

*Striving to Provide Quality Housing Choices
and
Affordable Communities*



***AGENCY PLAN ANNUAL UPDATE
CAPITAL FUND
FY 2023***

*7477 Baltimore-Annapolis Blvd.
Glen Burnie, Maryland 21060-2817*

TABLE OF CONTENTS

	<u>TAB N^o</u>
FY2023 ANNUAL UPDATE TO THE FY2020 - FY2024 FIVE-YEAR AGENCY PLAN	1
CONVERSION TO RENTAL ASSISTANCE DEMONSTRATION	2
ACOP INCLUDING DWELLING LEASE	3
ADMINISTRATIVE PLAN AND ELIGIBILITY PLAN - (LIHTC AND PBV)	4
FY2023 CFP ANNUAL STATEMENT AND FY2023-FY2027 FIVE-YEAR PLAN	5
FISCAL AUDIT	6
CERTIFICATIONS	7
FLAT RENTS	8
UTILITY ALLOWANCES	9
OTHER DOCUMENTS	10

**FY2023 ANNUAL UPDATE TO THE FY2020 -
FY2024 FIVE-YEAR AGENCY PLAN**

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: 03/31/2024
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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, including changes to these policies, 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. The 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 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, that owns or manages less than 250 public housing units and any number of vouchers where the total combined units exceed 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 exceed 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 Commission of Anne Arundel County</u> PHA Code: <u>MD018</u> PHA Type: <input checked="" type="checkbox"/> Standard PHA <input type="checkbox"/> Troubled PHA PHA Plan for Fiscal Year Beginning: (MM/YYYY): <u>07/2023</u> PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above) Number of Public Housing (PH) Units: <u>472</u> Number of Housing Choice Vouchers (HCVs): <u>2,490</u> Total Combined Units/Vouchers: <u>2,962</u> 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 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 style="padding-left: 40px;"> The HCAAC’s FY2023 Annual Update to the FY2020 - FY2024 Five-Year Agency Plan will be displayed for public review at the following locations: </p> <ol style="list-style-type: none"> (1) Main Administrative Office located at 7477 Baltimore-Annapolis Blvd., Suite 301, Glen Burnie, MD 21061 (2) All HCAAC Development Offices (3) PHA website www.hcaac.com <p style="padding-left: 40px;"> Supporting documents for the FY2023 Annual Update to the FY2020 – FY2024 Five-Year Agency Plan are available for inspection at the Main Administrative Office. </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: 20%;">Participating PHAs</th> <th rowspan="2" style="width: 10%;">PHA Code</th> <th rowspan="2" style="width: 20%;">Program(s) in the Consortia</th> <th rowspan="2" style="width: 20%;">Program(s) not in the Consortia</th> <th colspan="2" style="width: 30%;">No. of Units in Each Program</th> </tr> <tr> <th style="width: 15%;">PH</th> <th style="width: 15%;">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> </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:											
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:																					

B.	Plan Elements
B.1	<p>Revision of Existing 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 type="checkbox"/> <input checked="" type="checkbox"/> Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Financial Resources.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Rent Determination.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Operation and Management.</p> <p><input checked="" type="checkbox"/> <input 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 checked="" 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): Please see pages 5 – 26 of the FY2022 Annual Plan for information regarding this section.</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. (See Text)</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 Rental Assistance or Project-Based Vouchers under RAD.</p> <p><input checked="" type="checkbox"/> <input 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> <p>Please see pages 26 – 34 of the FY2023 Annual Plan regarding this section.</p>
B.3	<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 pages 34 - 36 of the FY2023 Annual Update for the Progress Report.</p>

<p>B.4</p>	<p>Capital Improvements. Include a reference here to the most recent HUD-approved 5-Year Action Plan in EPIC and the date that it was approved.</p> <p>The most recent Capital Fund Five-Year Action Plan was submitted with the FY2022 Annual Update to the FY2020 – FY2024 Five-Year Agency Plan and was approved by HUD on June 30, 2022.</p> <p>The Capital Fund Five-Year Action Plan covering the years FY2023 – FY2027 will be discussed in the same Public Hearing as the FY2023 Agency Plan Annual Update. A copy of the FY2023 – FY2027 Capital Fund Five-Year Action Plan will be available for review during the 45-day Public Hearing notice period. The proposed Annual Statement and Five-Year Plan are included under Tab 5.</p> <p>Please see page 36 and 37 of the FY2023 Annual Update for information regarding the most recently approved Capital Fund Program Five-Year Action Plan.</p>
<p>B.5</p>	<p>Most Recent Fiscal Year Audit.</p> <p>(a) Were there any findings in the most recent FY Audit?</p> <p>Y N <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>(b) If yes, please describe:</p> <p>Please see Tab 6 of the Annual Plan for the complete FY2021 Audit.</p>
<p>C. Other Document and/or Certification Requirements.</p>	
<p>C.1</p>	<p>Resident Advisory Board (RAB) Comments.</p> <p>(a) Did the RAB(s) have comments to the PHA Plan?</p> <p>Y N <input checked="" type="checkbox"/> <input type="checkbox"/></p> <p>(b) 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. Comments received during the notice period are incorporated into the final plan. A summary of comments is attached under Tab 10 – Other Documents.</p>
<p>C.2</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>C.3</p>	<p>Civil Rights Certification/ Certification Listing Policies and Programs that the PHA has Revised since Submission of its Last Annual Plan.</p> <p>Form HUD-50077-ST-HCV-HP, <i>PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>
<p>C.4</p>	<p>Challenged Elements. If any element of the PHA Plan is challenged, a PHA must include such information as an attachment with a description of any challenges to Plan elements, the source of the challenge, and the PHA’s response to the public.</p> <p>(a) Did the public challenge any elements of the Plan?</p> <p>Y N <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>If yes, include Challenged Elements.</p>
<p>C.5</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>The Housing Commission of Anne Arundel County <i>is not</i> a Troubled PHA and therefore, this section does not apply.</p>

D.	Affirmatively Furthering Fair Housing (AFFH).			
D.1	<p>Affirmatively Furthering Fair Housing (AFFH).</p> <p>Provide a statement of the PHA's strategies and actions to achieve fair housing goals outlined in an accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5). Use the chart provided below. (PHAs should add as many goals as necessary to overcome fair housing issues and contributing factors.) Until such time as the PHA is required to submit an AFH, the PHA is not obligated to complete this chart. The PHA will fulfill, nevertheless, the requirements at 24 CFR § 903.7(o) enacted prior to August 17, 2015. See Instructions for further detail on completing this item.</p> <table border="1" data-bbox="204 506 1425 938"> <tr> <td data-bbox="204 506 1425 548">Fair Housing Goal:</td> </tr> <tr> <td data-bbox="204 548 1425 590"><u><i>Describe fair housing strategies and actions to achieve the goal</i></u></td> </tr> <tr> <td data-bbox="204 590 1425 938"> <p>Please see pages 38 - 41 of the FY2023 Annual Update for information regarding Affirmatively Furthering Fair Housing.</p> </td> </tr> </table>	Fair Housing Goal:	<u><i>Describe fair housing strategies and actions to achieve the goal</i></u>	<p>Please see pages 38 - 41 of the FY2023 Annual Update for information regarding Affirmatively Furthering Fair Housing.</p>
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<u><i>Describe fair housing strategies and actions to achieve the goal</i></u>				
<p>Please see pages 38 - 41 of the FY2023 Annual Update for information regarding Affirmatively Furthering Fair Housing.</p>				

HOUSING COMMISSION OF ANNE ARUNDEL COUNTY

FY2023 ANNUAL UPDATE TO THE FY2020 – FY2024 FIVE-YEAR AGENCY PLAN

TABLE OF CONTENTS

A.	PHA Information.....	1
A.1	PHA Name, Code, Type, Fiscal Year, Inventory, Plan Submission Type and Availability of Information.....	1
	• Introduction.....	1
B.	Plan Elements.....	5
B.1	Revision of Existing PHA Plan Elements.....	5
	• Statement of Housing Needs and Strategy for Addressing Housing Needs.....	5
	• Deconcentration and Other Policies that Govern Eligibility, Selection and Admissions.....	12
	• Financial Resources.....	18
	• Rent Determination.....	19
	• Operations and Management.....	19
	• Grievance Procedures.....	20
	• Homeownership Programs.....	20
	• Community Service and Self-Sufficiency Programs.....	21
	• Safety and Crime Prevention.....	24
	• Pet Policy.....	25
	• Asset Management.....	25
	• Substantial Deviation.....	25
	• Significant Amendment/Modification.....	25
B.2	New Activities.....	26
	• Hope VI or Choice Neighborhoods.....	26
	• Mixed Finance Modernization or Development.....	26
	• Demolition and/or Disposition.....	26
	• Designated Housing for Elderly and/or Disabled Families.....	26
	• Conversion of Public Housing to Tenant-Based Assistance.....	26
	• Conversion of Public Housing to Project-Based Assistance or Project-Based Vouchers under RAD.....	26

- Occupancy by Over-Income Families.....32
- Occupancy by Police Officers.....32
- Non-Smoking Policies.....33
- Project-Based Vouchers.....33
- Units with Approved Vacancies for Modernization.....33
- Other Capital Grant Programs.....34

B.3 Progress Report.....34

B.4 Capital Improvements.....36

B.5 Most Recent Fiscal Year Audit.....36

C. Other Documents and/or Certification Requirements.....37

C.1 Resident Advisory Board Comments.....37

C.2 Certification by State or Local Officials.....37

C.3 Civil Rights Certification.....37

C.4 Challenged Elements.....37

C.5 Troubled PHA.....37

D. Affirmatively Furthering Fair Housing (AFFH).....38

D.1 Affirmatively Furthering Fair Housing (AFFH).....38

A. PHA Information

A.1 PHA Name:	Housing Commission of Anne Arundel County (HCAAC)
PHA Code:	MD018
PHA Type:	Standard PHA
PHA Plan for Fiscal Year Beginning:	07/2023
Public Housing Units:	472
Housing Choice Vouchers:	2,490
Total Combined Units/Vouchers:	2,962
PHA Plan Submission Type:	Annual Plan

Availability of Information

The HCAAC’s FY2023 Annual Update to the FY2020 - FY2024 Five-Year Agency Plan will be available for public review at the following locations:

- (1) Main Administrative Office located at 7477 Baltimore-Annapolis Blvd., Suite 301, Glen Burnie, MD 21061
- (2) All HCAAC Development Offices
- (3) PHA website www.hcaac.com

Supporting documents for the FY2023 Annual Update to the FY2020 – FY2024 Five-Year Agency Plan are available for inspection at the Main Administrative Office.

Introduction

Established in 1968, the Housing Commission continues to provide affordable housing and related services to low- and moderate-income citizens of Anne Arundel County. The agency currently provides housing assistance to nearly 3,000 families throughout the county in effort to fulfill our mission to provide quality housing choices and affordable communities. The Commission is dedicated to strengthening communities and improving the lives of Anne Arundel County citizens focusing on the ownership, management, sustainability and preservation of affordable housing.

The Commission’s two main programs include the Public Housing and Housing Choice Voucher Programs. The Commission also operates other smaller housing programs such

as Mainstream Housing, Housing Opportunities for Persons with AIDS, Supportive Housing, Rental Allowance and Partnership Rental Housing.

Public Housing

Public Housing was established to provide decent and safe rental housing for eligible families, the elderly, and persons with disabilities. Public housing comes in all sizes and types, from scattered single-family houses to high-rise apartments.

There are approximately 1.3 million households living in public housing units, managed by some 3,300 Housing Authorities in the United States. The U.S. Department of Housing and Urban Development (HUD) administers Federal aid to local housing agencies that manage the housing for residents at rents they can afford. HUD furnishes technical and professional assistance in planning, developing and managing these developments.

Admission to and continued occupancy is based on a number of factors which are established by the U.S. Department of Housing and Urban Development and followed by HCAAC. This Agency Plan includes information concerning those requirements. Additional information is available by visiting the Agency's website or contacting the main office.

Currently, HCAAC operates 472 units located in four (4) developments. Those developments are:

- Pinewood Village – 200 units open for occupancy to elderly and disabled persons
- Pinewood East – 90 units open for occupancy to elderly and disabled persons
- Glen Square – 127 units open for occupancy to elderly and disabled persons
- Stoney Hill - 55 units open for occupancy to elderly and disabled persons

Housing Choice Voucher

The Housing Choice Voucher Program provides rental assistance to help low-income persons afford decent and safe rental housing. The Program is funded by HUD.

Initial eligibility and continued participation is based on a number of factors which are established by HUD and followed by HCAAC. This Agency Plan includes information concerning those requirements. Additional information is available by visiting the Agency's website or contacting the main office.

A family participating in the Housing Choice Voucher Program is issued a rental voucher which allows them to locate a dwelling unit suitable to their needs in the private rental market. Once a unit is selected, HCAAC inspects the unit before initial leasing and at least annually thereafter to ensure that the unit meets Housing Quality Standards (HQS) established by HUD. Once the unit passes the HQS inspection, HCAAC will enter into a Housing Assistance Payment (HAP) Contract with the Owner leasing the unit to the family.

Thereafter, HCAAC pays a portion of the rent, the HAP, to the owner on behalf of the family.

Under the Housing Choice Voucher Program, a family is generally required by regulation to pay approximately 30% of adjusted monthly income toward rent and utilities.

HCAAC's Housing Choice Voucher Program has 2,490 vouchers available when fully leased.

As allowable under Program regulations, HCAAC has made the decision to project-base a portion of the housing choice vouchers. Currently, there are a total of 656 project-based vouchers. The properties include Wiley H. Bates (71), Admiral Oaks (16), Heritage Crest (100), Heritage Overlook (60), Whitaker Homes (153), Severn Homes (223), Sarah's House (21), the Lighthouse Shelter (6), and Bowman Community Development Corporation (6).

Mainstream Housing Voucher

This program supplements the Housing Choice Voucher Program by focusing on providing affordable housing to persons with disabilities. The Mainstream Housing Program eligibility requirements and operations mirror the Housing Choice Voucher exactly, except that applicants must be designated as a low-income family whose Head or Spouse is a person with a disability.

Housing Opportunities for Persons with AIDS (HOPWA)

The Housing Commission currently provides this program to 35 families each year. The county receives funds under a grant that is offered to the entire metropolitan area. This program has been extremely successful in allowing persons struggling with AIDS/HIV to find stable and suitable rental housing, and then be allowed to focus on improved or stabilized health, services and/or employment. This program is available to persons identified by the county health department, whose head of household or spouse are diagnosed with AIDS/HIV, and are on the verge of becoming, or are, homeless.

Supportive Housing

The Housing Commission added this program during the last few years to assist with providing rental assistance to persons with disabilities who were homeless. This program is designed to provide assistance to applicants with a disability and currently reside in homeless shelters, or have no permanent fixed address. HCAAC currently issues 44 vouchers through this program.

Veterans Affairs Supportive Housing (VASH)

The HUD-Veterans Affairs Supportive Housing (HUD-VASH) program combines Housing Choice Voucher (HCV) rental assistance for homeless Veterans with case management and clinical services provided by the Department of Veterans Affairs (VA). VA provides these services for participating Veterans at VA medical centers (VAMCs) and community-based outreach clinics. The Housing Commission has been awarded 38 vouchers for use in this program.

B. Plan Elements

B.1 Revision of Existing PHA Plan Elements

Statement of Housing Needs and Strategy for Addressing Housing Needs

Housing Needs of Families in the Jurisdiction/s Served by the PHA

Based upon the information contained in the County Consolidated Plan applicable to the jurisdiction, and/or other data available to the PHA, provide a statement of the housing needs in the jurisdiction by completing the following table. In the “Overall” Needs column, provide the estimated number of renter families that have housing needs. For the remaining characteristics, rate the impact of that factor on the housing needs for each family type, from 1 to 5, with 1 being “no impact” and 5 being “severe impact.” Use N/A to indicate that no information is available upon which the PHA can make this assessment.

Housing Needs of Families in the Jurisdiction by Family Type							
Family Type	Overall	Afford-ability	Supply	Quality	Access-ibility	Size	Loca-tion
Income <= 30% of AMI	6,680	5	5	5	3	4	4
Income >30% but <=50% of AMI	7,010	4	4	4	3	3	3
Income >50% but <80% of AMI	7,290	3	3	3	3	2	3
Elderly	3,873	3	3	3	4	2	3
Families with Disabilities	2,599	3	3	3	4	4	4
White	17,968	3	3	3	3	3	3
Black	5,123	3	3	3	3	3	3
Hispanic	2,249	3	3	3	3	3	3
Native American	475	3	3	3	3	3	3
Asian	1,424	3	3	3	3	3	3

What sources of information did the PHA use to conduct this analysis? (Check all that apply; all materials must be made available for public inspection.)

- Consolidated Plan of the Jurisdiction/s
Indicate year:

- U.S. Census data: the Comprehensive Housing Affordability Strategy (“CHAS”) dataset (2015-2019)
- American Housing Survey data
Indicate year: 2021
- Other housing market study
Indicate year:
- Other sources: (list and indicate year of information)

To increase access to its Programs, HCAAC has updated its website, www.hcaac.com, to include an online application. This function allows applicants the opportunity to select the Programs and properties which most fit the applicant’s needs. The wait list information below is provided for informational purposes only and is current as of 12/31/2022.

Housing Needs of Families on the Housing Choice Voucher Waiting List			
	# of families	% of total families	Average Days Waiting
Waiting list total	17,119		769
Extremely low income (<=30% AMI)	11,658	68.10%	
Very low income (>30% but <=50% AMI)	4,331	25.30%	
Low income (>50% but <80% AMI)	1,130	6.60%	
Over Limit For Low Income (>80% AMI)	307	1.19%	
Families with children	8,242	54.10%	
Elderly families	880	4.50%	
Disabled Families	3,430	19.36%	
White	2,866	16.74%	
Black/African American	12,836	74.98%	
Amer. Indian/Alaskan Native	131	0.77%	
Asian	158	0.93%	
Native Hawaiian/Other Pacific Islander	61	0.36%	
Not Assigned/Other	364	2.13%	
Is the waiting list closed (select one)? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes			
If yes:			
<i>How long has it been closed (# of months)?</i>			
Does the PHA expect to reopen the list in the PHA Plan year? <input type="checkbox"/> No <input type="checkbox"/> Yes			
Does the PHA permit specific categories of families onto the waiting list, even if generally closed? <input type="checkbox"/> No <input type="checkbox"/> Yes			

Housing Needs of Families on the Pinewood Waiting List			
	# of families	% of total families	Average Days Waiting
Waiting list total	2,022		493
Extremely low income <=30% AMI	1,666	82.40%	
Very low income (>30% but <=50% AMI)	281	13.90%	
Low income (>50% but <80% AMI)	63	3.10%	
Over Limit For Low Income (>80% AMI)	12	0.06%	
Families with children	90	4.45%	
Elderly families	577	28.54%	
Disabled Families	1,397	69.09%	
White	700	34.62%	
Black/African American	1,386	68.55%	
American Indian/Alaska Native	19	0.94%	
Asian	62	3.07%	
Native Hawaiian/Other Pacific Islander	6	0.30%	
Not Assigned/Other	43	2.13%	
Characteristics by Bedroom Size (Public Housing Only)			
0 BR	130	16.43%	461
1 BR	1,658	82.00%	463
2 BR	32	1.57%	493
3 BR	0	0.00%	N/A
4 BR	0	0.00%	N/A
5 BR	0	0.00%	N/A
Is the waiting list closed (select one)? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes			
If yes:			
How long has it been closed (# of months)?			
Does the PHA expect to reopen the list in the PHA Plan year? <input type="checkbox"/> No <input type="checkbox"/> Yes			
Does the PHA permit specific categories of families onto the waiting list, even if generally closed? <input type="checkbox"/> No <input type="checkbox"/> Yes			

Housing Needs of Families on the Glen Square Waiting List			
	# of families	% of total families	Average Days Waiting
Waiting list total	2,514		712
Extremely low income <=30% AMI	2,099	83.50%	
Very low income (>30% but <=50% AMI)	332	13.20%	
Low income (>50% but <80% AMI)	73	2.90%	
Over Limit For Low Income (>80% AMI)	10	0.40%	
Families with children	71	2.82%	
Elderly families	667	26.53%	
Disabled Families	1,552	61.73%	
White	806	32.06%	
Black/African American	1,486	59.11%	
American Indian/Alaska Native	18	0.72%	
Asian	72	2.86%	
Native Hawaiian/Other Pacific Islander	7	0.28%	
Not Assigned/Other	46	1.67%	
Characteristics by Bedroom Size (Public Housing Only)			
0 BR	444	17.66%	512
1 BR	2,040	81.13%	639
2 BR	30	1.19%	7/81
3 BR	0	0.00%	N/A
4 BR	0	0.00%	N/A
5 BR	0	0.00%	N/A
Is the waiting list closed (select one)? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes If yes: How long has it been closed (# of months)? Does the PHA expect to reopen the list in the PHA Plan year? <input type="checkbox"/> No <input type="checkbox"/> Yes Does the PHA permit specific categories of families onto the waiting list, even if generally closed? <input type="checkbox"/> No <input type="checkbox"/> Yes			

Housing Needs of Families on the Stoney Hill Waiting List			
	# of families	% of total families	Average Days Waiting
Waiting list total	2,953		837
Extremely low income <=30% AMI	2,560	86.70 %	
Very low income (>30% but <=50% AMI)	307	10.40%	
Low income (>50% but <80% AMI)	59	2.00%	
Over Limit For Low Income (>80% AMI)	27	0.90%	
Families with children	4	0.14%	
Elderly families	568	19.23%	
Disabled Families	2,375	80.43%	
White	933	31.59%	
Black/African American	1,688	57.16%	
American Indian/Alaska Native	33	1.12%	
Asian	101	3.42%	
Native Hawaiian/Other Pacific Islander	6	0.20%	
Not Assigned/Other	192	6.50%	
Characteristics by Bedroom Size (Public Housing Only)			
0 BR	674	22.83%	856
1 BR	2,253	76.32%	868
2 BR	25	0.85%	1,078
3 BR	0	0.00%	N/A
4 BR	0	0.00%	N/A
5 BR	0	0.00%	N/A
Is the waiting list closed (select one)? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes			
If yes:			
How long has it been closed (# of months)?			
Does the PHA expect to reopen the list in the PHA Plan year? <input type="checkbox"/> No <input type="checkbox"/> Yes			
Does the PHA permit specific categories of families onto the waiting list, even if generally closed? <input type="checkbox"/> No <input type="checkbox"/> Yes			

Strategy for Addressing Housing Needs

Strategies

Need: Shortage of affordable housing for all eligible populations

Strategy 1: Maximize the number of affordable units available to the PHA within its current resources by:

- Employ effective maintenance and management policies to minimize the number of public housing units off-line
- Reduce turnover time for vacated public housing units
- Reduce time to renovate public housing units
- Maintain or increase HCV lease-up rates by establishing payment standards that will enable families to rent throughout the jurisdiction
- Undertake measures to ensure access to affordable housing among families assisted by the PHA, regardless of unit size required
- Maintain or increase HCV lease-up rates by marketing the program to owners, particularly those outside of areas of minority and poverty concentration

Strategy 2: Increase the number of affordable housing units by:

- Apply for additional HCV vouchers should they become available
- Leverage affordable housing resources in the community through the creation of mixed - finance housing
- Pursue housing resources other than public housing or HCV tenant-based assistance

Need: Specific Family Types: Families at or below 30% of median

Strategy 1: Target available assistance to families at or below 30 % of AMI

- Exceed HUD federal targeting requirements for families at or below 30% of AMI in public housing
- Exceed HUD federal targeting requirements for families at or below 30% of AMI in tenant-based HCV assistance

Need: Specific Family Types: Families at or below 50% of median

Strategy 1: Target available assistance to families at or below 50% of AMI

- Adopt rent policies to support and encourage work

Need: Specific Family Types: The Elderly

Strategy 1: Target available assistance to the elderly:

- Maintain housing that is designated for elderly occupants.
- Consider the designation of one or more properties for occupancy by the elderly and near elderly.

Need: Specific Family Types: Families with Disabilities

Strategy 1: Target available assistance to Families with Disabilities:

- Carry out the modifications needed in public housing based on the Section 504 Needs Assessment for Public Housing
- Affirmatively market to local non-profit agencies that assist families with disabilities

Need: Specific Family Types: Races or ethnicities with disproportionate housing needs

Strategy 1: Increase awareness of PHA resources among families of races and ethnicities with disproportionate needs:

- The Housing Commission seeks to do more effective outreach to Hispanic/Latino and Korean families.
- The Housing Commission will seek to identify additional underserved populations.

Strategy 2: Conduct activities to affirmatively further fair housing

- Counsel HCV tenants as to location of units outside of areas of poverty or minority concentration and assist them to locate those units.

Reasons for Selecting Strategies

- Funding constraints
- Staffing constraints
- Influence of the housing market on PHA programs

Deconcentration Policy and Other Policies that Govern Eligibility, Selection and Admissions

The Housing Commission of Anne Arundel County manages 472 public housing units and 2,478 housing choice vouchers. While both programs are operated under the same general eligibility, selection, and admissions requirements, each program has a separate document which covers all of these policies in detail. The Admissions and Occupancy Policy (ACOP) covers all eligibility, selection, and admissions policies for the Public Housing Program while the Administrative Plan covers these policies for the Housing Choice Voucher Program.

Each document is included with the FY2023 Annual Plan and can be found in the related Tab. There is also a summary of minor edits to these documents with this year's Agency Plan.

Some of the major items covered in each document are provided on the following pages.

Public Housing

The Commission will admit, as tenants, only applicant families who, at the time of admission, satisfy the following economic and non-economic criteria.

A. Economic Criteria

Each Applicant Family shall satisfy the following maximum income and asset requirements:

Income – Adjusted family income does not exceed the applicable low income limits established by HUD for occupancy in developments constructed prior to October 1, 1981 or the very low income limits established for occupancy in developments constructed after October 1, 1981.

Assets – Net Family Assets do not exceed the applicable Maximum Assets Limits as set by HUD.

B. Non-Economic Criteria

Each Applicant Family shall satisfy the following non-economic requirements. Compliance shall be determined from information obtained from the application process. The non-economic requirements are (as defined in 24 CFR Subtitle A Section 5.403):

FAMILY

Family includes, but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, legal custody or marital status:

- (1) A family with or without children (the temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size);
- (2) An elderly family;
- (3) A near-elderly family;
- (4) A disabled family;
- (5) A displaced family;
- (6) The remaining member of a tenant family; and
- (7) A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

Elderly family - a family whose head, spouse, or sole member is a person who is at least 62 years of age. It may include two or more persons who are

at least 62 years of age living together, or one or more persons who are at least 62 years of age living with one or more live-in aides.

Near-elderly family - a family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons, who are at least 50 years of age but below the age of 62, living together; or one or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides.

Disabled family - a family whose head, spouse, or sole member is a person with disabilities. It may include two or more persons with disabilities living together, or one or more persons with disabilities living with one or more live-in aides.

Person with disabilities:

(1) Means a person who:

(i) Has a disability, as defined in 42 U.S.C. 423;

(ii) Is determined, pursuant to HUD regulations, to have a physical, mental, or emotional impairment that:

(A) Is expected to be of long-continued and indefinite duration;

(B) Substantially impedes his or her ability to live independently, and

(C) Is of such a nature that the ability to live independently could be improved by more suitable housing conditions; or

(iii) Has a developmental disability as defined in 42 U.S.C. 6001.

(2) Does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome;

(3) For purposes of qualifying for low-income housing, does not include a person whose disability is based solely on any drug or alcohol dependence; and

(4) Means "individual with handicaps", as defined in Sec. 8.3 of this title, for purposes of reasonable accommodation and program accessibility for persons with disabilities.

Displaced family - a family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

Live-in aide - a person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:

(1) Is determined to be essential to the care and well-being of the persons;

- (2) Is not obligated for the support of the persons; and
- (3) Would not be living in the unit except to provide the necessary supportive services.
- (4) Meets the non-economic screening criteria listed in the ACOP.

The definition of a family includes at least one adult who is capable of meeting his or her obligations under the lease and do not pose a danger to their own health and safety or to other residents of the community or HCAAC employees.

The family's past performance and present conditions must indicate a reasonable probability that the family will meet its future financial obligations to the Commission.

The families past performance in present and prior housing should indicate a reasonable probability that the family:

- (1) Will refrain from living or housekeeping habits, practices and conduct, including criminal activity that would likely disturb neighbors, damage property, or adversely affect the health, safety or welfare of the Commission's tenants or employees.
- (2) Has not committed fraud in connection with any Federal housing assistance program.
- (3) HCAAC reserves the right to deny housing assistance if the applicant has past performance in meeting financial obligations, especially rent.
- (4) HCAAC may consider all relevant information pertaining to a history of criminal activity involving crimes of physical violence to persons or property and other criminal acts which would adversely affect the health, safety, or welfare of other tenants.

The procedures used for selection of residents are designed to attain a resident body in each community composed of families with a broad range of incomes and rent paying ability. The selection process or placement of an applicant in Public Housing is based upon the following factors:

- (1) Application date and time
- (2) Bedroom size
- (3) Elderly and non-elderly status
- (4) Eligibility

An Applicant shall be placed on the waitlist in the chronological order in which they apply.

When a vacancy occurs in an elderly or family housing community, no more than two (2) offers of an appropriate size unit will be made to the applicant based on type and size of the unit available and the date and time the application was received at the property where the greatest number of vacancies exists.

The Applicant is entitled to decline one offer without penalty. If the Applicant refuses the second offer of a unit for a reason other than the approved valid reasons for health hardship, the applicant will be removed from the waiting list at the date and time of refusal of the offer.

Based on the makeup of the Agency's portfolio, only one property falls under HUD's Deconcentration Policy. That property is Meade Village. The remainder of the properties are classified as elderly/disabled properties and are exempt.

Housing Choice Voucher

All persons who wish to apply for participation in the Housing Choice Voucher Program must first file a preliminary application with HCAAC's Admissions and Occupancy Department. The application must be made by the head of household, or his/her designee.

To be eligible for assistance, an applicant must meet the following criteria:

Applicant's gross family income must not exceed the income limits established for Housing Choice Vouchers.

Meet the definition of a family. Family includes, but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, legal custody or marital status:

- (1) A family with or without children (the temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size);
- (2) An elderly family;
- (3) A disabled family;
- (4) A displaced family;
- (5) The remaining member of a tenant family; and
- (6) A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

Elderly family - a family whose head, spouse, or sole member is a person who is at least 62 years of age. It may include two or more persons who are at least 62 years of age living together, or one or more persons who are at least 62 years of age living with one or more live-in aides.

Near-Elderly family - a family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons, who are at least 50 years of age but below the age of 62 living together; or one or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides.

Disabled family - a family whose head, spouse, or sole member is a person with disabilities. It may include two or more persons with disabilities living together, or one or more persons with disabilities living with one or more live-in aides.

Person with disabilities:

- (1) Means a person who:
 - (i) Has a disability, as defined in 42 U.S.C. 423;
 - (ii) Is determined, pursuant to HUD regulations, to have a physical, mental, or emotional impairment that:
 - (A) Is expected to be of long-continued and indefinite duration;
 - (B) Substantially impedes his or her ability to live independently, and
 - (C) Is of such a nature that the ability to live independently could be improved by more suitable housing conditions;or
 - (iii) Has a developmental disability as defined in 42 U.S.C. 6001.
- (2) Does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome;
- (3) For purposes of qualifying for low-income housing, does not include a person whose disability is based solely on any drug or alcohol dependence; and
- (4) Means “individual with handicaps”, as defined in 24 CFR Sec. 8.3 for purposes of reasonable accommodation and program accessibility for persons with disabilities.

Displaced family - a family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

Live-in aide - a person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:

- (1) Is determined to be essential to the care and well-being of the persons;
- (2) Is not obligated for the support of the persons; and

- (3) Would not be living in the unit except to provide the necessary supportive services.
- (4) Meets the non-economic screening criteria listed in the Administrative Plan.

Applicants will be placed on the waitlist in the chronological order in which they apply.

A list of interested families will be maintained when immediate assistance is not available. Applicants will be placed on the waitlist in the chronological order in which they apply. All applicants must report in writing to the Admissions office any changes in address, family composition or income when changes occur. The waitlist is updated daily.

Financial Resources

The table below lists the Housing Commission of Anne Arundel County’s anticipated financial resources, such as PHA Operating, Capital and other anticipated Federal resources available to the Agency, as well as tenant rents and other income available to support the Public Housing and Housing Choice Voucher Programs in Fiscal Year 2023.

Funding Source	Amount	Use
FY2023 PH Operating Fund	\$1,574,280	PH Operations
FY2023 Capital Fund Program (Estimated)	\$1,567,746	PH Modernization
FY2022 Capital Fund Program	\$1,039,633	PH Modernization
FY2021 Capital Fund Program	\$543,689	PH Modernization
Public Housing Dwelling Rent	\$1,258,838	PH Operations
HCV Housing Assistance Payments	\$23,947,214	HCV Operations
HCV Administrative Fee	\$1,784,400	HCV Operations
Other Income	\$436,917	PH Operations
FSS Grants – PH and HCV	\$230,000	FSS Program
Mainstream Housing Assistance Payments	\$1,397,841	Mainstream Vouchers
Mainstream Administrative Fee	\$115,130	Mainstream Administration
Total	\$33,895,688	

Note: The Capital Fund amounts for FY2021 and FY2022 are the unobligated amounts as of 12/31/2022. The FY2023 CFP amount is the projected amount based on FY2022 funding.

Rent Determination

The total tenant payment of public housing and Housing Choice Voucher families must be the greatest of:

- a) 30% of the family’s monthly adjusted income
- b) 10% of the family’s monthly gross income
- c) Any Minimum Rent set by the Commission
- d) The Flat Rent established for the applicable Public Housing unit, so long as the Flat Rent does not exceed the previous three categories.

The minimum rent may not exceed \$50 and is currently set at \$0. The minimum rent may be changed at any time due to market conditions.

HCAAC has reviewed the new FY2023 Fair Market Rents and has determined that the amounts are consistent with or below the local market. As a result, HCAAC will not be requesting a waiver for flat rents. The proposed flat rents are included under the appropriate tab of this plan.

Operation and Management

In addition to the Admission and Occupancy Policies for each program, other management policies have been developed to help the Commission operate in a consistent and effective manner. The following includes a list of the more significant policies adopted by the Commission:

- | | |
|-------------------------|------------------------------|
| Applicant Review | Banning Procedures |
| Cash Handling | Cash Management and Handling |
| Disposition of Property | Insurance |
| Lease Violation | Repayment Agreement |
| Maintenance | Resident Advisory Board |
| Performance Evaluation | Safety |
| Procurement | Non-Smoking |

Because the Commission owns the Public Housing properties, it is important to ensure they are properly maintained. Each public housing property has a maintenance staff onsite which is responsible for completing work orders in a timely fashion. Because the maintenance staff is assigned to a particular area, they become familiar with that property and can offer recommendations to management concerning improving the property.

To ensure sanitary conditions are maintained, periodic pest control visits are made to all apartments.

Grievance Procedures

Public Housing

All Public Housing residents have the right to appeal decisions or actions of the Housing Commission through application of the Grievance Procedure. The full Grievance Procedure is part of the ACOP and is included in that Tab. The Grievance Procedure can also be viewed on the Commission's website, www.hcaac.com.

The Grievance Procedure cannot be used in cases of criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents or employees and any drug-related criminal activity on or near the premises.

Applicants are afforded an informal review process if they believe they have been wrongly denied eligibility to the Program. The informal review process provides the applicant with an opportunity to present new information or refute existing information. The informal review process is covered in the ACOP.

Housing Choice Voucher

HCAAC must give an applicant to the HCV Program an opportunity for an informal review of the decision to deny assistance to the applicant.

In addition, HCAAC must give a participant of the HCV Program an opportunity for an informal hearing to consider whether certain decisions relating to the individual circumstances of the participant are in accordance with the law, HUD regulations and HCAAC policies.

The process for conducting an informal review and informal hearing are included in the HCV Administrative Policy. The process is also located on the Commission's website, www.hcaac.com.

Homeownership Programs

Public Housing

HCAAC does not plan to sell any public housing units as part of a homeownership program in the upcoming Fiscal year.

Section 8 Tenant-Based Assistance

The Housing Choice Voucher Homeownership Program provides the opportunity for current voucher holders, the ability to expand their housing opportunities beyond the rental market and use their assistance to purchase homes in the communities of their choice.

The program provides potential homebuyers with assistance towards the repayment of a mortgage loan for a maximum period of 15 years. All participating families must meet the HUD established requirements for admission and participation in the Housing Choice Voucher Rental Program prior to exercising the homeownership option as well as meet all regulatory and discretionary program requirements as set forth by HUD and HCAAC.

The steps to achieving homeownership through HCAAC's HCV voucher program are as follows:

- Decide to become a homeowner
- Successfully complete the HCAAC Family Self Sufficiency Program and indicate the pursuit of homeownership as one of your final goals. (Disabled and elderly families are exempt from this step)
- Complete Homeownership Counseling.
- Obtain financing.
- Enter into a contract of sale on your home of choice.
- HCAAC will conduct a HQS Inspection.
- Conduct an independent Inspection.
- Settle on property.
- Move In.

The HCV FSS Manager provides assistance during all of these steps. Families have the right to select the Realtor, Lender, and Title Company of their choice. However, the FSS Manager may make recommendations based on previous experiences with real estate professionals.

Community Service and Self-Sufficiency Programs

The Housing Commission offers many programs to residents which help with attaining self-sufficiency. Some of the programs available to public housing residents and Housing Choice Voucher holders are listed below. Contact information regarding each program can be found on the Agency's website, www.hcaac.com.

Choices Self-Sufficiency Program

The Housing Commission established the Choices Self Sufficiency Program as a result of grant monies received from Anne Arundel County in 2016.

The goal of the Choices Self Sufficiency Program is to provide very low-income families assistance in becoming economically and socially self-sufficient. Families are provided intensive case management including services such as tuition and vocational assistance, relocation guidance, and GED financial assistance. The

program supports and motivates residents to increase their income and allow them the opportunity to save for homeownership opportunities or to move to market-rate housing.

The program will also provide relocation services to clients by educating them about housing opportunities, alternatives, rights and responsibilities. A Relocation Specialist will develop a housing search plan including assessing the schooling needs of children in the family and attempting to refer families to housing in areas where needs are best met. They will make referrals to needed resources to help remove barriers to obtaining housing.

The program will be available for both the Housing Choice Voucher and Public Housing Programs.

Families will be required to sign a contract ranging from one to three years based upon their goals for self-sufficiency services. Relocation services will be provided on an as needed basis.

Family Self-Sufficiency

The Family Self Sufficiency (FSS) program was designed to help individuals within the Housing Choice Voucher and Public Housing Programs to achieve self-chosen goals that will help them to support themselves with decreasing dependence upon public services. The HCAAC helps participants of the FSS program to achieve these goals.

HCAACs FSS Program helps families in many ways, including:

- Job Training/Employment Counseling
- Increased Education
- Substance/Alcohol abuse treatment/counseling
- Transportation
- Child Care Assistance
- Enhanced Quality of Life
- Homeownership Counseling
- Credit Counseling
- Money Management
- Self Esteem
- Cash Reward via Escrow Account*

* The escrow account is established when the participant's rent increases because of an increase in their EARNED INCOME (Increased Employment Earnings Only). The escrow account accrues interest, and is maintained by the Housing Commission until

the participant has successfully completed their contracted goals of participation.

To become an FSS participant, a person must take the following steps:

- Step 1 – Attend an FSS Orientation
- Step 2 – Submit a FSS Survey, Application, and Sign a Contract of Participation
- Step 3 – Develop and accomplish the Goals of an Individual Training and Services Plan
- Step 4 – Maintain frequent contact with your FSS coordinator and give updates on your progress
- Step 5 – Graduation – At this point, any escrow money earned will be dispersed

Youth Services

In an effort to continue to support the children in our HCAAC communities, we offer direct contact to the following clubs and organizations:

Boys & Girls Clubs - Located in Meade and Freetown Villages, the Boys & Girls Clubs offer various programs that address today's most pressing youth issues including: alcohol and drug prevention; teen pregnancy prevention; education, careers and athletics. Additionally, the Clubs offer computer labs, book clubs, homework assistance, sport leagues and social activities.

Early Enrichment Program for Young Children - The Head-Start Program is provided in support for preparing parents and children for the school years. The program encourages parents to be active participants in their child's life-long learning process. This program is offered at Freetown and Meade Villages. The Program services include: Goal-Oriented Curriculum; Language-Centered Programs; Gross and fine motor skills; Multi-Choice Activities; Sensory areas-Quiet and Activity; Outdoor and Indoor activity areas; Quiet Area and Focus on self-esteem. Additional special services include nutritious menus, field trips.

Special Needs

The Housing Commission is dedicated to providing a variety of rental subsidy programs to persons and families with disabilities. Since 1995, the agency has strived to create, design and fund several programs that allowed us to be the premier provider for those with special needs. A vital component of our overall mission is to continue to find avenues for additional programs and services.

Housing Opportunities for Persons with AIDS

The Housing Commission has provided this program to approximately 35 families each year. The county receives funds under a grant that is offered to the entire metropolitan area. This program has been extremely successful in allowing persons struggling with AIDS/HIV to find stable and suitable rental housing, and then be allowed to focus on improved or stabilized health, services and/or employment. This program is available to persons identified by the county health department, whose head of household or spouse are diagnosed with AIDS/HIV, and are on the verge of becoming, or are, homeless.

Mainstream Housing Program

This program is a supplemental program to the Housing Choice Voucher program that maintains a focus on persons with disabilities. The Mainstream Housing Program mirrors the Housing Choice Voucher exactly, except for the limitation on eligibility. Eligible applicants must be designated as a low-income family, whose Head or Spouse is a person with disability.

Supportive Housing Programs

The Housing Commission added these programs during the last few years to assist in providing rental assistance to persons with disabilities who were homeless. This program is designed to provide assistance to applicants with disabilities who currently reside in homeless shelters, or have no permanent fixed address.

Community Service Requirement

As required by Federal Regulations, the Commission ensures that all non-exempt public housing residents perform eight (8) of community service each month. Each resident is made aware of the requirement during lease briefings. Management has set up a data base of all non-exempt residents and tracks their progress in meeting the requirement. Any resident who does not meet the requirement is given an opportunity to catch up. If the resident does not get back on schedule, the Commission reserves the right not to renew their lease.

Safety and Crime Prevention

The Housing Commission of Anne Arundel County (HCAAC) recognizes that the presence of crime and illegal drug activity in its communities pose a serious threat to the health, safety and well-being of its residents, and is committed to providing our residents with safe and vibrant neighborhoods free from crime and disorder.

Pet Policy

The Commission has adopted a Pet Policy setting the guidelines under which pets will be permitted in public housing. The Policy addresses the type and number of pets allowed by each family residing in public housing. The Policy also includes general rules that each pet owner must follow in keeping a pet. A full copy of the Pet Policy is kept on file at the Commission's Main Office as well as all development offices.

Asset Management

The Housing Commission's four (4) public housing properties have been grouped into two (2) Asset Management Projects (AMPs). The AMPs were determined using various factors including proximity, number of units, etc. Each AMP operates as though it is a separate entity with on-site management and maintenance. Each AMP has its own budget which is monitored very closely.

Management continually assesses all properties to determine how to keep operating costs down and extend the property life by addressing capital improvement needs. Also, as some properties begin to reach the end of their useful life, management will need to determine what can be done to help keep the properties affordable for low-income residents.

Substantial Deviation

A "Substantial Deviation" from the 5-Year Plan is an overall change in the direction of the Commission pertaining to the Commission's Goals and Objectives. This includes changing the Commission's Goals and Objectives.

Significant Amendment

A "Significant Amendment or Modification" to the Annual Plan is a change in a policy or policies pertaining to the operation of the Commission. This includes the following:

- Changes to rent or admissions policies or organization of the waiting list.
- Additions of non-emergency work items in excess of 10% of total Capital Fund Program budget (items not included in the current Annual Statement or 5-Year Action Plan) or change in use of replacement reserve funds under the Capital Fund.
- Any change with regard to demolition or disposition, designation, homeownership programs or RAD conversion activities.

Any change or revision that is required as a result of a change in federal, state, or local statutes shall **not** be considered a significant amendment or modification.

B.2 New Activities

Hope VI or Choice Neighborhoods

HCAAC does not plan to submit an application for a Hope VI Grant in the upcoming Fiscal Year.

Mixed Finance Modernization or Development

HCAAC does not plan to submit an application or proposal for a Mixed-Finance Modernization or Development in the upcoming Fiscal Year.

Demolition and/or Disposition

While no demolition or disposition is planned in the upcoming Fiscal Year, HCAAC reserves the right to use Section 18 Demolition/Disposition if the situation arises where either or both becomes feasible. If demolition or disposition becomes feasible at any public housing property, the Agency Plan will be updated to include specific information as required by HUD.

Designated Housing for Elderly and Disabled Families

The Housing Commission may consider the development and submission of a plan to designate certain public housing for occupancy by elderly and/or disabled families in the upcoming Fiscal Year.

Conversion of Public Housing to Tenant-Based Assistance

There are no plans to convert Public Housing to Tenant-Based Assistance in the upcoming Fiscal Year.

Conversion of Public Housing to Project-Based Assistance using RAD

In 2015, HUD approved a portfolio conversion of HCAAC's Public Housing properties under the Rental Assistance Demonstration (RAD) Program. As part of this process, HCAAC has completed the required Physical Condition Assessments of each property. In addition, HUD has issued CHAPs for all properties. HCAAC will be converting to Project-Based Voucher Assistance under the guidelines of PIH Notice 2012-32, REV-4 and any successor Notices. Upon conversion to Project Based Rental Assistance, the Commission will adopt the resident rights, participation, waiting list and grievance procedures listed in

Section 1.6.C of PIH Notice 2012-32, REV-4. These resident rights, participation, waiting list and grievance procedures are included with this Plan. Additionally, HCAAC is currently compliant with all fair housing and civil rights requirements and is not under a Voluntary Compliance Agreement. Currently, HCAAC has fully converted Freetown Village and Meade Village to RAD. The remaining properties including Glen Square, Pinewood East, Pinewood Village and Stoney Hill are planned to be converted sometime between the spring of 2023 and summer of 2024.

RAD was designed by HUD to assist in addressing the capital needs of public housing by providing HCAAC with access to private sources of capital to repair and preserve its affordable housing assets. Upon conversion, the Commission's Capital Fund Budget will be reduced by the pro rata share of Public Housing Developments converted as part of the Demonstration, and that HCAAC may also borrow funds to address additional capital needs. At this time, it is unclear exactly how much will need to be contributed out of the HCAAC's Operating and Capital Fund to support conversion. This will be finalized after the Physical Condition Assessments are completed. HCAAC currently has debt under the Capital Fund Financing Program and is working to address this outstanding debt issue, which may result in additional reductions of capital funds.

HCAAC provided information concerning the RAD conversion to residents through tenant meetings. To date, there have been a total of fifteen meetings held. While most of the meetings were held at Meade Village and Freetown Village, at least one meeting has been held at each property. For any residents who have further questions, the Agency's website, www.hcaac.com, includes detailed information on the conversion.

Please see additional information related to each individual development located on the following pages.

<u>Name of Public Housing Development:</u> Pinewood East	<u>PIC Development ID:</u> MD01800005	<u>Conversion type (i.e., PBV or PBRA):</u> Project-Based Voucher Assistance or Section 18 Demolition/Disposition	<u>Transfer of Assistance:</u> No (if yes, please put the location if known, and # of units transferring)
<u>Total Units:</u> 90	<u>Pre- RAD Unit Type (i.e., Family, Senior, etc.):</u> Elderly/Disabled units	<u>Post-RAD Unit Type if different (i.e., Family, Senior, etc.)</u> No changes	<u>Capital Fund allocation of Development: (Annual Capital Fund Grant, divided by total number of public housing units in PHA, multiplied by total number of units in project)</u> \$298,890
<u>Bedroom Type</u>	<u>Number of Units Pre-Conversion</u>	<u>Number of Units Post-Conversion</u>	<u>Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfigurations, etc.)</u>
Studio/Efficiency	10	10	No Change
One Bedroom	78	78	No Change
Two Bedroom	2	2	No Change
Three Bedroom	0	0	No Change
Four Bedroom	0	0	No Change
Five Bedroom	0	0	No Change
Six Bedroom	0	0	No Change
<u>(If performing a Transfer of Assistance):</u>	Not applicable		

<u>Name of Public Housing Development:</u> Pinewood Village	<u>PIC Development ID:</u> MD01800003	<u>Conversion type (i.e., PBV or PBRA):</u> Project-Based Voucher Assistance or Section 18 Demolition/Disposition	<u>Transfer of Assistance:</u> No (if yes, please put the location if known, and # of units transferring)
<u>Total Units:</u> 200	<u>Pre- RAD Unit Type (i.e., Family, Senior, etc.):</u> Elderly/Disabled units	<u>Post-RAD Unit Type if different (i.e., Family, Senior, etc.):</u> No changes	<u>Capital Fund allocation of Development: (Annual Capital Fund Grant, divided by total number of public housing units in PHA, multiplied by total number of units in project)</u> \$664,200
<u>Bedroom Type</u>	<u>Number of Units Pre-Conversion</u>	<u>Number of Units Post-Conversion</u>	<u>Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfigurations, etc.)</u>
Studio/Efficiency	96	96	No Change
One Bedroom	100	100	No Change
Two Bedroom	4	4	No Change
Three Bedroom	0	0	No Change
Four Bedroom	0	0	No Change
Five Bedroom	0	0	No Change
Six Bedroom	0	0	No Change
<u>(If performing a Transfer of Assistance):</u>	Not applicable		

<u>Name of Public Housing Development:</u> Glen Square	<u>PIC Development ID:</u> MD01800006	<u>Conversion type (i.e., PBV or PBRA):</u> Project-Based Voucher Assistance or Section 18 Demolition/Disposition	<u>Transfer of Assistance:</u> No (if yes, please put the location if known, and # of units transferring)
<u>Total Units:</u> 127	<u>Pre- RAD Unit Type (i.e., Family, Senior, etc.):</u> Elderly/Disabled units	<u>Post-RAD Unit Type if different (i.e., Family, Senior, etc.):</u> No changes	<u>Capital Fund allocation of Development: (Annual Capital Fund Grant, divided by total number of public housing units in PHA, multiplied by total number of units in project)</u> \$421,767
<u>Bedroom Type</u>	<u>Number of Units Pre-Conversion</u>	<u>Number of Units Post-Conversion</u>	<u>Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfigurations, etc.)</u>
Studio/Efficiency	12	12	No Change
One Bedroom	110	110	No Change
Two Bedroom	5	5	No Change
Three Bedroom	0	0	No Change
Four Bedroom	0	0	No Change
Five Bedroom	0	0	No Change
Six Bedroom	0	0	No Change
<u>(If performing a Transfer of Assistance):</u>	Not applicable		

<u>Name of Public Housing Development:</u> Stoney Hill	<u>PIC Development ID:</u> MD01800007	<u>Conversion type (i.e., PBV or PBRA):</u> Project-Based Voucher Assistance or Section 18 Demolition/Disposition	<u>Transfer of Assistance:</u> No (if yes, please put the location if known, and # of units transferring)
<u>Total Units:</u> 55	<u>Pre- RAD Unit Type (i.e., Family, Senior, etc.):</u> Elderly/Disabled units	<u>Post-RAD Unit Type if different (i.e., Family, Senior, etc.)</u> No changes	<u>Capital Fund allocation of Development: (Annual Capital Fund Grant, divided by total number of public housing units in PHA, multiplied by total number of units in project)</u> \$182,655
<u>Bedroom Type</u>	<u>Number of Units Pre-Conversion</u>	<u>Number of Units Post-Conversion</u>	<u>Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfigurations, etc.)</u>
Studio/Efficiency	14	14	No Change
One Bedroom	41	41	No Change
Two Bedroom	0	0	No Change
Three Bedroom	0	0	No Change
Four Bedroom	0	0	No Change
Five Bedroom	0	0	No Change
Six Bedroom	0	0	No Change
<u>(If performing a Transfer of Assistance):</u>	Not applicable		

Resident Rights, Participation, Waiting List and Grievance Procedures

Section 1.6 C of PIH-2012-32 REV-4 is incorporated as part of this Plan. Please see the Tab related titled Conversion to Rental Assistance Demonstration for additional information.

Site Selection and Neighborhood Standards Review

No Transfer of Assistance is planned. Therefore, this section is not applicable.

Relocation Plans

The renovations planned to be completed as part of the conversion to RAD should not cause tenants to be relocated. Therefore, no relocation plans are necessary at this time.

Significant Amendment Definition

As part of the Rental Assistance Demonstration (RAD), the Housing Commission is redefining the definition of a substantial deviation from the PHA Plan to exclude the following RAD-specific items:

- a. Changes to the Capital Fund Budget produced as a result of each approved RAD Conversion, regardless of whether the proposed conversion will include use of additional Capital Funds;
- b. Changes to the construction and rehabilitation plan for each approved RAD conversion; and
- c. Changes to the financing structure for each approved RAD conversion.

Occupancy by Over-Income Families

Federal Regulations allow that a PHA that owns or operates less than 250 public housing units may lease a unit to an over-income family provided that certain criteria are met. Since HCAAC's portfolio includes more than 250 public housing units, this section is not applicable. Provisions related to over-income families implemented through HOTMA have been incorporated into the applicable policies.

Occupancy by Police Officers

If it is deemed necessary to increase security for public housing residents, a PHA may allow police officers who are not otherwise eligible for the Public Housing Program, to live in a public housing dwelling unit. At this time, HCAAC has decided not to allocate any dwelling units for this purpose.

Non-Smoking Policies

To promote a healthier living environment for residents and to eliminate the harmful effects of second hand smoke and increased fire hazards, HCAAC has instituted a Non-Smoking Policy. This policy made all properties owned by the Agency Non-Smoking effective July 1, 2016.

The full Policy is included as part of the Admissions and Continued Occupancy Policy (ACOP) and can be found in Section 6 of the Agency Plan.

Project-Based Vouchers

The Housing Commission currently has Project-Based Voucher contracts at various locations including: Wiley H. Bates (71), Admiral Oaks (16), Heritage Crest (100), Heritage Overlook (60), Whitaker Homes (153), Severn Homes (223), Sarah's House (21), the Lighthouse Shelter (6) and Bowman Community Development Corporation (6). HCAAC may increase the number of Project-Based Vouchers to add units under contract to owners for Homeless Service Providers for Transitional Housing who provide housing and supportive services to consumers with disabilities who meet specific eligibility criteria outlined in a Request for Proposals. The initial units will be limited to less than 100 additional vouchers. This will help the rents to stay affordable for low income families.

Details regarding the implementation of Project-Based Vouchers are outlined in an addendum attached to the HCV Administrative Plan which is included with the Agency Plan.

Units with Approved Vacancies for Modernization

At certain times, a PHA may have a need to request the approval from HUD for vacancies in which to complete significant modernization work. At this time, HCAAC does not have a need to request this approval from HUD. HCAAC reserves the right to request approval if a need should arise during the upcoming Fiscal Year.

Other Capital Grant Programs

Currently, HCAAC is not receiving funding through any other Capital Grant Programs such as the Capital Fund Facilities Grants or Emergency Safety and Security Grants. HCAAC reserves the right to apply for funding through these grants should they become available during the upcoming Fiscal Year.

B.3 Progress Report

Goal: In conjunction with the conversion to Rental Assistance Demonstration, rebrand Commission’s portfolio to diminish the negative perception of properties being formerly associated with public housing.

Progress: The Commission is in the process of rebranding all properties under the Heritage umbrella. This includes signage, color schemes and marketing literature. The properties will be renamed as listed below:

Old Name	New Name
Freetown Village	Heritage at Freetown
Meade Village	Heritage at Severn
Pinewood Village/Pinewood East	Heritage at Sun Valley
Glen Square	Heritage at Town Center
Stoney Hill	Heritage at Odenton

Goal: Reorganize agency to make best use of funding streams and professional talent.

Progress: HCAAC continues to fine-tune the organizational structure and departmental scope, including the investment in systems and processes, to enhance overall effectiveness.

Goal: Continue to increase the level of expertise among staff by completing targeted training.

Progress: HCAAC staff continues to receive training related to operations and program management (including maintenance and modernization) to improve the proficiency in related areas.

HCAAC continues to enhance systems and processes to increase the efficiency and effectiveness of the Authority as a whole.

Goal: Enhance agency capacity to create or expand affordable housing opportunities through various programs through development, redevelopment, program expansion, and overall diversification.

Progress: HCAAC continues to seek dedicated housing programs and communities that serve the hard to house and underserved populations of low-income citizens.

HCAAC continues to seek additional methods and means to focus housing efforts on the most challenged and at-risk citizens in the county, including reviewing policies and considering changes to priorities or preferences to meet the housing needs.

HCAAC continues to seek methods, means, and funds to increase the number of vouchers under various tenant-based programs.

HCAAC continues to work with the Anne Arundel County administration to obtain and secure additional land for development, redevelopment, and land banking.

HCAAC continues to seek additional relationships with affordable housing developers, service providers, and investors to acquire or build affordable housing as well as provide ancillary services to low-income families.

HCAAC continues to seek ways to diversify the agency and seek areas of growth and expansion in asset management and property management while integrating needed services and support for applicants, residents and the community as a whole as a Certified Organization for Resident Engagement and Services (CORES).

Goal: Analyze other properties in the Agency's portfolio to assess the possibilities for the best future use.

Progress: HCAAC owns and operates North Arundel Plaza and this property is the location of the Authority's main Administrative Office. This building is also available for outside lease and is currently fully leased.

As leases for current commercial tenants expire, the Authority will consider utilizing the space for additional administrative or supportive services purposes. HCAAC may also consider the conversion of a portion of this space for use as affordable housing.

Goal: Work with landlords and program participants to ensure awareness of Anne Arundel County's Source of Income Law.

Progress: HCAAC staff continues to present information to program participants regarding the law at application, lease-up and renewals.

Staff also continues to provide landlords with information regarding the law at various times to make sure they are aware of the law so they can stay compliant.

Goal: Work closely with Anne Arundel County's Human Relations Commission to provide training to help alleviate Fair Housing issues within the County.

Progress: The Housing Commission of Anne Arundel County continues to work to meet the goals and strategies published in the **2020 Analysis of Impediments to Fair Housing Choice in the Baltimore Region (AI)**.

B.4 Capital Improvements

The most recent Capital Fund Five-Year Action Plan was submitted with the FY2022 Annual Update to the FY2020 – FY2024 Five-Year Agency Plan and was approved by HUD on June 30, 2021.

The Capital Fund Five-Year Action Plan covering the years FY2023 – FY2027 will be discussed in the same Public Hearing as the FY2023 Agency Plan Annual Update. A copy of the FY2023 – FY2027 Capital Fund Five-Year Action Plan will be available for review during the 45-day Public Hearing notice period and is included with the Agency Plan.

B.5 Most Recent Fiscal Year Audit

The most recently completed Fiscal Audit covers the Fiscal Year ending June 30, 2021 and is included with the Agency Plan. There were no findings in the audit.

C. Other Documents and/or Certification Requirements

C.1 Resident Advisory Board Comments

Comments from the Resident Advisory Board are included under Tab 10 of the plan. Comments were incorporated into the final plan.

C.2 Certification by State or Local Officials

HCAAC submitted Form HUD-50077 SL, Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan, to the appropriate local official for their signature. The signed form is being submitted to HUD as an electronic attachment to the FY2023 Annual Update. Please see Tab 6 of the Plan.

C.3 Civil Rights Certification/Certification Listing Policies and Programs that the PHA has Revised since Submission of its Last Annual Plan.

Form HUD-50077, PHA Certifications of Compliance with the PHA Plans and Related Regulations, is submitted as an electronic attachment to the FY2023 Annual Plan. This Form is signed by the Chairman of the Board of Commissioners and the Chief Executive Officer. Please see Tab 6 of the Plan.

C.4 Challenged Elements

No elements of the Plan have been challenged by the public.

C.5 Troubled PHA

The Housing Commission of Anne Arundel County is *not* a Troubled PHA. Therefore, this section is not applicable.

D. Affirmatively Furthering Fair Housing (AFFH)

D.1 Affirmatively Furthering Fair Housing

Regional Goal: Increase Rental Housing Options

Regional Action Item: Sustain the Baltimore Regional Project-Based Voucher (PBV) Program beyond the initial 2015 HUD seed grant, identifying new funding for the program’s operations and contributing vouchers as appropriate.

Strategy

- 1) PHAs and BRHP contribute a total of \$60,000/year toward BMC coordination of Regional PBV Program beginning July 1, 2020.
- 2) Continue to contribute vouchers to this effort up to a total of 50.
- 3) Goals will be revised annually, as needed, based on an evaluation of the adequacy of regional pool of vouchers and resources for counseling.

Regional Action Item: Continue to monitor the Maryland Department of Housing and Community Development’s (DHCD’s) awards of Low-Income Housing Tax Credits (LIHTC) and advocate for Qualified Allocation Plan (QAP) policies that:

- a. Ensure the Baltimore metropolitan area receives at least 50 percent of Maryland tax credits awarded, reflecting the Baltimore area’s proportion of the State’s low-income population.
- b. Award 65% of the region's credits to family developments in opportunity areas in order to address past inequities, while focusing remaining awards in comprehensive revitalization areas.

Strategy

BMC compiles analysis of DHCD LIHTC awards each year and coordinates Fair Housing Group regional comments to DHCD when DHCD asks for input. Chairs of Fair Housing Group and PHA group help lead effort to compile regional comments. Goals for 9% LIHTC awards include 2300 units awarded in Baltimore region, including 1500 family units in areas of opportunity and 800 units contributing to concerted community revitalization plans.

Regional Action Item: Baltimore-area PHAs see the merit in a regional mobility counseling program and will seriously consider applying for the HUD Mobility Demonstration once the requirements are made known through the HUD NOFA.

Strategy

Review HUD NOFA when it is issued and make application decision. Any application would then contain metrics for success if awarded.

Regional Action Item: Continue to distribute portability educational booklets and show video in all PHA voucher briefings. Conduct an electronic survey of voucher holders who have ported within the metropolitan area in the last two or more years and, where possible, attempted to port in order to identify how much difficulty they may have experienced. Use the findings to develop plans for intra-regional ports moving forward.

Strategy

Distribution of portability education booklet and showing of video at voucher briefings ongoing.

Regional Action Item: Through Regional Preservation Task Force, assist local governments in designing affordable housing contracts to facilitate preservation at their expiration.

Strategy

Develop model language and identify points of leverage to insist on affordability contracts that will facilitate preservation. Track use of such language -- numbers of contracts that include it.

Regional Action Item: Ensure that PHA policies do not have a disparate impact on the ability of persons with disabilities to obtain and maintain housing, offering a reasonable accommodation whenever required.

Strategy

PHAs continue to review their policies and implement any needed changes.

Regional Action Item: Ensure that people with disabilities have control in the choice of their service provider by prohibiting leases that require tenants to receive supportive services from the provider operating the housing. Ensure that tenants cannot be evicted or discharged for reasons unrelated to their housing or a breach of their lease.

Strategy

Include this topic in PHA policy review on an ongoing basis.

Goal: Expand Fair Housing Resources and Compliance

Regional Action Item: Continue to engage with Maryland DHCD to make www.MdHousingSearch.org an effective:

- a. Clearinghouse of publicly assisted and market-rate rental homes, including homes accessible to persons with disabilities.
- b. Affirmative fair housing marketing tool for homes assisted through Maryland DHCD and other agencies.
- c. Viable tool for public housing authorities to refer their housing choice voucher holders, including those with disabilities.

Strategy

Revisit pending request to Maryland DHCD that Md. Housing Search automatically populate accessibility features based on Fair Housing Act requirements. Evaluate Maryland DHCD's implementation of new affirmative fair housing marketing policy. Continue to communicate with DHCD and advocate adjustments as needed. Monitor DHCD's requirement of an MOU between DHCD-supported owners and local PHAs and mobility programs. Check annually with PHAs and local fair housing stakeholders on accuracy and usefulness of Md. Housing Search listings so those listings can ultimately replace MOU requirement.

Regional Action Item: All PHAs offer online rental resources beyond GoSection8.com, including market-rate resources such as Apartments.com and Zillow and, as it becomes more effective, Md. Housing Search.

Strategy

PHAs include additional online rental resources immediately. Evaluate Md. Housing Search each year for possible inclusion in rental resources for voucher holders, particularly as Maryland DHCD implements its updated affirmative marketing plans, which include Md. Housing Search.

Regional Action Item: Review literature on criminal background and subsequent criminal activity – connected to assisted housing, if possible – to see what that research indicates the most justified criminal background standard for assisted housing should be.

Strategy

Continue to communicate results to Maryland DHCD, affordable housing developers through Maryland Affordable Housing Coalition, and market-rate property owners and managers through fair housing trainings and other methods.

Anne Arundel County Goal: Increase Affordable and Workforce Rental Housing Options and Opportunities for Ownership.

Anne Arundel County Action Item: Invest in the preservation of the existing stock of affordable rental units.

Strategy

Provide affordable financing to preserve the existing stock of affordable rental property.

Anne Arundel County Action Item: Adopt Small Area Fair Market Rents (SAFMRs) for housing choice voucher (HCV) program.

Strategy

Small Area Fair Market Rents were implemented as of July 1, 2020, and remain in force for FY2023.

Anne Arundel County Action Item: Continue and expand resources for case management, housing search assistance and other supportive services to sustainably house low and very low-income households.

Strategy

The County will invest at least \$250,000 in County general funds annually into case management and housing location support for housing vouchers administered by HCAAC and TBRA programs funded with CoC, HOPWA, HOME and County funds to house hard to serve clients and help them access housing in Opportunity Areas.

**CONVERSION TO RENTAL ASSISTANCE
DEMONSTRATION PROGRAM**

11. Floating Units. Upon the request of the owner to the Voucher Agency that will administer the Covered Project, HUD will permit PBV assistance to float among units within the project having the same bedroom size. A unit to which assistance is floated must be comparable in condition to the unit it is replacing (i.e., the unit must be of the same quality and amenities as the unit it is replacing). Assistance may float from a required UFAS accessible unit only to another UFAS accessible unit that has the same bedroom size and accessibility features. If assistance floats to a UFAS accessible unit as a reasonable accommodation for a household that had not previously been in a UFAS unit, the assistance may float back to a non-UFAS unit when there is no longer need for the reasonable accommodation provided the required number of UFAS units is maintained. Units that float are not specifically designated under the HAP Contract. Therefore, the requirements in 24 CFR § 983.203(c) that the HAP Contract provide “the location of each contract unit” and “the area of each contract unit” are waived. Instead, the HAP Contract must specify the number and type of units in the property that are designated as RAD units, including any excepted units. From the time of the initial execution of the PBV RAD HAP Contract, the property must maintain the same number and type of UFAS accessible units. Floating units are subject to all of the requirements in this Notice and the PBV regulations, including physical inspections, rent adjustments, and income-mixing requirements. The alternative requirements with respect to floating units do not apply to non-RAD PBV units.

C. PBV Resident Rights and Participation.

1. No Rescreening of Tenants upon Conversion. Pursuant to the RAD Statute, at conversion, current households cannot be excluded from occupancy at the Covered Project based on any rescreening, income eligibility, or income targeting. With respect to occupancy in the Covered Project, current households in the Converting Project will be grandfathered for application of any eligibility criteria to conditions that occurred prior to conversion but will be subject to any ongoing eligibility requirements for actions that occur after conversion.³⁶ Post-conversion, the tenure of all residents of the Covered Project is protected pursuant to PBV requirements regarding continued occupancy unless explicitly modified in this Notice (e.g., rent phase-in provisions). For example, a unit with a household that was over-income at time of conversion would continue to be treated as an assisted unit. Thus, Section 8(o)(4) of the 1937 Act and 24 CFR § 982.201, concerning eligibility and targeting of

³⁶ These protections (as well as all protections in this Notice for current households) also apply when a household is relocated to facilitate new construction or repairs following conversion and subsequently returns to the Covered Project.

tenants for initial occupancy, will not apply for current households. Once the grandfathered household moves out, the unit must be leased to an eligible family. MTW agencies may not alter this requirement. Further, so as to facilitate the right to return to the assisted property, HUD waives Section 8(o)(4) and 24 CFR § 982.201 to the extent necessary for this provision to apply to current public housing residents of the Converting Project that will reside in non-RAD PBV units or non-RAD PBRA units placed in a project that contain RAD PBV units or RAD PBRA units. Such families and such contract units will otherwise be subject to all requirements of the applicable program, specifically 24 CFR Part 983 for non-RAD PBV units and the PBRA requirements governing the applicable contract for non-RAD PBRA units.

2. **Right to Return.** See Section 1.4.A.5.b. and the RAD Fair Housing, Civil Rights, and Relocation Notice regarding a resident's right to return. To facilitate the uniform treatment of residents and units at a Covered Project, any non-RAD PBV units located in the same Covered Project shall be subject to the terms of this provision.
3. **Phase-in of Tenant Rent Increases.** If, purely as a result of conversion, the amount a tenant would pay for rent and utilities under the PBV program (the tenant's TTP) would increase the tenant's TTP by more than the greater of 10 percent or \$25, the rent increase will be phased in over 3 or 5 years. To implement this provision, HUD is specifying alternative requirements for section 3(a)(1) of the Act, as well as 24 CFR § 983.3 (definition of "total tenant payment" (TTP)) to the extent necessary to allow for the phase-in of tenant rent increases. A PHA must create a policy setting the length of the phase-in period at three years, five years or a combination depending on circumstances and must communicate such policy in writing to affected residents. For example, a PHA may create a policy that uses a three year phase-in for smaller increases in rent and a five year phase-in for larger increases in rent. This policy must be in place at conversion and may not be modified after conversion.

The method described below explains the set percentage-based phase-in a Project Owner must follow according to the phase-in period established. For purposes of this section "Calculated PBV TTP" refers to the TTP calculated in accordance with regulations at 24 CFR §5.628 and the "most recently paid TTP" refers to the TTP recorded on line 9j of the family's most recent HUD Form 50058. If a family in a project converting from Public Housing to PBV was paying a flat rent immediately prior to conversion, the PHA should use the flat rent amount to calculate the phase-in amount for Year 1 (the first recertification following conversion), as illustrated below.

Three Year Phase-in:

- Year 1: Any recertification (interim or annual) performed prior to the second annual recertification after conversion – 33% of difference between most recently paid TTP or flat rent and the Calculated PBV TTP
- Year 2: Year 2 Annual Recertification (AR) and any Interim Recertification (IR) prior to Year 3 AR – 50% of difference between most recently paid TTP and the Calculated PBV TTP
- Year 3: Year 3 AR and all subsequent recertifications – Full Calculated PBV TTP³⁷

Five Year Phase in:

- Year 1: Any recertification (interim or annual) performed prior to the second annual recertification after conversion – 20% of difference between most recently paid TTP or flat rent and the Calculated PBV TTP
- Year 2: Year 2 AR and any IR prior to Year 3 AR – 25% of difference between most recently paid TTP and the Calculated PBV TTP
- Year 3: Year 3 AR and any IR prior to Year 4 AR – 33% of difference between most recently paid TTP and the Calculated PBV TTP
- Year 4: Year 4 AR and any IR prior to Year 5 AR – 50% of difference between most recently paid TTP and the Calculated PBV TTP
- Year 5 AR and all subsequent recertifications – Full Calculated PBV TTP

Please Note: In either the three year phase-in or the five-year phase-in, once the Calculated PBV TTP is equal to or less than the previous TTP, the phase-in ends and tenants will pay full TTP from that point forward. MTW agencies must also implement a three or five-year phase-in for impacted residents, but may alter the terms above as long as it establishes a written policy setting forth the alternative terms. To facilitate the uniform treatment of residents and units at a Covered Project, any non-RAD PBV units located in the same Covered Project shall be subject to the terms of this provision.

- 4. Family Self Sufficiency (FSS) and Resident Opportunities and Self Sufficiency Service Coordinator (ROSS-SC) programs.** Public Housing residents that are currently FSS participants will continue to participate in the PHA's FSS program.

³⁷ For example, where a resident's most recently paid TTP is \$100, but the Calculated PBV TTP is \$200 and remains \$200 for the period of the resident's occupancy, (i.e. no changes in income) the resident would continue to pay the same rent and utilities for which it was responsible prior to conversion. At the first recertification following conversion, the resident's contribution would increase by 33% of \$100 to \$133. At the second AR, the resident's contribution would increase by 50% of the \$66 differential to the standard TPP, increasing to \$166. At the third AR, the resident's contribution would increase to \$200 and the resident would continue to pay the Calculated PBV TTP for the duration of their tenancy.

The PHA may continue to use any FSS funds already awarded to serve those FSS participants who live in units converted by RAD. At the completion of the FSS grant, PHAs should follow the normal closeout procedures outlined in the grant agreement. If the PHA continues to run an FSS program that serves PH and/or HCV participants, the PHA will continue to be eligible (subject to NOFA requirements) to apply for FSS funding. Due to the program merger between PH FSS and HCV FSS that took place pursuant to the FY14 Appropriations Act (and was continued in the subsequent Appropriation Acts), no special provisions are required to continue serving FSS participants that live in public housing units converting to PBV under RAD.

However, PHAs should note that until provisions of the Economic Growth, Regulatory Relief, and Consumer Protection Act are implemented, there are certain FSS requirements (e.g., escrow calculation and escrow forfeitures) that apply differently depending on whether the FSS participant is a participant under the HCV program or a public housing resident, and PHAs must follow such requirements accordingly. All PHAs will be required to administer the FSS program in accordance with FSS regulations at 24 CFR part 984 (current, or as amended), the participants' contracts of participation, and the alternative requirements established in the "Waivers and Alternative Requirements for the FSS Program" Federal Register notice, published on December 29, 2014, at 79 FR 78100.³⁸ Further, upon conversion to PBV, if the PHA no longer has a public housing program, funds already escrowed for FSS participants shall be transferred into the HCV escrow account and be considered TBRA funds, thus reverting to the HAP account if forfeited by the FSS participant.³⁹

For information on FSS PIC reporting requirements for RAD conversions, see Notice PIH 2016-08 at http://portal.hud.gov/hudportal/documents/huddoc?id_pih2016-08.pdf.

Current ROSS-SC grantees will be able to finish out their current ROSS-SC grants once their housing is converted under RAD. However, once the property is converted, it will no longer be eligible to be counted towards the unit count for future ROSS-SC grants, nor will its residents be eligible to be served by future ROSS-SC grants,

³⁸ The funding streams for the PH FSS Program and the HCV FSS Program were first merged pursuant to the FY 2014 appropriations act. As a result, PHAs can serve both PH residents and HCV participants, including PBV participants, with FSS funding awarded under the FY 2014 FSS Notice of Funding Availability (FSS NOFA) and any other NOFA under which the combination of funds remains in the applicable appropriations act. For PHAs that had managed both programs separately and now have a merged program, a conversion to PBV should not impact their FSS participants.

³⁹ Where the PHA maintains a public housing program, any forfeited funds that had been escrowed prior to conversion would revert to the PHA's Operating Reserves.

which, by statute, can only serve public housing residents. At the completion of the ROSS-SC grant, PHAs should follow the normal closeout procedures outlined in the grant agreement. Please note that ROSS-SC grantees may be a non-profit or local Resident Association and this consequence of a RAD conversion may impact those entities. To facilitate the uniform treatment of residents and units at a Covered Project, any non-RAD PBV units located in the same Covered Project shall be subject to the terms of this provision.

5. **Resident Participation and Funding.** In accordance with Attachment 1B, residents of Covered Projects with assistance converted to PBV will have the right to establish and operate a resident organization for the purpose of addressing issues related to their living environment and be eligible for resident participation funding. To facilitate the uniform treatment of residents and units at a Covered Project, any non-RAD PBV units located in the same Covered Project shall be subject to the terms of this provision.

6. **Resident Procedural Rights.** The following items must be incorporated into both the Section 8 Administrative Plan and the Project Owner’s lease, which includes the required tenancy addendum (HUD Form 52530-c), as appropriate. Evidence of such incorporation may be requested by HUD for purposes of monitoring the program.
 - a. **Termination Notification.** HUD is incorporating additional termination notification requirements to comply with section 6 of the Act for public housing projects that convert assistance under RAD and to non-RAD PBV units located at the Covered Project. In addition to the regulations at 24 CFR § 983.257 related to Project Owner termination of tenancy and eviction (which MTW agencies may not alter), the termination procedure for RAD conversions to PBV will require that PHAs provide adequate written notice of termination of the lease which shall be :
 - i. A reasonable period of time, but not to exceed 30 days:
 1. If the health or safety of other tenants, Project Owner employees, or persons residing in the immediate vicinity of the premises is threatened; or
 2. In the event of any drug-related or violent criminal activity or any felony conviction;
 - ii. Not less than 14 days in the case of nonpayment of rent; and
 - iii. Not less than 30 days in any other case, except that if a State or local law provides for a shorter period of time, such shorter period shall apply.

- b. **Grievance Process.** Pursuant to requirements in the RAD Statute, HUD is establishing additional resident procedural rights to comply with section 6 of the Act.

For the termination of assistance and several other PHA determinations, PBV program rules require the PHA to provide an opportunity for an informal hearing, as outlined in 24 CFR § 982.555. RAD will specify alternative requirements for 24 CFR § 982.555(b) in part, which outlines when informal hearings are not required, to require that:

- i. In addition to reasons that require an opportunity for an informal hearing given in 24 CFR § 982.555(a)(1)(i)-(v),⁴⁰ an opportunity for an informal hearing must be given to residents for any dispute that a resident may have with respect to a Project Owner action in accordance with the individual's lease or the contract administrator in accordance with RAD PBV requirements that adversely affect the resident's rights, obligations, welfare, or status.
 1. For any hearing required under 24 CFR § 982.555(a)(1)(i)-(v), the contract administrator will perform the hearing, as is the current standard in the program. The hearing officer must be selected in accordance with 24 CFR § 982.555(e)(4)(i).
 2. For any additional hearings required under RAD, the Project Owner will perform the hearing.
- ii. There is no right to an informal hearing for class grievances or to disputes between residents not involving the Project Owner or Contract Administrator.
- iii. The Project Owner gives residents notice of their ability to request an informal hearing as outlined in 24 CFR § 982.555(c)(1) for informal hearings that will address circumstances that fall outside of the scope of 24 CFR § 982.555(a)(1)(i)-(vi).
- iv. The Project Owner provides opportunity for an informal hearing before an eviction.

Current PBV program rules require that hearing procedures must be outlined in the PHA's Section 8 Administrative Plan.

⁴⁰ § 982.555(a)(1)(iv) is not relevant to RAD as the tenant-based certificate program has been repealed.

To facilitate the uniform treatment of residents and units at a Covered Project, any non-RAD PBV units located in the same Covered Project shall be subject to the terms of this provision.

7. **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 § 5.617. Upon the expiration of the EID for such families, the rent adjustment shall not be subject to rent phase-in, as described in Section 1.6.C.4; instead, the rent will automatically rise to the appropriate rent level based upon tenant income at that time.

Under the Housing Choice Voucher program, the EID exclusion is limited only to persons with disabilities (24 CFR § 5.617(b)). In order to allow all tenants (including non-disabled persons) who are employed and currently receiving the EID at the time of conversion to continue to benefit from this exclusion in the PBV project, the provision in 24 CFR § 5.617(b) limiting EID to disabled persons is waived. The waiver, and resulting alternative requirement, apply only to tenants receiving the EID at the time of conversion. No other tenant (e.g., tenants that move into the property following conversion or tenants who at one time received the EID but are not receiving the EID exclusion at the time of conversion due to loss of employment) is covered by this waiver. To facilitate the uniform treatment of residents and units at a Covered Project, any non-RAD PBV units located in the same Covered Project shall be subject to the terms of this provision.

8. **Jobs Plus.** Jobs Plus grantees awarded FY14 and future funds that convert the Jobs Plus target projects(s) under RAD will be able to finish out their Jobs Plus period of performance unless significant relocation and/or change in building occupancy is planned. If either is planned at the Jobs Plus target project(s), HUD may allow for a modification of the Jobs Plus work plan or may, at the Secretary's discretion, choose to end the Jobs Plus program at that project. If the program is continued, the Project Owner must agree to continue to implement the program according to HUD's program requirements. Jobs Plus target public housing projects must enroll public housing residents into the Jobs Plus rent incentive, JPEID, prior to conversion. Any resident of the Covered Project that had not enrolled prior to conversion is not eligible to enroll in JPEID but may utilize Jobs Plus services that predominantly benefit the former public housing residents who resided at the target project at the time of RAD conversion. To facilitate the uniform treatment of residents and units at a Covered Project, any non-RAD PBV units located in the Covered Project may voluntarily utilize Jobs Plus services that predominantly benefit the former public housing residents who resided at the target project at the time of RAD conversion.

