

Annual PHA Plan <i>(Standard PHAs and Troubled PHAs)</i>	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires: 02/29/2016
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Purpose. The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families.

Applicability. Form HUD-50075-ST is to be completed annually by **STANDARD PHAs or TROUBLED PHAs**. PHAs that meet the definition of a High Performer PHA, Small PHA, HCV-Only PHA or Qualified PHA do not need to submit this form.

Definitions.

- (1) **High-Performer PHA** – A PHA that owns or manages more than 550 combined public housing units and housing choice vouchers, and was designated as a high performer on both of the most recent Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) assessments if administering both programs, or PHAS if only administering public housing.
- (2) **Small PHA** - A PHA that is not designated as PHAS or SEMAP troubled, or at risk of being designated as troubled, that owns or manages less than 250 public housing units and any number of vouchers where the total combined units exceeds 550.
- (3) **Housing Choice Voucher (HCV) Only PHA** - A PHA that administers more than 550 HCVs, was not designated as troubled in its most recent SEMAP assessment and does not own or manage public housing.
- (4) **Standard PHA** - A PHA that owns or manages 250 or more public housing units and any number of vouchers where the total combined units exceeds 550, and that was designated as a standard performer in the most recent PHAS or SEMAP assessments.
- (5) **Troubled PHA** - A PHA that achieves an overall PHAS or SEMAP score of less than 60 percent.
- (6) **Qualified PHA** - A PHA with 550 or fewer public housing dwelling units and/or housing choice vouchers combined, and is not PHAS or SEMAP troubled.

A.	PHA Information.																																
A.1	<p>PHA Name: <u>Housing Opportunities Commission of Montgomery County</u> PHA Code: <u>MD004</u></p> <p>PHA Type: <input checked="" type="checkbox"/> Standard PHA <input type="checkbox"/> Troubled PHA</p> <p>PHA Plan for Fiscal Year Beginning: (MM/YYYY): <u>07/2021</u></p> <p>PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above)</p> <p>Number of Public Housing (PH) Units <u>0</u> Number of Housing Choice Vouchers (HCVs) <u>7,611</u> Total Combined Units/Vouchers <u>7,611</u></p> <p>PHA Plan Submission Type: <input checked="" type="checkbox"/> Annual Submission <input type="checkbox"/> Revised Annual Submission</p> <p>Availability of Information. PHAs must have the elements listed below in sections B and C readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official website. PHAs are also encouraged to provide each resident council a copy of their PHA Plans.</p> <p><input type="checkbox"/> PHA Consortia: (Check box if submitting a Joint PHA Plan and complete table below)</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th rowspan="2" style="width: 25%;">Participating PHAs</th> <th rowspan="2" style="width: 10%;">PHA Code</th> <th rowspan="2" style="width: 25%;">Program(s) in the Consortia</th> <th rowspan="2" style="width: 20%;">Program(s) not in the Consortia</th> <th colspan="2" style="width: 20%;">No. of Units in Each Program</th> </tr> <tr> <th style="width: 10%;">PH</th> <th style="width: 10%;">HCV</th> </tr> </thead> <tbody> <tr> <td>Lead PHA:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program		PH	HCV	Lead PHA:																							
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B.	Annual Plan Elements
B.1	<p>Revision of PHA Plan Elements.</p> <p>(a) Have the following PHA Plan elements been revised by the PHA?</p> <p>Y N</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Statement of Housing Needs and Strategy for Addressing Housing Needs</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Financial Resources.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Rent Determination.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Operation and Management.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Grievance Procedures.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Homeownership Programs.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Community Service and Self-Sufficiency Programs.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Safety and Crime Prevention.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Pet Policy.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Asset Management.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Substantial Deviation.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Significant Amendment/Modification</p> <p>(b) If the PHA answered yes for any element, describe the revisions for each revised element(s):</p> <p>HOC adopted a number of temporary waivers outlined in PIH Notices 2020-05, 2020-13, and 2020-33, which required multiple revisions to HOC's Housing Choice Voucher Administrative Plan. HOC also updated Chapter 22 (Housing Choice Voucher Project-Based Program) of its Administrative Plan based on provisions outlined in PIH Notice 2017-21. Please see attached narrative for additional details.</p> <p>(c) The PHA must submit its Deconcentration Policy for Field Office review.</p>
B.2	<p>New Activities</p> <p>(a) Does the PHA intend to undertake any new activities related to the following in the PHA's current Fiscal Year?</p> <p>Y N</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Hope VI or Choice Neighborhoods.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Mixed Finance Modernization or Development.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Demolition and/or Disposition.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Designated Housing for Elderly and/or Disabled Families.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Conversion of Public Housing to Tenant-Based Assistance.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Conversion of Public Housing to Project-Based Assistance under RAD.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Occupancy by Over-Income Families.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Occupancy by Police Officers.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Non-Smoking Policies.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Project-Based Vouchers.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Units with Approved Vacancies for Modernization.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants).</p> <p>(b) If any of these activities are planned for the current Fiscal Year, describe the activities. For new demolition activities, describe any public housing development or portion thereof, owned by the PHA for which the PHA has applied or will apply for demolition and/or disposition approval under section 18 of the 1937 Act under the separate demolition/disposition approval process. If using Project-Based Vouchers (PBVs), provide the projected number of project based units and general locations, and describe how project basing would be consistent with the PHA Plan.</p>
B.3	<p>Civil Rights Certification.</p> <p>Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>
B.4	<p>Most Recent Fiscal Year Audit.</p> <p>(a) Were there any findings in the most recent FY Audit?</p> <p>Y N</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/></p> <p>(b) If yes, please describe:</p> <p>There were two findings in HOC's FY 2020 Audit. All recommendations have been followed to remedy these findings. Please see enclosed Narrative for additional details.</p>

<p>B.5</p>	<p>Progress Report.</p> <p>Provide a description of the PHA's progress in meeting its Mission and Goals described in the PHA 5-Year and Annual Plan.</p> <p>Please see attached narrative.</p>
<p>B.6</p>	<p>Resident Advisory Board (RAB) Comments.</p> <p>(a) Did the RAB(s) provide comments to the PHA Plan?</p> <p>Y N <input type="checkbox"/> <input type="checkbox"/></p> <p>(c) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.</p> <p>Staff are scheduled to meet with the RAB on February 22, 2021. Comments from the board will be addressed and potentially incorporated into this plan prior to final submission to HUD.</p>
<p>B.7</p>	<p>Certification by State or Local Officials.</p> <p>Form HUD 50077-SL, <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>
<p>B.8</p>	<p>Troubled PHA.</p> <p>(a) Does the PHA have any current Memorandum of Agreement, Performance Improvement Plan, or Recovery Plan in place?</p> <p>Y N N/A <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>(b) If yes, please describe:</p> <p>Not Applicable.</p>
<p>C. Statement of Capital Improvements. Required for all PHAs completing this form that administer public housing and receive funding from the Capital Fund Program (CFP).</p>	
<p>C.1</p>	<p>Capital Improvements. Include a reference here to the most recent HUD-approved 5-Year Action Plan (HUD-50075.2) and the date that it was approved by HUD.</p> <p>Please reference HUD form 50075.2 approved by HUD on 10/30/2020. The Capital Fund Program Five-Year Action Plan describes the capital improvements necessary to ensure the long-term physical and social viability of HOC's Public Housing Projects.</p>

Instructions for Preparation of Form HUD-50075-ST Annual PHA Plan for Standard and Troubled PHAs

A. PHA Information. All PHAs must complete this section.

A.1 Include the full PHA Name, PHA Code, PHA Type, PHA Fiscal Year Beginning (MM/YYYY), PHA Inventory, Number of Public Housing Units and or Housing Choice Vouchers (HCVs), PHA Plan Submission Type, and the Availability of Information, specific location(s) of all information relevant to the public hearing and proposed PHA Plan. ([24 CFR §903.23\(4\)\(e\)](#))

PHA Consortia: Check box if submitting a Joint PHA Plan and complete the table. ([24 CFR §943.128\(a\)](#))

B. Annual Plan. All PHAs must complete this section.

B.1 Revision of PHA Plan Elements. PHAs must:

Identify specifically which plan elements listed below that have been revised by the PHA. To specify which elements have been revised, mark the “yes” box. If an element has not been revised, mark “no.” ([24 CFR §903.7](#))

Statement of Housing Needs and Strategy for Addressing Housing Needs. Provide a statement addressing the housing needs of low-income, very low-income and extremely low-income families and a brief description of the PHA’s strategy for addressing the housing needs of families who reside in the jurisdiction served by the PHA. The statement must identify the housing needs of (i) families with incomes below 30 percent of area median income (extremely low-income), (ii) elderly families and families with disabilities, and (iii) households of various races and ethnic groups residing in the jurisdiction or on the waiting list based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. ([24 CFR §903.7\(a\)\(1\)](#)) Provide a description of the PHA’s strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. ([24 CFR §903.7\(a\)\(2\)\(ii\)](#))

Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions. PHAs must submit a Deconcentration Policy for Field Office review. For additional guidance on what a PHA must do to deconcentrate poverty in its development and comply with fair housing requirements, see [24 CFR 903.2](#). ([24 CFR §903.23\(b\)](#)) Describe the PHA’s admissions policy for deconcentration of poverty and income mixing of lower-income families in public housing. The Deconcentration Policy must describe the PHA’s policy for bringing higher income tenants into lower income developments and lower income tenants into higher income developments. The deconcentration requirements apply to general occupancy and family public housing developments. Refer to 24 CFR §903.2(b)(2) for developments not subject to deconcentration of poverty and income mixing requirements. ([24 CFR §903.7\(b\)](#)) Describe the PHA’s procedures for maintain waiting lists for admission to public housing and address any site-based waiting lists. ([24 CFR §903.7\(b\)](#)). A statement of the PHA’s policies that govern resident or tenant eligibility, selection and admission including admission preferences for both public housing and HCV. ([24 CFR §903.7\(b\)](#)) Describe the unit assignment policies for public housing. ([24 CFR §903.7\(b\)](#))

Financial Resources. A statement of financial resources, including a listing by general categories, of the PHA’s anticipated resources, such as PHA operating, capital and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support public housing or tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources. ([24 CFR §903.7\(c\)](#))

