

Frequently Asked Questions (FAQs)

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List of Acronyms

ACC	Annual Contributions Contract
AMP	Asset Management Project
ARRA	American Recovery and Reinvestment Act
BD	Bedroom
CHAP	Commitment to enter a HAP Agreement
ECM	Energy Conservation Measures
EPC	Energy Performance Contracts
ESCO	Energy Service Company
EUL	Expected Useful Life
GPNA	Green Physical Needs Assessment
HAP	Housing Assistance Payments
HUD	U.S. Department of Housing and Urban Development
HVAC	Heating, Ventilation, and Air Conditioning
MS	Microsoft
MTW	Moving to Work
PCA	Physical Conditions Assessment
PDF	Portable Document Format
PHA	Public Housing Agency
PIC	Public and Indian Housing Information Center
PIH	HUD Office of Public and Indian Housing
PNA	Physical Needs Assessment
RAB	Resident Advisory Board
RAD	Rental Assistance Demonstration
RFP	Request for Proposal
RUL	Remaining Useful Life

GPNA Requirements

1. I am a Section 8 only PHA. I have no public housing units. Do I have to do a GPNA according to this rule?

No, only PHAs with public housing units in PIC need to complete GPNAs in accordance with this Public Housing rule. Other rulemaking administered by other HUD offices may impose requirements that a PNA or similar assessment be performed on Section 8 inventory.

2. I am a small PHA; do I have to do a GPNA? If so, are there streamlined or special accommodations for small PHAs?

Yes, all PHAs with public housing units need to complete a GPNA that covers all of their projects/AMPS and units. The same procedures and requirements apply to all housing authorities with public housing units—there are no different procedures for small PHAs.

3. Do I have to include all of my public housing projects/AMPs?

The PNA performed using the GPNA Tool will include all AMPs that include ACC units. There are a number of AMPs that have been reconfigured or abandoned and are recorded in PIC with no units applicable to them. The PIC data file that HUD provides for import into the GPNA Tool will only include those AMPs with ACC units.

4. Do I have to do a GPNA even if I do not have enough money to make all of the improvements?

Yes. The GPNA forms the basis for the PHA's strategic planning and the establishment of goals and objectives contained in its PHA Plan. It provides the PHA with an estimate that quantifies the capital requirements for the entire portfolio of the PHA, which can and often will be in excess of current funding from HUD. Using these estimates, PHAs can prioritize their needs and look to leverage their capital funds with other funding, to better preserve their housing stock to meet the mission and goals of the PHA Plan.

5. Are only public housing ACC units inspected and included in the data, even if the non-ACC units are recorded in the set-up?

In Mixed-Finance projects that include both ACC units and non-ACC units, it is only the public housing (or ACC) units that need to be sampled for inspection in most cases. The non-ACC units may be tax credit units, or market rate units, and do not constitute part of the housing authority's public housing inventory; therefore, they are not generally subject to inspection or inclusion in your capital needs assessments. While the non-ACC units may be included in the total unit count reflected in PIC, when the tool performs need/cost projection calculations, it will automatically prorate out those non-ACC units. When designing its assessment and sampling for a mixed finance project, the PHA needs to exercise judgment with regard to its real exposure to capital costs such as the treatment of "floating units" and the potential for non-ACC units to return to the inventory. These considerations help the PNA serve as a genuine planning tool.

6. When is my GPNA submittal due? Do I have to complete the GPNA before I do my next PHA Plan?

Implementation and due dates for the PNA will be established based on the PHA Plan due date when the Final Rule for Capital Fund Physical Needs Assessment at 24 CFR 905 is published and made effective. All PHAs will be required to submit a completed PNA within approximately 18 months of the effective date of the final rule. Due dates will be based upon fiscal year end dates so some PHAs will need to submit sooner than others. Specific due dates for specific PHAs cannot be established until the effective date of the final rule is established, but PHAs will have a minimum of 150 days' notice from the date of publication of the final rule. The implementation timing for the new GPNA is coordinated with the due date for the PHA plan so that the PNA can be used as the basis for the PHA Plan.

7. Will this new PNA process apply to Moving To Work (MTW) agencies?

Yes, the proposed PNA rule specifically and explicitly includes MTW agencies in the requirement. MTW agencies were specifically included because of HUD's support for the importance of a PNA for all agencies as a core activity and because of the value of the PNA data from MTW agencies in providing HUD with a complete picture.

8. How often do I have to repeat the PNA?

After the initial PNA, PHAs will be required to repeat the full PNA every 5 years. In between those full PNAs, you will need to submit annual updates that report on capital improvements completed during the past year. No new information is required in the annual update. Subsequent performances of the PNA can and should use previous PNAs as a basis.

9. I completed a PNA 4 years ago; do I have to do another one?

Yes. Any PNA information older than 2 years cannot be used in the GPNA process. If your last PNA was completed within the past 2 years and meets the requirements for the GPNA, then you can use that information for this initial submittal. You will have to input the information into the GPNA Tool. If your PNA information does not meet the requirements for the GPNA, then you cannot use the information.

10. Can I use my own staff to do the GPNA or must I contract it out? If I can do it myself, what are the qualifications for the person performing the GPNA?

Yes, you can use your own staff if they collectively meet the qualifications as defined in the rule, including having at least one team member with 5 years' experience performing physical property inspections and cost estimating; demonstrated knowledge of applicable building standards and codes; demonstrated knowledge of energy efficiency practices; and a working knowledge of commonly used computer technology (MS Excel, Office, etc.). PHAs do need to be aware that if they are planning to use this PNA to support future transactions such as financing, the terms of that transaction may require a third party to perform the PNA. Some PHAs may also find it more objective to obtain a third party opinion as to the condition of its property.

11. If I contract out the GPNA, does HUD have model language to include in the solicitation?

Yes, there is a sample Statement of Work available in Appendix B of the GPNA User Guide, available on the GPNA Web site.