9. When Total Tenant Payment Exceeds Gross Rent. Under normal PBV rules, the PHA may select an occupied unit to be included under the PBV HAP Contract only if the unit's occupants are eligible for housing assistance payments (24 CFR § 983.53(c)). Also, a PHA must remove a unit from the contract when no assistance has been paid for 180 days because the family's TTP has risen to a level that is equal to or greater than the contract rent, plus any utility allowance, for the unit (i.e., the Gross Rent) (24 CFR § 983.258). Since the rent limitation under this Section of the Notice may result in a family's TTP equaling or exceeding the gross rent for the unit, for residents living in the Converting Project prior to conversion and who will return to the Covered Project after conversion, HUD is waiving both of these provisions and requiring that the unit for such families be placed on and/or remain under the HAP Contract when TTP equals or exceeds the Gross Rent. Further, HUD is establishing the alternative requirement that until such time that the family's TTP falls below the gross rent, the rent to the owner for the unit will equal the lesser of (a) the family's TTP, less the Utility Allowance, or (b) any applicable maximum rent under LIHTC regulations. During any period when the family's TTP falls below the gross rent, normal PBV rules shall apply. As necessary to implement this alternative provision, HUD is waiving the provisions of Section 8(o)(13)(H) of the Act and the implementing regulations at 24 CFR § 983.301 as modified by Section 1.6.B.5 of this Notice.⁴¹ In such cases, the resident is considered a participant under the program and all of the family obligations and protections under RAD and PBV apply to the resident. Likewise, all requirements with respect to the unit, such as compliance with the HQS requirements, apply as long as the unit is under HAP Contract. The PHA is required to process these individuals through the Form 50058 submodule in PIC. To facilitate the uniform treatment of residents and units at a Covered Project, any non-RAD PBV units located in the same Covered Project shall be subject to the terms of this provision.

Unless a waiver is requested and approved as described below, any new admission to the Covered Project must meet the eligibility requirements at 982.201 and require a subsidy payment at admission to the program, which means their TTP may not equal or exceed the gross rent for the unit at that time. Further, a PHA must remove a unit from the contract when no assistance has been paid for 180 days. If units are removed from the HAP contract because a new admission's TTP comes to equal or exceed the gross rent for the unit and if the project is fully assisted, HUD is imposing an

⁴¹ For example, a public housing family residing in a property converting under RAD has a TTP of \$600. The property has an initial Contract Rent of \$500, with a \$50 Utility Allowance. Following conversion, the residents is still responsible for paying \$600 in tenant rent and utilities.

alternative requirement that the PHA must reinstate the unit after the family has left the property. If the project is partially assisted, the PHA may substitute a different unit for the unit on the HAP contract in accordance with 24 CFR §983.207 or, where “floating units have been permitted, Section 1.6.B.10 of the Notice.

A PHA may request a waiver from HUD for the Covered Project in order to admit otherwise eligible families whose TTP exceeds gross rent and to allow the units those families occupy to remain under the HAP contract even if the PHA has not made a housing assistance payment for a family in 180 days.

For a Covered Project that consists of 100 percent RAD PBV units, the PHA must demonstrate that a waiver is necessary in order to avoid an undue concentration of poverty at the Covered Project. A PHA may evidence this by providing data showing, for example:

- how eligible income-certified applicants on the waiting list must be passed over because their incomes result in zero HAP at admission causing a higher concentration of poverty at the covered project; or
- how the income of newly admitted families is causing a markedly higher concentration of poverty than the PHA’s non-RAD PBV projects.

The resulting impact on the property must be compared with the concentration of poverty at non-RAD PBV projects in the PHA’s jurisdiction. If there are no non-RAD PBV projects in the PHA’s jurisdiction, the PHA may alternatively demonstrate that the median income of families that could be admitted to the Covered Project is significantly lower than the median income of new admissions from the waiting list to the PHA’s HCV program since the time of the RAD conversion.

For any other Covered Project, the PHA must demonstrate that the property contains specific units (e.g., units suitable for large families or accessible units) for which there are insufficient alternative housing opportunities.

If the waiver is approved, the new admission[s] families covered under the waiver are participants under the program and all of the family obligations and protections under RAD and PBV apply to the family, and the unit is subject to all program requirements. Such waiver requests should be submitted to the PIH Field Office in accordance with Notice PIH 2018-16.

10. Under-Occupied Unit. If a family is in an under-occupied unit under 24 CFR § 983.260 at the time of conversion, the family may remain in this unit until an appropriate-sized unit becomes available in the Covered Project. When an appropriate

sized unit becomes available in the Covered Project, the family living in the under-occupied unit must move to the appropriate-sized unit within a reasonable period of time, as determined by the administering Voucher Agency. In order to allow the family to remain in the under-occupied unit until an appropriate-sized unit becomes available in the Covered Project, 24 CFR § 983.260 is waived for current residents remaining or returning to the Covered Project. MTW agencies may not modify this requirement. To facilitate the uniform treatment of residents and units at a Covered Project, any non-RAD PBV units located in the same Covered Project shall be subject to the terms of this provision.

D. PBV: Other Miscellaneous Provisions

- 1. Access to Records, Including Requests for Information Related to Evaluation of Demonstration.** PHAs and the Project Owner must cooperate with any reasonable HUD request for data to support program evaluation, including but not limited to project financial statements, operating data, Choice-Mobility utilization, and rehabilitation work. Please see Appendix IV for reporting units in Form HUD-50058.
- 2. Ongoing PHA Board Review of Operating Budget.** The Owner must submit to the administering PHA's Board the operating budget for the Covered Project annually. The PHA's Board must confirm that the Project Owner is making deposits into the Reserve for Replacement account in accordance with the RCC as well as assess the financial health of the Covered Project.⁴²
- 3. Davis-Bacon Act and Section 3 of the Housing and Urban Development Act of 1968 (Section 3).** These sections have been moved to 1.4.A.13 and 1.4.A.14.
- 4. Establishment of Waiting List.** 24 CFR § 983.251 sets out PBV program requirements related to establishing and maintaining a voucher-wide, PBV program-wide, or site-based waiting list from which residents for the Covered Project will be admitted. These provisions shall apply unless the project is covered by a remedial order or agreement that specifies the type of waiting list and other waiting list policies. The PHA shall consider the best means to transition applicants from the current public housing waiting list, including:

- a. Transferring an existing site-based waiting list to a new site-based waiting list.

⁴² For PBV conversions that are not FHA-insured, a future HUD notice will describe project financial data that may be required to be submitted by a PBV owner for purposes of monitoring and evaluation, given that PBV projects do not submit annual financial statements to HUD/REAC.

ACOP INCLUDING DWELLING LEASE

NOTICE ACOP Summary of Changes

3/8/23

Section	Current Language	Language Change
Section I – General Requirements, E. Amendments	New Insert	<p>A “Significant Amendment or Modification” to this plan is a change in a procedure pertaining to the operation of the Commission. This includes the following:</p> <ul style="list-style-type: none"> • Changes to rent or admissions policies or organization of the waiting list. • Additions of non-emergency work items in excess of 10% of the total Capital Fund program budget (items not included in the current Annual Statement or 5 Year Action Plan) or change in use of replacement reserve funds under the Capital Fund. • Any change with regard to demolition or disposition, designation, homeownership programs or RAD conversions activities. • Any change or revision that is required as a result of a change in Federal, State, or local statutes shall not be considered significant amendment or modification.
Section II – Pre-Application & Determination of Eligibility, A, Filing of Application	Any Adult member of the Applicant Family who is the Head of Household or Spouse must first file a preliminary application with the HCAAC, Housing Resource Department.	Any Adult member of the Applicant Family who is the Head of Household or Spouse must first file a preliminary application through the applicant portal with HCAAC.
Section II – Pre-Application & Determination of Eligibility, A, Filing of Application	The date of receipt will be stamped on the pre-application by the Admissions staff.	The date of receipt will be determined by the date and time the application is entered into the applicant portal.
Section II – Pre-Application & Determination of Eligibility, B, Notification of Eligibility	Applicants for the program may be denied admission for a period of up to three (3) for drug related or violent criminal activities that threatens the safety or wellbeing of other citizens or communities. HCAAC reserves the right to deny housing assistance to a family or single applicant if a family member has engaged in or been evicted from assisted housing due to drug-related or violent criminal activity in the past three (3) years from the charge date.	Applicants for the program may be denied admission for a period of up to five (5) years for drug related or violent criminal activities that threatens the safety or wellbeing of other citizens or communities. The calculation period runs from the date of the criminal activity. An arrest or charge is not proof of criminal activity and may not be considered as proof. Conviction is not required, although proof of criminal activity to a preponderance of the evidence standard is required to support a denial. HCAAC reserves the right to deny housing assistance to a family or single applicant if a family member has engaged in or been evicted from assisted housing due to drug-related or violent criminal activity in the past five (5) years.
	HCAAC is not required to list the family on the waitlist or to admit the family off the waitlist. A waiver, however, may be granted for an individual who clearly did not participate in or have knowledge of drug related or violent criminal activity or if the circumstances leading to eviction no longer exist.	HCAAC is not required to list the family on the waitlist or to admit the family off the waitlist. HCAAC may exercise discretion and allow admission if the circumstances leading to the eviction no longer exists (i.e. removal of the household member from the application who was engaged in the activity leading to the eviction), or the evicted household member has successfully completed an approved supervised drug rehabilitation program. HCAAC may exercise discretion for drug activity other than distribution for substances that have been de-criminalized in Maryland, when that activity does not involve distribution related criminal activity. In the event of more than one convictions for drug related or violent criminal activities that threatens the safety or wellbeing of other citizens or communities in a period of up to seven (7) years, HCAAC may not exercise discretion unless the conviction is for a drug activity for substances that have been de-

NOTICE ACOP Summary of Changes

3/8/23

Section II – Pre-Application & Determination of Eligibility; B. Notification of Eligibility	If an applicant is determined to be eligible, said applicant is notified in writing-that he/she has been placed on the waiting list.	criminalized in Maryland. If an applicant is determined to be eligible, said applicant is notified via email that he/she has been placed on the waiting list.
Section II – Pre-Application & Determination of Eligibility; B. Notification of Eligibility	Applicants owing legally collectible debts from previous assistance on the Section 8 Program and/or Public Housing Occupancy will be notified in writing of the amount owed, and will be given ten (10) business days to enter into a repayment agreement. If, after entering into the repayment agreement, the applicant defaults, the pre-application will be withdrawn from the waiting list.	Removed – all applicants can apply.
Section III – Maintenance of the Waiting List B. Maintenance of the Waiting List	All Applicants must report, via our web-site or in writing to the Housing Resource office any change in address, email, family composition, income, when changes occur. It is the responsibility of the applicant to report any changes and to maintain verifiable accurate address information. An applicant's waitlist status is maintained on an automated voice mail system and can be retrieved via the telephone, or our web-site. The waitlist is updated weekly.	All Applicants must report, via our applicant portal web-site any change in address, email, family composition, income, when changes occur. It is the responsibility of the applicant to report any changes and to maintain verifiable accurate address and email information. An applicant's waitlist status is maintained on the applicant portal and can be retrieved 24 hours per day.
Section IV – Eligibility Criteria for Admissions B. Non-Economic Criteria HOTMA REQUIREMENT	New Insert	VERIFICATION OF AGE - All applicants, tenants and household members must provide one of the following documents as verification of age: birth certificate, certified baptismal certificate, military discharge papers, valid passport, Census document showing date of birth, Naturalization certificate, and Social Security Administration benefits printout showing date of birth.
Section IV – Eligibility Criteria for Admissions B. Non-Economic Criteria HOTMA REQUIREMENT	New Insert	IDENTITY VERIFICATION -All applicants, tenants and household members 18 years of age or older must provide one of the following forms of government issued photo identification as verification of identity, to allow for a visual face and signature match: state-issued driver's license, state-issued photo identification card, military identification card, U.S. passport, citizenship and legal residency cards.
Section IV – Eligibility Criteria for Admissions B. Non-Economic Criteria, Conduct	New Insert	HCAAC may exercise discretion and allow admission if the circumstances leading to the eviction no longer exists (i.e. removal of the household member from the application who was engaged in the activity leading to the eviction), or the evicted household member has successfully completed an approved supervised drug rehabilitation program. HCAAC may exercise discretion for drug activity for substances that have been de-criminalized in Maryland, when that activity does not involve distribution related criminal activity.
Section V – Resident Selection and Assignment A. Factors in Selection Process for Admissions HOTMA REQUIREMENT	New Insert	HCAAC may adopt a preference for admission of non-public housing over-income families paying the alternative non-public housing rent and are on a NPHOI lease who become an income-eligible low-income family as defined in § 5.603(b) of this title and are eligible for admission to the public housing program.
Section V – Resident Selection and Assignment B. Income Verification and Payment	Unusual expenses such as child care to enable family members to work or furthering their education. Medical expenses for elderly	Effective January 1, 2024 medical expenses for elderly family's in excess of 10% of families' annual gross income.

NOTICE ACOP Summary of Changes

3/8/23

Calculations HOTMA REQUIREMENT	family's in excess of 3% of families' annual gross income.	
Section V – Resident Selection and Assignment B. Income Verification and Payment Calculations HOTMA REQUIREMENT	New Insert	Nonrecurring income, which is income that will not be repeated in the coming year based on information provided by the family. Income received as an independent contractor, day laborer or seasonal worker is NOT excluded from the income even if the source, date or amount of income varies.
Section V – Resident Selection and Assignment B. Income Verification and Payment Calculations HOTMA REQUIREMENT	New Insert	Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a member of the family becoming disabled.
Section V – Resident Selection and Assignment B. Income Verification and Payment Calculations, Annual Income Excludes HOTMA REQUIREMENT	New Insert	Adoption Assistance Payments for a child in excess of the amount of the deduction for a dependent.
Section V – Resident Selection and Assignment B. Income Verification and Payment Calculations HOTMA REQUIREMENT	New Insert	Any imputed return on an asset when the net family assets total \$50,000 or less and no actual income from the net family assets can be determined.
Section V – Resident Selection and Assignment B. Income Verification and Payment Calculations HOTMA REQUIREMENT	New Insert	Effective January 1, 2024, net assets will increase from \$5,000 to \$50,000 but cannot exceed \$100,000.
Section V – Resident Selection and Assignment B. Income Verification and Payment Calculations HOTMA REQUIREMENT	New Insert	\$480 for each household member who is under 18 years of age, or is handicapped, disabled or a full-time student. HUD annually in accordance with the Consumer Price Index will adjust this amount for Urban Wage Earners and Clerical Workers rounded to the next lowest multiple of \$25.
Section V – Resident Selection and Assignment B. Income Verification and Payment Calculations HOTMA REQUIREMENT	New Insert	\$400 per family for all families in which the head or spouse is at least 62 years of age or disabled. The \$400 is a household deduction (only one per family, even if both head and spouse are elderly). Effective January 1, 2024, the household deduction (only one per family, even if both head and spouse are elderly) will increase to \$525.00. HUD annually in accordance with the Consumer Price Index will adjust this amount for Urban Wage Earners and Clerical Workers rounded to the next lowest multiple of \$25.
Section V – Resident Selection and Assignment B. Income Verification and Payment Calculations HOTMA REQUIREMENT	New Insert	Families may deduct anticipated expenses for care attendants, long-term care premiums and "auxiliary apparatus" for handicapped or disabled family members if such expenses.
Section V – Resident Selection and Assignment B. Income Verification and Payment Calculations HOTMA REQUIREMENT	New Insert	Exceed three percent of Annual Income. Effective January 1, 2024 expenses must exceed ten percent of Annual Income.
Section V – Resident Selection and Assignment B. Income Verification and Payment Calculations HOTMA REQUIREMENT	New Insert	Financial hardship exemptions for unreimbursed health and medical care expenses and reasonable attendant care and auxiliary apparatus expenses may be requested. To receive hardship relief the family must have received a

NOTICE ACOP Summary of Changes

3/8/23

HOTMA REQUIREMENT

		<p>deduction from their annual income, which exceeded three percent as of January 1, 2024. The hardship will allow for up to a twenty-four month transition period. The family's hardship relief ends when the circumstances that made the family eligible for the relief are no longer applicable.</p> <ul style="list-style-type: none"> -The family will receive a deduction totaling the sum of the expenses that exceed 5 percent of annual income. -Twelve months after the relief the family must receive a deduction totaling the sum of expenses, that exceed 7.5 percent of annual income. -Twenty-four months after the relief is provided, the family must receive a deduction totaling the sum of expenses that exceed 10 percent of the annual income.
<p>Section V – Resident Selection and Assignment M. Refusal and Denials of Applicants</p>	<p>Criminal activity, especially involving violent criminal activity or drug related activity for a period of three (3) years prior to eligibility determination. However, no applicant who has been a victim of domestic violence, dating violence, or stalking can be denied admission if they are otherwise qualified.</p>	<p>Criminal activity, especially involving violent criminal activity or drug related activity for a period of five (5) years prior to eligibility determination. However, no applicant who has been a victim of domestic violence, dating violence, or stalking can be denied admission if they are otherwise qualified.</p>
<p>Section V – Resident Selection and Assignment M. Refusal and Denials of Applicants</p>	<p>Applicants for the program may be denied admission for a period of up to three (3) years for drug related or violent criminal activities that threatens the safety or wellbeing of other citizens or communities. Families may be determined ineligible due to specified criminal activity, or an action or failure to act by a household member as defined and detailed by Federal Statute. The Housing Commission must prohibit admission to the program of an applicant for three years from the date of eviction if a household member has been evicted from federally assisted housing for drug related or violent criminal activity. However, the Housing Commission may admit the household if the Commission determines: (1) that the evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation approved by the Commission; or (2) that the circumstances leading to the eviction no longer exist.</p> <p>The Housing Commission may prohibit admission for a period of three (3) if: (1) the Commission determines that any household member is currently engaging in illegal use of a drug, and/or (2) the Commission determines that it has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.</p> <p>The Commission will not rely solely on the arrest record in cases where there is potential denial for criminal activity.</p>	<p>Applicants for the program may be denied admission for a period of up to three five (5) years for drug related or violent criminal activities that threatens the safety or wellbeing of other citizens or communities. Families may be determined ineligible due to specified criminal activity, or an action or failure to act by a household member as defined and detailed by Federal Statute. The Housing Commission must prohibit admission to the program of an applicant for three years from the date of eviction if a household member has been evicted from federally assisted housing for drug related or violent criminal activity. However, the Housing Commission may admit the household if the Commission determines: (1) that the evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation approved by the Commission; or (2) that the circumstances leading to the eviction no longer exist.</p> <p>The Housing Commission may prohibit admission for a period of five (5) years if: (1) the Commission determines that any household member is currently engaging in illegal use of a drug, and/or (2) the Commission determines that it has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.</p> <p>The Commission will not rely on the arrest record in cases where there is potential denial for criminal activity.</p>
<p>Section VI – Dwelling Lease HOTMA REQUIREMENT</p>	<p>New Insert</p>	<p>Effective January 1, 2024 Earned Income Disallowance will be discontinued. If a family is receiving a disallowance as of January 1, 2024 they will be allowed the benefit of the earned income disallowance until their its original expiration.</p>

NOTICE ACOP Summary of Changes

3/8/23

Section VI – Dwelling Lease	Tenants shall deposit with the Commission an amount equal to the greatest of \$50 or one month's Total Tenant Payment as security for the performance of Tenant's obligations under the Lease. The security deposit may be paid either as a lump sum on the date of occupancy of the Unit or billed in reasonable installments at the execution of the Lease and thereafter on the until the amount is paid in full. The security deposit may not be used to pay rent or other charges while the Tenant occupies the Unit and may be used only upon termination of the Lease to cover unpaid rent and other charges or damages due the Commission.	Tenants shall deposit with the Commission an amount equal to the greatest of \$50 or one month's Total Tenant Payment as security for the performance of Tenant's obligations under the Lease. The security deposit must be paid in full upon execution of the Lease and thereafter on the until the amount is paid in full. The security deposit may not be used to pay rent or other charges while the Tenant occupies the Unit and may be used only upon termination of the Lease to cover unpaid rent and other charges or damages due the Commission.
Section VI – Dwelling Lease 2. Interim Adjustments HOTMA REQUIREMENT	In general, the Tenant shall report any changes in Family composition, employment status, household deductions, or income to the Commission within ten (10) business days after the change has occurred. However, rent shall also be adjusted if the Commission obtains independent verification of income for a Family member, which has not been previously reported.	Effective January 1, 2024, the Commission will conduct Interim Recertification's when the income increase/decrease is over 10%.
Section VII - Transfers	New Insert	The Chief Executive Officer may exercise discretion to offer an emergency transfer when the tenant is in a situation involving a threat of actual violence if the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit. A tenant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan. Tenants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section.
Section VIII – Termination of Residency C. Over Income Residency HOTMA REQUIREMENT	New Insert	HCAAC will conduct annual income certifications every twelve months after the initial over-income determination. HCAAC will afford the family the opportunity after the twenty-four month period to continue to rent the unit at the current monthly market rent. Effective January 1, 2024 this will increase to \$525.
Definitions – Adjusted Income HOTMA REQUIREMENT	\$400 for any Elderly Family	
Definitions – Covered Person HOTMA REQUIREMENT	New Insert	COVERED PERSON – A tenant, any member of the tenants household, a guest or another person under the tenant's control.
Definitions – Day Laborer HOTMA REQUIREMENT	New Insert	DAY LABORER – An individual hired and paid one day at a time without an agreement that the individual will be hired for work again in the future.
Definitions – Disabled Assistance Payments HOTMA REQUIREMENT	New Insert	DISABLED ASSISTANCE EXPENSES - Reasonable expenses that are anticipated, during the period for which Annual Income is computed, for attendant care and auxiliary apparatus for a Disabled Family member, and that are necessary to enable a Family member (including the Disabled member) to be employed, provided that the expenses are neither paid to a member of the Family nor reimbursed by an outside source.
Definitions – Drug Related Criminal Activity & Drug Trafficking	New Insert	HCAAC may exercise discretion and allow admission if the circumstances leading to the eviction no longer exists (i.e. removal of the household member from the application who was engaged in the activity leading to the eviction), or the evicted household member has successfully completed an

NOTICE ACOP Summary of Changes

3/8/23

		approved supervised drug rehabilitation program. HCAAC may exercise discretion for drug activity for substances that have been de-criminalized in Maryland, when that activity does not involve distribution related criminal activity.
Definitions – Earned Income HOTMA REQUIREMENT	New Insert	EARNED INCOME – income or earnings from wages, tips, salaries, other employee compensation and net income from self-employment. Earned income does NOT include any pension or annuity, transfer payments (meaning payments made or income received in which no goods or services are being paid for, such as welfare, social security, and governmental subsidies for certain benefits), or any cash or in-kind benefits.
Definitions –Foster Adult HOTMA REQUIREMENT	New Insert	FOSTER ADULT – A member of the household who is 18 years of age or older, is unable to live independently due to debilitating physical or mental conditions and is places with the family by an authorized placement agency or by judgment, decree or other order of any court of competent jurisdiction.
Definitions – Health & Medical Expenses HOTMA REQUIREMENT	New Insert	HEALTH and MEDICAL EXPENSES – Health and Medical Care Expenses, are any cost incurred in the diagnosis, cure, mitigation, treatment, or prevention of disease or payments for treatments affecting any structure or function of the body. Health and Medical care expenses include medical insurance premiums and long-term care premiums that are paid or anticipated during the period for which the annual income is computed.
Definitions – Independent Contractor HOTMA REQUIREMENT	New Insert	INDEPENDENT CONTRACTOR – An individual is an independent contractor if the payer has the right to control or direct only the result of the work and not what will be done and how it will be done.
Definitions – Net Family Assets HOTMA REQUIREMENT	New Insert	NET FAMILY ASSETS – Net cash value of all assets owned by a family, after deducting reasonable costs that would be incurred in disposing real property, savings, stocks, bonds, and other forms of capital investments.
Definitions – Non-Public Housing Over Income Family (NPHO) HOTMA REQUIREMENT	New Insert	NON-PUBLIC HOUSING OVER INCOME FAMILY (NPHO) – A family whose income exceeds the over-income limit for 24 consecutive months and is paying the alternative non-public housing rent.
Definitions –Over Income Family HOTMA REQUIREMENT	New Insert	OVER INCOME (OI) FAMILY – A family whose income exceeds the over-income limit, as determined annually by HUD for more than 24 consecutive months
Definitions –Over Income Limit HOTMA REQUIREMENT	New Insert	OVER INCOME (OI) LIMIT –This limit is set by multiplying the very low-income level for the applicable area by a factor of 2.4.
Definitions – Seasonal Worker HOTMA REQUIREMENT	New Insert	SEASONAL WORKER – An individual who is hired into a short-term position and the employment begins about the same time each year.
Definition – Unearned Income HOTMA REQUIREMENT	New Insert	UNEARNED INCOME – any annual income that is not earned.
Definition – Violent Criminal Activity	New Insert	Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another. This definition speaks to the forceful acts involved in the activity and does not require the person to be arrested, charged, nor convicted of any criminal activity.
Grievance Procedures	In accordance with the applicable Federal regulation (24CFR § 966.50) this grievance procedure shall be applicable to all	In accordance with the applicable Federal regulation (24CFR § 966.50) this grievance procedure shall be applicable to all individual grievances (as

3/8/23

NOTICE ACOP Summary of Changes

	individual grievances (as defined in Section I above) between Tenant and the Anne Arundel County Housing Commission hereinafter referred to as "PHA" with the following two exceptions:	defined in Section I above) between Tenant and the Anne Arundel County Housing Commission hereinafter referred to as "PHA" with the following three exceptions: 3. An action for nonpayment of rent under MD Code Real Property § 8-40.1.
Transfer Policy	New Insert	The Chief Executive Officer may exercise discretion to offer an emergency transfer when the tenant is in a situation involving a threat of actual violence if the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit. A tenant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan. Tenants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section.
Reasonable Accommodation Policy	New Insert	A request for a voucher extension beyond 120 days, provided that the family is able to justify the need for an extension and provided current income verification.

*Striving to Provide Quality Housing Choices
and
Affordable Communities*



***ADMISSIONS & CONTINUED
OCCUPANCY POLICY
7/1/2023***

*7483 Baltimore-Annapolis Blvd.
Post Office Box 370
Glen Burnie, Maryland 21060-2817
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TABLE OF CONTENTS

	<u>PAGE</u>
INTRODUCTION	4
<u>I. GENERAL REQUIREMENTS</u>	5
APPLICABILITY	5
FAIR HOUSING POLICY	5
DEFINITIONS	5
EFFECTIVE DATE	5
AMENDMENT	6
USE OF THE ADMISSIONS AND OCCUPANCY POLICY	6
ADMINISTRATION OF PROGRAM FUNCTIONS	6
<u>II. PRE-APPLICATION AND DETERMINATION OF ELIGIBILITY</u>	6
FILING OF APPLICATION	6
DETERMINATION OF ELIGIBILITY	7
NOTIFICATION OF INELIGIBILITY	8
INELIGIBILITY REVIEW	9
<u>III. MAINTENANCE OF THE WAITING LIST</u>	9
ESTABLISHMENT OF A CENTRAL SYSTEM	9
MAINTENANCE OF THE WAITING LIST	10
<u>IV. ELIGIBILITY CRITERIA FOR ADMISSIONS</u>	11
ECONOMIC CRITERIA	11
NON-ECONOMIC CRITERIA	11
<u>V. RESIDENT SELECTION PROCEDURE & ASSIGNMENT PLAN</u>	16
FACTORS IN THE SELECTION PROCESS FOR ADMISSIONS TO PUBLIC HOUSING	16
INCOME VERIFICATION AND PAYMENT CALCULATIONS	18
SPECIAL CALCULATION FOR HOUSEHOLD WHO ARE ELIGIBLE FOR DISABILITY ASSISTANCE AND MEDICAL EXPENSES	27
METHODS OF VERIFYING NECESSARY INFORMATION	27
INELIGIBLE DETERMINATION AT TIME OF VERIFICATION	28
NOTICE OF DECISION AND INFORMAL REVIEW PROCESS	28
RESIDENT SELECTION PROCEDURE & ASSIGNMENT PLAN	28
STANDARDS FOR RESIDENT SELECTION	29
ASSIGNMENT PROCESS	29
HARDSHIP CRITERIA FOR APPLICANTS AND RESIDENTS OF PHA	30
REFUSAL AND DENIALS OF APPLICANTS	30
<u>VI. DWELLING LEASES</u>	32
LEASE REQUIREMENTS	33
IDENTIFICATION OF PARTIES AND PREMISES	33
PAYMENTS DUE UNDER THE LEASE	33
REPAYMENT AGREEMENTS	38
RENT AND UNIT SIZE REDETERMINATION	39

TENANT'S RIGHT TO USE AND OCCUPANCY	43
THE COMMISSION'S OBLIGATIONS	43
<u>VII. TRANSFERS</u>	45
<u>VIII. TERMINATION OF RESIDENCY</u>	45
VIOLATIONS OF THE LEASE	45
EVICTIONS	46
OVER INCOME RESIDENCY	47
APPEALS AND GRIEVANCE PROCEDURE.....	47
<u>IX. PETS</u>	47
<u>X. APPENDIX</u>	48
I. DEFINITIONS	
II. INCOME GUIDELINES	
III. GRIEVANCE PROCEDURES	
IV. DWELLING LEASE	
V. TENANT TRANSFER POLICY	
VI. PET RULES	
VII. LEASE TERMINATION PROCEDURES	
VIII. REASONABLE ACCOMODATION POLICY	
IX. NON-SMOKING POLICY	
X. VIOLENCE AGAINST WOMEN ACT	

INTRODUCTION

The Housing Commission of Anne Arundel County (HCAAC) serves as the Public Housing Agency (PHA) for all of Anne Arundel County with the exclusion of the City of Annapolis; which administers a separate Public Housing and Housing Choice Voucher Program for that area. HCAAC currently owns and manages 1,125 units for low-income families.

The purpose of the Admissions and Occupancy Policy is to establish the fundamental criteria and procedures for admission to, and the continued occupancy of, the Commission's conventionally owned public housing units assisted by the Department of Housing and Urban Development (HUD).

The policy is designed to achieve the Commission's statutory objective of developing and operating socially and financially sound low-income housing developments that provide decent homes and suitable living environments and foster economic and social diversity in the tenant body as a whole.

The Public Housing program is designed to achieve the following major goals:

- 1. To avoid concentrations of the most economically and socially deprived families in any one or more developments.**
- 2. To preclude admission of applicants whose habits and practices reasonably may be expected to have a detrimental effect on other tenants or the development;**
- 3. To maintain a tenant body in each development composed of families with a broad range of incomes of low-income families in the Commission's area of operation.**
- 4. To protect the financial stability of the Commission's developments and programs.**
- 5. To assure the impartial, responsible and predictable administration of the Commission's programs.**
- 6. To protect the privacy of applicants and tenants.**
- 7. To provide for efficient and orderly administrative processing and procedures.**
- 8. To provide housing opportunities to eligible local residents consistent with the purposes and requirements of applicable state and federal laws.**

Although the policy clearly states objective standards and systematic procedures to be followed in the admissions and continued occupancy of public housing residents, implementation may require individualized interpretation and judgment periodically. In the exercise of that judgment, the Commission shall to the greatest extent feasible, strive for fairness, reasonableness, impartiality, consistency and conformity to the written principles and objectives.

SECTION I - GENERAL REQUIREMENTS

A. APPLICABILITY

This policy shall apply to applications for and to the continued occupancy of all units of housing owned by the Commission and assisted by HUD under its conventional housing program.

B. FAIR HOUSING POLICY

It is the policy of HCAAC to comply fully with all Federal, State and local non-discrimination laws and to operate in accordance with the rules and regulations governing Fair Housing and Equal Opportunity in housing and employment.

Specifically, HCAAC shall not on account of race, color, sex, religion, creed, national ethnic origin, age, family or marital status, handicap or disability, deny any family or individual the opportunity to apply for or receive assistance under the Public Housing Program within the requirements of the HUD regulations.

To further its commitment to full compliance with the Civil Rights laws, HCAAC will provide Federal, State and local information to program participants regarding "discrimination" and any recourse available to them should they feel that they have been a victim of discrimination. Such information will be made available during the briefing session and all applicable Fair Housing information and Discrimination Complaint Forms will be made a part of the briefing packet.

C. DEFINITIONS

APPENDIX I is a list of defined words and phrases, which when capitalized and used in this policy, shall have the meanings indicated.

D. EFFECTIVE DATE

This policy shall be effective upon written approval by HUD following adoption by the Commission, acting through its duly constituted Board of Commissioners. All prior policy statements of the Commission on the same subject matter shall, on the effective date, be superseded by this policy. Upon the effective date, this policy shall apply to all pending applications and existing leases.

E. AMENDMENTS

This policy may be amended by the Commission by resolution duly adopted by its Board of Commissioners at a regular or special meeting that is open to the public in accordance with (24 CFR §903.21). The written agenda for such meeting shall indicate consideration of amending the policy. Any such amendment shall be subject to approval by HUD and shall be made only in accordance with applicable HUD regulations.

A “Significant Amendment or Modification” to this plan is a change in a procedure pertaining to the operation of the Commission. This includes the following:

- Changes to rent or admissions policies or organization of the waiting list.
- Additions of non-emergency work items in excess of 10% of the total Capital Fund program budget (items not included in the current Annual Statement or 5 Year Action Plan) or change in use of replacement reserve funds under the Capital Fund.
- Any change with regard to demolition or disposition, designation, homeownership programs or RAD conversions activities.
- Any change or revision that is required as a result of a change in Federal, State, or local statutes shall not be considered significant amendment or modification.

F. USE OF THE ADMISSIONS AND OCCUPANCY POLICY

The Housing Commission of Anne Arundel County has full responsibility for the satisfactory completion of all contractual obligations with the Department of Housing and Urban Development (HUD) and for complying with all subsequent changes in regulation when implementing the Admissions and Occupancy Policy. If such changes conflict with the Policy, HUD regulations will have precedence. The administrative burden for implementation and compliance with the Federal regulations rests with the HCAAC.

The guideline set forth in this policy incorporates requirements of the U. S. Department of Housing and Urban Development (HUD), in the Public Housing Occupancy Guidebook dated June 2003. All issues not addressed in this document related to tenants and participants, are governed by changes in Federal regulations via HUD notices and memoranda as well as Board approved policies.

G. ADMINISTRATION OF PROGRAM FUNCTIONS

The administration of this Admission and Occupancy Policy is the responsibility of the Housing Services and Housing Management Divisions of the Housing Commission of Anne Arundel County.

SECTION II - PRE-APPLICATION AND DETERMINATION OF ELIGIBILITY

A. FILING OF APPLICATION

The Commission shall accept and process applications for admissions to its conventional Public Housing program according to the following procedures:

1. Any Adult member of the Applicant Family who is the Head of Household or Spouse must first file a preliminary application through the applicant portal with the HCAAC. The pre-application shall provide information reasonably required by the Commission in determining eligibility, and bedroom assignment.
2. The family member shall, by submitting the pre-application attest to the accuracy of the recorded information, and acknowledge the Commission's right to verify the information by third-party verification.
3. The date of receipt will be determined by the date and time the application is entered into the applicant portal.

B. DETERMINATION OF ELIGIBILITY

If an applicant is determined to be eligible, said applicant is notified via email that he/she has been placed on the waiting list. If an applicant is initially determined to be ineligible because of income or family composition, said applicant is notified via email and will not be added to the waiting list.

1. The HCAAC may deny program assistance for an applicant if any member of the family currently owes rent or any other legally collectable rent or other amounts to the HCAAC or to another PHA in connection with Section 8 or Public Housing assistance under the 1937 Act. Collectible rent or other amounts shall be defined in accordance with the State's current statute of limitations.
2. If at the time the applicant's name reaches the top of the waiting list, a legally collectible debt is still outstanding; the applicant may be required to pay the debt in full before receiving assistance. Failure to do so may result in the applicant being removed from the waiting list. In either case, the applicant will be given ten (10) days to request an informal review.
3. Applicants for the program may be denied admission for a period of up to five (5) years for drug related or violent criminal activities that threatens the safety or wellbeing of other citizens or communities. The calculation period runs from the date of the criminal activity. An arrest or charge is not proof of criminal activity and may not be considered as proof. Conviction is not required, although proof of criminal activity to a preponderance of the evidence standard is

required to support a denial. HCAAC reserves the right to deny housing assistance to a family or single applicant if a family member has engaged in or been evicted from assisted housing due to drug-related or violent criminal activity in the past five (5) .

HCAAC is not required to list the family on the waitlist or to admit the family off the waitlist. HCAAC may exercise discretion and allow admission if the circumstances leading to the eviction no longer exists (i.e. removal of the household member from the application who was engaged in the activity leading to the eviction), or the evicted household member has successfully completed an approved supervised drug rehabilitation program. HCAAC may exercise discretion for drug activity other than distribution for substances that have been decriminalized in Maryland, when that activity does not involve distribution related criminal activity. In the event of more than one convictions for drug related or violent criminal activities that threatens the safety or wellbeing of other citizens or communities in a period of up to seven (7) years, HCAAC may not exercise discretion unless the conviction is for a drug activity for substances that have been decriminalized in Maryland.

4. Applicants owing legally collectible debts or outstanding payments to a utility company or another Landlord and/or Property Management company will be notified in writing of the amount owed and will be given thirty (30) days to pay the amount in full. If the amount is not paid in full the pre-application will be withdrawn from the waiting list. HCAAC reserves the right to grant an extension to any applicant that provides proof that debt is being paid in full. To the extent HCAAC is aware of applicants owing outstanding debts to a utility company, HCAAC will advise applicant to make repayment arrangements. The inability to obtain or maintain utility service in applicant's name is grounds for denial or termination of a voucher.
5. Applicants with an outstanding warrant identified on the criminal background investigation will be given thirty (30) days to clear the warrant. HCAAC reserves the right to grant an extension to any applicant that provides proof that the case is being cleared.

C. NOTIFICATION OF INELIGIBILITY

If an applicant is initially determined to be ineligible because of income or family composition, and that determination is concurred by the Commission's Applicant Screening Committee, the Commission shall mail to the applicant a notification of ineligibility stating the reason or reasons for the determination and a short summary

of the evidence relied upon in making the determination. The summary need not identify specific sources of that evidence.

The Commission will also advise that the Family may seek reversal of the determination at an informal, non-adversary, fact-finding review before the Commission's Hearing Officer if requested by the applicant personally, presented orally, or in writing to the Housing Commission Central Office or the Housing Resource Office within ten (10) working days of the date of notification of ineligibility. If the applicant is a person with a disability, the applicant has the opportunity to request consideration of reasonable accommodation.

D. INELIGIBILITY REVIEW

If the Applicant is entitled to review of an ineligibility determination, the review shall be scheduled and held as soon as possible. The applicant shall be given reasonable written notice of the time and place of the informal review and shall be entitled to be present, to have a representative of his/her choice, and to offer additional information to the extent deemed relevant by the Commission's Hearing Officer.

The Commission's Hearing Officer shall within a reasonable time after the close of the review render written decision and describe the information upon which the hearing officer relied. The decision need not contain an extensive opinion or formal finding of fact or conclusions of law. The decision of the Commission's Hearing Officer shall be based on the record (consisting of the application file, information presented at the review and any information obtained after the review pursuant to agreement of the parties made at the review) and shall be final.

SECTION III - MAINTENANCE OF THE WAITING LIST

A. ESTABLISHMENT OF A CENTRAL SYSTEM

The Applications of persons applying for admissions to the Public Housing Program shall be suitably categorized in the following manner:

1. "Active" - The applications of all apparently eligible Applicants shall be alphabetized with any notification of apparent eligibility and any supporting and verification documents, and maintained as "active" Applications.
2. "Ineligible" - The applications of persons determined to be ineligible shall be suitably categorized, with the notification of ineligibility and any subsequent review notations, and maintained as "ineligible" Applications.
3. "Withdrawn" - Applications that have been withdrawn, for any of the reasons set forth below, shall be suitably categorized, with related documents, and

maintained as "withdrawn" or "inactive" applications. An Application will be withdrawn if:

- a. the Applicant requests withdrawal;**
- b. the Applicant fails to respond to a written request for information or a request to declare their continued interest in a program;**
- c. the Applicant fails to furnish information or verification, or authorization to obtain information or verification necessary to process the Application under Section IV-F of this policy.**

B. MAINTENANCE OF THE WAITING LIST

The Commission will maintain a separate waiting list for each of the public housing communities, i.e. Pinewood Village, Pinewood East, Glen Square and Stoney Hill.

The Commission shall computerize each application and Applicants will be assigned a position on the waiting list according to date and time of application, and suitable type or size of unit. A list of interested families will be maintained when immediate assistance is not available. This waiting list will be maintained according to the applicant, date and time of the family's application and suitable type or size of unit. All Applicants must report, via our applicant portal web-site any change in address, email, family composition, income, when changes occur. It is the responsibility of the applicant to report any changes and to maintain verifiable accurate address and email information. An applicant's waitlist status is maintained on the applicant portal and can be retrieved 24 hours per day. The waitlist is updated weekly.

HCAAC reviews the waitlist at least once every twenty-four (24) months in order to determine the interest/need of the applicant. Any waitlist determined to be closed at the time of review may not be updated. The review process identifies those applicants that have not made any updates or inquires within a twelve (12) month period. Before HCAAC purges an applicant from the waitlist, the applicant will be notified via e-mail, that they must indicate their ongoing interest in obtaining housing by responding to HCAAC. The email is sent to the last known email address on file. If the email bounces back to HCAAC indicating it is undeliverable then the applicant will be removed from the waitlist.

Should applicant not respond to the request for updated information or to selection for the program for any reason, prior to the established deadline, the applicant will be deleted from the waiting list. Reasons for waiting list removal due to the review may include (but are not limited to) negligence in responding to the email sent indicating the choice to remain on the waiting list.

If an applicant believes he or she was removed from a waiting list without cause, he or she may request an informal review with ten (10) business days of the indicated withdraw date identified in the correspondence from the Housing Resource Office.

It is the policy of the Housing Commission of Anne Arundel County to provide a reasonable accommodation(s) in housing for participants with disabilities where reasonable accommodation is needed to provide an equal opportunity to use and enjoy the Housing Commission's programs and premises.

The waitlist will remain open for acceptance of applications until a determination is made by the Executive Director/Chief Executive Officer to close the waitlist and at such time a notice will be posted in the legal section of the local newspapers.

SECTION IV - ELIGIBILITY CRITERIA FOR ADMISSIONS

The Commission will admit, as tenants, only applicant families who, at the time of admission, satisfy the following economic and non-economic criteria:

A. ECONOMIC CRITERIA

Each Applicant Family shall satisfy the following maximum income and assets requirements:

- 1. Income. Adjusted family income does not exceed the applicable low income limits established by HUD for occupancy in developments constructed prior to October 1, 1981 or the "very low" income limits established for occupancy in developments constructed after October 1, 1981.**
- 2) Assets. Net Family Assets do not exceed the applicable Maximum Asset Limits as set by HUD.**

B. NON-ECONOMIC CRITERIA

Each Applicant Family shall satisfy the following non-economic requirements. Compliance shall be determined from information obtained from the application process. The non-economic requirements are: (as defined in 24 CFR Subtitle A Section 5.403)

FAMILY

Family includes but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, legal custody or marital status:

- (1) A family with or without children (the temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size);**

- (2) An elderly family;**
- (3) A near-elderly family;**
- (4) A disabled family;**
- (5) A displaced family;**
- (6) The remaining member of a tenant family; and**
- (7) A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.**

Elderly family - a family whose head, spouse, or sole member is a person who is at least 62 years of age. It may include two or more persons who are at least 62 years of age living together, or one or more persons who are at least 62 years of age living with one or more live-in aides.

Near-elderly family - a family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons, who are at least 50 years of age but below the age of 62, living together; or one or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides.

Disabled family - a family whose head, spouse, or sole member is a person with disabilities. It may include two or more persons with disabilities living together, or one or more persons with disabilities living with one or more live-in aides.

Person with disabilities:

- (1) Means a person who:**
 - (i) Has a disability, as defined in 42 U.S.C. 423;**
 - (ii) Is determined, pursuant to HUD regulations, to have a physical, mental, or emotional impairment that:**
 - (A) Is expected to be of long-continued and indefinite duration;**
 - (B) Substantially impedes his or her ability to live independently, and**
 - (C) Is of such a nature that the ability to live independently could be improved by more suitable housing conditions; or**
 - (iii) Has a developmental disability as defined in 42 U.S.C. 6001.**
- (2) Does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome;**
- (3) For purposes of qualifying for low-income housing, does not include a person whose disability is based solely on any drug or alcohol dependence; and**
- (4) Means “individual with handicaps”, as defined in Sec. 8.3 of this title, for purposes of reasonable accommodation and program accessibility for persons with disabilities.**

Displaced family - a family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

Live-in aide - a person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:

- (1) Is determined to be essential to the care and well-being of the persons;**
- (2) Is not obligated for the support of the persons; and**
- (3) Would not be living in the unit except to provide the necessary supportive services.**
- (4) Meets non-economic screening criteria listed in Section IV. B.**

All Family members who will be assisted through the program must be listed and verified as household members at the time of acceptance on the Program. Additions to the household will only be permitted if they meet the criteria listed above.

If the addition to the family is a minor, then he/she must be placed in the household through adoption, court order, legal custody or through designee from a parent or other person having custody, with the written permission of such parent or other person.

SOCIAL SECURITY NUMBERS

According to (24 CFR 5.216) - All persons applying to the Program, except those who do not contend eligible immigration status, must submit the following information before being considered for admittance:

- Social Security Number of each applicant and each member of the applicant's household; and**
- A valid SSN card issued by the SSA; or**
- An original document issued by a federal or state government agency, which contains the name of the individual and the SSN of the individual, along with other identifying information of the individual.**

VERIFICATION OF AGE

All applicants, tenants and household members must provide one of the following documents as verification of age: birth certificate, certified baptismal certificate, military discharge papers, valid passport, Census document showing date of birth, Naturalization certificate, and Social Security Administration benefits printout showing date of birth.

IDENTITY VERIFICATION

All applicants, tenants and household members 18 years of age or older must provide one of the following forms of government issued photo identification as verification of identity, to allow for a visual face and signature match: state-issued driver's license, state-issued photo identification card, military identification card, U.S. passport, citizenship and legal residency cards.

An applicant family may receive an offer for housing, even if the family lacks the documentation necessary to verify the SSN of a family member under the age of six (6) years. The family will be allowed a ninety (90) day grace period in which to provide the appropriate documentation. One additional ninety (90) day grace period will be granted if HCAAC determines that, in its discretion, the applicant's failure to comply was due to circumstances outside the control of the applicant. If the applicant family does not produce the required documentation within the authorized time period, HCAAC will terminate the tenancy in accordance with 24 CFR 5.218.

INDEPENDENCE

The definition of a Family includes at least one Adult who is capable of meeting his or her obligations under the lease and do not pose a danger to their own health and safety or to other residents of the community or HCAAC employees.

Accordingly, the Commission's attempts to provide sound housing units in a decent environment and requires that its Families provide for themselves their other essential living requirements, without becoming an unacceptable burden upon neighboring residents or the Commission's staff; such as housekeeping, nursing and health care, personal counseling, and financial management.

The Commission also requires that at least one responsible member of each Family be capable of understanding and discharging the obligations imposed upon Family by the Commission's lease, including obligations for the payment of rent and other charges and for the maintenance, cleanliness and safety of the leased premises.

In special circumstances, with the approval of the Department Supervisor, these requirements may be satisfied by a formalized arrangement between the Applicant Family and a relative, chore worker, nurse, or other suitable person who has agreed to provide and is capable of providing the necessary assistance and care. The continued providing of that third-person assistance and care shall become a special condition of the lease. The person providing such assistance shall not assume the status of a remaining member of a Tenant Family in the event the Tenant vacates the premises for any reason.

FINANCIAL RESPONSIBILITY

The Family's past performance and present conditions must indicate a reasonable probability that the Family will meet its future financial obligations to the Commission. The prospective ability and willingness of the Family to meet their limited financial obligations to the Commission will be determined by Applicants who owe no rent or other amounts to the Housing Commission or to another PHA as a result of participation in the Public Housing or Section 8 programs.

Applicants owing debts from previous assistance on the Housing Choice Voucher Program and/or Public Housing Occupancy will be notified in writing of the amount owed, and will be given ten (10) business days to enter into a repayment agreement. If, after entering into the repayment agreement, the applicant defaults, the pre-application will be withdrawn from the waiting list.

If at the time the applicant's name reaches the top of the waiting list, the debt is still outstanding; the applicant may be ineligible and will be notified in writing of such and of their right to informal review and given 10 days to request an informal review.

Previous eviction for failure to pay rent shall not automatically disqualify an Applicant Family, but may be the basis for further inquiry and ineligibility.

CONDUCT

The Family's past performance in present and prior housing should indicate a reasonable probability that the Family:

- 1) Will refrain from living or housekeeping habits, practices and conduct, including criminal activity, that would likely disturb neighbors, destruction of property, or adversely affect the health, safety or welfare of the Commission's tenants or employees.**
- 2) Has not committed fraud in connection with any Federal housing assistance program.**
- 3) HCAAC reserves the right to deny housing assistance if the applicant has past performance difficulties in meeting financial obligations, especially rent.**
- 4) HCAAC may consider all relevant information pertaining to a history of criminal activity involving crimes of physical violence to persons or property and other criminal acts, which would adversely affect the health, safety or welfare of other tenant, including but not limited to restraining orders.**

In the event of the receipt of unfavorable information with respect to an applicant, consideration shall be given to the time, nature, and extent of the applicant's conduct (including the seriousness of the offense); consideration may be given to factors which might indicate a reasonable probability of favorable future conduct.

In this case, HCAAC is not required to list the family on the waitlist or to admit the family off the waitlist. A reasonable accommodation, however, may be granted for an individual who clearly did not participate in or have knowledge of drug related or criminal activity or if the circumstances leading to eviction no longer exist.

HCAAC may exercise discretion and allow admission if the circumstances leading to the eviction no longer exists (i.e. removal of the household member from the application who was engaged in the activity leading to the eviction), or the evicted household member has successfully completed an approved supervised drug rehabilitation program. HCAAC may exercise discretion for drug activity for substances that have been de-criminalized in Maryland, when that activity does not involve distribution related criminal activity.

SECTION V - RESIDENT SELECTION AND ASSIGNMENT

A. FACTORS IN THE SELECTION PROCESS FOR ADMISSIONS

The procedures used for selection of Residents shall be designed to attain a Resident body in each community composed of families with a broad range of incomes and rent paying ability. The selection process or placement of an applicant in Public Housing is based upon the following factors:

- Application date and time
- Bedroom size
- Elderly and non-elderly status
- Eligibility criteria

1. Application Date and Time

An applicant's position on the waiting list will be maintained in order of date and time of application and within required bedroom sizes. The date and time of receipt of each application received will be calculated via the applicant portal.

2. Bedroom Size

The following occupancy standards will be used to determine the number of bedrooms required to accommodate a family at leasing (except that such standards could be waived at the discretion of the Executive Director/Chief Executive Officer or designee when necessary to achieve or maintain full occupancy or when extraordinary family situations or circumstances exist):

OCCUPANCY STANDARDS

<u>BEDROOM</u>	<u>MINIMUM # PERSONS IN HOUSEHOLD</u>	<u>MAXIMUM # PERSONS IN HOUSEHOLD</u>
-----------------------	--	--

0 BR	1	1
1 BR	1	2
2 BR	2	4
3 BR	3	6
4 BR	4	8
5-6 BR	6	10-12

- **A minimum of one bedroom or living/sleeping room of appropriate size for each two persons in the household.**
- **Separate bedrooms shall be assigned to persons of the opposite sex, except for:**
 - a) **husband and wife;**
 - b) **male/female cohabitants (as defined in the Glossary); and**
 - c) **children age three (3) and under**
- **Dependents of the same sex, regardless of age, shall be assigned one bedroom for each two persons.**
- **The unborn child of a pregnant head of household or spouse shall be considered a dependent under the age of three (3).**
- **Children who have reached the age of three (3) years will be given a separate bedroom from that single parent.**

The preceding categories of occupancy standards are guidelines only. A family may elect to occupy a smaller unit that these guidelines would dictate if they so choose.

3. Elderly and Non-Elderly Status

Elderly and disabled or handicapped families are given preference in admission to communities for the elderly. Non-Elderly families are restricted to admission to family communities only. Management retains the right, however, to house a single handicapped or disabled person in a one bedroom "accessible" family unit.

4. Income Requirements

Families will be assigned in accordance with the income targeting requirements established based upon waitlist demographics. Targeting requirements will be evaluated semi-annually in January and July of each year and modifications will be made as an internal communication as amendment to this policy.

The policy will reflect waitlist demographics as indication of the demand required upon the program. The Housing Commission will continue to adhere to the Federal Requirements as they are updated.

The targeting requirements will also be set with emphasis on insuring that each community can meet its financial requirements and a minimum rent roll threshold will be established for each respective community.

HCAAC may adopt a preference for admission of non-public housing over-income families paying the alternative non-public housing rent and are on a NPHOI lease who become an income-eligible low-income family as defined in § 5.603(b) of this title and are eligible for admission to the public housing program.

B. INCOME VERIFICATION AND PAYMENT CALCULATIONS

1. VERIFICATIONS REQUIRED TO DETERMINE ELIGIBILITY

- Annual income of all family members 18 years of age or older expected to reside in the unit. Income would include employment, benefits, school grants, support, interest or dividends from savings accounts, stocks, or bonds.
- Assets such as real property, savings accounts, stocks, and bonds.
- Unusual expenses such as child care to enable family members to work or furthering their education. Medical expenses for elderly family's in excess of 3% of families' annual gross income.
*Effective January 1, 2024 medical expenses for elderly family's in excess of 10% of families' annual gross income.
- Full-time student status of adult family members.
- Family composition such as relationship of adult family members, children with last names different from parents, custody, if applicable, foster care papers, and other similar situations of unusual family composition.
- Medical information could be required to justify a larger bedroom size certificate than the family is otherwise eligible.
- Regular contributions & gifts from person(s) outside the household will be counted as income. Casual or sporadic gifts are excluded.

- **Lottery winnings paid in periodic payments. (Winnings paid in a lump sum are included in net family assets - not in annual income.)**
- **The annual income of the spouse of the head of the household, if that person is temporarily absent, such as away at college or in the armed forces, even if that person is not on the lease.**
- **Benefits and other non-earned income paid directly to or on behalf of minors and full-time students.**
- **The annual income for a family member including a permanently absent member will be counted until written verification that the family member has vacated the unit is received.**
- **The gross amount (before deductions for Medicare, etc.) of periodic social security payments. Includes payments received by adults on behalf of minors or by minors for their own support).**
- **Annuities, insurance policies, retirement funds, pension, disability or death benefits and other similar types of periodic receipts.**
- **Payments in lieu of earnings, such as unemployment and disability compensation and severance pay. Any payments that will begin during the next 12 months must be included.**
- **Net payments of adjusted benefits.**

2. ANNUAL INCOME EXCLUDES

- **Earned income of children (including foster children) younger than 18.**
- **Nonrecurring income, which is income that will not be repeated in the coming year based on information provided by the family. Income received as an as an independent contractor, day laborer or seasonal worker is NOT excluded from the income even if the source, date or amount of income varies.**
- **Non-monetary in kind donations, such as food, clothing, or toiletries, received from a food bank or similar organization.**

Food Stamps; meals on wheels or other programs that provide food for the needy; groceries provided by persons not living in the household.
- **Payments receive for the care of foster children or foster adults, or State or Tribal kinship or guardianship care payments.**

- **Amounts received by the family that are specifically for, or in reimbursement of, the cost of health and medical care expenses for any family member.**
- **Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a member of the family becoming disabled.**
- **Grants or other amounts received specifically for medical expenses.**
- **Adoption Assistance Payments for a child in excess of the amount of the deduction for a dependent.**
- **Income associated with persons that live in the unit but are not regular household members includes:**
 - **Payments received for care of foster children or foster adults**
 - **Income of live-in attendants**
 - **Homecare payments**
 - **Resident Service Stipends**
- **The principal portion of the payments received on mortgages or deeds of trust.**
- **Earned Income of Full Time Students 18 years or older (except the Household and spouse). The exemption only applies to earning in excess of \$480.00.**
- **Student financial assistance for tuition, books, supplies, (including supplies and equipment to support students with learning disabilities), room and board, and other fees required and charged to a student by an institution of higher education and, for a student who is not head of household or spouse, three reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit.**
- **Veteran's benefits related to aid and attendance.**
- **State or Local employment training programs and training of resident management staff.**
- **Hazardous duty pay to a family member in the military.**

- **Lump-sum additions to family assets - such as inheritances; one-time lottery winnings; insurance settlements for personal or property losses, including but not limited to, payments through health insurance, motor vehicle insurance and worker's compensation.**
- **Exclusion of Deferred Periodic Payments of SSI and Social Security received in lump sum.**
- **Casual, sporadic or irregular gifts (including verified census taker earnings).**
- **Payments, rebates or credits received under Federal, Low-Income Home Energy Assistance Programs or from other government agencies.**
- **Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era.**
- **Income excluded by Federal Statute.**
- **Any imputed return on an asset when the net family assets total \$50,000 or less and no actual income from the net family assets can be determined.**
- **Irrevocable trust or a revocable trust outside the control of the family or household. Distributions of the principal or corpus and distributions of the income from the trust when the distributions are used to pay the costs of health and medical care expenses for a minor.**

3. CONVERTING INCOME

To annualize full employment, multiply:

- **Hourly wages by 2080 hours**
- **Weekly wages by 52**
- **Bi-weekly amounts by 26**
- **Semi-monthly amounts by 24**
- **Monthly amounts by 12**

4. IMPUTED INCOME FROM ASSETS

If net family assets exceed \$5,000, annual income must include the greater of:

- **The actual income from assets; or**

- **An imputed income from assets:**
- **Imputed income is calculated by multiplying the total net family assets by the specified interest rate established HUD and will be updated as per regulatory changes.**

***Effective January 1, 2024, net assets will increase from \$5,000 to \$50,000 but cannot exceed \$100,000.**

Family assets include:

- **Amounts in savings and checking accounts.**
- **Equity in real property or other capital investments is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and reasonable costs (such as broker fees, penalties), that would be incurred in selling the asset.**
- **The cash value of trusts that are available to the household.**
- **IRA (an individual retirement account), Keogh and similar retirement savings accounts.**
- **Stocks, Bonds, Treasury Bills, Certificate of Deposits, Money Market Funds.**
- **Contributions to company retirement/pension funds:**

While an individual is employed, count only amounts the family can withdraw without retiring or terminating employment.

After retirement or termination of employment, count as an asset any amount the employee elects to receive as a lump sum.

- **Lump-sum receipts such as inheritances, capital gains, lottery winnings, insurance settlements, and other claims.**
- **Personal property held as an investment.**
- **Cash value of life insurance policies.**
- **Assets disposed of for less than fair market value during the two years preceding application or re-examination.**

- **Business assets disposed of for less than fair market value. (Business assets are excluded from net family assets only while they are part of an active business.)**

5. ASSETS DO NOT INCLUDE

- **Clothing, furniture, cars**
- **Interest in Indian trust lands**
- **Equity in a cooperative unit in which the family lives**
- **Assets that are not accessible to the applicant and provide no income to the applicant. In such cases the asset must be disclosed to the Housing Commission staff and a written affidavit from the client stating the type of asset and that they do not have access to, nor do they receive any income from the asset. Should the situation change and the client is granted access, it is incumbent upon the assisted family to disclose the change and report the asset within 10 days of the occurrence.**
- **The amount of equity in a mobile home.**
- **Retirement accounts**
- **Educational savings accounts**

6. ADJUSTED INCOME

Gross annual income minus allowances for dependents, elderly household deduction, childcare, medical and handicap expenses equals adjusted income.

a. Dependent Allowance

\$480 for each household member who is under 18 years of age, or is handicapped, disabled or a full-time student. HUD annually in accordance with the Consumer Price Index will adjust this amount for Urban Wage Earners and Clerical Workers rounded to the next lowest multiple of \$25.

The head, spouse, foster child or live-in attendant are never counted as dependents.

Cannot count unborn child or child to be adopted until the child is physically in the household.

A full-time student is one carrying a full-time subject load (as defined by the institution) at an institution in a degree or certificate program.

b. Elderly Household Deduction

\$400 per family for all families in which the head or spouse is at least 62 years of age or disabled. The \$400 is a household deduction (only one per family, even if both head and spouse are elderly).

***Effective January 1, 2024 the household deduction (only one per family, even if both head and spouse are elderly) will increase to \$525.00. HUD annually in accordance with the Consumer Price Index will adjust this amount for Urban Wage Earners and Clerical Workers rounded to the next lowest multiple of \$25.**

c. Child Care

Reasonable childcare expenses for the care of children, including foster children, age 12 and younger may be deducted from annual income if all of the following are true:

- **The care is necessary to enable a family member to work or further his/her education (academic or vocational);**
- **The expense is not reimbursed by an agency or individual outside the household; and**
- **The expenses incurred do not exceed the amount earned.**

d. Allowance for Disabled Family Members

Families may deduct anticipated expenses for care attendants, long-term care premiums and "auxiliary apparatus" for handicapped or disabled family members if such expenses:

- **Enable a family member (including the disabled family member) to work;**
- **Exceed three percent of Annual Income.**
***Effective January 1, 2024 expenses must exceed ten percent of Annual Income; and**
- **Do not exceed the earned income of the household member(s).**

Financial hardship exemptions for unreimbursed health and medical care expenses and reasonable attendant care and auxiliary apparatus expenses may be requested. To receive hardship relief the family must

have received a deduction from their annual income, which exceeded three percent as of January 1, 2024. The hardship will allow for up to a twenty-four month transition period. The family's hardship relief ends when the circumstances that made the family eligible for the relief are no longer applicable.

- The family will receive a deduction totaling the sum of the expenses that exceed 5 percent of annual income.
- Twelve months after the relief the family must receive a deduction totaling the sum of expenses, that exceed 7.5 percent of annual income.
- Twenty-four months after the relief is provided, the family must receive a deduction totaling the sum of expenses that exceed 10 percent of the annual income.

"Auxiliary apparatus" are items such as wheelchairs, ramps, adaptations to vehicles, special equipment to enable a blind person to read or type, etc. if directly related to permitting the handicapped person or other family member to work.

e. Medical Expenses

The medical expense deduction is permitted only for households in which the head or spouse is at least 62 years of age, or disabled.

If the household is eligible for a medical expense deduction, the medical expenses of all family members are counted.

They may include:

- Services of health care facilities.
- Medical insurance premiums.
- Long-term Care Premium's
- Prescription/non-prescription medicines.
- Transportation to treatment.
- Dental expenses, eyeglasses, hearing aids, batteries.
- Live-in or periodic medical assistance.

- **Monthly payment on accumulated medical bills.**
- **Unreimbursed health and medical care expenses of any elderly family or disabled family**
- **Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each family member of the family who is a person with a disability, to the extent necessary to enable any member of the family (including the member who is a person with a disability) to be employed.**

Allowable Medical Expense is that portion of total medical expenses that is in excess of three percent of annual income.

*** Effective January 1, 2024 medical expenses have to be in excess of ten percent of the annual income.**

7. Utility Allowances

Per HUD regulations, HCAAC has developed a utility cost allowance covering natural gas and electricity at the public housing properties where usage is individually metered. The allowance is based on a reasonable consumption of utilities by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful environment. The allowance is based on the bedroom size of each individual unit.

The utility allowance will be subtracted from the family's income rent to determine the amount of the Tenant Rent. The Tenant Rent is the amount the family owes each month to HCAAC. If a tenant's utility allowance is more than the income rent, HCAAC will pay the difference directly to the appropriate utility supplier.

Telephone, cable TV and satellite TV are not considered utilities and HCAAC is not required to provide a utility allowance for these services.

At least annually, HCAAC will review the basis on which the utility allowances were established. If there has been a significant change to the basis of the allowances such as modernization, utility conversion, etc., HCAAC will revise the allowances in effect at that time to reflect such changes. (24 CFR 965.505 (b))

HCAAC will revise the cost allowances if there is a rate change (including fuel adjustments) of ten percent or more from the rates on which the allowances in effect at that time of the review are based. HCAAC may revise the cost allowances between annual reviews if there is a rate change of less than ten percent. Revised allowances based on rate changes are not subject to the 60-day notice described below. (24 CFR 965.507 (b))

HCAAC shall provide a notice to tenants concerning revisions to the allowance amounts. The notice will be given, in the manner as described in the dwelling lease, not less than 60 days before the proposed effective date of the revised allowances. The notice will describe the basis for determination of the revision, including a description of the equipment on which the allowances are based. The notice will also include the location where tenants may review the full Utility Allowance Report which details the basis on which the allowances were established. (24 CFR 965.502 (c))

E. SPECIAL CALCULATION FOR HOUSEHOLD WHO ARE ELIGIBLE FOR DISABILITY ASSISTANCE AND MEDICAL EXPENSES

If a family has both medical expenses and handicap assistance expenses, a special calculation is required.

Three percent of annual income must first be deducted from the disabled assistance expenses. Any remainder is then deducted from total medical expenses.

*Effective January 1, 2024 ten percent of annual income must first be deducted from the disabled assistance expenses.

F. METHODS OF VERIFYING NECESSARY INFORMATION

1. **Third Party (Independent) Verification:** This should be used whenever possible as it provides the most reliable results. If other methods are used, the file should contain documentation to explain the reason.

Third party verification refers to written or oral verification from employers, public agencies, physicians, etc. If oral, the file must be documented with the date and name of HCAAC staff member receiving the information.

Internal Revenue Service Data: This source can be used for income purposes and is especially useful when self-employment is involved. The information must be from the most recent year filed.

2. **Review of Documents:** When documents are reviewed, they must be photocopied unless prohibited by law. When photocopies cannot be made, information must be recorded, dated, and signed.

Notarized Statement or Signed Affidavits may be accepted from applicants when all other sources have been exhausted. They should not be accepted in lieu of other possible methods.

Verifications, such as income or expenses, must be updated if older than 60 days, for the purpose of certification or re-certification.

G. INELIGIBLE DETERMINATION AT TIME OF VERIFICATION

Families may be determined ineligible if their income exceeds the very low-income standards prescribed by HUD.

Families may be determined ineligible when their income is such that the Total Tenant Payment is equal to or exceeds the highest rent standard for the unit size for which the family would be eligible.

Families may be determined ineligible if it is discovered they submitted fraudulent information.

H. NOTICE OF DECISION AND INFORMAL REVIEW PROCESS

All ineligible applicants must be advised of such in writing and of their right to informal review and given ten (10) business days to request an informal review.

The informal review will provide the applicant with an opportunity to present new information or to refute existing information. The Hearing Officer may declare an applicant eligible, continue the findings of ineligibility, or reopen the case for further

- A question and answer period; and
- Distribution of related materials.

At the briefings, pertinent information is discussed on all programs. Especially emphasized are all tenant responsibilities.

I. RESIDENT SELECTION PROCEDURE & ASSIGNMENT PLAN

The following plan for selection of applicants and assignment of dwelling units are consistent with the objective of Title VI of the Civil Rights Act of 1964 and HUD regulations and requirements to assure equal opportunity and non-discrimination on grounds of race, color, or national origin.

1. Elderly & Disabled

When a vacancy occurs in an elderly housing community, no more than 2 (two) offers of an appropriate size unit will be made to the applicant based on type and size of the unit available and date and time the application was received at the property where the greatest number of vacancies.

The applicant is entitled to decline one offer without penalty. If the applicant refuses the second offer of a unit for a reason other than the approved valid reasons for health hardship, the applicant will be removed from the waiting list at the date and time of refusal of the offer.

2. **If the applicant is willing to accept the unit offered but is unable to move at the time of the offer and presents clear evidence of their inability to move due to the valid reasons for health hardship, refusal of the offer shall not count as one of the number of allowable refusals permitted the applicant before placing his name at the bottom of the eligible applicant list.**
3. **If the applicant presents clear evidence that acceptance of a given offer of a suitable vacancy will result in undue hardship or handicap not related to considerations of race, color, or national origin, such as inaccessibility to source of employment, medical services, children's day care and the like, refusal of such an offer shall not be counted as one of the number of allowable refusals permitted an applicant before placing his name at the bottom of the eligible applicant list.**
4. **The Housing Commission will take action to ensure that qualified individuals with disabilities benefit from housing assistance and services that are provided by the Commission. In the event an accessible unit becomes vacant, before offering such unit to a non-disabled applicant, the Housing Commission shall:**
 - i. **Offer such unit to a disabled resident of the same property, or comparable property, having disabilities that require accessibility features of the vacant unit, or, if no such occupant exists;**
 - ii. **Offer such unit to qualified disabled client on the waiting list requiring the features of the available unit who meets the requirements of Eligibility and Resident Selection described herein.**

J. STANDARDS FOR RESIDENT SELECTION

The Commission shall use information that may provide a basis for denial of housing based on the past conduct of the applicant or members of his/her family. To obtain such information, all families are subject to the following:

1. **Credit report from a local credit bureau;**
2. **A rental history from a current or previous property owner;**
3. **Information from social workers, police departments, parole officers, prior landlords, court records related to lease related cases, criminal activity and restraining orders, and other relevant reports and references.**
4. **Other selection criteria that may be regulated by Statute.**

K. ASSIGNMENT PROCESS

1. **Applicants are selected from the top of the Public Housing list based on date and time of application, and suitable type or size of unit with consideration**

given to elderly status and factors which could adversely affect the health, safety, or welfare of other residents. Due to approved income, targeting requirements for the Housing Commission applicants may be “skipped” in order to select an income-targeted applicant.

2. Eligible applicants are assigned by the Occupancy Department to the appropriate site based on current and anticipated vacancies.

L. HARDSHIP CRITERIA FOR APPLICANTS AND RESIDENTS OF PHA

There are two (2) bases for hardship requests relative to the offering of a unit to new applicants:

1. **Health** - The physical unit itself is not appropriate because of applicant's incapacities; its location precludes home-bound support or mitigates against access to required long-term medical care or
2. **Economic Hardship** - The unit's location would cause loss of job, severe economic hardship including inadequate access to appropriate day care and/or preclude fair access to transportation when public transportation is reasonably required.

Applicants must inform site-based staff of their decision to accept or reject an offered unit within 48 hours of the offer.

M. REFUSAL AND DENIALS OF APPLICANTS

1. The Commission will deny an applicant housing for the following reasons:
 - a. History of:
 - 1) Disturbing neighbors;
 - 2) Destroying property;
 - 3) Living or housekeeping habits which would adversely affect the health, safety or welfare of other residents; or
 - 4) Criminal activity, especially involving violent criminal activity or drug related activity for a period of five (5) years prior to eligibility determination. However, no applicant who has been a victim of domestic violence, dating violence, or stalking can be denied admission if they are otherwise qualified.
 - b. Non-payment of rent
 - c. Poor credit history
 - d. Health or safety problems

- e. **Owing money to a public agency in connection with the public housing or Housing Choice Voucher programs**
- f. **Committing fraud in connection with any federal housing assistance program.**
- g. **Indication that the use of alcohol and/or drugs would likely result in conduct that would adversely affect the property environment.**
- h. **Applicants for the program may be denied admission for a period of up to five (5) years for drug related or violent criminal activities that threatens the safety or wellbeing of other citizens or communities. Families may be determined ineligible due to specified criminal activity, or an action or failure to act by a household member as defined and detailed by Federal Statute. The Housing Commission must prohibit admission to the program of an applicant for three years from the date of eviction if a household member has been evicted from federally assisted housing for drug related or violent criminal activity. However, the Housing Commission may admit the household if the Commission determines: (1) that the evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation approved by the Commission; or (2) that the circumstances leading to the eviction no longer exist.**

The Housing Commission may prohibit admission for a period of five (5) years if: (1) the Commission determines that any household member is currently engaging in illegal use of a drug, and/or (2) the Commission determines that it has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

The Housing Commission will prohibit admission to the program if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program.

The Housing Commission will prohibit any household member who has ever been convicted of violent criminal activity or drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.

2. The Commission will:

- a. **The Commission will not rely on the arrest record in cases where there is potential denial for criminal activity.**

- b. Review with applicant any information that may adversely affect the possibility of housing, provide an opportunity to explain or refute such information and report such findings and/or explanation to the Review Committee for consideration.**
- c. Then if denied, inform the applicant in writing as to why housing is being denied and of their right to an informal review and given ten (10) business days to request an informal review.**
- d. Refer the applicant to appropriate counseling services.**

The informal review will provide the applicant with an opportunity to present new information or to refute existing information. The Hearing Officer may declare an applicant eligible, continue the findings of ineligibility, or reopen the case for further evaluation. The applicant shall be notified in writing of the results of the informal review.

SECTION VI - DWELLING LEASES

The Dwelling Lease is the basic contract between the Housing Commission and the Tenant and Tenant's Family (see Appendix X). It is consistent with the state and local laws governing tenant-landlord relations as well as the requirements of HUD regulations. It governs the relationship between the Commission and its Tenants and consequently, is one of the single most important policy documents of the Commission. More importantly, it is the major policy document governing continuing occupancy promulgated by the Commission.

The Dwelling Lease governs such aspects of Tenant-Commission relations as who is permitted to live in the Unit leased by Tenant; the amount and manner of payment of rent, security deposits, and sundry charges; the conditions under which Commission personnel may enter the Unit; and the procedures for re-determination of rent. It sets forth both the Commission's obligations to the Tenant and the Tenant's obligations to the Commission.

The Lease also prescribes the procedures for the transfer of the Tenant Family to larger or smaller units based on family size as well as for the termination of the Lease for the serious or repeated violation of the terms of the Lease. The Lease also refers to procedures for resolving disputes over the application of the rules and regulations set forth in the terms of the Lease and other such rules as are posted in development offices as well as over the omissions of the Commission.

No Applicant Family or Tenant Family may occupy a Unit in any Development managed by the Commission without a written Lease for such Unit, which has been signed by the Head of Household or Spouse. The Lease shall be implemented for each Tenant at admission for new Tenants and at the time of transfer for any Tenant moving from one Unit in a development to any other Unit in a development.

A. LEASE REQUIREMENTS

The Lease which is entered into between the Commission and each Tenant of a Unit contains the following major provisions:

1. Identification of parties and premises;
2. Payments due under the Lease;
3. Rent and Unit size determinations;
4. Tenant's right to use and occupancy;
5. The Commission's obligations;
6. Tenant's obligations;
7. Defects hazardous to life, health, or safety;
8. Pre-occupancy and pre-termination inspections;
9. Entry of premises during residency;
10. Notice procedures;
11. Termination of the Lease;
12. Grievance procedures;
13. Provisions for modifications; and
14. Signature clauses.

B. IDENTIFICATION OF PARTIES AND PREMISES

Each Lease shall identify the premises leased and the parties to the lease including:

1. The date of the commencement of the Lease;
2. The term of the Lease; and
3. The members of the household and their relationship to the Head of Household who shall reside in the unit as approved by the Commission.

Dwelling Leases are for a period of one year. The Lease is automatically renewed for successive terms of one month each, unless terminated upon lease violations as specified in Section XIII.

C. PAYMENTS DUE UNDER THE LEASE

Five types of payments are due under the provisions of the Lease:

1. RENT

The amount of rent charged the Tenant at the date of occupancy (or the making of the current lease) is fixed in the lease. This amount may be adjusted upward or downward during the term of the lease to reflect changes in the Total Family Income as specified in Section E below. All rents are due in advance on the first day of each month or at the time of initial occupancy.

- a. In accordance with Section 402(a) and (2) of the continuing resolution, assisted families may pay a monthly minimum rent as set by the Housing Commission by internal procedure. The minimum rent may not exceed \$50.00 per month, and is currently set at \$0, but may be changed at any time due to market conditions. The total tenant payment of these families must be the greatest of:
- 30% of family monthly-adjusted income
 - 10% of family monthly gross income, or
 - Any minimum set by the Commission
 - The flat rent established for the unit (public housing only), as long as the flat rent does not exceed the 3 previous categories.
- b. Rent payments from adult household members in the form of personal checks, money orders, cashier's checks and bank checks will be accepted. Cash will not be accepted unless it is taken by the Sheriff's Department in order to stay an eviction. At the discretion of the Housing Commission, other mechanisms of payment may be accepted to include but not limited to; electronic payments. The agency recognizes that in some situations, certain non-profit entities and other government entities may make payments from time to time on a household's behalf, and the agency will accept those payments.
- c. **Mixed Families** –A family that contains some member that is eligible for assistance and some members that are ineligible for assistance. The family may be subject to prorated rent under the Noncitizens Rule.

Under this rule, the PHA must complete the following steps:

1. Determine the total tenant payment in accordance with 24 CFR §5.628. (Annual income includes income of all family members, including any family member who has not established eligible immigration status.)
2. Family maximum rent is equal to the applicable flat rent for the unit size to be occupied by the family.
3. Subtract the total tenant payment from the family maximum rent. The result is the maximum subsidy for which the family could qualify if all members were eligible ("family maximum subsidy").
4. Divide the family maximum subsidy by the number of persons in the family (all persons) to determine the maximum subsidy per each family member who has citizenship or eligible immigration status

("eligible family member"). The subsidy per eligible family member is the "member maximum subsidy."

5. Multiply the member maximum subsidy by the number of family members who have citizenship or eligible immigration status ("eligible family members"). The product of this calculation is the "eligible subsidy."
6. The mixed family TTP is the maximum rent minus the amount of the eligible subsidy.
7. Subtract any applicable utility allowance from the mixed family TTP. The result of this calculation is the mixed family tenant rent.

When the mixed family's TTP is greater than the maximum rent, the PHA must use the TTP as the mixed family TTP.

This method of prorating assistance applies to new admissions and annual reexaminations after the effective date of the regulation.

d. **Earned Income Disregard-** The earned income disallowance encourages resident self-sufficiency by rewarding certain residents who go to work or have increased earnings. During the first twelve (12) calendar month period beginning on the date a member of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the PHA must exclude from annual income of a qualified family an increase in income of the family member as a result of employment over prior income of that family member. After the first calendar twelve (12) month period after the date a member of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the PHA must exclude from annual income of a qualified family fifty percent of any increase in income of such family member as a result of employment over income of that family member prior to beginning of such employment. The disallowance is limited to a lifetime twenty-four (24) month period for a qualifying family member; at the end of the twenty-four (24) months, the disallowance ends regardless of how many months were used.

A qualified family is defined as a family residing in public housing:

1. Whose annual income increases as a result of employment of a family member who was unemployed for one or more years previous to employment;

2. Whose annual income increases as a result of increased earnings by a family member during participation in any economic self-sufficiency or other job training program; or
3. Whose annual income increases, as a result of new employment or increased earnings of a family member, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the PHA in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-To-Work programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance-provided that the total amount over a six-month period is at least \$500.

Disallowance of increase in annual income

Initial 12-month exclusion - During the cumulative 12-month period beginning on the date a member of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, HCAAC will exclude from annual income of a qualified family any increase in income of the family member as a result of employment over prior income of that family member.

Second 12-month exclusion and phase-in - During the second cumulative 12-month period after the date a member of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, HCAAC will exclude from annual income of a qualified family 50% of any increase in income of such family member as a result of employment over income of that family member prior to the beginning of such employment.

Maximum 24-month disallowance - The disallowance of increased income of an individual family member as provided above is limited to a lifetime 24-month period. This section only allows for a maximum of 12 months for the initial exclusion and a maximum of 12 months for the second 12-month exclusion.

The disallowance of increases in income because of employment under this section does not apply for purposes of admission to the program (including the determination of income eligibility and income targeting).

***Effective January 1, 2024 Earned Income Disallowance will be discontinued. If a family is receiving a disallowance as of January 1, 2024 they will be allowed the benefit of the earned income disallowance until their its original expiration.**

2. LATE PAYMENT OF RENT/COURT COSTS/LEGAL FEES AND COSTS

A late fee will be charged equal to five (5) percent of the rental payment, not to exceed \$10, for rent paid after the tenth calendar day of the month. All costs associated with the bringing of any legal action arising under this Lease and/or the enforcement of any lease term, including but not limited to court fees, service of process fees, and/or attorneys' fees and costs including expert fees engaged for purposes of litigation. The fees will not be charged against a Tenant until the Court has entered a verdict in the PHA's favor or after PHA files suit and the Tenant resolves the suit by settling the claim prior to judgment, such as by paying any outstanding rent or other charges due to avoid judgment in a breach of contract action. Tenant maintains a right to timely grieve any assessed fee with which Tenant disagrees and/or to take any judicial remedy to which Tenant may be legally entitled.

