

<b>Annual PHA Plan</b> <i>(Standard PHAs and Troubled PHAs)</i>	<b>U.S. Department of Housing and Urban Development</b> <b>Office of Public and Indian Housing</b>	<b>OMB No. 2577-0226</b> <b>Expires: 02/29/2016</b>
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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> <b>PHA Name:</b> _____ <b>PHA Code:</b> _____  <b>PHA Type:</b> <input type="checkbox"/> Standard PHA <input type="checkbox"/> Troubled PHA  <b>PHA Plan for Fiscal Year Beginning:</b> (MM/YYYY): _____  <b>PHA Inventory</b> (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above)  <b>Number of Public Housing (PH) Units</b> _____ <b>Number of Housing Choice Vouchers (HCVs)</b> _____ <b>Total Combined Units/Vouchers</b> _____  <b>PHA Plan Submission Type:</b> <input type="checkbox"/> Annual Submission <input type="checkbox"/> Revised Annual Submission </p> <p> <b>Availability of Information.</b> 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"/> <b>PHA Consortia:</b> (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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Lead PHA:																																	

<b>B.</b>	<b>Annual Plan Elements</b>
<b>B.1</b>	<p><b>Revision of PHA Plan Elements.</b></p> <p>(a) Have the following PHA Plan elements been revised by the PHA?</p> <p>Y N</p> <p><input type="checkbox"/> <input type="checkbox"/> Statement of Housing Needs and Strategy for Addressing Housing Needs</p> <p><input type="checkbox"/> <input type="checkbox"/> Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.</p> <p><input type="checkbox"/> <input type="checkbox"/> Financial Resources.</p> <p><input type="checkbox"/> <input type="checkbox"/> Rent Determination.</p> <p><input type="checkbox"/> <input type="checkbox"/> Operation and Management.</p> <p><input type="checkbox"/> <input type="checkbox"/> Grievance Procedures.</p> <p><input type="checkbox"/> <input type="checkbox"/> Homeownership Programs.</p> <p><input type="checkbox"/> <input type="checkbox"/> Community Service and Self-Sufficiency Programs.</p> <p><input type="checkbox"/> <input type="checkbox"/> Safety and Crime Prevention.</p> <p><input type="checkbox"/> <input type="checkbox"/> Pet Policy.</p> <p><input type="checkbox"/> <input type="checkbox"/> Asset Management.</p> <p><input type="checkbox"/> <input type="checkbox"/> Substantial Deviation.</p> <p><input type="checkbox"/> <input 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>(c) The PHA must submit its Deconcentration Policy for Field Office review.</p>
<b>B.2</b>	<p><b>New Activities</b></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 type="checkbox"/> Hope VI or Choice Neighborhoods.</p> <p><input type="checkbox"/> <input type="checkbox"/> Mixed Finance Modernization or Development.</p> <p><input type="checkbox"/> <input type="checkbox"/> Demolition and/or Disposition.</p> <p><input type="checkbox"/> <input type="checkbox"/> Designated Housing for Elderly and/or Disabled Families.</p> <p><input type="checkbox"/> <input type="checkbox"/> Conversion of Public Housing to Tenant-Based Assistance.</p> <p><input type="checkbox"/> <input type="checkbox"/> Conversion of Public Housing to Project-Based Assistance under RAD.</p> <p><input type="checkbox"/> <input type="checkbox"/> Occupancy by Over-Income Families.</p> <p><input type="checkbox"/> <input type="checkbox"/> Occupancy by Police Officers.</p> <p><input type="checkbox"/> <input type="checkbox"/> Non-Smoking Policies.</p> <p><input type="checkbox"/> <input type="checkbox"/> Project-Based Vouchers.</p> <p><input type="checkbox"/> <input type="checkbox"/> Units with Approved Vacancies for Modernization.</p> <p><input type="checkbox"/> <input 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>B.3</b>	<p><b>Civil Rights Certification.</b></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>B.4</b>	<p><b>Most Recent Fiscal Year Audit.</b></p> <p>(a) Were there any findings in the most recent FY Audit?</p> <p>Y N</p> <p><input type="checkbox"/> <input type="checkbox"/></p> <p>(b) If yes, please describe:</p>