12. Where do I get the GPNA Tool?

The GPNA Tool may be found at the following location on HUD's Web site. http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/capfund/gpnatool

See the "Prototype Populated Tool" for a sample that can be used for orientation purposes. Below that section on the page is "PHA Tool for Use" that contains a link to the blank unpopulated tool for installation to your computer. When you are ready to begin working in the

tool with your specific PHA data, you may request a data file containing your PIC data for import into the blank tool. The PIC data file may be requested from PHAPNA@hud.gov.

13. Is the GPNA the same PNA tool as used for HUD's RAD program?

No. The Rental Assistance Demonstration (RAD) program uses a different tool, known as a Physical Conditions Assessment (PCA). The GPNA Tool and the PCA are not interchangeable. The RAD program covers both public housing and Project-based Section 8, and the PCA Tool used under RAD is taken from the Mark-to-Market program that originated in the Multi-Family side of HUD. The GPNA Tool was not in approved form when RAD began.

14. If I am also applying for RAD, do I have to do a second, separate PNA?

If you are applying for conversion of public housing to Project-based Section 8 under the Rental Assistance Demonstration (RAD) program, you will need to use the RAD program's Physical Conditions Assessment (PCA) Tool during the 6 months after receiving an invitation to enter into a Commitment to enter a HAP Agreement (CHAP). Currently, if you need to complete your GPNA prior to such time as the project (AMP) converts to Section 8 under RAD, you will also need to submit PNA data in the GPNA format at the appropriate time. While the GPNA Tool and the PCA are not interchangeable, PHAs can enter information based on the same inspection into both tools, which would save time and money.

15. Where do I get the funds to do the GPNA? Will HUD give me additional Capital Funds?

The GPNA is an eligible expense under the Capital Fund. As such, PHAs can include the cost of the GPNA in any open, unobligated Capital Fund grant. No additional funding is provided over and above the Capital Fund grant.

16. Can I pay for the GPNA from my Operating Fund/reserve?

Yes, this is an allowable expense under the Operating Fund/reserve.

17. Can I submit a paper version of the GPNA to HUD?

No, only electronic submissions are permitted. The data are being consolidated into an aggregated database to help assess the total need for capital improvements in the nation's public housing portfolio. All GPNA submittals must be on the automated reporting data file that the GPNA Tool produces.

18. I have a project that is proposed for demolition/disposition, do I have to perform a GPNA?
Do I have to include the proposed demolition/disposition units in the GPNA?

You must perform a GPNA and include all ACC units, although you can exclude any units approved by HUD for demolition/disposition. If the demolition/disposition is proposed but not approved, a GPNA must be completed. Project PNA data must be gathered and included in the GPNA until HUD has approved an application for demolition or disposition. The PHA is not

required to perform a PNA on inventory approved for demolition or disposition. A PHA may elect to record costs associated with removal such as demolition costs and potential replacement costs if there will be a long time interval between the time of approval and the actual removal of the units from inventory.

19. What if I have a lot of projects and need to have several people performing the assessment?

Key input sections of the tool including the cost libraries, inspection forms, and cost projections can be exported to Excel spreadsheets and worked on by others independently. The resulting modified spreadsheets can then be imported back into the tool to populate it with those inputs. There is also a Client Server version of the GPNA Tool that permits multiple persons to work on data entry of GPNA results at the same time. GPNAs, inspections, and data entry can be performed by multiple people; there is not a requirement that one person carry out all aspects of the GPNA.

20. What Section 504 information do I have to include?

If the PHA determines it needs to undertake physical improvements in order to comply with Section 504 and related requirements, the cost of those physical improvements are included in the GPNA in the Accessibility category.

21. Will HUD use the GPNA to determine compliance with Section 504 of the Rehabilitation Act?

No. The GPNA is not a compliance vehicle. Information entered into the GPNA on Section 504 needs is gathered for the purpose of estimating the total capital needs of the project(s). Those costs are reported in summary to HUD's data aggregator.

22. Do I need to notify the residents before doing the GPNA inspection?

Yes, as provided in 24 CFR 966.4(j), the PHA must provide a written notice to the residents whose units will be inspected 2 days in advance of entry into the units. No notice is required to the residents whose units are not being inspected.

23. Do I have to make the GPNA available to the public? If so, how am I required to make it public?

The PHA must make the GPNA available to the residents and the Resident Advisory Board (RAB) at the time it is submitted to HUD. The GPNA Tool produces appropriate summary reports. There is no requirement to "publish" the GPNA results. Laws vary by State as to whether such documents are freely available to the public, and PHAs need to comply with any applicable State or local ordinance in this regard.

24. What will happen to a PHA if the GPNA is not submitted to HUD on time?

HUD anticipates that the vast majority of PHAs will understand the need at both the housing authority and HUD level for development of capital needs assessments, such as the GPNA. In extreme cases where a PHA is not cooperating with this requirement, a requirement that the PHA agreed to at the time of its receipt of ARRA stimulus funding and included in the new PNA portion of the Capital Fund rule, the PHA faces a number of sanctions. These sanctions could include, but are not limited to, issuance of a Corrective Action Order; reimbursement from non-Federal funds; limit, withhold, reduce or terminate assistance under the Capital Fund or Operating Fund; and debarment or suspension.

25. Where can I find a copy of the final PNA rule?

It is not published yet—nor is the final energy rule published yet. The draft PNA Rule can be found at <http://www.regulations.gov/#!documentDetail;D=HUD-2011-0085-0001> and the draft energy rule can be found at <http://www.regulations.gov/#!documentDetail;D=HUD-2011-0142-0001>. When final, these two rules are anticipated to be combined into a single rule for simultaneous implementation. When published, the final rule will be made available on HUD's Web site and the GPNA Web site.

Getting Help with the GPNA Tool

1. If I have a question about the GPNA or the software, whom do I contact?

First check the Frequently Asked Questions and other resources available on the GPNA Web site. If you cannot find an answer to your question, then check with the local HUD Field Office. PHAs can locate their local HUD Field Office at the following Web address:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/about/field_office.