The PHA shall provide written notice of the amount of any charge, in addition to Tenant Rent, and when the charge is due. Charges in addition to rent are due no sooner than two weeks after HCAAC provides Tenant written notice of the charge. In accordance with Tenant's rights as set forth elsewhere in this Lease and under Federal Regulations, the Tenant has the right to challenge the charges described herein in accordance with a timely filed grievance and/or to take any judicial remedy to which Tenant may be legally entitled.

The Housing Commission will take action to ensure that qualified individuals with disabilities benefit from housing assistance and services that are provided by the Commission.

3. EXCESS UTILITIES

The Commission furnishes, without additional charge, the Utilities specified for the development on the Schedule of Utilities adopted by the Commission. Copies of the Schedule of Utilities will be posted in each development office and will be furnished to the Tenant upon request. At developments where utilities are provided by the PHA, a charge shall be assessed for excess utility consumption due to the operation of major Tenant-supplied appliances. This charge does not apply to Tenant(s) who pay their utilities directly to a utility supplier.

4. REPAIR CHARGES

The Tenant shall be charged for any repairs to the dwelling and/or the equipment furnished which are not due to normal wear and tear. The Head of Household shall be responsible for any and all damages caused by a member of the Tenant Household or their guests to the Unit, buildings, facilities, or common areas under the control of the Commission. The repair charges, where possible, shall be determined by reference to a uniform schedule of charges for repairs and materials as approved by the Commission after consultation with the Resident's Councils and posted in the development offices. Repair charges are due and payable on the first day of the second month following the month in which the charge is incurred and all charges shall indicate the nature of the repair. If the Tenant disputes the charges, the Tenant is entitled to request a hearing in accordance with the Housing Commission's Grievance Procedures.

5. SECURITY DEPOSITS

Tenants shall deposit with the Commission an amount equal to the greatest of \$50 or one month's Total Tenant Payment as security for the performance of Tenant's obligations under the Lease. The security deposit must be paid in full upon execution of the Lease and thereafter until the amount is paid in full. The security deposit may not be used to pay rent or other charges while the Tenant occupies the Unit and may be used only upon termination of the Lease to cover unpaid rent and other charges or damages due the Commission.

D. REPAYMENT AGREEMENTS

When a participant owes money to HCAAC, assistance must not be terminated simply because the family has an outstanding debt. When an applicant owes money to HCAAC (or another PHA or another federal housing program), placement on the waiting list must not be denied solely because of a previous debt. A Promissory Note, in the form of a Repayment Agreement, may be executed by the participant or applicant with the HCAAC to permit payback of a debt over a period.

Repayment Agreements may be executed for, but are not limited to, the following circumstances:

- Failure to report changes in income or family size that result in overpayment of assistance
- Repayment to HCAAC for claims paid on the participant's behalf due to unpaid rent, damages or a vacancy loss

Participants owing money must be notified of their liability and informed that they are not required to enter into a Repayment Agreement as a condition of continued assistance. However, in the absence of a Repayment Agreement or default of a Repayment Agreement, the HCAAC may deny issuance of a new Certificate or Voucher when the participant wants to move.

There is no dollar limit on the amount of the Repayment Agreement. Payment amounts should be affordable for the participant or applicant and for a specified term.

If an applicant or participant has signed a Repayment Agreement with HCAAC (or any other PHA or federally assisted housing program) and they breach the agreement, HCAAC may deny or terminate assistance.

E. RENT AND UNIT SIZE REDETERMINATION

Section VI-C of the Lease provides for the re-determination of rent, eligibility and dwelling size and represents the foundation of the continuing occupancy policies. The eligibility of a family to remain in occupancy, the amount of rent, and the appropriateness of the size of the Unit assigned based on Family composition are each determined as a result of the periodic reexamination of Tenant Families.

1. ANNUAL/TRENNIAL REEXAMINATION

All families, without fixed sources of income, (includes all adult members) will be scheduled for recertification interviews to provide information on income, assets, allowances, deductions and family composition at least annually (except those families with fixed sources of income) and in accordance with Section 982.516 of the Federal Regulations. (See Verification Procedures)

For families who choose flat rents, HCAAC will conduct a reexamination of family composition at least annually, and will conduct a reexamination of family income at least once every three (3) years in accordance with 960.257 of the Federal Regulations.

All families (includes all adult members) with fixed sources of income will be scheduled for recertification interviews to provide information on income, assets, allowances, deductions and family composition at least once every three (3) years (triennially) and in accordance with 24CFR 560.257 of the Federal Regulations.

“Family member with a fixed source of income” is defined as a family member whose income includes periodic payments at reasonably predictable levels from one or more of the following sources:

- (1) Social Security, Supplemental Security Income, Supplemental Disability Insurance;**
 - (2) Federal, state, local, or private pension plans;**
 - (3) Annuities or other retirement benefit programs, insurance policies, disability or death benefits, or other similar types of periodic receipts;**
- or**

(4) Any other source of income subject to adjustment by a verifiable cost of living adjustment (COLA) or current rate of interest.

In accordance with 24CFR 560.257), HCAAC may by means of a streamline income determination allow families, who self-certify as having fixed sources of income, to complete recertification's once every three (3) years. Eligible families are families who have an income, as of their most recent review, of which 90 percent or more consists of fixed-income.

HCAAC must use a COLA or current rate of interest specific to the fixed source of income in order to adjust the income amount and, must obtain third-party verification of other income amounts in order to calculate the change in income for the source.

For any family member whose income is determined pursuant to a streamlined income determination, HCAAC must obtain third-party verification of all fixed-income amounts every three (3) years. Other income for each family member must be determined at least annually.

During the annual reexamination process, HCAAC will accept a family's declaration that it has total net assets equal to or less than \$5,000, without taking additional steps to verify the accuracy of the declaration. If a family submits such a declaration, then HCAAC will not request supporting documentation (e.g., bank statements) to verify the assets or the amount of income expected to be received from those assets. The family's declaration of total assets must show each asset and the amount of income expected from that asset. The total amount of income expected from all assets must be less than or equal to \$5,000.

***Effective January 1, 2024, net assets will increase from \$5,000 to \$50,000 but cannot exceed \$100,000.**

Whenever a family member is added, HCAAC will obtain third-party verification of that family member's assets. At the next annual reexamination of income following the addition of that family member, HCAAC will obtain third-party verification of all family assets if the addition of that family member's assets puts the family above the \$5,000 asset threshold. If the addition of that family member's assets does not put the family above the \$5,000 asset threshold, then HCAAC will not obtain third-party verification of all family assets at the next annual reexamination of income following the addition of the family member; however, third-party verification of all family assets is required at least every three (3) years.

***Effective January 1, 2024, net assets will increase from \$5,000 to \$50,000 but cannot exceed \$100,000.**

The reexamination of family circumstances is coordinated with the anniversary date and inspection of the premises Reexaminations are started

90 days prior to the anniversary date to assure sufficient time to conclude this process.

The Commission shall verify all information submitted by the Tenant in accord with Section V, Part F of this policy. To assist in the verification process, the Head of Household and any working adult members of the Tenant's Family shall sign release of information forms necessary to accurately verify the source, amount, and permanence of income. Copies of enrollment forms and transcripts may be required to document the status of full-time students for persons 18 years and older.

If, as a result of the Annual Reexamination, the Commission determines that Tenant's rent should be adjusted, the Commission will give Tenant 30-day Notice of Proposed Rent Adjustment. The adjustment shall become effective on the date stated in the Notice unless the tenant requests a grievance hearing on the proposed adjustment based on the manner in which the rent was determined.

The rent established at admission or the last reexamination date shall remain in effect between regular rent determination dates unless modified through an interim adjustment.

2. INTERIM ADJUSTMENTS

In general, the Tenant shall report any changes in Family composition, employment status, household deductions, or income to the Commission within ten (10) business days after the change has occurred. However, rent shall also be adjusted if the Commission obtains independent verification of income for a Family member, which has not been previously reported. *Effective January 1, 2024, the Commission will conduct Interim Recertification's when the income increase/decrease is over 10%.

a. Temporary Rent

If the reported change involves a change in employment status and income upon which rent is determined, the Commission shall calculate a temporary rent, which reflects the reported changes. The Commission shall attempt to verify the reported changes through its normal verification procedures within ten (10) business days of the application. However, should there be difficulty in immediately verifying the information, the Temporary Rent shall remain in effect until the changes are verified or for a period not to exceed sixty (60) days, whichever is shorter.

b. Hardship Rent

If the Tenant reports and adequately demonstrates to the Commission a change in his or her circumstances, which with the continued payment of rent at the then current rate, creates a hardship, the Commission shall reduce the rent during the continued existence of the hardship and for a period of sixty (60) days thereafter. The previous rental rate shall automatically be restored at the end of the sixty (60) days unless the tenant again demonstrates to the Commission that the hardship continues to exist. The Tenant must demonstrate efforts to the Commission that the hardship continues to exist. The tenant must demonstrate efforts to remedy the condition bringing about the hardship rent in order to have successive applications for hardship rent approved.

c. Retroactive Rent

If the Commission determines that the Tenant has misrepresented to the Commission the facts upon which his rent is based, resulting in the underpayment of rent, the Commission may, in addition to or in lieu of its other rights and remedies, including termination, charge and collect rent at the correct rent applied retroactively.

d. Verification of Information

Where feasible, third-party written verification or direct document review shall be the preferred method of verifying Tenant information, including Income, value of Assets, Medical Expenses, Child Care Expenses, Family composition, age, Disability, Handicap, Student Status, and displacement status. Third-party oral verification may be used if the tenant file is documented according to identification of all parties, the date, and the content of the information. All information must be verified as a condition of continued occupancy and the Head of Household and all other members of the Tenant Family must sign HUD-approved release forms and consent authorizing private and public agencies to furnish and release required information to the Commission. Notarized statements or signed affidavits may be accepted when all other sources have been exhausted. They should not be accepted in lieu of other possible methods.

e. Timely Reporting Standards

Tenant must report changes within 10 calendar days of the occurrence in order for the report to be “in a timely manner”.

Decreases in tenant rent will be effective the first day of the month following the reported decrease. Increases in tenant rent will be effective the first day of the move-in anniversary month following the change in family circumstances.

The Housing Commission may not require clients to obtain a court order awarding legal custody of a child or children residing in one of its program units. In cases where one or more individuals (who have not obtained the age of 18 years) is domiciled with a HCAAC leaseholder who is not a parent or legal custodian, the resident will be required to provide the Housing Commission with the written permission of the child's parent or other person having legal custody of the child. The written permission must state when the permission becomes effective and any end date if one is anticipated; and must be notarized by a licensed Notary in order to assure the signature is valid.

3. UNIT SIZE DETERMINATION

Assignments to Units are based on Family size and composition as discussed in Section V-A (3) of this Policy. If the Commission determines that the size of the Unit is no longer appropriate based on the Family composition, the Commission shall amend the lease and transfer the Tenant to a dwelling of appropriate size designated by the Commission, by written notice to the Tenant and allowing a reasonable time within which to move. Transfers due to changes in family composition shall take priority over the housing of persons from the applicant pool.

4. MISREPRESENTATION OF INFORMATION

If the Commission determines that the Tenant has knowingly misrepresented the facts upon which his or her rent or unit assignment is based, the Commission may, in addition to its right to charge retroactive rent or to refuse to adjust the Family composition and Unit size, terminate the lease and take possession of the Unit upon a thirty (30) day notice to Tenant unless the Tenant requests a grievance hearing on the proposed termination, in which case the grievance decision will determine the action or remedy.

F. TENANT'S RIGHT TO USE AND OCCUPANCY

As long as the lease is in effect, the Tenant shall have the right to the exclusive use and possession of the Unit as long as the dwelling is not used, or the Tenant does not permit it to be used, in violation of the terms and conditions of the lease. This restriction on the use and occupancy of the lease shall imply that neither Tenant nor members of the Tenant Family may sublease the dwelling to anyone else or permit persons not listed on the lease to occupy the dwelling in return for composition. It shall also imply that Tenant may not conduct a business from the premises or engage in any other activities which are in violation of building or housing codes as well as civil and criminal laws.

G. THE COMMISSION'S OBLIGATIONS

The Commission is specifically obligated by the lease to:

1. **To maintain the dwelling and the project in a decent, safe, and sanitary condition;**
2. **To comply with requirements of applicable building codes, housing codes, and HUD regulations materially affecting health and safety;**
3. **To make necessary repairs to the dwelling Unit;**
4. **To keep project buildings, facilities, and common areas, not otherwise assigned to Tenant for maintenance and upkeep in a clean and safe condition;**
5. **To maintain in good and safe working order and condition all electrical, plumbing, sanitary, heating, ventilating, and other facilities and appliances, (including elevators) supplied or required to be supplied by the Commission";**
6. **To provide and maintain appropriate receptacles and facilities (except container for the exclusive use of an individual Tenant household) for the deposit of ashes, garbage, rubbish, and other waste removed from the premise by Tenant as required by the Lease;**
7. **To supply running water and reasonable amounts of hot water and reasonable amounts of heat at appropriate times of the year according to local custom and usage; EXCEPT where the building that includes the dwelling unit is not required to be equipped for that purpose, or where heat or hot water is generated by an installation within the exclusive control of Tenant and supplied by a direct utility connection; and**
8. **To notify Tenant of the specific grounds for any proposed adverse action by the PHA. Such adverse action includes, but is not limited to, a proposed lease termination, transfer of Tenant to another unit, or imposition of charges for maintenance and repair, or for excess consumption of utilities. When the PHA is required to afford Tenant opportunity for a hearing under the PHA Grievance Procedure for a grievance concerning a proposed adverse action:**
 - 1) **The notice of the proposed adverse action shall inform Tenant of the right to request such hearing. In the case of Lease termination, a Notice of Lease Termination that complies with appropriate regulations shall constitute adequate notice of proposed adverse action.**
 - 2) **In the case of a proposed adverse action other than a proposed Lease termination, the PHA shall not take the proposed action until time to request such a hearing has expired or, if hearing was timely requested, the grievance process has been completed.**

Should the Tenant believe that the Commission has failed to conform to any or all of the above obligations; the Tenant may request a grievance hearing to seek corrective actions regarding the situation.

SECTION VII - TRANSFERS

All residents are allowed to transfer if they meet the Tenant Transfer Policy criteria (see Appendix V).

The Chief Executive Officer may exercise discretion to offer an emergency transfer when the tenant is in a situation involving a threat of actual violence if the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit. A tenant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan. Tenants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section.

SECTION VIII - TERMINATION OF RESIDENCY

A. VIOLATIONS OF THE LEASE

- 1. Terminations and notices to vacate will occur in accordance with provisions of the resident's lease and state and local law.**
- 2. The Commission will terminate residency for:**
 - a. Material noncompliance with the terms of the lease;**
 - b. Material failure to carry out obligations under any Federal Rule and Regulation, State of Maryland Landlord and Tenant Act; or**
 - c. Other good cause, which includes but is not limited to resident's refusal to accept the Commission's proposed change to the lease. Termination for "other good cause" may only be effective at the end of any initial or successive term.**
 - d. An act of domestic violence, dating violence, or stalking by a family member. The Commission reserves the right to evaluate the situation and possibly terminate the tenancy of the offending family member without terminating the assistance of the victimized, lawful occupants.**
 - e. Illegal use of a controlled substance or;**

- f. **Pattern of illegal use of a controlled substance that is determined to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.**

B. EVICTIONS

1. **All evictions will be conducted in accordance with state and local law and the resident's lease.**
2. **Property Managers will inform the resident of the lease violation; the consequence of continuing to violate the lease; and the date, time, and location for informal hearings, as appropriate. The resident may bring interested parties to informal hearings. Property Managers may ask the Supervisor of Property Management to attend the informal hearings.**
3. **Property Managers will prepare written summaries of the informal hearings and provide the resident with copies.**
4. **In appropriate cases, Property Managers will enter into a repayment agreement with the resident.**
 - a. **If an agreement is reached for the payment of outstanding debts owed to the Commission, both parties will execute a standard form agreement to be approved by the Supervisor of Property Management. If the agreement is broken by the resident, the Commission may proceed to court as stipulated in the agreement for judgment against the resident and may repossess the unit.**
 - b. **If a satisfactory agreement is not reached for the payment of outstanding debts, the Commission may proceed to issue a thirty (30) day Notice to Vacate. This shall not, however, constitute a waiver of the resident's right to grieve the Commission's action or contest the action in an appropriate judicial proceeding.**
5. **A written thirty (30) day Notice to Vacate will be sent to the resident.**
 - a. **The notice will specify that if the resident fails to vacate the premises within the applicable statutory period or on the termination date stated in the notice, whichever is later, appropriate action will be brought against him/her and he/she may be required to pay court costs and attorney fees.**

C. OVER INCOME RESIDENCY

The Commission will terminate residency of a family should the annual income exceed 120% of median income, published in that year by HUD for that family size. The Commission will;

1. Provide the family a twenty-four (24) month notice period prior to acting upon such termination, and
2. HCAAC will conduct annual income certifications every twelve months after the initial over-income determination.
3. Should the family income fall below the 120% threshold during said period, as established by HUD, the notice will be rescinded.
4. Families over the income limits who have a valid contract for participation in a Family Self-Sufficiency (FSS) program would not be subject to eviction or termination of tenancy.
5. If a family is currently receiving the earned income disallowance would not be subject to eviction or termination of tenancy.
6. HCAAC will afford the family the opportunity after the twenty-four month period to continue to rent the unit at the current monthly market rent.

The Commission will modify this section based on final rulemaking by the Department of Housing and Urban Development.

D. APPEALS AND GRIEVANCE PROCEDURE

All residents and applicants have the right to appeal decisions or actions of the Housing Commission of Anne Arundel County through application of the Grievance Procedure.

SECTION IX – PETS

Residents living in public housing may keep a pet on the premises if they have executed a special Addendum to the Lease for pets and adhere to the provisions of the adopted pet addendum (see Appendix X).

Section X. APPENDIX

- I. DEFINITIONS**
- II. INCOME GUIDELINES**
- III. GRIEVANCE PROCEDURES**
- IV. DWELLING LEASE**
- V. TENANT TRANSFER POLICY**
- VI. PET POLICY**
- VII. LEASE VIOLATION PROCEDURE**
- VIII. REASONABLE ACCOMODATION POLICY**
- IX. NON-SMOKING POLICY**
- X. VIOLENCE AGAINST WOMEN ACT**

APPENDIX

DEFINITIONS

ACC - Annual contributions contract.

ADJUSTED INCOME - Annual Income less the following allowances, determined in accordance with HUD instructions:

- (a) \$480 for each Dependent;**
- (b) \$400 for any Elderly Family *Effective January 1, 2024 this will increase to \$525;**
- (c) For any Family that is not an Elderly Family but has a Disabled member other than the head of household or spouse, Disabled Assistance Expenses in excess of three percent of Annual Income, but this allowance may not exceed the employment income received by Family members who are 18 years of age or older as a result of the assistance to the Disabled Person;**
- (d) For any Elderly Family**
 - (1) That has no Disabled Assistance Expenses, an allowance for Medical Expenses equal to the amount by which the Medical Expenses exceed three percent of Annual Income. *Effective January 1, 2024 medical expenses must exceed ten percent;**
 - (2) That has Disabled Assistance Expenses greater than or equal to three percent of Annual Income, an allowance for Disabled Assistance Expenses computed in accordance with paragraph (c) of this section, plus an allowance for Medical Expenses that is equal to the Family's Medical Expenses. *Effective January 1, 2024 expenses greater than or equal to ten percent of Annual Income, an allowance for Disabled Assistance Expenses computed in accordance with paragraph (c) of this section, plus an allowance for Medical Expenses that is equal to the Family's Medical Expenses ;**
 - (3) That has Disabled Assistance Expenses that are less than three percent of Annual Income, an allowance for combined Disabled Assistance Expenses and Medical Expenses that is equal to the amount by which the sum of these expenses exceeds three percent of Annual Income. *Effective January 1, 2024 Disabled Assistance Expenses that are less than ten percent of Annual Income, an allowance for combined Disabled Assistance Expenses and Medical Expenses that is equal to the amount by which the sum of these expenses exceeds ten percent of Annual Income; and**

- (e) (1) Child care expenses; or (2) in the case of families assisted by Indian housing authorities, the greater of (i) child care expenses, or (ii) excessive travel expenses, not to exceed \$25 per family per week, for employment or education related travel.

ADULT - A person who is at least 18 years old.

ANNUAL CONTRIBUTIONS CONTRACT (ACC) - A written contract between HUD and an HA. Under the contract HUD agrees to provide funding for operation of the program, and the HA agrees to comply with HUD requirements for the program.

ANNUAL INCOME:

- (a) Annual Income is the anticipated total income from all sources received by the Family head and spouse (even if temporarily absent) and by each additional member of the Family, including all net income derived from assets for the 12-month period following the effective date of certification of income, exclusive of certain types of income as provided in paragraph (c) of this section
- (b) Annual Income includes, but is not limited to:
- (1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services.
 - (2) The net income from operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the Family;
 - (3) Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as a deduction in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (b)(2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the Family. Where the Family has Net Family Assets in excess of \$5,000, Annual Income shall include the greater of the actual income derived from all Net Family Assets or a percentage of the value of such Assets based on the current passbook savings rate, as determined by HUD. *Effective January 1, 2024, net assets will increase from \$5,000 to \$50,000 but cannot exceed \$100,000
 - (4) The full amount of periodic payments received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or

- death benefits, and other similar types of periodic receipts, including a lump sum payment for the delayed start of a periodic payment (but see paragraph (c) (13) of this section);
- (5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (but see paragraph (c)(3) of this section);
 - (6) Welfare Assistance. If the Welfare Assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the Welfare Assistance agency in accordance with the actual cost of shelter and utilities, the amount of Welfare Assistance income to be included as income shall consist of:
 - (i) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities, plus
 - (ii) The maximum amount that the Welfare Assistance agency could in fact allow the Family for shelter and utilities. If the Family's Welfare Assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph (b)(6)(ii) shall be the amount resulting from one application of the percentage;
 - (7) Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from persons not residing in the dwelling;
 - (8) All regular pay, special pay and allowances of a member of the Armed Forces (but see paragraph (c)(7) of this section); and
- (C) Annual income does not include the following:
- (1) Income from employment of children (including foster children) under the age of 18 years;
 - (2) Payments received for the care of foster children or foster adults (usually individuals with disabilities, unrelated to the tenant family, who are unable to live alone);
 - (3) Lump-sum additions to Family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (but see paragraph (b)(5) of this section);
 - (4) Amounts received by the Family, that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
 - (5) Income of a live-in Aide. A person who resides with an Elderly, Disabled Person or Persons and who--
 - (a) Is determined to be essential to the care and well-being of the Person(s);
 - (b) Is not obligated for the support of the Person(s); and
 - (c) Would not be living in the unit except to provide the necessary supportive services.

- (6) The full amount of student financial assistance paid directly to the student or to the educational institution;
- (7) The special pay to a Family member serving in the Armed Forces who is exposed to hostile fire;
- (8)
 - (i) Amounts received under training programs funded by HUD;
 - (ii) Amounts received by a disabled person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
 - (iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;
 - (iv) A resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, and resident initiatives coordination. No Resident may receive more than one such stipend using the same period of time; or
 - (v) Compensation from State or local employment training programs and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for a limited period as determined in advance;
- (9) Temporary, nonrecurring or sporadic income (including gifts);
- (10) For all initial determinations and reexaminations of income carried out on or after April 23, 1993, reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
- (11) Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
- (12) Adoption assistance payments in excess of \$480 per adopted child;
- (13) Deferred periodic payments of supplemental security income and social security benefits that are received in a lump sum payment.
- (14) Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit;
- (15) Amounts paid by a State agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or
- (16) Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or

benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937. A notice will be published in the FEDERAL REGISTER and distributed to PHA's and owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary.

- (d) If it is not feasible to anticipate a level of income over a 12-month period, the income anticipated for a shorter period may be annualized, subject to a re-determination at the end of the shorter period.
- (e) Any family receiving the reparation payments referred to in paragraph (c) (10) of this section that has been requested to repay assistance under this chapter as a result of receipt of such payments shall not be required to make further repayments on or after April 23, 1993.

APPLICANT (Applicant Family) - A family that has applied for admission to a program, but is not yet a participant in the program.

ASSETS - The value in equity in real property, savings, stocks, bonds, checking and other forms of capital investments (the value of necessary minimal items of personal property such as furniture and automobile is not to be considered as assets).

BUDGET AUTHORITY - An amount authorized and appropriated by the Congress for payment to HA's under the program. For each funding increment in an HA program, budget authority is the maximum amount that may be paid by HUD to the HA over the ACC term of the funding increment.

CHILD CARE EXPENSES - Amounts anticipated to be paid by the Family for the care of children under 13 years of age during the period for which Annual Income is computed, but only where such care is necessary to enable a Family member to be gainfully employed or to further his or her education. The amount deducted shall reflect reasonable charges for childcare, and, in the case of childcare necessary to permit employment, the amount deducted shall not exceed the amount of income received from such employment.

CO-HABITANTS - Two (2) or more persons of the opposite sex who, at the time of application, have been living together as a family in a stable relationship.

CONSOLIDATED ANNUAL CONTRIBUTIONS CONTRACT (Consolidated ACC)

(a) **NATURE OF ACC**

- (1) An annual contribution contract (ACC) is a written contract between HUD and an HA. Under the ACC, HUD agrees to make payments to the HA, over a specified term, for housing assistance payments to owners and for the HA administrative fee. The ACC specifies the maximum annual payment by HUD, and the maximum payment over the ACC term. The HA agrees to administer the program in accordance with HUD regulations and requirements.
- (2) HUD's commitment to make payments for each funding increment in the HA program constitutes a separate ACC. However, commitments for all the funding increments in an HA program are listed in one consolidated

contractual document called the consolidated annual contributions contract (consolidated ACC). A single consolidated ACC covers funding for the HA certificate program and voucher program.

(b) BUDGET AUTHORITY AND CONTRACT AUTHORITY

- (1)** Budget authority is the maximum amount that may be paid by HUD to an HA over the ACC term of a funding increment. Contract authority is the maximum annual payment for the funding increment. Budget authority for a funding increment is equal to contract authority times the number of years in the increment term. Before adding a funding increment to the consolidated ACC for an HA program, HUD reserves budget authority from amounts authorized and appropriated by the Congress for the program.
- (2)** For each funding increment, the ACC specifies the initial term over which HUD will make payments for the HA program, and the contract authority and budget authority for the funding increment. For a given HA fiscal year, the amount of HUD's maximum annual payment for the HA program equals the sum of the contract authority for all of the funding increments under the consolidated ACC. However, this maximum amount does not include contract authority for an expired funding increment. If the term of a funding increment expires during the HA fiscal year, this maximum amount only includes the pro-rata portion of contract authority for the portion of the HA fiscal year prior to expiration. (Additional payments may be made from the ACC reserve account described in 24 CFR 982.154.) However, the amount to be paid must be approved by HUD, and may be less than the maximum payment.

CONTIGUOUS MSA - In portability, an MSA that shares a common boundary with the MSA in which the jurisdiction of the initial

CONTINUOUSLY ASSISTED – An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act Program when the family is admitted to the certificate or voucher program.

COVERED PERSON – A tenant, any member of the tenants household, a guest or another person under the tenant's control.

CSA – Categorizes marijuana as a Schedule 1 substance and therefore the manufacture or distribution possession of marijuana is a federal criminal offense.

DAY LABORER – An individual hired and paid one day at a time without an agreement that the individual will be hired for work again in the future.

DEPENDENT - A member of the Tenant Household (excluding foster children or foster adults) other than the Head of Household or Spouse, who is under 18 years of age or is a Disabled Person or is a Full-time Student.

DISABLED ASSISTANCE EXPENSES - Reasonable expenses that are anticipated, during the period for which Annual Income is computed, for attendant care and auxiliary apparatus for a Disabled Family member, and that are necessary to enable a Family member (including the Disabled member) to be employed, provided that the expenses are neither paid to a member of the Family nor reimbursed by an outside source.

DISABLED FAMILY - A family whose head, spouse, or sole member is a person with disabilities. It may include two or more persons with disabilities living together, or one or more persons with disabilities living with one or more live-in aides.

DISPLACED PERSON - A family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

DOMICILE - The legal residence of the household head or spouse as determined in accordance with State and local law.

DRUG-RELATED CRIMINAL ACTIVITY - Term means:

- (1) Drug-trafficking; or
- (2) Illegal use, or possession for personal use, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

HCAAC may exercise discretion and allow admission if the circumstances leading to the eviction no longer exists (i.e. removal of the household member from the application who was engaged in the activity leading to the eviction), or the evicted household member has successfully completed an approved supervised drug rehabilitation program. HCAAC may exercise discretion for drug activity for substances that have been de-criminalized in Maryland, when that activity does not involve distribution related criminal activity.

DRUG-TRAFFICKING - The illegal manufacture, sale or distribution, or the possession with intent to manufacture, sell or distribute, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

HCAAC may exercise discretion and allow admission if the circumstances leading to the eviction no longer exists (i.e. removal of the household member from the application who was engaged in the activity leading to the eviction), or the evicted household member has successfully completed an approved supervised drug rehabilitation program. HCAAC may exercise discretion for drug activity for substances that have been de-criminalized in Maryland, when that activity does not involve distribution related criminal activity.

EARNED INCOME – income or earnings from wages, tips, salaries, other employee compensation and net income from self-employment. Earned income does NOT

include any pension or annuity, transfer payments (meaning payments made or income received in which no goods or services are being paid for, such as welfare, social security, and governmental subsidies for certain benefits), or any cash or in-kind benefits.

ELDERLY FAMILY – A family whose head, spouse, or sole member is a person who is at least 62 years of age. It may include two or more persons who are at least 62 years of age living together, or one or more persons who are at least 62 years of age living with one or more live-in aides.

ELDERLY PERSON - A person who is at least 62 years of age.

ELIGIBILITY

- (a) **WHEN APPLICANT IS ELIGIBLE: GENERAL** - The HA may only admit an eligible family to a program. To be eligible, the applicant must be a family, must be income-eligible, and must be a citizen or a non-citizen who has eligible immigration status as determined in accordance with 24 CFR part 5.
- (b) **INCOME**
 - (1) To be income eligible, the family must be either:
 - (i) A very low-income family; or
 - (ii) A low-income family in any of the following categories:
 - (A) A low-income family that is continuously assisted under the 1937 Housing Act.
 - (B) A low-income family physically displaced by rental rehabilitation activity under 24 CFR part 511.
 - (C) A low-income non-purchasing family residing in a HOPE 1 (HOPE for Public and Indian Housing Home ownership) or HOPE 2 (HOPE for Home ownership of Multifamily Units) project.
 - (D) A low-income non-purchasing family residing in a project subject to a Home ownership program under 24 CFR 248.173.
 - (E) A low-income family displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract under 24 CFR 248.165.
 - (F) For the certificate program only, a low-income family residing in a HUD-owned multifamily rental housing project when HUD sells, forecloses or demolishes the project.
 - (2) The HA determines whether the family is income-eligible by comparing the family's annual income (gross income) with the HUD-established very low-income limit or low-income limit for the area. The applicable income limit for issuance of a certificate or voucher when a family is selected for the program is the highest income limit (for the family unit size) for areas in the HA jurisdiction. The applicable income limit for admission to the program is the income limit for the area where the family is initially assisted in the program. The family may only use the

certificate or voucher to rent a unit in an area where the family is income eligible at admission to the program.

(d) CONTINUOUSLY ASSISTED

- (1) An applicant is continuously assisted under the 1937 Housing Act if this family is already receiving assistance under any 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the certificate or voucher program.**
- (2) The HA must establish policies concerning whether and to what extent a brief interruption between assistance under one of these programs and admission to the certificate or voucher program will be considered to break continuity of assistance under the 1937 Housing Act.**

EXCESS UTILITIES - The amount of Utilities consumption in excess of a reasonable allowance based on the history of Utility use by families in Units of similar size and construction.

EXTERMELY LOW-INCOME FAMILY – A Family whose annual income does not exceed the higher of 30 percent of the area median income or the federal poverty level. 24 CFR 960.102.

FAMILY - Family includes but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

- (1) A family with or without children (the temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size);**
- (2) An elderly family;**
- (3) A near-elderly family;**
- (4) A disabled family;**
- (5) A displaced family;**
- (6) The remaining member of a tenant family; and**
- (7) A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.**

FAMILY SELF-SUFFICIENCY PROGRAM (FSS PROGRAM) - The program established by an HA to promote self-sufficiency of assisted families, including the provision of supportive services (42 U.S.C. 1437u).

FAMILY UNIT SIZE - The appropriate number of bedrooms for a family. Family unit size is determined by the HA under the HA subsidy standards.

FIXED INCOME SOURCE - A family member whose income includes periodic payments at reasonably predictable levels from one or more of the following sources:

- (1) Social Security, Supplemental Security Income, Supplemental Disability Insurance;**
- (2) Federal, state, local, or private pension plans;**
- (3) Annuities or other retirement benefit programs, insurance policies, disability or death benefits, or other similar types of periodic receipts; or**
- (4) Any other source of income subject to adjustment by a verifiable cost of living adjustment (COLA) or current rate of interest.**

FOSTER CHILDREN - Minors who have been placed in a household by an authorized placement agency or by judgment, decree or other order of any court of competent jurisdiction for their care and maintenance.

FOSTER ADULT – A member of the household who is 18 years of age or older, is unable to live independently due to debilitating physical or mental conditions and is placed with the family by an authorized placement agency or by judgment, decree or other order of any court of competent jurisdiction.

FSS PROGRAM - Family self-sufficiency program.

FULL-TIME STUDENT - A person who is carrying a subject load which is considered full-time for day students under the standards and practices of the educational institution attended and who is making satisfactory progress toward a terminal degree at such institution. An Educational institution includes a vocational school with a diploma or certificate program, as well as an institution offering a college degree.

HA – Housing Agency.

HEALTH and MEDICAL EXPENSES – Health and Medical Care Expenses, are any cost incurred in the diagnosis, cure, mitigation, treatment, or prevention of disease or payments for treatments affecting any structure or function of the body. Health and Medical care expenses include medical insurance premiums and long-term care premiums that are paid or anticipated during the period for which the annual income is computed.

HOUSING AGENCY (HA) - A State, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) authorized to engage in or assist in the development or operation of low-income housing, including an Indian Housing Commission (IHA). (PHA and HA mean the same thing.)

HOUSING QUALITY STANDARDS (HQS) - The HUD minimum quality standards for housing assisted under the tenant-based programs. See 24 CFR 982.401 for specifics.

HQS - Housing Quality Standards.

INDEPENDENT CONTRACTOR – An individual is an independent contractor if the payer has the right to control or direct only the result of the work and not what will be done and how it will be done.

JURISDICTION - The area in which the HA has authority under State and local law to administer the program.

LESSEE - Member(s) of the Resident’s family who must sign the lease in order for it to be legal and binding. The lessee must be at least 18 years of age.

LIVE-IN AIDE – A person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:

- (1) Is determined to be essential to the care and well-being of the persons;
- (2) Is not obligated for the support of the persons; and
- (3) Would not be living in the unit except to provide the necessary supportive services.

LOW-INCOME FAMILY - A Family whose Annual Income does not exceed 80 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 80 percent of the median income for the area on the basis of its finding that such variations are necessary because of the prevailing levels of construction costs or unusually high or low family incomes. Section 24 CFR 982.201(b) described when a low-income family is income-eligible for admission to the certificate or voucher program).

MANAGEMENT - Agents, employees, or contractors of the Anne Arundel County Housing Commission.

MAXIMUM ASSET LIMIT - The maximum dollar amount of assets above which the Family would not qualify for government assisted housing. The dollar amount which is:

- (1) for an Elderly Family, four times the applicable annual Maximum Income Limit for the Family, and
- (2) for any other Family, three times the applicable annual Maximum Income Limit for the Family.

MAXIMUM INCOME LIMITS - The dollar amounts established by HUD for families of various sizes as the maximum allowable Net Family Income for eligibility according to the criteria for Low Income Families and Very Low Income Families, as set forth in Appendix D.

MINOR - A person who is less than 18 years old.

MONTHLY ADJUSTED INCOME - One-twelfth of Adjusted Income.

MONTHLY INCOME - One-twelfth of Annual Income.

MSA - Metropolitan statistical area.

NEAR ELDERLY FAMILY - A family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons, who are at least 50 years of age but below the age of 62, living together; or one or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides.

NET FAMILY ASSETS – Net cash value of all assets owned by a family, after deducting reasonable costs that would be incurred in disposing real property, savings, stocks, bonds, and other forms of capital investments.

NOFA – Notice of funding availability.

NET FAMILY ASSETS - The value of equity in real property, savings, stocks, bonds, and other forms of capital investment, excluding equity accounts in HUD ownership programs and necessary items of personal property (such as household furniture and automobiles). Assets include:

- (1) Checking and savings accounts;**
- (2) Land and buildings;**
- (3) Stock and bonds;**
- (4) The value of any assets disposed of by an Applicant or Tenant Family during the two (2) years preceding the date of Application (or Re-examination).**

1937 HOUSING ACT - The United States Housing Act of 1937 (42 U.S.C. 1437 and following sections). The HUD tenant-based program is authorized by Section 8 of the 1937 Housing Act (42 U.S.C. 1437f).

1937 HOUSING ACT PROGRAM - Any of the following programs:

- (1) The public housing program or Indian housing program.**
- (2) Any program assisted under Section 8 of the 1937 Act (42 U.S.C. 1437f) (including assistance under a Section 8 tenant-based or project-based program).**
- (3) The Section 23 leased housing program.**
- (4) The Section 23 housing assistance payments program. (Section 23" means Section 23 of the United States Housing Act of 1937 before enactment of the Housing and Community Development Act of 1974.)**

NON-PUBLIC HOUSING OVER INCOME FAMILY (NPHOI) – A family whose income exceeds the over-income limit for 24 consecutive months and is paying the alternative non-public housing rent.

NOTICE OF FUNDING AVAILABILITY (NOFA) - For funding (contract or budget authority) that HUD distributes by competitive process, HUD headquarters invites HA applications by publishing a NOFA in the FEDERAL REGISTER. The NOFA explains how to apply for assistance, and the criteria for awarding the funding.

OVER INCOME (OI) FAMILY– A family whose income exceeds the over-income limit, as determined annually by HUD for more than 24 consecutive months

OVER INCOME (OI) LIMIT – This limit is set by multiplying the very low-income level for the applicable area by a factor of 2.4.

PARTICIPANT (Participant Family) - A family that has been admitted to the HA program, and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the HA for the family (first day of initial lease term).

PERSON WITH DISABILITIES (Disabled Family) -

- (1) Means a person who:
 - (i) Has a disability, as defined in 42 U.S.C. 423;
 - (ii) Is determined, pursuant to HUD regulations, to have a physical, mental, or emotional impairment that:
 - (A) Is expected to be of long-continued and indefinite duration;
 - (B) Substantially impedes his or her ability to live independently, and
 - (C) Is of such a nature that the ability to live independently could be improved by more suitable housing conditions; or
 - (iii) Has a developmental disability as defined in 42 U.S.C. 6001.
- (2) Does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome;
- (3) For purposes of qualifying for low-income housing, does not include a person whose disability is based solely on any drug or alcohol dependence; and
- (4) Means "individual with handicaps", as defined in Sec. 8.3 of this title, for purposes of reasonable accommodation and program accessibility for persons with disabilities.

PHA - Public housing agency. (Public housing agency and housing agency mean the same thing.) A State, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) authorized to engage in or assist in the development or operation of low-income housing, including an Indian housing authority (IHA). (PHA and HA mean the same thing.)

PREMISES - The building or complex in which the dwelling unit is located, including common areas and grounds.

PUBLIC HOUSING AGENCY (PHA) - A Housing Agency (HA).

QHWRA – Quality Housing Work Responsibility Act - Owners of federally assisted housing are required to deny admission to any household with a member who the owner determines is, at the time of application for admission, illegally using a controlled substance.

RE-EXAMINATION DATE - The anniversary date from which the Tenant Family leased the Unit from the Commission.

REMAINING MEMBER OF A TENANT FAMILY - A member of a Tenant Family who was listed on the lease and occupying the Unit at the time of the involuntary absence of the Head of Household and who is capable of living independently. The status of Remaining Member of a Tenant Family does not include persons granted conditional or temporary residency for the care and well-being of one or more members of an Elderly Family nor does it include foster children or other persons granted temporary residence for their care and maintenance.

RESIDENT/TENANT - Any member of a Tenant Family who is listed on Tenant's lease and has been approved to occupy the leased Unit by the Commission.

SEASONAL WORKER – An individual who is hired into a short-term position and the employment begins about the same time each year.

SECONDARY WAGE EARNER - The Spouse, where both the Head of Household and the Spouse are gainfully employed.

SPECIAL ADMISSION - Admission of an applicant that is not on the HA waiting list, or without considering the applicants waiting list position.

SPOUSE - The husband or wife of the Head of Household.

TENANT - The person or persons (other than a live-in aide) who executes the lease as leases of the dwelling unit.

TENANT FAMILY - The Head of Household and all members of that Family who are listed on the Dwelling lease at the time of admission or who have been added to the lease and approved by the Commission subsequent to occupancy of the Unit.

TENANT RENT - The amount payable monthly by the Family as rent to the Commission for use of the dwelling accommodation and equipment (such as ranges and refrigerators, but not including furniture), services, and reasonable quantities of utilities determined in accord with the Commission's schedule of allowances for utilities supplied by the development. Where all utilities (except telephone) and other essential housing services are supplied, Tenant Rent equals Total Tenant Payment. Where some or all utilities (except telephone) and other essential housing services are not supplied and the cost thereof is not included in the amount paid as rent, Tenant Rent equals Total Tenant Payment less the Utility Allowance.

TOTAL TENANT PAYMENT - The portion of the Gross Rent payable by an eligible Family participating in a program covered by this part, determined in accordance with the following:

Total tenant payment for families whose initial lease is effective on or after August 1, 1982. Total Tenant payment shall be the highest of the following, rounded to the nearest dollar:

- (1) 30 percent of Monthly Adjusted Income;**
- (2) 10 percent of Monthly Income; or**
- (3) If the Family receives Welfare Assistance from a public agency and a part of such payments, adjusted in accordance with the Family's actual housing costs, is specifically designed by such agency to meet the Family's housing costs, the monthly portion of such payments which is so designated. If the Family's Welfare Assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph (a)(3) shall be the amount resulting from one application of the percentage.**

UNEARNED INCOME – any annual income that is not earned.

UNIT - Dwelling unit.

UNITED STATE HOUSING ACT OF 1937 (1937 Housing Act) - The basic law that authorizes the public and Indian housing programs, and the Section 8 programs. (42.S.C. 1437 and following sections.)

VERY LOW-INCOME FAMILY - A Low-Income Family whose Annual Income does not exceed 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50 percent of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes.

VIOLENT CRIMINAL ACTIVITY - Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another. This definition speaks to the forceful acts involved in the activity and does not require the person to be arrested, charged, nor convicted of any criminal activity.

WAITING LIST ADMISSION - An admission from the HA waiting list.

WELFARE ASSISTANCE - Welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly by Federal, State or Local governments.

APPENDIX II

INCOME GUIDELINES

	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
Extremely Low Income	24390	27870	31350	34830	37620	40410	43200	45990
Very Low Income	40650	46450	52250	58050	62700	67350	72000	76650
Low Income	50882	55740	62700	69660	75240	80820	80640	91980

APPENDIX III

GRIEVANCE PROCEDURES

I. DEFINITION APPLICABLE TO THE GRIEVANCE PROCEDURE

- A. **GRIEVANCE:** Any dispute which a Tenant may have with respect to a Commission action or failure to act in accordance with the individual Tenant's lease or Commission regulations which adversely affects the individual Tenant's rights, duties, welfare, or status.
- B. **COMPLAINANT:** Any Tenant (as defined below) whose grievance is presented to the Commission (at the central office or the development office) in accordance with the requirements presented in this procedure.
- C. **ELEMENTS OF DUE PROCESS:** An eviction action or a termination of tenancy in a State or local court in which the following procedural safeguards are required:
1. Adequate notice to the Tenant of the grounds for terminating the tenancy and for eviction;
 2. Right of the Tenant to be represented by counsel;
 3. Opportunity for the tenant to refute the evidence presented by the Commission, including the right to confront and cross examine witnesses and to present any affirmative legal or equitable defense which the Tenant may have;
 4. A decision of the merits.
- D. **HEARING OFFICER:** A person selected in accordance with 24CFR § 966.55 and this procedure to hear grievances and render a decision with respect thereto.
- E. **TENANT:** The adult person (or persons) (other than a Live-in aide): (1) Who resides in the unit, and who executed the lease with the Commission as lessee of the dwelling unit, or, if no such person now resides in the unit, (2) Who resides in the unit, and who is the remaining head of the household of the Tenant family residing in the dwelling unit.

II. APPLICABILITY OF THIS GRIEVANCE PROCEDURE

In accordance with the applicable Federal regulation (24CFR § 966.50) this grievance

procedure shall be applicable to all individual grievances (as defined in Section I above) between Tenant and the Anne Arundel County Housing Commission hereinafter referred to as "PHA" with the following three exceptions:

- A. Because HUD has issued a due process determination that the law of the State of Maryland required that Tenant be given the opportunity for a hearing in court which provides the basic elements of due process (as defined above) before eviction from the dwelling unit, the grievance procedure shall not be applicable to any termination of tenancy or eviction that involves:
 - 1. Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other residents or employees of the PHA, or
 - 2. Any drug-related criminal activity on or near such premises. , or
 - 3. An action for nonpayment of rent under MD Code Real Property § 8-401.
- B. The PHA grievance procedure shall not be applicable to disputes between Tenants not involving the PHA or to class grievances. The grievance procedure is not intended as a forum for initiating or negotiating policy changes between a group or groups of tenants and the PHA's Board of Commissioners.

This grievance procedure is incorporated by reference in all Tenant dwelling leases.

Any changes proposed in this grievance procedure must provide for at least 30 days' notice to Tenants, setting forth the proposed changes and providing an opportunity to present written comments. Comments submitted shall be considered by the PHA before any revisions are made to the grievance procedure.

C. ESCROW DEPOSIT REQUIRED FOR A HEARING INVOLVING RENT

Before a hearing is scheduled in any grievance involving the amount of rent which the PHA claims is due under this lease, the complainant shall pay to the PHA or its attorney an amount equal to the rent and other amounts due and payable as of the first of the month preceding the month in which the act or failure to act took place. The complainant shall, thereafter, deposit the same amount of the monthly rent due in an escrow account monthly until the complaint is resolved by decision of the hearing officer. The PHA acknowledges that should the rent be zero monthly that the other amounts due are still payable.

III. INFORMAL SETTLEMENT OF A GRIEVANCE

Any grievance may be personally presented orally or in writing, to the PHA's central office or the Management office of the development in which the complainant resides **within ten (10) business days of the date that is on the letter.** Grievances received by the PHA's

central office will be referred to the person responsible for the management of the development in which the complainant resides.

As soon as the grievance is received, it will be reviewed by the management office of the development to be certain that neither of the exclusions in paragraphs I.A or II.B above applies to the grievance. Should one of the exclusions apply, the complainant will be notified in writing that the matter raised is not subject to the PHA's grievance procedure, with the reason therefor.

If neither of the exclusions cited above apply, the complainant will be contacted to arrange a mutually convenient time **within ten (10) business days** to meet so the grievance may be discussed informally and settled without a formal hearing. At the informal hearing, the complainant will present the grievance and the person in charge of the management office will attempt to settle the grievance to the satisfaction of both parties.

Within five (5) business days following the informal hearing, the PHA shall prepare and either give or mail to Tenant a notice of determination that must specify the names of the participants, the dates of meeting, the nature of the proposed disposition of the complaint, and the specific reasons therefore, and shall specify the procedures by which a formal hearing under this procedure may be obtained if the complainant is not satisfied. A copy of this notice of determination shall also be placed in Tenant's file.

IV. FORMAL GRIEVANCE HEARING

If the complainant is dissatisfied with the settlement arrived at in the informal hearing, the complainant may personally present orally or in writing a request for a hearing to the Management office of the development where Tenant resides **no later than five (5) business days of the date of the notice of determination of the informal hearing**. A receipt signed by the complainant or a return receipt for delivery of certified mail, whether or not signed, will be sufficient proof of time of delivery for the summary of the informal discussion.

The written request shall specify:

- The reason for the grievance;
- The action of relief sought from the PHA; and
- Several dates and times **in the following ten (10) business days** when the complainant can attend a grievance hearing.

If the complainant requests a hearing in a timely manner, the PHA shall schedule a hearing on the grievance at the earliest time possible for the complainant, PHA and the hearing officer **in most instances no later than ten (10) business days** after the PHA received the

complainant's request.

If the complainant fails to request a hearing within five business days after receiving the notice of determination of the informal hearing; the PHA's decision rendered at the informal hearing becomes final and the PHA is not obligated to offer the complainant a formal hearing unless the complainant can show good cause why he failed to proceed in accordance with this procedure.

Failure to request a grievance hearing does not affect the complainant's right to contest the PHA's decision in a court hearing.

V. SELECTING THE HEARING OFFICER

A grievance hearing shall be conducted by an impartial person or persons appointed by the PHA to sit as the hearing officer. The Housing Commission will solicit qualified applicants from professional individuals or firms to conduct grievances requested by residents in the Commission's federally assisted housing programs.

The Hearing Officer will be under contract with the Housing Commission based upon the federal procurement process.

A. Once a potential hearing officers is selected by the PHA, the PHA will consult with the resident organizations. Written comments from the organizations shall be considered by the PHA before they are appointed as hearing officer.

B. When the comments from resident organizations have been received and considered, the nominees will be informed that they are the PHA's official grievance hearing members. The PHA will subsequently contact panel members in random order to request their participation as hearing panel members or hearing officers.

VI. ESCROW DEPOSIT REQUIRED FOR A HEARING INVOLVING RENT

Before a hearing is scheduled in any grievance involving the amount of rent which the PHA claims is due under this lease, the complainant shall pay to the PHA an amount equal to the rent due and payable as of the first of the month preceding the month in which the act or failure to act took place. The complainant shall, thereafter, deposit the same amount of the monthly rent in an escrow account monthly until the complaint is resolved by decision of the hearing officer.

VII. SCHEDULING HEARINGS

When a complainant submits a timely request for a grievance hearing, the PHA will schedule the hearing within the following ten (10) business days on one of the dates and

times indicated by the complainant.

Once the hearing officer has agreed upon the hearing date and time, the complainant, and the manager of the development in which the complainant resides, shall be notified in writing. Notice to the complainant shall be in writing, either personally delivered to complainant or sent by mail, return receipt requested. One postponement may be granted for good cause and if proper notice was followed.

The written notice will specify the time, place, and procedures governing the hearing.

VIII. PROCEDURES GOVERNING THE HEARING

The hearing shall be held before a hearing officer as described above in Section VII. The complainant shall be afforded a fair hearing, which shall include:

- A. The opportunity to examine before the hearing any PHA documents, including records and regulations, that are directly relevant to the hearing. Hearings will not be delayed to allow for review of documents, the request must be presented in advance.

The Tenant shall be allowed to copy any such document at the Tenant's expense. If the PHA does not make the document available for examination upon request by the complainant, the PHA may not rely on such document at the grievance hearing.

HCAAC has the right to examine documents that will be presented by Tenant, counsel or other person chosen as Tenant's representative prior to the hearing.

- B. The right to be represented by counsel or other person chosen as the Tenant's representative and to have such person make statements on the Tenant's behalf.
- C. The right to a private hearing unless the complainant requests a public hearing. The right to present evidence and arguments in support of the Tenant's complaint to controvert evidence relied on by the PHA or project management, and to confront and cross examine all witnesses upon whose testimony or information the PHA or project management relies; and
- D. A decision based solely and exclusively upon the fact presented at the hearing.

The hearing officer may render a decision without proceeding with the hearing if they determine that the issue has been previously decided in Tenant's favor in another proceeding.

At the hearing, the complainant must first make a showing of an entitlement to the relief sought and, thereafter, the PHA must sustain the burden of justifying the PHA action or failure to act against which the complaint is directed.

The hearing shall be conducted informally by the hearing officer. Oral or documentary evidence pertinent to the facts and issues raised by the complaint may be received without regard to admissibility under the rules of evidence applicable to judicial proceedings.

The hearing officer shall require the PHA, the complainant, counsel and other participants, or spectators to conduct themselves in an orderly fashion. Failure to comply with the directs of the hearing officer to obtain order may result in exclusion from the proceedings or in a decision adverse to the interests of the disorderly party and granting or denial of the relief sought, as appropriate. The complainant or the PHA may arrange in advance, and at expense of the party making the arrangement, for the recording of and a transcript of the hearing. Any interested party may purchase a copy of such transcript.

Upon actual or constructive knowledge by the PHA of a disability by the tenant/applicant the PHA must provide reasonable accommodation for person with disabilities to participate in the hearing. Reasonable accommodation may include qualified sign language interpreters, readers, accessible locations, or attendants. If the Tenant is visually impaired, any notice to the Tenant which is required under this procedure must be in an accessible format.

The Hearing Officer is responsible for conducting fair hearings and rendering fair and reasonable decisions based upon the evidence introduced at each hearing as it applies to the law and HCAAC's Admission and Continued Occupancy Policy.

IX. FAILURE TO APPEAR AT THE HEARING

If the complainant or the PHA fails to appear at the scheduled hearing, the hearing officer may make a determination to postpone the hearing to a date within the next **five (5) business days**, or may make a determination that the party has waived their right to a hearing.

Both the complainant and the PHA shall be notified in writing of the determination by the hearing officer. A determination that the complainant has waived his right to a hearing shall not constitute a waiver of any right the complainant may have to contest the PHA's disposition of the grievance in court.

X. DECISION OF THE HEARING OFFICER

The hearing officer shall prepare a written decision, with the reasons for the decision **within ten (10) business days** after the hearing. A copy of the decision shall be sent to the complainant and the PHA.

The PHA shall retain a copy of the decision in the Tenant's folder. A copy of the decision with all names and identifying references deleted, shall also be maintained on file by the PHA and made available for inspection by a prospective complainant, his representative, or

the hearing officer.

The decision of the hearing officer shall be binding on the PHA which shall take all actions, or refrain from any actions, necessary to carry out the decision unless the PHA's Board of Commissioners determines otherwise within ten business days, and promptly notifies the complainant of its determination that:

- A. The grievance does not concern PHA action or failure to act in accordance with or involving the complainant's lease or PHA regulations, which adversely affect the complainant's rights, duties, welfare or status.
- B. The decision of the hearing officer is contrary to applicable Federal, State or local law, HUD regulation, or requirements of the annual contributions contract between HUD and the PHA.
- C. A decision by the hearing officer or Board of Commissioners in favor of the PHA or which denies the relief requested by the complainant in whole or in part shall not constitute a waiver of, nor affect in any way, the rights of the complainant to a trial or judicial review in any court proceedings which may be brought in the matter later.

APPENDIX IV

HOUSING COMMISSION OF ANNE ARUNDEL COUNTY RESIDENTIAL LEASE AGREEMENT

THIS AGREEMENT is executed between the Housing Commission of Anne Arundel County (herein called "PHA"), and _____ (herein called "tenant"), and becomes effective _____

1. UNIT. The PHA, relying upon the representations of Tenant as to Tenant's income, household composition, and housing need, leased to Tenant (upon Terms and Conditions set forth in this Lease Agreement) the dwelling unit LOCATED at

(STREET ADDRESS) (APT. #) (CITY) (ZIP CODE)
hereinafter called the "premises") to be occupied exclusively as a private residence by Tenant and household.

2. HOUSEHOLD COMPOSITION. The Tenant's household is composed of the individuals listed below. (Other than the Head or Spouse, each household member should be listed by age, oldest to youngest.)

NAME	RELATIONSHIP	SOCIAL SECURITY #	AGE & BIRTHDATE

I. DESCRIPTION OF THE PARTIES AND PREMISES

- A. The PHA, using data provided by Tenant about income, household composition, and needs, leases to Tenant, the property (called "premises" or "dwelling unit") subject to the terms and conditions contained in this Lease.
- B. Premises must be used only as a private residence, solely for Tenant and the household members named in the Lease. The PHA may, by prior written approval, consent to Tenant's use of the unit for legal profit-making activities subject to the PHA's policy on such activities.
- C. Any additions to the household members named on the lease, including Live-in Aides and foster children, except for natural births, adoptions and court-awarded custody, require the advance written approval of the PHA, all others require prompt notification to the PHA. Such approval will be granted only if the new household members pass the PHA's screening criteria and a unit of the appropriate size is available. Permission to add Live-in Aides and foster children shall not be unreasonably refused.

Tenant agrees to wait for the PHA's approval before allowing an additional person to move into the Premises. Failure on the part of Tenant to comply with this provision is a serious violation of the material terms of the Lease, for which the PHA may terminate the lease in accordance with Section XIII.

- D. Deletions (for any reason) from the household members named on the lease shall be reported by Tenant to the PHA in writing, within 10 calendar days of the occurrence.

II. LEASE TERM AND AMOUNT OF RENT

- A. Unless otherwise modified or terminated in accordance with Section XII, this lease shall automatically be renewed for successive terms of one (1) calendar year. Notwithstanding that this is a one-year lease, a Tenant who violates the terms and conditions of this Lease agrees to surrender possession upon thirty (30) days prior written notice, subject to all requirements and rights under the Admissions and Occupancy Policy and/or the Code of Federal Regulation, except where a shorter notice is permitted by law, as in the case of non-payment of rent.
- B. Rent stated in this Lease in the amount of _____ per month shall remain in effect unless adjusted by the PHA in accordance with Section VI herein.
- C. The amount of the Total Tenant Payment and Tenant Rent shall be determined by the PHA in compliance with HUD regulations and requirements and in accordance with the PHA's Admissions and Occupancy Policy.
- D. Rent is DUE and PAYABLE in advance on the first day of each month. Rent may include utilities as described in Section V below, and includes all maintenance services due to normal wear and tear.
- E. When the PHA makes any change in the amount of Total Tenant Payment or Tenant Rent, the PHA shall give written notice to Tenant. The notice shall state the new amount, and the date from which the new amount is applicable. Rent re-determinations are subject to the Administrative Grievance Procedure. The notice shall also state that Tenant may ask for an explanation of how the amount is computed by the PHA. If Tenant asks for an explanation, the PHA shall respond in a reasonable time.

III. OTHER CHARGES

In addition to rent, Tenant is responsible for the payment of certain other charges specified in this lease. The type(s) and amount of other charges are specified in this Lease Agreement. Other charges can include:

- A. **MAINTENANCE COSTS** - The cost for services or repairs due to intentional or negligent damage to the dwelling unit, common areas or grounds beyond normal wear and tear, caused by Tenant, household members, or by guests. When the PHA determines that needed maintenance is not caused by normal wear and tear, Tenant shall be charged for the cost of such service, either in accordance with the Schedule of Maintenance Charges posted by the PHA or (for work not listed on the Schedule of Maintenance Charges) based on the actual cost to the PHA for the labor and materials needed to complete the work.
- B. **EXCESS UTILITY CHARGES** - At developments where utilities are provided by the PHA, a charge shall be assessed for excess utility consumption due to the operation of major Tenant-supplied appliances. This charge does not apply to Tenant(s) who pay their utilities directly to a utility supplier.
- C. **AIR CONDITIONERS** - Installation charges for Tenant-supplied air conditioners.
- D. **LATE CHARGES** - A charge equal to five (5) percent of the late rental payment, not to exceed \$10, for rent paid after the tenth calendar day of the month.
- E. **COURT COSTS/LEGAL FEES AND COSTS** - This section refers to all costs associated with the bringing of any legal action arising under this Lease and/or the enforcement of any lease term, including but not limited to court fees, service of process fees, and/or attorneys' fees and costs including expert fees engaged for purposes of litigation. In the event legal action does not proceed to judgment, but is resolved by the parties after initiation of suit, but before judgment, Landlord specifically reserves its right to seek an award of as well as collect any award of court costs, attorney's fees and costs, as well as pre-judgment interest in any action against Tenant under this lease agreement. This provision is not intended to provide recovery even if Landlord is unsuccessful but is intended to make Landlord whole for its costs incurred in actions such as Failure to Pay Rent suits, when Tenant satisfies the rent due after a case is filed but prior to entry of judgment. The fees will not be charged against a Tenant until the Court has entered a verdict in the PHA's favor or after PHA files suit and the Tenant resolves

the suit by settling the claim prior to judgment, such as by paying any outstanding rent or other charges due to avoid judgment in a breach of contract action. Tenant maintains a right to timely grieve any assessed fee with which Tenant disagrees and/or to take any judicial remedy to which Tenant may be legally entitled.

The PHA shall provide written notice of the amount of any charge, in addition to Tenant Rent, and when the charge is due. Charges in addition to rent are due no sooner than two weeks after HCAAC provides Tenant written notice of the charge. In accordance with Tenant's rights as set forth elsewhere in this Lease and under Federal Regulations, the Tenant has the right to challenge the charges described herein in accordance with a timely filed grievance and/or to take any judicial remedy to which Tenant may be legally entitled.

IV. SECURITY DEPOSIT

- A. **TENANT RESPONSIBILITIES:** Tenant agrees to pay an amount equal to the greater of \$50 or one month's Total Tenant Payment. The dollar amount of the security deposit is noted in this Lease Agreement.
- B. **PHA's RESPONSIBILITIES:** The PHA will use the Security Deposit at the termination of this Lease:
 - 1. To pay the cost of any rent or any other charges owed by Tenant at the termination of this Lease.
 - 2. To reimburse the cost of repairing any intentional or negligent damages to the dwelling unit caused by Tenant, household members, or guests.

The Security Deposit may not be used to pay rent or other charges while Tenant occupies the dwelling unit. No refund of the Security Deposit will be made until after Tenant has vacated, and the dwelling unit has been inspected by the Property Manager or designee on behalf of the PHA.

The return of a security deposit shall occur within forty-five (45) days after Tenant moves out. The PHA agrees to return the Security Deposit, if any, to Tenant when he/she vacates, less any deductions for any costs indicated above, so long as Tenant furnishes the PHA with a forwarding address. If any deductions are made, the PHA will furnish Tenant with a written statement of any such costs for damages and/or other charges deducted from the Security Deposit. Tenant and the PHA agree to comply with the requirements of Section 8-203 of the Real Property Articles of the Annotated Code of Maryland.

V. UTILITIES AND APPLIANCES

This Lease provides for certain utilities to be paid by PHA Tenant.

As part of the rent, the PHA will supply water and sewer service.

- A. **PHA SUPPLIED UTILITIES -** The PHA will supply reasonable quantities of electricity, natural gas, and heating fuel. The PHA will not be liable for the failure to supply utility service for any cause whatsoever beyond its control.

The PHA will provide a cooking range and refrigerator. Other major electrical appliances, air conditioners, freezers, extra refrigerators, washers, dryers, etc., may be installed and operated only with the written approval of the PHA. A monthly service charge will be payable by Tenant for the electricity used in the operation of such appliances, as shown on the schedule posted in the Housing Manager's office.

- B. **TENANT PAID UTILITIES -** If Tenant resides in a development where the PHA does not supply electricity, natural gas, heating fuel, an Allowance for Utilities shall be established, appropriate for the size and type of dwelling unit for utilities Tenant pays directly to the utility supplier. The Total Tenant Payment less the Allowance for Utilities equals Tenant Rent. If the Allowance for Utilities exceeds the Total Tenant Payment, the PHA will pay a Utility Reimbursement to the utility supplier for Tenant each month.

The PHA may change the Allowance at any time during the term of the Lease, and shall give Tenant sixty (60) days written notice of the revised Allowance along with any resultant changes in Tenant Rent or Utility Reimbursement.

If Tenant's actual utility bill EXCEEDS the Allowance for Utilities, Tenant shall be responsible for paying the actual bill to the supplier. If Tenant's actual utility bill is LESS than the Allowance for Utilities, Tenant shall receive the benefit of such saving.

- C. **TENANT RESPONSIBILITIES** - Tenant agrees not to waste the utilities provided by the PHA and to comply with any applicable law, regulation, or guideline of any governmental entity regulating utilities or fuels.

Tenant also agrees to abide by any local ordinance or House rules restricting or prohibiting the use of space heaters in multi-dwelling units.

VI. TERMS AND CONDITIONS

The following terms and conditions of occupancy are made a part of the Lease:

- A. **USE AND OCCUPANCY OF DWELLING** - Tenant shall have the right to exclusive use and occupancy of the dwelling unit for Tenant and other household members listed on the Lease. With the prior written consent of the PHA, members of the household may engage in legal profit-making activities in the dwelling unit.

This provision permits reasonable overnight accommodation of Tenant's long-term guests or visitors for a period not exceeding fourteen (14) days each year. This limitation shall not apply to the visitation of a minor child with the Tenant, who is a non-custodial parent, provided said child is not engaged in drug related or criminal activity, as set forth and defined in other provisions in this lease, and further provided that the non-custodial parent Tenant gives prompt notice to the PHA by providing, in writing a copy of a custody agreement, court order, or a statement of visitation terms where there is an informal agreement between the parents. Permission may be granted, upon written request to the Property Manager, for an extension of this provision. Consideration will be given to extenuating circumstances with prior approval from management.

- B. **ABILITY TO COMPLY WITH LEASE TERMS** - If, during the term of this Lease, Tenant, by reason of physical or mental impairment is no longer able to comply with the material provisions of this Lease, and cannot make arrangements for someone to aid him/her in complying with the Lease, and the PHA cannot make any reasonable accommodation that would enable Tenant to comply with the Lease; THEN, The PHA will assist Tenant, or designated member(s) of Tenant's family, to find more suitable housing and terminate Tenant's Lease.

At the time of admission, all Tenants must identify the family member(s) to be contacted if they become unable to comply with Lease terms.

- C. **REDETERMINATION OF RENT, DWELLING SIZE, AND ELIGIBILITY** - The rent amount as fixed in the Lease Agreement is due each month until changed as described below:

1. All families, without fixed sources of income, (includes all adult members) will be scheduled for recertification interviews to provide information on income, assets, allowances, deductions and family composition at least annually (except those families with fixed sources of income) and in accordance with Section 960.257 of the Federal Regulations. (See Verification Procedures)
2. All families (includes all adult members) with fixed sources of income will be scheduled for recertification interviews to provide information on income, assets, allowances, deductions and family composition at least once every three (3) years (triennially) and in accordance with 24CFR 5.567(d) of the Federal Regulations.

"Family member with a fixed source of income" is defined as a family member whose income includes periodic payments at reasonably predictable levels from one or more of the following sources:

- (1) Social Security, Supplemental Security Income, Supplemental Disability Insurance;
- (2) Federal, state, local, or private pension plans;
- (3) Annuities or other retirement benefit programs, insurance policies, disability or death benefits, or other similar types of periodic receipts; or
- (4) Any other source of income subject to adjustment by a verifiable cost of living adjustment (COLA) or current rate of interest.

In accordance with 24CFR 5.567(d), HCAAC may by means of a streamline income determination allow families, who self-certify as having fixed sources of income, to complete recertifications once every three (3) years. Eligible families are families who have an income, as of their most recent review, of which 90 percent or more consists of fixed-income.

HCAAC must use a COLA or current rate of interest specific to the fixed source of income in order to adjust the income amount and, must obtain third-party verification of other income amounts in order to calculate the change in income for the source.

- a. For any family member whose income is determined pursuant to a streamlined income determination, HCAAC must obtain third-party verification of all fixed-income amounts every three (3) years. Other income for each family member must be determined at least annually. The reexamination of family circumstances is coordinated with the anniversary date and inspection of the premises. Reexaminations are started 90 days prior to the anniversary date to assure sufficient time to conclude this process.
 - b. The Commission shall verify all information submitted by the Tenant. To assist in the verification process, the Head of Household and any working adult members of the Tenant's Family shall sign release of information forms necessary to accurately verify the source, amount, and permanence of income. Copies of enrollment forms and transcripts may be required to document the status of full-time students for persons 18 years and older.
 - c. If, as a result of the Annual Reexamination, the Commission determines that Tenant's rent should be adjusted, the Commission will give Tenant 30-day Notice of Proposed Rent Adjustment. The adjustment shall become effective on the date stated in the Notice unless the tenant requests a grievance hearing on the proposed adjustment based on the manner in which the rent was determined.
 - d. The rent established at admission or the last reexamination date shall remain in effect between regular rent determination dates unless modified through an interim adjustment.
 - e. This determination will be made in accordance with the Admissions and Occupancy Policy, which is publicly posted in the on-site Management Office. A copy of the policies can be furnished on request at the expense of the person making the request.
 - f. Failure to supply such information when requested is a serious violation of the terms of the Lease, and the PHA may terminate the Lease.
3. Rent will not change during the period between regular re-examinations, UNLESS during such period:
- a. A person with income joins the household.
 - b. Tenant can verify a change in his/her circumstances (such as decline in or loss of income) that would justify a reduction in rent. Failure to report for re-certification for public assistance, not complying with job placement or other requirements of public assistance program without a valid reason will not be grounds for a reduction in rent. Any approved rent reduction will result in changing a flat rent to an income based rent.
 - c. If it is found that the Tenant has misrepresented the facts upon which the rent is based so that the rent Tenant is paying is less than the rent that he/she should have been charged. The PHA then may apply an increase in rent retroactive to the first of the month following the month in which the misrepresentation occurred.
 - d. Rent formulas or procedures are changed by Federal law or regulation.
 - e. The earned income disallowance encourages participant self-sufficiency by rewarding certain residents who go to work or have increased earnings. During the first twelve (12) calendar month period beginning on the date a member of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the PHA must exclude from annual income of a qualified family an increase in income of the family member as a result of employment over prior income of that family member. After the first calendar twelve (12) month period after the date a member of a qualified family is first employed or the family first experiences an increase in annual income attributable to

employment, the PHA must exclude from annual income of a qualified family fifty percent of any increase in income of such family member as a result of employment over income of that family member prior to beginning of such employment. The disallowance is limited to a lifetime twenty-four (24) month period for a qualifying family member; at the end of the twenty-four (24) months, the disallowance ends regardless of how many months were used.

A qualified family is defined as a family residing in housing assisted under the Public Housing

- a. Whose annual income increases as a result of employment of a family member who was unemployed for one or more years previous to employment;
- b. Whose annual income increases as a result of increased earnings by a family member during participation in any economic self-sufficiency or other job training program; or
- c. Whose annual income increases, as a result of new employment or increased earnings of a family member, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the PHA in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-To-Work programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance-provided that the total amount over a six-month period is at least \$500.

Disallowance of increase in annual income

Initial twelve (12) month exclusion - During the cumulative twelve (12) month period beginning on the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, HCAAC will exclude from annual income of a qualified family any increase in income of the family member who is a person with disabilities as a result of employment over prior income of that family member.

Second twelve month exclusion and phase-in - During the second cumulative twelve month period after the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, HCAAC will exclude from annual income of a qualified family fifty (50%) percent of any increase in income of such family member as a result of employment over income of that family member prior to the beginning of such employment.

Maximum twenty-four disallowance - The disallowance of increased income of an individual family member who is a person with disabilities as provided above is limited to a lifetime twenty-four (24) month period. This section only allows for a maximum of twelve months for the initial exclusion and a maximum of twelve months for the second twelve (12) month exclusion.

The disallowance of increases in income as a result of employment of persons with disabilities under this section does not apply for purposes of admission to the program (including the determination of income eligibility and income targeting).

- f. A change in family composition as set forth in section 4 below.
4. All changes in household composition and income must be reported in writing to the Property Manager within ten (10) calendar days of the occurrence. Failure to report within the 10 calendar days may result in a retroactive rent charge.
 5. The Lease WILL NOT be revised to permit a change of household composition resulting from a request to allow an adult to move back into the unit unless it is determined that the move is essential

for the mental or physical health of Tenant AND it does not disqualify the household for the size unit it is currently occupying.

6. **Mixed Families** –A family that contains some member that is eligible for assistance and some members that are ineligible for assistance. The family may be subject to prorated rent under the Noncitizens Rule.

Under this rule, the PHA must complete the following steps:

1. Determine the total tenant payment in accordance with 24 CFR §5.628. (Annual income includes income of all family members, including any family member who has not established eligible immigration status.)
2. Family maximum rent is equal to the applicable flat rent for the unit size to be occupied by the family.
3. Subtract the total tenant payment from the family maximum rent. The result is the maximum subsidy for which the family could qualify if all members were eligible (“family maximum subsidy”).
4. Divide the family maximum subsidy by the number of persons in the family (all persons) to determine the maximum subsidy per each family member who has citizenship or eligible immigration status (“eligible family member”). The subsidy per eligible family member is the “member maximum subsidy.”
5. Multiply the member maximum subsidy by the number of family members who have citizenship or eligible immigration status (“eligible family members”). The product of this calculation is the “eligible subsidy.”
6. The mixed family TTP is the maximum rent minus the amount of the eligible subsidy.
7. Subtract any applicable utility allowance from the mixed family TTP. The result of this calculation is the mixed family tenant rent.

When the mixed family’s TTP is greater than the maximum rent, the PHA must use the TTP as the mixed family TTP.

This method of prorating assistance applies to new admissions and annual reexaminations after the effective date of the regulation.

D. OVER INCOME RESIDENCY

The Commission will terminate residency of a family should the annual income exceed 120% of median income, published in that year by HUD for that family size. The Commission will;

1. Provide the family a twenty-four (24) month notice period prior to acting upon such termination, and
2. Should the family income fall below the 120% threshold during said period, as established in that period by HUD, the notice will be rescinded.
3. Families over the income limits who have a valid contract for participation in a Family Self-Sufficiency (FSS) program would not be subject to eviction or termination of tenancy.
4. If a family is currently receiving the earned income disallowance would not be subject to eviction or termination of tenancy.

E. RENT ADJUSTMENTS - Tenant will be notified in writing of any rent adjustment due to the situations described above. All notices will state the effective date of the rent adjustment.

1. In the case of a rent decrease, the adjustment will become effective on the first day of the month following the reported change in circumstances, provided Tenant reported the change in a timely manner, as specified in Section VII, part C, subsection 4 above.
2. In the case of a rent increase, when an increase in income occurs and is reported within 10 calendar days of the occurrence, the increase will become effective the first day of the move-in anniversary month following the change in family circumstances.

3. In the case of a rent increase due to misrepresentation, failure to report a change in household composition, or failure to report an increase in income (after a reduction in rent per the fixed rent policy), the PHA shall apply the increase in rent retroactive to the first of the month following the month in which the misrepresentation occurred.

F. TRANSFERS

1. Tenant agrees that if the PHA determines that the size or design of the dwelling unit is no longer appropriate to Tenant's needs, the PHA shall send Tenant written notice. Tenant further agrees to accept a new Lease for a different dwelling unit of the appropriate size or design.
2. The PHA may move a Tenant into another unit if it is determined necessary to rehabilitate Tenant's unit.
3. If a Tenant makes a written request for special unit features in support of a documented disability or handicap, the PHA shall have the choice to modify Tenant's existing unit or transfer Tenant to another unit with the features requested.
4. A Tenant without disabilities or handicaps who is housed in a unit with special features must transfer to a unit without such features should a Tenant with disabilities need the unit.
5. In the case of involuntary (PHA Administrative) transfers, Tenant shall be required to move into the dwelling unit made available by the PHA. Tenant shall be given fifteen (15) days in which to move following delivery of a transfer notice. If Tenant refuses to move, the PHA may terminate the Lease.
6. Involuntary transfers are subject to the Grievance Procedure, and no such transfers may be made until either the time to request a Grievance has expired or the procedure has been completed.
7. The PHA will consider any Tenant requests for transfers in accordance with the transfer priorities established in the Admissions and Occupancy Policies.

G. COMMUNITY SERVICE

Federal regulation provides that except for a family member who is an exempt individual, each adult member of public housing must: contribute 8 hours per month of community service (not including political activities); or participate in an economic self-sufficiency program for 8 hours per month; or perform 8 hours per month of combined activities as determined by the PHA. An exempt individual is defined as any adult who:

- 1) is 62 years or older,
- 2) (a) is a blind or disabled individual, as defined under 216(i)(1) or 1614 of the Social Security Act (42 U.S.C. 416 (i)(1);1382c), and who certifies that because of this disability she or he is unable to comply with the service provisions of this subpart, or(b) is a primary caretaker of such individual;
- 3) is engaged in work activities;
- 4) meets the requirements for being exempted from having to engage in a work activity under the State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) or under any other welfare program of the State in which the PHA is located, including a State-administered welfare-to-work program; or
- 5) is a member of family receiving assistance, benefits or services under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) or under any other welfare program of the State in which the PHA is located, including a State-administered welfare-to-work program, and has not been found by the State or other administering entity to be in noncompliance with such a program.

H. VIOLENCE AGAINST WOMEN ACT

The following provisions are applicable to situations involving incidents involving actual or threatened domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation, as those terms are defined in Section 6(u)(3) of the United States Housing Act of 1937, as amended, (42 U.S.C. §1437d(u)(3)) and in HCAAC's Violence Against Women Act (VAWA) Policy, and which must be applied consistent with all nondiscrimination and fair housing requirements. To the extent any provision of this section shall vary from or contradict any other provision of this lease, the provisions of this section shall prevail.

A. Termination of tenancy.

1. An incident or incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking shall not constitute a serious or repeated violation of the lease by the victim of such violence; and
2. Criminal activity directly relating to domestic violence, dating violence, sexual assault or stalking, engaged in by a member of the tenant's household, a guest, or other person under the tenant's control, shall not be cause for termination of tenancy or occupancy rights, if the Tenant or any member of the Tenant's family is a victim of that domestic violence, dating violence, or stalking.
3. Notwithstanding anything to the contrary contained in paragraphs A.1. and A.2. above, HCAAC may terminate Tenant's tenancy under this lease if it can demonstrate an actual and imminent threat to other tenants or to those employed at or providing service to the development in which the unit is located, if the tenant's tenancy is not terminated.

Further, nothing in this section shall prohibit HCAAC from terminating tenancy under this lease based on a violation of this lease not premised on an act or acts of domestic violence, dating violence, sexual assault or stalking against the tenant, a member of the tenant's household, survivors of sexual assault, and intimate partner, affiliated individual, which includes any person living with the survivor and related to him or her by blood or marriage including the survivor's spouse, parent, brother, sister, child, or any person to whom the survivor stands in loco parentis for which protection against termination of tenancy is given in paragraphs A.1. and A.2. above. However, in taking any such action to terminate tenancy, HCAAC shall not apply a more demanding standard to you than to other tenants.

B. **Bifurcation of Lease.** Under the authority provided in Section 6(l)(6)(B) of the United States Housing Act of 1937, as amended (42 U.S.C. §1437d(l)(6)(B)), HCAAC may bifurcate this lease in order to evict, remove, or terminate assistance to any individual who is a Tenant or a lawful occupant under this lease and who engages in criminal acts of physical violence against family members or others. HCAAC may take such action without evicting, removing, terminating assistance to, or otherwise penalizing a victim of such violence who is the Tenant or a lawful occupant under this lease.

C. **Certification.** If the Tenant or a lawful occupant, as a defense to termination of tenancy or an action to evict, claims protection under this section against such action, HCAAC may (but is not required to) request the individual to deliver to HCAAC a certification. The certification may be delivered in one of the following forms:

1. A HUD-approved form attesting that the individual is a victim of domestic violence, dating violence, or stalking and that the incident or incidents in question are bona fide incidents of such actual or threatened abuse and meet the requirements of this section, or
2. Documentation signed by an employee, agent or volunteer of a victim service provider, an attorney, or a medical professional, from whom the victim has sought assistance in addressing domestic violence, dating violence, or stalking or the effects of the abuse, in which the professional attests under penalty of perjury to the professional's belief that the incident or incidents in question are bona fide incidents of abuse, and the victim has signed or attested to the documentation, or

3. A federal, State, tribal, or local police report or court record, describing the incident or incidents in question.

The certification must be delivered to HCAAC within 10 days after the request for certification is received from HCAAC. If the certification is not delivered within the 10-day period allowed, the provisions of this section will not apply and HCAAC may elect to terminate tenancy and evict without regard to the protections provided in this section.