<b>B.5</b>	<p><b>Progress Report.</b></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>
<b>B.6</b>	<p><b>Resident Advisory Board (RAB) Comments.</b></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>
<b>B.7</b>	<p><b>Certification by State or Local Officials.</b></p> <p><a href="#">Form HUD 50077-SL</a>, <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>
<b>B.8</b>	<p><b>Troubled PHA.</b></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 type="checkbox"/></p> <p>(b) If yes, please describe:</p>
<p><b>C. Statement of Capital Improvements.</b> Required for all PHAs completing this form that administer public housing and receive funding from the Capital Fund Program (CFP).</p>	
<b>C.1</b>	<p><b>Capital Improvements.</b> 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>

# 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](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."

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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) 2017 Annual Public Housing Agency (PHA) Plan Submission  
Housing Opportunities Commission of Montgomery County

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**Narrative and Additional Information**

**A. 1** The Public may view the PHA Plan, supporting documentation, and obtain information regarding any of the activities outlined in this plan at HOC’s main administrative offices (10400 Detrick Avenue, Kensington, Maryland 20895) and at the following three satellite offices:

HOC Gaithersburg Customer Service Center  
101 Lakeforest Blvd.  
#200  
Gaithersburg, Maryland 20877

HOC Silver Spring Customer Service Center  
8241 Georgia Avenue  
3rd Floor  
Silver Spring, Maryland 20910

HOC East Deer Park Offices  
231 East Deer Park Drive  
Gaithersburg, Maryland 20877

Additional documents and supporting documents for this PHA Plan, that are also available for viewing at the above locations, are listed below:

- Form HUD-50077-ST-HCV-HP: PHA Certifications of Compliance with the PHA Plans and Related Regulations (MD004a01.pdf)
- Resident Advisory Board (RAB) comments on PHA Plan (MD004f01.pdf)
- Form HUD-50077-CR, Civil Rights Certifications (MD004j01.pdf)
- Form HUD-50077-SL, Certification by State or Local Official of PHA Plans Consistency with the Consolidated Plan or State Consolidated Plan (MD004k01.pdf)

The Plan and its supporting documents are also available for review on HOC’s web site: [www.hocmc.org](http://www.hocmc.org).

Staff will meet with the Resident Advisory Board (RAB) on March 21, 2016 to discuss this PHA Plan and receive any comments from the RAB.

A public hearing regarding this PHA Plan will be held on April 6, 2016 at 3:30 p.m. in the Hearing Room at HOC’s main administrative offices (10400 Detrick Avenue, Kensington, Maryland 20895).

**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 – Project-Based Voucher Program.

- 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 waiting 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’s Public Housing (PH) program is governed by HOC’s Public Housing Admissions and Continued Occupancy Policy (ACOP).

- HOC’s policies for PH eligibility and admissions are established in Chapter 8 of the HOC ACOP.
- HOC’s PH waiting list and selection processes are established in Chapters 9 and 10 of the HOC ACOP.

1. HCV Eligibility and Selection Criteria

Eligibility for HOC’s HCV program is determined when an applicant is called from the waiting 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. PH Eligibility and Selection Criteria

Eligibility for HOC’s PH program is determined when an applicant is called from the waiting list. HOC uses the following criteria for screening applicants:

- a. Family status
- b. Income eligibility
- c. Citizenship/eligibility status
- d. Social Security Number documentation
- e. Signing consent forms
- 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.

3. In July of 2015, HOC submitted to HUD of a Significant Amendment to its FY 2016 PHA Plan describing the changes the Agency would be making to its waiting list. These changes were made in order to prepare for HOC's opening of its waiting list in August of 2015. While some of HOC's many waiting lists had sporadic openings and closings throughout the previous seven years, many had remained closed altogether since 2008. Paramount among HOC's goals in opening its waiting lists was to create a single list that is dynamic, exclusively electronic, and never closing. In order to launch such a complex and unprecedented waiting list system, HOC needed to significantly change the policies and procedures governing the waiting lists of its housing programs. These policies and procedures are delineated in Chapter 4 of HOC's Administrative Plan for the Housing Choice Voucher Program ("Administrative Plan") and Chapter 9 of HOC's Admissions and Continued Occupancy Policy for the Public Housing program ("ACOP").