2. What training will HUD provide on the new GPNA?

Initially, HUD will provide two Web-based trainings and a full day training session in Washington, DC, for PHAs and for PNA vendors. The proposed dates and audiences will be posted on the GPNA Web site:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/capfund/gpnatool. The trainings will be archived for later viewing. Further training will be scheduled as needed. Training sessions will be archived on the GPNA Web site for later viewing.

3. Will training on the GPNA be provided by others like the industry groups and private contractors?

Those organizations will make their own decisions as to whether or not they will provide GPNA training. Industry group and private contractor trainings are independent of and not endorsed by HUD.

4. Is HUD offering a certification course in GPNA?

No. PHAs may contract with any qualified vendor to perform the GPNA with its qualified staff. Qualifications for performing a GPNA will be included in the final rule and will include requirements that at least one team member has at least 5 years' experience performing physical property inspections and cost estimating; demonstrated knowledge of applicable building standards and codes; demonstrated knowledge of energy efficiency practices; and a working knowledge of commonly used computer technology (MS Excel, Office, etc.). There is no limitation to an approved vendor list.

5. Where can I go to find more detailed information on the new GPNA?

Information is available from your local HUD Field Office. In addition, you can view and download the GPNA and related material from the GPNA Web site:
http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/capfund/gpnatool.

6. What should PHAs be doing in advance of the final rule to prepare?

The housing authority should review the proposed rules and start evaluating the requirements to assess whether or not this is something they want to do in-house or contract out. If you have previously done something like this with your own housing authority, chances are you will probably want to keep the GPNA in-house, but this might be very challenging for some of the smaller housing authorities.

Review the existing training videos and other resources on the GPNA Web site and download at least the prototype tool to get familiar with it. Install a blank GPNA Tool from the Web page and import a PIC data file into it so that you can verify that the PIC data is correct or initiate corrections in PIC. There is a substantial amount of data gathering that is required for any PNA process including quantities, component lists, costs, and age of components. This is also the time to begin thinking about potential property improvements or modifications that could be considered during the PNA process. If a PHA does decide to have a PNA provider, they may want to do some mock inspections to get ready for them. Begin thinking about the composition of sets of like kind properties and units. On the Web page there is a PowerPoint presentation that summarizes tips to prepare, beginning at slide #26.

Getting the GPNA Tool

1. Where do I get the GPNA Tool?

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See the "Prototype Populated Tool" for a sample that can be used for orientation purposes. Below that section on the page is "PHA Tool for Use" that contains a link to the blank unpopulated tool for installation to your computer. When you are ready to begin working in the tool with your specific PHA data you may request a data file containing your PIC data for import into the blank tool. The PIC data file may be requested from PHAPNA@hud.gov.

2. Can I download the GPNA software to my Mac or iPad?

The tool was developed and designed for use in the Microsoft operating environment. There are Apple MAC products with dual operating systems that can run Microsoft Access database programs within an Apple MAC environment. If your MAC is so equipped, it should be able to run this software. At this time, HUD does not have a GPNA app available for the iPad, iPhone, or other mobile device. You may be able to use a third-party app to work with the Excel data entry sheets included in the GPNA Tool on your iPad.

3. Can I use a smartphone or tablet to complete the GPNA?

The GPNA Tool is based on Microsoft Access and typically only works on a desktop or laptop computer. At this time, HUD does not have a GPNA app available for mobile devices. You may be able to use a third-party app to work with the Excel data entry sheets included in the GPNA Tool on your smartphone or tablet.

4. Is there an instruction manual on how to use the GPNA software?

Yes, it can be found on the HUD Web site. The Green Physical Needs Assessment (GPNA) Tool Final Draft User Guide (7/2/12) can be found at:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/capfund/gpnatool.

5. Is a paper copy of the tool available?

No. The tool is designed and intended for electronic use, not paper-based use. However, if it is useful, you may print out various pages including the inspection forms, cost libraries, and cost projections. These paper forms could be used as worksheets for later input into the tool or into Excel spreadsheets exported from the tool. The tool produces multiple printable reports on the reports menu page that are useful for sharing the results with others.

PIC Data

1. Where do I go to download PIC information?

At this time, the PIC data file can be requested by sending an email to PHAPNA@HUD.GOV.

2. How do I get incorrect PIC information corrected?

Once you have downloaded PIC data, if you find any incorrect information in the download, work with the person within the PHA who routinely updates your PIC data. Please be aware that it can take some time to update data in PIC before it is available in a revised PIC data file to populate the GPNA Tool.

3. Can I complete my GPNA if my PIC data is incorrect?

No. If the inventory data in the GPNA submittal report is at variance with the then current PIC data, the GPNA submittal will be rejected. The best course of action is to begin working in the GPNA Tool with a correct and stable PIC data file. It is possible to revise the inventory data within the tool; however, you are strongly advised to consult with your HUD Field Office before doing so (note that PIC data must be updated separately to match inventory changes in the GPNA Tool; otherwise the GPNA submittal will be rejected).

4. Why do I have to request and import the PIC data into the tool?

PHAs will begin their PNAs at different times and the data population process provides the PHA with the flexibility to begin the process more reliably on its timetable.

GPNA Tool Questions

1. What kind of software is the GPNA Tool?

It is a Microsoft Access database application.

2. What are the computer system requirements for installing the GPNA Tool? How large is the GPNA file?

The user's system should be a Microsoft operating system with Windows software Office 2000 or newer. Although the tool is in Microsoft Access, the user is not required to have Access software to download the tool from HUD's Web page. The downloaded tool has integral software that installs on the user's computer that enables its use regardless of whether the user has Access. The file size of the downloaded tool is in the range of 70 MB and is generally too large to email even in a compressed or zipped file. PHAs using outside vendors need to be sure to obtain a disc or hard copy of the tool at the end of the contract for safekeeping. Subsequent required annual reports are produced from the tool. HUD will not have the capability to recreate a tool with the PHA's entered data as HUD only receives an extract of the data.