- D. **Confidentiality.** The law requires that information provided to HCAAC concerning an incident or incidents of domestic violence, dating violence, or stalking be retained in confidence, not placed in any shared data base nor provided to a related entity, except to the extent disclosure requested or consented to by the individual supplying such information, or required for use in an eviction proceeding, or otherwise required by applicable law.
- E. **Notification.** The law requires that all existing tenants, as well as new tenants, of all HUD-covered programs receive notification of their rights under VAWA and HUD's VAWA regulations.
 1. Notice of Occupancy Rights Under the Violence Against Women Act Form HUD-5380
 2. Certification of Domestic Violence, Dating Violence Sexual Assault, or Stalking and Alternate Documentation Form HUD-5382
 3. Lease Addendum Violence Against Women and Justice Department Reauthorization Act of 2005 Form HUD-91067
- F. **Conflicting Evidence.** In cases of conflicting evidence, tenants and applicants who may need to submit third-party documentation to document occurrence of a VAWA crime have 30 calendar days to submit the third-party documentation. (See § 5.2007(b)(2).)
- G. **Emergency Transfer Plan.** This plan identifies tenants who are eligible for an emergency transfer, the documentation needed to request an emergency transfer, confidentiality protections, how an emergency transfer may occur, and guidance to tenants on safety and security. This plan is based on a model emergency transfer plan published by the U.S. Department of Housing and Urban Development (HUD), the Federal agency that oversees that the Housing Commission of Anne Arundel County is in compliance with VAWA.

Eligibility for Emergency Transfers

A tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking, as provided in HUD's regulations at 24 CFR part 5, subpart L is eligible for an emergency transfer, if: the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit. If the tenant is a victim of sexual assault, the tenant may also be eligible to transfer if the sexual assault occurred on the premises within the 90-calendar-day period preceding a request for an emergency transfer.

A tenant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan.

Tenants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section.

Emergency Transfer Request Documentation

To request an emergency transfer, the tenant shall notify the on-site management office and submit a written request for a transfer to the on-site management office. The PHA may request certain documentation from tenant(s) seeking emergency transfers under VAWA. The PHA will provide reasonable accommodations to this policy for individuals with disabilities. The tenant's written request for an emergency transfer should include either:

1. A statement expressing that the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted under The PHA's program; OR
2. A statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the tenant's request for an emergency transfer.

Emergency Transfer Timing and Availability

The PHA cannot guarantee that a transfer request will be approved or how long it will take to process a transfer request. The PHA will, however, act as quickly as possible to move a tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking to another unit, subject to availability and safety of a unit. If a tenant reasonably believes a proposed transfer would not be safe, the tenant may request a transfer to a different unit. If a unit is available, the transferred tenant must agree to abide by the terms and conditions that govern occupancy in the unit to which the tenant has been transferred. The PHA may be unable to transfer a tenant to a particular unit if the tenant has not or cannot establish eligibility for that unit.

If the PHA has no safe and available units for which a tenant who needs an emergency is eligible, the PHA will assist the tenant in identifying other housing providers who may have safe and available units to which the tenant could move. At the tenant's request, the PHA will also assist tenants in contacting the local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking that are attached to this plan.

VII. PHA OBLIGATIONS

The PHA shall be obligated:

- A. To maintain the dwelling unit and the project in decent, safe, and sanitary condition;
- B. To comply with the requirements of applicable building codes, housing codes, and HUD regulations materially affecting health and safety;
- C. To make necessary repairs to the dwelling unit;
- D. To keep project building, facilities, and common areas, not otherwise assigned to Tenant for maintenance and upkeep, in a clean and safe condition;
- E. To maintain in good and safe working order and condition electrical, plumbing, sanitary, heating, ventilating, and other facilities and appliances, including elevators supplied or required to be supplied by the PHA;
- F. To provide and maintain appropriate receptacles and facilities (except container for the exclusive use of an individual Tenant household) for the deposit of ashes, garbage, rubbish, and other waste removed from the premise by Tenant as required by this Lease;
- G. To supply running water and reasonable amounts of hot water and reasonable amount of heat at appropriate times of the year according to local custom and usage; EXCEPT where the building that includes the dwelling unit is not required to be equipped for that purpose, or where heat or hot water is generated by an installation within the exclusive control of Tenant and supplied by a direct utility connection; and
- H. To notify Tenant of the specific grounds for any proposed adverse action by the PHA. Such adverse action includes, but is not limited to, a proposed lease termination, transfer of Tenant to another unit, or imposition of charges for maintenance and repair, or for excess consumption of utilities. When the PHA is required to afford Tenant opportunity for a hearing under the PHA Grievance Procedure for a grievance concerning a proposed adverse action:
 1. The notice of the proposed adverse action shall inform Tenant of the right to request such hearing. In the case of Lease termination, a Notice of Lease Termination that complies with appropriate regulations shall constitute adequate notice of proposed adverse action.

2. In the case of a proposed adverse action other than a proposed Lease termination, the PHA shall not take the proposed action until time to request such a hearing has expired or, if hearing was timely requested, the grievance process has been completed.

VIII. TENANT'S OBLIGATIONS

Tenant shall be obligated:

- A. Not to assign the Lease, nor sublease the dwelling unit.
- B. Not to give accommodations to:
 1. Boarders or lodgers;
 2. Long-term overnight guests (in excess of a total of fourteen (14) days per year for all guests combined) without the advance written consent of the PHA; PHA has no obligation to consent, however will make reasonable accommodation to certain extenuating circumstances. This limitation shall not apply to the visitation of a minor child with the Tenant, who is a non-custodial parent, provided said child is not engaged in drug related or criminal activity, as set forth and defined in other provisions in this lease. To use the dwelling unit solely as a private dwelling for Tenant and Tenant's household as identified in the Lease, and not to use or permit its use for any other purpose without the advance written permission from the PHA.
- C. To use the dwelling unit solely as a private dwelling for Tenant and Tenant's household as identified in the Lease, and not to use or permit its use for any other purpose. This provision does not exclude the care of foster children or live-in care of a member of Tenant's household, provided the accommodations of such persons conforms to the PHA's Occupancy standards, and so long as the PHA has granted prior written approval for the foster child(ren), or live-in aide to reside in the unit.
- D. To abide by necessary and reasonable regulations promulgated by the PHA for the benefit and well-being of the housing community and Tenants. These regulations are posted in a conspicuous manner in the Property Manager's office and incorporated by reference in this Lease. Violation of such regulations constitutes a violation of the Lease.
- E. To comply with the requirements of applicable state and local building or housing codes, materially affecting health and/or safety of Tenant and household (i.e. blocked egress and tampering with smoke detectors).
- F. To keep the dwelling unit and other such areas as may be assigned to Tenant for exclusive use in a clean and safe condition. This includes keeping front and rear entrances and walkways for the exclusive use of Tenant, free from snow, ice, and trash and keeping the yard free of debris and litter. Exceptions to this requirement may be made for Tenants who have no household members able to perform such tasks because of age or disability.
- G. To dispose of all ashes, garbage, rubbish, and other waste from the dwelling unit in a sanitary and safe manner only in containers approved or provided by the PHA. To refrain from, and cause members of Tenant's household or guests to refrain from, littering or leaving trash and debris in common areas or galleries.
- H. To use only in reasonable manner all electrical, sanitary, heating, ventilating, air-conditioning, and other facilities and appurtenances including elevators.
- I. To refrain from, and to cause household and guests to refrain from destroying, defacing, damaging, or removing any part of dwelling unit or community.
- J. To pay reasonable charges (other than for wear and tear) for the repair of damages to the dwelling unit, community buildings, facilities, or common areas caused by Tenant, household member, or guests; the permeation of tobacco smoke odors shall not be considered ordinary wear and tear and the removal or envelopment of such odors by a paint sealant on the walls or chemical mechanical means shall be a cost for which the Tenant shall be charged, it being understood and agreed that lingering tobacco smoke odors caused by the Tenant, household members or guests, tend to render the dwelling unit non-rent able.

- K. To assure that Tenant, any member of the household, a guest, or any other person under Tenant's control will not be allowed to smoke on the property except in designated areas. The use of any lighted tobacco product, any other smoked product, and the use of electronic cigarettes are prohibited in all HCAAC owned property, to include unit, balcony, patio, hallway, common areas and grounds. Smoking may not occur in any outdoor area within 25 feet of housing units, administrative office buildings or other parts of the community not specifically designated by HCAAC as a designated smoking area.

This obligation is in accordance with the PHA's Non-Smoking Policy.

- L. To act, and cause household members or guests to act in a manner that will:
1. Not disturb other residents' peaceful enjoyment of their accommodations; and
 2. Be conducive to maintaining all PHA communities in a decent, safe, and sanitary condition.
- M. To assure that Tenant, any member of the household, a guest, or another person under Tenant's control, shall not engage in:
1. Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of any other person on the PHA's public housing premises, including but not limited to the unlawful possession, display or discharge of firearms, assault, prostitution, criminal street gang activity (to commit, to attempt to commit, or to solicit, coerce, or intimidate another person to commit an act or acts in furtherance of the person's involvement in a criminal street gang), threats and intimidation, that jeopardizes the health, safety, or right to peaceful enjoyment of any other person on the PHA's public housing premises; or,
 2. Any drug-related criminal activity on or off such premises. Any criminal activity in violation of the preceding sentence shall be cause for termination of tenancy, and for eviction from the unit. For the purposes of this Lease, the term "drug-related criminal activity" means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance as defined in Section 102 of the Controlled Substances Act and/or Article 27 of Section 279 of the Annotated Code of Maryland.
 3. A Tenant who knows or should know shall not allow visitation or provide accommodation to banned individuals; banned individuals are persons who are not permitted to enter upon Housing PHA property. A list of banned individuals is available and posted for review at the on-site Management Office and Tenant has an affirmative duty to periodically review said list to insure that Tenant is in compliance.
 4. Causing an unreasonably high number of calls for emergency service including, but not limited to, noise complaints, juvenile complaints or other public disturbance complaints that affect the health, safety, or right to peaceful enjoyment of the PHA's public housing premises may be a breach of the lease.
- N. To make no alterations, repairs, or redecorations to the interior of the dwelling unit or to the equipment, or to install additional equipment or major appliances without written consent of the PHA. To make no changes to locks or install new locks on exterior doors without the PHA's written approval. To use no nails, tacks, screws, brackets, or fasteners on any part of the dwelling unit (a reasonable number of picture hangers excepted) without authorization by the PHA.
1. To refrain from the use of water filled furniture without the advance written approval of the PHA. Permission to provide for reasonable accommodations will not be unreasonably refused.
- O. To give prompt prior notice to the PHA, in accordance with Section XIII hereof, of Tenant's leaving dwelling unit unoccupied for any period exceeding one (1) calendar week.
- P. To act in a cooperative manner with neighbors and PHA staff. To refrain from and cause members of Tenant's household or guests to refrain from acting or speaking in an abusive or threatening manner toward neighbors and PHA staff.

- Q. Not to display, use, or possess or allow members of Tenant's household or guests to display, use, or possess any firearms, operable or inoperable, or other offensive weapons as defined by the laws and courts of the State of Maryland anywhere on the property of the PHA.
- R. To take reasonable precautions to prevent fires and/or excessive smoke damage and to refrain from storing or keeping flammable materials upon the premises.
- S. To avoid obstructing sidewalks, areaways, galleries, passages, elevators, or stairs and to avoid using these for purposes other than going in and out of the dwelling unit.
- T. To refrain from erecting or hanging radio or television antennas on or from any part of the dwelling unit without advance written consent from the PHA.
- U. To refrain from placing signs of any type in or about the dwelling except those allowed under applicable zoning ordinances and then only after having received written permission of the PHA.
- V. To refrain from, and cause members of Tenant's household to refrain from keeping, maintaining, harboring, or boarding any dog, cat, livestock, or pet of any nature in the dwelling unit of any PHA development, without consent of the PHA in accordance with the adopted Pet Policy; any unauthorized pet is subject to removal from the premises by authorized animal control services at the pet Tenants expense, This section does not apply to service animals kept by disabled persons, as set forth in the Pet Policy. In the event Tenant desires to have a pet and complies with the requirements of the pet policy an addendum to this lease must be executed by the Tenant and the PHA in accordance with the pet policy.

In accordance with the PHA's Pet Policy, pets may be kept in buildings or units designated by the PHA for the elderly or handicapped.

- W. To remove from PHA property any vehicles without valid registration and inspection stickers. To refrain from parking any vehicles in any right-of-way or fire-lane designated and marked by the PHA. Any inoperable or unlicensed vehicle as described above will be removed from the PHA property at Tenant's expense including motorcycles, dirt bikes and ATV's. Automobile repairs are not permitted in the community.
- X. To remove any personal property left on PHA property when Tenant leaves, abandons, or surrenders the dwelling unit. Property left for more than 30 days shall be considered abandoned and will be disposed of by the PHA. Costs for storage and disposal shall be assessed against the former Tenant.
- Y. To use reasonable care to keep the dwelling unit in such condition as to ensure proper health and sanitation standards for Tenant, household members, and neighbors. TENANT SHALL NOTIFY THE PHA PROMPTLY OF KNOWN NEED FOR REPAIRS TO HIS DWELLING UNIT, and of known unsafe or unsanitary conditions in the dwelling unit or in common areas and grounds of the community. Tenant's failure to report the need for repairs in a timely manner shall be considered to contribute to any damage that occurs.
- Z. Not to:
 1. Commit any fraud in connection with any Federal housing assistance program; and
 2. Receive assistance for occupancy of any other unit assisted under any Federal housing assistance program during the term of the Lease.
- AA. To promptly pay any utility bills for utilities supplied to Tenant by a direct connection to the utility company, and to avoid disconnection of utility service for such utilities.

IX. DEFECTS HAZARDOUS TO LIFE, HEALTH, OR SAFETY

In the event that the dwelling unit is damaged to the extent that conditions are created which are hazardous to the life, health, or safety of the occupants:

- A. PHA RESPONSIBILITIES:

1. The PHA shall be responsible for repair of the unit within a reasonable period of time after receiving notice from Tenant. If the damage was caused by Tenant, household member, or guests the reasonable cost of the repairs shall be charged to Tenant.
2. The PHA shall offer Tenant a replacement dwelling unit, if available, if necessary repairs cannot be made within a reasonable time.
3. In the event repairs cannot be made by the PHA, as described above, and alternative accommodations are unavailable, then rent shall abate in proportion to the seriousness of the damage and loss in value as dwelling. No abatement of rent shall occur if Tenant rejects alternative accommodations or if the damage was caused by Tenant, household members, or guests.
4. If the PHA determines that the dwelling unit is uninhabitable because of imminent danger to the life, health, and safety of Tenant, and alternative accommodations are refused by Tenant, this Lease shall be terminated, and any rent paid will be refunded to Tenant.

B. TENANT RESPONSIBILITIES:

1. Tenant shall immediately notify the Property Manager of the damage and intent to abate rent, when the damage is or becomes sufficiently severe that Tenant believes he/she is justified in abating rent.
2. Tenant agrees to continue to pay full rent, less the abated portion agreed upon by the PHA, during the time in which the defect remains uncorrected.
3. Tenant shall accept any replacement unit offered by the PHA.
4. Tenant shall be obligated to secure common area doors and maintain keys to assigned unit and common areas in a safe manner.

X. *MOVE-IN AND MOVE-OUT INSPECTIONS*

- A. **MOVE-IN INSPECTION** - The PHA and Tenant or representative shall inspect the dwelling unit prior to occupancy by Tenant. The PHA will give Tenant a written statement of the condition of the dwelling unit, both inside and outside, and note any equipment provided with the unit. The statement shall be signed by the PHA and Tenant and a copy of the statement retained in Tenant's folder. Any deficiencies noted on the inspection report will be corrected by the PHA, at no charge to Tenant.
- B. **MOVE-OUT INSPECTION** - The PHA will inspect the unit at the time Tenant vacates and give Tenant written statement of the charges, if any, for which Tenant is responsible. Tenant and/or representative may join in such inspection, unless Tenant vacates without notice to the PHA.

XI. *ENTRY OF PREMISES DURING TENANCY*

A. TENANT RESPONSIBILITIES:

1. Tenant agrees that the duly authorized agent, employee, or contractor of the PHA will be permitted to enter Tenant's dwelling during reasonable hours (8:00 a.m. to 5:00 p.m.) for the purpose of performing routine maintenance, making improvements or repairs, inspecting the unit, or showing of the unit for leasing.
2. When Tenant calls to request maintenance on the unit, the PHA shall attempt to provide such maintenance at a time convenient to Tenant. If Tenant is absent from the dwelling unit when the PHA comes to perform maintenance, Tenant's request for maintenance shall constitute permission to enter.

B. PHA's RESPONSIBILITIES:

1. The PHA shall give Tenant at least 48 hours written notice that the PHA intends to enter the unit except when entry is at the request of a Tenant generated maintenance work order. The PHA may enter only at reasonable times.

2. The PHA may enter Tenant's dwelling unit at any time without advance notification when there is a reasonable cause to believe that an emergency exists, including but not limited to fire, flood, gas odors and vicious dogs as defined in accordance with the PHA Pet Policy.
3. If Tenant and all adult members of the household are absent from the dwelling unit at the time of entry, the PHA shall leave in the dwelling unit a written statement specifying the date, time, and purpose of entry prior to leaving the dwelling unit.

XII. NOTICE PROCEDURES

- A. **TENANT RESPONSIBILITY** - Any notice to the PHA must be in writing, delivered to the Property Manager's office or the PHA's Administrative office, located at 7477 Baltimore-Annapolis Blvd, Glen Burnie, Maryland, or sent by prepaid first-class mail, properly addressed to: Housing Commission of Anne Arundel County, Post Office Box #817, Glen Burnie, Maryland 21060-2817.
- B. **PHA RESPONSIBILITY** - Notice to Tenant must be in writing, delivered to Tenant or to any adult member of the household residing in the dwelling unit, or sent by first-class mail, properly addressed to Tenant.
- C. Return receipt for Registered or Certified mail shall be sufficient evidence that notice was given, whether signed or unsigned.
- D. If Tenant is visually impaired; all notices must be in an accessible format.

XIII. TERMINATION OF LEASE

In terminating the Lease, the following procedures shall be followed by the PHA and Tenant:

- A. This Lease may be terminated only for serious or repeated violations of material terms of the Lease, such as failure to make payment due under the Lease or to fulfill Tenant's obligations set forth in Section VIII above, or for other good cause.

Such serious or repeated violations of terms shall include but are not limited to:

1. Failure to pay rent or other charges when due.
2. Repeated late payment, which shall be defined as failure to pay the amount of rent or other charges due by the tenth (10th) of the month.
3. Failure to pay utility bills when Tenant is responsible for paying such bills directly to the supplier of utilities.
4. Misrepresentation of household income, assets, or composition.
5. Failure to supply, in a timely fashion, any certification, release, information, or documentation of household income or composition needed to process annual re-examinations or interim re-determinations.
6. Serious or repeated damage to the dwelling unit, creation of physical hazards in the unit, common areas, grounds, or parking areas of any PHA community.
7. Criminal activity by Tenant, household member, guest, or other person under Tenant's control, including criminal activity that threatens the health, safety, or right to peaceful enjoyment of the PHA's public housing premises by other residents or any drug-related criminal activity on or off PHA property. In some cases, the Tenants may not be entitled to the provisions of the PHA's Grievance Procedure.
8. Offensive weapons or illegal drugs seized in a PHA unit by law enforcement officers.

9. Any fire and/or associated excessive smoke damage on PHA premises caused by carelessness, failure to supervise children or unattended cooking.
 10. Repeated (four (4) times in a 12-month period) violations of the Non-Smoking Policy.
- B. In the event the PHA intends to terminate the lease, the PHA shall give written notice of the proposed termination and any intent to seek judicial relief as follows:
1. 14 days in the case of failure to pay rent.
 2. In a reasonable time before the proposed termination date, but not to exceed thirty days, considering the seriousness of the situation when the health or safety of other Tenants or PHA staff is threatened.
 3. In any other case, notice shall be given thirty (30) days before the proposed termination date.
- C. The notice of termination of the Lease:
1. The notice of termination to Tenant shall state specific reasons for the termination, shall inform Tenant of his/her right to make such reply as he/she may wish, and of Tenant's right to examine PHA documents directly relevant to the termination or eviction.
 2. When the PHA is required to offer Tenant the opportunity for a grievance hearing, the notice shall also inform Tenant of the right to request such a hearing in accordance with the PHA's Grievance Procedures.
 3. Any notice to vacate which is required by State or local law may be combined with, or run concurrently with the Notice of Lease Termination under this section. The Notice to Vacate must be in writing, and specify that if Tenant fails to quit the premises within the applicable statutory period, appropriate action will be brought against him, and he may be required to pay any and all court costs, attorneys' fees and costs and pre-judgment interest.
 4. When the PHA is required to offer Tenant the opportunity for a grievance hearing under the PHA's Grievance Procedure for a grievance concerning the Lease termination, the tenancy shall not terminate (even if any Notice to Vacate under State or local law has expired) until the period to request a hearing has expired, or (if a hearing is requested) the grievance process has been completed.
 5. When the PHA is not required to offer Tenant the opportunity for a hearing under the Grievance Procedure and the PHA has decided to exclude such grievance from the PHA Grievance Procedure (which can only be done following a Due Process Determination by HUD), the notice of Lease termination shall:
 - a. State the Tenant is not entitled to a grievance hearing on the termination;
 - b. Specify the judicial eviction procedure to be used by the PHA for eviction and identify the court in which proceeding will occur.; and
 - c. State whether the eviction is for a criminal activity that threatens health or safety of residents or staff or for drug-related criminal activity.
 6. The PHA may evict Tenant from the unit only by bringing a court action.
 7. Payment of rent when due shall continue during the pendency of court proceedings between the PHA and tenant for breach of lease or other cause of action, so long as tenant continues to occupy the unit. Acceptance of such rent shall not constitute a waiver by PHA of any claims or causes of action against tenant including pending claims.
- D. Tenant may terminate this Lease at any time by giving thirty (30) days written notice as described in Section XIII, above; upon death of the Tenant, this notice provision shall be binding on the heirs and/or personal representatives of the Tenant's estate.

- E. In deciding to evict for criminal activity, the PHA shall have discretion to consider all of the circumstances of the case, including the seriousness of the offense, the extent of participation by or awareness of household members, and the effects that the eviction would have both on household members not involved in the proscribed activity and on the household's neighbors. In appropriate cases, the PHA may permit continued occupancy by remaining household members and may impose a condition that household members who engage in the proscribed activity will neither reside in nor visit the unit. The PHA may require a household member who has engaged in the illegal use of drugs to present credible evidence of successful completion of a treatment program as a condition to being allowed to reside in the unit. If the PHA offers in writing to continue occupancy to the remaining household members, on the condition that specific household members who have engaged in the proscribed activity neither reside in or visit the unit, the named tenant shall have an obligation to accept such offer and to promptly execute a reasonable lease amendment, to be prepared by the PHA, providing for deletion from the lease of said offender as a household member and which may require banning the individual from the PHA property and non-entry into the dwelling unit of such household members as are designated and tenant shall be obligated to enforce said non-entry as a material and serious part of the tenants obligation. Refusal by the tenant to accept such offer and/or to promptly execute such a written amendment to the lease shall be considered a serious violation of this lease and a basis for termination of this lease.
- F. When a PHA evicts a Tenant from a dwelling unit for criminal activity the PHA shall notify the local post office serving the dwelling unit that such individual or household is no longer residing in the unit so the post office will stop mail delivery for such persons and they will have no reason to return to the unit.

XIV. WAIVER

No delay or failure by the PHA in exercising any right under the Lease agreement, and no partial or single exercise of any such right shall constitute a waiver (post or prospective) of that or any other right, unless otherwise expressly provided herein.

XV. HOUSEKEEPING STANDARDS

In an effort to improve the livability and conditions of the apartments owned and managed by the PHA, uniform standards for resident housekeeping have been developed for all Tenant families.

- A. PHA RESPONSIBILITY - The standards that follow will be applied fairly and uniformly to all Tenants. The PHA will inspect each unit at least annually, to determine compliance with the standards. Upon completion of an inspection, the PHA will notify Tenant in writing if he/she fails to comply with the standards. The PHA will advise Tenant of the specific correction(s) required to establish compliance, and indicate that training is available. Within a reasonable period of time, not to exceed forty-five (45) days the PHA will schedule a second inspection. Failure of a second inspection will result in the scheduling of a third and final inspection, not to exceed forty-five (45) days. Failure of the final inspection will constitute a serious lease violation and may result in Lease termination.

Resource referrals will be available at no cost to any Tenant requesting or needing assistance in complying with the Housekeeping Standards.

- B. TENANT RESPONSIBILITY - Tenant is required to abide by the standards set forth below. Failure to abide by any Housekeeping Standards, which results in the creation or maintenance of a threat to health or safety, is a serious violation of the Lease terms and can result in termination.

C. HOUSEKEEPING STANDARDS - INSIDE THE APARTMENT

1. GENERAL

- a. Walls should be clean, free of dirt, grease, holes, cobwebs, and fingerprints.
- b. Floors should be clean, clear, dry, and free of hazards.
- c. Ceilings should be clean and free of cobwebs.
- d. Windows should be clean and not nailed shut. Shades or blinds should be intact. Any items (i.e. furniture, etc.) should not block any windows.

- e. Woodwork should be clean, free of dust, gouges, or scratches.
- f. Doors should be clean, free of grease and fingerprints. Doorstops should be present. Locks should work.
- g. Heating units should be dusted and access uncluttered.
- h. Trash shall be disposed of properly and not left in the unit.
- i. Entire unit should be free of rodent or insect infestation.

2. KITCHEN

- a. Stove should be clean and free of food and grease.
- b. Refrigerator should be clean. Freezer door should close properly and freezer have no more than one inch of ice.
- c. Cabinets should be clean and neat. Cabinet surfaces and countertops should be free of grease and spilled food. Cabinets should not be overloaded. Storage under the sink should be limited to small or lightweight items to permit access for repairs. Do not store heavy pots and pans under the sink.
- d. Exhaust fan should be free of grease and dust.
- e. Sink should be clean, free of grease and garbage. Dirty dishes should be washed and put away in a timely manner.
- f. Food storage areas should be neat and clean without spilled food.
- g. Trash/garbage should be stored in a covered container until removed to the disposal area.

3. BATHROOM

- a. Toilet and tank should be clean and odor free.
- b. Tub and shower should be clean and free of excessive mildew and mold. Where applicable, shower curtains should be in place, and of adequate length.
- c. Lavatory should be clean.
- d. Exhaust fans should be free of dust.
- e. Floor should be clean and dry.

4. STORAGE AREAS

- a. Linen closet should be neat and clean.
- b. Other closets should be neat and clean. No highly flammable materials should be stored in the unit.
- c. Other storage areas should be clean, neat, and free of hazards.

D. HOUSEKEEPING STANDARDS - OUTSIDE THE APARTMENT

Housekeeping for common areas and/or outside of a building shall be the responsibility of the Tenants in said buildings regardless of the source of any debris, trash, or abandoned vehicles.

1. Yards should be free of debris, trash, and abandoned cars. Exterior walls should be free of graffiti.
2. Porches on the front of the unit and rear patios should be clean and free of hazards. Any items stored on the rear patio shall only be patio furniture, grills and bikes (i.e. no interior chairs, no cleaning supplies, etc.) and must not impede access to the unit.
3. Grills that are stored on the patios must comply with the requirements of applicable state and local building or housing codes and must be covered.
4. Steps (front and rear) should be clean and free of hazards.
5. Sidewalks should be clean and free of hazards.
6. Storm doors should be clean with glass and screens intact.
7. Parking lot should be free of abandoned cars. There should be no car repairs in the lots.
8. Hallways should be clean and free of hazards.
9. Stairwells should be clean and uncluttered.
10. Laundry areas should be clean and neat. Remove lint from dryers after use.
11. Utility room should be free of debris, motor vehicle parts, and flammable materials.

EXECUTION: By Tenant's signature below, Tenant and household agree to the terms and conditions of this Lease and all additional documents made a part of the Lease by reference.

By the signature(s) below, I/we also acknowledge that the Provisions of this Lease Agreement have been received, thoroughly explained, and understood.

I/we further understand that to the extent I/we need a Reasonable Accommodation to read or understand this Lease, I/we have requested an accommodation and received it or voluntarily chosen not to exercise that right.

Tenant, by entering into this lease recognizes this lease may be a renewal of a preexisting lease with the Housing Commission. Tenant understands that the Housing Commission by entering this lease does not waive rights to seek remedy for any breach(es) of the lease, including those predating the date of this renewal.

The foregoing execution clauses were read aloud during the signing process. HCAAC: _____ Tenant: _____

TENANT'S CERTIFICATION

I, _____, hereby certify that I, and other members of my household, have not committed any fraud in connection with any federal housing assistance program, unless such fraud was fully disclosed to the PHA before execution of the Lease, or before the PHA approval for occupancy of the unit by the household member. I further certify that all information or documentation submitted by myself or other household members to the PHA in connection with any federal housing assistance program (before and during the Lease term) are true and complete to the best of my knowledge and belief.

ACKNOWLEDGEMENT OF SECURITY DEPOSIT PAYMENT

The PHA hereby accepts from the Tenant a security deposit in the amount of _____. The deposit will be used as provided for in Section IV of this Lease Agreement.

APPENDIX V

TENANT TRANSFER POLICY

It is the policy of the Housing Commission of Anne Arundel County (PHA) to provide decent, safe, and secure dwelling units for tenants and their families in all PHA communities.

To the extent feasible, the PHA has adopted policies that will accommodate either transfers initiated at the request of the PHA or the tenant under the following conditions:

1. Tenant agrees that if the PHA determines that the size or design of the dwelling unit is no longer appropriate to Tenant's needs, the PHA shall send Tenant written notice. Tenant further agrees to accept a new Lease for a different dwelling unit of the appropriate size or design.
2. The PHA may move a Tenant into another unit if it is determined necessary to rehabilitate a Tenant's unit.
3. If a Tenant makes a written request for special unit features in support of a documented disability or handicap, the PHA shall have the choice to modify Tenant's existing unit or transfer Tenant to another unit with the features requested. If the decision is to relocate the tenant, the Housing Commission will make every effort to provide a suitable unit within the same community if the tenant so desires. The Admissions and Occupancy Policy allows transfer tenants to receive a priority for units within their existing community for placement.
4. A Tenant without disabilities or handicaps who is housed in a unit with special features must transfer to a unit without such features should a Tenant with disabilities need the unit.
5. In the case of involuntary transfers, Tenant shall be required to move into the dwelling unit made available by the PHA. Tenant shall be given fifteen (15) days in which to move following delivery of a transfer notice. If Tenant refuses to move, the Authority may terminate the Lease.
6. Involuntary transfers are subject to the Grievance Procedure, and no such transfers may be made until either the time to request a Grievance has expired or the procedure has been completed.
7. The PHA will consider any Tenant requests for transfers in accordance with the transfer priorities established in the Admissions and Occupancy Policy.

The preceding policies establish the guidelines by which the PHA may require a Tenant to transfer and outline the notice requirements for a Tenant's failure to accept an appropriate size unit.

In addition to the notice requirements, the policy also states that the provisions of the PHA's Grievance Procedure are applicable to this policy and all notices to the Tenant must specify the right to a hearing should they feel that the action or inaction by the PHA is in conflict with rules, regulations, procedures, etc.

Most of the transfers made by the PHA will be prescribed by the Admissions and Occupancy Policy which outlines the maximum and minimum occupancy requirements for various size units and any additional criteria that would be considered such as the age and sex of minor children in the family.

- 1) Dwellings will be assigned so that except in the case of infants or very young children, it will not be necessary for persons of the opposite sex, other than husband and wife, to occupy the same bedroom.
- 2) Children who have reached the age of three (3) years will be given a separate bedroom from that single parent when a vacancy occurs and a transfer is feasible.

The Chief Executive Officer may exercise discretion to offer an emergency transfer when the tenant is in a situation involving a threat of actual violence if the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit. A tenant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan. Tenants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section.

APPENDIX VI

PET POLICY

Effective April 18, 1985, residents in buildings designated for occupancy by the elderly and disabled, in which are managed by the Housing Commission of Anne Arundel County (HCAAC) are allowed to own and keep common household pets in their respective units. This policy sets forth the conditions and guidelines under which pets are permitted.

I. Purpose

The purpose of the policy is to ensure that pet ownership will not be injurious to persons or property, or violate the rights of all residents to clean, safe and sanitary surroundings. **These rules do not apply to and will not be enforced against individuals who have animals that are used to assist the disabled.**

Common household pets are defined as follows:

Birds: Small birds such as canaries, parakeets, finches and other species that are normally kept caged; birds of prey are not permitted.

Fish: Tanks or aquariums are not to exceed ten (10) gallons in capacity. Only one tank or aquarium is permitted per dwelling unit.

Dogs: Not to exceed fifteen (15) pounds at the time of maturity. Residents must be able to carry their pet. All dogs must be spayed or neutered. Vicious breeds of dogs, as defined by Simon and Schusters Guide to Dogs are prohibited.

Cats: All cats must be spayed or neutered.

Exotic pets such as snakes, spiders, frogs, monkeys, rodents, reptiles, scorpions, ferrets, etc are not permitted.

II. Registration

Every pet must be registered with the Housing Commission of Anne Arundel County on site Property management prior to moving the pet into the unit and updated annually thereafter. Registration requires the following:

- A. Certification from a licensed veterinarian, or state or local authority empowered to inoculate animals stating that the animal has received all inoculations required by state and local law, if applicable. (dogs and cats only)
- B. Proof of current license, if applicable. (dogs and cats only)
- C. Identification tag bearing the owner's name, address and phone number, if applicable. (dogs and cats only)
- D. Proof of neutering/spaying by the age of six months, if applicable. (dogs and cats only)
- E. Photograph of the animal or aquarium (3x5 or smaller)
- F. At least two persons, who are not residents of the Housing Commission of Anne Arundel County capable of assuming responsibility of the animal should the owner become incapacitated.

III. Licenses and Tags

Every dog and cat must wear the appropriate local animal license, a valid rabies tag and a tag bearing the owner's name, address and phone number. All licenses and tags must be current. Pet license information must be updated annually.

IV. Density of Pets

Only one (1) dog, cat or turtle will be allowed per dwelling unit. Only two (2) birds will be allowed per dwelling unit. The Housing Commission will have final approval on type and density of pets.

V. Visitors and Guests

No visitor or guest is permitted to bring pets onto the premises at anytime. Resident are not permitted to pet sit or house a pet without fully complying with this policy.

Feeding or caring for stray animals is prohibited and will be considered keeping a pet without permission.

VI. Pet Restraints

- A. All dogs must be on a leash when not in an owners unit. The leash must be no longer than three (3) feet. Dogs must be confined during scheduled maintenance work and inspections.
- B. Cats must be in a caged container or on a leash when taken outside of the owners unit.
- C. Birds must be caged at all times.
- D. Outside cages, fences or houses are not permitted.
- E. No pet may be tied up anywhere on Housing Commission property and left unattended for any amount of time.

VII. Liability

Residents owning pets shall be liable for all damage to the Housing Commission's premises caused by their pet, both in their unit and outside of their unit. Residents are responsible for charges including but not limited to repairs, replacement, cleaning, extermination, and deodorizing due to damage caused by their pet.

Pet owners are strictly liable for the entire amount of any injury to the person or property of other residents, staff or visitors of the Housing Commission caused by their pet, and shall indemnify the Housing Commission of Anne Arundel County for all costs of litigation and attorney's fees resulting from such damage.

The Housing Commission recommends but does not require that residents obtain pet liability insurance.

VIII. Sanitary Standards and Waste Disposal

- A. Litter boxes must be provided for cats with use of odor-reducing chemicals
- B. Dogs and Cats should wear effective flea deterrents such as flea collars or products such as frontline. Should extermination become necessary, cost of such extermination will be charged in full to the resident.
- C. Pet owners are responsible for immediate removal of the feces of their pet and shall be charged in accordance to the schedule of maintenance charges for trash removal in instances where removal is necessitated by Housing Commission staff.
 - 1. All pet waste is to be placed in a sealed plastic bag and placed in designated garbage receptacles.
 - 2. Residents with litter boxes must clean them regularly.
 - 3. Pet accidents must be removed and cleaned immediately

4. All households with pets must be kept free for pet odors and maintained in a clean and sanitary manner.
5. Failure to comply with the above will result in the resident being subjected to monthly housekeeping inspections and possibly the termination of the pet addendum.

IX. Pet Rule Violation and Pet Removal

- A. If it is determined that a pet owner has violated a rule governing the pet policy the Housing Commission shall serve notice of the violation on the pet owner. The pet owner will have five (5) days to correct the violation or request an informal hearing at which time the Housing Commission's Grievance Procedure will be followed. Serious or repeated violations may result in pet removal or termination of the pet owner's tenancy, or both.
- B. If a pet poses a nuisance such as excessive noise, barking, or whining which disrupts the peace of other residents, owner will removed the pet from the premises upon the request of management within forty-eight (48) hours. Nuisance complaints are subject to immediate inspections. Failure to allow an immediate inspection will result in the termination of the pet addendum.
- C. Pet owners must make arrangements for their pets in the event of vacation or hospitalization. If a pet owner becomes unable to care for the pet and the person designated to care for the pet in the pet owner's absence refuses or is unable to care for the pet, the Housing Commission can officially remove the pet. The Housing Commission of Anne Arundel County accepts no responsibility for pets so removed.

X. General Rules

- A. Residents must be able to abide by all state and local laws and ordinances governing the owning and keeping of pets.
- B. Food for pets must be sealed in containers kept inside the apartment.
- C. Dogs and cats cannot be left alone for more than eight hours. The Housing Commission has the right to enter and remove any pet if it has been left unattended for more than 24 hours.
- D. Pets will not be allowed in areas such as lobbies or meeting rooms. Dogs and cats must be carried on elevators and when passing through common areas to the outside. Dogs and cats must be kept on leashes when outside on the project's common areas.

- E. Residents cannot take pets with them while visiting other Housing Commission residents and pets cannot be left in apartments other than the pet owner's apartment. Pets that are not owned by a resident may not be kept on the premises temporarily. For purposes of this rule, pets are kept "temporarily" if they are kept in a resident's apartment for a period less than 14 consecutive days and nights.
- F. The Housing Commission assumes no responsibility for pets during its own pet extermination program. The resident will be required to remove the pet during exterminations provided by the Housing Commission.
- G. The resident must be present during any scheduled dwelling unit inspection, or maintenance service call, if the unit is occupied by a dog, cat, or other unrestrained ambulatory pet.

XI. Fees

- A. There is a mandatory pet deposit in the amount of \$100.00 for a dog or cat, one-half of which must be paid at the time of the execution of the Addendum to Dwelling Lease allowing the pet to be present. The balance of the pet deposit must be paid in monthly installments of no less than \$25.00, exclusive of the rent or other charges, until the full \$100.00 deposit is paid.
 - a. The pet deposit may be used by the Housing Commission in its discretion to pay for reasonable expenses directly attributed to the presence of the dog or cat on the property, including, but not limited to, the cost of repairs and replacements to, and the fumigation of, the resident's dwelling unit, as well as any damage to any public or common areas caused by the pet. In the event that the pet deposit or any part of it is used by the Housing Commission to pay for such reasonable expenses, the Housing Commission will notify the resident and the resident will be required to replenish the initial deposit by monthly payments in accordance with paragraph 1 of the Rule.
 - b. The Housing Commission shall refund the unused portion of the pet deposit to the resident within 30 days after the resident has moved from the property, no longer owns or keeps a pet in the dwelling unit.
- B. A monthly fee of \$15.00 will be assessed to each family approved for pet ownership in the family communities. This monthly fee does **NOT** apply to elderly and disabled households.

XII. Grievance

Management and resident agree to utilize the Grievance Procedure described in the Lease Agreement to resolve any dispute between resident and site management regarding a pet.

XIII. Exceptions

This policy does not apply to animals that are used to assist persons with disabilities. This exclusion applies to animals that reside in the communities, as well as animals used to assist individuals that visit those communities. Pets used for the purpose of aiding residents with disabilities must have appropriate certification.

APPENDIX VII

LEASE VIOLATION PROCEDURES

I. Notification of Incident

Upon notification that a resident may be in violation of the lease, on-site Operations (Property Manager/Assistant Property Manager/Community Safety) staff must collect all supporting documents relevant to the violation. Following verification of the violation the Property Manager may choose the following:

- A. Warning letter (example: first offense, pet violation, noise disturbance).
- B. Conference (example: second offense, jeopardizing lease agreement).
- C. 30-day termination letter (example: serious and/or repeated lease violations).

All incidents should be addressed quickly and efficiently. A complete and thorough follow-up should be accomplished including recommendations to correct the violation. The resident's file should be documented appropriately and pertinent information shared between the Property Manager and the Community Safety Department staff. All applicable police reports, Computer Assisted Dispatch (CAD) information, resident complaints and other pertinent information regarding the violations should be recorded in the resident's file, to include updating of the computerized note screen.

II. Conference Summary & Conference Agreement

A Conference Summary and Conference Agreement should be completed each time on-site Operations staff meets with a resident concerning a violation of the lease. The Conference Summary should offer a concise summary of the meeting and any additional information relative to the incident, including any statements or admissions by the resident. The Conference Agreement should outline the resident's general obligations and responsibilities as set forth in the lease agreement, highlighting specific sections of the lease pertinent to the present violation. Operations staff will review the agreement with the resident and have the resident sign the document indicating their understanding and agreement with its terms and conditions. In the event the resident refuses to sign the Conference Agreement, the agreement will be noted by indicating "Refused To Sign" in the "Resident Signature" space, along with the time and date. The Conference Agreement will be countersigned by Operations staff present at the conference.

In the event the resident fails to appear for a scheduled conference, Operations staff will send the resident a "Failure To Appear for Conference – Final Warning" letter

establishing a date and time for another lease conference. Should the resident fail to appear for a second time the Property Manger may initiate lease termination proceedings.

Conference agreements are essential to lease enforcement and acts as documentation should a case proceed to trial.

III. Lease Termination Checklist

Should a case proceed to lease termination, it is imperative that there be sufficient grounds to evict the resident. The Property Manager will ensure that the following items (if applicable) are available and included in the lease termination “package.”

- A. Documentation of Initial Lease Violation
- B. Conference Summary (s)
- C. Conference Agreement (s)
- D. All other pertinent documentation:
 - 1. Letters from residents
 - 2. Police reports
 - 3. Classified Coded Incident (CCI) reports
 - 4. Newspaper articles
 - 5. Photographs
 - 6. Summary of witness interviews
 - 7. Letters
 - 8. Affidavits

Once these items have been compiled the case will be reviewed by the Sr. Property Manager and/or Director of Community Safety to ensure that a well-developed and detailed 30-day termination letter be issued to the resident. In instances where neither is available the Director of Property Management will review the case.

IV. 30-Day Termination Letter

Following review of the case with the Sr. Property Manager and/or Director of Community Safety, a 30-day lease termination letter may be issued.

The letter will contain a section, which allows for specific reasons of termination. It is imperative that the reasons be valid, specific and allow for no speculation. Pertinent information from items compiled for the Lease Termination Checklist should be summarized and included in the termination letter.

Remember, attorneys will look for mistakes, generalisms, lack of attention to detail and other “loopholes.” Property Managers must ensure that termination letters are clear, concise and properly formatted to reduce the possibility of dismissal

or postponement of the case.

A copy of the letter should be sent to the Housing Commission legal counsel prior to being delivered to the resident. Attached letters are provided that include the basic requirements necessary for a 30-Day Termination Letter.

Grievance Procedures

The Housing Commission provides residents with a mechanism via an established grievance policy. The 30-day termination letter must state whether the lease violation is grievable or non-grievable. In cases where the termination letter cites a grievable violation, the resident is afforded an informal hearing upon request. If resolution is not obtained through the informal hearing a formal hearing may be convened by request. When the outcome of the grievance process results in a rescission of the lease termination, the resident must be notified in writing. In cases in which the lease termination is upheld, a Breach of Lease will be filed with the District Court.

Filing of a Breach of Lease will be abated until the grievance/hearing process (if applicable) has been completed.

Time must be allowed for informal and formal hearings before a Breach of Lease can be filed. This should be completed prior to the end of the 30-day termination notice.

V. Breach of Lease

In cases of a non-grievable lease violation or when lease termination has been upheld following the grievance/hearing process, a Breach of Lease will be filed.

When filing a Breach of Lease, the following documents should be attached:

- A. 30-day termination letter
- B. Interrogatories for the defendant

After filing the Breach of Lease the following documents must be forwarded to legal counsel for the Housing Commission:

- A. Cover letter identifying the primary contact person including office and cellular phone numbers, fax number and e-mail address.
- B. Copy of Breach of Lease (District Court of MD form)
- C. Copy of the 30-day Termination Letter
- D. Copies of all supporting documents according to the Lease Termination Checklist

VI. Court Proceedings

All court proceedings will be the responsibility of the issuing Property Manager to include the following:

- A. Community Safety staff will identify all pertinent witnesses and issue all subpoenas after consulting with legal counsel.
- B. To assist Legal Counsel with trial preparation, a pre-trial meeting(s) may be scheduled. Pre-trial meetings will be scheduled and coordinated by the Property Manager, in conjunction with Legal Counsel, at least two weeks prior (no less than 10 days) to the trial date. These meetings may include Housing Commission staff, law enforcement personnel and residents. In the event that the defendant files interrogatories, the Property Manager may request assistance from the Community Safety Department. Legal counsel must review answers to interrogatories prior to delivery to the defense.
- C. In preparation for court all documents will be made in copies of three to be disseminated as follows:
 - 1. Housing Commission Legal Counsel
 - 2. Defense Counsel
 - 3. Judicial Officer (Judge)

Note: All pertinent documents must be highlighted to indicate specific information (e.g., lease address, effective date, reason (s), witness location, time, suspects, etc.)

This documentation must be presented and stored in a three (3) ring binder or other suitable organizer, for presentation and reference.

- D. It is imperative that all parties appearing in support of the Breach of Lease arrive in court forty-five (45) minutes prior to the court proceedings. The issuing Property Manager must bring the original resident file to the trial. No exceptions will be made.

APPENDIX VIII

REASONABLE ACCOMODATION POLICY

Goal

The Housing Commission's goal is to provide stable, quality affordable housing to low and moderate income persons regardless of disability.

Summary of Reasonable Accommodation

It is the policy of the Housing Commission of Anne Arundel County to provide a reasonable accommodation(s) in housing for participants with disabilities where a reasonable accommodation is needed to provide an equal opportunity to use and enjoy the Housing Commission's programs and/or premises.

What is a person with a disability?

A person with a disability is an individual with a physical or mental impairment that substantially limits one or more major life functions. You can also be considered disabled if you have a record of a physical or mental impairment or people regard you as having such impairment.

A physical impairment is a disorder or condition that affects one more body systems. A physical impairment can be caused by illness, disease, a birth defect, injury, age or anything else which disrupts a person's physical ability to function. Some examples of physical disabilities are blindness, hearing loss, or inability to walk.

A mental impairment is a mental, psychiatric or psychological disorder. Some examples are mental illness, mental retardation or specific learning disabilities.

Under regulations, you may be considered a person with disability if your physical or mental condition causes substantial difficulty in performing a major life function. Major life functions include the ability to walk, see, hear, breathe, think, read or care for yourself.

Under some circumstances alcoholism or a history of drug use may be considered a disability. Current users of illegal drugs are not considered disabled.

What is a "reasonable accommodation?"

A reasonable accommodation may be, but is not limited to a request for:

- a physical change made to the inside or outside of a unit or area,

- a change of unit size for medical/health reasons and/or apparatus or,
- the request for a live-in aide and subsequent change of unit size;
- a request for a voucher extension beyond 120 days, provided that the family is able to justify the need for an extension and provided current income verification.

which will allow a person with a disability to have an equal opportunity to take advantage of the Housing Commission's housing program(s). Any accommodation considered by the Housing Commission cannot result in an undue financial or administrative burden or, create a fundamental change in a program. For example, in the public housing program it might also be reasonable to allow a person with a mental disability to have rent payments made by a third party but; it would not be reasonable to prevent children from using the playground because the noise bothers someone or to provide a paraplegic resident with a housekeeper at HCAAC expense.

Under the Housing Choice Voucher Program physical changes or improvements would be referred to the landlord, as this would not be the responsibility of the Housing Commission.

How do I apply for a “reasonable accommodation?”

If you need an accommodation, you should make your request to the Manager or Director of the Housing Program, of which you are an applicant or participant; examples of accommodations could include needing a language interpreter or the reading of program materials.

For any accommodation, you must complete a reasonable accommodation form.

1. You may be asked to provide confirmation about your disability from a health professional or qualified service provider. The health professional or qualified service provider may also be asked to certify and explain how the accommodation you have requested is related to your disability. It is important that you meet any deadlines for requests for information. Failure to respond in a timely manner may result in your request being delayed or denied. If you need more time to respond, contact your housing specialist.
2. During the process of evaluating your request, you or the Manager/Director may schedule a meeting to discuss the accommodation. The meeting will be held at a location that is accessible to you; a representative or advocate may accompany you for the meeting. You may also request an interpreter and one will be provided by HCAAC. If you are unable to come to an office, the meeting may be held by telephone.

How will your request be handled?

All program participants must meet the basic qualifications.

1. The Manager/Director will review your request for a reasonable accommodation. If additional information is needed, you will receive a written request for that information. You should be careful to follow the deadlines in the letter. If you have problems or questions, you should call the associated housing program office immediately.
2. The decision regarding your request will be made within 10 business days from the date all of the required documents/information are received. If the Housing Commission does not receive the required documents/information requested within 30 days, of its request, a decision will be determined based upon the information provided. Whether your request is approved or denied, you will be notified in writing.

All decisions with approvals for a requested change of unit size, will increase the bedroom size of the unit effective the first of the month immediately following the date all required documents/information are received.

If the addition of a live-in aide is requested and approved, the bedroom size will increase the first of the month immediately following the date all required documents/information are received. You will have 60 days from the date of the approval letter to add an eligible live-in aide. The live-in aide eligibility will be determined once an application for the live-in aide is completed and submitted along with a government issued photo ID, Social Security card and birth certificate. If a live-in aide is not successfully added to the household within 60 days, the bedroom size will be decreased effective the first of the month immediately following the 60-day period.

3. If your request is denied, you have the right to grieve that decision in accordance with the grievance procedures set forth in the Housing Commission's Administrative Plan and/or Admissions and Continued Occupancy Plan.

Some things to keep in mind

- The Housing Commission considers each request for reasonable accommodation as a separate request. The decision will be made on a case-by-case basis with the understanding that each person's needs and circumstances are unique.
- The Housing Commission may suggest an alternate accommodation from the one you requested. The decision depends on whether an accommodation will be effective in reducing the barriers to equal housing opportunity and whether or not it involves a

fundamental change to the housing programs or creates an undue financial or administrative burden.

- The Housing Commission may from time-to-time re-evaluate your accommodation to determine if the need still exists.

APPENDIX IX

NON-SMOKING POLICY

It is the policy of the Housing Commission of Anne Arundel County (HCAAC) that all property owned by HCAAC shall be Non-Smoking, agency wide, to include all occupied units. Non-Smoking means that any lighted tobacco products, any other smoked product and the use of electronic cigarettes are prohibited on all HCAAC owned property, to include unit, balcony, patio, hallway, common areas, and grounds. Smoking may not occur in any outdoor area within 25 feet of housing units, administrative office buildings or other parts of the community not specifically designated by HCAAC as a designated smoking area. This policy applies to all persons including employees, contractors, residents and guests.

The Board of Commissioners has adopted this policy based upon § 965.653(c) indicating HUD's position for the purpose of providing a healthier environment for our residents and to eliminate the harmful effects of secondhand smoke, fire danger, and damage to housing units due to this behavior. Secondhand smoke is particularly dangerous to children and people with respiratory disease. It is the third leading cause of preventable death in the United States. In 2006, the US Surgeon General stated that there is no safe level of secondhand smoke. While HCAAC cannot ensure a smoke free environment it desires to mitigate (i) the irritation and known health effects of secondhand smoke; (ii) the increased maintenance, cleaning, and redecorating costs from smoking; (iii) the increased risk of fire from smoking; and (iv) the higher costs of fire insurance for a non-smoke-free building.

Non-Smoking Properties:

All of the premises below have been designated as non-smoking properties:

Meade Village
Pinewood Village
Freetown Village
Pinewood Village East
Freetown Village
Glen Square
Stoney Hill
North Arundel Plaza
Oakleaf Villas
Thomas Pumphrey House
Heritage Crest
Heritage Overlook

Any new properties acquired and/or managed by PHA after July 1, 2016 shall be deemed smoke free and subject to this policy.

Designated Smoking Areas

A designated smoking area is a physical location that will be identified on each HCACC property within which smoking or the use of electronic cigarettes is permitted. These areas will be covered structures and identified with “Designated Smoking Area” signs.

Housing Commission of Anne Arundel County Is Not a Guarantor of a Smoke-Free Environment

The adoption of a smoke free living environment, and the efforts to designate a property as non-smoking, does not make HCAAC a guarantor of resident’s health or of the smoke free condition of the resident’s apartment and common areas. However, HCAAC shall take reasonable steps to enforce the non-smoking terms of its leases. HCAAC will post all property with “No Smoking signs inside and outside the buildings.

Resident Observation of Smoking Use on the Property

If a Resident smells or observes smoke anywhere in the building or observes the use of a smokeless product, Resident should promptly give HCAAC a written statement of any incident where smoke is migrating into the Resident’s unit from sources outside of the Resident’s apartment unit. HCAAC will seek the source of the smoke use and take appropriate action it deems necessary to address the condition. Resident are responsible for all of their guests and informing them of the non-smoking policy.

Resident Prevention and Cessation:

HCAAC will make a commitment to assist residents with the transition to a non-smoking policy. The transition period will be from July 1, 2016 through June 30, 2017.

- Human Service Coordinators will coordinate training, to be conducted on each property, to assist residents through this transition. These trainings will be held at least once quarterly for the first twelve (12) months, (through June 30, 2017).
- HCAAC will work with the American Lung Association and other specialists to develop a smoking cessation program for residents to assist with the adjustment to this policy.
- Staff will provide supplementary materials to residents such as a detailed list of smoking cessation community resources and supplementary information on the risks of secondhand smoke and smoking.
- For persons eligible for Medicare, Medicare will cover cessation sessions Medicare will cover products such as nicotine patches and counseling sessions.

- HCAAC will work with Baltimore Washington Medical Center (BWMC) smoking cessation program.
- HCAAC will work with ADAPT and the acupuncture specialists.

Relationship of Violation of Non-Smoking Policy to Residential Lease

A resident will be in material non-compliance of his/her lease if the Resident, household member or guest violates the terms of the Non-Smoking Policy.

Enforcement Plan

HCAAC will follow the enforcement steps below when a resident is found in violation of this policy. Outline enforcement plan:

- 1st Violation – verbal warning followed by providing the head of household with smoking cessation materials
- 2nd Violation – verbal warning followed by providing the head of household with smoking cessation materials and information listing prevention resources
- 3rd Violation - written warning letter followed by providing the head of household with smoking cessation materials and information listing prevention resources specialist
- 4th Violation – 30-Day Lease Termination notice

All applicants and residents will acknowledge receipt of this Policy. A Non-Smoking Lease Addendum in will be required for all residents at the time of lease execution (herein attached).

Disclaimer by HCAAC

The adoption of a non-smoking policy and the efforts to designate the properties as smoke-free does not in any way change the standard of care the HCAAC would have to a Resident’s household to render building and premises designated as non-smoking any safer, more habitable, or improved in terms of air quality standards than any other rental property. HCAAC cannot and does not warranty or promise that the units or common areas will be free of secondhand smoke. HCAAC’s ability to monitor, or enforce the agreements of this policy is dependent in significant part on compliance by Resident and guests. Residents with respiratory ailments, allergies, or other physical or mental conditions relating to smoke are advised that HCAAC does not assume any further level of care to enforce this policy than any other obligation under the Lease.

Definitions:

“**Designated Smoking Area**” means a physical location identified on each HCACC property within which smoking or the use of electronic cigarettes is permitted.

“**Property**” means all grounds, structures and parking areas including vehicles parked in parking areas.

“Structures” mean all residential units, building common areas, mailbox areas, sidewalks, entry ways, porches, balconies and patios.

“Smoke and Smoking” mean inhaling, exhaling or carrying any lighted cigar, cigarette or other tobacco products or similar lighted products, included but not limited to herbal products, in any manner regardless of the substance smoked or device in which the substance is smoke in. Smoking also includes the use of an electronic cigarette.

“Electronic Cigarette” means any electronic device that provides vapor liquid nicotine and/or other substances to the user as he or she simulates smoking. The term shall include such devices whether they are manufactured or referred to as e-cigarettes, e-cigars, e-pipes or under any product name.

“Second Hand Smoke” means smoke that is exhaled by smokers or is given off by burning smoke or electronic cigarettes and is inhaled by persons nearby

“Prevention Resource Specialist” means a professional who facilitates and promotes positive growth in self, specific populations (i.e. smoking cessation groups), and the community at large.

“Smoking Cessation” means a stopping of some action, to stop smoking

APPENDIX X
VIOLENCE AGAINST WOMEN ACT (VAWA)
POLICY

It is the policy of the Housing Commission of Anne Arundel County (PHA) to provide decent, safe, and secure dwelling units for the tenants and their families in all PHA communities.

The following provisions are applicable to situations involving incidents involving actual or threatened domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation, as those terms are defined in Section 6(u)(3) of the United States Housing Act of 1937, as amended, (42 U.S.C. §1437d(u)(3)) and in HCAAC's Violence Against Women Act (VAWA) Policy, and which must be applied consistent with all nondiscrimination and fair housing requirements. To the extent any provision of this section shall vary from or contradict any other provision of this lease, the provisions of this section shall prevail.

A. Termination of tenancy.

1. An incident or incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking shall not constitute a serious or repeated violation of the lease by the victim of such violence; and
2. Criminal activity directly relating to domestic violence, dating violence, sexual assault or stalking, engaged in by a member of the tenant's household, a guest, or other person under the tenant's control, shall not be cause for termination of tenancy or occupancy rights, if the Tenant or any member of the Tenant's family is a victim of that domestic violence, dating violence, or stalking.
3. Notwithstanding anything to the contrary contained in paragraphs A.1. and A.2. above, HCAAC may terminate Tenant's tenancy under this lease if it can demonstrate an actual and imminent threat to other tenants or to those employed at or providing service to the development in which the unit is located, if the tenant's tenancy is not terminated.

Further, nothing in this section shall prohibit HCAAC from terminating tenancy under this lease based on a violation of this lease not premised on an act or acts of domestic violence, dating violence, sexual assault or stalking against the tenant, a member of the tenant's household, survivors of sexual assault, and intimate partner, affiliated individual, which includes any person living with the survivor and related to him or her by blood or marriage including the survivor's spouse, parent, brother, sister, child, or any person to whom the survivor stands in loco parentis for which protection against termination of tenancy is given in paragraphs A.1. and A.2. above. However, in taking any such action to terminate tenancy, HCAAC shall not apply a more demanding standard to you than to other tenants.

B. Bifurcation of Lease. Under the authority provided in Section 6(l)(6)(B) of the United States Housing Act of 1937, as amended (42 U.S.C. §1437d(l)(6)(B)), HCAAC may bifurcate this lease in order to evict, remove, or terminate assistance to any individual who is a Tenant or a lawful occupant under this lease and who engages in criminal acts of physical violence against family members or others. HCAAC may take such action without evicting, removing, terminating assistance to, or otherwise penalizing a victim of such violence who is the Tenant or a lawful occupant under this lease.

C. Certification. If the Tenant or a lawful occupant, as a defense to termination of tenancy or an action to evict, claims protection under this section against such action, HCAAC may (but is not required to) request the individual to deliver to HCAAC a certification. The certification may be delivered in one of the following forms:

1. A HUD-approved form attesting that the individual is a victim of domestic violence, dating violence, or stalking and that the incident or incidents in question are bona fide incidents of such actual or threatened abuse and meet the requirements of this section, or
2. Documentation signed by an employee, agent or volunteer of a victim service provider, an attorney, or a medical professional, from whom the victim has sought assistance in addressing domestic violence, dating violence, or stalking or the effects of the abuse, in which the professional attests under penalty of perjury to the professional's belief that the incident or incidents in question are bona fide incidents of abuse, and the victim has signed or attested to the documentation, or
3. A federal, State, tribal, or local police report or court record, describing the incident or incidents in question.

The certification must be delivered to HCAAC within 10 days after the request for certification is received from HCAAC. If the certification is not delivered within the 10-day period allowed, the provisions of this section will not apply and HCAAC may elect to terminate tenancy and evict without regard to the protections provided in this section.

- D. Confidentiality.** The law requires that information provided to HCAAC concerning an incident or incidents of domestic violence, dating violence, or stalking be retained in confidence, not placed in any shared data base nor provided to a related entity, except to the extent disclosure requested or consented to by the individual supplying such information, or required for use in an eviction proceeding, or otherwise required by applicable law.
- E. Notification.** The law requires that all existing tenants, as well as new tenants, of all HUD-covered programs receive notification of their rights under VAWA and HUD's VAWA regulations.
1. Notice of Occupancy Rights Under the Violence Against Women Act Form HUD-5380
 2. Certification of Domestic Violence, Dating Violence Sexual Assault, or Stalking and Alternate Documentation Form HUD-5382
 3. Lease Addendum Violence Against Women and Justice Department Reauthorization Act of 2005 Form HUD-91067
- F. Conflicting Evidence.** In cases of conflicting evidence, tenants and applicants who may need to submit third-party documentation to document occurrence of a VAWA crime have 30 calendar days to submit the third-party documentation. (See § 5.2007(b)(2).)
- G. Emergency Transfer Plan.** This plan identifies tenants who are eligible for an emergency transfer, the documentation needed to request an emergency transfer, confidentiality protections, how an emergency transfer may occur, and guidance to tenants on safety and security. This plan is based on a model emergency transfer plan published by the U.S. Department of Housing and Urban Development (HUD), the Federal agency that oversees that the Housing Commission of Anne Arundel County is in compliance with VAWA.

Eligibility for Emergency Transfers

A tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking, as provided in HUD's regulations at 24 CFR part 5, subpart L is eligible for an emergency

transfer, if: the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit. If the tenant is a victim of sexual assault, the tenant may also be eligible to transfer if the sexual assault occurred on the premises within the 90-calendar-day period preceding a request for an emergency transfer.

A tenant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan.

Tenants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section.

Emergency Transfer Request Documentation

To request an emergency transfer, the tenant shall notify the on-site management office and submit a written request for a transfer to the on-site management office. The PHA may request certain documentation from tenant(s) seeking emergency transfers under VAWA. The PHA will provide reasonable accommodations to this policy for individuals with disabilities. The tenant's written request for an emergency transfer should include either:

1. A statement expressing that the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted under The PHA's program; OR
2. A statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the tenant's request for an emergency transfer.

Emergency Transfer Timing and Availability

The PHA cannot guarantee that a transfer request will be approved or how long it will take to process a transfer request. The PHA will, however, act as quickly as possible to move a tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking to another unit, subject to availability and safety of a unit. If a tenant reasonably believes a proposed transfer would not be safe, the tenant may request a transfer to a different unit. If a unit is available, the transferred tenant must agree to abide by the terms and conditions that govern occupancy in the unit to which the tenant has been transferred. The PHA may be unable to transfer a tenant to a particular unit if the tenant has not or cannot establish eligibility for that unit.

If the PHA has no safe and available units for which a tenant who needs an emergency is eligible, the PHA will assist the tenant in identifying other housing providers who may have safe and available units to which the tenant could move. At the tenant's request, THE PHA will also assist tenants in contacting the local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking that are attached to this plan.

Safety and Security of Tenants

Pending processing of the transfer and the actual transfer, if it is approved and occurs, the tenant is urged to take all reasonable precautions to be safe.

Tenants who are or have been victims of domestic violence are encouraged to contact the National Domestic Violence Hotline at 1-800-799-7233, or a local domestic violence shelter, for assistance in creating a safety plan. For persons with hearing impairments, that hotline can be accessed by calling 1-800-787-3224 (TTY).

Tenants who have been victims of sexual assault may call the Rape, Abuse & Incest National Network's National Sexual Assault Hotline at 800-656-HOPE, or visit the online hotline at <https://ohl.rainn.org/online/>.

Tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at <https://www.victimsofcrime.org/our-programs/stalking-resource-center>.

**ADMINISTRATIVE PLAN AND ELIGIBILITY
PLAN (LIHTC AND PBV)**

3/8/23

NOTICE Administrative Plan Summary of Changes

Section	Current Language	Language Change
<p>Table of Contents Administrative Plan</p>	<p>New Insert</p>	<p>Inserted Home Ownership Policy</p>
<p>Section I – Statement of Overall Approach, Policies and Objectives, H. Amendments</p>	<p>New Insert</p>	<p>A “Significant Amendment or Modification” to this plan is a change in a procedure pertaining to the operation of the Commission. This includes the following:</p> <ul style="list-style-type: none"> • Changes to rent or admissions policies or organization of the waiting list. • Additions of non-emergency work items in excess of 10% of the total Capital Fund program budget (items not included in the current Annual Statement or 5 Year Action Plan) or change in use of replacement reserve funds under the Capital Fund. • Any change with regard to demolition or disposition, designation, homeownership programs or RAD conversions activities. • Any change or revision that is required as a result of a change in Federal, State, or local statutes shall not be considered significant amendment or modification.
<p>Section II – Completion of Applications, Determination of Eligibility and Selection of Families, B. Determination of Eligibility</p>	<p>If at the time the applicant’s name reaches the top of the waiting list, debt is still outstanding; the applicant may be ineligible and will be notified in writing of such and of their right to informal review and given 10 days to request an informal review.</p>	<p>If at the time the applicant’s name reaches the top of the waiting list, a legally collectible debt is still outstanding; the applicant may be required to pay the debt in full before receiving assistance. Failure to do so may result in the applicant being removed from the waiting list. In either case, the applicant will be given ten (10) days to request an informal review.</p> <p>To the extent HCAAC is aware of applicants owing outstanding debts to a utility company, HCAAC will advise applicant to make repayment arrangements. The inability to obtain or maintain utility service in applicant’s name is grounds for denial or termination of a voucher.</p>
<p>Section II – Completion of Applications, Determination of Eligibility and Selection of Families, B. Determination of Eligibility</p>	<p>Applicants for the program may be denied admission for a period of up to three (3) for drug related or violent criminal activities that threatens the safety or wellbeing of other citizens or communities. HCAAC reserves the right to deny housing assistance to a family or single applicant if a family member has engaged in or been evicted from assisted housing due to drug-related or violent criminal activity in the past three (3) years from the charge date.</p>	<p>Applicants for the program may be denied admission for a period of up to five (5) years for drug related or violent criminal activities that threatens the safety or wellbeing of other citizens or communities. The calculation period runs from the date of the criminal activity. An arrest or charge is not proof of criminal activity and may not be considered as proof. Conviction is not required, although proof of criminal activity to a preponderance of the evidence standard is required to support a denial. HCAAC reserves the right to deny housing assistance to a family or single applicant if a family member has engaged in or been evicted from assisted housing due to drug-related or violent criminal activity in the past five (5) years.</p> <p>HCAAC is not required to list the family on the waitlist or to admit the family off the waitlist. HCAAC may exercise discretion for drug activity other than distribution for substances that have been de-criminalized in Maryland, when that activity does not involve distribution related criminal activity. In the event of more than one convictions for drug related or violent</p>

NOTICE Administrative Plan Summary of Changes

3/8/23

	<p>The Commission will not rely solely on the arrest record in cases where there is potential denial for criminal activity.</p>	<p>criminal activities that threatens the safety or wellbeing of other citizens or communities in a period of up to seven (7) years, HCAAC may not exercise discretion unless the conviction is for a drug activity for substances that have been de-criminalized in Maryland.</p>
<p>Section II – Completion of Applications, Determination of Eligibility and Selection of Families, B. Determination of Eligibility</p>	<p>The Commission will not rely solely on the arrest record in cases where there is potential denial for criminal activity.</p>	<p>The Commission will not rely solely on the arrest record in cases where there is potential denial for criminal activity.</p>
<p>Section II – Completion of Applications, Determination of Eligibility and Selection of Families, B. Determination of Eligibility HOTMA REQUIREMENT</p>	<p>Applicants owing legally collectible debts from previous assistance on the Section 8 Program and/or Public Housing Occupancy will be notified in writing of the amount owed, and will be given ten (10) business days to enter into a repayment agreement. If, after entering into the repayment agreement, the applicant defaults, the pre-application will be withdrawn from the waiting list.</p>	<p>Removed – all applicants can apply.</p> <p>VERIFICATION OF AGE - All applicants, tenants and household members must provide one of the following documents as verification of age: birth certificate, certified baptismal certificate, military discharge papers, valid passport, Census document showing date of birth, Naturalization certificate, and Social Security Administration benefits printout showing date of birth.</p>
<p>Section II – Completion of Applications, Determination of Eligibility and Selection of Families, B. Determination of Eligibility HOTMA REQUIREMENT</p>	<p>New Insert</p> <p>The Housing Commission assigns ten percent (10%) of the voucher program funds for use under the circumstances identified in this section. Highest priority for housing will be offered to Omni House, The Arc of the Central Chesapeake Region, Supported Housing Developers, Thomas Pumphrey House, Department of Mental Health, Department of Social Service, ACT, VESTA Inc., Willow House, county residents who are brought to us by the State's Attorney through witness protection, and other types of structured group homes which provide sheltered housing for individuals who are either elderly, physically or mentally disabled or participating in a special needs program. The program participants are issued vouchers for the unit size required. The units are filled with applicants from the Housing Choice Voucher waiting list who are participants of the shelter programs. The tenants are selected, however, by the representatives of the service providers.</p>	<p>IDENTITY VERIFICATION -All applicants, tenants and household members 18 years of age or older must provide one of the following forms of government issued photo identification as verification of identity, to allow for a visual face and signature match: state-issued driver's license, state-issued photo identification card, military identification card, U.S. passport, citizenship and legal residency cards.</p> <p>New title – Special Purpose Vouchers</p> <p>The Housing Commission assigns up to ten percent (10%) of the voucher program funds for use under the circumstances identified in this section. Highest priority for housing will be offered to Omni House, The Arc of the Central Chesapeake Region, Supported Housing Developers, Thomas Pumphrey House, Department of Mental Health, Department of Social Service, ACT, VESTA Inc., Willow House, county residents who are brought to us by the State's Attorney and/or Law Enforcement through witness protection, and other types of structured group homes which provide sheltered housing for individuals who are either elderly, physically or mentally disabled or participating in a special needs program. The program participants are issued vouchers for the unit size required. The units are filled with applicants from the Housing Choice Voucher waiting list who are participants of the aftermentioned shelter programs. The tenants are selected, however, by the representatives of the service providers.</p>
<p>Section II. Completion of Applications, Determination of Eligibility and Selection of Families, D. Weighting of Special Use Vouchers</p>	<p>The Housing Commission assigns ten percent (10%) of the voucher program funds for use under the circumstances identified in this section. Highest priority for housing will be offered to Omni House, The Arc of the Central Chesapeake Region, Supported Housing Developers, Thomas Pumphrey House, Department of Mental Health, Department of Social Service, ACT, VESTA Inc., Willow House, county residents who are brought to us by the State's Attorney through witness protection, and other types of structured group homes which provide sheltered housing for individuals who are either elderly, physically or mentally disabled or participating in a special needs program. The program participants are issued vouchers for the unit size required. The units are filled with applicants from the Housing Choice Voucher waiting list who are participants of the shelter programs. The tenants are selected, however, by the representatives of the service providers.</p>	<p>The Executive Director/Chief Executive Officer may assign temporary preferences as necessary in accordance with market conditions, or agreements with local developers and/or management</p> <p>The Housing Commission assigns five percent (5%) of the voucher program funds for use of Homeless Families. These families will be given a limited</p>

3/8/23

NOTICE Administrative Plan Summary of Changes

	<p>entities, including the Housing Commission and Housing Corporation.</p>	<p>Homeless Preference. They will be identified as Homeless families or individuals who have completed and/or graduated from a rapid rehousing or transitional housing program of at least 12 – 18 months which is funded by federal, State, or County housing and community development dollars and have demonstrated good tenancy (e.g. pay their rent portion on time), are linked to services, and will have continued case management support and without continued rent assistance risk returning to homelessness due to limited income.</p> <p>The Chief Executive Officer may assign a preference for a voucher as necessary under the following conditions:</p> <ul style="list-style-type: none"> a. Agreements with local developers and/or management entities, including the Housing Commission and Housing Corporation. b. Emergency and/or life threatening situations where a family is seeking protection under the Violence Against Women Act (VAWA) and/or when the family is in a situation involving a threat of actual violence, if the family reasonably believes that there is a threat of imminent harm from further violence if the family remains within the same unit. <p>A family requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan. Families who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section.</p>
<p>Section II. Completion of Applications, Determination of Eligibility and Selection of Families, E. Maintaining the Waitlist Administrative Plan</p>	<p>All Applicants must report via our in writing to the Housing Resource office any change in address, email, family composition, or income, when changes occur. It is the responsibility of the applicant to report any changes and to maintain verifiable accurate address information. An applicant's waitlist status is maintained on an automated voice mail system and can be retrieved via the telephone on a 24-hour basis. The waitlist is updated weekly.</p>	<p>All Applicants must report via our web-site any change in address, email, family composition, or income, when changes occur. It is the responsibility of the applicant to make any changes via the applicant portal and to maintain verifiable accurate email address information. Available on a 24-hour basis via the applicant portal. The waitlist is updated weekly.</p>
<p>Section II – Completion of Applications, Determination of Eligibility and Selection of Families G. Reasonable Accommodation</p>	<p>New Insert</p>	<p>A request for a voucher extension beyond 120 days, provided that the family is able to justify the need for an extension and provided current income verification.</p>
<p>Section IV – Income Verification and Payment Calculations HOTMA REQUIREMENT</p>	<p>Unusual expenses such as child care to enable family members to work or furthering their education. Medical expenses for elderly families in excess of 3% of families' annual gross income.</p>	<p>Effective January 1, 2024 medical expenses for elderly family's in excess of 10% of families' annual gross income.</p>
<p>Section IV – Income Verification and Payment Calculations, B. Annual Income Excludes HOTMA REQUIREMENT</p>	<p>New Insert</p>	<p>Adoption Assistance Payments for a child in excess of the amount of the deduction for a dependent.</p>
<p>Section IV – Income Verification and Payment Calculations, B. Annual Income Excludes HOTMA REQUIREMENT</p>	<p>New Insert</p>	<p>Nonrecurring income, which is income that will not be repeated in the coming year based on information provided by the family. Income received as an as an independent contractor, day laborer or seasonal worker is NOT excluded from the income even if the source, date or amount of income varies.</p>

NOTICE Administrative Plan Summary of Changes

3/8/23

Section IV – Income Verification and Payment Calculations, B. Annual Income Excludes HOTMA REQUIREMENT	New Insert	Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a member of the family becoming disabled.
Section IV – Income Verification and Payment Calculations, B. Annual Income Excludes HOTMA REQUIREMENT	New Insert	Any imputed return on an asset when the net family assets total \$50,000 or less and no actual income from the net family assets can be determined.
Section IV – Income Verification and Payment Calculations, D. Imputed Income from Assets HOTMA REQUIREMENT	New Insert	Effective January 1, 2024, net assets will increase from \$5,000 to \$50,000 but cannot exceed \$100,000.
Section IV – Income Verification and Payment Calculations, F. Adjusted Income HOTMA REQUIREMENT	New Insert	\$480 for each household member who is under 18 years of age, or is handicapped, disabled or a full-time student. HUD annually in accordance with the Consumer Price Index will adjust this amount for Urban Wage Earners and Clerical Workers rounded to the next lowest multiple of \$25.
Section IV – Income Verification and Payment Calculations, F. Adjusted Income HOTMA REQUIREMENT	New Insert	\$400 per family for all families in which the head or spouse is at least 62 years of age or disabled. The \$400 is a household deduction (only one per family, even if both head and spouse are elderly). Effective January 1, 2024, the household deduction (only one per family, even if both head and spouse are elderly) will increase to \$525.00. HUD annually in accordance with the Consumer Price Index will adjust this amount for Urban Wage Earners and Clerical Workers rounded to the next lowest multiple of \$25.
Section IV – Income Verification and Payment Calculations, F. Adjusted Income HOTMA REQUIREMENT	New Insert	Families may deduct anticipated expenses for care attendants, long-term care premiums and "auxiliary apparatus" for handicapped or disabled family members if such expenses.
Section IV – Income Verification and Payment Calculations, F. Adjusted Income HOTMA REQUIREMENT	New Insert	Exceed three percent of Annual Income. Effective January 1, 2024 expenses must exceed ten percent of Annual Income.
Section IV – Income Verification and Payment Calculations, F. Adjusted Income HOTMA REQUIREMENT	New Insert	Financial hardship exemptions for unreimbursed health and medical care expenses and reasonable attendant care and auxiliary apparatus expenses may be requested. To receive hardship relief the family must have received a deduction from their annual income, which exceeded three percent as of January 1, 2024. The hardship will allow for up to a twenty-four month transition period. The family's hardship relief ends when the circumstances that made the family eligible for the relief are no longer applicable. -The family will receive a deduction totaling the sum of the expenses that exceed 5 percent of annual income. -Twelve months after the relief the family must receive a deduction totaling the sum of expenses, that exceed 7.5 percent of annual income. -Twenty-four months after the relief is provided, the family must receive a deduction totaling the sum of expenses that exceed 10 percent of the annual income.
Section IV – Income Verification and Payment Calculations, F. Adjusted Income HOTMA REQUIREMENT	New Insert	Effective January 1, 2024 Earned Income Disallowance will be discontinued. If a family is receiving a disallowance as of January 1, 2024 they will be allowed the benefit of the earned income disallowance until

3/8/23

NOTICE Administrative Plan Summary of Changes

Section IV – Income Verification and Payment Calculations, I. Ineligible Determination at time of Verification	Applicants for the program may be denied admission for a period of up to three (3) for drug related or violent criminal activities that threatens the safety or wellbeing of other citizens or communities. HCAAC reserves the right to deny housing assistance to a family or single applicant if a family member has engaged in or been evicted from assisted housing due to drug-related or violent criminal activity in the past three (3) years from the charge date.	Applicants for the program may be denied admission for a period of up to five (5) years for drug related or violent criminal activities that threatens the safety or wellbeing of other citizens or communities. The calculation period runs from the date of the criminal activity. An arrest or charge is not proof of criminal activity and may not be considered as proof. Conviction is not required, although proof of criminal activity to a preponderance of the evidence standard is required to support a denial. HCAAC reserves the right to deny housing assistance to a family or single applicant if a family member has engaged in or been evicted from assisted housing due to drug-related or violent criminal activity in the past five (5) years.
Section VI – Annual/Biennial/Triennial Activities, B. Interim Adjustments of Rent HOTMA REQUIREMENT	New Insert	Effective January 1, 2024, the Commission will conduct Interim Recertification's when the income increase/decrease is over 10%.
Definitions – Adjusted Income HOTMA REQUIREMENT	\$400 for any Elderly Family	Effective January 1, 2024 this will increase to \$525.
Definitions – Covered Person HOTMA REQUIREMENT	New Insert	COVERED PERSON – A tenant, any member of the tenants household, a guest or another person under the tenant's control.
Definitions – Day Laborer HOTMA REQUIREMENT	New Insert	DAY LABORER – An individual hired and paid one day at a time without an agreement that the individual will be hired for work again in the future.
Definitions – Disabled Assistance Payments HOTMA REQUIREMENT	New Insert	DISABLED ASSISTANCE EXPENSES - Reasonable expenses that are anticipated, during the period for which Annual Income is computed, for attendant care and auxiliary apparatus for a Disabled Family member, and that are necessary to enable a Family member (including the Disabled member) to be employed, provided that the expenses are neither paid to a

3/8/23

NOTICE Administrative Plan Summary of Changes

		member of the Family nor reimbursed by an outside source.
Definitions – Drug Related Criminal Activity & Drug Trafficking	New Insert	HCAAC may exercise discretion and allow admission if the circumstances leading to the eviction no longer exists (i.e. removal of the household member from the application who was engaged in the activity leading to the eviction), or the evicted household member has successfully completed an approved supervised drug rehabilitation program. HCAAC may exercise discretion for drug activity for substances that have been de-criminalized in Maryland, when that activity does not involve distribution related criminal activity.
Definitions – Earned Income HOTMA REQUIREMENT	New Insert	EARNED INCOME – income or earnings from wages, tips, salaries, other employee compensation and net income from self-employment. Earned income does NOT include any pension or annuity, transfer payments (meaning payments made or income received in which no goods or services are being paid for, such as welfare, social security, and governmental subsidies for certain benefits), or any cash or in-kind benefits.
Definitions – Foster Children HOTMA REQUIREMENT	New Insert	FOSTER CHILDREN - Minors who have been placed in a household by a an authorized placement agency or by judgment, decree or other order of any court of competent jurisdiction for their care and maintenance.
Definitions –Foster Adult HOTMA REQUIREMENT	New Insert	FOSTER ADULT – A member of the household who is 18 years of age or older, is unable to live independently due to debilitating physical or mental conditions and is places with the family by an authorized placement agency or by judgment, decree or other order of any court of competent jurisdiction.
Definitions – Health & Medical Expenses HOTMA REQUIREMENT	New Insert	HEALTH and MEDICAL EXPENSES – Health and Medical Care Expenses, are any cost incurred in the diagnosis, cure, mitigation, treatment, or prevention of disease or payments for treatments affecting any structure or function of the body. Health and Medical care expenses include medical insurance premiums and long-term care premiums that are paid or anticipated during the period for which the annual income is computed.
Definitions – Independent Contractor HOTMA REQUIREMENT	New Insert	INDEPENDENT CONTRACTOR – An individual is an independent contractor if the payer has the right to control or direct only the result of the work and not what will be done and how it will be done.
Definitions – Net Family Assets HOTMA REQUIREMENT	New Insert	NET FAMILY ASSETS – Net cash value of all assets owned by a family, after deducting reasonable costs that would be incurred in disposing real property, savings, stocks, bonds, and other forms of capital investments.
Definitions – Seasonal Worker HOTMA REQUIREMENT	New Insert	SEASONAL WORKER – An individual who is hired into a short-term position and the employment begins about the same time each year.
Definition –Unearned Income HOTMA REQUIREMENT	New Insert	UNEARNED INCOME – any annual income that is not earned.
Definition – Violent Criminal Activity	New Insert	Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another. This definition speaks to the forcible acts involved in

3/8/23

NOTICE Administrative Plan Summary of Changes

		the activity and does not require the person to be arrested, charged, nor convicted of any criminal activity.
Addenda to the Housing Choice Voucher Administrative Plan	New Insert	Updated Action Plan – Family Self-Sufficiency approved by HUD 10/14/22
Addenda to the Housing Choice Voucher Administrative Plan	New Insert	Updated Homeownership Policy

*Striving to Provide Quality Housing Choices
and
Affordable Communities*



***HOUSING CHOICE VOUCHER
ADMINISTRATIVE PLAN
7/1/2023***

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TABLE OF CONTENTS

I.	STATEMENT OF OVERALL APPROACH, POLICIES AND OBJECTIVES.....	6
A.	PURPOSE OF THE PLAN.....	6
B.	USE OF THE ADMINISTRATIVE PLAN.....	6
C.	FAIR HOUSING POLICY.....	7
D.	ADMINISTRATION OF PROGRAM FUNCTIONS.....	7
E.	PROJECT BASED VOUCHERS.....	8
F.	SINGLE ROOM OCCUPANCY.....	8
G.	REASONABLE ACCOMMODATION	8
H.	AMENDMENTS.....	9
II.	COMPLETION OF APPLICATIONS, DETERMINATION OF ELIGIBILITY AND SELECTION OF FAMILIES.....	9
A.	FILING OF APPLICATION	9
B.	DETERMINATION OF ELIGIBILITY	9
C.	INCOME REQUIREMENTS.....	14
D.	SPECIAL PURPOSE VOUCHERS	14
E.	MAINTAINING THE WAITLIST.....	15
III.	OCCUPANCY GUIDELINES.....	16
A.	OCCUPANCY STANDARDS FOR ASSIGNMENTS	17
B.	EXCEPTIONS FROM BASIC OCCUPANCY GUIDELINES.....	18
C.	UNIT SIZE SELECTION.....	18
D.	ADDITIONAL FAMILY MEMBERS.....	19
IV.	INCOME VERIFICATION AND PAYMENT CALCULATIONS.....	19
A.	VERIFICATIONS REQUIRED TO DETERMINE ELIGIBILITY	19
B.	ANNUAL INCOME EXCLUDES	20
C.	CONVERTING INCOME.....	22
D.	IMPUTED INCOME FROM ASSETS	22
E.	ASSETS DO NOT INCLUDE.....	23
F.	ADJUSTED INCOME.....	24
G.	SPECIAL CALCULATION FOR HOUSEHOLD WHO ARE ELIGIBLE FOR DISABILITY ASSISTANCE AND MEDICAL EXPENSES	28
H.	METHODS OF VERIFYING NECESSARY INFORMATION	29
I.	INELIGIBLE DETERMINATION AT TIME OF VERIFICATION	29
J.	NOTICE OF DECISION AND INFORMAL REVIEW PROCESS.....	31
V.	BRIEFING OF FAMILIES AND ISSUANCE OF VOUCHERS	31
A.	HOUSING QUALITY STANDARDS (HQS) AND INSPECTIONS	32
B.	LEASE APPROVAL AND HOUSING ASSISTANCE PAYMENTS CONTRACTS EXECUTION.....	36
C.	PAYMENT STANDARD RENT LIMITATIONS	37
D.	SEPARATE AGREEMENTS.....	37
VI.	ANNUAL/BIENNIAL/TRIENNIAL ACTIVITIES.....	37
A.	REVIEW OF FAMILY , RENT, UTILITIES, & HOUSING QUALITY.....	37

B.	INTERIM ADJUSTMENTS OF RENT	39
C.	TIMELY REPORTING STANDARDS	Error! Bookmark not defined. 39
D.	CONTRACT RENT INCREASES BY OWNER.....	40
E.	UTILITIES	41
F.	MINIMUM RENT	41
VII.	TERMINATIONS AND SECURITY DEPOSITS	41
A.	INFORMAL HEARINGS.....	42
B.	OWNER FRAUD, MISREPRESENTATION, OR BREACH OF CONTRACT	42
C.	EXISTING FAMILY MOVES	42
D.	FAMILY BREAK-UP	43
E.	EVICCTIONS.....	43
F.	ABSENCES FROM UNIT	43
G.	SECURITY DEPOSITS.....	43
VIII.	REPAYMENT AGREEMENTS.....	44
A.	USE OF REPAYMENT AGREEMENTS.....	44
IX.	FINANCIAL MANAGEMENT/REPORTING REQUIREMENTS	44
A.	THE HOUSING ASSISTANCE PAYMENT (HAP) REGISTER.....	44
B.	MONITORING PROGRAM PERFORMANCE.....	45
C.	HUD REGULATORY AMENDMENTS.....	45
D.	PAYMENT STANDARDS	45
X.	FAMILY SELF-SUFFICIENCY PROGRAM (FSS)	46
	GLOSSARY	47
	ADDENDA TO THE HOUSING CHOICE VOUCHER ADMINISTRATIVE PLAN.....	65
	* FSS ACTION PLAN	
	* PROJECT BASED VOUCHER POLICY	
	* REGIONAL PROJECT BASED VOUCHER INITIATIVE	
	* HCV INFORMAL REVIEW AND HEARING POLICY	
	* RENTAL ASSISTANCE DEMONSTRATION INFORMAL HEARING POLICY	
	* VIOLENCE AGAINST WOMEN ACT	
	* GRIEVANCE PROCEDURES RENTAL ASSISTANCE DEMONSTRATION (RAD) SITES	
	* GRIEVANCE PROCEDURES PROJECT BASED VOUCHER (PBV) & TENANT BASED VOUCHER (TBV) SITES	
	* HOMEOWNERSHIP POLICY	
	* SAMPLE LEASE AGREEMENT	
	* REASONABLE ACCOMODATION POLICY	

I. STATEMENT OF OVERALL APPROACH, POLICIES AND OBJECTIVES

The Housing Choice Voucher Program was created by the Housing and Community Development Act of 1974 and amended by the Housing and Community Development Acts when applicable.