In order to achieve such a waiting list, the waiting list policies in HOC's Administrative Plan and ACOP were changed as follows:

- a. Previously, selection from HOC's waiting lists was done by random lottery. When HOC opens the waiting list in summer 2015, it will continue to operate the list as a lottery. However, on the one-year anniversary of the opening, the new waiting list will be based exclusively on the date and time of application and any applicable preferences that the Agency has adopted in its Administrative Plan or ACOP.
- b. Previously, applicants were required to apply to HOC's waiting lists in person at an HOC office. The new waiting list will be exclusively electronic allowing for internet based application only. Applicants without access to the internet may use computer terminals located in HOC's offices and at other satellite kiosks that the Agency intends to install and operate at various other locations, such as the public libraries, public schools, and County offices, in order to apply to the waiting list online. To the extent an applicant requires assistance, upon request, staff from the Housing Opportunities Commission will be available to assist with electronic submissions.
- c. Previously, HOC maintained multiple separate waiting lists for its different housing programs, some of its different properties, and for those with specific preferences such as the elderly or disabled. The new waiting list will be only one list for all housing programs, properties, and preference groups; however applicants will be able to indicate specific preferences within their entry on the list. HOC is required to maintain property-based waiting lists for some of its properties, most notably those properties that are included in the Rental Assistance Demonstration (RAD) program. The Agency will create sub lists for those properties that are subject to this requirement.
- d. Previously, HOC would frequently close its waiting lists when they became unreasonably long. The new waiting list will remain open indefinitely, barring something uniquely unforeseen.

- e. Previously, applicant information on HOC’s waiting lists would grow stale over time, necessitating closings of the list and lengthy purging processes in order to update applicant information. The new waiting list will use internet-based and other electronic communication to require applicants to update their application information at regular intervals, eliminating the storage of stale information and the need for future purges. To the extent an applicant requires assistance, upon request, staff from the Housing Opportunities Commission will be available to assist with electronic submissions and may issue postcard notification of the need to certify continued interest in housing programs.

As per 24 CFR Part 903, Significant Amendments to the HOC’s PHA Plan require a 45-day public comment period which is concluded with a public hearing on the Plan Amendment. Both were executed and completed for the waiting list changes described herein. During the comment period, HOC made the draft of the waiting list changes proposed for the Administrative Plan and ACOP available on HOC’s website as well as in hard copy form at all four of the Agency’s offices. Also during the comment period, HOC staff met and discussed these waiting list changes with the HOC Resident Advisory Board (RAB), and received the RAB’s endorsement of these proposed changes on June 29, 2015. Notice of the comment period and public hearing were advertised in local newspapers in Montgomery County.

- 4. In September of 2015 HOC revised its Administrative Plan to add a preference for up to 10 Housing Choice Vouchers to be reserved for homeless veterans and their families. The motivation for this change was the larger federal initiative to end homelessness, called the “Zero: 2016 Campaign”. The Zero: 2016 Campaign is an initiative to end homelessness, but departs from its parent “100,000 Homes Campaign” in that it specifically targets homeless military veterans throughout the United States. The Montgomery County Government specifically sought out HOC’s assistance with this initiative and worked with its other partners to collectively end veteran homelessness in Montgomery County by the close of 2015. To assist with this effort, Montgomery County requested that HOC target homeless veterans and their families who are in need of supportive services with these 10 vouchers. Montgomery County was ultimately successful in its efforts to end veteran homelessness in the County prior to December 31, 2015, and HOC is honored to have been a part of this important achievement.
- 5. In January of 2016, HOC revised its Administrative Plan and ACOP to comply with HUD Notice PIH 2014-20 (HA), which is HUD’s new rule regarding Equal Access to Housing in HUD Programs regardless of Sexual Orientation or Gender Identity. These changes included replacing the previous definition of family and added definitions for gender identity and sexual orientation so as to further ensure equal access to HOC housing. These new definitions are as follows:

**FAMILY.** The term “family” includes, but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

- (1) A single person, who may be an elderly person, displaced person, disabled person, near-elderly person or any other single person; or
- (2) A group of persons residing together and such group includes, but is not limited to:

- a. A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family);
- b. An elderly family;
- c. A near-elderly family;
- d. A disabled family;
- e. A displaced family; and
- f. The remaining member of a tenant family. (24 CFR 5.403)

**GENDER IDENTITY.** Actual or perceived gender-related characteristics. (24 CFR 5.100)

**SEXUAL ORIENTATION.** Homosexuality, heterosexuality, or bisexuality. (24 CFR 5.100)

6. In January of 2016, HOC changed its Pet Policy for the Agency's Low Income Housing Tax Credit (LIHTC), Project-Based Rental Assistance (PBRA), Opportunity Housing (OH), and Market Rate housing programs (excluding scattered-site properties). The purpose of this new pet guideline is to establish clear rules for ownership of common household pets and to ensure that no applicant or resident is discriminated against regarding admission or continued occupancy because of ownership of pets. It also establishes reasonable rules governing the keeping of service and assistive animals consistent with the Americans with Disabilities Act and Section 504. Importantly, these changes did not affect HOC's Public Housing or Housing Choice Voucher residents.