Rent Determination. A statement of the policies of the PHA governing rents charged for public housing and HCV dwelling units, including applicable public housing flat rents, minimum rents, voucher family rent contributions, and payment standard policies. ([24 CFR §903.7\(d\)](#))

Operation and Management. A statement of the rules, standards, and policies of the PHA governing maintenance and management of housing owned, assisted, or operated by the public housing agency (which shall include measures necessary for the prevention or eradication of pest infestation, including cockroaches), and management of the PHA and programs of the PHA. ([24 CFR §903.7\(e\)](#))

Grievance Procedures. A description of the grievance and informal hearing and review procedures that the PHA makes available to its residents and applicants. ([24 CFR §903.7\(f\)](#))

Homeownership Programs. A description of any Section 5h, Section 32, Section 8y, or HOPE I public housing or Housing Choice Voucher (HCV) homeownership programs (including project number and unit count) administered by the agency or for which the PHA has applied or will apply for approval. ([24 CFR §903.7\(k\)](#))

Community Service and Self Sufficiency Programs. Describe how the PHA will comply with the requirements of community service and treatment of income changes resulting from welfare program requirements. ([24 CFR §903.7\(l\)](#)) A description of: **1)** Any programs relating to services and amenities provided or offered to assisted families; and **2)** Any policies or programs of the PHA for the enhancement of the economic and social self-sufficiency of assisted families, including programs under Section 3 and FSS. ([24 CFR §903.7\(l\)](#))

Safety and Crime Prevention. Describe the PHA’s plan for safety and crime prevention to ensure the safety of the public housing residents. The statement must provide development-by-development or jurisdiction wide-basis: (i) A description of the need for measures to ensure the safety of public housing residents; (ii) A description of any crime prevention activities conducted or to be conducted by the PHA; and (iii) A description of the coordination between the PHA and the appropriate police precincts for carrying out crime prevention measures and activities. ([24 CFR §903.7\(m\)](#)) A description of: **1)** Any activities, services, or programs provided or offered by an agency, either directly or in partnership with other service providers, to child or adult victims of domestic violence, dating violence, sexual assault, or stalking; **2)** Any activities, services, or programs provided or offered by a PHA that helps child and adult victims of domestic violence, dating violence, sexual assault, or stalking, to obtain or maintain housing; and **3)** Any activities, services, or programs

provided or offered by a public housing agency to prevent domestic violence, dating violence, sexual assault, and stalking, or to enhance victim safety in assisted families. (24 CFR §903.7(m)(5))

Pet Policy. Describe the PHA's policies and requirements pertaining to the ownership of pets in public housing. (24 CFR §903.7(n))

Asset Management. State how the agency will carry out its asset management functions with respect to the public housing inventory of the agency, including how the agency will plan for the long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs for such inventory. (24 CFR §903.7(q))

Substantial Deviation. PHA must provide its criteria for determining a "substantial deviation" to its 5-Year Plan. (24 CFR §903.7(r)(2)(i))

Significant Amendment/Modification. PHA must provide its criteria for determining a "Significant Amendment or Modification" to its 5-Year and Annual Plan. Should the PHA fail to define 'significant amendment/modification', HUD will consider the following to be 'significant amendments or modifications': a) changes to rent or admissions policies or organization of the waiting list; b) additions of non-emergency CFP work items (items not included in the current CFP Annual Statement or CFP 5-Year Action Plan) or change in use of replacement reserve funds under the Capital Fund; or c) any change with regard to demolition or disposition, designation, homeownership programs or conversion activities. See guidance on HUD's website at: [Notice PIH 1999-51](#). (24 CFR §903.7(r)(2)(ii))

If any boxes are marked "yes", describe the revision(s) to those element(s) in the space provided.

B.2 New Activities. If the PHA intends to undertake any new activities related to these elements in the current Fiscal Year, mark "yes" for those elements, and describe the activities to be undertaken in the space provided. If the PHA does not plan to undertake these activities, mark "no."

Hope VI or Choice Neighborhoods. 1) A description of any housing (including project number (if known) and unit count) for which the PHA will apply for HOPE VI or Choice Neighborhoods; and 2) A timetable for the submission of applications or proposals. The application and approval process for Hope VI or Choice Neighborhoods is a separate process. See guidance on HUD's website at: <http://www.hud.gov/offices/pih/programs/ph/hope6/index.cfm>. (Notice PIH 2010-30)

Mixed Finance Modernization or Development. 1) A description of any housing (including project number (if known) and unit count) for which the PHA will apply for Mixed Finance Modernization or Development; and 2) A timetable for the submission of applications or proposals. The application and approval process for Mixed Finance Modernization or Development is a separate process. See guidance on HUD's website at: <http://www.hud.gov/offices/pih/programs/ph/hope6/index.cfm>. (Notice PIH 2010-30)

Demolition and/or Disposition. Describe any public housing projects owned by the PHA and subject to ACCs (including project number and unit numbers [or addresses]), and the number of affected units along with their sizes and accessibility features) for which the PHA will apply or is currently pending for demolition or disposition; and (2) A timetable for the demolition or disposition. This statement must be submitted to the extent that approved and/or pending demolition and/or disposition has changed as described in the PHA's last Annual and/or 5-Year PHA Plan submission. The application and approval process for demolition and/or disposition is a separate process. See guidance on HUD's website at: http://www.hud.gov/offices/pih/centers/sac/demo_dispo/index.cfm. (24 CFR §903.7(h))

Designated Housing for Elderly and Disabled Families. Describe any public housing projects owned, assisted or operated by the PHA (or portions thereof), in the upcoming fiscal year, that the PHA has continually operated as, has designated, or will apply for designation for occupancy by elderly and/or disabled families only. Include the following information: 1) development name and number; 2) designation type; 3) application status; 4) date the designation was approved, submitted, or planned for submission, and; 5) the number of units affected. **Note:** The application and approval process for such designations is separate from the PHA Plan process, and PHA Plan approval does not constitute HUD approval of any designation. (24 CFR §903.7(i)(C))

Conversion of Public Housing. Describe any public housing building(s) (including project number and unit count) owned by the PHA that the PHA is required to convert or plans to voluntarily convert to tenant-based assistance; 2) An analysis of the projects or buildings required to be converted; and 3) A statement of the amount of assistance received to be used for rental assistance or other housing assistance in connection with such conversion. See guidance on HUD's website at: <http://www.hud.gov/offices/pih/centers/sac/conversion.cfm>. (24 CFR §903.7(j))

Conversion of Public Housing. Describe any public housing building(s) (including project number and unit count) owned by the PHA that the PHA plans to voluntarily convert to project-based assistance under RAD. See additional guidance on HUD's website at: [Notice PIH 2012-32](#)

Occupancy by Over-Income Families. A PHA that owns or operates fewer than two hundred fifty (250) public housing units, may lease a unit in a public housing development to an over-income family (a family whose annual income exceeds the limit for a low income family at the time of initial occupancy), if all the following conditions are satisfied: (1) There are no eligible low income families on the PHA waiting list or applying for public housing assistance when the unit is leased to an over-income family; (2) The PHA has publicized availability of the unit for rental to eligible low income families, including publishing public notice of such availability in a newspaper of general circulation in the jurisdiction at least thirty days before offering the unit to an over-income family; (3) The over-income family rents the unit on a month-to-month basis for a rent that is not less than the PHA's cost to operate the unit; (4) The lease to the over-income family provides that the family agrees to vacate the unit when needed for rental to an eligible family; and (5) The PHA gives the over-income family at least thirty days notice to vacate the unit when the unit is needed for rental to an eligible family. The PHA may incorporate information on occupancy by over-income families into its PHA Plan statement of deconcentration and other policies that govern eligibility, selection, and admissions. See additional guidance on HUD's website at: [Notice PIH 2011-7](#). (24 CFR 960.503) (24 CFR 903.7(b))

Occupancy by Police Officers. The PHA may allow police officers who would not otherwise be eligible for occupancy in public housing, to reside in a public housing dwelling unit. The PHA must include the number and location of the units to be occupied by police officers, and the terms and conditions of their tenancies; and a statement that such occupancy is needed to increase security for public housing residents. A "police officer" means a person determined by the PHA to be, during the period of residence of that person in public housing, employed on a full-time basis as a duly licensed professional police officer by a Federal, State or local government or by any agency of these governments. An officer of an accredited police force of a housing agency may qualify. The PHA may incorporate information on occupancy by police officers into its PHA Plan statement of deconcentration and other policies that govern eligibility, selection, and admissions. See additional guidance on HUD's website at: [Notice PIH 2011-7](#). (24 CFR 960.505) (24 CFR 903.7(b))

Non-Smoking Policies. The PHA may implement non-smoking policies in its public housing program and incorporate this into its PHA Plan statement of operation and management and the rules and standards that will apply to its projects. See additional guidance on HUD's website at: [Notice PIH 2009-21](#). (24 CFR §903.7(e))

Project-Based Vouchers. Describe any plans to use Housing Choice Vouchers (HCVs) for new project-based vouchers, which must comply with PBV goals, civil rights requirements, Housing Quality Standards (HQS) and deconcentration standards, as stated in 983.57(b)(1) and set forth in the PHA Plan statement of deconcentration and other policies that govern eligibility, selection, and admissions. If using project-based vouchers, provide the projected number of project-based units and general locations, and describe how project-basing would be consistent with the PHA Plan. (24 CFR §903.7(b))

Units with Approved Vacancies for Modernization. The PHA must include a statement related to units with approved vacancies that are undergoing modernization in accordance with [24 CFR §990.145\(a\)\(1\)](#).

Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants).

For all activities that the PHA plans to undertake in the current Fiscal Year, provide a description of the activity in the space provided.