The Housing Commission of Anne Arundel County (HCAAC) serves as the Public Housing Agency (PHA) for all of Anne Arundel County. HCAAC applies for and receives allocations of Housing Choice Voucher Annual Contributions Contracts (ACC), which gives authority to operate this program as required by regulation, throughout the County by direct administration. The Housing Commission may utilize components of the program, such as Group Home, Shared Housing and Single Room Occupancy subsidies as economic conditions warrant. It is anticipated that project based vouchers will be utilized as a potential component as needed. HCAAC will also seek to apply for additional funding and resources to expand and enhance the program, and will complete any changes to the program as required by Federal Regulation.

A. PURPOSE OF THE PLAN

The Housing Choice Voucher Programs are designed to achieve five major goals:

1. To assist very low income and low-income families with rent payments.
2. To enable Housing Choice Voucher participants to have a greater choice in housing types and locations.
3. To provide decent, safe, and sanitary housing for eligible participants.
4. To provide incentives to private property owners to rent to low income families by offering timely assistance payments.
5. To help facilitate a transition from housing assistance to self-sufficiency through implementation of the Family Self-Sufficiency (FSS) Program.

B. USE OF THE ADMINISTRATIVE PLAN

The Housing Commission of Anne Arundel County has full responsibility for the satisfactory completion of all contractual obligations with the Department of Housing and Urban Development (HUD) and for complying with all subsequent changes pertaining to these Programs. If such changes conflict with the Plan, HUD regulations will have precedence. The administrative burden for implementation and compliance with the Federal regulations rests with the HCAAC. The Plan covers both admission and continued participation policies for the Program. Policies are the same for all programs, unless otherwise noted. The HCAAC Board of Commissioners and HUD will approve changes to the Plan.

All issues not addressed in this document related to tenants and participants, including owners, are governed by the Housing Choice Voucher Guidebook, 7420.10G, Federal regulations, HUD or PHA notices, memorandums, and guidelines.

Where the word "may" appears throughout the text, HCAAC has discretion in the implementation of the policy described.

Wherever the word "must" appears throughout the text, HCAAC will implement the policy as stated.

C. FAIR HOUSING POLICY

It is the policy of HCAAC to comply fully with all Federal, State and local non-discrimination laws and to operate in accordance with the rules and regulations governing Fair Housing and Equal Opportunity in housing and employment.

Specifically, HCAAC shall not on account of race, color, sex, religion, creed, national ethnic origin, age, family or marital status, handicap or disability, deny any family or individual the opportunity to apply for or receive assistance under HUD's Housing Choice Voucher Programs, within the requirements of the HUD regulations.

To further its commitment to full compliance with the Civil Rights laws, HCAAC will provide Federal, State and local information to Voucher holders regarding "discrimination" and any recourse available to them should they feel that they have been a victim of discrimination. Such information will be made available during the family briefing session and all applicable Fair Housing information and Discrimination Complaint Forms will be made a part of the Voucher holder packets.

D. ADMINISTRATION OF PROGRAM FUNCTIONS

Outreach to Families:

The following outreach steps will be taken by HCAAC to maximize compliance with the ACC allocations:

1. HCAAC will announce the program to the local newspaper, minority media, and other appropriate media channels. In addition, recognizing that there are persons who do not, or cannot read the newspapers; HCAAC will distribute fact sheets to the broadcasting media.
2. An announcement will be posted at the HCAAC Administrative Offices.
3. Public meetings will be with community organizations to inform residents of the Program when warranted.

Outreach to Owners:

Orientations for owners will be conducted as needed to make dwelling units available for leasing by eligible families. Owners of units located outside of areas with a high, low-income or minority concentration will be encouraged to participate. On a continuing basis, HCAAC will welcome the participation of owners of decent, safe and sanitary housing units.

A list of interested landlords and their properties available for the Housing Choice Voucher Program is maintained by HCAAC. This list is updated on an ongoing basis and is made available to prospective tenants upon request.

E. PROJECT-BASED VOUCHERS

The Housing Commission currently has Project Based Voucher contracts at various locations, Wiley H. Bates (71), Admiral Oaks (16), Heritage Crest (100), Heritage Overlook (60), Whitaker Homes (153), Severn Homes (223), Sarah's House (21), The Lighthouse Shelter (6), and Bowman Community Development Corporation (6). Details regarding the implementation of project based vouchers are outlined in an addendum attached to this plan. The Housing Commission may increase the number of Project Based Vouchers to add units under contract to owners who provide housing, for Homeless Service Providers for Transitional Housing and supportive services to consumers with disabilities who meet specific eligibility criteria outlined in a Request for Proposals. The agency will limit the contracts initially to less than 100 project based vouchers. All components of the project based voucher program outlined in the Project Based Voucher Addendums (Pages 65-68) remain applicable.

F. SINGLE ROOM OCCUPANCY

The Housing Commission continues to recognize the need for affordable housing for the County's homeless and disabled population. For specific landlords who provide housing and supportive services (such as The Arc of the Central Chesapeake Region, Inc., VESTA, Inc., Supportive Housing Developers, People Encouraging People, The Lighthouse Shelter and the Anne Arundel County Assertive Community Treatment) require flexible housing resources such as SRO (Single Room Occupancy) units. In order to better serve these consumers HCAAC will be encouraging the use of and incorporating SRO's into their portfolio with organizations such as those listed above.

G. REASONABLE ACCOMMODATION

It is the policy of the Housing Commission of Anne Arundel County to provide reasonable accommodation(s) in housing for participants with disabilities where a reasonable accommodation is needed to provide an equal opportunity to use and enjoy the Housing Commission's programs and premises.

A reasonable accommodation may be, but is not limited to a request for:

- a physical change to the inside or outside of a unit or area,
- a change of unit size for medical/health reasons and/or apparatus or,
- the request for a live-in aide and subsequent change of unit size;
- a waiver or exception to a policy or procedure (where the agency has discretion)
- a request for a voucher extension beyond 120 days, provided that the family is able to justify the need for an extension and provided current income verification

Which will allow a person with a disability to have an equal opportunity to take advantage of the Housing Commission's housing program(s). Any accommodation considered by

the Housing Commission cannot result in an undue financial or administrative burden or create a fundamental change in a program. (See Reasonable Accommodation Policy).

H. AMENDMENTS

This policy may be amended by the Commission by resolution duly adopted by its Board of Commissioners at a regular or special meeting that is open to the public in accordance with (24 CFR §903.21). The written agenda for such meeting shall indicate consideration of amending the policy. Any such amendment shall be subject to approval by HUD and shall be made only in accordance with applicable HUD regulations.

A “Significant Amendment or Modification” to this plan is a change in a procedure pertaining to the operation of the Commission. This includes the following:

- Changes to rent or admissions policies or organization of the waiting list.
- Additions of non-emergency work items in excess of 10% of the total Capital Fund program budget (items not included in the current Annual Statement or 5 Year Action Plan) or change in use of replacement reserve funds under the Capital Fund.
- Any change with regard to demolition or disposition, designation, homeownership programs or RAD conversions activities.

Any change or revision that is required as a result of a change in Federal, State, or local statutes shall **not** be considered significant amendment or modification.

II. COMPLETION OF APPLICATIONS, DETERMINATION OF ELIGIBILITY AND SELECTION OF FAMILIES

A. FILING OF APPLICATION

All persons who wish to apply for participation in the Housing Choice Voucher Program must first file a preliminary application and register with HCAAC through our online portal. The application must be made by the head of household, or his/her designee.

B. DETERMINATION OF ELIGIBILITY

If an applicant is determined to be eligible, said applicant is notified in writing that he/she has been placed on the waiting list. If an applicant is initially determined to be ineligible because of income, criminal background or family composition, said applicant is notified in writing and advised that he/she may ask for an informal review to discuss the decision.

1. The HCAAC will deny program assistance for an applicant if any member of the family currently owes rent, any other legally collectable rent, or other amounts to the HCAAC or to another PHA in connection with Section 8 or Public Housing assistance under the 1937 Act. Collectible rent or other amounts shall be defined in accordance with the State’s current statute of limitations.

2. If at the time the applicant's name reaches the top of the waiting list, a legally collectible debt is still outstanding; the applicant may be required to pay the debt in full before receiving assistance. Failure to do so may result in the applicant being removed from the waiting list. In either case, the applicant will be given ten (10) days to request an informal review.
3. Applicants for the program may be denied admission for a period of up to five (5) years for drug related or violent criminal activities that threaten the safety or wellbeing of other citizens or communities.

The calculation period runs from the date of the criminal activity. An arrest or charge is not proof of criminal activity and may not be considered as proof. Conviction is not required, although proof of criminal activity to a preponderance of the evidence standard is required to support a denial.

HCAAC reserves the right to deny housing assistance to a family or single applicant if a family member has engaged in or been evicted from federally assisted housing due to drug-related or violent criminal activity in the past five (5) years prior to eligibility determination.

HCAAC is not required to list the family on the waitlist or to admit the family off the waitlist. A waiver, however, may be granted for an individual who clearly did not participate in or have knowledge of drug related or criminal activity or if the circumstances leading to eviction no longer exist.

HCAAC may exercise discretion for drug activity for substances that have been decriminalized in Maryland, when that activity does not involve distribution related criminal activity. In the event of more than one convictions for drug related or violent criminal activities that threatens the safety or wellbeing of other citizens or communities in a period of up to seven (7) years, HCAAC may not exercise discretion unless the conviction is for a drug activity for substances that have been decriminalized in Maryland.

4. Applicants owing legally collectible debts or outstanding payments to a utility company or another PHA will be notified in writing of the amount owed and will be given thirty (30) days to pay the amount in full. If the amount is not paid in full, the pre-application will be withdrawn from the waiting list. HCAAC reserves the right to grant an extension to any applicant that provides proof that the debt is being paid in full. To the extent HCAAC is aware of applicants owing outstanding debts to a utility company, HCAAC will advise applicant to make repayment arrangements. The inability to obtain or maintain utility service in applicant's name is grounds for denial or termination of a voucher.
6. Applicants with an outstanding warrant identified on the criminal background investigation will be given thirty (30) days to properly clear the warrant. HCAAC

reserves the right to grant an extension to any applicant that provides proof that the case is being cleared.

The Commission will:

- a. The Commission will not rely on the arrest record in cases where there is potential denial for criminal activity.
- b. Review with the applicant any information that may adversely affect the possibility of housing, provide an opportunity to explain or refute such information and report such findings and/or explanation to the Review Committee for consideration.
- c. Then if denied, inform the applicant in writing as to why housing is being denied and of their right to an informal review and given ten (10) business days to request an informal review.
- d. Refer the applicant to appropriate counseling services.

To be eligible for assistance, an applicant must meet the following criteria:

- Applicant's gross family income must not exceed the income limits established for Housing Choice Vouchers.
- Meet the definition of a family. Family includes but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:
 - (1) A family with or without children (the temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size);
 - (2) An elderly family;
 - (3) A disabled family;
 - (4) A displaced family;
 - (5) The remaining member of a tenant family; and
 - (6) A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.
- Elderly family - a family whose head, spouse, or sole member is a person who is at least 62 years of age. It may include two or more persons who are at least 62 years of age living together, or one or more persons who are at least 62 years of age living with one or more live-in aides.
- Near-elderly family - a family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons, who are at least 50 years of age but below the age of 62, living together; or one or more persons

who are at least 50 years of age but below the age of 62 living with one or more live-in aides.

- Disabled family - a family whose head, spouse, or sole member is a person with disabilities. It may include two or more persons with disabilities living together, or one or more persons with disabilities living with one or more live-in aides.
- Person with disabilities:
 - (1) Means a person who:
 - (i) Has a disability, as defined in 42 U.S.C. 423;
 - (ii) Is determined, pursuant to HUD regulations, to have a physical, mental, or emotional impairment that:
 - (A) Is expected to be of long-continued and indefinite duration;
 - (B) Substantially impedes his or her ability to live independently, and
 - (C) Is of such a nature that the ability to live independently could be improved by more suitable housing conditions; or
 - (iii) Has a developmental disability as defined in 42 U.S.C. 6001.
 - (2) Does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent or acquired immunodeficiency syndrome;
 - (3) For purposes of qualifying for low-income housing, does not include a person whose disability is based solely on any drug or alcohol dependence; and
 - (4) Means “individual with handicaps”, as defined in 24 CFR Sec. 8.3 for purposes of reasonable accommodation and program accessibility for persons with disabilities.
- Displaced family - a family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.
- Live-in aide - a person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:
 - (1) Is determined to be essential to the care and well-being of the persons;
 - (2) Is not obligated for the support of the persons; and
 - (3) Would not be living in the unit except to provide the necessary supportive services.
 - (4) Meets non-economic screening criteria listed in Section II. B. and IV. I.

All Family members who will be assisted through the Housing Choice Voucher program must be listed and verified as household members at the time of acceptance on the Program. Additions to the household will only be permitted if they meet the criteria listed above, and at the request of the head of household. Additions to the family must be as a result of birth, marriage, custody, adoption, or reasonable accommodation for health care. These situations must be verified prior to addition to the family.

If the addition to the family is a minor, then he/she must be placed in the household through birth, adoption, court order or proof of legal custody or through designee from a parent or other person having custody, with written permission of such parent or other person.

SOCIAL SECURITY NUMBERS

According to (24 CFR 5.216) - All persons applying to the Program, except those who do not contend eligible immigration status, must submit the following information before being considered for admittance:

- Social Security Number of each applicant and each member of the applicant's household; and
- A valid SSN card issued by the SSA; or
- An original document issued by a federal or state government agency, which contains the name of the individual and the SSN of the individual, along with other identifying information of the individual.

An applicant family may receive an offer for housing, even if the family lacks the documentation necessary to verify the SSN of a family member under the age of six (6) years or is an applicant for a Single Room Occupancy voucher. The family will be allowed a ninety (90) day grace period in which to provide the appropriate documentation. One additional ninety (90) day grace period will be granted if HCAAC determines that, in its discretion, the applicant's failure to comply was due to circumstances outside the control of the applicant. If the applicant family does not produce the required documentation within the authorized time period, HCAAC will terminate the tenancy in accordance with 24 CFR 5.218.

VERIFICATION OF AGE

All applicants, tenants and household members must provide one of the following documents as verification of age: birth certificate, certified baptismal certificate, military discharge papers, valid passport, Census document showing date of birth, Naturalization certificate, and Social Security Administration benefits printout showing date of birth.

IDENTITY VERIFICATION

All applicants, tenants and household members 18 years of age or older must provide one of the following forms of government issued photo identification as verification of identity, to allow for a visual face and signature match: state-issued driver's license, state-issued photo identification card, military identification card, U.S. passport, citizenship and legal residency cards.

C. INCOME REQUIREMENTS

Families will be assigned in accordance with the income targeting requirements established based upon waitlist demographics. Targeting requirements will be evaluated annually in January of each year and modifications will be made as an internal communication as amendment to this policy.

The policy will reflect waitlist demographics as indication of the demand required upon the program. The Housing Commission will continue to adhere to the Federal Requirements as they are updated.

The targeting requirements will also be set with emphasis on ensuring that the program can be well utilized by the recipients and that families of all income ranges can benefit from the program.

The selection preferences and priorities established in this section will be administered in a manner that is consistent with HUD's Fair Housing policy.

D. SPECIAL PURPOSE VOUCHERS

The Housing Commission assigns up to ten percent (10%) of the voucher program funds for use under the circumstances identified in this section. Highest priority for housing will be offered to Omni House, The Arc of the Central Chesapeake Region, Supported Housing Developers, Thomas Pumphrey House, Department of Mental Health, Department of Social Service, ACT, VESTA Inc., Willow House, county residents who are brought to us by the State's Attorney and/or Law Enforcement through witness protection, and other types of structured group homes which provide sheltered housing for individuals who are either elderly, physically or mentally disabled or participating in a special needs program. The program participants are issued vouchers for the unit size required. The units are filled with applicants from the Housing Choice Voucher waiting list who are participants of the aforementioned shelter programs. The tenants are selected, however, by the representatives of the service providers.

The Housing Commission assigns up to five percent (5%) of the voucher program funds for use of Homeless Families. These families will be given a limited Homeless Preference. They will be identified as Homeless families or individuals who have completed and/or graduated from a rapid rehousing or transitional housing program of at least 12 – 18 months which is funded by federal, State, or County housing and community development dollars and have demonstrated good tenancy (e.g. pay their rent portion on time), are linked to services, and will have continued case management support and without continued rent assistance risk returning to homelessness due to limited income.

Referring Agencies could include:

ACDS - Moving Home Program

DSS

Partnership for Children, Youth and Families – rapid rehousing programs

AHOH – Rapid Rehousing and Transitional programs

YWCA – Rapid Rehousing Program
Catholic Charities – Rapid Rehousing Program
Mental Health Agency – SHP and SPC programs

Re-certifications are conducted in accordance with the procedures established in this plan. When a tenant is removed from the home, he/she will be replaced with an eligible shelter program participant as defined above, on our active Housing Choice Voucher waiting list.

An applicant shall be placed on the waitlist in the chronological order in which they apply.

1. HCAAC anticipates that tenants may be affected by rehabilitation of their units and may encounter increased rent burdens, which reach a level that may qualify the family for a preference.
2. The Chief Executive Officer may assign a preference for a voucher as necessary under the following conditions:
 - a. Agreements with local developers and/or management entities; including the Housing Commission and Housing Corporation.
 - b. Emergency and/or life threatening situations where a family is seeking protection under the Violence Against Women Act (VAWA) and/or when the family is in a situation involving a threat of actual violence, if the family reasonably believes that there is a threat of imminent harm from further violence if the family remains within the same unit. A family requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan. Families who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section.

E. MAINTAINING THE WAITLIST

A list of interested families will be maintained when immediate assistance is not available. This waiting list will be maintained according to the applicant date and time of the family's application, and suitable type or size of unit. All Applicants must report via our web-site any change in address, email, family composition, or income, when changes occur. It is the responsibility of the applicant to make any changes via the applicant portal and to maintain verifiable accurate email address information. Waiting list information is available on a 24-hour basis via the applicant portal. The waitlist is updated weekly.

HCAAC reviews the waitlist at least once every twenty-four (24) months in order to determine the interest/need of the applicant. Any waitlist determined to be closed at the time of review may not be updated. The review process identifies those applicants that have not made any updates or inquiries within a twelve (12) month period. Before HCAAC purges an applicant from the waitlist, the applicant will be notified by e-mail, that they must indicate their ongoing interest in obtaining housing by responding to

HCAAC. The email is sent to the last known email address on file. If the email bounces back to HCAAC indicating it is undeliverable then the applicant will be removed from the waitlist.

Should an applicant not respond to the request for updated information or to selection for the program for any reason, prior to the established deadline, the applicant will be deleted from the waiting list. Reasons for non-response, resulting in deletion from the list, include (but are not limited to) responding to the email indicating the choice to remain on the waiting list. The waitlist will remain open for acceptance of applications until a determination is made by the Executive Director/Chief Executive Officer to close the waitlist and at such time a notice will be posted in the legal section of the local newspapers.

If an applicant believes he or she was removed from a waiting list without cause, he or she may request an informal review within ten (10) business days of the indicated withdraw date identified in the correspondence from the Housing Resource Office.

It is the policy of the Housing Commission of Anne Arundel County to provide a reasonable accommodation(s) in housing for participants with disabilities where reasonable accommodation is needed to provide an equal opportunity to use and enjoy the Housing Commission's programs and premises.

The Housing Commission has entered into a HAP Contract to subsidize units at the Wiley H. Bates Senior Housing (71), Admiral Oaks (16), Heritage Crest (100), Heritage Overlook (60), Whitaker Homes (153), Heritage at Severn (223), Oakleaf Villa's (24), Sarah's House (21), The Lighthouse Shelter (6) and Bowman Community Development Corporation (6) communities. These are project based voucher programs and require separate waitlists, based solely upon date and time of application.

The Housing Commission will maintain a separate waiting list for the Thomas Pumphrey House, which is a facilities-managed by the Housing Corporation of Anne Arundel County that provide supportive services to at-risk populations who require housing choice vouchers. Applicants for these programs must meet stringent requirements and will be ranked by date and time of application only.

The Representatives for Service Providers will maintain separate waitlist for transitional housing programs utilizing housing choice vouchers. These programs are established with service providers in the County who offer site-based support to stabilize at-risk populations. The service provider will refer applicants, and preference will be based upon date and time or vulnerability index rating of applications.

III. OCCUPANCY GUIDELINES

HCAAC, in accordance with HUD guidelines, has established standards for the assignment of Vouchers (number of bedrooms) appropriate for the applicant family.

The basic standards for determining the appropriate Voucher size for an eligible family are as follows:

- A minimum of one bedroom or living/sleeping room of appropriate size for each two persons in the household.
- Separate bedrooms shall be assigned to persons of the opposite sex, except for:
 - a) husband and wife;
 - b) male/female cohabitants (as defined in the Glossary); and
 - c) children age 5 and under
- Dependents of the same sex, regardless of age, shall be assigned one bedroom for each two persons, except at Severn Homes.
- The unborn child of a pregnant head of household or spouse shall be considered a dependent under the age of 5, except at Severn Homes.
- Children who have reached the age of three (3) years will be given a separate bedroom from that single parent.

A. OCCUPANCY STANDARDS FOR ASSIGNMENTS

<u>VOUCHER SIZE</u>	<u>MINIMUM # PERSONS IN HOUSEHOLD</u>	<u>MAXIMUM # PERSONS IN HOUSEHOLD</u>
1 BR	1	2
2 BR	2	4
3 BR	3	6
4 BR	4	8
5-6 BR	6	10-12

TYPICAL FAMILY COMBINATION ARE AS FOLLOWS:

ONE BEDROOM VOUCHER

- 1 adult
- 2 adults (husband/wife or spousal relationship no dependents)
- Mother with unborn child

TWO BEDROOM VOUCHER

- An elderly, handicapped or disabled person with a live-in resident assistant
- A head of household (with or without spouse) with either one or two dependents

THREE BEDROOM VOUCHER

- A head of household (with or without spouse) with either two or three dependents

FOUR BEDROOM VOUCHER

A head of household (with or without spouse) with either five or six dependents

FIVE BEDROOM VOUCHER

A head of household (with or without spouse) with either seven or eight dependents (except Severn Homes)

SIX BEDROOM VOUCHER

A head of household (with or without spouse) with either nine or ten dependents (except Severn Homes)

B. EXCEPTIONS FROM BASIC OCCUPANCY GUIDELINES

Exceptions to these standards may be granted by the HCAAC to allow the assignment of a larger unit size than specified in the standards if warranted by the conditions affecting family members. All exceptions must be requested by the family, verified and documented by the HCAAC. Exceptions shall be granted at the discretion of the HCAAC.

The preceding categories of occupancy standards are guidelines only. A family may elect to occupy a smaller unit than these guidelines would dictate if they so choose.

Severn Homes only – Five (5) and Six (6) bedroom units may be occupied with one (1) person per bedroom, regardless of age or sex of dependents.

C. UNIT SIZE SELECTION

The family may only select a dwelling unit the same size as listed on the Voucher.

Two criteria are considered for the Voucher Program:

- Payment Standards: The Payment Standard for the Voucher size approved for the family or the unit size actually selected by the family, whichever is less, must be applied to the unit; except Severn Homes Five (5) and Six (6) bedroom units where the voucher size should match the unit size selection.
- Utility Allowance: HCAAC will use the appropriate utility allowance for the lesser of the size of dwelling unit actually leased by the family or the voucher size issued to the family, as determined under the PHA subsidy standards except Severn Homes Five (5) and Six (6) bedroom units where the voucher size should match the unit size selection.

In cases where a reasonable accommodation has been provided to a family that includes a person with disabilities, HCAAC will use the appropriate utility allowance for the size of the dwelling unit actually leased by the family.

D. ADDITIONAL FAMILY MEMBERS

Any family member 18 years of age or older who is removed from the Housing Choice Voucher Program will not be permitted as a future eligible household member.

Additions to the family must be as a result of birth, marriage, legal custody (or through designee from a parent or other person having custody, with written affidavit of such parent or other person), adoption, or reasonable accommodation for health care. These situations must be verified prior to addition to the family.

IV. INCOME VERIFICATION AND PAYMENT CALCULATIONS

A. VERIFICATIONS REQUIRED TO DETERMINE ELIGIBILITY

- Annual income of all family members 18 years of age or older expected to reside in the unit. Income would include employment, benefits, school grants, support, interest or dividends from savings accounts, stocks, or bonds.
- Assets such as real property, savings accounts, stocks, and bonds.
- Unusual expenses such as child care to enable family members to work or furthering their education. Medical expenses for elderly families in excess of 3% of families' annual gross income. *Effective January 1, 2024 medical expenses for elderly family's in excess of 10% of families' annual gross income.
- Full-time student status of adult family members.
- Family composition such as relationship of adult family members, children with last names different from parents, custody, if applicable, foster care papers, and other similar situations of unusual family composition.
- Medical information could be required to justify a larger bedroom size voucher than the family is otherwise eligible.
- Regular contributions & gifts from person(s) outside the household will be counted as income. Casual or sporadic gifts are excluded.
- Lottery winnings paid in periodic payments. (Winnings paid in a lump sum are included in net family assets - not in annual income.)
- The annual income of the spouse of the head of the household, if that person is temporarily absent, such as away at college or in the armed forces, even if that person is not on the lease.
- Benefits and other non-earned income paid directly to or on behalf of minors and full-time students.

- The annual income for a family member including a permanently absent member will be counted until written verification that the family member has vacated the unit is received.
- The gross amount (before deductions for Medicare, etc.) of periodic social security payments. Includes payments received by adults on behalf of minors or by minors for their own support).
- Annuities, insurance policies, retirement funds, pension, disability or death benefits and other similar types of periodic receipts.
- Payments in lieu of earnings, such as unemployment and disability compensation and severance pay. Any payments that will begin during the next 12 months must be included.
- Net payments of adjusted benefits.

B. ANNUAL INCOME EXCLUDES

- Earned income of children (including foster children) younger than 18.
- Nonrecurring income, which is income that will not be repeated in the coming year based on information provided by the family. Income received as an independent contractor, day laborer or seasonal worker is NOT excluded from the income even if the source, date or amount of income varies.
- Non-monetary in kind donations, such as food, clothing, or toiletries, received from a food bank or similar organization.

Food Stamps; meals on wheels or other programs that provide food for the needy; groceries provided by persons not living in the household.
- Payments receive for the care of foster children or foster adults, or State or Tribal kinship or guardianship care payments.
- Amounts received by the family that are specifically for, or in reimbursement of, the cost of health and medical care expenses for any family member.
- Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a member of the family becoming disabled.
- Grants or other amounts received specifically for medical expenses.
- Adoption Assistance Payments for a child in excess of the amount of the deduction for a dependent.

- Income associated with persons that live in the unit but are not regular household members includes:
 - payments received for care of foster children or foster adults
 - income of live-in attendants
- Homecare payments
- Resident Service Stipends
- The principal portion of the payments received on mortgages or deeds of trust.
- Earned Income of Full Time Students 18 years or older (except the Head of Household and spouse). The exemption only applies to earning in excess of \$480.00.
- Student financial assistance for tuition, books, supplies, (including supplies and equipment to support students with learning disabilities), room and board, and other fees required and charged to a student by an institution of higher education and, for a student who is not head of household or spouse, the reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit.
- Veteran's benefits related to aid and attendance.
- State or Local employment training programs and training of resident management staff.
- Hazardous duty pay to a family member in the military.
- Lump-sum additions to family assets - such as inheritances; for personal or property losses, including but not limited to, payments through health insurance, motor vehicle insurance and worker's compensation.
- Exclusion of Deferred Periodic Payments of SSI and Social Security received in lump sum.
- Casual, sporadic or irregular gifts (including verified census taker earnings).
- Payments, rebates, or credits received under Federal, Low-Income Home Energy Assistance Programs or other government agencies. Income excluded by Federal Statute.
- Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era.
- Income excluded by Federal Statute.

- Any imputed return on an asset when the net family assets total \$50,000 or less and no actual income from the net family assets can be determined.
- Irrevocable trust or a revocable trust outside the control of the family or household. Distributions of the principal or corpus and distributions of the income from the trust when the distributions are used to pay the costs of health and medical care expenses for a minor.
- Fully excluded Income such as Food Stamp benefits and income from a live-in aide:
 - Per PIH Notice 2013-04 (HA) – Income that is fully excluded means the entire amount qualifies to be excluded from the annual income determination. For fully excluded income, the PHA is not required to:
 - (1) Verify the income in accordance with the HUD-prescribed verification hierarchy:
 - (2) Document in the tenant file why third party verification was not available as required by 24 CFR 982.516(a)(2): and
 - (3) Report the income in Section 7 of the form HUD-50058

HCAAC may accept an applicant or participant’s self-certification as verification of fully excluded income. HCAAC’s application and reexamination documentation, which is signed by all adult family members, may serve as the self-certification of the fully excluded income. HCAAC reserves the right to elevate the verification requirements if necessary, to determine if a source of income qualifies for a full exclusion.

C. CONVERTING INCOME

To annualize full employment, multiply:

- hourly wages by 2080 hours
- weekly wages by 52
- bi-weekly amounts by 26
- semi-monthly amounts by 24
- monthly amounts by 12

D. IMPUTED INCOME FROM ASSETS

If net family assets exceed \$5,000, annual income must include the greater of:

- The actual income from assets; or
- An imputed income from assets:
- Imputed income is calculated by multiplying the total net family assets by the specified interest rate. The current rate established by HUD is 0.06% and will be changed as per regulatory changes.

*Effective January 1, 2024 net assets will increase from \$5,000 to \$50,000 but cannot exceed \$100,000.

Family assets include:

- Amounts in savings and checking accounts.
- Equity in real property or other capital investments is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and reasonable costs (such as broker fees, penalties), that would be incurred in selling the asset.
- The cash value of trusts that are available to the household.
- IRA (an individual retirement account), Keogh and similar retirement savings accounts.
- Stocks, Bonds, Treasury Bills, Certificate of Deposits, Money Market Funds.
- Contributions to company retirement/pension funds:

While an individual is employed, count only amounts the family can withdraw without retiring or terminating employment.

After retirement or termination of employment, count as an asset any amount the employee elects to receive as a lump sum.

- Lump-sum receipts such as inheritances, capital gains, lottery winnings, insurance settlements, and other claims.
- Personal property held as an investment.
- Cash value of life insurance policies.
- Assets disposed of for less than fair market value during the two years preceding application or re-examination.
- Business assets disposed of for less than fair market value. (Business assets are excluded from net family assets only while they are part of an active business.)

E. ASSETS DO NOT INCLUDE

- Clothing, furniture, cars
- Interest in Indian trust lands
- Equity in a cooperative unit in which the family lives

- Assets that are not accessible to the applicant and provide no income to the applicant. In such cases the asset must be disclosed to the Housing Commission staff and a written affidavit from the client stating the type of asset and that they do not have access to, nor do they receive any income from the asset. Should the situation change and the client is granted access, it is incumbent upon the assisted family to disclose the change and report the asset within 10 calendar days of the occurrence.
- The amount of equity in a mobile home for those families participating under the Mobile Home Pad Assistance.
- Retirement accounts
- Educational savings accounts

F. ADJUSTED INCOME

Gross annual income minus allowances for dependents, elderly household deduction, childcare, medical and handicap expenses equals adjusted income.

1. Dependent Allowance

\$480 for each household member who is under 18 years of age, or is handicapped, disabled or a full-time student. HUD annually in accordance with the Consumer Price Index will adjust this amount for Urban Wage Earners and Clerical Workers rounded to the next lowest multiple of \$25.

The head, spouse, foster child or live-in attendant are never counted as dependents.

Cannot count unborn children or children to be adopted until the child is physically in the household.

A full-time student is one carrying a full-time subject load (as defined by the institution) at an institution in a degree or certificate program.

2. Elderly Household Deduction

\$400 per family for all families in which the head or spouse is at least 62 years of age or handicapped or disabled. The \$400 is a household deduction (only one per family, even if both head and spouse are elderly).

*Effective January 1, 2024 the household deduction (only one per family, even if both head and spouse are elderly) will increase to \$525.00. HUD annually in accordance with the Consumer Price Index will adjust this amount for Urban Wage Earners and Clerical Workers rounded to the next lowest multiple of \$25.

3. Child Care

Reasonable childcare expenses for the care of children, including foster children, age 12 and younger may be deducted from annual income if all of the following are true:

- The care is necessary to enable a family member to work or further his/her education (academic or vocational);
- The expense is not reimbursed by an agency or individual outside the household; and
- The expenses incurred do not exceed the amount earned.

4. Allowance for Handicapped/Disabled Family Members

Families may deduct anticipated expenses for care attendants, long-term care premiums and "auxiliary apparatus" for handicapped or disabled family members if such expenses:

- Enable a family member (including the handicapped family member) to work;
- Exceed three percent of Annual Income.
* Effective January 1, 2024 medical expenses for elderly family's in excess of ten percent of families' annual gross income; and
- Do not exceed the earned income of the household member(s).
- Financial hardship exemptions for unreimbursed health and medical care expenses and reasonable attendant care and auxiliary apparatus expenses may be requested. To receive hardship relief the family must have received a deduction from their annual income, which exceeded three percent as of January 1, 2024. The hardship will allow for up to a twenty-four month transition period. The family's hardship relief ends when the circumstances that made the family eligible for the relief are no longer applicable.
- The family will receive a deduction totaling the sum of the expenses that exceed 5 percent of annual income.
- Twelve months after the relief the family must receive a deduction totaling the sum of expenses, that exceed 7.5 percent of annual income.

- Twenty-four months after the relief is provided, the family must receive a deduction totaling the sum of expenses that exceed 10 percent of the annual income.

"Auxiliary apparatus" are items such as wheelchairs, ramps, adaptations to vehicles, special equipment to enable a blind person to read or type, etc. if directly related to permitting the physically challenged person or other family member to work.

5. Medical Expenses

The medical expense deduction is permitted only for households in which the head or spouse is at least 62 years of age or disabled.

If the household is eligible for a medical expense deduction, the medical expenses of all family members are counted.

They may include:

- Services of health care facilities.
- Medical insurance premiums.
- Long-term care premiums
- Prescription/non-prescription medicines.
- Transportation to treatment.
- Dental expenses, eyeglasses, hearing aids, batteries.
- Live-in or periodic medical assistance.
- Monthly payment on accumulated medical bills.
- Unreimbursed health and medical care expenses of any elderly family or disabled family
- Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each family member of the family who is a person with a disability, to the extent necessary to enable any member of the family (including the member who is a person with a disability) to be employed.
- Allowable Medical Expense is that portion of total medical expenses that is in excess of three percent of annual income.

*Effective January 1, 2024 medical expenses for elderly family's in excess of ten percent of families' annual gross income.

6. Earned Income Disregard

The earned income disallowance encourages participant self-sufficiency by rewarding certain residents who go to work or have increased earnings. During the first twelve (12) calendar month period beginning on the date a member of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the PHA must exclude from annual income of a qualified family an increase in income of the family member as a result of employment over prior income of that family member. After the first calendar twelve (12) month period after the date a member of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the PHA must exclude from annual income of a qualified family fifty percent of any increase in income of such family member as a result of employment over income of that family member prior to beginning of such employment. The disallowance is limited to a lifetime twenty-four (24) month period for a qualifying family member; at the end of the twenty-four (24) months, the disallowance ends regardless of how many months were used.

A qualified family is defined as a family residing in housing assisted under the Housing Choice Voucher Program:

- a. Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was unemployed for one or more years previous to employment;
- b. Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or
- c. Whose annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the PHA in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-To-Work programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance-provided that the total amount over a six-month period is at least \$500.

Disallowance of increase in annual income

Initial twelve-month exclusion - During the cumulative twelve (12) month period beginning on the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, HCAAC will exclude from annual income of a qualified family any increase in income of the family member who is a person with disabilities as a result of employment over prior income of that family member.

Second twelve month exclusion and phase-in - During the second cumulative twelve month period after the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, HCAAC will exclude from annual income of a qualified family fifty (50%) percent of any increase in income of such family member as a result of employment over income of that family member prior to the beginning of such employment.

Maximum twenty-four disallowance - The disallowance of increased income of an individual family member who is a person with disabilities as provided above is limited to a lifetime twenty-four (24) month period. This section only allows for a maximum of twelve (12) months for the initial exclusion and a maximum of twelve months for the second twelve-month exclusion.

The disallowance of increases in income as a result of employment of persons with disabilities under this section does not apply for purposes of admission to the program (including the determination of income eligibility and income targeting).

*Effective January 1, 2024 Earned Income Disallowance will be discontinued. If a family is receiving a disallowance as of January 1, 2024 they will be allowed the benefit of the earned income disallowance until their its original expiration.

G. SPECIAL CALCULATION FOR HOUSEHOLD WHO ARE ELIGIBLE FOR DISABILITY ASSISTANCE AND MEDICAL EXPENSES

If a family has both medical expenses and disability assistance expenses, a special calculation is required.

Three percent of annual income must first be deducted from the handicap assistance expenses. Any remainder is then deducted from total medical expenses.

*Effective January 1, 2024 medical expenses for elderly family's in excess of ten percent of families' annual gross income.

H. METHODS OF VERIFYING NECESSARY INFORMATION

1. Third Party (Independent) Verification: This should be used whenever possible as it provides the most reliable results. If other methods are used, the file should contain documentation to explain the reason. This documentation should be used to verify information obtained via the Enterprise Income Verification System (EIV).

Third party verification refers to written or oral verification from employers, public agencies, physicians, etc. If oral, the file must be documented with the date and name of HCAAC staff member receiving the information.

Internal Revenue Service Data: This source can be used for income purposes and is especially useful when self-employment is involved. The information must be from the most recent year filed.

2. Review of Documents: When documents are reviewed they must be photocopied unless prohibited by law. When photocopies cannot be made, information must be recorded, dated, and signed.

Notarized Statement or Signed Affidavits may be accepted from applicants or participants when all other sources have been exhausted. They should not be accepted in lieu of other possible methods.

Verifications for income or expenses must be updated if older than 60 days, for the purpose of certification with the exception of fixed sources of income, referenced in Section VI.

Note: In the case of Child Support and other State provided documents, the amount eligible shall be utilized, not the amount received or historical receipts. If irrefutable evidence exists to prove that the awarded amount is not being dispersed, or no benefits at all, to the family, the average period benefits will be used.

3. Enterprise Income Verification (EIV) Data: This information is provided for all clients and must be reviewed and evaluated. The information provided must be verified by methods identified in parts 1 and 2 of the section. Social Security data provided by EIV does not require further verification.

I. INELIGIBLE DETERMINATION AT TIME OF VERIFICATION

Families may be determined ineligible if their income exceeds the very low income standards prescribed by HUD. Families requesting to transfer their housing assistance from another jurisdiction must meet the HUD established income limits for the Commission's area.

Families may be determined ineligible when their income is such that the Total Tenant Payment is equal to or exceeds the highest rent standard for the unit size for which the family would be eligible.

Families may be determined ineligible if it is discovered that a household member submitted fraudulent information, participated in bribery or any other corrupt or criminal act. Families may be determined ineligible if it is discovered that the use of alcohol/drugs would likely result in conduct that would adversely affect the property environment.

Applicants for the program may be denied admission for a period of up to five (5) years for drug related or violent criminal activities that threaten the safety or wellbeing of other citizens or communities. The calculation period runs from the date of the criminal activity. An arrest or charge is not proof of criminal activity and may not be considered as proof. Conviction is not required, although proof of criminal activity to a preponderance of the evidence standard is required to support a denial. The Housing Commission must prohibit admission to the program of an applicant for five (5) years from the date of eviction if a household member has been evicted from federally assisted housing for drug related or violent criminal activity. HCAAC may exercise discretion and allow admission if the circumstances leading to the eviction no longer exists (i.e. removal of the household member from the application who was engaged in the activity leading to the eviction), or the evicted household member has successfully completed an approved supervised drug rehabilitation program. HCAAC may exercise discretion for drug activity other than distribution for substances that have been de-criminalized in Maryland, when that activity does not involve distribution related criminal activity. In the event of more than one convictions for drug related or violent criminal activities that threatens the safety or wellbeing of other citizens or communities in a period of up to seven (7) years, HCAAC may not exercise discretion unless the conviction is for a drug activity for substances that have been de-criminalized in Maryland.

The Housing Commission may prohibit admission for a period of five (5) years if: (1) the Commission determines that any household member is currently engaging in illegal use of a drug, and/or (2) the Commission determines that it has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents, and/or (3) the Commission determines that any household member has engaged in violent criminal activity for a period of five (5) years and/or;

The Housing Commission will prohibit admission to the program if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program.

The Housing Commission will prohibit any household member who has ever been convicted of criminal activity involving violence or drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.

The Commission will not rely on the arrest record in cases where there is potential denial for criminal activity.

J. NOTICE OF DECISION AND INFORMAL REVIEW PROCESS

The PHA is required to provide Informal Reviews on Applicants in accordance with federal regulations. The Informal Review and Hearing Policy is incorporated in this Administrative Plan under separate addendum on Page 72.

V. BRIEFING OF FAMILIES AND ISSUANCE OF VOUCHERS

Every effort is made to thoroughly brief potential tenants on all Housing Choice Voucher Programs. This effort includes both individual and group briefings. At the individual briefings, the tenant can ask questions specific to his/her own circumstances. At the group briefing, the following tools may be used:

- An audio-visual presentation;
- An oral presentation;
- A question and answer period; and
- Distribution of related materials.

At the briefings, pertinent information is discussed on all programs. Especially stressed are all tenant responsibilities.

In an effort to aid families in housing selections, the Housing Commission maintains a listing of available units. These properties are not pre-screened, and this is so stated to the families. When possible, additional assistance is provided by the Housing Choice Voucher Coordinator for families having difficulty finding housing.

Prior to issuance of a Voucher all income verification must be current within (60) days.

Once issued, a family is given 60 days to locate suitable housing in the locale of its choice. The Department Supervisor(s) can give two additional 30-day extensions upon the family's request, provided that the family is able to justify the need for an extension.

If the Voucher expires at the end of the initial 60-day term without an extension or if it expires after any additional term requested and approved, the family may reapply for the program if they so desire, if the waiting list is open, and be placed back on the waiting list according to the date of their reapplication. HCAAC may not determine the family to be ineligible for the program on the grounds that it was not able to utilize a previously issued Voucher. Any expired Vouchers should be reissued to the next eligible applicants on the waiting list as soon as possible.

It is the policy of the Housing Commission of Anne Arundel County to provide reasonable accommodation(s) in housing for participants with disabilities where reasonable accommodation

is needed to provide an equal opportunity to use and enjoy the Housing Commission's programs and premises.

A. HOUSING QUALITY STANDARDS (HQS) AND INSPECTIONS

Effective on the implementation date approved by HCAAC, all units passing the initial annual inspection during the immediate twelve months prior will be eligible for a biennial inspection 24 months thereafter. All other units not passing the initial annual inspection will be deemed ineligible for the biennial process until such unit receives a passing grade on an initial annual inspection; and will remain on an annual inspection cycle until such time.

All assisted families will be given the option to request an inspection if their unit is on a biennial cycle and is not scheduled for inspection during a particular year. A Request of Inspection form will be included in their Annual Recertification documents or may be requested from the Housing Opportunities office. If the unit has had a Special Inspection requested by the tenant or landlord within the last 12 months, they will also be required to pass their initial annual before being incorporated into the biennial process.

If there is a change in tenancy with a new lease and HAP contract, the unit must pass their 1st annual inspection in order to be included in the biennial process.

At any time HCAAC reserves the right to revoke a unit's biennial status and revert to the Annual Inspection process.

Any units selected for the biennial inspection process will revert to an annual inspection basis if they fail an initial annual inspection.

In accordance with PIH Notice 2020-31, Housing Quality Standards (HQS) inspections can be conducted using Remote Video Inspections (RVIs). The RVI procedures in the notice will enable the PHA to comprehensively inspect units in a manner that meets the basic statutory and regulatory standards.

In RVIs, an HQS inspector performs an HQS inspection from a remote location using video streaming technology via a person at the inspection site who serves as a proxy. The proxy follows the direction of the HQS inspector throughout the entire inspection Process.

Based upon HUD recommendation the tenant, or the landlord or property manager should attend the RVI inspection. Additionally, the RVI tenant notifications will explain RVI, the rationale for RVI implementation, and provide a contact number and email address for tenants to raise questions or concerns.

Regardless of the use of technology to facilitate the presentation of information, the PHA remains responsible for the conduct of the inspection, and any judgments made about whether a condition is a violation of the HQS must be made by the PHA. There may be some circumstances where the application of technology provides insufficient

information or evidence to the PHA to allow it to make an appropriate determination.

In accordance with Housing Opportunity Through Modernization Act (HOTMA) of 2016: Implementation of Various Section 8 Voucher Provisions” (82 FR 5458) HCAAC will use the non-life-threatening (NLT) provision which allows a PHA to approve the assisted tenancy and begin paying HAP on a unit that fails to meet the HQS, provided the deficiencies are not life-threatening (LT). This provision will be applied to all HCAAC initial inspections for both project-based and tenant-based programs.

A NLT condition is defined as any condition that would fail to meet the housing quality standards under 24 CFR 982.401 and is not a *life-threatening (LT)* condition as defined by HUD. HUD’s definition of LT conditions includes specific conditions under 10 categories, as described below and will be applied to all HCAAC HQS inspections (e.g. annual, interim, special):

- (1) Gas (natural or liquid petroleum) leak or fumes.
 - A fuel storage vessel, fluid line, valve, or connection that supplies fuel to a HVAC unit is leaking.
 - A strong gas odor detected with potential for explosion or fire, or that results in health risk if inhaled.
- (2) Electrical hazards that could result in shock or fire.
 - A light fixture is readily accessible, is not securely mounted to the ceiling or wall, and electrical connections or wires are exposed.
 - A light fixture is hanging by its wires.
 - A light fixture has a missing or broken bulb, and the open socket is readily accessible to the tenant during the day to day use of the unit.
 - A receptacle (outlet) or switch is missing or broken, electrical wires
 - A receptacle (outlet) or switch has a missing or damaged cover plate and electrical connections or wires are exposed.
 - An open circuit breaker position is not appropriately blanked off in a panel board, main panel board, or other electrical box that contains circuit breakers or fuses.
 - A cover is missing from any electrical device box, panel box, switch gear box, control panel, etc., and there are exposed electrical connections.
 - Any nicks, abrasions, or fraying of the insulation that expose conducting wire.
 - Exposed bare wires or electrical connections.
 - Any condition that results in openings in electrical panels or electrical control device enclosures.
 - Water leaking or ponding near any electrical device.
 - Any condition that poses a serious risk of electrocution or fire and poses an immediate life-threatening condition.
- (3) Inoperable or missing smoke detector
 - The smoke detector is missing.
 - The smoke detector does not function as it should.
- (4) Interior air quality (inoperable or missing carbon monoxide detector, where required)

- The carbon monoxide detector (where required) is missing.
 - The carbon monoxide detector does not function as it should.
- (5) Gas/oil fired water heater or heating, ventilation, or cooling system with missing, damaged, improper, or misaligned chimney or venting
- The chimney or venting system on a fuel fired water heater is misaligned, negatively pitched, or damaged, which may cause improper or dangerous venting of gasses.
 - A gas dryer vent is missing, damaged, or is visually determined to be inoperable, or the dryer exhaust is not vented to the outside.
 - A fuel fired space heater is not properly vented or lacks available combustion air.
 - A non-vented space heater is present.
 - Safety devices on a fuel fired space heater are missing or damaged.
 - The chimney or venting system on a fuel fired heating, ventilation, or cooling system is misaligned, negatively pitched, or damaged which may cause improper or dangerous venting of gasses.
- (6) Lack of alternative means of exit in case of fire or blocked egress
- Any of the components that affect the function of the fire escape are missing or damaged.
 - Stored items or other barriers restrict or prevent the use of the fire escape in the event of an emergency.
 - The building's emergency exit is blocked or impeded, thus limiting the ability of occupants to exit in a fire or other emergency.
- (7) Other interior hazards (missing or damaged fire extinguisher, where required)
- A fire extinguisher (where required) that is missing, damaged, discharged, overcharged, or expired. (This applies only if the PHA has adopted an acceptability criteria variation to the HQS to require fire extinguishers.)
- (8) Deteriorated paint surfaces in a unit built before 1978 and to be occupied by a family with a child under 6 years of age
- Deteriorated paint surfaces in a unit built before 1978 and to be occupied by a family with a child under 6 years of age.

The presence of such hazards during the initial HQS inspection means a PHA may not approve the tenancy, execute the HAP contract and make assistance payments until lead hazard reduction is complete. However, in the case where the deficiency is identified for a unit under HAP contract during a regular or interim HQS inspection, lead hazard reduction need not be completed within 24 hours. Instead, PHAs and owners must follow the requirements in 24 CFR part 35.

- (9) Any other condition subsequently identified by HUD as life-threatening in a notice published in the Federal Register.
- (10) Any other condition identified by the administering PHA as life-threatening in the PHA's administrative plan prior to April 18, 2017.

HCAAC will document the presence of any LT conditions, NLT conditions and other deficiencies on the HUD Inspection Booklet 52580 in conjunction with the use of HUD

acceptability criteria in the program regulations for all inspections of dwelling units and adheres to the following additions identified in the Administrative Plan prior to April 17, 2017:

- All units must have at least one smoke detector for each living level in the unit and each sleeping area within each occupancy classified residential, as defined in the most recent edition of the National Fire Protection Association Life Safety code adopted by the State Fire Prevention Commission, shall be equipped with at least one approved smoke detector.
- At the discretion of HCAAC, subject to HUD approval, landlords will be required to scrape and repaint all surfaces cited for peeling paint with two coats of non-lead paint or otherwise suitable cover where there is a child under seven years of age residing or expected to reside in the unit.

In addition to ongoing inspections, periodic, random review of completed inspections will be performed by supervisory personnel at a minimum of 5% sampling of inspections to ensure quality control.

If an inspection reveals that the unit is not in decent, safe and sanitary condition as required by the HQS criteria, HCAAC will immediately notify the owner *and tenant* of any NLT deficiencies and require the conditions be corrected within 30 days.

If the owner does not take the required action to correct the NLT deficiencies deemed as his/her responsibility within 30 days, HCAAC will abate the housing assistance payments until such time as the owner corrects the deficiencies. The housing assistance payments will be resumed once the deficiencies are fully corrected by the owner, but HCAAC will not make payments for the period the unit was not in compliance. Tenants who do not correct the deficiencies in a timely manner will have their assistance terminated.

At agency discretion, on a case-by-case basis, physical re-inspections for minor NLT deficiencies may not be required. However, statements, invoices, photographs and documents must be submitted within the allowable time period in lieu of the physical inspection. If the violation(s) are not corrected after a second inspection, within the prescribed time period, the Housing Assistance payments contract will be terminated.

If there are serious LT deficiencies that present an immediate danger to the health and safety of the family, HCAAC will require a correction of those deficiencies within 24 hours. (The owner however, is not responsible for HQS violations caused by the family. Such violations include damage to the unit by the family or guest beyond normal wear and tear and verification of the absence of tenant paid utilities.)

If the owner does not take the required action to correct the LT deficiencies deemed as his/her responsibility within 24 hours, HCAAC will abate the housing assistance payments until such time as the owner corrects the deficiencies. The housing assistance payments will be resumed once the deficiencies are fully corrected by the owner but, HCAAC will not make payments for the period the unit was not in compliance. Tenants

who do not correct the deficiencies in a timely manner will have their assistance terminated.

If the violation(s) are not corrected after a second inspection, within the prescribed time period, the Housing Assistance payments contract will be terminated.

Owners who have repeated fail grades on consecutive initial inspections will receive a warning letter notifying them that they are not compliant with program regulations. If units continue to fail thereafter, an owner may be terminated from the program and no additional contracts will be allowed until the owner can prove they have the ability to comply with program obligations.

B. LEASE APPROVAL AND HOUSING ASSISTANCE PAYMENTS CONTRACTS EXECUTION

In the execution of the Lease Agreement and Addendum to the Lease, both parties (tenant and owner) will be made aware of required and prohibited lease provisions. Both parties will receive a copy of pertinent contract documents. Upon receipt of a Request for Tenancy Approval, signed by tenant and owner, HCAAC will insure that the contract rent:

- Is within the applicable Payment Standard and,
- Is reasonable in relation to rents currently being charged for comparable units in the private, unassisted market, also

HCAAC will also ensure:

That the owner of the unit is not subject to certain federal actions such as debarment, suspension or denial of participation under 24 CFR 982.306.

That the owner has not engaged in drug trafficking.

That the owner does not have a history or practice of violating Housing Choice Voucher HQS or applicable Housing Standards.

Upon approval of the Request for Tenancy Approval the voucher becomes suspended, i.e., the expiration date of the voucher is stopped pending the outcome of the unit inspection.

That the owner is not an employee of the Housing Commission in any capacity. This would constitute a conflict of interest and is strictly prohibited.

Also, the Housing Commission reserves the right to deny a Request for Tenancy Approval or lease renewal on any unit that has had a history of repeated HQS failures, and/or has had a HAP Contract terminate due to abatement.

Release of Information

HCAAC is required upon request to provide the following information to owner regarding tenants who wish to lease their dwelling unit in accordance with Section 982.307(b).

- The Family's current address as shown in our records.
- The name and address of the Landlord at the Family's current and prior address (if known).

HCAAC is also required to give the family a statement on HCAAC's policy on providing information to owners. This statement will be included in the family's information packet as required by 24 CFR 982.307 (b) (3).

C. PAYMENT STANDARD RENT LIMITATIONS

The Gross Rent for a Voucher Program unit shall not exceed the standards of rent reasonableness according to local market conditions that are applicable for such unit on the date of Lease approval. Federal Statute may impose other limitations that shall become effective to maintain compliance.

D. SEPARATE AGREEMENTS

Owners and tenants may execute agreements for services, appliances (other than for range and refrigerator) and other items outside those which are provided under the lease if the agreement is in writing and approved by HCAAC.

In order for there to be a separate agreement, the tenant must have the option of not utilizing the service, appliance or other item.

HCAAC is not liable for unpaid charges for items covered by separate agreements and nonpayment of these agreements cannot be cause for eviction.

VI. ANNUAL/BIENNIAL/TRIENNIAL ACTIVITIES

A. REVIEW OF FAMILY CIRCUMSTANCES, RENT, UTILITIES, AND HOUSING QUALITY

All families (including all adult members) will be scheduled for recertification interviews to provide information on income, assets, allowances, deductions and family composition at least annually (except those families with fixed sources of income) and in accordance with Section 982.516 of the Federal Regulations. (See Verification Procedures)

All families (includes all adult members) with fixed sources of income will be scheduled for recertification interviews to provide information on income, assets, allowances, deductions and family composition at least once every three (3) years (triennially) and in accordance with 24 CFR 982.516) of the Federal Regulations.

“Family member with a fixed source of income” is defined as a family member whose income includes periodic payments at reasonably predictable levels from one or more of the following sources:

- (1) Social Security, Supplemental Security Income, Supplemental Disability Insurance;
- (2) Federal, state, local, or private pension plans;
- (3) Annuities or other retirement benefit programs, insurance policies, disability or death benefits, or other similar types of periodic receipts; or
- (4) Any other source of income subject to adjustment by a verifiable cost of living adjustment (COLA) or current rate of interest.

In accordance with 24 CFR 982.516, HCAAC may by means of a streamline income determination allow families, who self-certify as having fixed sources of income, to complete recertification once every three (3) years. Eligible families are families who have an income, as of their most recent review, of which 90 percent or more consists of fixed-income.

HCAAC must use a COLA or current rate of interest specific to the fixed source of income in order to adjust the income amount and must obtain third-party verification of other income amounts in order to calculate the change in income for the source.

For any family member whose income is determined pursuant to a streamlined income determination, HCAAC must obtain third-party verification of all fixed-income amounts every three (3) years. Other income for each family member must be determined at least annually.

During the annual reexamination process, HCAAC will accept a family’s declaration that it has total net assets equal to or less than \$5,000, without taking additional steps to verify the accuracy of the declaration. If a family submits such a declaration, then HCAAC will not request supporting documentation (e.g., bank statements) to verify the assets or the amount of income expected to be received from those assets. The family’s declaration of total assets must show each asset and the amount of income expected from that asset. The total amount of income expected from all assets must be less than or equal to \$5,000. *Effective January 1, 2024 net assets will increase from \$5,000 to \$50,000 but cannot exceed \$100,000.

Whenever a family member is added, HCAAC will obtain third-party verification of that family member’s assets. At the next annual reexamination of income following the addition of that family member, HCAAC will obtain third-party verification of all family assets if the addition of that family member’s assets puts the family above the \$5,000 asset threshold. If the addition of that family member’s assets does not put the family above the \$5,000 asset threshold, then HCAAC will not obtain third-party verification of all family assets at the next annual reexamination of income following the addition of the family member; however, third-party verification of all family assets is required at least every three (3) years. *Effective January 1, 2024 net assets will increase from \$5,000 to \$50,000 but cannot exceed \$100,000.

The reexamination of family circumstances is coordinated with the contract anniversary date and an inspection (as identified in Section V, Part A) of the premises for continued compliance with Housing Quality Standards (HQS). Reexaminations are started 90 days prior to the anniversary date to assure sufficient time to conclude this process.

Participants will be allowed two attempts to complete their recertification. Recertification packets are mailed to each participant family via USPS. Should the participant fail to respond to the first notice, a second and final notice will be mailed and the tenant will be notified that failure to comply may result in termination of assistance for failure to comply with the obligations of their voucher. A thirty (30) day notice of termination of assistance will be sent by Certified Mail if they fail to comply with the second attempt.

B. INTERIM ADJUSTMENTS OF RENT

An interim adjustments will be conducted, when a tenant's rent will decrease due to the adjustment. An interim will also be conducted in cases where the household income increases from a reported amount equaling zero. Families must report and may request an interim change when a change of earned income or family composition has occurred that would result in an increase to the tenant rent portion. Please note that changes reported after the 15th day of any month will be processed by the 1st day of the second month thereafter, retroactive to the 1st of the preceding month. Such changes in Family circumstances would include:

- Receipt or discontinuance of Public Assistance.
- Changes in family composition.
- Employment or loss of employment.
- Receipt of a deferred payment in a lump sum that represents the delayed start of a periodic payment such as Unemployment Compensation and other compensation.
- Changes with the family that will require deductions and allowances to be recalculated.

*Effective January 1, 2024, the Commission will conduct Interim Recertification's when the income increase/decrease is over 10%.

C. TIMELY REPORTING STANDARDS AND VERIFICATION OF INFORMATION

Participants must report changes within ten (10) business days of the occurrence in order for the report to be "in a timely manner", and must be made in writing. Where feasible, third-party written verification or direct document review shall be the preferred method

of verifying Participant information, including Income, value of Assets, Medical Expenses, Child Care Expenses, Family composition, age, Disability, Handicap, Student Status, and displacement status. Third-party oral verification may be used if the client file is documented according to identification of all parties, the date, and the content of the information. All information must be verified as a condition of continued assistance and the Head of Household and all other adult members of the assisted family must sign HUD-approved release forms and consent authorizing private and public agencies to furnish and release required information to the Commission. Notarized statements or signed affidavits may be accepted when all other sources have been exhausted. They should not be accepted in lieu of other possible methods.

Decrease in tenant rent will be effective the first of the month following the reported decrease.

Increases in tenant rent will be effective on the anniversary date of the contract following the change in family circumstances; the participant may request their rent increase be effective immediately within 30-calendar day's written notice of the increase in rent

If the Housing Commission of Anne Arundel County determines that the tenant has misrepresented the facts, which would result in an increase in tenant rent, at the time of recertification it shall be computed retroactively to the anniversary date. Depending on the circumstances, the tenant may, at the discretion of the Commission, be allowed to enter into a repayment agreement to repay the program for any over assistance.

The Housing Commission may not require clients to obtain a court order awarding legal custody of a child or children residing in one of its program units. In cases where one or more individuals (who have not obtained the age of 18 years) is domiciled with a HCAAC leaseholder who is not a parent or legal custodian, the resident will be required to provide the Housing Commission with the written permission of the child's parent or other person having legal custody of the child. The written permission must state when the permission becomes effective and any end date if one is anticipated; and must be notarized by a licensed Notary in order to assure the signature is valid.

D. CONTRACT RENT INCREASES BY OWNER

Rent increases are determined in accordance with annual adjustment factors and other provisions of the Regulations as following:

The amount of the monthly rent payable by the Family to the Owner is determined by the provisions of the Lease between the Owner and the Family. The amount of the monthly rent under the Lease may not be increased during the first year of the term of such Lease. The Lease may provide for an increase in such monthly rent after the first year of the term, if the Owner gives at least sixty days' written notice to the Family and the family agrees to the increase in rent. The family portion of the rent must remain affordable and feasible.

Owners may not request rent increases prior to the expiration of the first term of lease. As of the first anniversary date of the lease, rent increases may be effective with a 60 days' notice to the family and a copy to HCAAC.

Landlords must submit a written request for rent increase to HCAAC, which may or may not be granted.

E. UTILITIES

Utilities include water, electricity, gas, heating, refrigeration, and cooking fuels, trash collection and sewage services.

Allowances for tenant furnished utilities are reviewed in connection with annual reexaminations. When revisions are made, they are implemented at the time of annual rent adjustments and TTP determinations. Should the utility allowance be deducted from the family's TTP and subsequently create a Utility Assistance Payment (UAP). The Housing Commission will send any UAP amount directly to the family's gas and electric utility supplier's account for all Housing Assistance programs.

HCAAC will use the appropriate utility allowance for the lesser of the size of dwelling unit actually leased by the family or the voucher size issued to the family, as determined under the PHA subsidy standards.

In cases where a reasonable accommodation has been provided to a family that includes a person with disabilities, HCAAC will use the appropriate utility allowance for the size of the dwelling unit actually leased by the family.

F. MINIMUM RENT

In accordance with Section 402(a)(1) and (2) of the Continuing Resolution, assisted families may pay a minimum rent as set by the Housing Commission by internal procedure. The minimum rent may not exceed \$50.00 per month. The minimum rent is currently \$0, however may be changed by procedure to accommodate market conditions.

The Housing Commission will send all correspondence to participants by mail via USPS unless otherwise requested via email or fax.

VII. TERMINATIONS AND SECURITY DEPOSITS

HCAAC may deny or terminate assistance if an applicant or participant:

- Violated any of the "Family Obligations" under the Voucher Program.
- Serious violation of the Lease. Provisions under the Violence Against Women Act will be utilized should the family seek protection under the law and rule.

- Committed any fraud or misrepresentation in connection with any Federal Housing Assistance Program.
- Defaulted on a repayment agreement.
- If the participant's TTP is sufficient to pay full gross rent and six (6) months of zero assistance has elapsed since the last HAP was made.

A. INFORMAL HEARINGS

The PHA is required to provide Informal Hearings in accordance with federal regulations. The Informal Review and Hearing Policy are incorporated in this Administrative Plan under separate addendum on Page 72.

B. OWNER ACTIONS, FRAUD, MISREPRESENTATION, OR BREACH OF CONTRACT

If the landlord has committed fraud, misrepresentation or other breach of the Housing Assistance Payments Contract or Voucher Contract in connection with the Housing Choice Voucher Program, HCAAC will terminate the Contract and review the circumstances and family's involvement to determine if the family is eligible for re-certification to relocate to another unit with continuation of assistance. Actions such as those listed above, failure to abide by program and lease requirements, disrespectful treatment and/or harassment towards staff may be grounds for denial of program participation.

C. EXISTING FAMILY MOVES

Participants who are in compliance with all regulations and who wish to move to another unit must put their request in writing prior to issuance of a new Voucher. This notice must be forwarded to the Landlord and the Commission. Current program participants may only request an Other change of unit at the time of Annual Recertification except at the request of a Reasonable Accommodation when the owner has initiated the action or if the Housing Commission terminates the Housing Assistance Payments Contract.

If the family moves to another area through portability, the notice must specify where the family wants to move.

Participants, who rescind their action to move with the Landlord's Agreement, may continue leasing where they are currently living, and the Housing Assistance Payment will continue to be paid to the landlord.

Participants who execute the move-out are advised that issuance of a new Voucher for move-out does not preclude them from being responsible for unpaid rent and for damages. Should information be received during the issuance period due to the landlord filing in court for damages or any unpaid rent/fees and being granted judgment in their favor, the

family is then not compliant with their obligations and any Request for Tenancy Approval may be delayed until a continued eligibility determination and related hearing are completed. Grounds for denial or termination of assistance are in accordance with 24 CFR 982.552 or 982.553.

Both assisted households and the Landlord must be notified when the family must move due to a change in the family's composition that changes the subsidy for which they qualify.

D. FAMILY BREAK-UP

Upon the break-up of the family, HCAAC will determine which family member (s) will retain the Housing Choice Voucher assistance. The factors which will be considered in making this decision are:

- The household member(s) remaining in the assisted unit.
- The interest of minor children or of ill, elderly or disabled family members.
- Whether family members were forced to leave the unit as a result of actual or threatened physical violence against those family members.
- Court determination of which family member(s) will retain housing assistance in cases of divorce or separation.

E. EVICTIONS

The owner may evict in accordance with Federal Regulations or may institute court action, using the grounds for eviction available through Maryland State Law, or the owner may obtain a signed mutual termination agreement. The housing assistance payment is terminated when the lease is terminated by the owner.

Notice of the eviction must be given to the Commission either by the family or the owner.

F. ABSENCES FROM UNIT

Participants may be absent from the unit for a consecutive period of time not to exceed one hundred eighty (180) days, without having their Housing assistance interrupted or terminated in accordance with 24 CFR Section 982.312

G. SECURITY DEPOSITS

All owners entering into a HAP contract on or after October 2, 1995 may collect a Security Deposit in accordance with CFR Section 982.313 (a). It must be placed in an account that complies with Maryland State Law. The Housing Commission will not impose any limit on the owner's Security Deposit providing that the deposit amount does

not exceed the private market practices or security deposits collected for the owner's unassisted units.

If a family vacates its unit, the owner, subject to State and local law, may use the Security Deposit as reimbursement for any unpaid family contribution or other amounts owed under the lease.

VIII. REPAYMENT AGREEMENTS

A. USE OF REPAYMENT AGREEMENTS

When a participant owes money to HCAAC, assistance must not be terminated simply because the family has an outstanding debt. When an applicant owes money to HCAAC (or another PHA) placement on the waiting list must not be denied solely because of a previous debt. A Promissory Note in the form of a Repayment Agreement may be executed by the participant or applicant with the HCAAC to permit payback of a debt over a period of time.

Repayment Agreements may be executed for, but are not limited to, the following circumstances:

- failure to report changes in income or family size that results in overpayment of assistance.

Participants owing money must be notified of their liability and informed that they are not required to enter into a Repayment Agreement as a condition of continued assistance. However, in the absence of a Repayment Agreement or default of a Repayment Agreement, the HCAAC may deny issuance of a new Voucher when the participant wants to move.

There is no dollar limit on the amount of the Repayment Agreement. Payment amounts should however, be affordable for the participant or applicant and for a specified term not to exceed 12 months unless extended by the Department Supervisor.

If an applicant or participant has signed a Repayment Agreement with HCAAC (or any other PHA) and they breach the agreement, HCAAC may deny or terminate assistance.

IX. FINANCIAL MANAGEMENT/REPORTING REQUIREMENTS

A. THE HOUSING ASSISTANCE PAYMENT (HAP) REGISTER

HCAAC will keep a HAP register for each tenant by each project with the required information as attached.

The HAP Register will be kept up-to-date with all initial payments and subsequent changes entered.

B. MONITORING PROGRAM PERFORMANCE

To ensure quality control the HCAAC Department Supervisor conducts monthly monitoring review of all Housing Choice Voucher Programs, activities, which may include the following:

1. Review of Waiting List
2. Audit of Files
3. File Count
4. Bi-Weekly Review of HAP Register
5. Review of Financial Records
6. Review of Monthly Utilization Reports
7. Sample Review of Housing Quality Standards

HCAAC will closely monitor the Operating Reserve to ascertain that ongoing administrative fees are sufficient to cover ongoing administrative expenses. Proposed expenditures not in accordance with the approved budget require prior approval for a budget amendment by the HCAAC's Executive Director/Chief Executive Officer **and Board of Commissioners.**

C. HUD REGULATORY AMENDMENTS

Revisions to existing program regulations will be automatically incorporated in this plan subsequent to its effective date. Special rules for use of available funds will be followed when HUD provides funding for a special purpose.

D. PAYMENT STANDARD

The PHA determines the amount of subsidy a family will receive but does not limit the rent charged by the owner.

The maximum subsidy calculation is done at the time a family is issued a Housing Voucher.

Establishing the maximum subsidy enables the family to “shop” for housing.

The actual PHA subsidy can be calculated only after the family has selected a specific unit and the gross rent for the unit is known.

The standards will be reviewed annually.

Adjustments to the payment standards will be made when required due to economic reasons and/or due to an adjustment in the areas Fair Market Rents. In an effort to allow flexibility, the payment standards will be set in accordance with federal regulations between 90% and 110% of the current Fair Market Rent. The factors in determining the standards will largely be affected by market conditions and trends. The Housing

Commission reserves the right to establish standards by Census Tract, if applicable and warranted, to encourage de-concentration and enhanced choice.

The payment standard used for a family at regular reexamination will not be less than the applicable standard previously used unless the family's size or composition increases or decreases in accordance with HCAAC occupancy standards.

HCAAC may approve a payment standard of not more than 120 percent of the FMR without HUD approval if requested as a reasonable accommodation by a family that includes a person with a disability.

HCAAC must maintain documentation that shows:

- A rent reasonableness analysis was conducted in accordance with the HCV program regulations at 24 CFR 982.507;
- The family requested lease approval for the unit and requested an exception payment standard as a reasonable accommodation; and
- The unit has features that meet the needs of a family member with disabilities. For example, a unit may be suitable because of its physical features or for other reasons, such as having the requisite number of bedrooms, location on an accessible transit route, or proximity to accessible employment, education, services, or recreation.

X. FAMILY SELF-SUFFICIENCY PROGRAM (FSS)

The FSS Revised Action Plan is now an appendix to the Housing Choice Voucher Administrative Plan and has been incorporated with the HCAAC policies and procedures effective October 14, 2022. The original Plan was submitted on August 3, 1994. The Administrative Plan has been amended to address any revisions to the FSS Comprehensive Strategy as needed.

GLOSSARY

ABSORPTION- In portability, the point at which a receiving HA stops billing the initial HA for assistance on behalf of a portability family. The receiving HA uses funds available under the receiving HA consolidated ACC.

ACC - Annual contributions contract.

ACC RESERVE ACCOUNT (Formerly Project Reserve) - Account established by HUD from amounts by which the maximum payment to the HA under the consolidated ACC (during an HA fiscal year) exceeds the amount actually approved and paid. This account is used as the source of additional payments for the program.

ADJUSTED INCOME - Annual Income less the following allowances, determined in accordance with HUD instructions:

- (a) \$480 for each Dependent;
- (b) \$400 for any Elderly Family (*Effective January 1, 2024 this will increase to \$525);
- (c) For any Family that is not an Elderly Family but has a Handicapped or Disabled member other than the head of household or spouse, Handicapped Assistance Expenses in excess of three percent of Annual Income, but this allowance may not exceed the employment income received by Family members who are 18 years of age or older as a result of the assistance to the Handicapped or Disabled Person;
- (d) For any Elderly Family
 - (1) That has no Disabled Assistance Expenses, an allowance for Medical Expenses equal to the amount by which the Medical Expenses exceed three percent of Annual Income. *Effective January 1, 2024 medical expenses for elderly family's in excess of ten percent of families' annual gross income;
 - (2) That has Disabled Assistance Expenses greater than or equal to three percent of Annual Income, an allowance for Handicapped Assistance Expenses computed in accordance with paragraph (c) this section, plus an allowance for Medical Expenses that is equal to the Families Medical Expenses. Effective January 1, 2024 medical expenses for elderly family's in excess of ten percent of families' annual gross income;
 - (3) That has Handicapped Assistance Expenses that are less than three percent of Annual Income, an allowance for combined Handicapped Assistance Expenses and Medical Expenses that is equal to the amount by which the sum of these expenses exceeds three percent of Annual Income. *Effective January 1, 2024 medical expenses for elderly family's in excess of ten percent of families' annual gross income; and
- (e) (1) Child care expenses; or
 - (2) in the case of families assisted by Indian housing authorities, the greater of
 - (i) child care expenses, or
 - (ii) excessive travel expenses, not to exceed \$25 per family per week, for employment or education related travel.

ADMINISTRATIVE FEE - Fee paid by HUD to the HA for administration of the program.

ADMINISTRATIVE FEE RESERVE (Formerly Operating Reserve) - Account established by HA from excess administrative fee income. The administrative fee reserve must be used for housing purposes.

- (a) The HA must maintain an administrative fee reserve (formerly operating reserve) for the program. There are separate administrative fee reserve accounts for the HA's voucher programs. The HA must credit to the administrative fee reserve the total of:
 - (1) The Amount by which program administrative fees paid by HUD for an HA fiscal year exceed the HA program administrative expenses for the fiscal year; plus
 - (2) Interest earned on the administrative fee reserve.
- (b)
 - (1) The HA must use funds in the administrative fee reserve to pay program administrative expenses in excess of administrative fees paid by HUD for an HA fiscal year. If funds in the administrative fee reserve are not needed to cover HA administrative expenses (to the end of the last expiring funding increment under the consolidated ACC), the HA may use these funds for other housing purposes permitted by State and local law. However, HUD may prohibit use of the funds for certain purposes.
 - (2) The HA Board of Commissioners or other authorized officials must establish the maximum amount that may be charged against the administrative fee reserve without specific approval.
 - (3) If the HA has not adequately administered any Housing Choice Voucher program, HUD may prohibit use of funds in the administrative fee reserve, and may direct the HA to use funds in the reserve to improve administration of the program or to reimburse ineligible expenses.

