



Entry Form 2017 Annual Awards for Program Excellence

Entry Deadline: Thursday, June 15, 2017, Midnight ET

Each entry must include a completed entry form. Please complete a form for each entry your HFA is submitting. The completed entry form will become the first page of your entry.

This form is a fillable PDF. Type your information into the entry form and save it as a PDF. Please do not write on or scan the entry form. **Questions: Call 202-624-7710 or email awards@ncsha.org.**

Entry Title: Enter your entry's title exactly as you wish it to be published on the NCSHA website and in the awards program.

Category:

Subcategory:

Entry Summary: A 15-word (max) summary of the program, project, or practice you are entering.

HFA:

HFA Staff Contact:

Phone:

Email:

Visual Aids:

Are you mailing to NCSHA 10 copies of any visual aids that cannot be included in your entry PDF? Yes No

Payment:

My HFA is mailing a check to NCSHA.

My HFA is emailing the credit card authorization form to awards@ncsha.org.

Overview

Prior to issuing Form 8609 for a Low-Income Housing Tax Credit (referred to as Rental Housing Tax Credits or “RHTC” in the State of Indiana) project, IHCDAs Design and Construction Review Analyst (the “inspector”) conducts a physical inspection. If any issues are discovered, they must be corrected and proof of correction must be provided to the inspector before the 8609 will be issued. Historically, after a reservation of credits was made the inspector would not go out to the site until after the project placed-in-service and the developer submitted a request for a final inspection.

This system was determined to have a few flaws:

1. By the time the inspector went out to do this final inspection, some issues were hard to identify (for example once the dry wall is up the inspector can’t see what is behind it) and others were hard and/or expensive for the development team to go back and fix.
2. Most inspections failed, causing delays in issuance of Form 8609 and frustration for the owners and investors.
3. The result was a process in which the inspector was viewed as only having a policing or punitive role.

To address these issues, in 2010 IHCDAs began implementing a progress inspection process which has since been put in place for all projects under development and has resulted in a significant change in the pass rate for final inspections.

The Process

The inspector now conducts multiple progress inspections from the time that an RHTC project closes and begins construction/rehabilitation through the time that it places-in-service. When first launched in 2010, these progress inspections were viewed as an option for developers, but have since become a standard practice that is applied to all RHTC development. The inspector goes out to each construction site at least once per quarter, though often more frequently, to conduct progress inspections and meet with the construction team. The inspector walks through the site checking the quality of work and identifying issues, including issues related to requirements or scoring elections made under the QAP. However, he also reviews plans for work that has not yet started, offering technical assistance to the contractors and catching potential issues before they arise. This is a new role for the inspector and has changed the perception of that position from one in which the inspector comes out at the end to catch issues to one in which the inspector is a partner who provides assistance so that the final inspection will pass.

Some of the issues that have been caught by the inspector during progress inspections include:

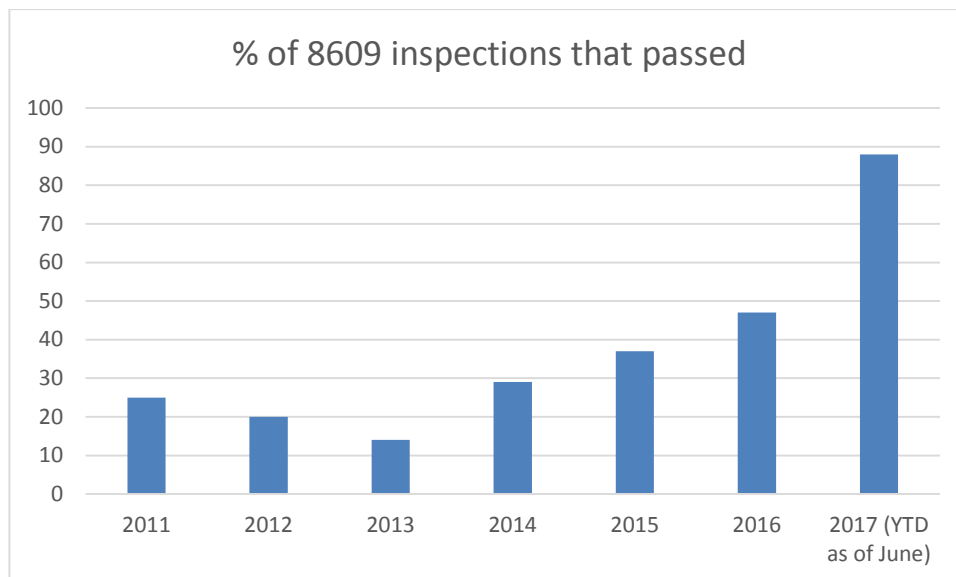
- Electrical panels that would have needed to have been relocated due to not meeting accessibility requirements or that were planned to be placed in clothes closets or other unallowable locations.
- Laundry rooms and equipment that were not designed to meet accessibility requirements.
- Broken/damaged/altered roof and ceiling trusses and broken/damaged/altered floor and ceiling trusses that could have failed under loads.
- Lack of appropriate fire safety, including improper location of fire sprinkler heads where obstructions would prevent spray patterns from extinguishing fires, improper fire doors, etc.
- Improper wiring of high voltage switch gears that could have caused voltage drops, over-heating of wires, and possible fires.