HOC's Public Housing Pet Policy remains consistent with its ACOP as follows:

- a. A \$200 refundable, non-interest-bearing deposit for a cat, dog, or ten-gallon aquarium, payable over three months. There is a \$10 monthly fee for these pets.
- b. No deposits for caged animals.
- c. Limit of one cat or dog per household.
- d. Limit of adult weight of 25 pounds.
- e. Resident must provide record of current vaccinations and registration in compliance with Montgomery County law. Records will be kept in the resident's file.
- f. A dog or cat must be neutered or spayed.
- g. The pet will be allowed out of the premises only in designated areas and only under the complete control of the responsible human companion, and on a hand held leash or in a pet carrier.
- h. Each dog or cat must wear a collar with identification.
- i. Dangerous animals and potentially dangerous animals, as defined in Montgomery County Code Section 5, are not permitted. The County Code defines dangerous pets as any animal deemed dangerous by a local authority, one that has attacked unprovoked and inflicted injury outside the owner's property. HOC has the option to ban from its properties any animal it deems dangerous.
- j. Pet waste must be cleaned up and properly disposed of. Cat litter is not to be disposed of in toilets.
- k. Pet must be secured in a cage or separate room when HOC staff has scheduled access to the unit or needs to provide service to the unit.

- I. Residents must complete a Pet Applications/Registration form with their property manager. Residents must also sign a Pet Addendum to their lease.

HOC's Public Housing Pet Policy does not apply to animals that are used to assist persons with disabilities. Assistive animals are allowed in all public housing facilities with no restrictions other than those imposed on all tenants to maintain their units and associated facilities in a decent, safe, and sanitary manner and to refrain from disturbing their neighbors.

7. Also during FY 2016 HOC updated its criteria for determining a Significant Amendment or Modification to its Five-Year and Annual PHA Plan. HOC written statement defining Significant Amendment or Modification is as follows:

The following shall require the execution and submission to the U.S. Department of Housing and Urban Development (HUD) of a Significant Amendment to HOC's current PHA Plan:

- a. Any revision or addition to HOC policies covering demolition or disposition, designation, homeownership programs, or conversion activities; provided, however, that no Significant Amendment shall be required regarding the conversion of public housing units under RAD until HOC has detailed, property-specific plans and information on the conversion.
- b. Changes to rent (excluding changes in flat rent schedules), admissions policies, and/or organization of the waiting lists.

The following shall require the execution and submission to HUD of a Significant Amendment to HOC's current CFP Five-Year Action Plan:

- a. Any revision or addition to HOC policies including, but not limited to, proposed demolition, disposition, homeownership, development, or mixed finance proposals, that would constitute a material change in the allocations of CFP grant funds as identified in the current CFP Five-Year Action Plan.

The following shall not be deemed a Substantial Deviation from the current PHA Plan or the current CFP Five-Year Action Plan:

- a. The decision to convert to either PBRA or PBV assistance,
- b. The date the Significant Amendment is submitted to HUD or posted to the PHA Plan website,
- c. Changes to the Capital Fund Budget produced as a result of each approved RAD conversion, irrespective of whether the proposed conversion will include the use of additional Capital Funds,
- d. Changes to the construction and rehabilitation plan for each approved RAD conversion,
- e. Changes to the financing structure for each approved RAD conversion, and
- f. De minimus (less than ten percent (10%)) changes in the number of Assistance Transfer Units.

- (c) HOC's Public Housing Deconcentration Policy is described in Chapter 10 of the Agency's Admissions and Continued Occupancy Policy (ACOP). 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 waiting 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.

### **B.2 New Activities**

(b) Beginning in 2014, HOC started using the Rental Assistance Demonstration (RAD) program to convert the vast majority of 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 have been added to this Annual Plan. At the completion of HOC's RAD conversions, only seven PH units will remain in HOC's portfolio, located at the Agency's Tobytown property. These seven remaining PH units will continue to function according to the PH goals, objectives, and program regulations identified in this Plan. As HOC's RAD conversion project progresses over the next few years, 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 policies detailed in this Plan.