ADMINISTRATIVE PLAN - The administrative plan described HA policies for administration of the tenant-based programs.

- (a) The HA must adopt a written administrative plan that establishes local policies for administration of the program in accordance with HUD requirements. The administrative plan and any revisions of the plan must be formally adopted by the HA Board of Commissioners or other authorized HA officials. The administrative plan states HA policy on matters for which the HA has discretion to establish local policies.
- (b) The administrative plan must be in accordance with HUD regulations and other requirements. The HA must review the administrative plan if needed to comply with HUD requirements. The HA must give HUD a copy of the administrative plan.
- (c) The HA must administer the program in accordance with the HA administrative plan.
- (d) The HA administrative plan must cover HA policies on these subjects:
 - (1) How the HA selects applicants from the HA waiting list with federal and other preferences, and procedures for closing and reopening the HA waiting list;
 - (2) Issuing or denying vouchers, including HA policy governing the voucher term and any extensions or suspension of the term. Suspension means stopping the clock on the term of a family's voucher after the family submits a request for lease approval. If the HA decides to allow extensions or suspensions of the voucher term, the HA administrative plan must describe how the HA determines whether to grant extensions or suspensions, and how the HA determines the length of any extension or suspension;

- (3) Any special rules for use of available funds when HUD provides funding to the HA for a special purpose (e.g., desegregation), including funding for specified families or a specified category of families;
- (4) Occupancy policies, including:
 - (i) Definition of what group of persons may qualify as a family;
 - (ii) Definition of when a family is considered to be continuously assisted;
- (5) Encouraging participation by owners of suitable units located outside areas of low income or minority concentration;
- (6) Assisting a family that claims that illegal discrimination has prevented the family from leasing a suitable unit;
- (7) A statement of the HA policy on providing information about a family to prospective owners;
- (8) Disapproval of owners;
- (9) Subsidy standards;
- (10) Family absence from the dwelling unit;
- (11) How to determine who remains in the program if a family breaks up;
- (12) Informal review procedures for applicants;
- (13) Informal hearing procedures for participants;
- (14) For the voucher program: the process for establishing and revising payment standards, including affordability adjustments;
- (15) Special policies concerning special housing types in the program (e.g., use of shared housing); and
- (16) Policies concerning payment by a family to the HA of amounts the family owes the HA.

ADMISSION - The effective date of the first HAP contract for a family (first day of initial lease term) in a tenant-based program. This is the point when the family becomes a participant in the program.

ANNUAL CONTRIBUTIONS CONTRACT (ACC) - A written contract between HUD and an HA. Under the contract HUD agrees to provide funding for operation of the program, and the HA agrees to comply with HUD requirements for the program.

ANNUAL INCOME:

- (a) Annual Income is the anticipated total income from all sources received by the Family head and spouse (even if temporarily absent) and by each additional member of the Family, including all net income derived from assets for the 12-month period following the effective date of certification of income, exclusive of certain types of income as provided in paragraph (c) of this section.
- (b) Annual Income includes, but is not limited to:
 - (1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services.
 - (2) The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used

in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the Family;

- (3) Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as a deduction in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (b)(2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the Family. Where the Family has Net Family Assets in excess of \$5,000, Annual Income shall include the greater of the actual income derived from all Net Family Assets or a percentage of the value of such Assets based on the current passbook savings rate, as determined by HUD. *Effective January 1, 2024 net assets will increase from \$5,000 to \$50,000 but cannot exceed \$100,000;
- (4) The full amount of periodic payments received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump sum payment for the delayed start of a periodic payment (but see paragraph (c) (13) of this section);
- (5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (but see paragraph (c)(3) of this section);
- (6) Welfare Assistance. If the Welfare Assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the Welfare Assistance agency in accordance with the actual cost of shelter and utilities, the amount of Welfare Assistance income to be included as income shall consist of:
 - (i) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities, plus
 - (ii) The maximum amount that the Welfare Assistance agency could in fact allow the Family for shelter and utilities. If the Family's Welfare Assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph (b)(6)(ii) shall be the amount resulting from one application of the percentage;
- (7) Periodic and determinable allowances, such as alimony and the court ordered annual or voluntarily provided child support payments, and regular contributions or gifts received from persons not residing in the dwelling;
- (8) All regular pay, special pay and allowances of a member of the Armed Forces (but see paragraph (c)(7) of this section); and
- (9) In 24 CFR 5.612, any financial assistance, in excess of amounts received for tuition and mandatory fees, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except that financial assistance described in this paragraph is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph, "financial assistance" does not include loan proceeds for the purpose of determining income.

- (c) Annual income does not include the following:
- (1) Income from employment of children (including foster children) under the age of 18 years;
 - (2) Payments received for the care of foster children or foster adults (usually individuals with disabilities, unrelated to the tenant family, who are unable to live alone);
 - (3) Lump-sum additions to Family assets, such as inheritances, insurance payments (including payments under health and accident insurance and Worker's compensation), capital gains and settlement for personal or property losses (but see paragraph (b)(5) of this section);
 - (4) Amounts received by the Family, that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
 - (5) Income of a live-in Aide. A person who resides with an Elderly, Disabled, or Handicapped Person or Persons and who--
 - (a) Is determined to be essential to the care and well being of the Person(s);
 - (a) Is not obligated for the support of the Person(s); and
 - (c) Would not be living in the unit except to provide the necessary supportive services.
 - (6) The full amount of student financial assistance paid directly to the student or to the educational institution;
 - (7) The special pay to a Family member serving in the Armed Forces who is exposed to hostile fire;
 - (8)
 - (i) Amounts received under training programs funded by HUD;
 - (ii) Amounts received by a disabled person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
 - (iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;
 - (iv) A resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, and resident initiatives coordination. No Resident may receive more than one such stipend during the same period of time; or
 - (v) Compensation from State or local employment training programs and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for a limited period as determined in advance;
 - (9) Temporary, nonrecurring or sporadic income (including gifts);
 - (10) For all initial determinations and reexaminations of income carried out on or after April 23, 1993, reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;

- (11) Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
 - (12) Adoption assistance payments in excess of \$480 per adopted child;
 - (13) Deferred periodic payments of supplemental security income and social security benefits that are received in a lump sum payment.
 - (14) Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit;
 - (15) Amounts paid by a State agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or
 - (16) Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937. A notice will be published in the FEDERAL REGISTER and distributed to PHA's and owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary.
- (d) If it is not feasible to anticipate a level of income over a 12-month period, the income anticipated for a shorter period may be annualized, subject to a re-determination at the end of the shorter period.
 - (e) Any family receiving the reparation payments referred to in paragraph (c) (10) of this section that has been requested to repay assistance under this chapter as a result of receipt of such payments shall not be required to make further repayments on or after April 23, 1993.

APPLICANT (Applicant Family) - A family that has applied for admission to a program, but is not yet a participant in the program.

BUDGET AUTHORITY - An amount authorized and appropriated by the Congress for payment to HA's under the program. For each funding increment in an HA program, budget Authority is the maximum amount that may be paid by HUD to the HA over the ACC term of the funding increment.

CO-HABITANTS - Two (2) or more persons of the opposite sex who, at the time of application, have been living together as a family in a stable relationship.

CONSOLIDATED ANNUAL CONTRIBUTIONS CONTRACT (Consolidated ACC)

(a) NATURE OF ACC

- (1) An annual contribution contract (ACC) is a written contract between HUD and an HA. Under the ACC, HUD agrees to make payments to the HA, over a specified term, for housing assistance payments to owners and for the HA administrative fee. The ACC specifies the maximum annual payment by HUD, and the maximum payment over the ACC term. The HA agrees to administer the program in accordance with HUD regulations and requirements.
- (2) HUD's commitment to make payments for each funding increment in the HA program constitutes a separate ACC. However, commitments for all the funding increments in an HA program are listed in one consolidated contractual document

called the consolidated annual contributions contract (consolidated ACC). A single consolidated ACC covers funding for the HA voucher program.

(b) BUDGET AUTHORITY AND CONTRACT AUTHORITY

- (1) Budget authority is the maximum amount that may be paid by HUD to an HA over the ACC term of a funding increment. Contract authority is the maximum annual payment for the funding increment. Budget authority for a funding increment is equal to contract authority times the number of years in the increment term. Before adding a funding increment to the consolidated ACC for an HA program, HUD reserves budget authority from amounts authorized and appropriated by the Congress for the program.
- (2) For each funding increment, the ACC specifies the initial term over which HUD will make payments for the HA program, and the contract authority and budget authority for the funding increment. For a given HA fiscal year, the amount of HUD's maximum annual payment for the HA program equals the sum of the contract Authority for all of the funding increments under the consolidated ACC. However, this maximum amount does not include contract authority for an expired funding increment. If the term of a funding increment expires during the HA fiscal year, this maximum amount only includes the pro-rata portion of contract authority for the portion of the HA fiscal year prior to expiration. (Additional payments may be made from the ACC reserve account described in 982.154.) However, the amount to be paid must be approved by HUD, and may be less than the maximum payment.

CONTIGUOUS MSA - In portability, an MSA that shares a common boundary with the MSA in which the jurisdiction of the initial HA is located.

CONTINUOUSLY ASSISTED - An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act Program when the family is admitted to the voucher program.

CONTRACT AUTHORITY - The maximum annual payment by HUD to an HA for a funding increment.

COVERED PERSON – A tenant, any member of the tenants household, a guest or another person under the tenant's control.

DAY LABORER – An individual hired and paid one day at a time without an agreement that the individual will be hired for work again in the future.

DEPENDENT - A member of the Tenant Household (excluding foster children or foster adults) other than the Head of Household or Spouse, who is under 18 years of age or is a Disabled Person or is a Full-time Student.

DISABLED ASSISTANCE EXPENSES - Reasonable expenses that are anticipated, during the period for which Annual Income is computed, for attendant care and auxiliary apparatus for a Disabled Family member, and that are necessary to enable a Family member (including the Disabled member) to be employed, provided that the expenses are neither paid to a member of the Family nor reimbursed by an outside source.

DISABLED PERSON - A person who is under a disability as defined in section 223 of the Social Security Act (42 U.S.C. 423), or who has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)).

DISPLACED PERSON - A person or family displaced by government action, or whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws, defined as follows:

- (a) A definite and final order requiring demolition, closing or improvement and allowing no alternative must have been issued by the appropriate authority.
- (b) The person or family must live in the dwelling at the time of the order is entered or at the time of damage or disaster. In the event a unit becomes occupied subsequent to its having been vacated by a person or by a family entitled to preference, such new occupant shall not also be entitled to preference, even though it may become necessary to serve him with an official notice to vacate.

DOMICILE - The legal residence of the household head or spouse as determined in accordance with State and local law.

DRUG-RELATED CRIMINAL ACTIVITY - Term means:

- (1) Drug-trafficking; or
- (2) Illegal use, or possession for personal use, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

HCAAC may exercise discretion and allow admission if the circumstances leading to the eviction no longer exists (i.e. removal of the household member from the application who was engaged in the activity leading to the eviction), or the evicted household member has successfully completed an approved supervised drug rehabilitation program. HCAAC may exercise discretion for drug activity for substances that have been de-criminalized in Maryland, when that activity does not involve distribution related criminal activity.

DRUG-TRAFFICKING -The illegal manufacture, sale or distribution, or the possession with intent to manufacture, sell or distribute, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

EARNED INCOME – income or earnings from wages, tips, salaries, other employee compensation and net income from self-employment. Earned income does NOT include any pension or annuity, transfer payments (meaning payments made or income received in which no goods or services are being paid for, such as welfare, social security, and governmental subsidies for certain benefits), or any cash or in-kind benefits.

ELDERLY FAMILY - A Family whose Head of Household or Spouse or whose sole member is:

- (1) At least 62 years old,
- (2) A Disabled Person, or
- (3) A Handicapped Person as defined in this section, and may include two or more elderly (at least 62 years old), Disabled or Handicapped Person living together, or one or more such persons living with another person who is determined to be essential to his or her care and well-being.

ELDERLY PERSON - A person who is at least 62 years of age.

ELIGIBILITY

(a) WHEN APPLICANT IS ELIGIBLE: GENERAL - The HA may only admit an eligible family to a program. To be eligible, the applicant must be a family, must be income-eligible, and must be a citizen or a non-citizen who has eligible immigration status as determined in accordance with 24 CFR part 5.

(b) INCOME

(1) To be income eligible, the family must be either:

(i) A very low-income family; or

(ii) A low-income family in any of the following categories:

(A) A low-income family that is continuously assisted under the 1937 Housing Act.

(B) A low-income family physically displaced by rental rehabilitation activity under 24 CFR part 511.

(C) A low-income non-purchasing family residing in a HOPE 1 (HOPE for Public and Indian Housing Homeownership) or HOPE 2 (HOPE for Homeownership of Multifamily Units) project.

(D) A low-income non-purchasing family residing in a project subject to a homeownership program under 24 CFR 248.173.

(E) A low-income family displaced as a result of the prepayment of a mortgage or voluntary termination of mortgage insurance contract under 24 CFR 248.165.

(F) For the voucher program only, a low-income family residing in a HUD-owned multifamily rental housing project when HUD sells, forecloses or demolishes the project.

(2) The HA determines whether the family is income-eligible by comparing the family's annual income (gross income) with the HUD-established very low-income limit or low-income limit for the area. The applicable income limit for issuance of a voucher when a family is selected for the program is the highest income limit (for the family unit size) for areas in the HA jurisdiction. The applicable income limit for admission to the program is the income limit for the area where the family is initially assisted in the program. The family may only use the voucher to rent a unit in an area where the family is income eligible at admission to the program.

(c) FAMILY COMPOSITION

(1) A family may be a single person or a group of persons.

(2) A family includes a family with a child or children.

(3) A group of persons consisting of two or more elderly persons or disabled persons living together, or one or more elderly or disabled persons living with one or more live-in aides is a family. The HA determines if any other group of persons qualifies as a family.

(4) A single person family may be:

(i) An elderly person.

- (ii) A displaced person.
- (iii) A disabled person.
- (iv) Any other single person.
- (5) A child who is temporarily away from the home because of placement in foster care is considered a member of the family.
- (d) CONTINUOUSLY ASSISTED
 - (1) An applicant is continuously assisted under the 1937 Housing Act if this family is already receiving assistance under any 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the certificate or voucher program.
 - (2) The HA must establish policies concerning whether and to what extent a brief interruption between assistance under one of these programs and admission to the certificate or voucher program will be considered to break continuity of assistance under the 1937 Housing Act.

EXCEPTION RENT - In the certificate program, an initial rent (contract rent plus any utility allowance) in excess of the published FMR. In the certificate program, the exception rent is approved by HUD, and is used in determining the initial contract rent. In the voucher program, the HA may adopt a payment standard up to the exception rent limit approved by HUD for the HA certificate program.

EXTREMELY LOW-INCOME FAMILY – A Family whose annual income does not exceed the higher of 30 percent of the area median income or the federal poverty level. 24 CFR 960.102.

FAIR MARKET RENT (FMR) - The rent, including the cost of utilities (except telephone), that would be required to be paid in the housing market area to obtain privately owned, existing, decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. Fair market rents for existing housing are established by HUD for housing units of varying sizes (number of bedrooms), and are published in the FEDERAL REGISTER in accordance with 24 CFR part 888 as follows.

FAMILY -

- (1) A family may be a single person or a group of persons.
- (2) A family includes a family with a child or children.
- (3) A group of persons consisting of two or more elderly persons or disabled persons living together, or one or more elderly or disabled persons living with one or more live-in aides is a family. The HA determines if any other group of persons qualifies as a family.
- (4) A single person family may be:
 - (a) An elderly person.
 - (b) A displaced person.
 - (c) A disabled person.
 - (d) Any other single person.

FAMILY SELF-SUFFICIENCY PROGRAM (FSS PROGRAM) - The program established by an HA to promote self-sufficiency of assisted families, including the provision of supportive services (42 U.S.C. 1437u).

FAMILY UNIT SIZE - The appropriate number of bedrooms for a family. Family unit size is determined by the HA under the HA subsidy standards.

FIXED INCOME SOURCE - a family member whose income includes periodic payments at reasonably predictable levels from one or more of the following sources:

- (1) Social Security, Supplemental Security Income, Supplemental Disability Insurance;
- (2) Federal, state, local, or private pension plans;
- (3) Annuities or other retirement benefit programs, insurance policies, disability or death benefits, or other similar types of periodic receipts; or
- (4) Any other source of income subject to adjustment by a verifiable cost of living adjustment (COLA) or current rate of interest.

FMR - Fair market rent.

FMR/EXCEPTION RENT LIMIT - The Housing Choice Voucher existing housing fair market rent published by HUD Headquarters, or any exception rent. In the certificate program, the initial contract rent for a dwelling unit plus any utility allowance may not exceed the FMR/exception rent limit (for the dwelling unit or for the family unit size). In the voucher program, the HA may adopt a payment standard up the FMR/exception rent limit.

FOSTER CHILDREN - Minors who have been placed in a household by a an authorized placement agency or by judgment, decree or other order of any court of competent jurisdiction for their care and maintenance.

FOSTER ADULT – A member of the household who is 18 years of age or older, is unable to live independently due to debilitating physical or mental conditions and is placed with the family by an authorized placement agency or by judgment, decree or other order of any court of competent jurisdiction.

FSS PROGRAM - Family self-sufficiency program.

FUNDING INCREMENT - Each commitment of budget authority by HUD to an HA under the consolidated annual contributions contract for the HA program.

HA - Housing Agency.

HANDICAPPED ASSISTANCE EXPENSES - Reasonable expenses that are anticipated, during the period for which Annual Income is computed, for attendant care and auxiliary apparatus for a Handicapped or Disabled Family member, and that are necessary to enable a Family member (including the Handicapped or Disabled member)

to be employed, provided that the expenses are neither paid to a member of the Family nor reimbursed by an outside source.

HANDICAPPED PERSON - A person having a physical or mental impairment that:

- (a) Is expected to be of a long-continued and indefinite duration,
- (b) Substantially impedes his or her ability to live independently, and
- (c) Is of such a nature that such ability could be improved by more suitable housing conditions.

HAP CONTRACT - Housing assistance payments contract.

HEALTH and MEDICAL EXPENSES – Health and Medical Care Expenses, are any cost incurred in the diagnosis, cure, mitigation, treatment, or prevention of disease or payments for treatments affecting any structure or function of the body. Health and Medical care expenses include medical insurance premiums and long-term care premiums that are paid or anticipated during the period for which the annual income is computed.

HOUSING AGENCY (HA) - A State, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) authorized to engage in or assist in the development or operation of low-income housing, including an Indian housing authority (IHA). (PHA and HA mean the same thing.)

HOUSING ASSISTANCE PAYMENT - The monthly assistance payment by an HA. The total assistance payment consists of:

- (1) A payment to the owner for rent to the owner under the family's lease.
- (2) An additional payment to the family if the total assistance payment exceeds the rent to the owner. In the certificate program, the additional payment is called a utility reimbursement.

HOUSING ASSISTANCE PAYMENTS CONTRACT (HAP CONTRACT) - A written contact between an HA and an owner, in the form prescribed by HUD headquarters, in which the HA agrees to make housing assistance payments to the owner on behalf of an eligible family.

HOUSING QUALITY STANDARDS (HQS) - The HUD minimum quality standards for housing assisted under the tenant-based programs. See 24 CFR 982.401 for specifics.

HQS - Housing Quality Standards.

HUD REQUIREMENTS - HUD requirements for the Housing Choice Voucher programs. HUD requirements are issued by HUD headquarters, as regulations, FEDERAL REGISTER notices or other binding program directives.

IHA - Indian housing authority.

INDEPENDENT CONTRACTOR – An individual is an independent contractor if the payer has the right to control or direct only the result of the work and not what will be done and how it will be done.

INDIAN - Any person recognized as an Indian or Alaska Native by an Indian Tribe, the federal government, or any State.

INDIAN HOUSING AUTHORITY (IHA) - A housing agency established either:

- (1) By exercise of the power of self-government of an Indian Tribe, independent of State law; or
- (2) By operation of State law providing specifically for housing authorities for Indians.

INITIAL CONTRACT RENT -In the certificate program, the contract rent at the beginning of the initial lease term.

INITIAL HA - In portability, the term refers to both:

- (1) An HA that originally selected a family that subsequently decides to move out of the jurisdiction of the selecting HA.
- (2) An HA that absorbed a family that subsequently decides to move out of the jurisdiction of the selecting HA.

INITIAL LEASE TERM - The initial term of the assisted lease. The initial lease term must be for at least one year.

INITIAL RENT TO OWNER - The rent to the owner at the beginning of the initial lease term.

JURISDICTION - The area in which the HA has authority under State and local law to administer the program.

LEASE:

- (1) A written agreement between an owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP Contract between the owner and the HA.
- (2) In cooperative housing, a written agreement between a cooperative and a member of the cooperative. The agreement establishes the conditions for occupancy of the members cooperative dwelling unit by the member's family with housing assistance payments to the cooperative under a HAP contract between the cooperative and the HA. For purposes of part 982, the cooperative is the Housing Choice Voucher owner of the unit, and the cooperative member is the Housing Choice Voucher tenant.

LEASE ADDENDUM -In the lease between the tenant and the owner, the lease language required by HUD.

LIVE-IN AIDE -A person who resides with an Elderly, Disabled, or Handicapped Person or Persons and who:

- (a) Is determined to be essential to the care and well-being of the Person(s);
- (b) Is not obligated for the support of the Person(s); and
- (c) Would not be living in the unit except to provide the necessary supportive services.

LOW-INCOME FAMILY -A Family who's Annual Income does not exceed 80 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 80 percent of the median income for the area on the basis of its finding that such variations are necessary because of the prevailing levels of construction costs or unusually high or low family incomes. 24 CFR Section 982.201(b) describes when a low-income family is income-eligible for admission to the certificate or voucher program).

MSA - Metropolitan statistical area.

1937 HOUSING ACT -The United States Housing Act of 1937 (42 U.S.C. 1437 and following sections). The HUD tenant-based program is authorized by Housing Choice Voucher of the 1937 Housing Act (42 U.S.C. 1437f).

1937 HOUSING ACT PROGRAM - Any of the following programs:

- (1) The public housing program or Indian housing program.
- (2) Any program assisted under Housing Choice Voucher of the 1937 Act (42 U.S.C. 1437f) (including assistance under a Housing Choice Voucher tenant-based or project-based program).
- (3) The Section 23 leased housing program.
- (4) The Section 23 housing assistance payments program. (Section 23 means Section 23 of the United States Housing Act of 1937 before enactment of the Housing and Community Development Act of 1974.)

NET FAMILY ASSETS – Net cash value of all assets owned by a family, after deducting reasonable costs that would be incurred in disposing real property, savings, stocks, bonds, and other forms of capital investments.

NOFA - Notice of funding availability.

NOTICE OF FUNDING AVAILABILITY (NOFA) - For funding (contract or budget authority) that HUD distributes by competitive process, HUD headquarters invites HA applications by publishing a NOFA in the FEDERAL REGISTER. The NOFA explains how to apply for assistance, and the criteria for awarding the funding.

OPERATING RESERVE - Administrative fee reserve.

OWNER - Any person or entity with the legal right to lease or sublease a unit to a participant.

PARTICIPANT (Participant Family) - A family that has been admitted to the HA program, and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the HA for the family (first day of initial lease term).

PAYMENT STANDARD - In the voucher program, an amount used by the HA to calculate the housing assistance payment for a family. Each payment standard amount is based on the fair market rent. The HA adopts a payment standard for each bedroom size and for each fair market rent area in the HA jurisdiction. The payment standard for a family is the maximum monthly subsidy payment.

PBC - Project-based certificate program.

PERSON WITH DISABILITIES (Disabled Person) - A person who is under a disability as defined in section 223 of the Social Security Act (42 U.S.C. 423), or who has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)).

PHA - Public housing agency. (Public housing agency and housing agency mean the same thing.) A State, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) authorized to engage in or assist in the development or operation of low-income housing, including an Indian housing authority (IHA). (PHA and HA mean the same thing.)

PORTABILITY - Renting a dwelling unit with Housing Choice Voucher tenant-based assistance outside the jurisdiction of the initial HA.

PREMISES - The building or complex in which the dwelling unit is located, including common areas and grounds.

PROGRAM - The tenant-based certificate program or voucher program.

PROJECT-BASED - Rental assistance that is attached to the structure.

PROJECT BASED CERTIFICATE PROGRAM (PBC) - Project based assistance under 24 CFR part 983, using funding under the consolidated ACC for the HA certificate program.

PROJECT RESERVE - ACC reserve account.

- (a) (1) HUD establishes an unfunded reserve account, called the ACC reserve account (formerly project reserve), for the HA's program. There are separate ACC reserve accounts for the HA's certificate and voucher programs. The ACC reserve account is established and maintained in the amount determined by HUD.
- (2) At the end of each HA fiscal year, HUD credits the ACC reserve account from the amount by which the sum of contract authority for all funding

increments under the consolidated ACC (maximum annual payment) exceeds the amount actually approved and paid for the HA fiscal year. However, the maximum annual payment does not include contract authority for an expired funding increment. If the term of a funding increment expires during the HA fiscal year, this maximum amount only includes the pro-rata portion of contract Authority for the funding increment covering the portion of the HA fiscal year prior to expiration.

- (b) HUD may approve additional payments for the HA program from available amounts in the ACC reserve account.

PUBLIC HOUSING AGENCY (PHA) - A Housing Agency (HA).

REASONABLE RENT - A rent to owner that is not more than either:

- (1) Rent charged for comparable units in the private unassisted market; or
- (2) Rent charged by the owner for a comparable assisted or unassisted unit in the building or premises.

RECEIVING HA -In portability, an HA that receives a family selected for participation in the tenant-based program of another HA. The receiving HA issues a certificate or voucher, and provides program assistance to the family.

RENTAL CERTIFICATE - Certificate.

RENTAL CERTIFICATE PROGRAM - Certificate program.

RENTAL VOUCHER - Voucher.

RENTAL VOUCHER PROGRAM - Voucher Program.

RENT TO OWNER - The monthly rent payable to the owner under the lease. Rent to the owner includes payment for any services, maintenance and utilities to be provided by the owner in accordance with the lease.

SEASONAL WORKER – An individual who is hired into a short-term position and the employment begins about the same time each year.

SPECIAL ADMISSION - Admission of an applicant that is not on the HA waiting list, or without considering the applicant's waiting list position.

SUBSIDY STANDARDS - Standards established by an HA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions. See definition of family unit size.

SUSPENSION - Stopping the clock on the term of a family's certificate or voucher, for such a period as determined by the HA, from the time when the family submits a request for HA approval to lease a unit, until the time when the HA approves or denies the request.

TENANT - The person or persons (other than a live-in aide) who executes the lease as leases of the dwelling unit.

TENANT-BASED - Rental assistance that is not attached to the structure.

TENANT RENT -In the certificate program, total tenant payment minus any utility allowance.

TOTAL TENANT PAYMENT -The portion of the Gross Rent payable by an eligible Family participating in a program covered by this part, determined in accordance with the following:

Total tenant payment for families whose initial lease is effective on or after August 1, 1982. Total Tenant payment shall be the highest of the following, rounded to the nearest dollar:

- (1) 30 percent of Monthly Adjusted Income;
- (2) 10 percent of Monthly Income; or
- (3) If the Family receives Welfare Assistance from a public agency and a part of such payments, adjusted in accordance with the Family's actual housing costs, is specifically designed by such agency to meet the Family's housing costs, the monthly portion of such payments which is so designated. If the Family's Welfare Assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph (a)(3) shall be the amount resulting from one application of the percentage.

UNEARNED INCOME – any annual income that is not earned.

UNIT - Dwelling unit.

UNITED STATE HOUSING ACT OF 1937 (1937 Housing Act) - The basic law that authorizes the public and Indian housing programs, and the Housing Choice Voucher programs. (42 U.S.C. 1437 and following sections.)

UTILITY ALLOWANCE - If the cost of utilities (except telephone, cable and internet) and other housing serving for an assisted unit is not included in the Contract Rent but is the responsibility of the Family occupying the unit, an amount equal to the estimate made or approved by a PHA or HUD under applicable sections of these regulations of the monthly costs of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary and healthful living environment. (In the case of shared housing, the amount of the Utility Allowance for an assisted Family is calculated by multiplying the Utility Allowance for the entire unit by the ratio derived by dividing the number of bedrooms in the Assisted Family's private space by the number of bedrooms in the entire unit. In the case of an assisted individual sharing a one-bedroom unit with another person, the amount of the Utility Allowance for the assisted individual is one-half of the Utility Allowance for the entire unit).

UTILITY REIMBURSEMENT - In the certificate program, the amount, if any, by which any utility allowance for family-paid utilities or other housing services exceeds the total tenant payment.

VERY LOW-INCOME FAMILY - A Low-Income Family whose Annual Income does not exceed 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50 percent of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes.

VIOLENT CRIMINAL ACTIVITY - Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another. This definition speaks to the forceful acts involved in the activity and does not require the person to be arrested, charged, nor convicted of any criminal activity.

VOUCHER (Rental Voucher) - A document issued by an HA to a family selected for admission to the voucher program. The voucher describes the program and the procedures for HA approval of a unit selected by the family. The voucher also states the obligations of the family under the program.

VOUCHER PROGRAM - Rental voucher program.

WAITING LIST ADMISSION - An admission from the HA waiting list.

ADDENDA TO THE HOUSING CHOICE VOUCHER ADMINISTRATIVE PLAN

APPROVED BY THE BOARD OF COMMISSIONERS WITH THE AGENCY PLAN
SUBMISSION ON APRIL 12, 2002.

HOUSING CHOICE VOUCHER HOMEOWNERSHIP PROGRAM

The Housing Commission has successfully completed the final draft of the Housing
Choice Voucher Homeownership Program Plan.

The Housing Commission plans to commence issuance of homeownership vouchers on
or after July 1, 2002 and updated plan on July 1, 2023.

The Housing Choice Voucher Homeownership Program was created in compliance with
the Federal Register Notice of September 12, 2000 and was incorporated into the Agency
Plan for FY2002. The Board of Commissioners approved the plan as a component of the
Agency Plan submission and resolution.

The Housing Choice Voucher Homeownership Program Plan is under separate document.

ADDENDA TO THE HOUSING CHOICE VOUCHER ADMINISTRATIVE PLAN

APPROVED BY THE BOARD OF COMMISSIONERS WITH THE AGENCY PLAN
SUBMISSION ON APRIL 17, 2006, JUNE 16, 2016

**The Housing Commission of Anne Arundel County has contracted to provide 71
Project Based Vouchers for the Wiley H. Bates Apartment Complex in Annapolis.**

**As agreed with the Developer and Management Company of the complex, a
separate waitlist will be administered for the project-based vouchers.**

**The waitlist will be ranked according to date and time of application only.
There will be no other preferences or priorities assigned to applicants of this
waitlist.**

APPROVED BY THE BOARD OF COMMISSIONER WITH THE AGENCY PLAN
SUBMISSION ON MARCH 19, 2009

**The Housing Commission of Anne Arundel County has contracted to provide 16
Project Based Vouchers for the Admiral Oaks Apartment Complex in Annapolis.**

**As agreed with the Developer and Management Company of the complex, a
separate waitlist will be administered for the project-based vouchers.**

**The waitlist will be ranked according to date and time of application only.
There will be no other preferences or priorities assigned to applicants of this
waitlist.**

APPROVED BY THE BOARD OF COMMISSIONER WITH THE AGENCY PLAN
SUBMISSION ON MARCH 18, 2010

**The Housing Commission of Anne Arundel County has contracted to provide 85
Project Based Vouchers for the Glenview Gardens Apartment Complex in Glen
Burnie.**

**As agreed with the Developer and Management Company of the complex, a
separate waitlist will be administered for the project-based vouchers.**

**The waitlist will be ranked according to date and time of application only.
There will be no other preferences or priorities assigned to applicants of this
waitlist.**

APPROVED BY THE BOARD OF COMMISSIONER WITH THE AGENCY PLAN
SUBMISSION ON NOVEMBER 17, 2011

**The Housing Commission of Anne Arundel County has contracted to provide 100
Project Based Vouchers for the Heritage Crest community in Glen Burnie.**

**As agreed with the Developer and Management Company of the complex, a
separate waitlist will be administered for the project-based vouchers.**

**The waitlist will be ranked according to date and time of application only.
There will be no other preferences or priorities assigned to applicants of this
waitlist.**

APPROVED BY THE BOARD OF COMMISSIONER WITH THE AGENCY PLAN
SUBMISSION ON JULY 1, 2014

The Housing Commission of Anne Arundel County has contracted to provide Freetown Village Project Based Rental Assistance through the HUD conversion of the Rental Assistance Demonstration (RAD). The CHAP was awarded March 25, 2015

A separate waitlist will be administered for the project-based rental assistance.

The waitlist will be ranked by those currently residing in the community then according to date and time of application only. There will be no other preferences or priorities assigned to applicants of this waitlist.

APPROVED BY THE BOARD OF COMMISSIONER WITH THE AGENCY PLAN
SUBMISSION ON JUNE 16, 2016

The Housing Commission of Anne Arundel County has contracted to provide 21 Project Based Vouchers for the Sarah's House complex in Fort Meade.

As agreed with the Developer and Management Company of the complex, a separate waitlist will be administered for the project-based vouchers.

The waitlist will be ranked according to date and time of application only. There will be no other preferences or priorities assigned to applicants of this waitlist.

APPROVED BY THE BOARD OF COMMISSIONER WITH THE AGENCY PLAN
SUBMISSION ON JUNE 16, 2016

The Housing Commission of Anne Arundel County has contracted to provide 6 Project Based Vouchers for The Lighthouse Shelter apartments in Annapolis.

As agreed with the Developer and Management Company of the complex, a separate waitlist will be administered for the project-based vouchers.

The waitlist will be ranked according to date and time of application only. There will be no other preferences or priorities assigned to applicants of this waitlist.

APPROVED BY THE BOARD OF COMMISSIONER WITH THE AGENCY PLAN
SUBMISSION ON JUNE 16, 2016

**The Housing Commission of Anne Arundel County has contracted to provide 7
Project Based Vouchers for the Fouse Center homes in Glen Burnie.**

**As agreed with the Developer and Management Company of the complex, a
separate waitlist will be administered for the project-based vouchers.**

**The waitlist will be ranked according to date and time of application only.
There will be no other preferences or priorities assigned to applicants of this
waitlist.**

APPROVED BY THE BOARD OF COMMISSIONER WITH THE AGENCY PLAN
SUBMISSION ON JUNE 16, 2016

**The Housing Commission of Anne Arundel County has contracted to provide 6
Project Based Vouchers for the Bowman Community Development Corporation
apartments in Annapolis.**

**As agreed with the Developer and Management Company of the complex, a
separate waitlist will be administered for the project-based vouchers.**

**The waitlist will be ranked according to date and time of application only.
There will be no other preferences or priorities assigned to applicants of this
waitlist.**

**ADDENDA TO THE HOUSING CHOICE VOUCHER ADMINISTRATIVE PLAN
REGIONAL PROJECT BASED VOUCHER INITIATIVE**

APPROVED BY THE BOARD OF COMMISSIONERS WITH THE AGENCY PLAN
SUBMISSION ON MAY 20, 2016

WHEREAS, The Board of Commissioners of the Housing Commission of Anne Arundel
County, supports and affirms the regions desire to Affirmatively Further Fair Housing;
and

WHEREAS, The Board of Commissioners understands that each agency in the Baltimore
Metropolitan Region is willingly setting aside a small number of Housing Choice
Vouchers to support the Regional Project Based Voucher program;
and

WHEREAS, it is understood that the Housing Commission will set aside 8 vouchers for
utilization in this program and affirms ratification of the agreement between all of the
agencies to be executed by the Office of the Chief Executive Officer.

ACTION PLAN
REVISED APRIL 16, 2007
JULY 1, 2014
OCTOBER 14, 2022

INTRODUCTION

In accordance with Section 23 of the U.S. Housing Act of 1937 and amended by Section 106 of the Housing and Community Development Act of 1992, the Housing Commission of Anne Arundel County (HCAAC) established a Family Self-Sufficiency Program as a result of increased Housing Choice Voucher funding in fiscal year 1994.

The goal of the FSS Program is to assist very low-income families in becoming economically and socially self-sufficient. The US Department of Housing and Urban Development will determine the minimum FSS Program size.

A service plan and FSS contract will be developed and maintained for each qualified participating family member. The program will be available to families in both the Housing Choice Voucher and Public Housing Programs.

This revised and updated FSS Action Plan, approved on October 14, 2022, is hereby made a part of the HCAAC Administrative Plan. The Action Plan describes how HCAAC will administer the FSS Program.

NUMBER OF FSS PROGRAM PARTICIPANTS

The program will consist of the minimum number of 124 HCV families including all special purpose vouchers FUP, FYI, VASH, EHV and Mainstream (24CFR 984.101(b)) Additionally, the FSS program will be open to project-based families wishing to expand economic opportunities. Up to 50 of those slots will be offered to residents of Project Based Communities. Ongoing mandatory program size shall be reduced by one slot for each program graduate completed after October 21, 1998. (24 CFR 984.105(b)(3)).

All of the required FSS slots will be filled with current HCV participants who have volunteered for the program. Up to 25 additional slots will be offered to residents of public housing (PH).

FAMILY DEMOGRAPHICS

HCV	
Head of Household average age is	43 years old
Head of Household is age 24 or younger	0%
Head of Household is age 25-50	75%
Head of Household is age 51-61	18%
Head of Household is age 62 or greater	7%
Households with other adults 25 or younger	25%
Households with other adults 25-50	8%
Households with other adults 62 or greater	0%
Households with children 12 or younger	42%
Households with children 13-17	49%
Head of Household employed	70%
Head of Household not employed	30%
Any Household Members employed	76%
Annual Household income under \$5000	4%
Annual Household income between \$5000-\$9,999	13%
Annual Household income between \$10,000- \$14,999	13%
Annual Household income between \$15,000-\$19,999	6%
Annual Household income between \$20,000-\$24,999	11%
Annual Household income between \$25,000- \$29,999	5%
Annual Household income between \$30,000- \$34,500	8%
Annual Household income over \$35,000	40%
Elderly/ Disabled Status of Head of Household	17%
Head of Household is an elderly person without disabilities	0%
Head of Household is an elderly person with disabilities	7%
Head of Household is an non-elderly person with disabilities	10%
Head of Household is an elderly person without disabilities	83%
White	7%
Black or African American	93%
American Indian or Alaska Native	0%
Asian	0%
Native Hawaiian or other Pacific Islander	0%
Other Race	0%

PBV	
Head of Household average age is	41 years old
Head of Household is age 24 or younger	0%
Head of Household is age 25-50	89%
Head of Household is age 51-61	6%
Head of Household is age 62 or greater	5%
Households with other adults 25 or younger	10%
Households with other adults 25-50	4%
Households with other adults 62 or greater	0%
Households with children 12 or younger	57%
Households with children 13-17	45%
Head of Household employed	57%
Head of Household not employed	43%
Any Household Members employed	67%
Annual Household income under \$5000	4%
Annual Household income between \$5000-\$9,999	16%
Annual Household income between \$10,000- \$14,999	11%
Annual Household income between \$15,000-\$19,999	4%
Annual Household income between \$20,000-\$24,999	9%
Annual Household income between \$25,000- \$29,999	10%
Annual Household income between \$30,000- \$34,500	11%
Annual Household income over \$35,000	35%
Elderly/ Disabled Status of Head of Household	17%
Head of Household is an elderly person without disabilities	0%
Head of Household is an elderly person with disabilities	6%
Head of Household is a non-elderly person with disabilities	11%
Head of Household is a non-elderly person without disabilities	66%
White	15%
Black or African American	83%
American Indian or Alaska Native	2%
Asian	0%
Native Hawaiian or other Pacific Islander	0%
Other Race	0%

ESTIMATE OF PARTICIPATING FAMILIES

Families are recruited to fill all FSS Federally mandated slots. It is anticipated that 100% of the FSS participants will be recipients of various types of supportive services. The type of supportive services received will depend on the family's individual goals and objectives listed in their service plan. The quantity and quality of supportive services received will depend on the resources available in the community and the availability of federal, state, county and private funding.

FSS FAMILY SELECTION PROCEDURES OUTREACH AND RECRUITMENT

Current HCV and PBV participants will be informed of the FSS program during briefings, by mail, brochures/ announcements provided in the office lobby, and referral by HCAAC employees. Families will be notified that the FSS program is a volunteer program and that their housing assistance will not be withheld for non-participation or non-completion of program requirements.

Families will be asked to submit an FSS Application. Both minority and non-minority groups currently receiving housing assistance will be targeted for participation in the FSS program.

Families who meet FSS program eligibility requirements will be selected to participate in the FSS program. Families will be selected without regard to race, color, religion, sex, handicap, familial status, or national origin.

When all FSS slots are filled, the remaining eligible FSS applicants and subsequent new applicants will be placed on an FSS waiting list. Families will be placed on the FSS waiting list according to the date and time in which their FSS interest form was received. Port-in FSS participants will be given preference.

FSS program eligibility requirements include, but are not limited to, the following:

1. Family must be currently participating in HCV or PBV housing
2. Family must attend a mandatory FSS orientation/briefing session
3. Family must have an overall goal to obtain self-sufficiency and be off public assistance as required by the FSS contract.
4. Head of household must be willing to improve their education, seek and/or maintain employment, or work towards homeownership during the FSS contract period.
5. Families must be willing to sign a FSS Service Contract and receive case management as part of their supportive services.

FSS PARTICIPANT ENROLLMENT

HCAAC will select applicants on the FSS waiting list with the same preference status to 24 CFR 984.203(b):

1. Date and time of application to the FSS program.

The FSS program participation has expanded eligibility for program enrollment to any adult member of the household (Head of FSS Family) as designated by the family.

There will be 1 one CoP per family. However, ITSP for as many members of the family as wish to participate.

The escrow goes to the person who signs the CoP (24 CFR 984.103).

Head of FSS family means the designated adult family member of the FSS family who has signed the CoP. The head of FSS family may, but is not required to be, the head of the household for purposes of determining income eligibility and rent.

CONTRACT OF PARTICIPATION

Each FSS family will be required to fulfill those Contract of Participation (CoP) obligations to which the participating family has committed itself under the contract of participation no later than 5 years after the effective date first re-examination of income after the execution date of the CoP. Aside from the goals specifically required in this section, PHAs or owners will work with each participant to establish realistic and individualized goals and may not include additional mandatory goals or mandatory modifications of the two mandatory goals (24 CFR 984.303(b)(2)).

CONTRACT EXTENSIONS

FSS program participants may request an extension of their CoP, if the family is unable to complete their goals within a five-year period under good cause (24 CFR 984.303(d)):

1. Circumstances beyond the control of the FSS family that impede the family's ability to complete the CoP obligations, as determined by the HCAAC, such as a serious illness or involuntary loss of employment; or
2. Active pursuit of a current or additional goal that will result in furtherance of self-sufficiency during the period of the extension (e.g., completion of a college degree during which the participant is unemployed or under-employed, credit repair towards being homeownership ready, etc.) as determined by HCAAC; or

3. Any other circumstance that HCAAC determines warrants an extension, as long as the PHA or owner is consistent in its determination as to which circumstances warrant an extension.

FSS PARTICIPANT INCENTIVE PLAN

As required by HUD, HCAAC will provide incentives for families who participate in the FSS program. The two main incentives that will be provided are the FSS escrow account, and for those who qualify, home ownership opportunities. Additionally, individual case management and referrals to supportive services by the FSS Program Coordinator.

FSS Program Coordinator is defined as (24CFR 984.103):

The person(s) who run the FSS program. This may include but is not limited to:

1. Performing outreach, recruitment, and retention of FSS participants;
2. Goal-setting and case management/coaching of FSS participants;
3. Working with the community and service partners; and
4. Tracking program performance.

FSS ACTIVITIES AND SUPPORTIVE SERVICES

The activities and supportive services which will be provided by both private and public resources to FSS families include, but are not limited to, the following: child care, remedial/secondary education, career development, job development and placement, parenting skills, household management skills, homeownership counseling, money management, transportation, family counseling, and case management.

HCAAC has formed partnerships with community social service agencies, many of which are invited to participate on the FSS Program Coordinating Committee. FSS participants will be referred to the agencies listed below for activities and supportive services. Additional services not listed, will be developed for families as stipulated in the Individual Training and Service Plan.

Housing/Homeownership and Case Management:
HCAAC HCV Homeownership Program
Habitat for Humanity
Arundel Community Development Services, Inc.
CCS

Child Care:
Head start
Childcare Resource and Referral
YMCA

Remedial Education:
Anne Arundel County Schools GED Program

Secondary Education:
Anne Arundel Community College

Career Development:
Anne Arundel Workforce Development
Department of Social Services

Financial/Money Management:
Arundel Community Development Services, Inc.
CASH Campaign of Maryland
Consumer Credit Counseling

Community Action Network

Legal and Domestic Issues:
Baltimore Neighborhoods Inc.
Legal Aid Bureau, Inc.

PROGRAM COORDINATING COMMITTEE

As required by HUD, the FSS Program has established a Program Coordinating Committee. The committee will meet quarterly to identify and increase supportive services available for FSS program participants to promote self-sufficiency.

The committee is comprised of (24 CFR 984.202(b)):

1. One or more FSS Program Coordinators
2. One or more participants from each HUD rental assistance program served by the PHA's FSS program.
3. PHA will seek members of public agencies and private organizations as well as financial empowerment organizations, educational and training institutions.

FSS ESCROW ACCOUNT

Each FSS participant will have their own Escrow Account established in accordance with HUD Regulations. HCAAC shall deposit the FSS escrow account funds of all families

participating in an FSS program into a single interest-bearing depository account (24 CFR 984.305(a)).

A database will be maintained to record escrow deposits for each family. FSS escrow funds held by HCAAC will be invested in HUD-approved investments in accordance with HUD Handbook 7475.1, revised Section 4-8. Investment income (interest) will be credited at least annually to each participating family's FSS escrow account. A statement of escrow balance, credits, interest, and payments will be mailed to each family quarterly. Forfeited FSS escrow funds will revert to HCAAC and will be used in accordance with regulations.

CALCULATING ESCROW

The FSS credit amount shall be the lower of (24 CFR 984.305(b)(2):

1. Thirty (30) percent of one-twelfth (1/12) (i.e., two and a half (2.5) percent) of the amount by which the family's current annual earned income exceeds the family's baseline annual earned income; or
2. The increase in the family's monthly rent. The increase in the family's monthly rent shall be the lower of: (A) The amount by which the family's current monthly rent exceeds the family's baseline monthly rent; (B) For HCV families, the difference between the baseline monthly rent and the current gross rent (i.e., rent to owner plus any utility allowance) or the payment standard, whichever is lower; or (C) For PBV, Mod Rehab, including Mod Rehab SRO, and PBRA families, the difference between the baseline monthly rent and the current gross rent (i.e., rent to owner or contract rent, as applicable, plus any utility allowance).

At enrollment, the most recent effective rent certification will be used to establish the baseline.

Baseline/Current annual earned income means, for purposes of determining the FSS credit, the FSS family's total annual earned income from wages and business income (if any) as of the effective date of the FSS contract (24 CFR 984.305(b)).

Baseline/Current monthly rent means, for purposes of determining the FSS credit under 24 CFR 984.305(b):

1. The FSS family's total tenant payment (TTP), as of the effective date of the FSS contract, for families paying an income-based rent as of the effective date of the FSS contract; or
2. The amount of the flat or ceiling rent (which includes the applicable utility allowance), and including any hardship discounts, as of the effective date of the FSS contract, for families paying a flat or ceiling rent as of the effective date of the FSS contract.

In calculating baseline annual earned income, all applicable exclusions of income must be applied, except for any disregarded earned income or other adjustments associated with self-sufficiency incentives that may be applicable to the determination of annual income.

During the time an HCV family is in the process of moving to a new unit and is not under a lease, escrow credit will not accrue (24 CFR 984.305(b)(4)).

The cap on increases in escrow monthly savings for families making between 50% and 80% of AMI will be removed (24 CFR 984.305(b)(3)).

If family has income disregarded due to EID, JPEID or any other self-sufficiency income disregard, that income will be included in the baseline.

INCORRECT INCOME REPORTING

If the FSS family has been found to have under-reported income after the baseline annual earned income was set, the amount credited to the FSS escrow account will be based on the income amounts originally reported by the FSS family.

If the FSS family is found to have under-reported income in the re-examination used to set the baseline, the escrow for the entire period of the CoP will be re-calculated using the correct income to set the baseline and then calculate subsequent escrow amounts 24 CFR 984.305(a)(2).

INTERIM WITHDRAWALS OF ESCROW FUNDS

HCAAC may consider requests for an interim disbursement of a portion of the FSS escrow, and:

1. The request must be submitted in writing and meet requirements for interim disbursement as stated in the FSS contract. The family will show that the purpose is goal-related and the family has attempted other resources. Interim withdraws may not be used to pay down debt such as credit cards or loans.
2. The FSS Coordinator will make a determination on a case-by-case basis for the early escrow release and the interim goals that must be completed prior to an early escrow disbursement. The Department Director and Chief Financial Officer must also approve disbursement.
3. One or more interim withdrawals from escrow may be allowed.

4. Amount of interim withdrawal from escrow may not exceed 50% of participant's current escrow balance.

5. Any interim disbursement will be deducted from the escrow balance.

The Department Director and the Chief Financial Officer must also approve disbursement.

GRADUATION FROM THE FSS PROGRAM AND DISBURSEMENT OF ESCROW

The HCAAC will disburse to the head of the FSS family the amount of the family's escrow, less any amount owed to the HCAAC (for unpaid rent or other outstanding debts) when the family is compliant with its lease, and: when the family is compliant with its lease, and:

1. HCAAC determines that the family has completed the terms of the contract, including the terms of all ITSP on or before the expiration of the contract, or
2. The head of the FSS family certifies that no member of the FSS family is a recipient of welfare assistance. Welfare-free is a requirement is at graduation.

Welfare assistance means (for purposes of the FSS program only):

- a. Income assistance from Federal (i.e., Temporary Assistance for Needy Families (TANF) or subsequent program), State, or local welfare programs, and includes only cash maintenance payments designed to meet a family's ongoing basic needs.
- b. Welfare assistance does not include: child-only or non-needy TANF grants made to or on behalf of a dependent child solely on the basis of the child's need and not on the need of the child's current non-parental caretaker.
- c. The "30% rule" as an option for graduation has been removed (24 CFR 984.303(g)).

The amounts due to the HCAAC can only be taken by the HCAAC from the escrow account at the time of final disbursement (24 CFR 984.305(a)(2)(iii)).

FSS participants may apply to use HCAAC's HCV homeownership option (for which FSS participants are given selection preference) and must be placed upon the HCV Homeownership waitlist.

FSS PBV (24 CFR 984.306):

1. During the first 12 months after the effective date of the FSS CoP, an FSS family may not move outside the jurisdiction of HCAAC that first enrolled the family in the FSS program. However, HCAAC may approve an FSS family's request to move outside of its jurisdiction under portability during this period (in accordance with 24 CFR 982.353). This applies to a former PBV family who received tenant-based rental assistance and has exercised their right to move (in accordance with 24 CFR 983.261).
2. After the first 12 months of the FSS CoP, the FSS family with a tenant-based voucher may move outside the initial PHA jurisdiction under portability regulations (in accordance with 24 CFR 982.353).

FSS PROGRAM TERMINATION

The FSS family will be terminated from the FSS Program if the family does not fulfill the requirements of the Contract of Participation and/or violates the HCV or PBV regulations. FSS families will be thoroughly briefed prior to signing the Contract of Participation, of the conditions under which the family will be terminated from the FSS Program.

However, the family's housing assistance will not terminate for non-compliance with the requirements of the FSS Contract of Participation. Failure of the family to comply with the FSS Contract of Participation or housing program regulations will lead to forfeiture of any FSS escrow money earned.

If the FSS family is terminated from the FSS program, the family may reapply after 1 year.

FORFEITURE OF FSS ESCROW

The FSS families will automatically forfeit their FSS escrow when any of the following conditions apply:

1. *The family fails to complete the goals listed on their contract of participation.*
2. *The family voluntarily withdraws from the program.*
3. *The family moves to another Housing Authority's jurisdiction, which does not have an FSS program or is not accepted into the receiving FSS program.*
4. *The family moves to another Housing Authority's jurisdiction but voucher is not absorbed*
5. *The family is removed from the HCV or PBV program for non-compliance of lease agreement and/or HCV or PBV policy and rules.*
6. The family continues to receive public assistance (welfare) at the end of the FSS contract term. (This does not include Medicaid, child care assistance, food stamps or housing subsidies.)

Forfeited funds will go into an account to be used for the benefit of FSS. Specifically, such funds may be used for the following eligible activities families (24 CFR 984.305 (f)):

1. Support for FSS participants in good standing, including, but not limited to, transportation, child care, training, testing fees, employment preparation costs, and other costs related to achieving obligation outlined in the CoP.
2. Training for FSS Program Coordinator(s); or
3. Other eligible activities as determined by the Secretary.

HOMEOWNERSHIP

The FSS program coordinates homeownership workshops and seeks additional homeownership assistance opportunities. Attention is focused on long-term and short-term homeownership preparation and readiness. HCAAC offers a HCV Homeownership program, which requires participation in the FSS program with homeownership goals.

FSS participants may apply to use HCAAC's HCV homeownership option (for which FSS participants are given selection preference) and must be placed upon the HCV Homeownership waitlist.

METHOD FOR IDENTIFICATION OF FAMILY SUPPORT NEEDS

The FSS Coordinator will assess the individual family needs via an interview of all families participating in the FSS program. From the information gathered from the family, the case manager will develop a service plan for all family participants. The service plan will contain the family's goals, objectives, tasks, and resources that enable them to accomplish their goal of becoming economically self-sufficient. The case manager and the family will together determine the supportive services that the family will need to accomplish their goals. The FSS participant has the ultimate responsibility of pursuing all community resources available.

PORTABILITY

If HCAAC bills the initial PHA or absorbs the FSS family into its HCV program, HCAAC will enroll an FSS family in good standing in its FSS program; unless;

1. HCAAC is already serving the number of FSS families identified in its FSS Action Plan and determines that it does not have the resources to manage the FSS contract; or
2. HCAAC and the initial PHA agree to the FSS family's continued participation in the initial PHA's FSS program. Prior to agreeing to the continued participation, HCAAC must determine that the relocating FSS family has demonstrated that, notwithstanding the move, it will be able to fulfill its responsibilities under the initial or a modified CoP at its new place of residence.

If HCAAC is billing the initial PHA, the account will be maintained by the initial PHA. If an FSS family will be absorbed by the HCAAC, the initial PHA will transfer the family's FSS escrow account funds to the receiving PHA and the receiving PHA will maintain the funds in its FSS account.

If an HCAAC FSS family moves to the jurisdiction of a receiving PHA that does not administer an FSS program and continued participation in FSS is not possible, HCAAC will discuss the options that may be available to the family, depending on the family's specific circumstances, which may include, but are not limited to:

1. Modification of the FSS contract
2. Termination with FSS escrow disbursement
3. Termination of the FSS contract and forfeiture of escrow
4. Locating a receiving PHA that administers an FSS program.

If an FSS family relocates to another jurisdiction, as provided under this section, and is unable to fulfill its obligations under the CoP, HCAAC which is a party to the CoP, must terminate the FSS family from the FSS program, and the family's FSS escrow account will be forfeited. Termination of FSS program participation and forfeiture of FSS escrow will only be use as last resort

FSS PROGRAM TERMINATION

The FSS family will be terminated from the FSS Program if the family does not fulfill the requirements of the Contract of Participation and/or violates the HCV or PBV regulations. FSS families will be thoroughly briefed prior to signing the Contract of Participation, of the conditions under which the family will be terminated from the FSS Program.

The family will not be allowed to participate in the FSS Program once terminated by HCAAC. However, the family's housing assistance will not terminate for non-compliance with the requirements of the FSS Contract of Participation. Failure of the family to comply with the FSS Contract of Participation or housing program regulations will lead to forfeiture of any FSS escrow money earned.

If the FSS family is terminated from the FSS program, the family may reapply after 1 year.

DISBURSEMENT OF ESCROW IN THE CASES OF CONTRACT TERMINATION

HCAAC will disburse to the family the amount in the family's escrow account, less a any amount owed to the HCAAC (for unpaid rent or other outstanding debts) when the family is compliant with its lease, and: when the family is compliant with its lease, and (24 CFR 984.303(k):

1. HCAAC, with HUD approval, determines the is good cause to disburse FSS escrow funds; or
2. When the Contract has been terminated for the following reasons:

- a. Services that the HCAAC and the FSS family have agreed are integral to the FSS family's advancement towards self-sufficiency are unavailable;
- b. The head of the FSS family become permanently disabled and unable to work during the period of the contract, and HCAAC and FSS family determine it is not possible to modify the Contract or designated a new head of the FSS family;
- c. A voucher FSS family is in good standing moves outside the jurisdiction of the PHA (in accordance with regulatory portability requirements) for good cause, as determined by the PHA, and continuation of the CoP after the move, or completion of the CoP prior to the move, is not possible.

GRIEVANCE AND REVIEW PROCEDURES

For action of FSS denial or termination not involving termination of housing assistance, HCAAC will give FSS applicants and participants an opportunity for an informal review by the Department Director.

ASSURANCE OF NON-INTERFERENCE

HCAAC assures the participant during the briefing session that a family's election not to participate in the FSS Program will not affect the family's admission to either program or the family's right to occupy in accordance with its lease.

All FSS families volunteer to participate in the program. Families must be current HCV or PH recipients and submit an FSS Application to HCAAC to be selected for the program. HCAAC will select participants who voluntarily commit to the program.

TIMETABLE FOR PROGRAM IMPLEMENTATION

The HCAAC implemented the FSS Program in 1994, and used the previous Action Plan for implementation and start-up of the program. Since that time, the program has been successful and has seen a number of graduates into gainful employment and homeownership

CERTIFICATION OF COORDINATION

The HCAAC certifies that the services and activities have been coordinated with the approval of HUD. HCAAC is committed to providing quality supportive services to FSS participants.

**Addendum to the
Housing Choice Voucher Administrative Plan**

PROJECT-BASED VOUCHER (PBV) PROGRAM

On October 13, 2005, HUD published final regulations for the Project-Based Voucher (PBV) program, superseding regulations at 24 CFR part 983 (see 70 FR 59892). This Addendum provides Housing Commission of Anne Arundel County (HCAAC) policies and procedures for its PBV program in accord with the new regulations.

HCAAC's PBV program is subject to the regulations at 24 CFR part 983, which includes regulations governing policies and procedures that are not specified in this Administrative Plan.

In addition to the policies and procedures stated below, and other PBV regulations stated at 24 CFR part 983, HCAAC's PBV program is subject to most of the requirements of the Housing Choice Voucher Program, as specified in this Administrative Plan and in other HUD regulations.

A. JURISDICTION

The jurisdiction for HCAAC's PBV program is within the confines of Anne Arundel County, to include the City of Annapolis.

B. HCAAC's PBV COMMITMENTS AND PRIORITIES

HCAAC's PBV program is designed to ensure that PBV assistance is used to support goals that could not be equally achieved through the use of tenant-based voucher assistance. HCAAC's PBV program has is committed to the following priorities:

1. Expand and/or preserve the supply of affordable housing in an effort increase the affordable housing choices of residents within the jurisdiction
2. Support projects which further revitalize neighborhoods, promote the de-concentration of poverty and generally provide increased housing and economic opportunities.
3. Work with the community to identify and serve populations with particular housing needs, including but not limited to the provision of supportive services to promote self-sufficiency and supportive housing for families with disabilities.

C. PROPOSAL SUBMISSION AND SELECTION

Request for Proposals Process

HCAAC will select PBV proposals through a public Request for Proposals (RFP) process. HCAAC's PBV RFP will be advertised in a manner to provide broad public notice of the opportunity to offer PBV

proposals for consideration by HCAAC. The public notice procedures will include publication of the general notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice.

The public notice of the PBV RFP will specify the submission deadline. The public notice will inform owners or developers seeking project-based assistance of the availability of the full RFP document at HCAAC's main offices at 7477 Baltimore-Annapolis Blvd, Glen Burnie, MD 21060.

The full RFP document will provide detailed information about proposal submission and selection procedures and will be available upon request of interested parties at HCAAC's main offices.

Property owners may submit PBV proposals in accord with the proposal submission guidelines stated in the full RFP document. Proposals will be selected according to explicit criteria specified in the full RFP document, following the selection criteria stated below. Under no circumstances will HCAAC's RFP selection criteria limit proposals to a single site or impose restrictions that explicitly or practically preclude owner submission of proposals for PBV housing on different sites.

Alternative Competitive Processes

In lieu of the above RFP process, HUD regulations permit HCAAC to select a PBV proposal for housing assisted under a federal, state, or local government housing assistance, community development, or supportive services program that requires competitive selection of proposals, where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the PBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance, or in other circumstances as allowed by the regulations or other PBV requirements.

Proposals for PBV assistance which have been independently selected for housing assistance as described above may be submitted to HCAAC on a rolling basis. HCAAC's selection of proposals under the alternative competitive processes may be contingent upon the owner providing additional information required according to HCAAC's selection requirements and HUD and HCAAC requirements for PBV assistance. HCAAC will inform owners of any additional requirements at the time their proposals are submitted.

Selection Criteria

Proposals will be selected according to the following selection criteria:

- The housing must promote one of HCAAC's priorities for its PBV program;
- The proposal must comply with all HUD program regulations and requirements;
- The property must be eligible housing;
- The proposal must comply with the HUD cap on PBV units per building;
- The housing site must meet the site selection standards detailed at 24 CFR 983.57;

Proposals that have **not been** through a State competition will be subject to the following:

- Proposals for new construction or rehabilitation projects must demonstrate capacity, experience, and successful outcomes in prior projects that indicate their ability to complete the construction work effectively and within the proposed schedule;
- Proposals for all housing must demonstrate capacity, experience, and successful outcomes in property management, particularly management of housing targeted to low income persons and families;
- Proposals for supportive housing must demonstrate the capacity, experience, and successful outcomes of the supportive services provider that indicate its ability to effectively provide sufficient supportive services. More detailed information about minimum supportive services guidelines is provided later in this addendum.
- Proposals must provide evidence of sufficient financing commitments (for construction, operations, and supportive services if applicable) to demonstrate the project's long-term viability.

Public Notice and Review of HCAAC Proposal Selection

At the conclusion of selection during the competitive process, HCAAC will provide public notice of PBV proposal selections, including publication of public notice in a local newspaper of general circulation and/or other means designed and actually operated to provide broad public notice.

HCAAC will make documentation available for public inspection regarding the basis for HCAAC's selection of a PBV proposal.

Proposals selected via the alternate competitive process will be identified and included in the annual agency plan update, which includes publication (via public notice) of the process, documents and plans, and allows for public comment on the proposed selection.

D. SITE SELECTION STANDARDS

HCAAC will only select proposals which demonstrate consideration of and compliance with the site selection standards at 24 CFR 983.57, as such may be amended or revised, which shall ensure that selected proposals will meet the above program goals of deconcentrating poverty, expanding housing and economic opportunities, and otherwise providing needed housing support.

E. SUPPORTIVE SERVICES GUIDELINES AND REQUIREMENTS

Pursuant to HUD regulations, project-based assistance will ordinarily be limited to 25% of the units contained within the proposed project. However, for projects providing supportive services, each unit that is occupied by families receiving qualified supportive services shall be an "excepted unit" and shall not apply towards the 25% cap.

Qualifying Supportive Services

- Participation in HCAAC's FSS program
- Educational Services or Counseling
- Employment or vocational training, counseling or referrals
- Life skills training or counseling
- Credit counseling
- Personal finance training and counseling
- Healthcare prevention and/or Community Outreach
- Supportive housing for persons with developmental disabilities or mental illness
- Supportive housing for persons with legal custody of grandchildren
- Referrals to or provision of day care, after school programs or other youth services.

It is not necessary that the above services be provided by or at the project. However, to qualify for as an "excepted unit" a family must have at least one member receiving at least one qualifying supportive service. Proposals that include supportive services should identify the particular services that will be provided and the service provider(s). HCAAC will evaluate proposals including supportive housing units on the basis of the specific services provided, the intensity of the services and the target population to be served. HCAAC will also evaluate supportive housing proposals based on the history and track record of the proposed service providers and the need for the supportive housing at the proposed site.

Family Responsibility

At the time of the initial lease execution between the family and the owner, the family and HCAAC must sign a Statement of Family Responsibility. The Statement of Family Responsibility must contain all family obligations including the family's participation in a service program as contemplated within this Administrative Plan.

At the family's annual income recertification, HCAAC will require written documentation from the service provider indicating the family's continued compliance with the terms of the supportive services plans. Project owners will also be expected to provide some level of monitoring of the services provided. This monitoring should be detailed in the proposal, and will be evaluated as part of the section process. At HCAAC's discretion, HCAAC may request additional documentation of compliance with supportive service obligations.

The unit is eligible for status as an "excepted unit" so long as at the time of the occupying family's initial tenancy at least one member of the family is receiving a qualifying supportive service. If the family completes an FSS contract of participation or the supportive services requirement, the unit will continue

to count as an “excepted unit” for as long as the family resides in that unit.

Family Failure to Comply with Supportive Service Requirements

Failure without good cause by a family to complete or comply with its supportive service participation requirements will result in termination of the project based assistance for that unit and may result in the termination of the lease by the project owner.

F. WAITING LISTS

HCAAC will establish individual site-based waiting lists for each PBV project selected; excluding Sarah’s House, The Lighthouse Shelter, Wiley H. Bates, Admiral Oaks, and Bowman Community Development Corporation which tenant selection will be determined by the service provider

HCAAC will offer to place applicants who are listed on the waiting list for tenant-based assistance on the waiting list(s) for PBV assistance.

HCAAC will open and close the site-based waiting lists pursuant to the procedures outlined in Administrative Plan.

G. PREFERENCES

HCAAC may establish separate preferences for each PBV project. These preferences may include those for elderly or disabled families, or preferences related to supportive housing programs. Preferences may include those outlined in the Administrative Plan.

Any preferences that would be necessary to the operation of the project, or required by a funding source must be disclosed in the proposal.

Supportive Housing Related Preferences

If PBV units include special accessibility features for persons with disabilities, HCAAC will first refer families who require such accessibility features to the owner. For other units that are designated to receive supportive services, HCAAC may give preference to disabled families who need services offered at a particular project. Project owners may advertise the project as offering services for a particular type of disability, however, the project must be open to all otherwise eligible persons with disabilities who may benefit from services provided in the project.

Only families that meet the following limits will be eligible for any supportive housing preference:

- Families (including individuals) with disabilities that significantly interfere with their ability to obtain and maintain themselves in housing
- Families that without appropriate supportive services will not be able to obtain or maintain themselves in housing
- Families for whom such services cannot be provided in a non-segregated setting.

Disabled residents will not be required to accept the particular services offered at the project.

HCAAC is prohibited from granting preferences to persons with specific disabilities (see 24 CFR 982.207(b)(3)),

H. APPLYING FOR ADMISSION

The process for applying for admission to the PBV program is not different than the process for applying for admission to the tenant-based program, which are provided in HCAAC's Administrative Plan.

At the time of the application, HCAAC will provide applicants with the opportunity to be placed on the tenant-based waiting list if open, or any open site-based waiting lists.

I. TENANT SELECTION

When notified of a vacancy in a PBV unit, HCAAC or the appropriate PBV vendor/partner will refer tenants according to the following procedures:

- First-come, first-served among applicants on the specific PBV waiting list.
- For PBV waiting lists, HCAAC will select applicants from the waiting list on a first-come, first-based basis.

J. TENANT SCREENING

HCAAC's procedures for tenant screening for the PBV program are not different than procedures for screening tenant-based applicants, which are provided in HCAAC's Administrative Plan.

HCAAC's policy for providing information to owners about families referred to PBV units is not different from HCAAC's policies for tenant-based applicants, which are provided in HCAAC's Administrative Plan.

K. PROCEDURES FOR FAMILIES OCCUPYING A UNIT OF THE WRONG SIZE OR AN ACCESSIBLE UNIT WHOSE ACCESSIBILITY FEATURES ARE NOT REQUIRED BY THE FAMILY

If a family is determined by HCAAC to occupy a wrong-sized unit, or a unit with accessibility features that the family does not require (and such unit is needed by a family that requires the accessibility features) then HCAAC must promptly notify the family and the project owner of this determination and must offer continued assistance in another appropriately sized or accessible unit.

Continued assistance after unit, which may include, but is not limited to the following options:

- PBV assistance in an appropriate-sized unit (in the same building or in another building);

- Other project-based housing assistance (including occupancy of a public housing unit)
- Tenant-based rental assistance under the voucher program; or
- Other comparable public or private tenant-based assistance (e.g., under the HOME program).

For families who have been notified that they occupy a wrong-size unit, and offered continued assistance:

- If the PHA offers the family the opportunity to receive tenant-based rental assistance under the voucher program, the PHA must terminate the HAP payments for a wrong-sized unit at expiration of the term of the family's voucher (including any extensions granted by the PHA).
- If the PHA offers the family the opportunity for another form of continued housing assistance (as provided above), and the family does not accept the offer, does not move out of the PBV unit within a reasonable time as determined by the PHA, or both, the PHA must terminate the HAP payments for the wrong-sized unit at the expiration of a reasonable period as determined by the PHA.

L. RIGHT TO MOVE

A family residing in a PBV unit may terminate the assisted lease any time after the first year of occupancy and request comparable tenant-based assistance from the HCAAC.

Should a family terminate its PBV lease and request alternate assistance, the HCAAC shall offer the family the opportunity for continued tenant-based rental assistance, or if such assistance is not immediately available upon termination of the lease, the HCAAC will give the family priority to receive tenant-based rental assistance at the next available opportunity for such tenant-based rental assistance. HCAAC maintains a waitlist by date and time for PBV families in Commission owned properties to transfer from PBV assistance to tenant based assistance.

A family may choose to transfer to another project-based unit, if one is available and such a move is required as a reasonable accommodation to the individual's disability. In such a situation, the individual would go to the top of the new provider's project based waiting list. A reasonable accommodation transfer under this part is subject to the new provider's determination that they are able to serve the individual, based on an individual determination of the facts and circumstances in each case.

If the family terminates the assisted lease before the end of the first year of occupancy, the family will not be entitled to tenant-based assistance or priority for such assistance under this section. However, the family may reapply for tenant-based assistance or other project based assistance as otherwise provided in this Administrative Plan.

The Informal Hearing Policy, as an Amendment to the Housing Choice Voucher Administrative Plan, will replace the current language on Page 25 Part J and 32, Section VII, Part A:

**ADDENDUM
HOUSING CHOICE VOUCHER
INFORMAL REVIEW AND HEARING POLICY
(Housing Commission of Anne Arundel County)**

Informal Review Federal Requirements

Pursuant to 24 CFR 982.554:

§982.554 Informal review for applicant.

(a) *Notice to applicant.* The PHA must give an applicant for participation prompt notice of a decision denying assistance to the applicant. The notice must contain a brief statement of the reasons for the PHA decision. The notice must also state that the applicant may request an informal review of the decision and must describe how to obtain the informal review.

(b) *Informal review process.* The PHA must give an applicant an opportunity for an informal review of the PHA decision denying assistance to the applicant. The administrative plan must state the PHA procedures for conducting an informal review. The PHA review procedures must comply with the following:

(1) The review may be conducted by any person or persons designated by the PHA, other than a person who made or approved the decision under review or a subordinate of this person.

(2) The applicant must be given an opportunity to present written or oral objections to the PHA decision.

(3) The PHA must notify the applicant of the PHA final decision after the informal review, including a brief statement of the reasons for the final decision.

(c) *When informal review is not required.* The PHA is not required to provide the applicant an opportunity for an informal review for any of the following:

(1) Discretionary administrative determinations by the PHA.

(2) General policy issues or class grievances.

(3) A determination of the family unit size under the PHA subsidy standards.

(4) A PHA determination not to approve an extension or suspension of a voucher term.

(5) A PHA determination not to grant approval of the tenancy.

(6) A PHA determination that a unit selected by the applicant is not in compliance with HQS.

(7) A PHA determination that the unit is not in accordance with HQS because of the family size or composition.

(d) *Restrictions on assistance for noncitizens.* The informal hearing provisions for the denial of assistance on the basis of ineligible immigration status are contained in 24 CFR part 5.

HCAAC Policy on Informal Reviews

If the program applicant is denied assistance by the standards set forth in the HCAAC Administrative Plan and believes that the agency made an inaccurate determination or did not follow its policies or HUD rules in making its decision, they may request an informal review. Requests for an Informal Review must be made within 10 business days of HCAAC giving notice of a written denial of assistance/eligibility letter. Requests can be made either orally or in writing, and the agency will schedule the review on the next date available of the hearing officer. Applicants may request a later date for their review if they require more time to prepare, require the assistance of legal counsel or require special assistance or a reasonable accommodation. HCAAC has discretion to deny a postponement.

The Process

A hearing officer presides over the informal review. This person assigned as the Hearing Officer is impartial and has no prior knowledge of the applicant record being presented. The Hearing is informal, and follows a prescribed format that first allows the Housing Commission to present the reason, evidence and/or testimony for denial of assistance. Thereafter, the program applicant (or designee/counsel) is allowed to present their counter argument, reason, evidence and testimony (which may also include witnesses) to allow the Hearing Officer to make a qualified determination on the provision of assistance.

Before the informal review, applicants must be given the opportunity to review any relevant file/determination documents. Applicants may request a copy of any of these documents and the agency will strive to provide them complimentary, within reason. Any person, including a lawyer, may represent the applicant at applicant's expense. Any request to review the documents must be made in a timely manner in advance of the hearing. Documents will also be available for review at the hearing, but the hearing will not be continued or unreasonably delayed to allow review if the request is not made in advance of the hearing.

Both parties must appear at the scheduled review. If either does not, the hearing officer has two choices: decide that the absent party has given up the right to a review, or postpone the review if reasonable, extenuating circumstance preventing one of the parties from attending.

The hearing officer regulates the process. If any participant, including any witness, is abusive, threatening, or excessively disrespectful, the hearing officer has discretion to continue the review for another time, exclude the offending person from the review, or take such other reasonable action as to allow the review to continue forward without interruption. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings. The Hearing officer has discretion to allow the parties to speak out of turn and allow rebuttal and sur-rebuttal as the situation requires

After the Review

The officer will consider all evidence introduced at the review. He or she will render a decision in writing to the applicant within 10 business days of the date of the review meeting. The notice will include a determination of the officer's reasons, the facts relied upon and a resolution of all material disputes of fact.

The Agency/Hearing Officer will exercise consideration of circumstances in accordance with 24 CFR 982.552 (c) (2):

Consideration of circumstances. In determining whether to deny assistance because of action or failure to act by members of the family:

(i) The agency may consider all relevant circumstances such as the seriousness of the case, the extent of participation or culpability of individual family members, mitigating circumstances related to the disability of a family member, and the effects of denial of assistance on other family members who were not involved in the action or failure.

(ii) *(Not applicable to admissions).*

(iii) In determining whether to deny admission for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the PHA consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully (42 U.S.C. 13661). For this purpose, the PHA may require the applicant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

(iv) If the family includes a person with disabilities, the PHA decision concerning such action is subject to consideration of reasonable accommodation in accordance with part 8 of this title.

(v) *Nondiscrimination limitation and protection for victims of domestic violence, dating violence, or stalking.* The agency's admission actions must be consistent with fair housing and equal opportunity provisions of §5.105 of this title, and with the requirements of 24 CFR part 5, subpart L, protection for victims of domestic violence, dating violence, or stalking.

HCAAC is not bound by a hearing officer's decision:

(1) Concerning a matter for which HCAAC is not required to provide an opportunity for an informal review under this section, or that otherwise exceeds the authority of the hearing officer under the review procedures.

(2) Contrary to HUD regulations or requirements, or otherwise contrary to federal, State, or local law.

(3) If HCAAC determines that it is not bound by the decision reached after the review, HCAAC must promptly notify the family of the determination, and of the reasons for the determination.

HCAAC is not bound by a hearing officer's decision:

(1) Concerning a matter for which HCAAC is not required to provide an opportunity for an informal review under this section, or that otherwise exceeds the authority of the hearing officer under the review procedures.

(2) That is contrary to HUD regulations or requirements, or otherwise contrary to federal, State, or local law.

(3) If HCAAC determines that it is not bound by the decision reached after the review, HCAAC must promptly notify the family of the determination, and of the reasons for the determination.

Review Exceptions (When an Informal Review is Not Required)

The agency does not have to provide an informal hearing to review any of the following:

(1) Discretionary administrative determinations by HCAAC.

(2) General policy issues or class grievances.

(3) A determination of the family unit size under HCAAC subsidy standards

(4) an HCAAC determination not to approve an extension or suspension of a voucher term.

(5) an HCAAC determination not to grant approval of the tenancy.

(6) an HCAAC determination that a unit selected is not in compliance with HQS.

(7) An HCAAC determination that the unit is not in accordance with HQS because of the family size or composition

Informal Hearing Federal Requirements

Pursuant to 24 CFR 982.555:

§982.555 Informal hearing for participant.

(a) *When hearing is required* (1) a PHA must give a participant family an opportunity for an informal hearing to consider whether the following PHA decisions relating to the individual circumstances of a participant family are in accordance with the law, HUD regulations and PHA policies:

(i) A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment.

(ii) A determination of the appropriate utility allowance (if any) for tenant-paid utilities from the PHA utility allowance schedule.

(iii) A determination of the family unit size under the PHA subsidy standards.

(iv) A determination that a certificate program family is residing in a unit with a larger number of bedrooms than appropriate for the family unit size under the PHA subsidy standards, or the PHA determination to deny the family's request for an exception from the standards.

(v) A determination to terminate assistance for a participant's family because of the family's action or failure to act (see §982.552).

(vi) A determination to terminate assistance because the participant family has been absent from the assisted unit for longer than the maximum period permitted under PHA policy and HUD rules.

(2) In the cases described in paragraphs (a)(1) (iv), (v) and (vi) of this section, the PHA must give the opportunity for an informal hearing before the PHA terminates housing assistance payments for the family under an outstanding HAP contract.

(b) *When hearing is not required.* The PHA is not required to provide a participant family an opportunity for an informal hearing for any of the following:

(1) Discretionary administrative determinations by the PHA.

(2) General policy issues or class grievances.

(3) Establishment of the PHA schedule of utility allowances for families in the program.

(4) a PHA determination not to approve an extension or suspension of a voucher term.

(5) a PHA determination not to approve a unit or tenancy.

(6) a PHA determination that an assisted unit is not in compliance with HQS. (However, the PHA must provide the opportunity for an informal hearing for a decision to terminate assistance for a breach of the HQS caused by the family as described in §982.551(c).)

(7) a PHA determination that the unit is not in accordance with HQS because of the family size.

(8) A determination by the PHA to exercise or not to exercise any right or remedy against the owner under a HAP contract.

(c) *Notice to family.* (1) In the cases described in paragraphs (a)(1) (i), (ii) and (iii) of this section, the PHA must notify the family that the family may ask for an explanation of the basis of the PHA determination, and that if the family does not agree with the determination, the family may request an informal hearing on the decision.

(2) In the cases described in paragraphs (a)(1) (iv), (v) and (vi) of this section, the PHA must give the family prompt written notice that the family may request a hearing. The notice must:

(i) Contain a brief statement of reasons for the decision,

(ii) State that if the family does not agree with the decision, the family may request an informal hearing on the decision, and

(iii) State the deadline for the family to request an informal hearing.

(d) *Expeditious hearing process.* Where a hearing for a participant's family is required under this section, the PHA must proceed with the hearing in a reasonably expeditious manner upon the request of the family.

(e) *Hearing procedures—* (1) *Administrative plan.* The administrative plan must state the PHA procedures for conducting informal hearings for participants.

(2) *Discovery—*(i) *By family.* The family must be given the opportunity to examine before the PHA hearing any PHA documents that are directly relevant to the hearing. The family must be allowed to copy any such document at the family's expense. If the PHA does not make the document available for examination on request of the family, the PHA may not rely on the document at the hearing.

(ii) *By PHA.* The PHA hearing procedures may provide that the PHA must be given the opportunity to examine at PHA offices before the PHA hearing any family documents that are directly relevant to the hearing. The PHA must be allowed to copy any such document at the PHA's expense. If the family does not make the document available for examination on request of the PHA, the family may not rely on the document at the hearing.