3. Can I install multiple copies of the tool?

Yes, you can install multiple copies, but this is not recommended except for PNA vendors. Large PHAs can request a client-server version of the GPNA Tool that allows multiple users to work in the tool. Each copy of the GPNA Tool can be used for only one PHA, so vendors serving multiple PHAs will need a separate copy of the GPNA Tool for each PHA. Vendors may find it necessary to remove other downloaded versions from the computer during the process of downloading additional tools from the GPNA Web site, but these can all be restored to the computer once the download process is completed. Vendors may rename the tool. Only one PHA's PNA may be recorded within a single tool.

4. How do I backup and protect my GPNA data?

A PHA should always observe best practices in preserving agency data and backup data frequently, both onsite and offsite. Depending on the size of the PHA and the sophistication of its hardware systems, data on the server may be backed up daily on the same drive, or to a “cloud”. Given the potential for failure of hard drives, use of the “cloud” backup systems should be given serious consideration. For data on the server, the technician supporting the systems may be charged with backing up periodically off site, or onto media storage placed in a fireproof safe on site, or both. Of more concern are instances where the data are stored on individual staff laptops or desk computers that are not linked to a server. PHAs may wish to consider developing a protocol in those instances where a backup is made daily (e.g., onto a thumb drive) during the time frame the GPNAs are being prepared, and then any time updates are made. Good practices include having more than one external storage device and rotating them and/or using a “cloud” backup system.

5. Do I install a copy of the tool on every computer?

Unless you are using the Client Server version of the tool, it is not recommended unless you maintain strict protocols for data entries and can maintain the integrity of the tool from which you report. It is not possible to directly “cut and paste” from one tool to another although some key input sections such as the cost libraries, inspection forms, and cost projections can be exported to excel spreadsheets and imported into a copy of the tool for the same PHA.

6. Does the software provide a random sampling of units to be inspected within each development that takes into account the different building and unit types?

No. The PHA should refer to the sampling section in the GPNA User Guide. The user should determine which units will be sampled as representative based upon knowledge of the property. The tool will automatically group buildings of like type and units of like bedroom count to facilitate the creation of sets. The careful design of sets and samples is very important to a reliable result.

7. How do I keep track of the annual updates and 5-year full GPNA due dates?

The GPNA submission contains a date and the PHA will need to calculate the annual update due date based on the original submission date (at least 120 days prior to the PHA fiscal year end). PHAs may wish to program a reminder into a calendar or project management program, such as Microsoft Outlook, or include GPNA and annual update due dates with other compliance due dates.

8. Why are some Line Item Components and descriptions so general?

The predefined line items for the various components are designed to cover a broad range of component types. If you are not able to find a Line Item that fits your situation, you can Add Line Items more specific to your property. This is done by selecting “Add Line Item” from the Perform Action bar at the bottom of the Master Cost Library page. This action will add the same

line item to the applicable inspection forms and cost projections. When adding a line item you should assign it a line item number that conforms to the numbering convention of the tool so that the item will be calculated within the correct category. For example, site components are in the 1000 number series, building exterior components are in the 2000 number series, etc. You can also revise the existing line item descriptions to better fit your specific component. At the end of each line on the Master Cost Library is an “edit” button that opens an editing page.

9. What kinds of files are generated by the GPNA Tool?

The submission to HUD is an .xml data file that is machine readable. The basic information that is transmitted in the data file is the summary level information found on the tool “Dashboard” page. The GPNA can also generate many other useful text report types, such as Excel files and PDFs. For example, on the Reports page of the GPNA, and for portfolio-wide reports, simply click on the “Export to Excel” button for the data you want. For AMP-specific data, first select the AMP for Reporting at the top of the Reports page, and then click on the “Export to Excel” button for the data you wish to export.

10. Will the GPNA software provide me with reports for the PHA and its Board to review?

There are numerous reports available within the GPNA software, at both the portfolio level and for specific developments (AMPs). At the portfolio level, there is an overview report listing each development and spreading the needs across the 20-year timeframe. This same report provides a break-out by Category of Need (e.g., site, exteriors, systems, common areas). Several components are also listed on this report, such as Windows and Roofs. Other portfolio-wide reports look at PNA Needs by Year, Needs by Needs Type, Needs by Category, and Needs by Component.

At the AMP level, you must first select the AMP you want to report on, and you may then focus on 16 different areas, such as AMP Sustainability Projection, AMP Marketability Projection, or AMP Needs by Year. These pre-designed reports can be viewed on screen, printed, or exported as PDFs or Excel spreadsheets. From the data exported to Excel spreadsheets, you can customize your own reports or perform further analysis.

11. Will the GPNA just reflect my current needs or does it look at the needs in the out years?
How many years does it look at?

The GPNA, when properly completed projects out immediate costs as well as costs for project capital improvements in each of the following 20 years. The set-up information provides an Expected Useful Life for each component, and the inspector assigns a Remaining Useful Life to each element inspected. So, for example, if a refrigerator has an Expected Useful Life of 10 years (as entered on the cost library), and the inspector determines a Remaining Useful Life of 5 years based upon observation (as entered on the inspection form), then the GPNA will show the need to replace this appliance in Year 5, and 10 years after that as well (Year 15). In this way, the GPNA shows not only the next time an item needs repair or replacement, but it shows every time it may recur within the 20-year timeframe.

Sampling

1. How many buildings and units do we have to inspect?

Selection of inspection samples can have a significant impact on the accuracy and usefulness of the PNA. The key to careful sample selection is to exercise judgment in considering a group of buildings and units to inspect that reasonably represent the average configuration, components, characteristics, and condition of all of the units or buildings in the set. Of course the greater the percentage of units and buildings that are inspected the more precise and comprehensive the result will be. PHAs should devote some early care to the sample selection whether they are performing the PNA with staff or contracting. If contracting, the vendor will rely upon the PHA's knowledge of the general conditions and configurations and to the extent this is conveyed in the RFP documents. If the PHA can provide a reasonable summary of the inspection quantity in the RFP, they may have fewer misunderstandings in the execution of the work.