B.3 Civil Rights Certification. Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulation*, must be submitted by the PHA as an electronic attachment to the PHA Plan. This includes all certifications relating to Civil Rights and related regulations. A PHA will be considered in compliance with the AFFH Certification if: it can document that it examines its programs and proposed programs to identify any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction's initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction. (24 CFR §903.7(o))

B.4 Most Recent Fiscal Year Audit. If the results of the most recent fiscal year audit for the PHA included any findings, mark "yes" and describe those findings in the space provided. (24 CFR §903.7(p))

B.5 Progress Report. For all Annual Plans following submission of the first Annual Plan, a PHA must include a brief statement of the PHA's progress in meeting the mission and goals described in the 5-Year PHA Plan. (24 CFR §903.7(r)(1))

B.6 Resident Advisory Board (RAB) comments. If the RAB provided comments to the annual plan, mark "yes," submit the comments as an attachment to the Plan and describe the analysis of the comments and the PHA's decision made on these recommendations. (24 CFR §903.13(c), 24 CFR §903.19)

B.7 Certification by State of Local Officials. Form HUD-50077-SL, *Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan*, must be submitted by the PHA as an electronic attachment to the PHA Plan. (24 CFR §903.15). Note: A PHA may request to change its fiscal year to better coordinate its planning with planning done under the Consolidated Plan process by State or local officials as applicable.

B.8 Troubled PHA. If the PHA is designated troubled, and has a current MOA, improvement plan, or recovery plan in place, mark "yes," and describe that plan. If the PHA is troubled, but does not have any of these items, mark "no." If the PHA is not troubled, mark "N/A." (24 CFR §903.9)

C. Statement of Capital Improvements. PHAs that receive funding from the Capital Fund Program (CFP) must complete this section. (24 CFR 903.7 (g))

C.1 Capital Improvements. In order to comply with this requirement, the PHA must reference the most recent HUD approved Capital Fund 5 Year Action Plan. PHAs can reference the form by including the following language in Section C. 8.0 of the PHA Plan Template: "See HUD Form- 50075.2 approved by HUD on XX/XX/XXXX."

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced the 5-Year and Annual PHA Plan.

Public reporting burden for this information collection is estimated to average 9.2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.

Fiscal Year (FY) 2022 Annual Public Housing Agency (PHA) Plan Submission
Housing Opportunities Commission of Montgomery County (HOC)

Narrative and Additional Information

A.1 PHA Information

The Public may view the PHA Plan and supporting documentation, and obtain information regarding any of the activities outlined in this plan at HOC's website, www.hocmc.org. HOC typically makes this information available at its main administrative office (10400 Detrick Avenue, Kensington, Maryland 20895) and at the three satellite offices listed below, but these offices are closed to the public indefinitely due to the COVID-19 Pandemic.

HOC Gaithersburg Customer Service Center (Closed to the Public indefinitely)
101 Lake Forest Blvd.
#200
Gaithersburg, Maryland 20877

HOC Silver Spring Customer Service Center (Closed to the Public indefinitely)
880 Bonifant Street
Silver Spring, Maryland 20910

HOC East Deer Park Office (Closed to the Public indefinitely)
231 East Deer Park Drive
Gaithersburg, Maryland 20877

Additional documents and supporting documents for this PHA Plan, that are also available for viewing at HOC's website, www.hocmc.org, are listed below.

- Form HUD-50057-ST-HCV-HP: PHA Certification of Compliance with the PHA Plans and Related Regulations
- HUD Form 50077-CR: Civil Rights Certification
- Resident Advisory Board (RAB) comments on PHA Plan
- Form HUD 50077-SL: Certification by State or Local Official of PHA Plan's Consistency with the Consolidated Plan or State Consolidated Plan
- HOC's FY 2020-2024 Five Year PHA Plan and FY 2021 Annual PHA Plans
- Housing Choice Voucher Administrative Plan
- Public Housing Admissions and Continued Occupancy Policy
- Public Housing Capital Fund Program Five-Year Action Plan: 2017-2021
- HOC's Violence Against Women Act Policy

Staff will meet with the Resident Advisory Board on February 22, 2021 to discuss this PHA Plan and receive any comments from the RAB.

A public hearing regarding this PHA Plan will be held on April 7, 2021 at 3:00pm via live stream on YouTube: <https://youtu.be/fcCGH7FC3K0>

B.1 Revision of PHA Plan Elements

(b) HOC's Housing Choice Voucher (HCV) and Project Based Voucher (PBV) programs are governed by HOC's Administrative Plan. The Administrative Plan derives its layout and much of its content from the Code of Federal Regulations (CFR), Title 24, Part 982—Section 8 Tenant Based Assistance: Housing Choice Voucher Program and Title 24, and Part 983.

- HOC's policies for HCV admission eligibility are established in Chapter 2 of the HOC Administrative Plan.
- HOC's policies for persons applying for HCV admission are established in Chapter 3 of the HOC Administrative Plan.
- HOC's HCV wait list and selection processes are established in Chapter 4 of the HOC Administrative Plan.
- All of HOC's PBV policies are established in Chapter 22 of the HOC Administrative Plan.

HOC has completed the transfer of all Public Housing (PH) tenants and units through the use of the Rental Assistance Demonstration (RAD) Component One. HOC currently does not operate any PH units and all previous PH tenants' assistance has been converted pursuant to the RAD Component One regulations outlined in PIH Notice 2019-23 (Rental Assistance Demonstration-Final Implementation, Revision 4). As part of HOC's RAD portfolio conversion, HOC elected not to close out the PH program, and we currently have PH Capital Fund Program (CFP) funds that have been budgeted through HUD's EPIC system. We are exploring our use of the Faircloth Limit for future development use with RAD. HOC's Public Housing Admissions and Continued Occupancy Policy (ACOP) previously governed HOC's Public Housing program. Since all of HOC's PH units and tenants have been converted under RAD Component One, this document is no longer relevant.

1. HCV Eligibility and Selection Criteria

Eligibility for HOC's HCV program is determined when an applicant is called from the wait list. HOC uses the following criteria for screening applicants:

- a. An applicant must be a "family".
 - b. An applicant must be within the appropriate Income Limits.
 - c. An applicant must furnish Social Security Numbers for all family members.
 - d. An applicant must furnish Declaration of Citizenship or Eligible Immigrant Status and verification where required.
 - e. At least the head of household or spouse of the applicant family must be either a U.S. citizen or have eligible immigration status before the PHA may provide any financial assistance.
 - f. Criminal or drug related activity only to the extent required by law or regulation including criminal records from local and state law enforcement agencies. HOC checks national and state sex offender registries and will deny persons subject to lifetime registration. HOC will review, on a case by case basis, the issues related to any applicant who is registered as a sex offender for other than their lifetime.
2. On March 13, 2020, President Trump declared the COVID-19 Pandemic a national emergency. On March 17, 2020, he signed the Coronavirus Aid, Relief and Economic Security ("CARES")

Act into law. This gave HUD broad authority to waive statutes and regulations for the Housing Choice Voucher program and emergency financial assistance. HUD Published PIH Notices 2020-05, 2020-13, and 2020-33, outlining HUD's potential temporary waivers. HOC adopted the temporary waivers below:

- **PH and HCV-2** (Adopted 4/20/20): This waiver permits the PHA to delay the annual reexamination of income and family composition. PHAs must implement HCV-7 for impacted families if they implement this waiver.
- **PH and HCV-3** (Adopted 4/20/20): This waiver waives the requirements to use the income hierarchy, including the use of EIV, and will allow PHAs to consider self-certification as the highest form of income verification. PHAs must also address material income discrepancies that may arise later.
- **PH and HCV-4** (Adopted 4/20/20): This waives the requirements to use income verification requirements, including the use of EIV for interim reexaminations.
- **PH and HCV-5** (Adopted 4/20/20): This waives the mandatory EIV monitoring requirements.
- **PH and HCV-6** (Adopted 4/20/20): This waiver provides for extensions to Family Self Sufficiency (FSS) contract of participation.
- **Housing Quality Standards (HQS)-1** (Adopted 4/20/20): This waiver changes initial inspection requirements allowing for owner certification that there are no life-threatening deficiencies. If self-certification is used, the PHA must inspect the unit no later than the one-year anniversary of the date of owner's certification. This waiver does not include a waiver of 24 CFR 35.15, visual assessment for deteriorated paint.
- **HQS-2** (Adopted 4/20/20): This waiver changes inspection requirements to allow for owner certification that there are no life-threatening deficiencies. Where self-certification is used, the PHA must inspect the unit no later than the one-year anniversary of the date of the owner's certification.
- **HQS-3** (Adopted 4/20/20): This waiver allows for an extension of up to 30 days for owner repairs of non-life-threatening conditions.
- **HQS-4** (Adopted 4/20/20): Under the Initial HQS Alternative Inspection Option, this waiver allows for commencement of assistance payments based on owner certification that there are no life threatening deficiencies.
- **HQS-6** (Adopted 4/20/20): This waiver waives the requirement for the PHA to conduct interim inspections and requires an alternative method. It allows for repairs to be verified by alternative methods.
- **HQS-7** (Adopted 4/20/20): This waiver allows Project Based Voucher (PBV) turnover units to be filled based on owner certification that there are no life-threatening deficiencies. It also allows for a delayed full HQS inspection not less than the one-year anniversary of the date of the owner's certification.
- **HQS-8** (Adopted 4/20/20): This waiver allows for PBV units to be added or substituted in the HAP contract based on owner certification that there are no life-threatening deficiencies. It also allows for delayed full HQS

inspection not less than the one-year anniversary of the owner's certification.