(iii) *Documents.* The term "documents" includes records and regulations.

(3) *Representation of family.* At its own expense, the family may be represented by a lawyer or other representative.

(4) *Hearing officer: Appointment and authority.* (i) The hearing may be conducted by any person or persons designated by the PHA, other than a person who made or approved the decision under review or a subordinate of this person.

(ii) The person who conducts the hearing may regulate the conduct of the hearing in accordance with the PHA hearing procedures.

(5) *Evidence.* The PHA and the family must be given the opportunity to present evidence, including but not limited to bringing witnesses, and may question any witness. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

(6) *Issuance of decision.* The person who conducts the hearing must issue a written decision, stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the family shall be based on a preponderance of the evidence presented at the hearing. A copy of the hearing decision shall be furnished promptly to the family.

(f) *Effect of decision.* The PHA is not bound by a hearing decision:

(1) Concerning a matter for which the PHA is not required to provide an opportunity for an informal hearing under this section, or that otherwise exceeds the authority of the person conducting the hearing under the PHA hearing procedures.

(2) That is contrary to HUD regulations or requirements, or otherwise contrary to federal, State, or local law.

(3) If the PHA determines that it is not bound by a hearing decision, the PHA must promptly notify the family of the determination, and of the reasons for the determination.

(g) *Restrictions on assistance to noncitizens.* The informal hearing provisions for the denial of assistance on the basis of ineligible immigration status are contained in 24 CFR part 5.

HCAAC Policy on Informal Hearings

Program recipients must follow the terms and conditions of the Housing Choice Voucher issued by the Housing Commission. Should the agency make the determination that a recipient has failed to meet the conditions of the voucher requirements or violated the federal program rules, program assistance may be terminated in accordance with 24 CFR 982.555 aforementioned.

If the program recipient believes that the agency made an inaccurate determination or did not follow its policies or HUD rules in making its decision, they may request an informal hearing. Requests for Informal Hearings must be made within 10 business days of HCAAC giving notice of a written termination (or benefit modification/determination) letter. Requests can be made either orally or in writing. For convenience the agency will include a Request for Hearing Form in the letter.

The Process

A hearing officer presides over the informal hearing. This person assigned as the Hearing Officer is impartial and has no prior knowledge of the case being presented. The Hearing is informal, and follows a prescribed format that first allows the Housing Commission to present the reason, evidence and/or testimony for termination/modification of assistance (which may include witnesses). Thereafter, the program recipient (or designee/counsel) is allowed to present their counter argument, reason, evidence and testimony (which may also include witnesses) to allow the Hearing Officer to make a qualified determination as to continuation, modification or termination of future assistance. The Hearing officer has discretion to allow the parties to speak out of turn and allow rebuttal and sur-rebuttal as the situation requires.

Before the hearing, recipients must be given the opportunity to review any relevant file/determination documents. Recipients may request a copy of any of these documents and the agency will strive to provide them complimentary, within reason. Any person, including a lawyer, may represent the recipient at the recipient's expense. Any request to review the documents must be made in a timely manner in advance of the hearing. Documents will also be available for review at the hearing, but the hearing will not be continued or unreasonably delayed to allow review if the request is not made in advance of the hearing

Both parties must appear at the scheduled hearing. If either does not, the hearing officer has two choices: decide that the absent party has given up the right to a hearing, or postpone the hearing if reasonable, extenuating circumstances prevented one of the parties from attending. HCAAC has discretion to deny a postponement.

The hearing officer regulates the process. If any participant, including any witness, is abusive, threatening, or excessively disrespectful, the hearing officer has discretion to continue the hearing for another time, exclude the offending person from the review, or take such other reasonable action as to allow the review to continue forward without interruption. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings. The Hearing officer has

discretion to allow the parties to speak out of turn and allow rebuttal and sur-rebuttal as the situation requires

After the Hearing

The officer will consider all evidence shown at the hearing. He or she will render a decision in writing within 10 business days of the hearing. The notice will include a determination of the officer's reasons. The Agency/Hearing Officer will exercise consideration of circumstances in accordance with 24 CFR 982.552 (c) (2):

Consideration of circumstances. In determining whether to deny or terminate assistance because of action or failure to act by members of the family:

(i) The agency may consider all relevant circumstances such as the seriousness of the case, the extent of participation or culpability of individual family members, mitigating circumstances related to the disability of a family member, and the effects of termination of assistance on other family members who were not involved in the action or failure.

(ii) The agency may impose, as a condition of continued assistance for other family members, a requirement that other family members who participated in or were culpable for the action or failure will not reside in the unit. The PHA may permit the other members of a participant family to continue receiving assistance.

(iii) In determining whether to terminate assistance for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the agency consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully (42 U.S.C. 13661). For this purpose, the agency may require the applicant or tenant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

(iv) If the family includes a person with disabilities, the agency decision concerning such action is subject to consideration of reasonable accommodation in accordance with part 8 of this title.

(v) *Nondiscrimination limitation and protection for victims of domestic violence, dating violence, or stalking.* The agency's termination actions must be consistent with fair housing and equal opportunity provisions of §5.105 of this title, and with the requirements of 24 CFR part 5, subpart L, protection for victims of domestic violence, dating violence, or stalking

HCAAC is not bound by a hearing officer's decision:

(1) Concerning a matter for which HCAAC is not required to provide an opportunity for an informal hearing under this section, or that otherwise exceeds the authority of the hearing officer under the hearing procedures.

(2) That is contrary to HUD regulations or requirements, or otherwise contrary to federal, State, or local law.

(3) If HCAAC determines that it is not bound by a hearing decision, HCAAC must promptly notify the family of the determination, and of the reasons for the determination.

Hearing Exceptions

The agency does not have to provide an informal hearing to review any of the following:

- (1) Discretionary administrative determinations by HCAAC.
- (2) General policy issues or class grievances.
- (3) Establishment of HCAAC's schedule of utility allowances for families in the program.
- (4) an HCAAC determination not to approve an extension or suspension of a voucher term.
- (5) an HCAAC determination not to approve a unit or tenancy.
- (6) an HCAAC determination that an assisted unit is not in compliance with HQS. (However, the agency must provide the opportunity for an informal hearing for a decision to terminate assistance for a breach of the HQS caused by the family as described in §982.551(c).)
- (7) an HCAAC determination that the unit is not in accordance with HQS because of the family size.
- (8) A determination by HCAAC to exercise or not to exercise any right or remedy against the owner under a HAP contract.

**RENTAL ASSISTANCE DEMONSTRATION
INFORMAL HEARING POLICY
(Housing Commission of Anne Arundel County)**

A. Termination Notification. HUD is incorporating additional termination notification requirements to comply with section 6 of the Act for public housing projects that convert assistance under RAD. In addition to the regulations at 24 CFR § 983.257, related to owner termination of tenancy and eviction, as modified by the waiver in Section 1.6(C)(3) above, the termination procedure for RAD conversions to PBV will require that PHAs provide adequate written notice of termination of the lease which shall not be less than:

- i. A reasonable period of time, but not to exceed 30 days:
 - If the health or safety of other tenants, PHA employees, or persons residing in the immediate vicinity of the premises is threatened; or
 - In the event of any drug-related or violent criminal activity or any felony conviction;
- ii. 14 days in the case of nonpayment of rent; and
- iii. 30 days in any other case, except that if a State or local law provides for a shorter period of time, such shorter period shall apply.

B. Grievance Process. HUD is incorporating additional procedural rights to comply with the requirements of section 6 of the Act.

For issues related to tenancy and termination of assistance, PBV program rules require the PHA to provide an opportunity for an informal hearing, as outlined in 24 CFR § 982.555. RAD will waive 24 CFR § 982.555(b) in part, which outlines when informal hearings are not required, and require that:

- i. In addition to reasons that require an opportunity for an informal hearing given in 24 CFR § 982.555(a)(1)(i)-(vi),¹ an opportunity for an informal hearing must be given to residents for any dispute that a resident may have with respect to a PHA (as owner) action in accordance with the individual's lease or the contract administrator in accordance with RAD PBV requirements that adversely affect the resident's rights, obligations, welfare, or status.
 - For any hearing required under 24 CFR § 982.555(a)(1)(i)-(vi), the contract administrator will perform the hearing, as is the current standard in the program.
 - For any additional hearings required under RAD, the PHA (as owner) will perform the hearing.
- ii. An informal hearing will not be required for class grievances or to disputes between residents not involving the PHA (as owner) or contract administrator. This hearing requirement shall not apply to and is not intended as a forum for initiating or

negotiating policy changes between a group or groups of residents and the PHA (as owner) or contract administrator.

iii. The PHA (as owner) give residents notice of their ability to request an informal hearing as outlined in 24 CFR § 982.555(c)(1) for informal hearings that will address circumstances that fall outside of the scope of 24 CFR § 982.555(a)(1)(i)-(vi).

iv. The PHA (as owner) provide opportunity for an informal hearing before an eviction.

ADDENDA TO THE HOUSING CHOICE VOUCHER ADMINISTRATIVE PLAN

EFFECTIVE JULY 1, 2017

VIOLENCE AGAINST WOMEN ACT (VAWA) POLICY

It is the policy of the Housing Commission of Anne Arundel County (PHA) to provide decent, safe, and secure dwelling units for the tenants and their families in all PHA communities.

The following provisions are applicable to situations involving incidents involving actual or threatened domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation, as those terms are defined in Section 6(u)(3) of the United States Housing Act of 1937, as amended, (42 U.S.C. §1437d(u)(3)) and in HCAAC's Violence Against Women Act (VAWA) Policy, and which must be applied consistent with all nondiscrimination and fair housing requirements. To the extent any provision of this section shall vary from or contradict any other provision of this lease, the provisions of this section shall prevail.

A. Termination of tenancy.

1. An incident or incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking shall not constitute a serious or repeated violation of the lease by the victim of such violence; and
2. Criminal activity directly relating to domestic violence, dating violence, sexual assault or stalking, engaged in by a member of the tenant's household, a guest, or other person under the tenant's control, shall not be cause for termination of tenancy or occupancy rights, if the Tenant or any member of the Tenant's family is a victim of that domestic violence, dating violence, or stalking.
3. Notwithstanding anything to the contrary contained in paragraphs A.1. and A.2. above, HCAAC may terminate Tenant's tenancy under this lease if it can demonstrate an actual and imminent threat to other tenants or to those employed at or providing service to the development in which the unit is located, if the tenant's tenancy is not terminated.

Further, nothing in this section shall prohibit HCAAC from terminating tenancy under this lease based on a violation of this lease not premised on an act or acts of domestic violence, dating violence, sexual assault or stalking against the tenant, a member of the tenant's household, survivors of sexual assault, and intimate partner, affiliated individual, which includes any person living with the survivor and related to him or her by blood or marriage including the survivor's spouse, parent, brother, sister, child, or any person to whom the survivor stands in loco parentis for which protection against termination of tenancy

is given in paragraphs A.1. and A.2. above. However, in taking any such action to terminate tenancy, HCAAC shall not apply a more demanding standard to you than to other tenants.

- B. Bifurcation of Lease.** Under the authority provided in Section 6(l)(6)(B) of the United States Housing Act of 1937, as amended (42 U.S.C. §1437d(l)(6)(B)), HCAAC may bifurcate this lease in order to evict, remove, or terminate assistance to any individual who is a Tenant or a lawful occupant under this lease and who engages in criminal acts of physical violence against family members or others. HCAAC may take such action without evicting, removing, terminating assistance to, or otherwise penalizing a victim of such violence who is the Tenant or a lawful occupant under this lease.
- C. Certification.** If the Tenant or a lawful occupant, as a defense to termination of tenancy or an action to evict, claims protection under this section against such action, HCAAC may (but is not required to) request the individual to deliver to HCAAC a certification. The certification may be delivered in one of the following forms:
1. A HUD-approved form attesting that the individual is a victim of domestic violence, dating violence, or stalking and that the incident or incidents in question are bona fide incidents of such actual or threatened abuse and meet the requirements of this section, or
 2. Documentation signed by an employee, agent or volunteer of a victim service provider, an attorney, or a medical professional, from whom the victim has sought assistance in addressing domestic violence, dating violence, or stalking or the effects of the abuse, in which the professional attests under penalty of perjury to the professional's belief that the incident or incidents in question are bona fide incidents of abuse, and the victim has signed or attested to the documentation, or
 3. A federal, State, tribal, or local police report or court record, describing the incident or incidents in question.

The certification must be delivered to HCAAC within 10 days after the request for certification is received from HCAAC. If the certification is not delivered within the 10-day period allowed, the provisions of this section will not apply and HCAAC may elect to terminate tenancy and evict without regard to the protections provided in this section.

- D. Confidentiality.** The law requires that information provided to HCAAC concerning an incident or incidents of domestic violence, dating violence, or stalking be retained in confidence, not placed in any shared data base nor provided to a related entity, except to the extent disclosure requested or consented to by the individual supplying such information, or required for use in an eviction proceeding, or otherwise required by applicable law.

E. Notification. The law requires that all existing tenants, as well as new tenants, of all HUD-covered programs receive notification of their rights under VAWA and HUD's VAWA regulations.

1. Notice of Occupancy Rights Under the Violence Against Women Act Form HUD-5380
2. Certification of Domestic Violence, Dating Violence Sexual Assault, or Stalking and Alternate Documentation Form HUD-5382
3. Lease Addendum Violence Against Women and Justice Department Reauthorization Act of 2005 Form HUD-91067

F. Conflicting Evidence. In cases of conflicting evidence, tenants and applicants who may need to submit third-party documentation to document occurrence of a VAWA crime have 30 calendar days to submit the third-party documentation. (See § 5.2007(b)(2).)

G. Emergency Transfer Plan. This plan identifies tenants who are eligible for an emergency transfer, the documentation needed to request an emergency transfer, confidentiality protections, how an emergency transfer may occur, and guidance to tenants on safety and security. This plan is based on a model emergency transfer plan published by the U.S. Department of Housing and Urban Development (HUD), the Federal agency that oversees that the Housing Commission of Anne Arundel County is in compliance with VAWA.

Eligibility for Emergency Transfers

A tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking, as provided in HUD's regulations at 24 CFR part 5, subpart L is eligible for an emergency transfer, if: the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit. If the tenant is a victim of sexual assault, the tenant may also be eligible to transfer if the sexual assault occurred on the premises within the 90-calendar-day period preceding a request for an emergency transfer.

A tenant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan.

Tenants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section.

Emergency Transfer Request Documentation

To request an emergency transfer, the tenant shall notify the on-site management office and submit a written request for a transfer to the on-site management office. The PHA may request certain documentation from the tenant(s) seeking emergency transfers under VAWA. The PHA

will provide reasonable accommodations to this policy for individuals with disabilities. The tenant's written request for an emergency transfer should include either:

1. A statement expressing that the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted under The PHA's program; OR
2. A statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the tenant's request for an emergency transfer.

Emergency Transfer Timing and Availability

The PHA cannot guarantee that a transfer request will be approved or how long it will take to process a transfer request. The PHA will, however, act as quickly as possible to move a tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking to another unit, subject to availability and safety of a unit. If a tenant reasonably believes a proposed transfer would not be safe, the tenant may request a transfer to a different unit. If a unit is available, the transferred tenant must agree to abide by the terms and conditions that govern occupancy in the unit to which the tenant has been transferred. The PHA may be unable to transfer a tenant to a particular unit if the tenant has not or cannot establish eligibility for that unit.

If the PHA has no safe and available units for which a tenant who needs an emergency is eligible, the PHA will assist the tenant in identifying other housing providers who may have safe and available units to which the tenant could move. At the tenant's request, THE PHA will also assist tenants in contacting the local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking that are attached to this plan.

Safety and Security of Tenants

Pending processing of the transfer and the actual transfer, if it is approved and occurs, the tenant is urged to take all reasonable precautions to be safe.

Tenants who are or have been victims of domestic violence are encouraged to contact the National Domestic Violence Hotline at 1-800-799-7233, or a local domestic violence shelter, for assistance in creating a safety plan. For persons with hearing impairments, that hotline can be accessed by calling 1-800-787-3224 (TTY).

Tenants who have been victims of sexual assault may call the Rape, Abuse & Incest National Network's National Sexual Assault Hotline at 800-656-HOPE, or visit the online hotline at <https://ohl.rainn.org/online/>.

Tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at <https://www.victimsofcrime.org/our-programs/stalking-resource-center>.

GRIEVANCE PROCEDURES RENTAL ASSISTANCE DEMONSTRATION (RAD) SITES

I. DEFINITION APPLICABLE TO THE GRIEVANCE PROCEDURE

- A. **GRIEVANCE:** Any dispute which a Tenant may have with respect to a Commission action or failure to act in accordance with the individual Tenant's lease or Commission regulations which adversely affects the individual Tenant's rights, duties, welfare, or status.
- B. **COMPLAINANT:** Any Tenant (as defined below) whose grievance is presented to the Commission (at the central office or the development office) in accordance with the requirements presented in this procedure.
- C. **ELEMENTS OF DUE PROCESS:** An eviction action or a termination of tenancy in a State or local court in which the following procedural safeguards are required:
1. Adequate notice to the Tenant of the grounds for terminating the tenancy and for eviction;
 2. Right of the Tenant to be represented by counsel;
 3. Opportunity for the tenant to refute the evidence presented by the Commission, including the right to confront and cross examine witnesses and to present any affirmative legal or equitable defense which the Tenant may have;
 4. A decision of the merits.
- D. **HEARING OFFICER:** A person selected in accordance with 24 CFR § 983.257 and this procedure to hear grievances and render a decision with respect thereto.
- E. **TENANT:** The adult person (or persons) (other than a Live-in aide): (1) Who resides in the unit, and who executed the lease with the Commission as lessee of the dwelling unit, or, if no such person now resides in the unit, (2) Who resides in the unit, and who is the remaining head of the household of the Tenant family residing in the dwelling unit.

II. APPLICABILITY OF THIS GRIEVANCE PROCEDURE

- A. **Termination Notification** - HUD is incorporating additional termination notification requirements to comply with section 6 of the Act for public housing projects that convert assistance under RAD. In addition to the regulations at 24 CFR § 983.257, related to owner termination of tenancy and eviction, as modified by the waiver in Section 1.6(C)(3) above, the termination procedure for RAD conversions to PBV will require that PHAs provide adequate written notice of termination of the lease which shall not be less than:
- i. A reasonable period of time, but not to exceed 30 days:
 - If the health or safety of other tenants, PHA employees, or persons residing in the immediate vicinity of the premises is threatened; or

- In the event of any drug-related or violent criminal activity or any felony conviction;
 - ii. 14 days in the case of nonpayment of rent; and
 - iii. 30 days in any other case, except that if a State or local law provides for a shorter period of time, such shorter period shall apply.
- B. Grievance Process.** - HUD is incorporating additional procedural rights to comply with the requirements of section 6 of the Act.

For issues related to tenancy and termination of assistance, PBV program rules require the PHA to provide an opportunity for an informal hearing, as outlined in 24 CFR § 982.555. RAD will waive 24 CFR § 982.555(b) in part, which outlines when informal hearings are not required, and require that:

- i. In addition to reasons that require an opportunity for an informal hearing given in 24 CFR § 982.555(a)(1)(i)-(vi),¹ an opportunity for an informal hearing must be given to residents for any dispute that a resident may have with respect to a PHA (as owner) action in accordance with the individual's lease or the contract administrator in accordance with RAD PBV requirements that adversely affect the resident's rights, obligations, welfare, or status. § 982.555(a)(1)(iv) is not relevant to RAD as the tenant-based certificate has been repealed.
 - For any hearing required under 24 CFR § 982.555(a)(1)(i)-(vi), the contract administrator will perform the hearing, as is the current standard in the program.
 - For any additional hearings required under RAD, the PHA (as owner) will perform the hearing.
- ii. An informal hearing will not be required for class grievances or to disputes between residents not involving the PHA (as owner) or contract administrator. This hearing requirement shall not apply to and is not intended as a forum for initiating or negotiating policy changes between a group or groups of residents and the PHA (as owner) or contract administrator.
- iii. The PHA (as owner) give residents notice of their ability to request an informal hearing as outlined in 24 CFR § 982.555(c)(1) for informal hearings that will address circumstances that fall outside of the scope of 24 CFR § 982.555(a)(1)(i)-(vi).

- iv. The PHA (as owner) provide opportunity for an informal hearing before an eviction.

III. SCHEDULING HEARINGS

When a complainant submits a timely request for a hearing, the PHA will schedule the hearing within the following ten (10) business days on one of the dates and times indicated by the complainant.

Once the hearing officer has agreed upon the hearing date and time, the complainant, and the manager of the development in which the complainant resides, shall be notified in writing. Notice to the complainant shall be in writing, either personally delivered to complainant or sent by mail, return receipt requested. One postponement may be granted for good cause and if proper notice was followed.

The written notice will specify the time, place, and procedures governing the hearing.

IV. THE PROCESS

A hearing officer presides over the informal hearing. This person assigned as the Hearing Officer is impartial and has no prior knowledge of the case being presented. The Hearing is informal, and follows a prescribed format that first allows the Housing Commission to present the reason, evidence and/or testimony for termination/modification of assistance (which may include witnesses). Thereafter, the program recipient (or designee/counsel) is allowed to present their counter argument, reason, evidence and testimony (which may also include witnesses) to allow the Hearing Officer to make a qualified determination as to continuation, modification or termination of future assistance. The Hearing officer has discretion to allow the parties to speak out of turn and allow rebuttal and sur-rebuttal as the situation requires.

Before the hearing, recipients must be given the opportunity to review any relevant file/determination documents. Recipients may request a copy of any of these documents and the agency will strive to provide them complimentary, within reason. Any person, including a lawyer, may represent the recipient at the recipient's expense. Any request to review the documents must be made in a timely manner in advance of the hearing. Documents will also be available for review at the hearing, but the hearing will not be continued or unreasonably delayed to allow review if the request is not made in advance of the hearing.

Both parties must appear at the scheduled hearing. If either does not, the hearing officer has two choices: decide that the absent party has given up the right to a hearing, or postpone the hearing if reasonable, extenuating circumstances preventing one of the parties from attending. HCAAC has discretion to deny a postponement.

The hearing officer regulates the process. If any participant, including any witness, is abusive, threatening, or excessively disrespectful, the hearing officer has discretion to continue the hearing for another time, exclude the offending person from the review, or take such other reasonable action as to allow the review to continue forward without interruption. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings. The Hearing officer has discretion to allow the parties to speak out of turn and allow rebuttal and sur-rebuttal as the situation requires.

V. AFTER THE HEARING

The officer will consider all evidence shown at the hearing. He or she will render a decision in writing within 10 business days of the hearing. The notice will include a determination of the officer's reasons.

The Agency/Hearing Officer will exercise consideration of circumstances in accordance with 24 CFR 982.552 (c) (2):

Consideration of circumstances. In determining whether to deny or terminate assistance because of action or failure to act by members of the family:

- (i) The agency may consider all relevant circumstances such as the seriousness of the case, the extent of participation or culpability of individual family members, mitigating circumstances related to the disability of a family member, and the effects of termination of assistance on other family members who were not involved in the action or failure.
- (ii) The agency may impose, as a condition of continued assistance for other family members, a requirement that other family members who participated in or were culpable for the action or failure will not reside in the unit. The PHA may permit the other members of a participant family to continue receiving assistance.
- (iii) In determining whether to terminate assistance for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the agency consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully (42 U.S.C. 13661). For this purpose, the agency may require the applicant or tenant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.
- (iv) If the family includes a person with disabilities, the agency decision concerning such action is subject to consideration of reasonable accommodation in accordance with part 8 of this title.
- (v) *Nondiscrimination limitation and protection for victims of domestic violence, dating violence, or stalking.* The agency's termination actions must be consistent with fair housing and equal opportunity provisions of §5.105 of this title, and with the requirements of 24 CFR part 5, subpart L, protection for victims of domestic violence, dating violence, or stalking.

HCAAC is not bound by a hearing officer's decision:

- (1) Concerning a matter for which HCAAC is not required to provide an opportunity for an informal hearing under this section, or that otherwise exceeds the authority of the hearing officer under the hearing procedures.
- (2) That is contrary to HUD regulations or requirements, or otherwise contrary to federal, State, or local law.
- (3) If HCAAC determines that it is not bound by a hearing decision, HCAAC must promptly notify the family of the determination, and of the reasons for the determination.

VI. HEARING EXCEPTIONS

The agency does not have to provide an informal hearing to review any of the following:

- (1) Discretionary administrative determinations by HCAAC.
- (2) General policy issues or class grievances.
- (3) Establishment of HCAAC's schedule of utility allowances for families in the program.
- (4) an HCAAC determination not to approve an extension or suspension of a voucher term.
- (5) an HCAAC determination not to approve a unit or tenancy.
- (6) an HCAAC determination that an assisted unit is not in compliance with HQS. (However, the agency must provide the opportunity for an informal hearing for a decision to terminate assistance for a breach of the HQS caused by the family as described in §982.551(c).)
- (7) an HCAAC determination that the unit is not in accordance with HQS because of the family size.
- (8) A determination by HCAAC to exercise or not to exercise any right or remedy against the owner under a HAP contract.

GRIEVANCE PROCEDURES

PROJECT-BASED VOUCHER (PBV) AND TENANT-BASED VOUCHER (TBV) SITES

I. DEFINITION APPLICABLE TO THE GRIEVANCE PROCEDURE

- A. **GRIEVANCE:** Any dispute which a Tenant may have with respect to a Commission action or failure to act in accordance with the individual Tenant's lease or Commission regulations which adversely affects the individual Tenant's rights, duties, welfare, or status.
- B. **COMPLAINANT:** Any Tenant (as defined below) whose grievance is presented to the Commission (at the central office or the development office) in accordance with the requirements presented in this procedure.
- C. **ELEMENTS OF DUE PROCESS:** An eviction action or a termination of tenancy in a State or local court in which the following procedural safeguards are required:
1. Adequate notice to the Tenant of the grounds for terminating the tenancy and for eviction;
 2. Right of the Tenant to be represented by counsel;
 3. Opportunity for the tenant to refute the evidence presented by the Commission, including the right to confront and cross examine witnesses and to present any affirmative legal or equitable defense which the Tenant may have;
 4. A decision of the merits.
- D. **HEARING OFFICER:** A person selected in accordance with 24 CFR § 983.257 and this procedure to hear grievances and render a decision with respect thereto.
- E. **TENANT:** The adult person (or persons) (other than a Live-in aide): (1) Who resides in the unit, and who executed the lease with the Commission as lessee of the dwelling unit, or, if no such person now resides in the unit, (2) Who resides in the unit, and who is the remaining head of the household of the Tenant family residing in the dwelling unit.

II. APPLICABILITY OF THIS GRIEVANCE PROCEDURE

- (a) *When hearing is required* (1) a PHA must give a participant family an opportunity for an informal hearing to consider whether the following PHA decisions relating to the individual circumstances of a participant family are in accordance with the law, HUD regulations and PHA policies:
- (i) A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment.
 - (ii) A determination of the appropriate utility allowance (if any) for tenant-paid utilities from the PHA utility allowance schedule.

- (iii) A determination of the family unit size under the PHA subsidy standards.
 - (iv) A determination that a certificate program family is residing in a unit with a larger number of bedrooms than appropriate for the family unit size under the PHA subsidy standards, or the PHA determination to deny the family's request for an exception from the standards.
 - (v) A determination to terminate assistance for a participant's family because of the family's action or failure to act (see §982.552).
 - (vi) A determination to terminate assistance because the participant family has been absent from the assisted unit for longer than the maximum period permitted under PHA policy and HUD rules.
- (2) In the cases described in paragraphs (a)(1) (iv), (v) and (vi) of this section, the PHA must give the opportunity for an informal hearing before the PHA terminates housing assistance payments for the family under an outstanding HAP contract.
- (b) *When hearing is not required.* The PHA is not required to provide a participant family an opportunity for an informal hearing for any of the following:
- (1) Discretionary administrative determinations by the PHA.
 - (2) General policy issues or class grievances.
 - (3) Establishment of the PHA schedule of utility allowances for families in the program.
 - (4) a PHA determination not to approve an extension or suspension of a voucher term.
 - (5) a PHA determination not to approve a unit or tenancy.
 - (6) a PHA determination that an assisted unit is not in compliance with HQS. (However, the PHA must provide the opportunity for an informal hearing for a decision to terminate assistance for a breach of the HQS caused by the family as described in §982.551(c).)
 - (7) a PHA determination that the unit is not in accordance with HQS because of the family size.
 - (8) A determination by the PHA to exercise or not to exercise any right or remedy against the owner under a HAP contract.
- (c) *Notice to family.* (1) In the cases described in paragraphs (a)(1) (i), (ii) and (iii) of this section, the PHA must notify the family that the family may ask for an explanation of the basis of the PHA determination, and that if the family does not agree with the determination, the family may request an informal hearing on the decision.
- (2) In the cases described in paragraphs (a)(1) (iv), (v) and (vi) of this section, the PHA must give the family prompt written notice that the family may request a hearing. The notice must:

- (i) Contain a brief statement of reasons for the decision,
 - (ii) State that if the family does not agree with the decision, the family may request an informal hearing on the decision, and
 - (iii) State the deadline for the family to request an informal hearing.
- (d) *Expeditious hearing process.* Where a hearing for a participant's family is required under this section, the PHA must proceed with the hearing in a reasonably expeditious manner upon the request of the family.
- (e) *Hearing procedures—* (1) *Administrative plan.* The administrative plan must state the PHA procedures for conducting informal hearings for participants.
- (2) *Discovery—*(i) *By family.* The family must be given the opportunity to examine before the PHA hearing any PHA documents that are directly relevant to the hearing. The family must be allowed to copy any such document at the family's expense. If the PHA does not make the document available for examination on request of the family, the PHA may not rely on the document at the hearing.
- (ii) *By PHA.* The PHA hearing procedures may provide that the PHA must be given the opportunity to examine at PHA offices before the PHA hearing any family documents that are directly relevant to the hearing. The PHA must be allowed to copy any such document at the PHA's expense. If the family does not make the document available for examination on request of the PHA, the family may not rely on the document at the hearing.
- (iii) *Documents.* The term “documents” includes records and regulations.
- (3) *Representation of family.* At its own expense, the family may be represented by a lawyer or other representative.
- (4) *Hearing officer: Appointment and authority.* (i) The hearing may be conducted by any person or persons designated by the PHA, other than a person who made or approved the decision under review or a subordinate of this person.
- (ii) The person who conducts the hearing may regulate the conduct of the hearing in accordance with the PHA hearing procedures.
- (5) *Evidence.* The PHA and the family must be given the opportunity to present evidence, including but not limited to bringing witnesses, and may question any witness. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.
- (6) *Issuance of decision.* The person who conducts the hearing must issue a written decision, stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the family shall be based on a preponderance of the evidence presented at the hearing. A copy of the hearing decision shall be furnished promptly to the family.

(f) *Effect of decision.* The PHA is not bound by a hearing decision:

(1) Concerning a matter for which the PHA is not required to provide an opportunity for an informal hearing under this section, or that otherwise exceeds the authority of the person conducting the hearing under the PHA hearing procedures.

(2) That is contrary to HUD regulations or requirements, or otherwise contrary to federal, State, or local law.

(3) If the PHA determines that it is not bound by a hearing decision, the PHA must promptly notify the family of the determination, and of the reasons for the determination.

(g) *Restrictions on assistance to noncitizens.* The informal hearing provisions for the denial of assistance on the basis of ineligible immigration status are contained in 24 CFR part 5.

III. HCAAC POLICY ON INFORMAL HEARINGS

Program recipients must follow the terms and conditions of the Housing Choice Voucher issued by the Housing Commission. Should the agency make the determination that a recipient has failed to meet the conditions of the voucher requirements or violated the federal program rules, program assistance may be terminated in accordance with 24 CFR 982.555 aforementioned.

If the program recipient believes that the agency made an inaccurate determination or did not follow its policies or HUD rules in making its decision, they may request an informal hearing. Requests for Informal Hearings must be made within 10 business days of HCAAC giving notice of a written termination (or benefit modification/determination) letter. Requests can be made either orally or in writing. For convenience the agency will include a Request for Hearing Form in the letter.

IV. THE PROCESS

A hearing officer presides over the informal hearing. This person assigned as the Hearing Officer is impartial and has no prior knowledge of the case being presented. The Hearing is informal, and follows a prescribed format that first allows the Housing Commission to present the reason, evidence and/or testimony for termination/modification of assistance (which may include witnesses). Thereafter, the program recipient (or designee/counsel) is allowed to present their counter argument, reason, evidence and testimony (which may also include witnesses) to allow the Hearing Officer to make a qualified determination as to continuation, modification or termination of future assistance. The Hearing officer has discretion to allow the parties to speak out of turn and allow rebuttal and sur-rebuttal as the situation requires,.

Before the hearing, recipients must be given the opportunity to review any relevant file/determination documents. Recipients may request a copy of any of these documents and the agency will strive to provide them complimentary, within reason. Any person, including a lawyer, may represent the recipient at the recipient's at recipient's expense. Any request to review the documents must be made in a timely manner in advance timely in advance of the hearing. Documents will also be available for review at the hearing, but the hearing will not be continued or unreasonably delayed to allow review if the request is not made in advance of the hearing.

Both parties must appear at the scheduled hearing. If either does not, the hearing officer has two choices: decide that the absent party has given up the right to a hearing, or postpone the hearing if reasonable, extenuating circumstances preventing one of the parties from attending. HCAAC has discretion to deny a postponement.

The hearing officer regulates the process. If any participant, including any witness, is abusive, threatening, or excessively disrespectful, the hearing officer has discretion to continue the hearing for another time, exclude the offending person from the review, or take such other reasonable action as to allow the review to continue forward without interruption. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings. The Hearing officer has discretion to allow the parties to speak out of turn and allow rebuttal and sur-rebuttal as the situation requires.

V. AFTER THE HEARING

The officer will consider all evidence shown at the hearing. He or she will render a decision in writing within 10 business days of the hearing. The notice will include a determination of the officer's reasons.

The Agency/Hearing Officer will exercise consideration of circumstances in accordance with 24 CFR 982.552 (c) (2):

Consideration of circumstances. In determining whether to deny or terminate assistance because of action or failure to act by members of the family:

(i) The agency may consider all relevant circumstances such as the seriousness of the case, the extent of participation or culpability of individual family members, mitigating circumstances related to the disability of a family member, and the effects of termination of assistance on other family members who were not involved in the action or failure.

(ii) The agency may impose, as a condition of continued assistance for other family members, a requirement that other family members who participated in or were culpable for the action or failure will not reside in the unit. The PHA may permit the other members of a participant family to continue receiving assistance.

(iii) In determining whether to terminate assistance for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the agency consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully (42 U.S.C. 13661). For this purpose, the agency may require the applicant or tenant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

(iv) If the family includes a person with disabilities, the agency decision concerning such action is subject to consideration of reasonable accommodation in accordance with part 8 of this title.

(v) *Nondiscrimination limitation and protection for victims of domestic violence, dating violence, or stalking.* The agency's termination actions must be consistent with fair housing and equal

opportunity provisions of §5.105 of this title, and with the requirements of 24 CFR part 5, subpart L, protection for victims of domestic violence, dating violence, or stalking.

HCAAC is not bound by a hearing officer's decision:

- (1) Concerning a matter for which HCAAC is not required to provide an opportunity for an informal hearing under this section, or that otherwise exceeds the authority of the hearing officer under the hearing procedures.
- (2) That is contrary to HUD regulations or requirements, or otherwise contrary to federal, State, or local law.
- (3) If HCAAC determines that it is not bound by a hearing decision, HCAAC must promptly notify the family of the determination, and of the reasons for the determination.

VI. HEARING EXCEPTIONS

The agency does not have to provide an informal hearing to review any of the following:

- (1) Discretionary administrative determinations by HCAAC.
- (2) General policy issues or class grievances.
- (3) Establishment of HCAAC's schedule of utility allowances for families in the program.
- (4) an HCAAC determination not to approve an extension or suspension of a voucher term.
- (5) an HCAAC determination not to approve a unit or tenancy.
- (6) an HCAAC determination that an assisted unit is not in compliance with HQS.
(However, the agency must provide the opportunity for an informal hearing for a decision to terminate assistance for a breach of the HQS caused by the family as described in §982.551(c).)
- (7) an HCAAC determination that the unit is not in accordance with HQS because of the family size.
- (8) A determination by HCAAC to exercise or not to exercise any right or remedy against the owner under a HAP contract.

**ADDENDUM
HCV HOMEOWNERSHIP POLICY
JULY 1, 2023**

OVERVIEW

The Housing Commission of Anne Arundel County currently administers approximately 2000 housing choice voucher vouchers. Approximately 164 families participate in the Family Self-Sufficiency program and many of them have identified homeownership as their goal. The Housing Choice Voucher (HCV) Program will ensure the success of these families to complete contracted responsibilities and graduate to homeownership. The HCV Homeownership Plan, including stakeholders and respective roles, is outlined in this document.

STAKEHOLDERS AND ROLES

This section identifies the stakeholders in the HCAAC HCV Homeownership Program and the role each will play in the implementation of the program. The stakeholders have met and identified the role each will assume in the program.

Housing Commission of Anne Arundel County (HCAAC)

The Housing Commission of Anne Arundel County was chartered in 1968 and began its first development in 1970 in Glen Burnie, Maryland. Since that time, the HCAAC has completed development of 10 rental communities servicing over 1198 families. The HCAAC employs over 65 staff persons to provide management of each community and to supervise all related services.

HCAAC Role

As primary administrator for the program, the Housing Commission of Anne Arundel County will coordinate many facets of the program:

1. Administer the waiting list and preferences
2. Determine Program eligibility

3. Conduct briefings
4. Determine program size
5. Market and publicize with assistance from Fannie Mae.
6. Coordinate Stakeholder meetings and maintain communication with all partners
7. Reports to HUD, Board of Commissioners, Stakeholders, public etc.

Fannie Mae

Fannie Mae is committed to working with Public Housing Agencies to finance homeownership for households participating in the HCV Homeownership Program. Through five regional and 49 partnership offices, Fannie Mae will partner with PHAs, lenders, and community groups to support efforts to bring the benefits of homeownership to borrowers, who are participating in the HCV Program. Fannie Mae has agreed to the following:

1. Identify Lenders who can work with nonprofit housing counselors to provide additional delinquency counseling. Participating lenders will be provided with Fannie Mae's servicing requirements.
2. Public Relations and media coverage
3. Underwriting guidelines
4. Identify funding for program to include in-kind services and support.
5. Work with partners to educate program participants and all stakeholders of known predatory lending practices and how to avoid them.
6. Provide educational brochures and pamphlets on products and homeownership topics.

Lenders

HCAAC has identified the following lenders, who have knowledge and have worked within the HCV Homeownership Program.

1. Home Side Mortgage
2. M & T Bank
3. Wells Fargo Home Mortgage

Realtors

HCAAC has identified realtors located in Anne Arundel County with extensive knowledge of the local real estate market. The realtors have agreed to assist with program implementation as follows:

1. Serve as Client mentors
2. Identify available properties
3. Act as settlement company

Anne Arundel Community Development Services (ACDS)

The ACDS has agreed to provide the following services:

1. Housing Counseling
2. Contacts with various other stakeholders
3. Mentoring
4. Purchase/Identify locations
5. Provide Housing Counseling classes for stakeholders/HCAAC staff

The homeownership Counseling Program to be provided for prospective homebuyers is comprehensive and includes individual sessions, at home assignments, and group sessions. Three two-hour sessions are designed to gather client information including income and assets, understand affordability via monthly budget, and development of individual plan. These sessions will also include discussion of home assignments, ranging from review of spending habits to contacting creditors.

Two three-hour group include discussion of home inspection and maintenance, finding and selecting the home for purchase, establishing a basis for the offer, the sales contract, and the mortgage process. ACDS will also provide a post-closing homeownership counseling session approximately four months after settlement.

Anne Arundel County Mental Health Agency

The Anne Arundel County Mental Health Agency, Inc., is the Core Service Agency for the County. The CSA is a not for profit organization enabled by state law and created by County Ordinance to plan, finance, coordinate, and monitor a system of mental health services funded with public funds. The CSA has agreed to the following:

1. Identify potential candidates

2. Provide some supportive services funding
3. Case Management Services

The ARC of Anne Arundel County

The ARC sponsors the Opening Doors project designed to provide educational workshops to assist individuals in “understanding renting or homeownership processes, goal-setting, decision-making and the development and execution of an action plan” towards making independent living in the community a reality. Representatives from the Opening Doors Project have agreed to the following;

1. Identify Clients
2. Service Coordination

Supported Housing Developers, Inc.

Supported Housing Developers, Inc. (SHD) is a non-profit property owner that provides quality, affordable housing for persons with severe mental illness in Anne Arundel County. SHD also provides assistance in selecting housing and acquiring supportive services. SHD has agreed to the following:

1. Identify program participants
2. Provide supportive services

Qualifications for Participation

HCV program participants who has been issued a Housing Choice Voucher may utilize his or her subsidy to purchase rather than rent a home, subject to the following requirements:

1. A family must meet the general requirements for ~~admission to or~~ continued participation in the HCAAC HCV tenant-based Program. Additionally, the family must lease up for a minimum of 1 year in Anne Arundel County under the HCAAC HCV Program.
2. Current Program participants must be in full compliance with their lease, HCV Program requirements, and must terminate their current lease arrangement in compliance with the lease.
3. A head of household or spouse that has previously defaulted on a mortgage obtained through the homeownership option is barred from participation.
4. Program participants and applicants must be first-time homeowners. A family member must not have owned title to a principal residence in the last three years. Residents of limited equity

cooperatives are eligible for the homeownership option. A previously married single parent or displaced homemaker, who owned a home with their now ex-spouse, is eligible for the homeowner option.

5. The family must attend and satisfactorily complete a HUD-approved housing counseling program.
6. Current program participants must be independently deemed mortgage ready. Participants must provide a pre-approval letter from a lender before a Homeownership Voucher is issued.
7. The head of household or spouse must be employed full time and have been continuously so employed during the year before commencement of homeownership assistance. Full-time employment is defined as 30 hours or more per week. (Families in which the head of household or spouse are disabled or elderly are exempted from this requirement. Families with a disabled household member may request an exemption as a reasonable accommodation.)
8. The family must have successfully graduated from the Family Self-Sufficiency Program ~~contract~~ that detailed homeownership as a goal, or is an elderly or disabled family identified by a stakeholder.
9. The family's income must be equal to or exceed 40% of the HUD determined median income for the family's unit size. Families with a disabled household member may request an exemption as a reasonable accommodation.
10. The Chief Executive Officer may waive the minimum income requirement for an otherwise eligible household who has obtained pre-approval for mortgage financing and who can demonstrate a household budget, which assures housing affordability.
11. The total gross income must exceed \$14,500.00 for a family or federal minimum wage times 2000 hours. The total gross income must exceed \$10,092.00 for an elderly or disabled family. Public assistance income may not be used for meeting this requirement, except for households in which the head or spouse is elderly or disabled and households that include a disabled person other than head or spouse. (Public Assistance includes federal housing assistance or the housing component of a welfare grant; TANF assistance; SSI that is subject to an income eligibility test; food stamps; general assistance or other assistance provided under a Federal, state or local program that provides assistance available to meet family living or housing expenses.)
- 12.

Preferences

During the initial year, the program will be limited to ten families. Five of the families will be identified from the FSS program (Category 1) and five families will be targeted from referrals from the stakeholders identified in this plan (Category 2).

Category 1 preferences will be given in the following order:

1. Current program participants with FSS contracts that detail homeownership as a goal.
2. Family is in good standing with the program
3. Meets eligibility criteria cited in this plan.
4. Date and time of application.

Category 2 preferences will be given in the following order:

1. Current HCV program participants.
2. Counseled via stakeholder on ability to comply
3. Meets eligibility definitions
4. Has agreed to contract for support services
5. Date and time of application

Time Frame for Utilization

An applicant will have a maximum of 60 days from the date of issuance of a Housing Choice Voucher to find a home and enter into a 'Contract for Sale'. If an applicant is unable to enter into a 'Contract for Sale' before the end of the 60 day deadline, the applicant will be provided an additional 60 days to either enter into a 'Contract for Sale' or to utilize the Housing Choice Voucher in a rental situation. Any extensions beyond 120 days will be at the sole discretion of the Director of Housing Resources.

Portability

Families that are determined eligible for homeownership assistance may exercise the homeownership option outside of the initial PHA's Jurisdiction if the receiving PHA is administering an HCV homeownership program and is accepting new families into the receiving PHA's homeownership program.

Permitted Ownership Arrangements

The Homeownership Option may be utilized in the following housing arrangements below:

1. A unit owned by the family-One or more family members hold title to the home. (Homes previous occupied under a lease-purchase agreement are eligible.)
 2. A cooperative unit - One or more family members hold membership shares in the cooperative.
 3. A manufactured home, if situated on a privately owned lot or on a leased pad in a mobile home park.
 4. The unit must be located in Anne Arundel County.
 5. The unit must be located on a permanent foundation.
 6. May not purchase fee title property unless: the home is on a permanent foundation and the family has the right to occupy the unit for at least 40 years.
 7. The seller is not debarred, suspended, or subject to a limited denial of participation.
 8. The seller and the family will agree to sign an HCAAC Sales Contract addendum.
- 4.

Contract for Sale

Participants in the Homeownership Program must complete a "Contract of Sale" with the owner of the property to be purchased. The unit must be fully built before the Contract of Sale is executed. The Contract of Sale must include the home's price and terms of sale, the purchaser's pre-purchase inspection requirements and notice that the sale is conditional on the purchaser's acceptance of the inspection report; and an agreement that the purchaser is not obligated to pay for necessary repairs. HCAAC must approved in writing the Contract of Sale before the participant signs the contract. The participant and the seller must sign an HCAAC Addendum to the Contract of Sale prior to signing, agreeing to the HCAAC HCV

Homeownership Program terms. HCAAC may determine the reasonableness of the sales price in accordance of CFR982.632 and other supplemental guidance.

The participant must obtain an independent professional home inspection of the unit's major systems at the participant's expense. The inspection must cover major building systems and components, including foundation and structure, housing interior and exterior, and the roofing, plumbing, electrical and heating systems.

Inspection Requirements

HCAAC will conduct an HQS inspection and will review an independent professional inspection of the unit's major systems. HCAAC retains the right to disqualify the unit for inclusion in the homeownership program based on either the HQS inspection or the professional inspection report. The participant must determine and document whether or not the unit is in an airport runway clear zone or an airfield clear zone.

The participant must determine and document whether or not the unit is in a flood hazard area. Units in flood hazard areas must be insured for flood damage.

Financing

The household is responsible for obtaining financing. If purchase of the home is financed with Federal Housing Administration (FHA)-insured mortgage financing, the financing is subject to FHA mortgage insurance credit underwriting requirements. Additionally,

1. HCAAC reserves the right to review lender qualifications and loan terms before authorizing homeownership assistance.
2. HCAAC may disapprove proposed financing if determined the mortgage is unaffordable.
3. The family's portion may not exceed 40% of the monthly-adjusted income at the time of closing.
4. Mortgages with balloon payments, interest only, or variable interest rates are not permitted under HCAAC HCV Homeownership Program.

Length and Continuation of Assistance

HCV assistance will only be provided for the months the family is in residence in the home. The maximum length of time a family may receive homeownership assistance is fifteen years. (Elderly and disabled families are exempt from this time limit).

A homeownership family may purchase another home with HCV assistance provided there is no mortgage loan default and the family is in compliance with the 'statement of homeowner obligations'.

Family Obligations

Before commencement of homeownership assistance, the family must execute a 'statement of homeowner obligations' in the form prescribed by HCAAC. To continue to receive homeownership assistance, a family must comply with the following family obligations:

1. The family must comply with the terms of any mortgage securing debt incurred to purchase the home, and any refinancing of such debt.
2. So long as the family is receiving homeownership assistance, the family may not sell, convey or transfer any interest in the home to any entity or person other than a member of the assisted family residing in the home.
3. The family must supply required information regarding income and family composition in order to correctly calculate total tenant payment and homeownership assistance.
4. The family must provide information on any mortgage or other debt incurred to purchase the home, and any refinancing of such debt, and any sale or other transfer of any interest in the home. If the family is refinancing the home, the family must receive written permission from HCAAC. No consolidation of other personal debts can be included in the refinancing. Refinancing the property without written permission from HCAAC may result in termination of homeownership assistance.
5. The family must notify HCAAC if the family defaults on a mortgage securing any debt incurred to purchase the home.
6. The family must notify HCAAC before the family moves out of the home.
7. The family must, at annual recertification, document that he or she is current on mortgage, insurance and utility payments.

8. The family head, co-head, or spouse must have full-time continuous employment with no gaps exceeding four weeks while participating in the program. The total gross income must exceed \$14,500.00 for a family or federal minimum wage times 2000 hours. However, the following circumstances will be considered:

1. If HCAAC determines the family is elderly or disabled
2. Receipt of Unemployment Insurance benefits due to layoff
3. Absences defined under the Family Medical Leave Act (FMLA)
4. Receipt of Workman's Compensation benefits

Once the family head, co-head, or spouse is re-employed, the family's income will be subject to the guideline under the HCAAC HCV Administration Plan VI. Section B.

Homeownership Assistance Payment

The family's HCV monthly housing assistance payment will be the lower of (1) the Section 8 voucher payment standard minus the Total Tenant Payment or (2) the monthly homeowner expenses minus the Total Tenant Payment. HCAAC will annually reexamine family income and composition and make appropriate adjustments to the amount of the monthly housing assistance payment.

For initial homeownership assistance, the payment standard for the family is the lower of:

1. The payment standard for the family unit size or
2. The payment standard for the size of the unit purchased. The HCAAC subsidy standards will determine the bedroom size that HCAAC assigns to the family based on its size and composition.

At annual or interim recertification, HCAAC will apply the payment standard that is the greater:

1. The amount of the payment standard used at the commencement of homeownership assistance
2. The payment standard for family size, used at its most recent annual anniversary.

Homeownership expenses include principal and interest on mortgage debt, refinancing charges of mortgage debt, taxes and other public assessments, insurance, maintenance and major repair expenses, and the HCAAC utility allowance schedule. The HCAAC allowance for maintenance expenses, major repairs and replacements will be based on recommended allowances determined by the local market conditions and decided upon by the Stakeholders and HCAAC.

Housing assistance payments will be made directly to the lender. If the housing assistance payment is greater than the mortgage payment and tax/insurance escrow payments, the difference will be paid to the family.

If a family's income increases to a point that they do not receive a housing assistance payment, eligibility for such payments will continue for 180 calendar days. At the end of a continuous period of 180 days without any assistance payments, eligibility for Section 8 assistance will automatically terminate.

Re-Sale of Home

HCAAC will not recapture a percentage of the homeownership assistance provided to the family upon the family's sale or refinancing of the home

Defaults

The family must immediately notify HCAAC of any late payments, delinquency notices, or default notices. Additionally, the family must agree to participate in default counseling with ACDS or HUD approved counseling agency to become current.

Upon death of a family member who holds, in whole or in part, title to the home, homeownership assistance may continue, pending settlement of the decedent's estate. Remaining family members in accordance with 24 CFR 982.551 (h) must solely occupy the home.

If a participant in the Homeownership Option defaults on his or her home mortgage loan, the participant will not be able to use his or her Homeownership Voucher for rental housing but may reapply for the HCV waiting list.

Informal Hearings

Program recipients must follow the terms and conditions of the Housing Choice Voucher issued by the Housing Commission. Should the agency make the determination that a recipient has failed to meet the conditions of the voucher requirements or violated the federal program rules, program assistance may be terminated in accordance with 24 CFR 982.555 aforementioned.

If the program participant believes that the agency made an inaccurate determination or did not follow its policies or HUD rules in making its decision, they may request an informal hearing. Request for informal hearings must be made within 10 business days of HCAAC giving notice of written termination (or benefit modification/ determination) letter. Requests can be made either orally or in writing.

LEASE AGREEMENT

THIS AGREEMENT is executed between the Housing Corporation of Anne Arundel County, Inc., a Maryland corporation ((herein called "Agent"), _____, a Maryland limited partnership (herein called "Owner"), and _____ (herein called the "Tenant"), and becomes effective _____.

1. UNIT. The AGENT, relying upon the representations of Tenant as to Tenant's income, household composition, and housing need, leased to Tenant (upon Terms and Conditions set forth in this Lease Agreement) the dwelling unit LOCATED at

(STREET ADDRESS) (UNIT. #) (CITY) (ZIP CODE)

(hereinafter called the "premises") to be occupied exclusively as a private residence by Tenant and household.

2. HOUSEHOLD COMPOSITION. The Tenant's household is composed of the individuals listed below. (Other than the Head or Spouse, each household member should be listed by age, oldest to youngest.)

NAME	RELATIONSHIP	SOCIAL SECURITY #	AGE & BIRTHDATE
	HEAD OF HOUSEHOLD		
	OTHER YOUTH UNDER 18		
	OTHER YOUTH UNDER 18		

I. DESCRIPTION OF THE PARTIES AND PREMISES

A. The AGENT, using data provided by Tenant about income, household composition, and needs, leases to Tenant, the property (called "premises" or "dwelling unit") subject to the terms and conditions contained in this Lease.

B. Premises must be used only as a private residence, solely for Tenant and the household members named in the Lease. The AGENT may, by prior written approval, consent to Tenant's use of the unit for legal profit-making activities subject to the AGENT's policy on such activities.

C. Any additions to the household members named on the lease, including Live-in Aides and foster children, except for natural births, require the advance written approval of the AGENT. Such approval will be granted only if the new household members pass the AGENT's screening criteria and a unit of the appropriate size is available. Permission to add Live-in Aides and foster children shall not be unreasonably refused.

Tenant agrees to wait for the AGENT's approval before allowing an additional person to move into the Premises. Failure on the part of Tenant to comply with this provision is a serious violation of the material terms of the Lease, for which the AGENT may terminate the lease in accordance with Section XIII.

D. Deletions (for any reason) from the household members named on the lease shall be reported by Tenant to the AGENT in writing, within ten (10) business days of the occurrence.

II. LEASE TERM AND AMOUNT OF RENT

A. Unless otherwise modified or terminated in accordance with Section XII, this lease shall automatically be renewed for successive terms of one (1) calendar year. Notwithstanding that this a one-year lease, a Tenant who violates the terms and conditions of this Lease agrees to surrender possession upon thirty (30) days prior written notice, subject to all requirements and rights under the Eligibility Plan and/or the Code of Federal Regulation, except where a shorter notice is permitted by law, as in the case of non-payment of rent.

B. Rent stated in this Lease in the amount of \$ _____ per month shall remain in effect unless adjusted by the AGENT in accordance with Section VI herein.

C. The amount of the Tenant Rent shall be determined by the AGENT in accordance with the AGENT's Eligibility Plan. The rent will be the greater of the established minimum rent (determined annually) or 30% of the tenants adjusted monthly income less any applicable utility allowance (if warranted).

D. Rent is DUE and PAYABLE in advance on the first (1st) day of each month. Rent may include utilities as described in Section V below, and includes all maintenance services due to normal wear and tear.

E. When the AGENT makes any change in the amount of Tenant Rent, the AGENT shall give written notice to Tenant. The notice shall state the new amount, and the date from which the new amount is applicable. Rent re-determinations are subject to the Informal Hearing Procedures. The Informal Hearing Procedures are in accordance with 24 CFR § 982.555 (<https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-982/subpart-L/section-982.555>). Further information on your informal hearing rights and the process can be found on our website at hcaac.com (<https://hcaac.com/wp1/resident-info-4/grievance-procedures/or>) by requesting a written copy from your onsite management office. The notice shall also state that Tenant may ask for an explanation of how the amount is computed by the AGENT. If Tenant asks for an explanation, the AGENT shall respond in a reasonable time.

III. OTHER CHARGES

In addition to rent, Tenant is responsible for the payment of certain other charges specified in this lease. The type(s) and amount of other charges are specified in this Lease Agreement. Other charges can include:

A. MAINTENANCE COSTS - The cost for services or repairs due to intentional or negligent damage to the dwelling unit, common areas or grounds beyond normal wear and tear, caused by Tenant, household members, or by guests. When the AGENT determines that needed maintenance is not caused by normal wear and tear, Tenant shall be charged for the cost of such service, either in accordance with the Schedule of Maintenance Charges posted by the AGENT or (for work not listed on the Schedule of Maintenance Charges) based on the actual cost to the PHA for the labor and materials needed to complete the work.

B. EXCESS UTILITY CHARGES - At developments where utilities are provided by the AGENT, a charge shall be assessed for excess utility consumption due to the operation of major Tenant-supplied appliances. This charge does not apply to Tenant(s) who pay their utilities directly to a utility supplier.

C. AIR CONDITIONERS - Installation charges for Tenant-supplied air conditioners.

D. LATE CHARGES - A charge equal to five (5) percent of the late Tenant rental payment for rent paid after the fifth (5th) calendar day of the month.

The AGENT shall provide written notice of the amount of any charge, in addition to Tenant Rent, and when the charge is due. Charges in addition to rent are due no sooner than two weeks after Tenant receives the AGENT's written notice of the charge.

IV. SECURITY DEPOSIT

A. TENANT RESPONSIBILITIES: Tenant agrees to pay an amount equal to _____ (\$ _____) as security deposit.

B. AGENT's RESPONSIBILITIES: The AGENT will use the Security Deposit at the termination of this Lease:

1. To pay the cost of any rent or any other charges owed by Tenant at the termination of this Lease.

2. To reimburse the cost of repairing any intentional or negligent damages to the dwelling unit caused by Tenant, household members, or guests.

3. A receipt for a security deposit shall notify the tenant of the following: a. The right to have the dwelling unit inspected by the landlord in the tenant's presence for the purpose of making a written list of damages that exist at the commencement of the tenancy if the tenant so requests by certified mail within 15 days of the tenant's occupancy; b. The right to be present when the landlord inspects the premises at the end of the tenancy in order to determine if any damage was done to the premises if the tenant notifies the landlord by certified mail at least 15 days prior to the date of the tenant's intended move, of the tenant's intention to move, the date of moving, and the tenant's new address; c. The landlord's obligation to conduct the inspection within 5 days before or after

the tenant's stated date of intended moving; d. The landlord's obligation to notify the tenant in writing of the date of the inspection; e. The tenant's right to receive, by first-class mail, delivered to the last known address of the tenant, a written list of the charges against the security deposit claimed by the landlord and the actual costs, within 45 days after the termination of the tenancy; f. The obligation of the landlord to return any unused portion of the security deposit, by first-class mail, addressed to the tenant's last known address within 45 days after the termination of the tenancy; and g. A statement that failure of the landlord to comply with the security deposit law may result in the landlord being liable to the tenant for a penalty of up to 3 times the security deposit withheld, plus reasonable attorney's fees. (1.) The landlord shall retain a copy of the receipt for a period of 2 years after the termination of the tenancy, abandonment of the premises, or eviction of the tenant, as the case may be. (2.) The landlord shall be liable to the tenant in the sum of \$25 if the landlord fails to provide a written receipt for the security deposit.

The Security Deposit may not be used to pay rent or other charges while Tenant occupies the dwelling unit. No refund of the Security Deposit will be made until after Tenant has vacated, and the dwelling unit has been inspected by the Housing Specialist or designee on behalf of the AGENT.

The return of a security deposit shall occur within thirty (30) days after Tenant moves out. The AGENT agrees to return the Security Deposit, if any, to Tenant when he/she vacates, less any deductions for any costs indicated above, so long as Tenant furnishes the AGENT with a forwarding address. If any deductions are made, the AGENT will furnish Tenant with a written statement of any such costs for damages and/or other charges deducted from the Security Deposit. Tenant and the AGENT agree to comply with the requirements of Section 8-203 of the Real Property Articles of the Annotated Code of Maryland.

V. UTILITIES AND APPLIANCES

This Lease provides for utilities to be paid by AGENT Tenant.

As part of the rent, the AGENT will supply water and sewer service.

A. AGENT SUPPLIED UTILITIES - The AGENT will supply reasonable quantities of electricity, natural gas, and heating fuel. The AGENT will not be liable for the failure to supply utility service for any cause whatsoever beyond its control.

The AGENT will provide a cooking range and refrigerator. Other major electrical appliances, air conditioners, freezers, extra refrigerators, washers, dryers, etc., may be installed and operated only with the written approval of the AGENT. A monthly service charge will be payable by Tenant for the electricity used in the operation of such appliances, as shown on the schedule posted in the Housing Specialist's office.

B. TENANT PAID UTILITIES - If Tenant resides in a development where the AGENT does not supply electricity, natural gas, heating fuel, cooking range, or refrigerator, a reimbursement for Utilities shall be established, appropriate for the size and type of dwelling unit for utilities Tenant pays directly to the utility supplier. The Tenant Rent less the reimbursement for Utilities equals Tenant Rent. If the Allowance for Utilities exceeds the Tenant Rent, the AGENT will pay a Utility Reimbursement to the utility supplier for Tenant each month.

The AGENT may change the reimbursement at any time during the term of the Lease, and shall give Tenant sixty (60) days written notice of the revised reimbursement along with any resultant changes in Tenant Rent or Utility Reimbursement.

If Tenant's actual utility bill EXCEEDS the reimbursement for Utilities, Tenant shall be responsible for paying the actual bill to the supplier. If Tenant's actual utility bill is LESS than the reimbursement for Utilities, Tenant shall receive the benefit of such saving from supplier.

C. TENANT RESPONSIBILITIES - Tenant agrees not to waste the utilities provided by the AGENT and to comply with any applicable law, regulation, or guideline of any governmental entity regulating utilities or fuels.

Tenant also agrees to abide by any local ordinance or House rules restricting or prohibiting the use of space heaters in multi-dwelling units.

VI. TERMS AND CONDITIONS

The following terms and conditions of occupancy are made a part of the Lease:

A. USE AND OCCUPANCY OF DWELLING - Tenant shall have the right to exclusive use and occupancy of the dwelling unit for Tenant and other household members listed on the Lease. With the prior written consent of the AGENT, members of the household may engage in legal profit-making activities in the dwelling unit.

This provision permits reasonable overnight accommodation of Tenant's long-term guests or visitors for a period not exceeding fourteen (14) days each year. This limitation shall not apply to the visitation of a minor child with the Tenant, who is a non-custodial parent, provided said child is not engaged in drug related or criminal activity, as set forth and defined in other provisions in this lease, and further provided that the non-custodial parent Tenant gives prompt notice to the AGENT by providing, in writing a copy

of a custody agreement, court order, or a statement of visitation terms where there is an informal agreement between the parents. Permission may be granted, upon written request to the Housing Specialist, for an extension of this provision. Consideration will be given to extenuating circumstances with prior approval of the management.

B. ABILITY TO COMPLY WITH LEASE TERMS - If, during the term of this Lease, Tenant, by reason of physical or mental impairment is no longer able to comply with the material provisions of this Lease, and cannot make arrangements for someone to aid him/her in complying with the Lease, and the AGENT cannot make any reasonable accommodation that would enable Tenant to comply with the Lease; THEN, The AGENT will assist Tenant, or designated member(s) of Tenant's family, to find more suitable housing and terminate Tenant's Lease.

At the time of admission, all Tenants must identify the family member(s) to be contacted if they become unable to comply with Lease terms.

C. REDETERMINATION OF RENT, DWELLING SIZE, AND ELIGIBILITY - The rent amount as fixed in the Lease Agreement is due each month until changed as described below:

1. The status of each household is to be re-examined at least once a year according to the eligibility requirements mandated by MDHCD.

2. WHEREAS, the AGENT has entered into a contract and loan agreement with the MDHCD, or its' Financing Agency.

The Community Development Administration (the "STATE"), and the loan financing provided by the STATE requires

The AGENT to provide rental housing to individuals or families with limited incomes, and

WHEREAS, the Tenant may be required to have an annual income, which does not exceed certain income limits, established by the STATE, in order to be eligible to occupy the rental unit identified in the Lease (the "Rental unit");

NOW THEREFORE, it is hereby agreed and understood by the Tenant that the following conditions apply to this Lease:

a. Tenant is required to provide to the AGENT, at the time of application and once a year thereafter, information necessary for the completion of the required CDA Certification/Re-Certification of Tenant Eligibility, or its equivalent acceptable to the State. This form **REQUIRES TENANT TO CERTIFY EACH YEAR INFORMATION ABOUT TENANT'S CURRENT INCOME AND HOUSEHOLD COMPOSITION, AND TO PROVIDE DOCUMENTATION** acceptable to the State to support the information provided to the AGENT as to income and household composition.

b. If Tenant becomes ineligible because annual income exceeds the maximum income limits established by the State, TENANT **MAY BE REQUIRED TO MOVE OUT OF THE RENTAL UNIT**. If Tenant receives such a notice to vacate, Tenant must move out of the Rental Unit. Tenant hereby agrees to move out of the Rental Unit upon the date, which is no later than 24 months from the date of the certification of over-income status.

c. The AGENT must deliver notice-advising Tenant of ineligibility and any required move out within two (2) months of annual certification showing the annual income of the Tenant exceeds the income limits established by the State.

Failure to supply such information when requested is a serious violation of the terms of the Lease, and the AGENT may terminate the Lease.

All information must be verified. Tenant agrees to comply with AGENT requests for verification by signing releases for third-party sources, presenting documents for review, or providing other suitable forms of verification.

The AGENT shall give Tenant reasonable notice of what actions Tenant must take, and of the date by which any such actions must be taken for compliance under this section

3. Rent for each unit will be re-determined once annually and at least thirty (30) days' notice will be given, in writing, prior to effective date of new rent.

4. All changes in household composition and income must be reported in writing to the Housing Specialist within ten

(10) business days of the occurrence. Failure to report within the ten (10) business days may result in retroactive rent charge.

The Lease **WILL NOT** be revised to permit a change of household composition resulting from a request to allow adult children to move back into the unit unless it is determined that the move is essential for the mental or physical health of Tenant **AND** it does not disqualify the household for the size unit it is currently occupying.

D. TRANSFERS

1. Tenant agrees that if the AGENT determines that the size or design of the dwelling unit is no longer appropriate to Tenant's needs, the AGENT shall send Tenant written notice. Tenant further agrees to accept a new Lease for a different dwelling unit of the appropriate size or design.
2. The AGENT may move a Tenant into another unit if it is determined necessary to rehabilitate Tenant's unit.
3. If a Tenant makes a written request for special unit features in support of a documented disability or handicap, the AGENT shall have the choice to modify Tenant's existing unit or transfer Tenant to another unit with the features requested.
4. A Tenant without disabilities or handicaps who is housed in a unit with special features must transfer to a unit without such features should a Tenant with disabilities need the unit.
5. In the case of involuntary transfers, Tenant shall be required to move into the dwelling unit made available by the AGENT. Tenant shall be given fifteen (15) days in which to move following delivery of a transfer notice. If Tenant refuses to move, the AGENT may terminate the Lease.
6. The AGENT will consider any Tenant requests for transfers in accordance with the transfer priorities established in the Eligibility Policies.

G. VIOLENCE AGAINST WOMEN ACT

The following provisions are applicable to situations involving incidents involving actual or threatened domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation, as those terms are defined in Section 6(u)(3) of the United States Housing Act of 1937, as amended, (42 U.S.C. §1437d(u)(3)) and in HCAAC's Violence Against Women Act (VAWA) Policy, and which must be applied consistent with all nondiscrimination and fair housing requirements. To the extent any provision of this section shall vary from or contradict any other provision of this lease, the provisions of this section shall prevail.

A. Termination of tenancy.

1. An incident or incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking shall not constitute a serious or repeated violation of the lease by the victim of such violence; and
2. Criminal activity directly relating to domestic violence, dating violence, sexual assault or stalking, engaged in by a member of the tenant's household, a guest, or other person under the tenant's control, shall not be cause for termination of tenancy or occupancy rights, if the Tenant or any member of the Tenant's family is a victim of that domestic violence, dating violence, or stalking.
3. Notwithstanding anything to the contrary contained in paragraphs A.1. and A.2. above, HCAAC may terminate Tenant's tenancy under this lease if it can demonstrate an actual and imminent threat to other tenants or to those employed at or providing service to the development in which the unit is located, if the tenant's tenancy is not terminated.

Further, nothing in this section shall prohibit HCAAC from terminating tenancy under this lease based on a violation of this lease not premised on an act or acts of domestic violence, dating violence, sexual assault or stalking against the tenant, a member of the tenant's household, survivors of sexual assault, and intimate partner, affiliated individual, which includes any person living with the survivor and related to him or her by blood or marriage including the survivor's spouse, parent, brother, sister, child, or any person to whom the survivor stands in loco parentis for which protection against termination of tenancy is given in paragraphs A.1. and A.2. above. However, in taking any such action to terminate tenancy, HCAAC shall not apply a more demanding standard to you than to other tenants.

B. Bifurcation of Lease. Under the authority provided in Section 6(l)(6)(B) of the United States Housing Act of 1937, as amended (42 U.S.C. §1437d(l)(6)(B)), HCAAC may bifurcate this lease in order to evict, remove, or terminate assistance to any individual who is a Tenant or a lawful occupant under this lease and who engages in criminal acts of physical violence against family members or others. HCAAC may take such action without evicting, removing, terminating assistance to, or otherwise penalizing a victim of such violence who is the Tenant or a lawful occupant under this lease.

C. Certification. If the Tenant or a lawful occupant, as a defense to termination of tenancy or an action to evict, claims protection under this section against such action, HCAAC may (but is not required to) request the individual to deliver to HCAAC a certification. The certification may be delivered in one of the following forms:

1. A HUD-approved form attesting that the individual is a victim of domestic violence, dating violence, or stalking and that the incident or incidents in question are bona fide incidents of such actual or threatened abuse and meet the requirements of this section, or

2. Documentation signed by an employee, agent or volunteer of a victim service provider, an attorney, or a medical professional, from whom the victim has sought assistance in addressing domestic violence, dating violence, or stalking or the effects of the abuse, in which the professional attests under penalty of perjury to the professional's belief that the incident or incidents in question are bona fide incidents of abuse, and the victim has signed or attested to the documentation, or
3. A federal, State, tribal, or local police report or court record, describing the incident or incidents in question.

The certification must be delivered to HCAAC within 10 days after the request for certification is received from HCAAC. If the certification is not delivered within the 10-day period allowed, the provisions of this section will not apply and HCAAC may elect to terminate tenancy and evict without regard to the protections provided in this section.

D. Confidentiality. The law requires that information provided to HCAAC concerning an incident or incidents of domestic violence, dating violence, or stalking be retained in confidence, not placed in any shared data base nor provided to a related entity, except to the extent disclosure requested or consented to by the individual supplying such information, or required for use in an eviction proceeding, or otherwise required by applicable law.

E. Notification. The law requires that all existing tenants, as well as new tenants, of all HUD-covered programs receive notification of their rights under VAWA and HUD's VAWA regulations.

1. Notice of Occupancy Rights Under the Violence Against Women Act Form HUD-5380
2. Certification of Domestic Violence, Dating Violence Sexual Assault, or Stalking and Alternate Documentation Form HUD-5382
3. Lease Addendum Violence Against Women and Justice Department Reauthorization Act of 2005 Form HUD-91067

F. Conflicting Evidence. In cases of conflicting evidence, tenants and applicants who may need to submit third-party documentation to document occurrence of a VAWA crime have 30 calendar days to submit the third-party documentation. (See § 5.2007(b)(2).)

G. Emergency Transfer Plan. This plan identifies tenants who are eligible for an emergency transfer, the documentation needed to request an emergency transfer, confidentiality protections, how an emergency transfer may occur, and guidance to tenants on safety and security. This plan is based on a model emergency transfer plan published by the U.S. Department of Housing and Urban Development (HUD), the Federal agency that oversees that the Housing Commission of Anne Arundel County is in compliance with VAWA.

Eligibility for Emergency Transfers

A tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking, as provided in HUD's regulations at 24 CFR part 5, subpart L is eligible for an emergency transfer, if: the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit. If the tenant is a victim of sexual assault, the tenant may also be eligible to transfer if the sexual assault occurred on the premises within the 90-calendar-day period preceding a request for an emergency transfer.

A tenant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan.

Tenants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section.

Emergency Transfer Request Documentation

To request an emergency transfer, the tenant shall notify the on-site management office and submit a written request for a transfer to the on-site management office. The PHA may request certain documentation from tenant(s) seeking emergency transfers under VAWA. The PHA will provide reasonable accommodations to this policy for individuals with disabilities. The tenant's written request for an emergency transfer should include either:

1. A statement expressing that the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted under The PHA's program; OR
2. A statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the tenant's request for an emergency transfer.

Emergency Transfer Timing and Availability

The PHA cannot guarantee that a transfer request will be approved or how long it will take to process a transfer request. The PHA will, however, act as quickly as possible to move a tenant who is a victim of domestic violence, dating violence, sexual assault, or

stalking to another unit, subject to availability and safety of a unit. If a tenant reasonably believes a proposed transfer would not be safe, the tenant may request a transfer to a different unit. If a unit is available, the transferred tenant must agree to abide by the terms and conditions that govern occupancy in the unit to which the tenant has been transferred. The PHA may be unable to transfer a tenant to a particular unit if the tenant has not or cannot establish eligibility for that unit.

If the PHA has no safe and available units for which a tenant who needs an emergency is eligible, the PHA will assist the tenant in identifying other housing providers who may have safe and available units to which the tenant could move. At the tenant's request, the PHA will also assist tenants in contacting the local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking that are attached to this plan.

H. RIDERS AND ADDENDA – The Tenancy Addendum Section 8 Project-based Voucher Program, PBV House Rules Lease Rider, and LIHTC Lease Addendum are attached hereto and made a part of this Agreement.

VII. AGENT OBLIGATIONS

The AGENT shall be obligated:

- A. To maintain the dwelling unit and the project in decent, safe, and sanitary condition;
- B. To comply with the requirements of applicable building codes, housing codes, and MDHCD regulations materially affecting health and safety;
- C. To make necessary repairs to the dwelling unit;
- D. To keep project building, facilities, and common areas, not otherwise assigned to Tenant for maintenance and upkeep, in a clean and safe condition;
- E. To maintain in good and safe working order and condition electrical, plumbing, sanitary, heating, ventilating, and other facilities and appliances, including elevators supplied or required to be supplied by the AGENT;
- F. To provide and maintain appropriate receptacles and facilities (except container for the exclusive use of an individual Tenant household) for the deposit of ashes, garbage, rubbish, and other waste removed from the premise by Tenant as required by this Lease;
- G. To supply running water and reasonable amounts of hot water and reasonable amount of heat at appropriate times of the year according to local custom and usage; EXCEPT where the building that includes the dwelling unit is not required to be equipped for that purpose, or where heat or hot water is generated by an installation within the exclusive control of Tenant and supplied by a direct utility connection; and
- H. To notify Tenant of the specific grounds for any proposed adverse action by the AGENT. Such adverse action includes, but is not limited to, a proposed lease termination, transfer of Tenant to another unit, or imposition of charges for maintenance and repair, or for excess consumption of utilities. When the AGENT is required to afford Tenant opportunity for a hearing under the AGENT's Informal Hearing Procedures for a review concerning a proposed adverse action. The Informal Hearing Procedures are in accordance with 24 CFR § 982.555 (<https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-982/subpart-L/section-982.555>). Further information on your informal hearing rights and the process can be found on our website at hcaac.com (<https://hcaac.com/wp1/resident-info-4/grievance-procedures/or>) by requesting a written copy from your onsite management office.

VIII. TENANT'S OBLIGATIONS

Tenant shall be obligated:

- A. Not to assign the Lease, nor sublease the dwelling unit.
- B. Not to give accommodations to:
 1. Boarders or lodgers;
 2. Long-term overnight guests (in excess of a total of fourteen (14) days per year for all guests combined) without the advance written consent of the AGENT; AGENT has no obligation to consent, however will make reasonable accommodation to certain extenuating circumstances. This limitation shall not apply to the visitation of a minor child with the Tenant, who is a non-custodial parent, provided said child is not engaged in drug related or criminal activity, as set forth and defined in other provisions in this lease, and further provided that the non-custodial parent Tenant gives prompt notice to the AGENT by providing, in writing a copy of a custody agreement, court order, or a statement of visitation terms where there is an informal agreement between the parents.

C. To use the dwelling unit solely as a private dwelling for Tenant and Tenant's household as identified in the Lease, and not to use or permit its use for any other purpose.

This provision does not exclude the care of foster children or live-in care of a member of Tenant's household, provided the accommodations of such persons conforms to the AGENT's Occupancy standards, and so long as the AGENT has granted prior written approval for the foster child(ren), or live-in aide to reside in the unit.

D. To abide by necessary and reasonable regulations promulgated by the AGENT for the benefit and well-being of the housing community and Tenants. These regulations are posted in a conspicuous manner in the Housing Specialist's office and incorporated by reference in this Lease. Violation of such regulations constitutes a violation of the Lease.

E. To comply with the requirements of applicable state and local building or housing codes, materially affecting health and/or safety of Tenant and household.

F. To keep the dwelling unit and other such areas as may be assigned to Tenant for exclusive use in a clean and safe condition. This includes keeping front and rear entrances and walkways for the exclusive use of Tenant, free from snow, ice, and trash and keeping the yard free of debris and litter. Exceptions to this requirement may be made for Tenants who have no household members able to perform such tasks because of age or disability.

G. To dispose of all ashes, garbage, rubbish, and other waste from the dwelling unit in a sanitary and safe manner only in containers approved or provided by the AGENT. To refrain from, and cause members of Tenant's household or guests to refrain from, littering or leaving trash and debris in common areas or galleries.

H. To use only in reasonable manner all electrical, sanitary, heating, ventilating, air-conditioning, and other facilities and appurtenances including elevators.

I. To refrain from, and to cause household and guests to refrain from destroying, defacing, damaging, or removing any part of dwelling unit or community.

J. To pay reasonable charges (other than for wear and tear) for the repair of damages to the dwelling unit, community buildings, facilities, or common areas caused by Tenant, household member, or guests; the permeation of tobacco smoke odors shall not be considered ordinary wear and tear and the removal or envelopment of such odors by a paint sealant on the walls or chemical mechanical means shall be a cost for which the Tenant shall be charged, it being understood and agreed that lingering tobacco smoke odors caused by the Tenant, household members or guests, tend to render the dwelling unit rent able.

K. To assure that Tenant, any member of the household, a guest, or any other person under Tenant's control will not be allowed to smoke on the property except in designated areas. The use of any lighted tobacco product, any other smoked product, and the use of electronic cigarettes are prohibited in all HCAAC owned property, to include unit, balcony, patio, hallway, common areas and grounds. Smoking may not occur in any outdoor area within 25 feet of housing units, administrative office buildings or other parts of the community not specifically designated by HCAAC as a designated smoking area.

This obligation is in accordance with the PHA's Non-Smoking Policy.

L. To act, and cause household members or guests to act in a manner that will:

1. Not disturb other residents' peaceful enjoyment of their accommodations; and
2. Be conducive to maintaining all AGENT communities in a decent, safe, and sanitary condition.

M. To assure that Tenant, any member of the household, a guest, or another person under Tenant's control, shall not engage in:

1. Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of any other person on the AGENT's housing premises by other residents or employees of the AGENT; or,
2. Any drug-related criminal activity on or off such premises. Any criminal activity in violation of the preceding sentence shall be cause for termination of tenancy, and for eviction from the unit. For the purposes of this Lease, the term "drug-related criminal activity" means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance as defined in Section 102 of the Controlled Substances Act and/or Article 27 of Section 279 of the Annotated Code of Maryland.
3. Tenant shall not allow visitation or provide accommodation to banned individuals; banned individuals are persons who are not permitted to enter upon Housing AGENT property. A list of banned individuals is available and posted for review at the on-site Management Office and Tenant has an affirmative duty to periodically review said list to insure that Tenant is in compliance.

N. To make no alterations, repairs, or redecorations to the interior of the dwelling unit or to the equipment, or to install additional equipment or major appliances without written consent of the AGENT. To make no changes to locks or install new locks on exterior doors without the AGENT's written approval. To use no nails, tacks, screws, brackets, or fasteners on any part of the dwelling unit (a reasonable number of picture hangers accepted) without authorization by the AGENT.

1. To refrain from the use of water filled furniture, wading pools, water slides or any other equivalent without the advance written approval of the AGENT. Permission to provide for reasonable accommodations will not be unreasonably refused.

O. To give prompt prior notice to the AGENT, in accordance with Section XIII hereof, of Tenant's leaving dwelling unit unoccupied for any period exceeding one (1) calendar week.

P. To act in a cooperative manner with neighbors and AGENT staff. To refrain from and cause members of Tenant's household or guests to refrain from acting or speaking in an abusive or threatening manner toward neighbors and AGENT staff. To refrain from and to cause members of Tenant's household or guests to refrain from harassing AGENT staff with false reports, which lead to unnecessary maintenance calls.