As identified above, HOC is currently in the process of converting all of its existing PH units, other than seven (7) units, to either PBRA or PBV through HUD's RAD program. Of the 11 PH properties scheduled for conversion, the actual conversions will occur in a staggered format over approximately five years. HOC has 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:

<b>Properties Comprising RAD AMPs</b>
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 will be 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 (each a “RAD Property” and collectively, the “RAD Properties”). Further, some of the Assistance Transfer Units from some of the RAD AMPs or sites will be consolidated into another RAD Property. The following table illustrates some of these projected re-groupings.

<b>RAD Properties</b>
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

As HOC’s RAD conversion progresses over the next few years, subsequent PH content from this PHA Plan will become inapplicable to all but the seven (7) unconverted public housing units at Tobytown. Importantly, the following eligibility, selection, admissions policies, deconcentration, and waiting list procedures will apply to the units converted and converting from 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 (145) RAD AMPs to PBRA.

Accordingly, the remaining RAD conversions that will take place over the next several years are as follows:

<b>RAD AMP</b>	<b>Current Public Housing Units</b>	<b>On-Site PBRA Units</b>	<b>Replacement RAD Units</b>	<b>Assistance Transfer PBV Units</b>
Elizabeth House	160	-	160	-
Holly Hall	96	-	96	-

Importantly, Holly Hall is the property scheduled for conversion during the FY 2017 period covered in this Plan. During its conversion from PH to project-based rental subsidy programming, all of the units from this property will be transferred fully offsite as Replacement RAD Units.

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 2012-32 (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% 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 2012-032).
- 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 2012-32, the Multifamily HUD Model Lease and any other HUD multifamily administrative guidance shall apply.
- g. Grievance process: See PIH Notice 2012-32 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 Waiting List. Waiting lists will be kept in accordance with PIH Notice 2012-32 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 2012-32, 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:

<b>RAD AMP</b>	<b>Units</b>
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

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 2012-32 (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 2012-032).
- 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 2012-32, the Multifamily HUD Model Lease and any other HUD multifamily administrative guidance shall apply.
- g. Grievance process. See PIH Notice 2012-32 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 Waiting List. See PIH Notice 2012-32 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 2012-32, Section 1.6.C.8)
- C. 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 are each designated for occupancy by only the elderly. Holly Hall is designated for occupancy by the elderly and/or non-elderly disabled (NED) families /individuals. Except with respect to these four properties the 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 waiting 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 waiting 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 are currently undergoing substantial renovations. There is no external financing required for the renovation.

## 2. RAD Waiting List Modifications

HOC opened its Waiting List in August of 2015. In advance of the opening of the Waiting List, HOC undertook a comprehensive process of combining all of the Agency's waiting lists into one single list for all HOC programs. Prior to the opening of the new Waiting List, all applicants on HOC's PH waiting lists received notification that the lists were being purged and that they will be given priority on new site-based waiting lists for the converted RAD Properties, which will be developed based upon direction provided within and in conformity with HUD Notice PIH-2012-32 (HA), REV-1 Sections 1.6.D.4 and 1.7.C.3. HOC's new waiting 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 waiting 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 offered to work in the jurisdiction. The selection process for each list was by preference and then random selection by lottery. After the RAD conversions, there will be site-based waiting lists for the RAD Properties (or definable portion of such property, where geographic proximity is lacking). The waiting lists for each RAD Property will then be opened to the public. Opening of the RAD Properties' waiting list(s) will be announced on HOC's website and, where required, with a public notice stating that applications for the RAD Properties will be accepted. The public notice will state where, when, and how to apply. The public notice will be published in a local newspaper of general circulation and also by any available minority media. The public notice will state any limitations as to who may apply.

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 waiting list. Applications not meeting these requirements will be rejected and not placed on the waiting 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 waiting 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 waiting 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 waiting 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 waiting 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 waiting list who requires the feature; and third, to an eligible qualified applicant on the RAD property’s waiting 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 141

units at two elderly properties in 2 RAD AMPs, (iii) the construction of 256 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 conversion of all of the units at Arcola Towers (141) and Waverly House (158) RA D AMPs to PBRA.

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 will be substantially rehabilitated. The final scope for the rehabilitation will be developed in conjunction with HOC’s selected architect. After construction, the building and housing units are expected to meet Enterprise Green Communities standards. All work to be performed will be completed under the International Existing Building Code (IEBC) and all applicable Montgomery County construction codes.