The inspector is required to inspect a sufficient sample of each unit type, building, and property system (e.g., HVAC, roof) to be able to state with confidence the present and probable future condition of the total property (i.e., a statistically valid sampling). This requires observing a sufficient number of units and common areas in each building and each variation of building and/or unit type. Factors which must be considered in determining a statistically valid sample include: building age (including various development phases within the same project); building type (e.g., garden, row house, elevator); building construction materials; unit type (e.g., studio, 1-bedroom); unit size within type (e.g., 512 sq. ft. 1-bedroom vs. 730 sq. ft. 1-bedroom); unit occupancy (e.g., elderly, handicapped, family); unit equipment or amenities (e.g., air-conditioned with in-unit equipment). A general misconception is that the PHA should sample exactly 10 percent of the units. The PIH Modernization Handbook establishes the 10-percent figure as a minimum number that should be inspected that in many, but not all, cases will result in a statistically valid sample.

Consider the following conditions when determining your inspection sample. At least one of each type of unit (by bedroom count as well as by configuration) must be inspected. For example, a building may have some three-bedroom units that have a second bath that would make them different. Units with characteristics potentially affecting condition need to be included in the sample, such as top-floor units, basement units, ground-floor units, or end units. You may need to expand the inspection sample in cases where units are not reasonably uniform in their condition. For example, you might have a percentage of your units that have renovated kitchens and a remainder that is not renovated. Your sample needs to reflect that proportion.

Each project *site* must be inspected in its entirety. A single building on a site would be inspected in its entirety on the exterior. On projects with multiple buildings, a minimum of 20 percent of the buildings should be inspected in the case where the buildings are essentially identical, of the same age, and similar condition. This percentage of buildings to inspect will increase much in the way the unit sample size increases in consideration of significant building characteristics. A single common building system would be inspected in its entirety, such as a boiler. A reasonable minimum sample of multiple components in the same systems component category would be 20 percent and up to 50 percent where conditions are known to vary.

Unique non-dwelling spaces within a building such as a building lobby/mailroom, the main mechanical room, the elevator penthouse, and the community room should be inspected in their entirety. Spaces such as hallways and laundry rooms can be sampled at 20 percent where conditions are known to be essentially identical and up to 50 percent where conditions are known to vary.

2. What is my inspection sample for 3-bedroom units if there are 2 very different unit configurations?

If the difference in “configuration” is simply that of the floor plan, but the appliances, equipment, windows, flooring, doors, etc., are of the same age and materials, then the two configurations can be treated as one type of 3-bedroom unit—at least 10 percent of this type of 3-bedroom unit should be inspected. If the different configuration results in significant other changes (e.g., townhouse versus flat; different number of bathrooms; different types of HVAC systems; etc.), then they should be treated as different unit types and thus a minimum of 10 percent of each type (configuration) should be inspected and included in the GPNA.

3. How do I complete the GPNA when I have multiple developments and different structure types in the same AMP?

The GPNA software accommodates the inclusion of different sites and developments within the same Development/AMP. A Development/AMP can be divided into individual sites, and each site can be divided into different building sets (e.g., walk-up versus multi-family or high rise). Different unit types can also be grouped, and different types of common areas can be identified and inspected separately.

4. What if I have 100 scattered site Single Family Dwellings and they are all different?

The sample selection for a scattered site inventory is perhaps the most challenging judgment for any PNA process. The first consideration would be whether all these properties are truly different? If half of them are single story wood frame houses on ground slabs with asphalt roofs, three bedrooms, and two baths built in the 1960s then that might be enough similarity to represent a set. For some PHAs a 100-percent sample of these scattered site properties may be the most appropriate choice, based upon the diversity of the stock and perhaps management considerations such as a policy, to periodically inspect all units in the inventory.

Completing the GPNA

1. What types of information will I have to collect before actually doing the GPNA itself?

The User Guide provides some specific guidance under Phase I: Pre-Assessment—Preparing for the GPNA.

2. Where do I get the costs to enter into the cost library?

This is discussed in the Cost Library section of the User Guide. HUD does not require or mandate a specific cost index. PHAs may select any rational and supportable cost index that suits its needs, including a custom cost schedule that the PHA has developed based upon its known local costs. If a PHA is performing a PNA for the first time and has not selected a cost index or does not have a cost list for the items it typically buys for its inventory, several cost indexes are commercially available. For example, R.S. Means sells national cost index information updated annually with geographic adjustments that cover most components typically found in public housing (see the “Repair and Remodeling Cost Data” volume). Most PNA vendors subscribe to cost index services that they can recommend and provide if the PHA is contracting this work.

3. How do I account for the needs of maintenance buildings located within and serving a particular site?

PHAs may have accessory non-dwelling buildings for maintenance, offices, storage, community centers or other purposes. These buildings may or may not be listed in PIC or pulled into the PIC data set. If the needs for this building are accounted for along with the property on which they are located, it is recommended that the PHA account for those needs in the GPNA. Note that you should not account for Central Office Cost Centers in this manner. If the building is included in the PIC data set, the user navigates to Control Panel>“add building set” and selects “Non-dwelling structure” from the structure type dropdown menu, then enters a building name. Navigate to the Control Panel, select the newly added building on the building sets list, go to “edit building set”, and assign a building(s) to the named set. An inspection form can then be created for it.

If the building you wish to account for is not in the PIC data set, you would need to add the building into the tool before performing the above steps. To do this, navigate to and select “Edit Development Buildings” under the Development/AMPs column on the Control Panel. Select “add building” at the bottom of the page. A new line will open on the list of buildings named “new building”. You should rename the building to be more descriptive for you. You then select “non-Dwelling structure” from the dropdown menu under “type”. Adding a non-dwelling building will not affect validation with PIC at submittal and adding this building in the tool will not revise PIC.

4. When I try to “Add Site”, I only see numbers or letters and no site names.

The PIC data that is loaded into the tool is to the level of AMP. Some PHAs maintain two or more separate developments within an AMP. The “Add Site” function is where this separation into developments is begun. For each separate development within an AMP, identify it by name and whatever other identifying information is useful to you (address, etc.). You may also enter basic aggregate site quantity data here for your own use (these entries are not required to use the tool). Once you have named your sites, these names will appear in the Site Sets column and you may open a separate site inspection form for each of the sites.

