



ANDREW M. CUOMO
GOVERNOR

DARRYL C. TOWNS
COMMISSIONER/CEO

NEW YORK STATE DIVISION
OF HOUSING &
COMMUNITY RENEWAL

HOUSING MANAGEMENT BUREAU MEMORANDUM # 2012-C-01

HOUSING
TRUST FUND
CORPORATION

STATE OF
NEW YORK MORTGAGE
AGENCY

NEW YORK STATE
HOUSING FINANCE
AGENCY

NEW YORK STATE
AFFORDABLE HOUSING
CORPORATION

STATE OF
NEW YORK MUNICIPAL
BOND BANK AGENCY

TOBACCO SETTLEMENT
FINANCING CORPORATION

To: All Housing Authority Executive Directors/Chairpersons;
All Housing Company Owners, Managing Agents &
Site Managers

From: Robert Damico, Director
Office of Housing Management

Date: October 11, 2012

Reference: Physical Needs Assessment (PNA)

Since the early 1980s, HCR has utilized its Physical Condition Survey (PCS) format to help the agency and supervised developments better assess capital needs and rent structures. Our PCS is now being replaced by a Physical Needs Assessment (PNA) which is based on the FANNIE MAE format in order to achieve the following:

- More user friendly and nationally recognized scope of services and assessment methodology
- Less time and cost intensive physical needs report for the housing authority/company
- More flexible application, for use in state grant programs, refinancing initiatives, budget-rent determinations, dissolutions, as well as short or long term capital projects
- Broader range of potential PNA consultants

Housing companies are expected to have in their possession an approved PNA performed within the last ten (10) years. The PNA should identify major replacement needs over a time span appropriate for the intended purpose; that is, at least five (5) years for refinancing or dissolution, and ten (10) years for budget-rent determination or designated grant programs.

Attached is a form of Request for Proposal (RFP) for consultants to perform a PNA. The RFP contains the format, procedure, criteria and minimum qualifications to be used in selecting a consultant. It also contains a suggested replacement schedule. The RFP and replacement schedule will be posted on the HCR web site shortly in MS Word and MS Excel, respectively, so they can be adjusted to suit the individual requirements of developments and be used by consultants as necessary. *Any material deviation from the attached form of RFP, or the substitution of a lender's needs assessment must be reviewed by HCR before being issued.*

Owners/managing agents with multiple developments may want to consider the potential advantages of retaining a single consultant to provide PNA reports for some of their properties. Please contact your assigned Housing Management Representative to discuss any further clarifications.

Sincerely,

A handwritten signature in black ink, appearing to be 'R. Damico', written over a horizontal line.

Robert Damico

Attachments:

#1_Request for Proposal (MS Word)

#2_Replacement Reserve Chart (MS Excel)