

## § 983.151

HUD may approve an exception of the 24-hour or the 15-day inspection requirement until such time as an inspection is feasible.

(2) *Follow-up inspections:* The PHA must conduct follow-up inspections needed to determine if the owner (or, if applicable, the family) has corrected an HQS violation, except where the PHA is using a verification method as described in paragraph (h) of this section, and must conduct inspections to determine the basis for exercise of contractual and other remedies for owner or family violation of the HQS. (Family HQS obligations are specified in 24 CFR 982.404(b).)

(3) *Supervisory quality control inspections:* In conducting PHA supervisory quality control HQS inspections, the PHA should include a representative sample of both tenant-based and project-based units.

(g) *Inspecting PHA-owned units.* (1) In the case of PHA-owned units, the inspections required under this section must be performed by an independent entity designated in accordance with § 983.57, rather than by the PHA.

(2) The independent entity must furnish a copy of each inspection report to the PHA.

(3) The PHA must take all necessary actions in response to inspection reports from the independent entity, including exercise of contractual remedies for violation of the HAP contract by the PHA owner.

(h) *Verification methods.* When a PHA must verify correction of a deficiency, the PHA may use verification methods other than another on-site inspection. The PHA may establish different verification methods for initial and subsequent inspections or for different HQS deficiencies, which must be detailed in its Administrative Plan. Upon either an inspection for initial occupancy or a reinspection, the PHA may accept photographic evidence or other reliable evidence from the owner to verify that a deficiency has been corrected.

(i) *Projects with government financing.* In the case of a PBV project financed under a Federal, State, or local housing program that is subject to an alternative inspection, the PHA may rely upon inspections conducted at least

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triennially to demonstrate compliance with the alternative inspection option under paragraph (c) of this section or the periodic inspection requirement of paragraph (e) of this section, in accordance with its policy established in the PHA Administrative Plan.

[89 FR 38316, May 7, 2024]

### Subpart D—Requirements for Rehabilitated and Newly Constructed Units

SOURCE: 89 FR 38318, May 7, 2024, unless otherwise noted.

#### § 983.151 Applicability.

This subpart applies to development activity, as defined in § 983.3, under the PBV program.

#### § 983.152 Nature of development activity.

(a) *Purpose of development activity.* An owner may undertake development activity, as defined at § 983.3, for the purpose of:

(1) Placing a newly constructed or rehabilitated project under a HAP contract; or

(2) For a rehabilitated project that will undergo development activity after HAP contract execution, completing the requirements of the rider in accordance with § 983.157.

(b) *Development requirements.* Development activity must comply with the requirements of §§ 983.153 through 983.157.

#### § 983.153 Development requirements.

(a) *Environmental review requirements.* The development activity must comply with any applicable environmental review requirements at § 983.56.

(b) *Subsidy layering review.* (1) The PHA may provide PBV assistance only in accordance with the HUD subsidy layering regulations (24 CFR 4.13) and other requirements. A subsidy layering review is required when an owner undertakes development activity and housing assistance payment subsidy under the PBV program is combined with other governmental housing assistance from Federal, State, or local agencies, including assistance such as