Walls	Water Stains/Water Damage/Mold/Mildew**	1	1	0
DU	Windows	Inoperable/Not Lockable**	3	2	0
DU	Windows	Missing/Deteriorated Caulking/Seals/Glazing Compound**	2	1	0
DU	Windows	Missing/Deteriorated Caulking/Seals/Glazing Compound**	3	1	0
DU	Windows	Peeling/Needs Paint	1	1	0
HS	Air Quality	Mold and/or Mildew Observed	3	3	0
HS	Electrical Hazards	Exposed Wires/Open Panels**	3	0	2
HS	Emergency/Fire Exits	Emergency/Fire Exits Blocked/Unusable	3	3	0
HS	Hazards	Tripping	3	1	0
Site	Fencing and Gates**	Damaged/Falling/Leaning**	2	1	0
Site	Parking Lots/Driveways/Roads	Potholes/Loose Material**	1	1	1
Site	Storm Drainage	Damaged/Obstructed**	2	1	0

APPENDIX C

SARALAND MANOR APARTMENTS
GULFPORT, MISSISSIPPI

Photo Examples of Cited Conditions

NOTE: OIG removed duplicate copies of the 30 photographs in Appendix B from this REAC appendix. OIG also added the "REAC Response" captions below to distinguish between the OIG photo captions and REAC comments.

No. 1, Building A Roof – Pooling water due to defects in AC condensation lines.
REAC Response: REAC inspector did not identify.

No. 2, Building A – Exterior siding panel is rotted. This condition was noted in several places.
REAC Response: REAC inspector recorded Level 2 – Missing Pieces/Holes/Spalling

No. 3, Building A – Crack and upheaval in walkway is a tripping hazard.
REAC Response: Questionable as tripping hazard, however based on definition note; when observing traffic ability, consider the capacity to support pedestrians, wheelchairs, and people using walkers

No. 4, Building B – Trash dumpster with missing and damaged covers.
REAC Response: REAC inspector did not identify, potentially fit as Level 2 – Broken/Damaged Enclosure – Inadequate Outside Storage Space (Refuse Disposal)

No. 5-6, Buildings A and B, stairwells – Burned out or missing bulbs and missing lens covers.
REAC Response: Does not constitute a deficiency based on REAC definitions as long as there is no safety concern.

No. 7, Unit 101A – Water heater closet – plumbing holes in ceiling not sealed to provide fire barrier
REAC Response: REAC inspector did not inspect this unit.

No. 8, Building A- Meter room – exposed wiring.
REAC Response: REAC definition for Electric Hazard notes that if the accompanying authority has identified abandoned wiring, **capped wires** do not pose a risk and should not be recorded as a deficiency.

No. 9, Building A – Meter room – Electrical breaker box, open breaker slot covered with tape.
REAC Response: REAC inspector did not identify, should have been recorded.

No. 10, Building B – Roof – Exposed AC electrical wires due to separated cable sheathing.
REAC Response: REAC inspector identified as Electrical Hazard (LT).

No. 11, Unit 101A – Electrical breaker slot covered with tape.
REAC Response: REAC inspector did not identify, should have been recorded.

No. 12, Unit 318B – GFI breaker for bathroom was defective.
REAC Response: REAC inspector did not identify, should have been recorded. He did inspect this unit.

No. 13, Building A Common room – sink cabinet sides and bottom shelf are rotted out.
REAC Response: REAC inspector did not identify. He reported Common Area – Kitchen as N/A.

No. 14, Unit 112B – Arts and Crafts room – sink cabinet is delaminating and countertop underlay is crumbling.
REAC Response: (REAC comment: do not believe highlighted unit # is correct as common area is indicated.) REAC inspector did not identify. He reported Common Area – Kitchen as N/A. If it is a unit then the following applies; concerning Countertops; 20% or more of the countertop-working surface is missing, deteriorated, or damaged below the laminate for a deficiency; and concerning cabinets, the REAC definition states that; 10-50% of the cabinets, doors, or shelves are missing or the laminate is separating for Level 2 and over 50% for Level 3.