- **HQS-9** (Adopted 4/20/20): This waiver provides for a suspension of the requirement for Quality Control (QC) sampling inspections.
- **HQS-11** (Adopted 4/20/20): This waives the requirement to perform initial HQS inspections in order to begin making homeownership assistance payments, and requires the family to obtain independent professional inspection.
- **Housing Choice Voucher (HCV)-1** (Adopted 7/20/20): This waiver establishes an alternative requirement that policies may be adopted without board approval until 3/31/21, and that any provisions adopted informally must be adopted formally by 6/30/2021
- **HCV-2** (Adopted 4/20/20): This waives the requirement for an oral briefing and provides for alternative methods to conduct required voucher briefings.
- **HCV-3** (Adopted 4/20/20): This waiver allows PHAs to provide voucher extensions regardless of current PHA policy.
- **HCV-4** (Adopted 4/20/20): This waiver provides for Housing Assistance Payment (HAP) payments for contracts not executed within 60 days. PHAs must not pay HAP to an owner until the HAP contract is executed.
- **HCV-5** (Adopted 4/20/20): This waiver allows for PHA discretion on absences from units longer than 180 days. PHAs must not make HAP payments beyond 12/31/20 for units vacant more than 180 days.
- **HCV-6** (Adopted 4/20/20): This waiver allows PHAs to extend the period of time after the last HAP payment is made before the HAP contract terminates automatically.
- **HCV-7** (Adopted 4/20/20): This waiver provides PHAs with the option to increase the payment standard for the family at any time after the effective date of the increase, rather than waiting for the next regular reexamination.
- **HCV-9** (Adopted 4/20/20): This waives the requirement for the family to obtain pre-assistance counseling in the homeownership program.
- **HCV-10** (Adopted 4/20/20): This waiver pertains to the Family Unification Program (FUP) and allows PHAs to increase the age to 26 for foster youth's initial lease-up.
- **HCV-12** (Adopted 7/20/20): This waiver applies to FUP and allows PHAs to accept referrals of otherwise eligible youth who will leave foster care within 120 days.
- **HCV-13** (adopted 7/20/20): This waiver allows a PHA to extend homeownership assistance for up to one additional year.
- **HCV-14** (Adopted 7/20/2020): This waiver allows a PHA to keep a PBV unit under contract for a period of time that extends beyond 180 days from the last HAP, but does not extend beyond December 31, 2020.

3. The above waivers adopted by HOC pursuant to PIH Notices 2020-05, 2020-13, and 2020-33, required amendments to HOC's Administrative Plan. A list of affected chapters and required updates are summarized below.

- **Chapter 4** (Establishing Preferences and Maintaining the Wait List): Updates to this chapter state that HOC may accept referrals from child welfare agencies for youth who will leave foster care within 120 days. A contract may be executed on behalf of any otherwise eligible FUP youth not more than 25 years of age (not reached 26th birthday). The temporary provision expires June 30, 2021 in accordance with the waiver flexibility authorized in PIH Notice 2020-33.
- **Chapter 6** (Factors Related to Total Tenant Payment and Family Share Determination): Updates to this chapter state that HOC may continue to make HAP payments and not terminate the HAP contract if the family is absent for more than 180 consecutive days due to extenuating circumstances. This temporary policy expires on June 30, 2021 in accordance with the waiver flexibility authorized in PIH Notice 2020-33.
- **Chapter 7** (Verification Procedures): Updates to this chapter state that HOC may forgo third-party income verification until June 30, 2021. This temporary verification method is in accordance with the waiver flexibility authorized in PIH Notice 2020-33.
- **Chapter 8** (Voucher Issuance and Briefings): Updates to this chapter state that HOC may conduct initial applicant briefings by other means, such as webcast, video call, or expanded information packet. These alternative methods expire on June 30, 2021 in accordance with the waiver flexibility authorized in PIH Notice 2020-33.

Additionally, updates to this chapter state that HOC may grant extensions for other non-listed reasons through June 30, 2021. This temporary policy is in accordance with waiver flexibility authorized in PIH Notice 2020-33.

- **Chapter 9** (Request for Approval of Tenancy and Contract Execution): Updates to this chapter state that, through June 30, 2021, HOC may execute the HAP contract no later than 120 days from the beginning of the lease term. This temporary policy is in accordance with the waiver flexibility authorized in PIH Notice 2020-33.
- **Chapter 10** (Housing Quality Standards and Inspections): Updates to this chapter state that, in relation to timely initial HQS inspections, through December 31, 2020, HOC may rely on the owner's certification that the owner has no reasonable basis to have knowledge that life-threatening conditions exist in the unit instead of conducting an initial inspection. HOC must conduct an inspection in the unit no later than one year from the date of the owner's certification. This temporary provision is in accordance with the waiver flexibility authorized in PIH Notice 2020-13.

Additionally, updates to chapter 10 state that, through December 31, 2020, HOC may authorize occupancy of a unit if the unit passed an alternative inspection in the previous 24 months. The owner must certify that he/she has reasonable basis to have knowledge that no life-threatening conditions exist in the unit. HOC must conduct the HQS

inspection no later than one year from the date of the owner's certification. This temporary provision is in accordance with the waiver flexibility authorized in PIH Notice 2020-13.

Additionally, updates to chapter 10 state that HOC may provide the owner an additional 30 days to make repairs or non-life-threatening deficiencies. The period of availability to approve an additional 30 days is temporary and ends December 31, 2020. This temporary provision is in accordance with the waiver flexibility authorized in PIH Notice 2020-13.

Additionally, in the PBV section of chapter 10, updates state that for pre-HAP contract inspections, HOC is not required to conduct pre-contract inspections and may rely on the owner's certification that the owner has no reasonable basis to have knowledge that life threatening conditions exist in the PBV units. HOC must inspect the units no later than one year from the date of the owner's certification. This temporary provision expires on December 31, 2020 and is in accordance with the waiver flexibility authorized in PIH Notice 2020-13.

Additionally, in the PBV section of chapter 10, updates state that HOC may waive the initial inspection requirement to fill a turnover PBV unit. HOC may rely on the owner's certification that the owner has no reasonable basis to have knowledge that life threatening conditions exist in the PBV units. HOC must inspect the units no later than one year from the date of the owner's certification. This temporary provision expires on December 31, 2020 and is in accordance with the waiver flexibility authorized in PIH Notice 2020-13.

Additionally, the PBV section of chapter 10, updates state that HOC may amend the PBV HAP contract to add additional PBV contract units or to substitute a different unit for a previously covered contract unit without conducting an initial inspection. This is subject to the PBV program cap and income mixing requirements. HOC may rely on the owner's certification that the owner has no reasonable basis to have knowledge that life threatening conditions exist in the unit or units in question. HOC must inspect the unit no later than one year from the date of the owner's certification. This temporary provision expires on December 31, 2020 and is in accordance with the waiver flexibility authorized in PIH Notice 2020-13.

Additionally, regarding special/complaint inspections under chapter 10, if the reported deficiency is life-threatening HOC will notify the owner of the deficiency in lieu of conducting an inspection. The owner must correct the deficiency within 24 hours of the HOC notification or provide documentation that the deficiency does not exist. HOC is not required to conduct an on-site inspection to verify that the repairs have been made, but may rely on alternative verification methods. This temporary

provision expires on December 31, 2020 and is in accordance with the waiver flexibility authorized in PIH Notice 2020-13.

- **Chapter 12** (Recertifications): Updates to this chapter state that HOC may delay the completion of the annual recertification until December 31, 2020. This temporary delay is in accordance with the waiver flexibility authorized in PIH Notice 2020-13.
- **Chapter 21** (Housing Choice Voucher Homeownership Option): Updates to this chapter state that HOC may permit a family to purchase a home without fulfilling pre-assistance homeownership counseling requirements. This temporary provision expires June 30, 2021 in accordance with the waiver flexibility authorized in PIH Notice 2020-33.

Additionally, updates to Chapter 21 state that, through June 30, 2021, HOC may waive the initial homeownership inspection requirement. This temporary policy is in accordance with the waiver flexibility authorized in PIH Notice 2020-33.

Additionally, updates to Chapter 21 state that HOC may extend the maximum term of home ownership assistance for one year if the family is in the last year of the term and is experiencing financial hardship as a result of the COVID-19 Pandemic. This temporary policy is in accordance with the waiver flexibility authorized in PIH Notice 2020-13.

- **Chapter 22** (Housing Choice Voucher Project-Based Program): Under the PBV program, HOC is typically required to remove a unit from a PBV HAP contract after 180 days of zero housing assistance payments to the unit owner. Updates to this chapter state that, in response to the COVID-19 Pandemic, at its discretion, HOC may keep a unit under contract for a period of time that exceeds 180 days, but does not extend beyond June 30, 2021. This temporary policy expires on June 30, 2021 and is in accordance with the waiver flexibility authorized in PIH Notice 2020-33.

4. The Housing Opportunity Through Modernization Act (HOTMA) was enacted July 29, 2016. The act made numerous changes to the statutes that govern HUD programs, including the Project Based Voucher (PBV) program. HUD published PIH Notice 2017-21 on October 30, 2017 to implement various provisions of the PBV Program. In November of 2020, HOC adopted the following modifications to Chapter 22 (Housing Choice Voucher Project Based Program):
 - Determining the PBV Program size based on 20% of units authorized in our program baseline, in lieu of 20% of our Annual Budget Authority (ABA).
 - Increasing the PBV Program by an additional 10% of our program baseline (above the 20% program limit) for exception categories, which include units under contract on or after April 18, 2017, specifically serving the homeless, veterans, or providing supportive services. Units in low poverty areas with a poverty rate of 20% or less also qualify as an exception.
 - Limiting the maximum number of PBV Clients per building to the greater

- of 25 units or 25% of the units in a project.
- Limiting the maximum number of PBV Clients per building to the greater of 25 units or 40% of the units in a project, if the project is located in a census tract with a poverty rate of 20% or less.
- Changing the term of the initial HAP contract to up to 20 years instead of 15 years.
- Changing the term of the contract extension of up to 20 years instead of 15.

(c) HOC’s Public Housing Deconcentration Policy is described in Chapter 10 of the Agency’s Admissions and Continued Occupancy Policy (ACOP), which governed HOC’s Public Housing program. Although HOC has converted all of its PH units and tenants through the use of RAD Component One, rendering the ACOP no longer relevant, HOC’s PH Deconcentration policy will be referenced below, as requested for this section. More specifically, Sections 10.4 and 10.5 state the following:

10.4 DECONCENTRATION POLICY

It is the Housing Opportunities Commission’s policy to provide for deconcentration of poverty and encourage income mixing by bringing higher income families into lower income developments and lower income families into higher income developments. Toward this end, we may skip families on the wait list to reach other families with a lower or higher income. Additionally, the Housing Opportunities Commission may use flat rents to encourage higher-income eligible residents to lease or remain in a public housing unit. We will accomplish this in a uniform and non-discriminating manner.

The Housing Opportunities Commission will affirmatively market our housing to all eligible income groups. Lower income residents will not be steered toward lower income developments and higher income people will not be steered toward higher income developments.

10.5 DECONCENTRATION INCENTIVES

Subject to its annual deconcentration analysis, the Housing Opportunities Commission may offer one or more incentives to encourage applicant families whose income classification would help to meet the deconcentration goals of a particular development.