5. What do you mean by "Effective Useful Life (EUL)" and how is it reflected in the GPNA software?

The Expected Useful Life or EUL for a GPNA component is generally the number of years that a building system or component is expected to be functional (is useful) from the time it is new until it wears out, is no longer functional, and needs to be replaced. The EUL is one of the key entries required in the GPNA Tool to produce the cost projection. The EUL is entered on the cost library for each component. See the GPNA User Guide's Cost Library discussion for additional information.

6. If I do not know when components and/or appliances were installed, how do I determine what to enter for the Remaining Useful Life?

The "Remaining Useful Life" is not simply the Effective Useful Life minus the age of the component. Some equipment may have received regular preventive maintenance and been well treated, so that the remaining useful life, when added to its "age", would exceed the estimated "Effective Useful Life." It is the experience and judgment of the inspector that come to bear to provide an estimate of each item's "Remaining Useful Life." The RUL is entered on the inspection form for each item and is one of the key entries required to produce the cost projection. The year of installation column is provided but is not a necessary entry. The tool will always default to the RUL entry.

7. Can the GPNA be completed on paper or a spreadsheet and then integrated into the GPNA software for uploading to HUD?

Yes. PHAs may print blank copies of inspection forms, cost libraries, and even the cost projection. Paper data must be manually entered into the GPNA Tool. Alternately these same documents can be exported from the tool into Excel spreadsheets. Entries can be made onto the Excel spreadsheets and then the spreadsheet with the new entries can be imported back into the GPNA Tool. Note that an imported Excel spreadsheet must be the same spreadsheet as was exported-you cannot import an Excel spreadsheet that originated from a different tool or for a different field within the same tool. You can cut and paste data from another Excel spreadsheet into the spreadsheet you intend to import.

8. If I am in Edit Projections on a Line Item, spread the work over several years, then mistakenly click "Project Cost Over 20 Years" or "Reset Projection" buttons, and lose all my work, is there a "Go Back" button or do I have to start over?

There is no "undo" function in the GPNA Tool. In this example, you will have to re-enter the spread for this line item. "Project cost over 20 years" automatically calculates and enters into the 20 year schedule according to the entries the user had made above that box. "Reset Projections" pulls data from the inspection forms.

9. Is there a publication that lists the utility "Usage per Year" for various standard and sustainable equipment and systems?

This requires looking up the specifications or manufacturer information for each individual item. This is data that is required to be included in an energy audit. HUD is unaware of any publication or document that aggregates utility usage for a large number and range of sustainable systems and equipment.

10. When inspecting an item or "Add Replacement Item", what is the difference between "Immediate Replace%" and "Immediate Refurb%"?

The GPNA allows the user to account for refurbishment activities reflecting the reality of most public housing authorities. Using the refurbishment tracking functionality of the GPNA can contribute to a more accurate assessment if a user chooses to use it but can increase complexity. Note that the tool only permits refurbishment to be planned for the first 5 years so that the subsequent replacements more than 5 years later would be calculated by the tool at the replacement cost level. In the case of a component that may at the time of inspection indicate that it has reached the end of its useful life, sometimes a judgment can be made that a portion of the component could be refurbished at lower cost instead of replaced. An example might be a chain link fence with portions that have posts and cross members remaining firmly stable and other portions where posts and cross members are unstable, bent, or otherwise in need of total replacement. In this case the tool allows the user to set the proportions of replacement and refurbishment. This will create a separate line in the cost projection for the refurbishment estimate.

11. What does the GPNA mean when it says it may include "marketability" items?

These items can be added in with cost projections. The GPNA process initially looks at the project/AMP as the building(s) currently exists. In some instances there may be physical improvements not currently in place that the PHA would like to add to increase the market value/rental potential of the project. For example, many public housing projects/AMPs were developed with efficiency units that may be difficult to occupy today. The PHA may decide to combine two efficiencies into a single one-bedroom apartment unit. The cost of converting the efficiency units into a one-bedroom apartment is considered a marketability item. Other examples might be adding exterior lighting or unit air conditioning to a project where these components do not now exist.

12. How much can I change the Line Item ID number?

Existing Line Item ID numbers can be changed and new Line Item ID numbers can be added. On the Master Cost Library, any component line can be edited by selecting the edit box at the end of the line. Line items can be added by selecting "add line item" from the dropdown at the Perform Action window on the bottom of the page. When changing or adding line items, the user should maintain the numbering convention so that the costs of added components are aggregated within their appropriate category—site, building exterior, building interior, units, etc.

13. If there are component costs that cannot be found in R.S. Means, can I use "HA Estimate" for these if I have a supportable cost and can I use "HA Estimate" for all unit costs?

The key to a successful Physical Needs Assessment is to use realistic costs for the components to be replaced. Using cost indexes such as R.S. Means can produce a broadly reliable estimate for most common property components. Some properties may have unique components and some PHAs may keep good records of actual cost on a variety of their own common components. Generally speaking, supportable local cost based upon actual experience would result in more reliable estimates. The GPNA user can always substitute an index-supplied estimate with an estimate based upon local cost, although when doing so, the user needs to be careful to eliminate the geographic multiplier for estimates based on local actual cost.

14. If I have multiple properties in one AMP, can I manage them separately in the GPNA?

Yes, using the "New PNA" function of the tool or other copies of the tool the user can track and create reports on developments that are a subset of a larger AMP. The user can use different costing information, treat the needs of each property differently, and run other tests and scenarios. This is an optimal use of the tool to assist the PHA in its own planning. In reporting to HUD, the PHA does need to be vigilant about a reporting version that preserves the AMP structure as recording in PIC and including all of the buildings and units within that AMP level report to HUD.

15. On a network, can two or more people work on the same GPNA database at the same time?

This is only available with the Client Server version of the GPNA Tool. When a user has obtained and installed a server version and linked client versions to the server version on its shared network drive, several users can work in the same tool simultaneously. Entries by each "client" will be reflected in the linked server version as well as in all other client versions linked to that server version. This application is most useful for a well-established team of users with well-understood input protocols that minimize the possibility of entries being inadvertently modified or deleted.

