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The Columbus Metropolitan Housing Authority Did Not Always Comply With HUD's Requirements for Its Housing Choice Voucher Program Units

WASHINGTON DC— Today, the U.S. Department of Housing and Urban Development (HUD) Office of Inspector General issued a report examining the physical condition of Housing Choice Voucher (HCV) Program units at the Columbus Metropolitan Housing Authority (Authority).

The HCV Program, also known as Section 8, is the Federal Government's largest tenant-based rental assistance program for low-income families, the elderly, and persons with disabilities. HUD relies on PHAs to manage their HUD-funded HCV Programs and ensure that assisted units are maintained in decent, safe, and sanitary condition. As of October 2023, the Authority administered nearly 15,000 housing choice vouchers and received over \$110 million in funding for fiscal year 2023.

HUD OIG found that the Authority did not ensure that its HCV Program units met HUD's housing quality standards (HQS) and did not perform adequate oversight of its contractor's inspections. Approximately 57% of the housing units reviewed did not meet housing quality standards, the majority of which had deficiencies that existed before the Authority's last inspection. If the Authority does not improve its inspection process, based on its review of a sample of units, HUD OIG project that over the next year the Authority will pay owners nearly \$36 million in housing assistance for units that do not meet HQS.

The Authority relied heavily on its contractor to both inspect its HCV Program units and perform quality control on its own inspections, and focused on whether the contractor was achieving the required number of quality control reviews rather than monitoring the quality of the contractor's work. HUD OIG determined that the contractor's quality control inspections failed roughly 46% of the Authority's units. However, the Authority's management was unaware of the quality control failure rate and did not have a process in place to act when the failure rate was too high.

HUD OIG also found that the Authority did not comply with HUD's reporting and data collection requirements of the Lead Safe Housing Rule (LSHR) and did not proactively engage with the State health department to share data for cases of children with EBLLs.

During the audit, the Authority changed its quality control process for inspections and reestablished its relationship with the State health department.

HUD OIG previously identified gaps in <u>HUD's Section Eight Management Assessment Program (SEMAP)</u> used by HUD to oversee and enforce HQS requirements and public housing authority (PHA) quality control inspections due to its overreliance on PHAs' self-reported data and self-certifications. HUD OIG also found that PHAs in many states are underreporting <u>EBLLs</u> to HUD, which is an essential part of HUD's oversight of the effectiveness

of the EBLL requirements of the Lead Safe Housing Rule (LSHR). This audit is part of a series of HUD OIG audits examining how PHAs address risks associated with the physical conditions of HUD-assisted units and manage cases of children with EBLLs, including monitoring owners for compliance with the EBLL requirements of the LSHR.

""It is imperative that Public Housing Authorities ensure that their inspections are conducted in an effective manner that not only identify unit deficiencies, but also ensure that those deficiencies are repaired timely," said Inspector General Rae Oliver Davis. "Additionally, PHAs should guard against Elevated Blood Lead Levels going unreported because of the severe adverse health effects associated with exposure to lead."

HUD OIG recommended HUD work with the Authority to implement a quality control process for monitoring its contracted inspectors; stop payments for uncorrected deficiencies; and develop and implement policies and procedures to ensure that owners follow the requirements of the LSHR.

Anyone with information about environmental hazards and unsafe unit conditions in HUD housing or fraud, waste, abuse, misconduct, or mismanagement related to HUD programs should contact the HUD OIG Hotline at 1-800-347-3735 or reporting online at https://www.hudoig.gov/hotline.

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