Various incentives may be used at different times, or under different conditions, but will always be provided in a consistent and nondiscriminatory manner.

B2 New Activities

(b) Beginning in 2014 and ending in FY 2020, HOC used the Rental Assistance Demonstration (RAD) program to convert its Public Housing (PH) portfolio to Project-Based Rental Assistance (PBRA) units and Project-Based Voucher (PBV) units. As a result of the RAD conversion project, additional guidance discussing the goals, objectives, and program

regulations specific to the converted RAD units are included in this Annual Plan. As of the completion of HOC’s RAD conversions in FY 2020, no PH units remain in HOC’s portfolio. As HOC’s RAD conversions are now complete, the PHA Plan content described herein regarding PH will cease to be applicable to the converted units. In place of the PH policies for these converted units will be the RAD conversion polices detailed in this Plan and in HOC’s Administrative Plan for those units converted to PBVs.

As part of HOC’s RAD portfolio conversion, HOC elected not to close out the PH program, and we currently have PH CFP funds that have been budgeted through HUD’s EPIC system. We are exploring our use of the Faircloth Limit for future development use with RAD.

Of the 11 PH properties approved for RAD conversion, the actual conversions have occurred in a staggered format over the last five fiscal years. HOC received Commitments to Enter into Housing Assistance Payments Contracts (“CHAP”) for all eleven (11) public housing developments. These public housing properties are grouped into multiple Asset Management Projects (the “RAD AMPs”), as follows:

Properties Comprising RAD AMPs
Seneca Ridge (aka Middlebrook Square)
Parkway Woods and Ken Gar
Towne Centre Place and Sandy Spring Meadow
Washington Square and Emory Grove
Arcola Towers
Waverly House
Elizabeth House
Holly Hall

A number of these RAD AMPs have been re-grouped (consolidated and/or divided) into one or more properties under common ownership by an affiliate of HOC and under a common financing scheme following their RAD conversions (each a “RAD Property” and collectively, the “RAD Properties”). Further, some of the Transfer of Assistance Units from several of the RAD AMPs or sites were consolidated into other RAD properties. The following table illustrates these re-groupings.

RAD Properties
Seneca Ridge, Parkway Woods, Ken Gar, Towne Centre Place, Sandy Spring Meadow, and Washington Square
Emory Grove (scattered site single-family homes)
Arcola Towers
Waverly House
Elizabeth House

Holly Hall

Following the completion of the conversion of RAD units, the PH content from previous PHA Plans will become inapplicable to the converted units. Importantly, the following eligibility, selection, admissions policies, deconcentration, and wait list procedures apply to the converted PH units to either PBRA or PBV units through the RAD program.

1. RAD Eligibility and Selection Criteria Modifications

- I. Occupied Units to be Converted Under RAD. Any tenant residing in a PH unit at any of the RAD properties at the time of conversion, shall be eligible for tenancy in a post-conversion unit. These tenants will be eligible for either PBRA units or PBV units. The PBRA RAD units will be located either (i) on-site, after a rehabilitation of the property (the “On-Site PBRA Units”), or (ii) at a new location as new construction replacement units (the “Replacement RAD Units”). The PBV RAD units will be units for which the assistance is transferred to other properties owned by an affiliate of HOC (the “Assistance Transfer PBV Units”, referenced jointly with the On-Site PBRA units and the Replacement RAD units as the “RAD units”). Beginning in FY 2015, HOC’s plan was to convert 508 public housing units as On-Site PBRA units, convert 256 public housing units to Replacement RAD units (for the Elizabeth House and Holly Hall properties), and transfer assistance for 113 public housing units. In all cases, each of the 877 public housing units converted under RAD would continue to receive a subsidy.

During FY 2015, HOC completed the above described Assistance Transfer PBV Unit process with all 113 units that were planned to have their PH assistance transferred off-site to PBV assistance. Also during FY 2015, HOC completed the above described On-Site PBRA Unit process for 209 units that were planned to have their PH assistance converted to on-site PBRA assistance. This process included four RAD AMPs: (1) Seneca Ridge, (2) Parkway Woods and Ken Gar, (3) Towne Centre Place and Sandy Spring Meadow, and (4) Washington Square and Emory Grove.

During FY 2016, HOC completed the conversion of all of the units at Arcola Towers (141) and Waverly House (158) RAD AMPs to PBRA and PBV.

During FY 2018, HOC completed the conversion of all of the units at Holly Hall (96) and 24 of the 160 units at Elizabeth House.

During FY 2020, HOC completed conversion of 30 of the 160 units at Elizabeth House.

Also in FY 2020, the remaining 106 units at Elizabeth House converted through a RAD Component One and Section 18 Blend. All of the 106 units from Elizabeth House property under this conversion will be transferred fully offsite as Replacement RAD Units.

RAD AMP	Current Public Housing Units	On-Site PBRA Units	Replacement RAD PBRA Units	Assistance Transfer PBV Units	Section 18 Disposition: PBV
Elizabeth House	0	-	80	-	26

- A. On-Site PBRA Units and Replacement RAD Units. This list enumerates the rights of those existing residents who occupy a RAD unit at the time of conversion and who either remain on-site at the RAD property after conversion or who relocate to a newly constructed Replacement RAD Unit. Occupants of these RAD units will receive PBRA. All PH units that are converting to PBRA through RAD will use Form HUD 90105-A Model Lease for Subsidized Programs with an initial lease term of one year. Complete information on these matters may be found under the heading of “Special Provisions Affecting Conversions to PBRA” in HUD’s PIH Notice 2019-23 (Section 1.7.B & C), which are incorporated herein by reference and summarized below:
- a. No re-screening of tenants upon conversion.
 - b. Resident right to return to the property (or, in the case of Elizabeth House and Holly Hall, the newly constructed replacement property) if relocated as a result of conversion, irrespective of income level.
 - c. Phase-in of tenant rent increase: If the rent increase is the greater of 10 percent or \$25, the increase will be phased in over three (3) years or five (5) years, as determined by HOC.
 - d. Continued eligibility for Public Housing-Family Self-Sufficiency (“PH-FSS”) and Resident Opportunities and Self-Sufficiency-Service Coordinators (“ROSS-SC”) programs; provided, however, that these tenants will be given first priority for Assistance Transfer Units.
 - e. Resident Participation and Funding: Residents will have the right to establish and operate a resident organization and be eligible for resident participation funding (see Attachment 1B of PIH Notice 2019-23).
 - f. Termination notification: HOC must provide written notification of termination of lease within a reasonable time:
 - i. Not to exceed 30 days if health or safety of other tenants, HOC employees, or persons residing in the vicinity are threatened or in the event of drug- related or violent criminal

- activity or any felony conviction;
 - ii. 14 days for non-payment of rent; and
 - iii. In all other cases, the requirements at 24 CFR §880.603, as revised for RAD in PIH Notice 2019-23, the Multifamily HUD Model Lease and any other HUD multifamily administrative guidance shall apply.
- g. Grievance process: See PIH Notice 2019-23 Section 1.7.B.6. In addition to program rules that require that tenants are given notice of covered actions under 24 CFR Part 245 (including increases in rent, conversions of a project from project-paid utilities to tenant-paid utilities, or a reduction in tenant paid utility allowances), HUD is incorporating resident procedural rights to comply with the requirements of section 6 of the United States Housing Act of 1937 (the “Act”). The RAD program will require that:
- i. Residents be provided with notice of the specific grounds of the proposed owner adverse action, as well as their right to an informal hearing with HOC (as owner);
 - ii. Residents will have an opportunity for an informal hearing with an impartial member of HOC’s staff (as owner) within a reasonable period of time;
 - iii. Residents will have the opportunity to be represented by another person of their choice, to ask questions of witnesses, have others make statements at the hearing, and to examine any regulations and any evidence relied upon by the owner as the basis for the adverse action. With reasonable notice to HOC (as owner), prior to a hearing and at the residents’ own cost, the resident may copy any documents or records related to the proposed adverse action;
 - iv. HOC (as owner) will provide the resident with a written decision within a reasonable period of time stating the grounds for the adverse action, and the evidence HOC (as owner) relied upon as the basis for the adverse action; and
 - v. HOC (as owner) will be bound by decisions from these hearings, except if the:
 - 1) Hearing concerns a matter that exceeds the authority of the impartial party conducting the hearing.
 - 2) Decision is contrary to HUD regulations or requirements, or otherwise contrary to federal, State, or local law.
 - 3) If HOC (as owner) determines that it is not bound by a hearing decision, HOC must promptly notify the resident of this determination, and of the reasons for the determination.

- h. Establishment of Wait List. Wait lists will be kept in accordance with PIH Notice 2019-23 Section 1.7.C.
 - i. Earned Income Disregard (“EID”). Tenants who are employed and are currently receiving the EID exclusion at the time of conversion will continue to receive the EID after conversion, in accordance with regulations at 24 CFR § 960.255. If a tenant requests that the EID cease, or upon the expiration of the EID for such tenants, the tenant will no longer receive the EID exclusion and the Owner will no longer be subject to the provisions of 24 CFR §960.255. Furthermore, tenants whose EID ceases or expires after conversion shall not be subject to the rent phase-in provision, as described in Section 1.7.B.3; instead, the rent will automatically rise to the appropriate rent level based upon tenant income at that time (please See PIH Notice 2019-23, Section 1.7.B.7).
- B. Assistance Transfer PBV Units. HOC has determined that it will be advantageous to transfer the assistance from some of the RAD AMPs to units of similar bedroom count located at other properties controlled by HOC (or its wholly owned affiliate). During FY 2015, HOC transferred the assistance of 113 units from four RAD AMPs to become PBV subsidized units. These RAD AMPs are: (1) Seneca Ridge, (2) Parkway Woods and Ken Gar, (3) Towne Centre Place and Sandy Spring Meadow, and (4) Washington Square and Emory Grove. For a specific breakdown of the units transferred from each AMP, please see the chart below:

RAD AMP	Units
Seneca Ridge (Middlebrook Square)	16
Parkway Woods and Ken Gar	4
Towne Centre Place and Sandy Spring Meadow	9
Washington Square and Emory Grove	84