Waverly House is a 158 unit elderly high-rise property consisting of 156 one-bedroom units and 2 two-bedroom units, originally constructed in 1978. It is located at 4521 East West Highway in Bethesda, MD 20814. The Waverly House units will be substantially rehabilitated. The final scope for the rehabilitation will be developed in conjunction with HOC’s selected architect. After construction, the building and housing units are expected to meet Enterprise Green Communities standards. All work to be performed will be completed under the International Existing Building Code (IEBC) and all applicable Montgomery County construction codes.

The remaining steps in this RAD conversion process are described below, grouped by RAD AMP or by specific property.

<b>Elizabeth House</b>		
<b>Bedroom Size</b>	<b># Units</b>	<b>Unit Type</b>
Efficiencies	40	Elderly
1 Bedroom	100	Elderly
2 Bedroom	20	Elderly
<b>Total Units</b>	<b>160</b>	

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 1970. It is located at 1400 Fenwick Avenue in Silver Spring, MD 20910.

The Elizabeth House units will be demolished and a replacement building will be constructed on an adjacent site. The final scope for the new construction will be developed in conjunction with HOC’s selected architect. After construction, the building and housing units are expected to

meet Enterprise Green Communities standards. All work to be performed will be completed under the International Existing Building Code (IEBC) and all applicable Montgomery County construction codes.

<b>Holly Hall</b>		
<b>Bedroom Size</b>	<b># Units</b>	<b>Unit Type</b>
Efficiencies	1	Family
1 Bedroom	53	Family
2 Bedroom	42	Family
<b>Total Units</b>	<b>96</b>	

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 public housing units at Holly Hall will be replaced with newly constructed units.

6. Designated Housing for Elderly and or Disabled Families

HOC has approved the following developments for Designated Housing:

<b>Designation of Public Housing Activity Description</b>
Development name: Holly Hall
Development (project) number: MD004511413
Designation type: Occupancy by only the elderly and persons with disabilities
Application status: Approved
Date this designation was Approved: 1/2015
Number of units affected: 92

<b>Designation of Public Housing Activity Description</b>
Development name: Elizabeth House
Development (project) number: MD004511402
Designation type: Occupancy by only the elderly
Application status: Approved
Date this designation was Approved: 1/2015
Number of units affected: 158

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.

During FY 2016, HOC posted a Request for Proposals (RFP) for its PBV program. HOC received requests for a total of 252 units, of which 158 were approved. 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 budget authority allocated to the Agency by HUD. Including the 158 newly approved PBV units, HOC currently has 743 PBV units located throughout Montgomery County, Maryland, including Silver Spring, Bethesda, Montgomery Village, Gaithersburg, Rockville, Germantown, Chevy Chase, Wheaton, Takoma Park, Clarksburg, and Boyds.

**B.4 Most Recent Fiscal Year Audit**

(b) There was one finding in HOC's most recent FY Audit. All recommendations have been followed to remedy this finding. Excerpted below are the details of this finding:

1. Condition/Context:

Two files out of 40 were not uploaded to the PIC system within the appropriate amount of time (60 days) that HUD allows from the eligibility date of the HUD-50058.

Recommendation:

We recommend that management review their procedures for PIC uploads and establish a method that ensures compliance.

HOC Response:

The Commission acknowledges the discovery of timing errors in the monthly report submission of the HUD 50058 Form. Two client actions were retroactively processed, resulting in a delay of the report submissions to HUD. One action was processed late due to staff turnover.

The regulation requires that the reports must be submitted to HUD within 60 calendar days from the effective date of any action. The two noted client reports were submitted within 30 days of the processed date, though greater than 60 days from the effective date.

Effective immediately staff will generate a weekly report that identifies the effective date of any non-transmitted 50058 form. Any action that is approaching the 60 day deadline will be immediately transmitted to the Public and Indian Housing Information Center (PIC).

#### **B.5 Progress Report**

HOC continues to make positive strides toward meeting the mission and goals described in its FY 2015-2019 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 continued to utilize and improve its resident services and customer service through its two customer service centers, one down-County in Silver Spring and the second up-County in Gaithersburg.
- HOC has used the RAD program to begin disposing its PH portfolio, already converting nine former PH properties to PBRA and/or PBV assistance.
- HOC continues its efforts through newsletters and forums to reach out to landlords for the voucher program.
- 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, 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 adopted procedural language to ensure that victims retain their housing assistance. HOC also assists victims with referrals to obtain restraining orders.