No. 15, Unit 112B – Arts and Crafts room – exposed electrical wiring.
REAC Response: REAC definition for Electric Hazard notes that if the accompanying authority has identified abandoned wiring, **capped wires** do not pose a risk and should not be recorded as a deficiency. Appear wires capped.

No. 16, Unit 309A – Stove vent hood is rusted, bulb cover is missing, and wiring exposed. This condition was similar in most apartment units.
REAC Response: See comments on Page 2 and 3 dealing with vent covers. (Refers to Page 36 of OIG report.)

No. 17, Unit 214A – Kitchen sink cabinet is delaminating. Countertop underlay is crumbling. Similar conditions were noted in nearly all units inspected.
REAC Response: REAC inspector did not inspect unit. However, concerning Countertops; 20% or more of the countertop-working surface is missing, deteriorated, or damaged below the laminate for a deficiency; and concerning cabinets, the REAC definition states that; 10-50% of the cabinets, doors, or shelves are missing or the laminate is separating for Level 2 and over 50% for Level 3.

No. 18, Unit 314A – Kitchen sink cabinet, sidewall and bottom shelf are rotted out and mildewed.
REAC Response: REAC inspector did inspect this unit and did not record deficiency. Did not record Air Quality – Mold/Mildew anywhere during inspection.

No. 19, Unit 318B – Wall under kitchen sink is in disrepair. Mold is accumulating. Plumbing holes are not sealed.
REAC Response: REAC inspector did inspect this unit and did not record deficiency. Did not record Air Quality – Mold/Mildew anywhere during inspection.

No. 20, Unit 203B – Kitchen sink cabinet has delaminated. Underlay material for doors and countertop are crumbling.
REAC Response: REAC inspector did not inspect. However, he recorded NO Unit – Kitchen – Cabinet defects in any of the 21 units he inspected.

No. 21, Unit 103B – Kitchen cabinets were replaced, but staining was incomplete and shelving was omitted.
REAC Response: REAC inspector did not inspect. However, he recorded NO Unit – Kitchen –Cabinet defects in any of the 21 units he inspected.

No. 22, Unit 203B – Bathroom vanity is delaminating. Side finish and inside shelf surface are deteriorated and not impervious to moisture.
REAC Response: Inspector did not inspect this unit, however he did record 2 – Level 1 deficiencies for bathroom cabinets in other units.

No. 23, Unit 101B – Bathroom floor has damaged and missing tiles. Wall repairs were not painted. Vinyl baseboard is missing.
REAC Response: Inspector did not inspect unit. Recorded 1 – Level 1 OD for Unit – Floors deficiency.

No. 24, Building B, east stairwell – missing and damaged floor tiles.
REAC Response: Inspector did not identify Floor Damage in Common Area – Halls/Corridors/Stairs in this bldg. However, he would have had to believed that 5-10% of all floor coverings in the Halls/Corridors/Stairs areas were damaged for it to be a deficiency.

No. 25, Unit 308A – Dining area floor tiles are completely worn through.
REAC Response: Inspector did not inspect unit. Recorded 1 – Level 1 OD for Unit - Floors deficiency. However, the same proportionality of 5-10% of all floors applies for it to be considered a deficiency, unless it could constitute an H&S issue.

No. 26, Unit301A – Peeling paint in utility closet. Tenant stated the apartment had not been painted in 16 years.
REAC Response: REAC inspector did not inspect this unit, however did report one Level 2 – Unit – Walls – Peeling/Needs Paint deficiency in another unit.

No. 27, Unit 301A – The living room ceiling to wall joint has separated.
REAC Response: REAC inspector did not inspect unit.

No. 28, Unit 303A – Water damage to living room ceiling has not been repaired. Trim molding was not painted.
REAC Response: REAC inspector did not inspect unit. Inspector did report one Level 1 – Unit – Ceiling – Peeling/Needs Paint and one Level 2 – Ceiling – Water Stains/Water Damage in other units.

No. 29, Unit 214A – Living room window shows deterioration and mildew due to moisture damage. The glass panes were not adequately sealed.
REAC Response: Did not inspect, however did not record any window deficiencies in any of the units inspected.

No. 30, Unit 203B – Moisture damaged drywall at window frame. The age and condition of Window units makes them too difficult to operate, and subject to moisture intrusion.
REAC Response: Did not inspect unit.