During FY 2018, HOC transferred the assistance of 49 units from three RAD AMPs to offsite new construction RAD Replacement Units at Victory Crossing. These RAD AMPs are: (1) Holly Hall, (2), Waverly House, and (3) Elizabeth House. For a specific breakdown of the units transferred from each AMP, please see the chart below:

RAD AMP	Units
Holly Hall	12
Waverly House	13
Elizabeth House	24

Any resident of a RAD AMP (at time of conversion) who is offered and accepts the transfer of the rental assistance to an Assistance Transfer

PBV Unit is entitled to the same rights as a current resident remaining at the converted RAD Property. The assistance available at Assistance Transfer PBV Units will be PBV. Complete information on these matters may be found under the heading of “Special Provisions Affecting Conversions to PBV” in HUD’s PIH Notice 2019-23 (Section 1.6.C & D), which are incorporated herein by reference and summarized below:

- a. No re-screening of tenants upon conversion.
- b. Resident right to an assisted unit, irrespective of income level; residents of Assistance Transfer Units waive the right to return to their prior units.
- c. Phase-in of tenant rent increase: If the rent increase is the greater of 10% or \$25, the increase will be phased in over three (3) years or five (5) years, as determined by HOC.
- d. Continued eligibility for Public Housing-Family Self-Sufficiency (“PH-FSS”) and Resident Opportunities and Self-Sufficiency- Service Coordinators (“ROSS-SC”) programs.
- e. Resident Participation and Funding: Residents will have the right to establish and operate a resident organization and be eligible for resident participation funding (see Attachment 1B of PIH Notice 2019-23).
- f. Termination notification: HOC must provide written notification of termination of lease within a reasonable time:
 1. Not to exceed 30 days if health or safety of other tenants, HOC employees, or persons residing in the vicinity are threatened or in the event of drug- related or violent criminal activity or any felony conviction;
 2. 14 days for non-payment of rent; and
 3. In all other cases, the requirements at 24 CFR §880.603, as revised for RAD in PIH Notice 2019-23, the Multifamily HUD Model Lease and any other HUD multifamily administrative guidance shall apply.
- g. Grievance process. See PIH Notice 2019-23 Section 1.6.C.7.b. In addition to program rules that require that tenants are given notice of covered actions under 24 CFR Part 245 (including increases in rent, conversions of a project from project-paid utilities to tenant-paid utilities, or a reduction in tenant paid utility allowances), HUD is incorporating resident procedural rights to comply with the requirements of section 6 of the Act. RAD will require that:
 1. Residents be provided with notice of the specific grounds of the proposed owner adverse action, as well as their right to an informal hearing with the HOC (as owner);
 2. Residents will have an opportunity for an informal hearing with an impartial member of HOC’s staff (as owner) within a reasonable period of time;

3. Residents will have the opportunity to be represented by another person of their choice, to ask questions of witnesses, have others make statements at the hearing, and to examine any regulations and any evidence relied upon by the owner as the basis for the adverse action. With reasonable notice to the HOC (as owner), prior to hearing and at the residents' own cost, resident may copy any documents or records related to the proposed adverse action;
 4. HOC (as owner) will provide the resident with a written decision within a reasonable period of time stating the grounds for the adverse action, and the evidence HOC (as owner) relied on as the basis for the adverse action.
 5. HOC (as owner) will be bound by decisions from these hearings, except if the:
 - i. Hearing concerns a matter that exceeds the authority of the impartial party conducting the hearing.
 - ii. Decision is contrary to HUD regulations or requirements, or otherwise contrary to federal, State, or local law.
 - iii. If HOC (as owner) determines that it is not bound by a hearing decision, HOC must promptly notify the resident of this determination, and of the reasons for the determination.
- h. Establishment of Wait List. See PIH Notice 2019-23 Section 1.6.D.4.
- i. Earned Income Disregard ("EID"). Tenants who are employed and are currently receiving the EID exclusion at the time of conversion will continue to receive the EID after conversion, in accordance with regulations at 24 CFR § 960.255. If a tenant requests that the EID cease, or upon the expiration of the EID for such tenants, the tenant will no longer receive the EID exclusion and the Owner will no longer be subject to the provisions of 24 CFR §960.255. Furthermore, tenants whose EID ceases or expires after conversion shall not be subject to the rent phase-in provision, as described in Section 1.6.C.8; instead, the rent will automatically rise to the appropriate rent level based upon tenant income at that time. (Please See PIH Notice 2019-23, Section 1.6.C.8)
- A. Relocation. There is no planned offsite relocation with the exception of the Assistance Transfer Units described above. During the rehabilitation of each RAD AMP, residents may be relocated to facilitate the rehabilitation work within the RAD AMP. All relocations will be subject to the Uniform Relocation Act ("URA") and HOC will arrange for and assume all costs of relocation either on-site or off-site.

- II. Vacant Units Converted Under RAD and New Tenants. After conversion under the RAD program, any new tenant of a vacant RAD Unit (whether an On-Site RAD Unit or an Assistance Transfer Unit), will be subject to the terms of HUD regulations for Project-Based Section 8. This includes the requirement that tenants have incomes no greater than eighty percent (80%) of AMI. These RAD units and their tenants will not be governed by HOC's Admissions and Continued Occupancy Policy ("ACOP") for its PH units. Each RAD Property will have its own Tenant Selection Plan developed to be consistent with efforts to Affirmatively Further Fair Housing and the provisions of HUD Handbook 4350.3 REV-1.

Arcola Towers, Elizabeth House, and Waverly House were each designated for occupancy by only the elderly. Post conversion, these properties will have an elderly preference according to the Section 8 multifamily regulations outlined in the HUD 4350.3 (November 2013). All other RAD properties and RAD units are not designated as elderly-only and there will be no age restrictions or other preferences in the admission for tenancy.

Future applicants after the RAD conversion will be screened to ensure that they meet project eligibility requirements including citizenship requirements, disclosure and documentation of social security numbers, and income limitations. They will also be screened to determine that they will be responsible residents, which will include, but not be limited to, a review of references from previous landlords, credit history, and criminal and eviction history. In addition, Resident Selection Criteria incorporates screening requirements as established for the Section 8 program in HUD Handbook 4350.3, Occupancy Requirements for Subsidized Multi-Family Housing Programs.

After conversion of the RAD Units, future applicants for units at each RAD Property will be placed on a wait list, processed for immediate occupancy or rejected. All eligibility factors will be verified in writing and will be kept in the applicant's file. The following procedure will be used if an applicant is found to be unacceptable:

- A. The applicant will be immediately notified if it is found that the applicant is ineligible because their income exceeds the appropriate income limits or because the applicant's family size is not suitable for the size of the available unit(s).
- B. If the applicant meets the eligibility criteria, they will be offered a unit or placed on a wait list.
- C. The applicant will be promptly notified, in writing, of the determination of their ineligibility. The letter will explain why the applicant is not eligible.
- D. The rejection letter will advise the applicant that they have fourteen (14) days to respond in writing or request a meeting with a representative of the owner not involved in the original determination process.

- E. The rejection letter will also inform the applicant that responding to the rejection letter does not preclude the applicant from exercising other avenues available if they feel they are being discriminated against.
- F. If the applicant responds in writing and/or after a meeting is held, the applicant will be advised, in writing, whether or not the decision has changed. The letter will be sent within five (5) days from the date of the applicant's letter or from the date of the meeting.

III. On-Site Unassisted Units. As a result of the transfer of assistance to off-site Assistance Transfer Units, there will be a commensurate number and type of non-RAD units located at the RAD Property (the "On-Site Unassisted Units"). The On-Site Unassisted Units allow HOC to make units at the RAD Properties available to tenants without rental assistance and, at HOC's discretion, without income restrictions, which not only promotes the economic viability of the converted properties, but also furthers HOC's goal to deconcentrate poverty. HOC has set an initial rent level for these On-Site Unassisted Units at or below the eighty percent (80%) AMI level. There will be no difference in unit quality or amenities between the On-Site RAD Units and the On-Site Unassisted Units. Additionally, HOC will not require any resident to move from a RAD Property. Subsidy will be transferred to the Assistance Transfer Units for those units which are currently occupied by families participating in the PH-FSS program and for vacant units. In the former case, HOC will pay the costs of relocation. As previously discussed with HUD, subsidy will be transferred to these off-site Assistance Transfer Units in the form of PBV. The Assistance Transfer Units were formerly part of one of HOC's scattered site public housing developments that recently underwent disposition under Section 18 of the Act and are now owned by a wholly-owned affiliate of HOC. These scattered site units underwent substantial renovations following their Section 18 disposition. There was no external financing required for the renovation.

2. RAD Wait List Modifications

HOC opened its wait list (Housing Path) in August of 2015. In advance of the opening of the wait list, HOC undertook a comprehensive process of combining all of the Agency's wait lists into one single list for all HOC programs. Prior to the opening of the new wait list, all applicants on HOC's PH wait lists received notification that the lists were being purged and that they will be given priority on new site-based wait lists for the converted RAD Properties, which will be developed based upon direction provided within and in conformity with HUD Notice PIH-2019-23 (HA), REV-1 Sections 1.6.D.4 and 1.7.C.3. HOC's new wait list policies are described in Chapter 4 of HOC's Administrative Plan for the Housing Choice Voucher Program and in Chapter 9 of HOC's Admissions and Continued Occupancy Policy (ACOP).

Previously, HOC's Public Housing wait lists were not site-based or project specific, but separated into four regional lists by bedroom size with preferences for families designated as "Federal Emergency Assisted" and residents who live and/or work, or have been offered to work in the jurisdiction. The selection

process for each list was by preference and then random selection by lottery. HOC currently utilizes separate site-based wait lists for the RAD Properties (or definable portion of such property, where geographic proximity is lacking). The wait lists for each RAD Property are opened to the public.

Once applications are received, date and time of receipt will be recorded. The applications will be evaluated using the criteria for admission. Any applications meeting the eligibility criteria will be placed on the wait list. Applications not meeting these requirements will be rejected and not placed on the wait list. In the event that an applicant is rejected, the applicant will receive written notification. The applicant shall have fourteen (14) days from the date of the letter to respond in writing or to request a meeting to discuss the rejection. Each applicant’s position on the wait list will be determined by the date and time on which all of the applicant’s application materials are received at the office. Importantly, however, acceptance to the wait list does not automatically guarantee eligibility for a unit. Further screening as described under the eligibility section (above) will be completed at the time a unit is offered. Units will be rented to eligible applicants in accordance with the applicants’ place on the wait list.