- Improper air barriers for developments built on brownfield sites.
- Improper protection of potable water
- Failure to meet energy efficiency requirements under the QAP
- Windows installed that did not contain safety glass as required.
- Lack of appropriate lead safe work practices.

Quantitative Results

As the inspector has conducted more progress inspections and standardized the process across all RHTC development, the percentage of projects that pass their final pre-8609 inspection has almost doubled. Passing inspection means that the inspector finds no issues that need to be fixed after the inspection is completed. A minor item that can be fixed during the inspection and confirmed to be compliant by the inspector at that time does not prevent a project from passing.

In 2011, only 25% of projects passed final inspections. By comparison, in 2016 47% of projects passed final inspection. This trend continues to increase substantially. For 2017 year-to-date (as of June 1st), 88% of projects have passed final inspection. IHCDA attributes this to two facts: (1) the inspector is catching items earlier, allowing the development team to take corrective action prior to the final inspection occurring; and (2) the developers and general contractors are learning from the technical assistance and plan review provided by the inspector and are improving the quality of their work on subsequent developments.



Qualitative Results

IHCDA's developer partners have embraced the progress inspection process and recognize the value of receiving this level of review and feedback from IHCDA's inspector. Below are a few quotes shared by developers that work frequently with IHCDA.

“[The inspector’s] astuteness saved us time, money, and created safer projects. Just last month, he noticed a newly constructed staircase issue. By having him uncover this problem so early during the construction process, it could be corrected easily and inexpensively.”

-**Carla Naum**, Principal, Milestone Ventures, Inc.

“Doug Newport is a huge asset to IHCDA and the development community. We look forward to Doug’s visits and inspections during the construction process so both sides have a clear understanding of what is required and wanted as the project progresses. His comments, insights and advice help us ensure a smooth transition at the end of the job in meeting our goal of perfect pre-8609 inspections. His role is crucial to the integrity of the construction process and we encourage many visits and look forward to his visits at our projects.”

-**Ronda Shrewsbury Weybright**, President and Owner, RealAmerica Companies

“I always look forward to seeing Doug. He is very courteous when he shows up for an inspection and always lets us know when he is on the job site. I’m very impressed with Doug’s knowledge of the construction process and that he doesn’t hesitate to point out things that may need attention before the final inspection.”

-**Mark Snyder**, Superintendent, Keller Development, Inc.

“We have appreciated Doug’s humility, openness, and willingness to be recognized as one of our team members for the project. He has truly been a great resource and helper for us along the way, rather than a scary, “I gotcha’ guy.”

-**Duane Miller**, Vice President of Community Development and Asset Management, Flaherty & Collins Properties

Why Nominate for an NCSHA Award?

- Replicable: Other HFAs could implement this same model for their inspection process.
- Responsive to a Need: IHCDA identified too many projects were failing their final inspections and therefore determined that its developer partners and their general contractors needed more technical assistance and feedback from our inspector in order to increase the quality of their work and their pass rate for final inspections. The progress inspection process was implemented specifically to address this unmet need.
- Demonstrates Measurable Benefits / Has a Proven Track Record: We have successfully achieved this need, resulting in a higher quality of work and a significantly higher pass rate at the time of final inspection, as identified above. The qualitative measure is the significant increase in pass rates.
- Partnership Building: The progress inspection model changes the traditional role of the inspector from being just a final monitor on the back-end of construction to instead being a technical assistance provider. The quantitative measure of success is the improved relationship between developer partners and the inspector, as evidenced by satisfaction surveys about the inspector’s performance and the quotes provided above.
- Achieves Strategic Objectives: The progress inspections are allowing IHCDA’s inspector to catch issues or potential issues earlier, including some issues which would be hard to find at the time of a final inspection. The result is a higher quality of housing construction, resulting in safer and better affordable housing units for the residents.