16. There are a great many potential line items in a PNA. Once the initial set up has been completed and the first PNA completed, can the user "turn off" the line items that are not used?

No, unused line items will remain in the GPNA Tool in the cost libraries and on the inspection forms. The Cost Projection, which is the main product of the PNA, only displays those items that were present on the inspection form or added by the user.

17. Can inspection forms be loaded to hand-held equipment for conducting the field assessment?

Any hand held tablet or device that will accept a Microsoft Excel spreadsheet can be used to make inspection entries that can subsequently be imported on the Excel spreadsheet back into the tool.

Energy Audit

1. I am a Section 8 only PHA. I have no public housing units. Is this energy audit rule applicable to me?

No. The rules that are proposed for PNAs and energy audits at 24 CFR 905.300 are only applicable to public housing. Other rulemaking administered by other HUD offices may impose requirements that an energy audit be performed on Section 8 inventory.

2. I am a small PHA; do I have to do an energy audit? If so, are there streamlined or special accommodations for small PHAs?

As is the case with the existing energy audit rule, all PHAs regardless of size are required to perform an energy audit every 5 years. This new energy audit rule does not change that requirement and there is no differentiation in the standards for an energy audit based upon PHA size.

3. Do I have to include all of my public housing projects or can I do one energy audit for the entire PHA?

The energy audit must be integrated with the PNA that is recorded within the GPNA and reported from it at the Development/AMP level. The energy audit results need to be able to be segregated at least at the Development/AMP level to achieve the required integration with the PNA.

4. What format or software do I have to use to complete the new energy audit?

HUD will not be providing or mandating a format for the energy audit. The energy audit need only follow the requirements of the final rule and provide the minimum data required by the rule for input into the GPNA.

5. Why is the energy audit being "integrated" with the GPNA, since they have always been done separately?

The Congress required "integrated utility management and capital planning to maximize energy conservation and efficiency measures" in the 2005 Energy Policy Act. HUD has long recognized the significant relationship between these aspects of real estate management and the broader property assessment industry has moved aggressively to integrate energy conservation and capital planning. There is a direct link between the physical condition of a public housing project and physical improvements that reduce energy consumption that is a cost to the PHA and the taxpayers through the Operating Fund. By analyzing energy conservation measures at the time of the PNA, most of which relate to the very same components that are being assessed in the PNA, PHAs can streamline these necessary property management functions, making the PHA operate more effectively and efficiently.

6. If a PHA has performed an investment grade energy audit for an EPC, does that satisfy this energy audit requirement? What if a PHA has already implemented an EPC?

The energy audit needs to comply with the provisions of the final rule and an investment grade energy audit may not necessarily do so. An EPC may not include an audit of the entire inventory and may exclude energy conservation measures (ECMs) that are not in the specialty areas of the Energy Service Company (ESCO) or ECMs that do not conform to the financial model of the specific EPC structure. If a PHA is contemplating an EPC it should coordinate the requirements of this energy audit with the energy audit that may be performed to support an EPC. Regardless of whether an EPC has been implemented, a PHA will need to perform an energy audit every 5 years. The nature and costs of ECMs are dynamic and ECMs that may not have made financial sense in the structure of a previous EPC may very well be feasible 5 years later.

7. What if the existing energy audit does not have energy usage, utility rates, or replacement unit costs for energy conservation measures and the comparable standard components?

These are required elements of the GPNA energy audit. Even if the existing energy audit was recent enough, the PHA would need to complete a new energy audit or supplement their existing energy audit to provide this information in order to complete the GPNA.

8. Can my staff perform the energy audit or do I have to hire a contractor?

Qualified staff may perform the energy audit, or a PHA may choose to hire a contractor. The qualifications for anyone performing an energy audit are the same and are stated in the energy audit rule.

9. What are the qualifications of the person performing the energy audit?

The qualifications are stated in the energy audit rule. It should be noted that “energy auditor” may refer to a firm or team that collectively possesses the required qualifications. The main intent of the qualifications is that the provider has the basic knowledge and experience to produce a useful and reliable audit for the PHA. A reputable certification from a state or national certifying agency is a required qualification for the performance of an energy audit. The American Association of Energy Engineers (AEE), the Building Performance Institute (BPI), and the Residential Energy Services Network (RESNET) are examples of reputable national certifying agencies for energy audit professionals.

10. What should a PHA include in a solicitation for an energy audit contractor?

A PHA should reference the energy audit rule and require evidence of qualifications from vendors. The energy audit rule does not necessarily require all of the investigations and services that a PHA might want. Of course the size and nature of the inventory is relevant to a proposal. If the PHA has particular insights or preferences, these should be stated. The rule suggests a number of different options for inclusion in the energy audit for which the PHA should provide clarity. Will the energy audit explore advanced ECMs such as geothermal, wind, solar, or cogeneration? Will the energy audit include assessment of green measures such as indoor air

quality? The PHA needs to consider the form of reporting it wants such as written reports suitable for public dissemination, or in person briefings at meetings. Although not required by the rule, the PHA may want to consider an investment grade energy audit that meets the requirements of the energy audit rule.

11. When will I have to complete the energy audit?

Results from a recent energy audit will be required to comply with the integration requirements of the PNA. Many PHAs will need to perform an energy audit together with the PNA that will be due for submittal at a due date determined by the PHAs fiscal year end immediately after the effective date of the final rule. If the PHA has an energy audit that is relatively recent, generally within 2 years of the time of performance of the PNA, that energy audit may be used if it conforms to the requirements of the new rule and includes the energy audit information required in the GPNA Tool.

12. What should I do if my energy audit is due before the new rule becomes final?

If your energy audit under the current rule is due and the new rule has not been issued you are encouraged to consider proceeding with an energy audit using the new standards in the proposed rule. While there is the possibility that terms of the final rule could change requiring you to supplement the audit, it is also possible that waiting until the final rule is in place could expose you to delay as many more PHAs may be procuring these services.

13. How often do I have to repeat the energy audit?

An energy audit must be completed every 5 years.