3. RAD Assignment Modification

- A. All tenants currently participating and residing in PH units at the RAD AMPs will be admitted into converted RAD Units. After the RAD conversion, admission and selection of future tenants at these RAD Properties will be governed by HUD regulations as detailed above.
- B. Residents of RAD Units will be required to meet the following occupancy standards (as further depicted in the table below):
 - i. A single head of household or a head of household with a spousal relationship or significant other will be assigned one bedroom.
 - ii. Two members of the same gender, regardless of age, will be assigned one bedroom.
 - iii. A live-in aide will get a separate bedroom.

<u>Unit Bedroom Size</u>	<u>Family Size</u>
Efficiency	1 person
1 Bedroom	1 – 2 persons
2 Bedrooms	2 – 4 persons
3 Bedrooms	3 – 6 persons
4 Bedrooms	5 – 8 persons

- iv. Exceptions to normal bedroom size standards include the following:
 - a. Units smaller than assigned through the above guidelines – A family may request a smaller unit size than the guidelines allow. HOC will allow the smaller size unit so long as

generally no more than two (2) people per bedroom are assigned.

- b. Units larger than assigned through the above guidelines – A family may request a larger unit size than the guidelines allow. HOC will allow the larger size unit if the family provides a verified medical need that the family be housed in a larger unit.
- c. If there are no families on the wait list for a larger size, smaller families may be housed if they sign a release form stating they will transfer (at the family’s own expense) to the appropriate sized unit when an eligible family needing the larger unit applies.
- d. Larger units may be offered in order to improve the marketing of a development suffering a high vacancy rate.

- C. If a RAD unit with accessible features becomes vacant, management will offer the unit in the following order of priority: first, to a current resident of the RAD property who requires the accessible feature; then second, to an eligible qualified applicant on the RAD property’s wait list who requires the feature; and third, to an eligible qualified applicant on the RAD property’s wait list without a disability.

4. Deconcentration of Poverty

As a result of the transfer of assistance to off-site Assistance Transfer Units, there will be a commensurate number and type of On-Site Unassisted Units. These On-Site Unassisted Units allow HOC to make units at the RAD properties available to tenants without rental assistance and, at HOC’s discretion, without income restrictions, which not only promotes the economic viability of the converted properties, but also furthers HOC’s goal to deconcentrate poverty.

5. Conversion of Public Housing

HOC’s conversion of PH units to RAD Units under the RAD program was designed to entail (i) the renovation of 268 single family and townhome units in 3 RAD AMPs, (ii) the renovation of 298 units at two elderly properties in 2 RAD AMPs, (iii) the construction of 391 new units to replace the existing units which will be demolished at an elderly property and property designated for elderly and Non-Elderly Disabled (NED) residents in 2 RAD AMPs, and (iv) the transfer of assistance for 113 units from four separate RAD AMPs to newly renovated single-family homes.

During FY 2015, HOC completed the above described transfer of assistance step with all 113 units that were planned to have their PH assistance transferred off-site to PBV assistance. This process included four RAD AMPs: (1) Seneca Ridge, (2) Parkway Woods and Ken Gar, (3) Towne Centre Place and Sandy Spring Meadow, and (4) Washington Square and Emory Grove.

During FY 2016, HOC completed the RAD conversion of all of the units at the Arcola Towers (141) AMP to PBRA and Waverly House (158) to PBRA (145) and PBV (13) offsite new construction RAD Replacement Units at Victory Crossing.

Arcola Towers is a 141 unit elderly high-rise property consisting of 141 one-bedroom units. It is located at 1135 University Boulevard in Silver Spring, MD 20902. The Arcola Towers units were substantially rehabilitated during FY 2017 and FY 2018. The building and housing units now meet Enterprise Green Communities standards. All work performed was completed under the International Existing Building Code (IEBC) and all applicable Montgomery County construction codes.

Waverly House is a 157-unit elderly high-rise property consisting of 156 one-bedroom units and 1 two-bedroom unit, originally constructed in 1978. It is located at 4521 East West Highway in Bethesda, MD 20814. The Waverly House units were substantially rehabilitated during FY 2017 and FY 2018. The building and housing units now meet Enterprise Green Communities standards. All work performed was completed under the International Existing Building Code (IEBC) and all applicable Montgomery County construction codes.

During FY 2018, HOC completed the conversion of all of the units at the Holly Hall (96) RAD AMP to PBRA (84) offsite new construction RAD Replacement Units at Fenton Silver Spring (900 Thayer), and PBV (12) offsite new construction RAD Replacement Units at Victory Crossing. Also in FY 2018, HOC converted 24 of the 160 units at the Elizabeth House RAD AMP to PBV offsite new construction RAD Replacement Units at Victory Crossing.

During FY 2020, HOC completed the conversion of 30 of the 106 units at the Elizabeth House RAD AMP to PBRA offsite new construction RAD Replacement Units at Victory Haven.

During FY 2020, HOC completed the conversion of the remaining 106 units at Elizabeth House under a RAD Component One / Section 18 Blend, completing the final stage of HOCs RAD conversion process for its Public Housing portfolio.

Holly Hall is a 96-unit property consisting of one efficiency unit, 53 one-bedroom units, and 42 two-bedroom units, originally constructed in 1965. It is located at 10110 New Hampshire Avenue in Silver Spring, MD 20903. The residents at this property were primarily elderly and non-elderly disabled. The former public housing units at Holly Hall are scheduled for demolition and will be replaced with newly constructed units at multiple properties in Montgomery County. All of the former PH residents from Holly Hall are moving to a combination of the following new properties:

Property Name	Property Location	Date Ready for Occupancy
Fenton Silver Spring (900 Thayer)	8240 Fenton Street, Silver Spring, MD 20910	November 2019
Pointe View at Aspen Hill	3136 Bel Pre Road, Silver Spring, MD 20906	December 2019

Victory Crossing	1090 Milestone Drive, Silver Spring, MD 20904	June 2018
Victory Haven	9616 Main Street, Damascus, MD 20872	June 2020

Fenton Silver Spring (900 Thayer) completed construction in FY 2020. This property is the replacement property for Holly Hall. It is a luxury high-rise building located in downtown Silver Spring, Maryland. Fenton Silver Spring is a 100% Low Income Housing Tax Credit property with a total of 124 units, of which, 84 are layered with RAD PBRA subsidies.

The final HOC property to complete its RAD conversion was Elizabeth House. Elizabeth House is a 160-unit elderly high-rise property consisting of 40 efficiencies, 100 one-bedroom units, and 20 two-bedroom units, originally constructed in 1966. It is located at 1400 Fenwick Lane in Silver Spring, MD 20910. Twenty-four of the 160 PH units at Elizabeth House completed their conversion to PBV in FY 2018. One hundred thirty-six of the 160 PH units at Elizabeth House completed their conversion to PBRA or PBV in FY 2020. All of the former PH residents from Elizabeth House are moving to a combination of the same four new properties as the former residents of Holly Hall described above or they will move to the new construction Elizabeth House III RAD property, which is the replacement property for Elizabeth House.

All of the former public housing units at Elizabeth House will be demolished. A replacement building, Elizabeth House III (EH III), is currently being constructed on an adjacent site. After construction, the building and housing units at EH III are expected to meet Enterprise Green Communities standards. All work being performed will be completed under the International Existing Building Code (IEBC) and all applicable Montgomery County construction codes. The remaining PH residents at Elizabeth House will move to a combination of the new Elizabeth House III property and the same four new properties as the former PH residents of Holly Hall.

6. Designated Housing for Elderly and/or Disabled Families

HOC no longer has Public Housing units designated for elderly and/or disabled families. All Public Housing units have been converted through the use of RAD Component One and a RAD Section 18 Blend.

7. Project-Based Vouchers

HOC currently operates a Project-Based Voucher (PBV) program within its Housing Choice Voucher (HCV) program. The rules governing HOC’s PBV program are enumerated in Chapter 22 of HOC’s Administrative Plan for the Housing Choice Voucher Program. As described in HOC’s Administrative Plan, the program goals for the Project-Based Voucher (PBV) Program are as follows:

- a. To contribute to the improvement and long-term viability of the area’s housing stock.

- b. To increase the supply of affordable housing and location choice for very low-income households.
- c. To integrate housing and supportive services such as education, case management, job training, and day care to help families and individuals achieve stability and self-reliance.
- d. To promote the coordination and leveraging of resources of public, semi-public, or nonprofit agencies with compatible missions.

In FY 2019, HOC's Stewartown Homes underwent a RAD Component Two conversion from Section 236 Rental Assistance Payments (RAP) to PBV. Nineteen existing RAP subsidies were converted to PBV. In relation to the RAD Component Two conversion, HUD also approved HOC for 37 Low Vacancy Vouchers (LVV) as project-based tenant protection vouchers for residents without Section 236 RAP subsidy. HOC was required to certify the existing residents for the LVVs and determine eligibility, which is governed by the Housing Choice Voucher program regulations. The LVV funding went into effect during October 2019. The 19 PBV and 37 LVVs are now administered under HOC's Housing Choice Voucher program.

In FY 2020, HOC's Elizabeth House completed its conversion of PH through a RAD Component One / Section 18 Blend, as indicated above. This conversion included 26 tenant protection project-based vouchers. These vouchers are now administered under HOC's Housing Choice Voucher program.

In FY 2020, HUD awarded HOC 121 LVV project based tenant protection vouchers associated with Revitz House, an elderly property located at 6111 Montrose Road, Rockville, Maryland 20852. HOC does not own this property, but the LVVs will be administered under our Housing Choice Voucher program.

During FY 2020, HOC's Town Center Apartments underwent a RAD Component Two conversion from Section 236 (elderly) Rental Assistance Payments (RAP) to Project Based Rental Assistance (PBRA). HOC received 22 PBRA subsidies to replace the existing Section 236 RAP subsidies. In relation to this conversion, HUD approved HOC for 78 LVVs as tenant protection vouchers for Section 236 residents not receiving RAP subsidy. HOC was required to certify the existing residents for the LVVs and determine eligibility, which is governed by the Housing Choice Voucher program regulations. The 78 project-based LVVs are now administered under HOC's Housing Choice Voucher program. The HAP contract for the PBRA subsidies will be assigned to another HOC owned new construction property, Upton II, when the property is ready for occupancy. Upton II is a replacement property for Town Center Apartments.

In FY 2020, HOC's Bauer Park property underwent a RAD Component Two conversion from Section 236 (elderly) Rental Assistance Payments (RAP) to PBRA. HOC received a total of 56 PBRA subsidies to replace the existing Section 236 RAP subsidies. In relation to this conversion, HOC was also approved for 65

LVBs as tenant protection vouchers for the Section 236 residents without RAP subsidies. HOC was required to certify the existing residents for the LVBs and determine eligibility, which is governed by the Housing Choice Voucher program regulations. The 65 project-based LVBs are now administered under HOC's Housing Choice Voucher Program.

During FY 2021, and pursuant to the Project Based Voucher regulations outlined in 24 CFR 983 and PIH Notice 2017-21, HOC posted a Request for Proposal for its Housing Choice Voucher program. HOC intends to project-base a total of 100 units, and is currently accepting requests from private landlords and developers. This competitive selection process utilized the selection criteria described in HOC's Administrative Plan ensuring compliance with PBV goals, civil rights requirements, Housing Quality Standards (HQS), and deconcentration standards, as stated in 24 CFR 983.57 and set forth in the PHA Plan statement of deconcentration and other policies that govern eligibility, selection, and admissions for the Housing Choice Voucher program.

As per the Code of Federal Regulations (CFR) at 24 CFR 983.6 and HOC's Administrative Plan, the maximum amount of PBV assistance that HOC may provide is up to 20 percent of the amount of the Housing Choice Voucher program baseline (currently 7,611). HOC currently has 870 PBV units located throughout Montgomery County, Maryland, including Silver Spring, Aspen Hill, Bethesda, Montgomery Village, Gaithersburg, Rockville, Germantown, Chevy Chase, Wheaton, Takoma Park, Clarksburg, and Boyds.

B3 Civil Rights Certification

Please see attached HUD-50077-ST-HCV-HP (PHA Certifications of Compliance with the PHA Plans and Related Regulations).

B4: Most Recent Fiscal Year Audit

(b) There were two findings in HOC's most recent FY audit. All recommendations have been followed to remedy these findings. Excerpted below are details of these findings.

1. Finding 2020-001

Condition/Context:

The Commission's internal controls did not always ensure that tenant files included all required documentation. During testing of 40 tenant files, one recertification packet could not be located.

Recommendation:

It is recommended that the Commission review the checklists used by housing specialists when they complete an annual recertification to ensure the checklist adequately identifies all information required. We also recommend management identify the specialists responsible for the erroneous files and investigate whether findings represent a systemic problem, or are limited to a few specialists. Additional training for housing specialists would also improve accuracy.

HOC Corrective Action:

The HOC acknowledges the finding and continues to emphasize the importance of daily scanning upon completion of a file. Moreover, staff are held accountable for their actions, as scanning is a performance expectation and measured in the annual review.

The HOC hired an internal Staff Trainer in the Housing Resources Division, to provide ongoing education and instructions to new and existing staff. The Training will introduce new concepts and re-emphasize existing policies to reduce the error rate and improve the rate of accuracy.

2. Finding 2020-002Condition/Context:

The Commission's internal controls did not always ensure that annual inspections were performed timely and/or properly documented. Out of 40 units tested for annual HQS testing requirements, exceptions were noted for four units. Three units did not have an annual inspection performed within one year of the previous inspection and one unit had no inspections during the fiscal year 2020.

Recommendation:

It was recommended that the Commission review their annual HQS inspection process to ensure that units are inspected at least once per year.

HOC Corrective Action:

The Commission continues to make modifications to the inspection procedures in an effort to reduce the number of findings. A Financial Analyst, effective July 2020, will be reviewing the inspection records on a monthly basis to prevent missed annual inspections. This added layer will provide oversight of the inspections process. These procedures include but are not limited to, running monthly reports prior to inspection scheduling, monthly review of completed inspections, and requests for technology enhancements to assist in the monitoring of inspections.

B5 Progress Report

HOC continues to make positive strides toward meeting the mission and goals described in its FY 2020 – 2024 Five-Year Plan. Below are some highlights of HOC's efforts over this past year:

- HOC has developed and is developing affordable, mixed-use developments in Montgomery County.
- HOC has completed the transfer of all PH tenants and units through the use of the Rental Assistance Demonstration (RAD) Component One and a RAD Section 18 Blend. HOC currently does not operate any PH units and all previous PH tenants' assistance has been converted pursuant to the RAD Component One regulations.
- HOC previously opened two customer service centers, one down-County in Silver Spring and the second up-County in Gaithersburg. These centers have been closed to the public indefinitely from March 2020 to the creation of this report due to the COVID-19 Pandemic. Our Housing Resources Division (HRD), which operates our HCV program, has adapted their operations in order to continue to operate efficiently and provide the same level of services as pre-

COVID 19.

HRD staff have adopted a temporary remote/teleworking policy to allow our HRD front-line workers to continue to serve our HCV customers as efficiently as possible. Our Housing Specialists are currently performing electronic re-certifications. Our Program Assistant support staff visit the physical offices on a regular basis to scan documents to the Housing Specialists, so they are able to complete their work remotely. HRD has also implemented remote customer voucher issuance and relocation briefings, remote landlord informational briefings, and remote informal hearings.

- Adhering to HUD guidelines, the Housing Choice Voucher Inspection Services team initially waived the annual inspection requirement due to the COVID-19 Pandemic. In November 2019, they phased in the use of virtual inspections for annual and initial inspections in order to continue to ensure safe and appropriate housing for our HCV customers during the COVID-19 pandemic. The inspections team has also allowed virtual inspections for our most vulnerable population and people leasing in place.
- HOC's Resident Services Division, which provides supportive services to HOC's customers, including Housing Choice Voucher recipients, has been able to continue serving our customers during the COVID-19 Pandemic. They have adapted to continue providing supportive services primarily through phone and virtual platforms. General services provided, include assessments, information, and referrals. During the COVID-19 Pandemic, HOC has also provided and delivered food and other essentials to customers in need. Additionally, HOC staff provide in-person crisis intervention services to customers as needed. Lastly, HOC's Resident Services Division has continued to provide educational programs for youth, and health and wellness programs for adults and the elderly through virtual platforms.
- HOC has continued to work with staff, other local agencies, and outside partners to enhance its fair housing efforts.

Violence Against Women Act (VAWA):

To help meet the goals of the Violence Against Women Act (VAWA), HOC provides support and referrals to counseling for victims of domestic violence, dating violence, sexual assault, or stalking. HOC's partner, the Montgomery County Department of Health and Human Services, features an Abused Persons Program (240-777-4673) which provides 24-hour services, including access to counseling and shelters. HOC has an Agency-wide VAWA Policy which clearly defines and describes HOC's efforts to ensure that VAWA victims retain their housing assistance. HOC also assists victims with referrals to obtain restraining orders.

On November 16, 2016, the U.S. Department of Housing and Urban Development (HUD) published a new Final Rule implementing the housing protections authorized in the Violence Against Women Reauthorization Act of 2013 ("VAWA 2013" or "2013 Act"). Despite the VAWA 2013 Final Rule's identification that a formal PHA policy is not required in order to implement the provisions of VAWA 2013, HOC's Commission chose

to develop a single, stand-alone VAWA policy which describes HOC's commitment to VAWA adherence and enforcement.

HOC's new VAWA Policy has the following principal goals and objectives:

- A. Maintaining compliance with all applicable legal requirements imposed by VAWA;
- B. Ensuring the physical safety of victims of actual or threatened domestic violence, dating violence, sexual assault, or stalking who are assisted by HOC;
- C. Providing and maintaining housing opportunities for victims of domestic violence, dating violence, sexual assault, or stalking;
- D. Creating and maintaining collaborative arrangements between HOC, law enforcement authorities, victim service providers, and others to promote the safety and well-being of victims of actual and threatened domestic violence, dating violence, sexual assault, or stalking, who are assisted by HOC; and
- E. Taking appropriate action in response to an incident or incidents of domestic violence, dating violence, sexual assault, or stalking, affecting individuals who HOC assists.

Additionally, HOC's new VAWA Policy states the Agency's commitment to cooperate with organizations and entities, both private and governmental, which provide shelter and/or services to victims of domestic violence. If HOC staff becomes aware that an HOC assisted individual is a victim of domestic violence, dating violence, sexual assault, or stalking, HOC will refer the victim to such providers of shelter or services as appropriate. While HOC's VAWA Policy does not create any legal obligation requiring HOC either to maintain a relationship with any particular provider of shelter or services to victims of domestic violence, dating violence, sexual assault, or stalking or to make a referral in any particular case, HOC's Emergency Transfer Plan does describe providers of shelter or other services to victims of domestic violence, dating violence, sexual assault, or stalking with which HOC has referral or other cooperative relationships.

Lastly, HOC's new VAWA Policy incorporates and explains the Agency's use of the following four HUD documents required as per the VAWA 2013 Final Rule:

1. Notice of Occupancy Rights under the Violence Against Women Act
2. Model Emergency Transfer Plan for Victims of Domestic Violence
3. Certification of Domestic Violence
4. Emergency Transfer Request for Victims of Domestic Violence

B6 Resident Advisory Board (RAB) Comments

Staff are scheduled to meet with the RAB on February 22, 2021. Comments from the board will be addressed and potentially incorporated into this plan prior to final submission to HUD.

B7 Certification by State or Local Officials

Please see attached Form HUD 50077-SL (Certification by State or Local Official of PHA Plans Consistency with the Consolidated Plan or State Consolidated Plan)

B8 Troubled PHA

Not Applicable.

C1. Statement of Capital Improvements

Please reference HUD form 50075.2 approved by HUD on 10/30/2020. The Capital Fund Program Five-Year Action Plan describes the capital improvements necessary to ensure the long-term physical and social viability of HOC's Public Housing Projects.