14. Will I have to do energy audit annual updates like the GPNA?

No, but the GPNA will list energy conservation items and as a result of updating the GPNA the PHA will report on those items that it may have completed in the year including energy conservation items.

15. I have a project that HUD approved for demolition; does it have to be included in the energy audit?

No, as long as a demolition or other disposition is approved by HUD, it does not need to be included in the energy audit.

16. I completed my last energy audit 4 years ago; when do I have to do the next energy audit?

In this circumstance the energy audit would not be recent enough to integrate with a currently performed PNA. Therefore, a new energy audit would need to be performed to coordinate with the GPNA. Subsequent energy audits would then be due at 5-year intervals coordinating with future PNA completions.

17. What cost-effective ECMs do I have to include in the energy audit? What am I required to install?

PHAs are not required to include any specific ECMs. The energy audit rule does require that every energy audit consider all “Core ECMs” that are defined as ECMs within broad categories of ECMs such as building envelope, appliances, heating and cooling, water conservation, power, and lighting.

The energy audit provides the PHA with the data that are used in conjunction with the GPNA. The rule requires that the energy audit findings shall be integrated into the PNA, but any final decisions regarding the implementation of any physical improvements, including ECMs, continue to be the judgment of the PHA in the context of current rules.

18. What about “green” items that do not save energy?

The energy audit rule encourages but does not require PHAs to consider and include “green” items that do not save energy but may be good for the environment and health of the public housing residents. For example, measures that improve indoor air quality may not have a direct financial benefit reflected in utility costs but have other quality of life benefits.

19. Is the energy audit an eligible expense under the Capital Fund?

Yes.

20. Is the energy audit an eligible expense under the Operating Fund?

Yes.

21. Am I required to include each and every ECM in my Capital Fund 5-year and annual plans?

No. The energy audit and associated PNA are planning tools to help PHAs prioritize needs for inclusion in commitment documents such as their 5-year and annual plans. PHAs include in their commitment documents only those ECMs that the PHA judges are appropriate and for which it has sufficient funds.

22. What training will HUD provide on the new energy audit?

Training on the energy audit requirements will be included in training on the new PNA but unlike the PNA and its GPNA Tool, there is no energy audit tool.

23. Do I have to submit the energy audit to HUD like the GPNA?

No. The PHA uses the energy audit information in conjunction with the PNA and to complete certain entry fields within the GPNA Tool, so in that context some of the information is submitted. There is no specific requirement to submit the energy audit in its entirety although it

must always be available for review if requested such as by field office staff performing their duties.

24. Does HUD review and approve the energy audit?

The HUD Field Office verifies compliance and all energy audits are subject to review by HUD, but HUD review or approval is not required to complete the energy audit process.

25. If I have a question about the energy audit, whom do I contact?

The PHA's local HUD Field Office.

26. Where can I go to find out more information on the energy audit and related requirements?

HUD maintains and links to a number of resources related to energy audits and energy conservation. The proposed rule and related information is at the Physical Needs Assessment Web http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/capfund/physicalassessment page:

The Public Housing Environmental and Conservation Clearing House can be accessed at:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/phecc

Submitting the GPNA Data to HUD

1. How do I submit my data?

Once the GPNA is complete and covers all developments/AMPs, to submit this data to HUD, go to the PNA Reports panel, and use the "Export All Aggregates to XML" option. This creates a separate file for each Development/AMP. You will then need to attach these files to an email to submit to PHADATA@HUD.GOV. You may make partial submittals by AMP in advance of the due date in the same manner but not including the individual files for the AMPs that may not be complete.

2. When I submit the data to HUD, will I get a receipt to confirm it was received?

The email mailbox will create an automatic reply to confirm that your email submittal was received at the correct mailbox. This does not constitute review or approval of your submittal that could take some time.

3. Will HUD review and approve the submission?

Your submittal will first be validated against your PIC data to ensure that your GPNA accounts for all of the buildings and units within the applicable Development/AMP. It is important that the GPNA submittal and current PIC data match, otherwise your submission will be rejected and you may have to redo the PNA, or at least reenter all the information. Once validated, the submittal will be reviewed against broad benchmark measures to determine any anomalous results that would raise question as to the accuracy of the submittal. The PHA will be contacted by the HUD Field Office in the event of such inquiries and will be required to satisfy the inquiry by explaining an anomaly or correcting an error causing the anomalous result. The GPNA as submitted is the PHA's judgment of its long-term capital needs. HUD's interest is that the PHA completes a PNA as a strategic planning activity and that the PNA data accurately reflects the PHA's actual physical condition. HUD will aggregate the submittals of all PHAs to develop benchmarks and to ascertain the condition and needs of public housing generally. When HUD is satisfied that the submittal is acceptable to add to the national aggregate, it will so advise the PHA. Such acceptance will be based upon the general appearance of quality and accuracy and does not constitute approval or disapproval.

Annual Update

1. How much and what information do I have to include in the annual update?

The annual update is a report to HUD on the components the PNA indicated were ready for replacement in the current year. The PHA will enter the quantity of such component items completed during the year and the associated cost. The PHA will also report the amount and general source of funds used to complete the aggregate work that year that must at least equal the amount spent on completed improvements reported.

2. When is the annual update due?

The annual update is due 120 days before the end of the PHA fiscal year.

3. When a PHA receives approval for demolition or disposition (other than for purposes of mixed-finance redevelopment), does the PHA update the data at that time? Or can the PHA wait until the next 5-year PNA is due for that site? Or at the annual update?

No action is required between annual updates and no annual update is required for a project that is approved for demolition or disposition during the year. If only part of the project was approved for demolition or disposition, the PHA would proceed with the annual update. At the time of the next 5-year performance of the PNA the inventory for the new PNA will match the new inventory configuration and will adjust for the removal as appropriate.

4. How do I submit the annual update?

On the Annual Update page there is a dropdown menu at the bottom of the page to export aggregates to XML that create a file similar to the one created for the original GPNA submittal. This file is attached to an email sent to the same submittal address (PHADATA@HUD.GOV).