Q. Not to display, use, or possess or allow members of Tenant's household or guests to display, use, or possess any firearms, operable or inoperable, or other offensive weapons as defined by the laws and courts of the State of Maryland anywhere on the property of the AGENT.

R. To take reasonable precautions to prevent fires and to refrain from storing or keeping flammable materials upon the premises.

S. To avoid obstructing sidewalks, areaways, galleries, passages, elevators, or stairs and to avoid using these for purposes other than going in and out of the dwelling unit.

T. To refrain from erecting or hanging radio or television antennas on or from any part of the dwelling unit.

U. To refrain from placing signs of any type in or about the dwelling except those allowed under applicable zoning ordinances and then only after having received written permission of the PHA.

V. To refrain from, and cause members of Tenant's household to refrain from keeping, maintaining, harboring, or boarding any dog, cat, livestock, or pet of any nature in the dwelling unit of any AGENT development. To duly note that this premises is a "pet free" community. Visitation of pets is not allowed. This section does not apply to service animals kept by disabled persons. Service animals must be approved in accordance with the AGENT's Reasonable Accommodation Policy. Service animals are not permitted to be on the site or reside in a unit without the advance written approval of the AGENT.

W. To remove from AGENT property any vehicles without valid registration and inspection stickers. To refrain from parking any vehicles in any right-of-way or fire-lane designated and marked by the AGENT. Any inoperable or unlicensed vehicle as described above will be removed from the PHA property at Tenant's expense including motorcycles, dirt bikes and ATV's. Automobile repairs are not permitted in the community.

X. To remove any personal property left on AGENT property when Tenant leaves, abandons, or surrenders the dwelling unit. Property left for more than 30 days shall be considered abandoned and will be disposed of by the AGENT. Costs for storage and disposal shall be assessed against the former Tenant.

Y. To use reasonable care to keep his dwelling unit in such condition as to ensure proper health and sanitation standards for Tenant, household members, and neighbors. TENANT SHALL NOTIFY THE PHA PROMPTLY OF KNOWN NEED FOR REPAIRS TO HIS DWELLING UNIT, and of known unsafe or unsanitary conditions in the dwelling unit or in common areas and grounds of the community. Tenant's failure to report the need for repairs in a timely manner shall be considered to contribute to any damage that occurs.

Z. Not to:

1. Commit any fraud in connection with any Federal housing assistance program; and

2. Receive assistance for occupancy of any other unit assisted under any Federal housing assistance program during the term of the Lease.

AA. To promptly pay any utility bills for utilities supplied to Tenant by a direct connection to the utility company, and to avoid disconnection of utility service for such utilities.

IX. DEFECTS HAZARDOUS TO LIFE, HEALTH, OR SAFETY

In the event that the dwelling unit is damaged to the extent that conditions are created which are hazardous to the life, health, or safety of the occupants:

A. AGENT RESPONSIBILITIES:

1. The AGENT shall be responsible for repair of the unit within a reasonable period of time after receiving notice from Tenant, provided, if the damage was caused by Tenant, household member, or guests. The reasonable cost of the repairs shall be charged to Tenant.
2. The AGENT shall offer Tenant a replacement dwelling unit, if available, if necessary repairs cannot be made within a reasonable time.
3. In the event repairs cannot be made by the AGENT, as described above, and alternative accommodations are unavailable, then rent shall abate in proportion to the seriousness of the damage and loss in value as dwelling. No abatement of rent shall occur if Tenant rejects alternative accommodations or if the damage was caused by Tenant, household members, or guests.
4. If the AGENT determines that the dwelling unit is un-tenantable because of imminent danger to the life, health, and safety of Tenant, and alternative accommodations are refused by Tenant, this Lease shall be terminated, and any rent paid will be refunded to Tenant.

B. TENANT RESPONSIBILITIES:

1. Tenant shall immediately notify the Property Manager of the damage and intent to abate rent, when the damage is or becomes sufficiently severe that Tenant believes he/she is justified in abating rent.
2. Tenant agrees to continue to pay full rent, less the abated portion agreed upon by the AGENT, during the time in which the defect remains uncorrected.
3. Tenant shall accept any replacement unit offered by the AGENT.

X. MOVE-IN AND MOVE-OUT INSPECTIONS

A. MOVE-IN INSPECTION - The AGENT and Tenant or representative shall inspect the dwelling unit prior to occupancy by Tenant. The AGENT will give Tenant a written statement of the condition of the dwelling unit, both inside and outside, and note any equipment provided with the unit. The statement shall be signed by the AGENT and Tenant and a copy of the statement retained in Tenant's folder. Any deficiencies noted on the inspection report will be corrected by the AGENT, at no charge to Tenant.

B. MOVE-OUT INSPECTION - The AGENT will inspect the unit at the time Tenant vacates and give Tenant written statement of the charges, if any, for which Tenant is responsible. Tenant and/or representative may join in such inspection, unless Tenant vacates without notice to the AGENT.

XI. ENTRY OF PREMISES DURING TENANCY

A. TENANT RESPONSIBILITIES:

1. Tenant agrees that the duly authorized agent, employee, or contractor of the AGENT will be permitted to enter Tenant's dwelling during reasonable hours (8:00 a.m. to 4:30 p.m.) for the purpose of performing routine maintenance, making improvements or repairs, inspecting the unit, or showing of the unit for releasing.
2. When Tenant calls to request maintenance on the unit, the AGENT shall attempt to provide such maintenance at a time convenient to Tenant. If Tenant is absent from the dwelling unit when the AGENT comes to perform maintenance, Tenant's request for maintenance shall constitute permission to enter.

B. AGENT'S RESPONSIBILITIES:

1. The AGENT shall give Tenant at least twenty-four (24) hours written notice that the AGENT intends to enter the unit except when entry is at the request of a Tenant generated maintenance work order. The AGENT may enter only at reasonable times.
2. The AGENT may enter Tenant's dwelling unit at any time without advance notification when there is a reasonable cause to believe that an emergency exists.
3. If Tenant and all adult members of the household are absent from the dwelling unit at the time of entry, the AGENT shall leave in the dwelling unit a written statement specifying the date, time, and purpose of entry prior to leaving the dwelling unit.

XII. NOTICE PROCEDURES

A. TENANT RESPONSIBILITY - Any notice to the AGENT must be in writing, delivered to the Housing Specialist's office or the AGENT's Administrative office, located at 7477 Baltimore-Annapolis Blvd, Glen Burnie, Maryland, or sent by prepaid first-class mail, properly addressed to: Housing Commission of Anne Arundel County, Glen Burnie, Maryland 21060-2817.

B. AGENT RESPONSIBILITY - Notice to Tenant must be in writing, delivered to Tenant or to any adult member of the household residing in the dwelling unit, or sent by first-class mail, properly addressed to Tenant.

C. Return receipt for Registered or Certified mail shall be sufficient evidence that notice was given, whether signed or unsigned.

D. If Tenant is visually impaired; all notices must be in an accessible format.

XIII. TERMINATION OF LEASE

In terminating the Lease, the following procedures shall be followed by the AGENT and Tenant:

A. This Lease may be terminated only for serious or repeated violations of material terms of the Lease, such as failure to make payment due under the Lease or to fulfill Tenant's obligations set forth in Section VIII above, or for other good cause.

Such serious or repeated violations of terms shall include but not limited to:

1. Failure to pay rent or other charges when due.
2. Repeated late payment, which shall be defined as failure to pay the amount of rent or other charges due by the fifth (5th) of the month.
3. Failure to pay utility bills when Tenant is responsible for paying such bills directly to the supplier of utilities.
4. Misrepresentation of household income, assets, or composition.
5. Failure to supply, in a timely fashion, any certification, release, information, or documentation of household income or composition needed to process annual re-examinations or interim re-determinations.
6. Serious or repeated damage to the dwelling unit, creation of physical hazards in the unit, common areas, grounds, or parking areas of any AGENT community.
7. Criminal activity by Tenant, household member, guest, or other person under Tenant's control, including criminal activity that threatens the health, safety, or right to peaceful enjoyment of the AGENT's public housing premises by other residents or any drug-related criminal activity on or off AGENT property. Conviction is not required. In the event of conviction, the Tenants shall not be entitled to the provisions of the AGENT's Informal Hearing Procedures. The Informal Hearing Procedures are in accordance with 24 CFR § 982.555 (<https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-982/subpart-L/section-982.555>). Further information on your informal hearing rights and the process can be found on our website at hcaac.com (<https://hcaac.com/wp1/resident-info-4/grievance-procedures/or>) by requesting a written copy from your onsite management office.
8. Offensive weapons or illegal drugs seized in an AGENT unit by law enforcement officers.
9. Any fire on AGENT premises caused by carelessness, failure to supervise children or unattended cooking.
10. Repeated (four (4) times in a Twelve (12) month period) violations of the Non-Smoking Policy.

B. The AGENT shall give written notice of the proposed termination of the Lease in:

1. Notice shall be given thirty (30) days before the proposed termination date.

C. The notice of termination of the Lease:

1. The notice of termination to Tenant shall state specific reasons for the termination, shall inform Tenant of his/her right to make such reply as he/she may wish, and of Tenant's right to examine AGENT documents directly relevant to the termination or eviction.
2. When the AGENT is required to offer Tenant the opportunity for an Informal Hearing, the notice shall also inform Tenant of the right to request such a Hearing in accordance with the AGENT's Informal Hearing Procedures. The Informal Hearing Procedures are in accordance with 24 CFR § 982.555 ([https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-982/subpart-L/section-](https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-982/subpart-L/section-982.555)

982.555). Further information on your informal hearing rights and the process can be found on our website at hcaac.com (<https://hcaac.com/wp1/resident-info-4/grievance-procedures/or>) by requesting a written copy from your onsite management office.

3. Any notice to vacate which is required by State or local law may be combined with, or run concurrently with the Notice of Lease Termination under this section. The Notice to Vacate must be in writing, and specify that if Tenant fails to quit the premises within the applicable statutory period, appropriate action will be brought against him, and he may be required to pay the costs of court and attorney's fees.

4. When the AGENT is required to offer Tenant the opportunity for an Informal Hearing under the AGENT's Informal Hearing Procedures for a Hearing concerning the Lease termination, the tenancy shall not terminate (even if any Notice to Vacate under State or local law has expired) until the period to request a Hearing has expired, or (if a Hearing is requested) the Hearing process has been completed.

5. When the AGENT is not required to offer Tenant the opportunity for a Hearing under the Informal Hearing Procedures and the AGENT has decided to exclude such review from the AGENT Informal Hearing Procedures (which can only be done following a Due Process Determination by HUD), the notice of Lease termination shall:

a. State the Tenant is not entitled to an Informal Hearing on the termination;

b. Specify the judicial eviction procedure to be used by the AGENT for eviction and state that HUD has determined that this eviction procedure provides the opportunity for a Hearing in a court that contains the basic elements of due process as defined in HUD regulations; and

c. State whether the eviction is for a criminal activity that threatens health or safety of residents or staff or for drug-related criminal activity.

6. The AGENT may evict Tenant from the unit only by bringing a court action.

7. Payment of rent when due shall continue during the pendency of court proceedings between the AGENT and tenant for breach of lease or other cause of action, so long as tenant continues to occupy the unit. Acceptance of such rent shall not constitute a waiver by AGENT of any claims or causes of action against tenant including pending claims.

D. Tenant may terminate this Lease at any time by giving thirty (30) days written notice as described in Section XIII, above; upon death of the Tenant, this notice provision shall be binding on the heirs and/or personal representatives of the Tenant's estate.

E. In deciding to evict for criminal activity, the AGENT shall have discretion to consider all of the circumstances of the case, including the seriousness of the offense, the extent of participation by or awareness of household members, and the effects that the eviction would have both on household members not involved in the proscribed activity and on the household's neighbors. In appropriate cases, the AGENT may permit continued occupancy by remaining household members and may impose a condition that household members who engage in the proscribed activity will neither reside in nor visit the unit. The AGENT may require a household member who has engaged in the illegal use of drugs to present credible evidence of successful completion of a treatment program as a condition to being allowed to reside in the unit. If the AGENT offers in writing to continue occupancy to the remaining household members, on the condition that specific household members who have engaged in the proscribed activity neither reside in or visit the unit, the named tenant shall have an obligation to accept such offer and to promptly execute a reasonable lease amendment, to be prepared by the PHA, providing for deletion from the lease of said offender as a household member and which may require banning the individual from the AGENT property and non-entry into the dwelling unit of such household members as are designated and tenant shall be obligated to enforce said non-entry as a material and serious part of the tenants obligation. Refusal by the tenant to accept such offer and/or to promptly execute such a written amendment to the lease shall be considered a serious violation of this lease and a basis for termination of this lease.

F. When an AGENT evicts a Tenant from a dwelling unit for criminal activity the AGENT shall notify the local post office serving the dwelling unit that such individual or household is no longer residing in the unit so the post office will stop mail delivery for such persons and they will have no reason to return to the unit.

XIV. WAIVER

No delay or failure by the AGENT in exercising any right under the Lease agreement, and no partial or single exercise of any such right shall constitute a waiver (post or prospective) of that or any other right, unless otherwise expressly provided herein.

XV. HOUSING QUALITY STANDARDS

In an effort to improve the livability and conditions of the apartments owned and managed by the AGENT, uniform standards for resident housekeeping have been developed for all Tenant families.

A. AGENT RESPONSIBILITY - The standards that follow will be applied fairly and uniformly to all Tenants. The AGENT will inspect each unit at least annually, to determine compliance with the standards. Upon completion of an inspection, the AGENT will notify Tenant in writing if he/she fails to comply with the standards. The AGENT will advise Tenant of the specific correction(s) required to establish compliance, and indicate that training is available. Within a reasonable period of time, the AGENT will schedule a second inspection. Failure of a second inspection will constitute a violation of the Lease terms.

Training will be available at no cost to any Tenant requesting or needing assistance in complying with the Housing Quality Standards.

B. TENANT RESPONSIBILITY - Tenant is required to abide by the standards set forth below. Failure to abide by the Housing Quality Standards that result in the creation or maintenance of a threat of health or safety is a violation of the Lease terms and can result in eviction.

C. INSIDE THE UNIT

1. GENERAL

- a. Walls should be clean, free of dirt, grease, holes, cobwebs, and fingerprints.
- b. Floors should be clean, clear, dry, and free of hazards.
- c. Ceilings should be clean and free of cobwebs.
- d. Windows should be clean and not nailed shut. Shades or blinds should be intact.
- e. Woodwork should be clean, free of dust, gouges, or scratches.
- f. Doors should be clean, free of grease and fingerprints. Doorstops should be present. Locks should work.
- g. Heating units should be dusted and access uncluttered.
- h. Trash shall be disposed of properly and not left in the unit.
- i. Entire unit should be free of rodent or insect infestation.

2. KITCHEN

- a. Stove should be clean and free of food and grease.
- b. Refrigerator should be clean. Freezer door should close properly and freezer have no more than one inch of ice.
- c. Cabinets should be clean and neat. Cabinet surfaces and countertops should be free of grease and spilled food. Cabinets should not be overloaded. Storage under the sink should be limited to small or lightweight items to permit access for repairs. Do not store heavy pots and pans under the sink.
- d. Exhaust fan should be free of grease and dust.
- e. Sink should be clean, free of grease and garbage. Dirty dishes should be washed and put away in a timely manner.
- f. Food storage areas should be neat and clean without spilled food.
- g. Trash/garbage should be stored in a covered container until removed to the disposal area.

3. BATHROOM

- a. Toilet and tank should be clean and odor free.
- b. Tub and shower should be clean and free of excessive mildew and mold. Where applicable, shower curtains should be in place, and of adequate length.
- c. Lavatory should be clean.
- d. Exhaust fans should be free of dust.
- e. Floor should be clean and dry.

4. STORAGE AREAS

- a. Linen closet should be neat and clean.
- b. Other closets should be neat and clean. No highly flammable materials should be stored in the unit.
- c. Other storage areas should be clean, neat, and free of hazards.

D. OUTSIDE THE UNIT

Housekeeping for common areas and/or outside of a building shall be the responsibility of the Tenants in said buildings regardless of the source of any debris, trash, or abandoned vehicles.

- 1. Yards should be free of debris, trash, and abandoned cars. Exterior walls should be free of graffiti.
- 2. Porches (front and rear) should be clean and free of hazards. Any items stored on the porch shall not impede access to the unit.
- 3. Steps (front and rear) should be clean and free of hazards.
- 4. Sidewalks should be clean and free of hazards.
- 5. Storm doors should be clean with glass and screens intact.
- 6. Parking lot should be free of abandoned cars. There should be no car repairs in the lots.
- 7. Hallways should be clean and free of hazards.
- 8. Stairwells should be clean and uncluttered.
- 9. Laundry areas should be clean and neat. Remove lint from dryers after use.
- 10. Utility room should be free of debris, motor vehicle parts, and flammable materials.

EXECUTION: By Tenant's signature below, Tenant and household agree to the terms and conditions of this Lease and all additional documents made a part of the Lease by reference.

By the signature(s) below, I/we also acknowledge that the Provisions of this Lease Agreement have been received, thoroughly explained, and understood.

Tenant, by entering into this lease, recognizes this lease may be a renewal of a preexisting lease with the Housing Corporation. Tenant understands that the Housing Corporation, by entering this lease, does not waive its rights to seek remedy for any breach(es) of the lease, including those predating the date of this renewal lease.

TENANT'S CERTIFICATION

I, _____ hereby certify that I, and other members of my household, have not committed any fraud in connection with any federal housing assistance program, unless such fraud was fully disclosed to the AGENT before execution of the Lease, or before the AGENT approval for occupancy of the unit by the household member. I further certify that all information or documentation submitted by myself or other household members to the AGENT in connection with any federal housing assistance program (before and during the Lease term) are true and complete to the best of my knowledge and belief.

ACKNOWLEDGEMENT OF SECURITY DEPOSIT PAYMENT

The AGENT hereby accepts from the Tenant a security deposit in the amount of \$ _____. The deposit will be used as provided for in Section IV of this Lease Agreement.

HOUSING CORPORATION REPRESENTATIVE DATE

REASONABLE ACCOMODATION POLICY

Goal

The Housing Commission's goal is to provide stable, quality affordable housing to low and moderate income persons regardless of disability.

Summary of Reasonable Accommodation

It is the policy of the Housing Commission of Anne Arundel County to provide a reasonable accommodation(s) in housing for participants with disabilities where a reasonable accommodation is needed to provide an equal opportunity to use and enjoy the Housing Commission's programs and/or premises.

What is a person with a disability?

A person with a disability is an individual with a physical or mental impairment that substantially limits one or more major life functions. You can also be considered disabled if you have a record of a physical or mental impairment or people regard you as having such impairment.

A physical impairment is a disorder or condition that affects one more body systems. A physical impairment can be caused by illness, disease, a birth defect, injury, age or anything else which disrupts a person's physical ability to function. Some examples of physical disabilities are blindness, hearing loss, or inability to walk.

A mental impairment is a mental, psychiatric or psychological disorder. Some examples are mental illness, mental retardation or specific learning disabilities.

Under regulations, you may be considered a person with disability if your physical or mental condition causes substantial difficulty in performing a major life function. Major life functions include the ability to walk, see, hear, breathe, think, read or care for yourself.

Under some circumstances alcoholism or a history of drug use may be considered a disability. Current users of illegal drugs are not considered disabled.

What is a "reasonable accommodation?"

A reasonable accommodation may be, but is not limited to a request for:

- a physical change made to the inside or outside of a unit or area,
- a change of unit size for medical/health reasons and/or apparatus or,
- the request for a live-in aide and subsequent change of unit size;
- a request for a voucher extension beyond 120 days, provided that the family is able to justify the need for an extension and provided current income verification.

which will allow a person with a disability to have an equal opportunity to take advantage of the Housing Commission's housing program(s). Any accommodation considered by the Housing Commission cannot result in an undue financial or administrative burden or, create a fundamental change in a program. For example, in the public housing program it might also be reasonable to allow a person with a mental disability to have rent payments made by a third party but; it would not be reasonable to prevent children from using the playground because the noise bothers someone or to provide a paraplegic resident with a housekeeper at HCAAC expense.

Under the Housing Choice Voucher Program physical changes or improvements would be referred to the landlord, as this would not be the responsibility of the Housing Commission.

How do I apply for a “reasonable accommodation?”

If you need an accommodation, you should make your request to the Manager or Director of the Housing Program, of which you are an applicant or participant; examples of accommodations could include needing a language interpreter or the reading of program materials.

For any accommodation, you must complete a reasonable accommodation form.

1. You may be asked to provide confirmation about your disability from a health professional or qualified service provider. The health professional or qualified service provider may also be asked to certify and explain how the accommodation you have requested is related to your disability. It is important that you meet any deadlines for requests for information. Failure to respond in a timely manner may result in your request being delayed or denied. If you need more time to respond, contact your housing specialist.
2. During the process of evaluating your request, you or the Manager/Director may schedule a meeting to discuss the accommodation. The meeting will be held at a location that is accessible to you; a representative or advocate may accompany you for the meeting. You may also request an interpreter and one will be provided by HCAAC. If you are unable to come to an office, the meeting may be held by telephone.

How will your request be handled?

All program participants must meet the basic qualifications.

1. The Manager/Director will review your request for a reasonable accommodation. If additional information is needed, you will receive a written request for that information. You should be careful to follow the deadlines in the letter. If you have problems or questions, you should call the associated housing program office immediately.
2. The decision regarding your request will be made within 10 business days from the date all of the required documents/information are received. If the Housing Commission does not

receive the required documents/information requested within 30 days, of its request, a decision will be determined based upon the information provided. Whether your request is approved or denied, you will be notified in writing.

All decisions with approvals for a requested change of unit size, will increase the bedroom size of the unit effective the first of the month immediately following the date all required documents/information are received.

If the addition of a live-in aide is requested and approved, the bedroom size will increase the first of the month immediately following the date all required documents/information are received. You will have 60 days from the date of the approval letter to add an eligible live-in aide. The live-in aide eligibility will be determined once an application for the live-in aide is completed and submitted along with a government issued photo ID, Social Security card and birth certificate. If a live-in aide is not successfully added to the household within 60 days, the bedroom size will be decreased effective the first of the month immediately following the 60-day period.

3. If your request is denied, you have the right to grieve that decision in accordance with the grievance procedures set forth in the Housing Commission's Administrative Plan and/or Admissions and Continued Occupancy Plan.

Some things to keep in mind

- The Housing Commission considers each request for reasonable accommodation as a separate request. The decision will be made on a case-by-case basis with the understanding that each person's needs and circumstances are unique.
- The Housing Commission may suggest an alternate accommodation from the one you requested. The decision depends on whether an accommodation will be effective in reducing the barriers to equal housing opportunity and whether or not it involves a fundamental change to the housing programs or creates an undue financial or administrative burden.
- The Housing Commission may from time-to-time re-evaluate your accommodation to determine if the need still exists.

**FY2023 CFP ANNUAL STATEMENT AND
FY2023-FY2027 FIVE-YEAR PLAN**

Part I: Summary

PHA Name: Housing Commission of Anne Arundel County	Grant Type and Number: Capital Fund Program Grant No: MDD06P01850123 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2023
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Type of Grant

Original Annual Statement Reserve for Disasters/Emergencies Revised Annual Statement (Revision Number:)
 Performance and Evaluation Report for Period Ending: Final Performance and Evaluation Report

Line No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total Non-CCP Funds	\$0.00	\$0.00	\$0.00	\$0.00
2	1406 Operations (may not exceed 25% of line 23) ³	\$265,060.00	\$0.00	\$0.00	\$0.00
3	1408 Management Improvements	\$0.00	\$0.00	\$0.00	\$0.00
4	1410 Administration may not exceed 10% of line 23)	\$132,530.00	\$0.00	\$0.00	\$0.00
5	1411 (1480) Audit	\$0.00	\$0.00	\$0.00	\$0.00
6	1415 (1480) Liquidated Damages	\$0.00	\$0.00	\$0.00	\$0.00
7	1430 (1480) Fees and Costs	\$0.00	\$0.00	\$0.00	\$0.00
8	1440 (1480) Site Acquisition	\$0.00	\$0.00	\$0.00	\$0.00
9	1450 (1480) Site Improvement	\$246,500.00	\$0.00	\$0.00	\$0.00
10	1460 (1480) Dwelling Structures	\$0.00	\$0.00	\$0.00	\$0.00
11	1465.1 (1480) Dwelling Equipment - Non-expendable	\$61,141.00	\$0.00	\$0.00	\$0.00
12	1470 (1480) Non-dwelling Structures	\$382,000.00	\$0.00	\$0.00	\$0.00
13	1475 (1480) Non-dwelling Equipment	\$0.00	\$0.00	\$0.00	\$0.00
14	1485 (1480) Demolition	\$0.00	\$0.00	\$0.00	\$0.00
15	1492 Moving to Work Demonstration	\$0.00	\$0.00	\$0.00	\$0.00
16	1495.1 (1480) Relocation Costs	\$0.00	\$0.00	\$0.00	\$0.00
17	1499 (1480) Development Activities ⁴	\$0.00	\$0.00	\$0.00	\$0.00

Part I: Summary

PHA Name: Housing Commission of Anne Arundel County	Grant Type and Number: Capital Fund Program Grant No: Replacement Housing Factor Grant No: Date of CFFP:	MD06P01850123	FFY of Grant: 2023
			FFY of Grant Approval: 2023

Type of Grant

Original Annual Statement Reserve for Disasters/Emergencies Revised Annual Statement (Revision Number:)
 Performance and Evaluation Report for Period Ending: Final Performance and Evaluation Report

Line No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18	1501 Collateralization/Debt Service paid by the PHA	\$0.00	\$0.00	\$0.00	\$0.00
19	1503 RAD-CFP	\$238,076.00	\$0.00	\$0.00	\$0.00
20	1504 RAD Investment Activity	\$0.00	\$0.00	\$0.00	\$0.00
21	9000 Collateralization or Debt Service paid via System of Direct Payment	\$0.00	\$0.00	\$0.00	\$0.00
22	Amount of Annual Grant (Sum of lines 2 - 19)	\$1,325,307.00	\$0.00	\$0.00	\$0.00
23	Amount of line 20 Related to LBP Activities	\$0.00	\$0.00	\$0.00	\$0.00
24	Amount of line 20 Related to Section 504 Compliance	\$0.00	\$0.00	\$0.00	\$0.00
25	Amount of line 20 Related to Security -- Soft Costs	\$0.00	\$0.00	\$0.00	\$0.00
26	Amount of line 20 Related to Security -- Hard Costs	\$0.00	\$0.00	\$0.00	\$0.00
27	Amount of line 20 Related to Energy Conservation Measures	\$0.00	\$0.00	\$0.00	\$0.00
Signature of Executive Director		Date	Signature of Public Housing Director	Date	

¹ To be completed for the Performance and Evaluation Report
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement
³ PHAs with under 250 units in management may use 100% of CFP Grants for Operations
⁴ RHF funds shall be included here

Annual Statement/Performance and Evaluation Report
 Capital Fund Program and Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U. S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 11/30/2023

Part II: Supporting Pages

PHA Name:		Grant Type and Number:		Federal FY of Grant:		Status of Work		
Housing Commission of Anne Arundel County		Capital Fund Program Grant No: CFPP (Yes/No): Replacement Housing Factor Grant No:		MID06P01850123		2023		
Development Number / Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Cost		Total Actual Cost		
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
Operations								
PHA-Wide	Modernization Funds for Operations	1406	LS	<u>\$265,060.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	
	Subtotal Account 1406			\$265,060.00	\$0.00	\$0.00	\$0.00	
Administration								
PHA-Wide	Administrative Costs Associated with CFP	1410	LS	<u>\$132,530.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	
	Subtotal Account 1410			\$132,530.00	\$0.00	\$0.00	\$0.00	
Site Improvements								
AMP 3	Installation of Security Camera Systems Including Equipment, Electrical, Networking, and Head-End Equipment	1450 (1480)	LS	<u>\$246,500.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	
	Subtotal Account 1450 (1480)			\$246,500.00	\$0.00	\$0.00	\$0.00	

Annual Statement/Performance and Evaluation Report
 Capital Fund Program and Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U. S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 11/30/2023

Part II: Supporting Pages

PHA Name:		Grant Type and Number:		Federal FY of Grant:		Status of Work	
Housing Commission of Anne Arundel County		Capital Fund Program Grant No: CFPP (Yes/No): Replacement Housing Factor Grant No:		MID06P01850123 2023			
Development Number / Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Cost		Total Actual Cost	
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²
AMP 3	<u>Dwelling Equipment</u> Appliance Replacements	1465 (1480)	LS	<u>\$61,141.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
	Subtotal Account 1465 (1480)			\$61,141.00	\$0.00	\$0.00	\$0.00
	<u>Nondwelling Structures</u> Renovation of Multipurpose Rooms Including Carpentry, Electrical, Lighting, Flooring, Ceiling Replacement, and Finishes	1470 (1480)	LS	\$225,000.00	\$0.00	\$0.00	\$0.00
AMP 3	Renovation of Public Restrooms Including Plumbing, Fixtures, Tile/Finish Work, Accessories, and Related Work	1470 (1480)	LS	\$100,000.00	\$0.00	\$0.00	\$0.00
AMP 3	Flooring Replacement in Lobbies	1470 (1480)	LS	<u>\$57,000.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
	Subtotal Account 1470 (1480)			\$382,000.00	\$0.00	\$0.00	\$0.00

Annual Statement/Performance and Evaluation Report
 Capital Fund Program and Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U. S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 11/30/2023

Part II: Supporting Pages

PHA Name:		Grant Type and Number:		Federal FY of Grant:		Status of Work	
Housing Commission of Anne Arundel County		Capital Fund Program Grant No: CFPP (Yes/No): Replacement Housing Factor Grant No:		MID06P01850123		2023	
Development Number / Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Cost		Total Actual Cost	
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²
PHA-Wide	Modernization Funds for RAD Conversion	1503	LS	<u>\$238,076.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
	<u>RAD - CFP</u>						
	Subtotal Account 1503			\$238,076.00	\$0.00	\$0.00	\$0.00

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement
² To be completed for the Performance and Evaluation Report

Annual Statement/Performance and Evaluation Report
 Capital Fund Program and Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U. S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
Expires 11/30/2023

Part III: Implementation Schedule for Capital Fund Financing Program

PHA Name: Housing Commission of Anne Arundel County	All Funds Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates ¹
	Development Number / Name PHA - Wide Activities	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	
PHA -Wide 1406	02/16/25		02/16/27		
PHA-Wide 1410	02/16/25		02/16/27		
AMP 3 - 1450 (1480)	02/16/25		02/16/27		
AMP 3 - 1465 (1480)	02/16/25		02/16/27		
AMP 3 - 1470 (1480)	02/16/25		02/16/27		
PHA-Wide - 1503	02/16/25		02/16/27		

¹ Obligation and expenditure end date can only be revised with HUD approval pursuant to Section 9j of the U. S. Housing Act of 1937, as amended.

Capital Fund Program -- Five-Year Action Plan

U. S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 11/30/2023

Part I: Summary

PHA Name/Number: Housing Commission of Anne Arundel County (MD018)		Gen Burnie, Anne Arundel County, Maryland			X Original 5-Year Plan Revision No:	
A.	Development Number and Name	Work Statement for Year 1 FFY 2023	Work Statement for Year 2 FFY 2024	Work Statement for Year 3 FFY 2025	Work Statement for Year 4 FFY 2026	Work Statement for Year 5 FFY 2027
B.	Physical Improvements Subtotal	Annual Statement	\$550,000	\$550,000	\$550,000	\$550,000
C.	Management Improvements		\$0	\$0	\$0	\$0
D.	PHA-Wide Non-Dwelling Structures and Equipment		\$100,000	\$100,000	\$100,000	\$100,000
E.	Administration		\$132,530	\$132,530	\$132,530	\$132,530
F.	Other		\$277,716	\$277,716	\$277,716	\$277,716
G.	Operations		\$265,061	\$265,061	\$265,061	\$265,061
H.	Demolition		\$0	\$0	\$0	\$0
I.	Development		\$0	\$0	\$0	\$0
J.	Capital Fund Financing -- Debt Service		\$0	\$0	\$0	\$0
K.	Total CFP Funds		\$1,325,307	\$1,325,307	\$1,325,307	\$1,325,307
L.	Total Non-CFP Funds		\$0	\$0	\$0	\$0
M.	Grand Total		\$1,325,307	\$1,325,307	\$1,325,307	\$1,325,307

Capital Fund Program Five-Year Action Plan

U. S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 11/30/2023

Part II: Supporting Pages -- Physical Needs Work Statement(s)

Work Statement for Year 1 FFY 2023	Work Statement for Year 2 FFY 2024			Activities for Year: 3 FFY 2025		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See						
Annual	<u>Dwelling Structures (Continued)</u>			<u>Dwelling Structures (Continued)</u>		
Statement	Repair/Replace Interior Plumbing/Water Heaters [AMP MD018000103]	LS	\$50,000	Repair/Replace Interior Plumbing/Water Heaters [AMP MD018000103]	LS	\$50,000
	Subtotal Account 1460 (1480)		\$500,000	Subtotal Account 1460 (1480)		\$500,000
	<u>Nondwelling Structures</u>			<u>Nondwelling Structures</u>		
	Interior Improvements to Nondwelling Structures Including Carpentry, Plumbing, Mechanical, Electrical, Flooring, Painting and Other Finishes [PHA-Wide]	LS	\$50,000	Interior Improvements to Nondwelling Structures Including Carpentry, Plumbing, Mechanical, Electrical, Flooring, Painting and Other Finishes [PHA-Wide]	LS	\$50,000
	Exterior Improvements to Nondwelling Structures Including Roofing, Windows, Doors, Painting and Other Fascade Improvements [PHA-Wide]	LS	\$25,000	Exterior Improvements to Nondwelling Structures Including Roofing, Windows, Doors, Painting and Other Fascade Improvements [PHA-Wide]	LS	\$25,000
	Subtotal Account 1470 (1480)		\$75,000	Subtotal Account 1470 (1480)		\$75,000

Capital Fund Program Five-Year Action Plan

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 11/30/2023

Part II: Supporting Pages -- Physical Needs Work Statement(s)

Work Statement for Year 1 FFY 2023	Work Statement for Year 4 FFY 2026			Activities for Year: 5 FFY 2027		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See						
Annual	<u>Site Improvements</u>			<u>Site Improvements</u>		
Statement	Turf Planting and Replacement, Tree Trimming, Mulching, Drainage Repair, Sidewalk Repair, Parking Repair, Lighting/Signage Upgrades, Security Improvements, and Related Site Work. [AMP MD018000003]	LS	\$50,000	Turf Planting and Replacement, Tree Trimming, Mulching, Drainage Repair, Sidewalk Repair, Parking Repair, Lighting/Signage Upgrades, Security Improvements, and Related Site Work. [AMP MD018000003]	LS	\$50,000
	Subtotal Account 1450 (1480)		\$50,000	Subtotal Account 1450 (1480)		\$50,000
	<u>Dwelling Structures</u>			<u>Dwelling Structures</u>		
	Interior Unit Improvements to Include Kitchen Renovations (Cabinets, Countertops, Plumbing, and Fixtures), Bathroom Renovations (New Fixtures, Plumbing, and Tile Work), Flooring Replacement, Door Replacement, Ceiling/Drywall Repair/Replacement, Mechanical, Electrical, Insulation Work and Painting. [AMP MD018000103]	LS	\$300,000	Interior Unit Improvements to Include Kitchen Renovations (Cabinets, Countertops, Plumbing, and Fixtures), Bathroom Renovations (New Fixtures, Plumbing, and Tile Work), Flooring Replacement, Door Replacement, Ceiling/Drywall Repair/Replacement, Mechanical, Electrical, Insulation Work and Painting. [AMP MD018000103]	LS	\$300,000
	Exterior Unit Improvements to Include Roofing Repair, Wall Repair, Windows, Doors, Siding, Shutters, and Other Fascade Improvements [AMP MD018000103]	LS	\$150,000	Exterior Unit Improvements to Include Roofing Repair, Wall Repair, Windows, Doors, Siding, Shutters, and Other Fascade Improvements [AMP MD018000103]	LS	\$150,000

Capital Fund Program Five-Year Action Plan

U. S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 11/30/2023

Part II: Supporting Pages -- Physical Needs Work Statement(s)

Work Statement for Year 1 FFY 2023		Work Statement for Year 4 FFY 2026			Activities for Year: 5 FFY 2027		
See	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	
Annual	<u>Dwelling Structures (Continued)</u>			<u>Dwelling Structures (Continued)</u>			
Statement	Repair/Replace Interior Plumbing/Water Heaters [AMP MD018000103]	12 Units	\$50,000	Repair/Replace Interior Plumbing/Water Heaters [AMP MD018000103]	12 Units	\$50,000	
	Subtotal Account 1460 (1480)		\$500,000	Subtotal Account 1460 (1480)		\$500,000	
	<u>Nondwelling Structures</u>			<u>Nondwelling Structures</u>			
	Interior Improvements to Nondwelling Structures Including Carpentry, Plumbing, Mechanical, Electrical, Flooring, Painting and Other Finishes [PHA-Wide]	LS	\$50,000	Interior Improvements to Nondwelling Structures Including Carpentry, Plumbing, Mechanical, Electrical, Flooring, Painting and Other Finishes [PHA-Wide]	LS	\$50,000	
	Exterior Improvements to Nondwelling Structures Including Roofing, Windows, Doors, Painting and Other Fascade Improvements [PHA-Wide]	LS	\$25,000	Exterior Improvements to Nondwelling Structures Including Roofing, Windows, Doors, Painting and Other Fascade Improvements [PHA-Wide]	LS	\$25,000	
	Subtotal Account 1470 (1480)		\$75,000	Subtotal Account 1470 (1480)		\$75,000	

FISCAL AUDIT

HOUSING COMMISSION OF ANNE ARUNDEL COUNTY

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2021



CPAs | CONSULTANTS | WEALTH ADVISORS

[CLAconnect.com](https://www.CLAconnect.com)

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2021**

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	4
FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	11
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	13
STATEMENT OF CASH FLOWS	15
NOTES TO FINANCIAL STATEMENTS	17
SUPPLEMENTARY INFORMATION	
FINANCIAL DATA SCHEDULE	44
SINGLE AUDIT	
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	53
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE	55
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	57
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	58
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	59



INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Housing Commission of Anne Arundel County
Glen Burnie, Maryland

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and aggregate discretely presented component units of the Housing Commission of Anne Arundel County (the Commission), Glen Burnie, Maryland, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component units of Burwood Gardens Senior, LLC, or Heritage Overlook, LLC which represents 33% of the assets, 67% of the net position and 49% of the revenues of the aggregate discretely presented component units. Those statements, which were prepared in accordance with the Accounting Standards issued by the Financial Accounting Standards Board, were audited by other auditors whose reports have been furnished to us. We have applied audit procedures on the conversion adjustments to the financial statements of Burwood Gardens Senior, LLC and Heritage Overlook, LLC, which conform those financial statements to accounting principles generally accepted in the United States of America. Our opinion, insofar as it relates to the amounts included for Burwood Gardens Senior, LLC and Heritage Overlook, LLC, prior to these conversion adjustments, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Auditors' Responsibility (Continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and the aggregate discretely presented component units of the Commission as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Commission's basic financial statements. The financial data schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

Other Matters (Continued)

The financial data schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The federal expenditures, where applicable, for the discretely presented component units are not included in the accompanying schedule of expenditures of federal awards. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the financial data schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 26, 2022, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Baltimore, Maryland
September 26, 2022

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

The Management's Discussion and Analysis (MD&A) of the Housing Commission of Anne Arundel County (the Commission) is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Commission's financial activity, and (c) identify changes in the Commission's financial position (its ability to address the next and subsequent year opportunities and challenges).

This MD&A is presented at the front of each year's financial statements as required by the Governmental Accounting Standards Board (GASB) Statement No. 34. The MD&A is designed to focus on the current year's activities, resulting changes, and currently known facts. Please read it in conjunction with the Commission's financial statements.

FINANCIAL HIGHLIGHTS

- The total assets of the Commission increased by \$3,235,924 (or 4.9%) during 2021. Total assets were \$69,387,068 and \$66,151,144 in 2021 and 2020, respectively. The increase is primarily due to an increase in notes receivable for Severn Homes, LP development expenses.
- The total liabilities of the Commission increased by \$1,441,557 (or 21.5%) during 2021. Total liabilities were \$8,151,743 and \$6,710,186 in 2021 and 2020, respectively. The change in liabilities is primarily due to an increase in accounts payable for capital improvements and predevelopment expenses and the issuance of net debt principal to fund development and predevelopment expenses.
- The total revenue of the Commission decreased by \$19,461,026 (or 35.6%) during 2021. Total revenue was \$35,216,215 and \$54,677,241 in 2021 and 2020, respectively. The primary cause of the change to revenue was the recognition in fiscal year 2020 of the \$20.3 million gain on sale from the transfer of Meade Village.
- Total expenses increased by \$718,800 (or 2.2%) during 2021. Total expenses were \$33,421,848 and \$32,703,048 in 2021 and 2020, respectively. The change was primarily due to an increase in Housing Assistance Payments expenses offset by decreases in, maintenance and utility expenses.

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

COMMISSION-WIDE FINANCIAL STATEMENTS

The Commission-wide financial statements are designed to be corporate-like in that all business-type activities are consolidated into columns that add to a total for the entire Commission. The Commission is engaged only in business-type activities.

These statements include a statement of net position which reports all financial and capital resources for the Commission. The statement is presented in the format wherein assets equal liabilities and net position. Assets and liabilities are presented in order of liquidity and are classified as current (convertible into cash within one year) and noncurrent (long term). The focus of the statement of net position is the unrestricted net position that is designed to represent the net available liquid (noncapital) assets, net of liabilities, for the entire Commission. Net position is reported in three broad categories:

Net Investment in Capital Assets: This component of net position consists of all capital assets, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position: This component of net position consists of restricted assets because constraints are placed on the assets by outside sources. Examples include creditors (such as debt covenants), grantors, contributors, laws, and regulations.

Unrestricted Net Position: This component consists of net position that does not meet the definition of "net investment in capital assets" or "restricted net position."

The commission-wide financial statements also include a statement of revenues, expenses, and changes in net position. This statement includes operating revenues, such as rental income; operating expenses, such as administration, utilities, maintenance, and depreciation; and nonoperating revenue and expenses, such as grant revenue, investment income, and interest expense. The focus of the statement of revenues, expenses, and changes in net position is the change in net position, which is similar to net income or (net loss) for commercial enterprises.

Finally, the statement of cash flows is included, which discusses net cash provided or used by operating activities, investing activities, and capital and related financing activities.

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

COMMISSION-WIDE FINANCIAL STATEMENTS (CONTINUED)

Statement of Net Position

The following table reflects the condensed statement of net position for fiscal year 2021 compared to fiscal year 2020.

**TABLE 1
STATEMENT OF NET POSITION**

	2021	2020	Change	
			Amount	Percent
ASSETS				
Cash and Other Current Assets	\$ 14,188,772	\$ 15,595,291	\$ (1,406,519)	(9.0)%
Capital and Other Noncurrent Assets	55,198,296	50,555,853	4,642,443	9.2
Total Assets	69,387,068	66,151,144	3,235,924	4.9
LIABILITIES				
Current Liabilities	2,631,130	1,495,644	1,135,486	75.9
Noncurrent Liabilities	5,520,613	5,214,542	306,071	5.9
Total Liabilities	8,151,743	6,710,186	1,441,557	21.5
NET POSITION				
Net Investment in Capital Assets	13,694,492	13,962,833	(268,341)	(1.9)
Restricted	41,486,889	40,857,166	629,723	1.5
Unrestricted	6,053,944	4,620,959	1,432,985	31.0
Total Net Position	\$ 61,235,325	\$ 59,440,958	\$ 1,794,367	3.0

Major Factors Affecting the Statement of Net Position

Cash and other current assets decreased by \$1,406,519 (or 9.0%). Cash decreased for the issuance Severn Homes, LP development expenses notes receivable and use of prior year Housing Assistance Payments (HAP) reserve for current year HAP expenses. Cash decreases were offset by receivables increases for developers' fees earned and increases in short-term receivables due from discrete component units and future RAD developments.

Capital assets and other noncurrent assets increased by \$4,642,443 (or 9.2%). Capital assets net decreases of \$478,789 will be presented in a following section. The remaining amount, an increase of \$5,433,275, was the issuance of notes receivables for Severn Homes, LP development expenses.

Current liabilities increased by \$1,135,486 (or 75.9%). Accounts payable increased for the additional accrual of capital improvements and predevelopment activities accrued at the end of the fiscal year. Unearned revenues increased for advanced CARES Act funding from HUD not expended as of 6/30/2021. Current portion of long-term debt increased for the planned prepayment of Capital Fund Financing Program debt in fiscal year 2022.

Noncurrent liabilities increased by \$306,071 (or 5.9%). Payments of long-term debt principal decreasing noncurrent liabilities were offset by an increase for the line of credit to fund predevelopment and development costs.

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

COMMISSION-WIDE FINANCIAL STATEMENTS (CONTINUED)

Statement of Revenues, Expenses, and Changes in Net Position

The following table reports the condensed statement of revenues, expenses, and changes in net position for fiscal year 2021 compared to fiscal year 2020.

**TABLE 2
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**

	2021	2020	Change	
			Amount	Percent
REVENUES				
Tenant Revenue	\$ 2,189,014	\$ 2,643,514	\$ (454,500)	(17.2)%
Operating Subsidies and Grants	29,156,816	27,298,028	1,858,788	6.8
Capital Contributions	567,667	319,856	247,811	77.5
Investment Income	411,637	50,325	361,312	718.0
Gain on Disposal of Assets	-	20,365,987	(20,365,987)	(100.0)
Donation of Land	-	1,413,000	(1,413,000)	100.0
Other Revenues	2,891,081	2,586,531	304,550	11.8
Total Revenues	<u>35,216,215</u>	<u>54,677,241</u>	<u>(19,461,026)</u>	<u>(35.6)</u>
EXPENSES				
Administration	4,239,005	3,807,732	431,273	11.3
Tenant Services	262,521	214,165	48,356	22.6
Utilities	710,538	830,968	(120,430)	(14.5)
Ordinary Maintenance	1,659,081	2,426,122	(767,041)	(31.6)
Protective Services	272,037	379,833	(107,796)	(28.4)
Insurance Premiums	270,867	310,307	(39,440)	(12.7)
Interest Expense	283,169	206,043	77,126	37.4
General Expenses	47,450	274,588	(227,138)	(82.7)
Housing Assistance Payments	23,640,901	23,034,676	606,225	2.6
Depreciation	1,285,090	1,072,311	212,779	19.8
Nonroutine Maintenance	751,189	146,303	604,886	413.4
Total Expenses	<u>33,421,848</u>	<u>32,703,048</u>	<u>718,800</u>	<u>2.2</u>
CHANGE IN NET POSITION	<u>\$ 1,794,367</u>	<u>\$ 21,974,193</u>	<u>\$ (20,179,826)</u>	<u>(91.8)</u>

Major Factors Affecting the Statement of Revenues, Expenses, and Changes in Net Position

The total revenue of the Commission decreased by \$19,461,026 (or 35.6%) during 2021. Total revenue was \$35,216,215 and \$54,677,241 in 2021 and 2020, respectively. In the prior fiscal year, the Commission recognized one-time revenues related to the sale of Meade Village and the donation of land. Operating subsidies and grants increased primarily for an increase in HUD Housing Assistance funding for the Housing Choice Voucher program.

Total expenses increased by \$718,800 (or 2.2%) during 2021. Total expenses were \$33,421,848 and \$32,703,048 in 2021 and 2020, respectively. Increases to expenses included increases to Housing Assistance Payments, increases in leasing, and nonroutine maintenance, increases for significant property maintenance not capitalized. Expenses decreased primarily for units converted to RAD properties.

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2021, the Commission had \$17,836,442 invested in a variety of capital assets as reflected in the following table, which represents a net decrease (additions, disposals, and depreciation) of \$478,790 from \$18,315,231 at the end of 2020. The decrease is mainly attributed to the disposition of Meade Village.

**TABLE 3
CAPITAL ASSETS
(NET OF ACCUMULATED DEPRECIATION)**

	2021	2020
CAPITAL ASSETS		
Land	\$ 3,641,219	\$ 3,641,219
Construction in Progress	242,824	-
Buildings and Improvements	37,406,968	37,372,879
Furniture and Equipment	5,406,003	4,876,616
Accumulated Depreciation	<u>(28,860,572)</u>	<u>(27,575,483)</u>
Total Capital Assets, Net of Depreciation	<u>\$ 17,836,442</u>	<u>\$ 18,315,231</u>

The following reconciliation summarizes the changes in capital assets for both fiscal years 2021 and 2020:

**TABLE 4
CHANGES IN CAPITAL ASSETS**

	2021	2020
BEGINNING BALANCE	\$ 18,315,232	\$ 19,741,314
Additions	806,300	1,748,398
Deletions	-	(2,102,170)
Depreciation	<u>(1,285,090)</u>	<u>(1,072,310)</u>
ENDING BALANCE	<u>\$ 17,836,442</u>	<u>\$ 18,315,232</u>

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

CAPITAL ASSETS AND DEBT ADMINISTRATION (CONTINUED)

Debt Outstanding

At June 30, 2021 and 2020, the Commission had outstanding debt in the amount of \$5,391,950 and \$4,852,398, respectively.

**TABLE 5
OUTSTANDING DEBT AT YEAR-END**

DEBTS	<u>2021</u>	<u>2020</u>
Mortgage Loans	\$ 2,201,972	\$ 2,418,281
MD-CDA Loan	1,564,978	1,444,117
MD-CDA Bonds	375,000	490,000
Line of Credit	<u>1,250,000</u>	<u>500,000</u>
Total Debt	5,391,950	4,852,398
Less: Current Portion	<u>599,911</u>	<u>331,309</u>
Total Long-Term Debt	<u><u>\$ 4,792,039</u></u>	<u><u>\$ 4,521,089</u></u>

ECONOMIC FACTORS

Significant economic factors affecting the Commission are as follows:

- Federal funding of the Department of Housing and Urban Development (HUD).
- Local labor supply and demand, which can affect salary and wage rates.
- Local inflationary, recession, and employment trends, which can affect resident incomes and, therefore, the amount of rental income.
- Inflationary pressure on utility rates, supplies, interest rates, and other costs.
- HUD's approval of the Commission's conversion of all the Public Housing communities to Project Based Vouchers (PBV) and Project Based Rental Assistance (PBRA) using the Rental Assistance Demonstration (RAD).
- The Commission continues to plan the conversion of its remaining public housing sites to tax credits.
- In March of 2020, the World Health Organization declared the spread of COVID-19 a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses and communities. The Commission received additional funding from HUD during fiscal years 2020 and 2021 that will be expended during fiscal year 2022.

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

FINANCIAL CONTACT

The individual to contact regarding this report is Diane Haislip, Deputy Executive Director of the Housing Commission of Anne Arundel County, at 410-222-6200. Specific requests may be submitted to:

Rainbow Lin, Advisor for Finance
Housing Commission of Anne Arundel County
P.O. Box 817
7477 Baltimore-Annapolis Boulevard
Glen Burnie, MD 21060-2817

HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
STATEMENTS OF NET POSITION – BUSINESS-TYPE ACTIVITIES AND DISCRETELY
PRESENTED COMPONENT UNITS
JUNE 30, 2021 AND DECEMBER 31, 2020, RESPECTIVELY

	Business-Type Activities	Discretely Presented Component Units
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 2,166,946	\$ 959,485
Restricted Cash	3,273,875	5,941,889
Investments - Unrestricted	652,920	-
Investments - Restricted	1,944,771	-
Tenant Security Deposits	217,041	108,826
Accounts Receivable, Net	5,796,351	471,241
Prepaid Expenses	105,165	185,188
Inventory, Net	31,703	5,793
Total Current Assets	14,188,772	7,672,422
NONCURRENT ASSETS		
Other Assets	-	5,042,953
Capital Assets, Net	17,836,442	108,735,524
Notes Receivable-Restricted	37,361,854	-
Total Noncurrent Assets	55,198,296	113,778,477
Total Assets	\$ 69,387,068	\$ 121,450,899
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Accounts Payable and Accrued Liabilities	\$ 1,206,908	\$ 4,215,298
Tenant Security Deposits	217,041	149,682
Unearned Revenue	583,308	24,156
Developer Fee Payable	-	3,526,053
Due to Related Party	-	486,705
Accrued Compensated Absences, Current	23,962	-
Accrued Interest Payable	-	455,218
Notes Payable, Current Portion	224,911	652,864
Bonds Payable, Current Portion	375,000	-
Total Current Liabilities	2,631,130	9,509,976
NONCURRENT LIABILITIES		
Accrued Compensated Absences, Net of Current	215,656	-
FSS Escrows	512,918	-
Notes Payable, Net of Current	3,542,039	74,349,995
Accrued Interest Payable	-	1,231,588
Loan Liability, Net of Current	1,250,000	-
Total Noncurrent Liabilities	5,520,613	75,581,583
Total Liabilities	8,151,743	85,091,559
NET POSITION		
Net Investment in Capital Assets	13,694,492	30,068,394
Restricted	41,486,889	5,901,033
Unrestricted	6,053,944	389,913
Total Net Position	61,235,325	36,359,340
Total Liabilities and Net Position	\$ 69,387,068	\$ 121,450,899

See accompanying Notes to Financial Statements.

HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
COMBINING STATEMENT OF NET POSITION – DISCRETELY PRESENTED COMPONENT UNITS
DECEMBER 31, 2020

	Burwood Gardens Senior, LLC	Heritage Overlook, LLC	Whitaker Homes LP	Severn Homes LP	Discretely Presented Total
ASSETS					
CURRENT ASSETS					
Cash and Cash Equivalents	\$ 530,351	\$ 280,324	\$ 99,999	\$ 48,811	\$ 959,485
Restricted Cash	2,816,606	852,304	1,098,313	1,174,666	5,941,889
Tenant Security Deposits	28,091	19,163	61,572	-	108,826
Accounts Receivable, Net	18,571	86,851	193,074	172,745	471,241
Inventories	-	-	-	5,793	5,793
Prepaid Expenses	43,772	35,604	94,766	11,046	185,188
Total Current Assets	<u>3,437,391</u>	<u>1,274,246</u>	<u>1,547,724</u>	<u>1,413,061</u>	<u>7,672,422</u>
NONCURRENT ASSETS					
Other Assets	1,488,584	682,864	929,218	1,942,287	5,042,953
Capital Assets, Net	12,652,723	20,201,245	38,463,562	37,417,994	108,735,524
Total Noncurrent Assets	<u>14,141,307</u>	<u>20,884,109</u>	<u>39,392,780</u>	<u>39,360,281</u>	<u>113,778,477</u>
Total Assets	<u>\$ 17,578,698</u>	<u>\$ 22,158,355</u>	<u>\$ 40,940,504</u>	<u>\$ 40,773,342</u>	<u>\$ 121,450,899</u>
LIABILITIES AND NET POSITION					
CURRENT LIABILITIES					
Accounts Payable and Accrued Liabilities	\$ 98,601	\$ 33,593	\$ 157,889	\$ 260,944	\$ 551,027
Construction Payable	-	-	-	3,664,271	3,664,271
Tenant Security Deposits	27,810	18,947	59,508	43,417	149,682
Unearned Revenue	3,173	69	-	20,914	24,156
Developer Fees Payable	-	-	1,800,964	1,725,089	3,526,053
Due to Related Party	-	100,450	378,353	7,902	486,705
Accrued Interest Payable	38,397	43,860	38,111	334,850	455,218
Notes Payable, Current Portion	69,709	79,465	445,394	58,296	652,864
Total Current Liabilities	<u>237,690</u>	<u>276,384</u>	<u>2,880,219</u>	<u>6,115,683</u>	<u>9,509,976</u>
NONCURRENT LIABILITIES					
Notes Payable, Net of Current Accrued Interest Payable	7,890,291	6,990,414	28,083,620	31,385,670	74,349,995
Total Noncurrent Liabilities	<u>7,890,291</u>	<u>6,990,414</u>	<u>29,315,208</u>	<u>31,385,670</u>	<u>75,581,583</u>
Total Liabilities	8,127,981	7,266,798	32,195,427	37,501,353	85,091,559
NET POSITION					
Net Investment in Capital Assets	4,692,723	13,131,366	9,934,548	2,309,757	30,068,394
Restricted	2,816,887	852,520	1,100,377	1,131,249	5,901,033
Unrestricted	1,941,107	907,671	(2,289,848)	(169,017)	389,913
Total Net Position	<u>9,450,717</u>	<u>14,891,557</u>	<u>8,745,077</u>	<u>3,271,989</u>	<u>36,359,340</u>
Total Liabilities and Net Position	<u>\$ 17,578,698</u>	<u>\$ 22,158,355</u>	<u>\$ 40,940,504</u>	<u>\$ 40,773,342</u>	<u>\$ 121,450,899</u>

See accompanying Notes to Financial Statements.

HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – BUSINESS-
TYPE ACTIVITIES AND DISCRETELY PRESENTED COMPONENT UNITS
YEARS ENDED JUNE 30, 2021 AND DECEMBER 31, 2020, RESPECTIVELY

	<u>Business-Type Activities</u>	<u>Discretely Presented Component Units</u>
OPERATING REVENUES		
Tenant Revenue	\$ 2,189,014	\$ 5,728,443
Government Operating Grants	29,156,816	-
Other Revenue	<u>2,891,081</u>	<u>20,333</u>
Total Operating Revenues	34,236,911	5,748,776
OPERATING EXPENSES		
Administration	4,239,005	1,398,625
Tenant Services	262,521	20,611
Utilities	710,538	395,455
Ordinary Maintenance	1,659,081	1,365,558
Protective Services	272,037	-
Nonroutine Maintenance	751,189	-
Insurance Premiums	270,867	263,267
General Expenses	47,450	545,035
Housing Assistance Payments	23,640,901	-
Depreciation and Amortization	<u>1,285,090</u>	<u>3,404,162</u>
Total Operating Expenses	<u>33,138,679</u>	<u>7,392,713</u>
NET OPERATING INCOME (LOSS)	1,098,232	(1,643,937)
NONOPERATING REVENUES (EXPENSES)		
Investment Income	411,637	6,208
Interest Expense	(283,169)	(2,484,569)
Capital Grants	567,667	-
Partners Contributions/Distributions	<u>-</u>	<u>16,402,040</u>
Total Nonoperating Revenues (Expenses)	<u>696,135</u>	<u>13,923,679</u>
CHANGES IN NET POSITION	1,794,367	12,279,742
Net Position - Beginning of Year	<u>59,440,958</u>	<u>24,079,598</u>
NET POSITION - END OF YEAR	<u>\$ 61,235,325</u>	<u>\$ 36,359,340</u>

See accompanying Notes to Financial Statements.

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION –
DISCRETELY PRESENTED COMPONENT UNITS
YEAR ENDED DECEMBER 31, 2020**

	Burwood Gardens Senior, LLC	Heritage Overlook, LLC	Whitaker Homes LP	Severn Homes LP	Discretely Presented Total
OPERATING REVENUES					
Tenant Revenue	\$ 1,349,199	\$ 1,470,691	\$ 2,026,193	\$ 882,360	\$ 5,728,443
Other Revenue	-	-	12,005	8,328	20,333
Total Operating Revenues	<u>1,349,199</u>	<u>1,470,691</u>	<u>2,038,198</u>	<u>890,688</u>	<u>5,748,776</u>
OPERATING EXPENSES					
Administration	269,546	277,112	617,542	234,425	1,398,625
Utilities	34,597	166,993	124,028	69,837	395,455
Ordinary Maintenance	223,941	289,743	474,479	377,395	1,365,558
Tenant Services	-	-	-	20,611	20,611
Insurance Premiums	47,258	45,352	147,099	23,558	263,267
General Expenses	163,773	136,407	94,855	150,000	545,035
Depreciation and Amortization	570,652	669,115	1,109,357	1,055,038	3,404,162
Total Operating Expenses	<u>1,309,767</u>	<u>1,584,722</u>	<u>2,567,360</u>	<u>1,930,864</u>	<u>7,392,713</u>
NET OPERATING LOSS	39,432	(114,031)	(529,162)	(1,040,176)	(1,643,937)
NONOPERATING REVENUE (EXPENSES)					
Investment Income	3,677	695	1,836	-	6,208
Interest Expense	(204,236)	(399,488)	(1,054,236)	(826,609)	(2,484,569)
Partners Contributions/Distributions	(167,072)	(107,377)	11,537,715	5,138,774	16,402,040
Total Nonoperating Expenses	<u>(367,631)</u>	<u>(506,170)</u>	<u>10,485,315</u>	<u>4,312,165</u>	<u>13,923,679</u>
CHANGE IN NET POSITION	(328,199)	(620,201)	9,956,153	3,271,989	12,279,742
Net Position - Beginning of Year	<u>9,778,916</u>	<u>15,511,758</u>	<u>(1,211,076)</u>	<u>-</u>	<u>24,079,598</u>
NET POSITION - END OF YEAR	<u>\$ 9,450,717</u>	<u>\$ 14,891,557</u>	<u>\$ 8,745,077</u>	<u>\$ 3,271,989</u>	<u>\$ 36,359,340</u>

See accompanying Notes to Financial Statements.

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
STATEMENT OF CASH FLOWS – BUSINESS-TYPE ACTIVITIES
YEAR ENDED JUNE 30, 2021**

	Primary Government
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Receipt from Tenants	\$ 70,336
Operating Grants Received	29,522,687
Other Operating Cash Receipts	2,891,081
Cash Payments to Employees for Services	(3,603,734)
Cash Payments to Suppliers for Goods and Services	(4,024,967)
Cash Payments for Housing Assistance Payments	(23,640,901)
Net Cash Provided by Operating Activities	1,214,502
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Draw on Line of Credit	750,000
Repayment of Line of Credit	-
Draw on Notes Payable	120,861
Repayment of Notes and Bonds Payable	(331,309)
Interest Paid on Long-Term Debt	(283,169)
Purchase of Capital Assets	(806,300)
Gain on Sale of Property	(5,433,275)
Capital Contributions	567,667
Net Cash Used by Capital and Financing Activities	(5,415,525)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of Investments	(458,527)
Investment Income Received	411,637
Net Cash Used by Investing Activities	(46,890)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(4,247,913)
Cash and Cash Equivalents - Beginning of Year	9,905,775
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 5,657,862
Cash and Cash Equivalents	\$ 2,166,946
Restricted Cash	3,490,916
Total	\$ 5,657,862

See accompanying Notes to Financial Statements.

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
STATEMENT OF CASH FLOWS – BUSINESS-TYPE ACTIVITIES (CONTINUED)
YEAR ENDED JUNE 30, 2021**

	Primary Government
CASH FLOWS FROM OPERATING ACTIVITIES	
Operating Income	\$ 1,098,232
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:	
Depreciation	1,285,090
Bad Debt	-
Changes in Assets and Liabilities:	
Accounts Receivable	(2,118,115)
Inventory	43,731
Prepaid Expenses	3,559
Accounts Payable and Accrued Liabilities	604,651
Tenant Security Deposits	(563)
Unearned Revenue	241,104
FSS Escrow	124,767
Compensated Absences	(67,954)
Net Cash Provided by Operating Activities	\$ 1,214,502
 SUPPLEMENTAL DISCLOSURE OF NONCASH TRANSACTIONS	
Issuance of Notes Receivable	\$ 5,433,275

See accompanying Notes to Financial Statements.

HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 DEFINITION OF THE ENTITY

Reporting Entity

The Housing Commission of Anne Arundel County (the Commission) was created in 1968 under the United States Housing Act of 1937. The Commission's goals are to increase the availability of decent, safe and affordable housing; improve community quality of life and economic vitality; promote self-sufficiency and asset development of families and individuals; and ensure equal opportunity in housing for all Americans.

The Commission's financial statements include the accounts of all Commission operations.

The criteria for including organizations within the Commission's reporting entity, as set forth in Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 61, relate to financial accountability. On the basis of these criteria, Housing Corporation for Anne Arundel County, Inc. and Housing Enterprises of Anne Arundel County, Inc. are blended component units while Burwood Gardens Senior, LLC, Heritage Overlook, LLC and Whitaker Homes LP are discretely presented component units of the Commission.

The accompanying financial statements present the Commission and its component units. The discretely presented component units are reported in a separate column in the Commission's financial statements to emphasize that they are legally separate from the Commission. The financial statements of the component units may be obtained by writing to the Commission's Director of Finance at 7477 Baltimore-Annapolis Boulevard, P.O. Box 817, Glen Burnie, Maryland 21060-2817.

Blended Component Units

Housing Corporation for Anne Arundel County, Inc.

Housing Corporation (the Corporation) for Anne Arundel County, Inc. was formed in 1991 as an exempt organization under Section 501(c)(3) of the IRS Code. The purpose of the Corporation is to serve as a repository of funds to be used to fulfill the need for affordable housing for persons of low and moderate income and to solicit and distribute funds for these purposes.

Housing Enterprises for Anne Arundel County, Inc.

Housing Enterprises (the Enterprise) for Anne Arundel County, Inc. was converted from Housing Enterprises of Anne Arundel County, LLP on March 7, 2018 to a Maryland nonprofit, nonstock corporation. The purpose of the Enterprise is to serve as an intermediary to assist in the acquisition, construction, redevelopment and management of real property located in Anne Arundel County designed to enhance affordable housing choices. The Enterprise is the sole member of HCAAC Whitaker Homes, LLC which was created on January 5, 2018. The LLC is the general partner of Whitaker Homes LP with 0.01% interest in the LP.

HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 DEFINITION OF THE ENTITY (CONTINUED)

Discretely Presented Component Units

Burwood Gardens Senior, LLC

Burwood Gardens Senior, LLC (the Company) was formed as a limited liability company under the laws of the state of Maryland on May 5, 2010. The purpose of the Company is to construct, own, and operate an affordable senior housing project consisting of 100 rental units in Glen Burnie, Maryland.

The project qualifies and will be allocated low-income housing tax credits pursuant to Internal Revenue Code 42 (Section 42), which regulates the use of the project as to occupant eligibility and/or unit gross rent, among other requirements. The project must meet the provisions of these requirements each year through 2028 in order to remain qualified to receive tax credits. In addition, the Company has executed a restrictive covenants agreement which requires the utilization of the project pursuant to Section 42 for an additional 15 years after the close of the compliance period, even if the Company disposes of the project. By agreement, the Company shall continue to be in full force until December 27, 2112, unless sooner terminated in accordance with the operating agreement. The company operates on a calendar year-end.

Heritage Overlook, LLC

Heritage Overlook, LLC (the Company) was formed as a limited liability company under the laws of the state of Maryland on May 6, 2016. The purpose of the Company is to construct and operate an affordable housing project consisting of 100 rental units and a community space in Glen Burnie, Maryland. The community space is approximately 1,950 square feet located in the building, which is used by tenants, neighborhood groups, and the Boys & Girls Club of Annapolis & Anne Arundel County for programs, meetings and functions. The project was completed, and rental operations commenced in April 2018.

The major activities of the Company are governed by the operating agreement and Internal Revenue Code (Section 42), which regulates the use of the project as to occupant eligibility and unit gross rent, among other requirements. The building must meet the provisions of these regulations during each of 15 consecutive years through 2033 in order to continue to qualify to receive the tax credits. In addition, the Company has executed a restrictive covenants agreement which requires the utilization of no less than 100 units of affordable housing for households with incomes at or below 80% of area median income for the Baltimore Metropolitan Statistical Area for a period continuing for 30 years after the receipt of the last certificate of occupancy for the project. By agreement, the Company shall continue until the Company is dissolved sooner by law or in accordance with the provisions of the operating agreement.

Whitaker Homes, LP

Whitaker Homes, LP (the Partnership), a Maryland Limited Partnership, was formed in 2018 to acquire, construct, develop and operate a 190-unit multifamily apartment complex, known as Freetown Village Apartments (the Project), in Anne Arundel County, Maryland. 173 of the total units are designated for rental to individuals and families of low income consisting of 20 residential buildings, the Head Start building, and a Community Center.

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 DEFINITION OF THE ENTITY (CONTINUED)

Discretely Presented Component Units (Continued)

Whitaker Homes, LP (Continued)

The major activities of the Company are governed by operating agreement and Internal Revenue Code (Section 42), which regulates the use of the project as to occupant eligibility and unit gross rent, among other requirements. The building must meet the provisions of these regulations during each of 15 consecutive years beginning in January 2020 through January 2035 in order to continue to qualify to receive the tax credits. In addition, the Company has agreed to maintain and operate the project as low-income housing for another 25 years after the above period ends. By agreement, the Company shall continue until the Company is dissolved sooner by law or in accordance with the provisions of the operating agreement.

Severn Homes, LP

Severn Homes, LP (the Partnership), a Maryland Limited Partnership, was formed in 2018 to develop, construct, rehabilitate, own, maintain, and operating a 224-unit multifamily apartment complex, known as Severn Homes (the Project), in Anne Arundel County, Maryland. 223 of the total units are designated for rental to individuals and families of low income consisting of 30 residential buildings, and 2 community buildings.

The general partner is HCAAC Severn Homes LLC, a Maryland corporation and a component unit of the Housing Commission of Anne Arundel County (HCAAC). The limited partner is RBC Community Investments, LLC. The Special Limited Partner is RBC Community Investments Manager II, Inc.

Other Entities

Heritage Overlook Managing Member LLC is a limited liability company created on May 6, 2016. The Commission is the nonmenacing member with 49% interest in voting rights but shall receive only 0.01% allocation of each and every item of the LLC's income, gain, loss, deduction, credit and basis. The managing member is Penrose GP, LLC.

Burwood Gardens Managing Member LLC is a limited liability company created on December 4, 2012. The Commission is the nonmanaging member with 49% interest in voting rights but shall receive only 0.01% allocation of each and every item of the LLC's income, gain, loss, deduction, credit and basis. The managing member is Penrose GP, LLC.

The activity in the two entities listed above is immaterial to the financial statements of the Commission as a whole and the entities are therefore disregarded for financial statement purposes.

Programs and Activities

The financial statements of the Commission include the Public Housing Program; the HUD Section 8 Housing Choice Voucher Program, the Section 8 Mainstream Voucher Program, Burwood Overlook Fund, Oakleaf Villas, the HOPWA Grant Program, the Choice Program, the Pumphrey House Program, the North Arundel Plaza, the Supportive Housing for Persons with Disabilities Program, the Capital Fund Program, the Housing Resource Center, the Family Self-Sufficiency (FSS) Program, and the HOME Investment Partnership Program. Descriptions of significant programs are described below:

HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 DEFINITION OF THE ENTITY (CONTINUED)

Programs and Activities (Continued)

Public Housing Program

The public housing program is designed to provide low-cost housing within the County of Anne Arundel. Under this program, HUD provides funding via an annual contributions contract. These funds, combined with the rental income received from tenants, are available solely to meet the operating expenses of the program.

Capital Fund Program

Substantially all additions to capital assets are accomplished through capital fund programs. The Capital Fund Program replaces or materially upgrades deteriorated portions of existing Commission public housing property.

Housing Choice Voucher Program

The Commission administers a program of rental assistance payments to private owners on behalf of eligible low-income families under Section 8 of the Housing and Urban Development Act of 1974. The program provides payments covering the difference between the maximum rental on a dwelling unit, as approved by HUD, and the amount of rent contribution by a participating family.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Commission's accounts are organized as an enterprise fund. The operations are accounted for with a set of self-balancing accounts that comprise its assets, liabilities, net position, revenues, and expenses. Accordingly, the accompanying financial statements have been prepared using the accrual method of accounting and on the basis of accounting principles generally accepted in the United States of America (U.S. GAAP).

Basis of Accounting and Measurement Focus

The basis of accounting for the Commission is determined by measurement focus. The flow of economic resources measurement focus and the accrual basis of accounting are used to account for the activities of the Commission. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. All assets and liabilities associated with the operation of the Commission are included on the statement of net position. The Commission is required to follow all statements of GASB.

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets and Budgetary Accounting

- In February, the Commission holds a meeting with staff to discuss the proposed operating budget.
- During the month of April, the Commission submits to the board of commissioners a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them.
- In April, the budget is formally approved by the board of commissioners.
- Budgeted amounts as of June 30 are as originally adopted or as amended by the board of commissioners.
- Annual budgets lapse at fiscal year-end.

Revenue

The major sources of revenue are various operating subsidies and grants received from HUD and rental charges to tenants.

Federal and State Grant Revenue – Operating subsidies and Capital Fund Program (CFP) grant revenue received from HUD are susceptible to accrual and are recognized during the fiscal year earned in accordance with applicable HUD program guidelines. The Commission generally is entitled to receive monies under an established payment schedule or, for the CFP grant, as expenditures are made.

Tenant Charges – Tenant charges consist of rental income. Rents are recognized as revenue when assessed. Amounts not received by year-end are considered to be accounts receivable, and amounts paid for the subsequent fiscal year (if any) are recorded as unearned revenue.

Other Income – Other income is composed of service fees, refunds, management fees, and other miscellaneous income.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Commission considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Investments

Investments are principally corporate bonds, mutual funds and other exchange traded securities. Investments are stated at fair value, based on quoted market prices and are classified as current or long term based on the maturity date or call date. Callable investments are classified as current, if exercise of the call within the next fiscal year is probable.

HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted Assets

Certain assets may be classified as restricted assets on the statement of net position because their use is restricted by contracts or agreements with outside third parties and lending institutions.

Accounts Receivable

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. The Commission provides for losses on accounts receivable using the allowance method. The allowance is based on experience and knowledge about the collectability of individual accounts. Receivables are considered impaired if full principal payments are not received in accordance with the repayment terms. It is the Commission's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

Notes Receivable

The Commission has advanced loans to third-party developers in conjunction with various mixed finance projects. All principal and interest are due at maturity or based upon cash flow, and due to the uncertainty created by the extended period of time to repayment, interest income will be recognized when cash payments are received. The Commission reviews notes receivable for collectability whenever events or circumstances indicate that the carrying value of the receivable may not be recoverable.

Developer Fees Receivable

Developer fees receivable are stated at the amount management expects to collect on balances outstanding at year-end. Developer fees are due based upon terms of the related agreements. Management evaluates collectability based upon several factors, including historical collection experience and review and assessment of the financial condition of the debtor. At June 30, 2021, all amounts were deemed 100% collectible.

Inventory

Inventory is recorded at the lower of cost or market using the first-in, first-out (FIFO) method, net of obsolete inventories of \$13,551.

Capital Assets

The Commission's capitalization threshold is \$5,000 for capital assets such as furniture and fixtures (not attached to the building or the improvement), computer software, vehicles, and equipment; and \$50,000 for building improvements and infrastructure. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Capital assets are recorded at cost and depreciated using the straight-line method over the asset's estimated useful life.

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

The estimated useful lives are as follows:

Buildings	40 Years
Building Improvements	15 Years
Vehicles	8 Years
Computer Software, Furniture, and Equipment	3 to 15 Years

Compensated Absences

Employees earn vacation and sick leave in varying amounts based upon length of service. Only 30 vacation days can be carried into the next calendar year. Upon termination, employees are paid for accumulated vacation time earned.

The Commission's policy allows for employees to accumulate a maximum of 1,920 hours of unused sick leave. Sick leave is not paid upon termination. Since the employee's accumulating rights to receive compensation for future sick leave absences are contingent upon the absences being caused by future illnesses, and since such amounts cannot be reasonably estimated, a liability for unused sick leave is not recorded in the financial statements.

Revenues and Expenses

Revenues and expenses are distinguished between operating and nonoperating items. Operating revenues generally result from providing services in connection with the Commission's principal ongoing operations. The principal operating revenues of the Commission are tenant rentals and operating grants/subsidies from HUD.

Operating expenses include the costs associated with the day-to-day operations of the Commission and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

Eliminations

Transactions between the Commission's different programs and interprogram receivables and payables have been eliminated from the financial statements.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position

It is the Commission's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available. Net position is displayed in three components as follows:

Net Investment in Capital Assets – This component of net position consists of all capital assets, reduced by the outstanding balance of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position – This component of net position consists of restricted assets when constraints are placed on the asset by creditors (such as debt covenants), grantors, laws, regulations, etc.

Unrestricted Net Position – This component of net position consists of resources that do not meet the definition of net investment in capital assets or restricted net position.

NOTE 3 DEPOSITS AND INVESTMENTS – PRIMARY GOVERNMENT

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the Commission's deposits may not be returned. The Commission has a deposit policy that addresses custodial credit risk. At June 30, 2021, the carrying amount of the Commission's deposits was \$5,657,862, and the bank balance was \$5,754,345. Of the bank balance, certain amounts were covered by federal depository insurance, and the remainder was fully collateralized by securities held by the depository's agent in the Commission's name.

Investments

The investment policy of the Commission was approved by the Board of Commissioners. The Commission is permitted to invest its monies in certificates of deposit, savings accounts, money market accounts, state and local government investment pools, direct obligations of the federal government, obligations of federal government agencies, marketable debt securities and securities of federal government agencies.

The Commission is prohibited from investing in restricted (letter) stock, short sale contracts, futures contracts or option contracts (except when used by alternative investment advisors), securities of an investment advisor, their parents or subsidiaries, purchase of other direct interest in oil, gas or mineral exploration or development programs, and securities lending.

Investments held by the Commission at June 30, 2021 are presented below, categorized by investment type and credit quality rating. Credit ratings provide information about the investments' credit risk, which is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 3 DEPOSITS AND INVESTMENTS – PRIMARY GOVERNMENT (CONTINUED)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Commission staggers maturity dates of investments to avoid losses from rising interest rates and the investment policy generally limits the maturities of investments to not more than three years to reduce the risk of impact on the fair value of investments. As of June 30, 2021, the value and maturities for these assets were as follows:

Asset	Amortized Cost	Fair Value	Maturities (in Years)	
			Less Than 1	1 - 5
Investment Type:				
Mutual Funds	\$ 1,469,921	\$ 1,469,921	\$ 1,469,921	\$ -
Corporate Bonds	205,107	205,107	205,107	-
Exchange Traded Securities	922,663	922,663	922,663	-
Total	<u>\$ 2,597,691</u>	<u>\$ 2,597,691</u>	<u>\$ 2,597,691</u>	<u>\$ -</u>

Credit Risk

The Commission's investment policy allows investments other than those backed by the full faith and credit of, or a guarantee of principal and interest by, the U.S. Government, a Government agency or issued by a Government-sponsored agency, coupled with an appropriate maturity date. Other individual investments in debt issues should be rated in the highest three Moody's and/or Standard & Poor's categories.

Concentration of Credit Risk

The Commission's investment policy does not allow a single equity investment to exceed more than 5% of the market value of the portfolio at the time of purchase or 15% of the market value at any time thereafter. Concentration in any industry is limited to a maximum of 20% of the total portfolio market value.

Asset	Fair Value	Percent of Total Investments	Moody Credit Quality Rating
Investment Type:			
Mutual Funds	\$ 1,469,921	57 %	N/A
Corporate Bonds	205,107	8	Aa2/Baa1
Exchange Traded Securities	922,663	36	N/A
Total	<u>\$ 2,597,691</u>	101	

Fair Value Measurements

The Commission categorizes its fair value measurements within the fair value hierarchy established by U.S. GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. As of June 30, 2021, the Commission's investments are all quoted on active markets for identical assets and are valued using those quoted market prices (Level 1).

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 4 RESTRICTED CASH AND CASH EQUIVALENTS – PRIMARY GOVERNMENT

At June 30, 2021, the Commission had the following cash and cash equivalents, the use of which was restricted under the terms of various grant programs, debt obligations or other requirements.

Oakleaf Reserve Fund	\$ 203,898
Pumphrey Reserve Fund	266,725
Tenant Security Deposits	217,041
Meade Village - Development Fund	553,701
Capital Fund Finance Program Debt Service Fund	485,914
FSS Escrow Deposits	512,918
Voucher Restricted HAP	632,715
Voucher CARES	546,901
Mainstream Voucher Restricted Cash	37,311
Mainstream CARES	31,851
Public Housing CARES	1,941
Total	<u><u>\$ 3,490,916</u></u>

NOTE 5 RESTRICTED CASH – DISCRETE COMPONENT UNIT

Discrete Component Units

Pursuant to various agreements with DHCD and the operating agreements for each discrete component unit, certain funds are required to be deposited in restricted accounts. Restricted cash balances at December 31, 2020 for each discrete component unit were as follows:

	<u>Burwood Gardens</u>	<u>Heritage Overlook</u>	<u>Whitaker Homes</u>	<u>Severn Homes</u>
Replacement Reserves	\$ 1,809,122	\$ 182,345	\$ 264,540	\$ -
Operating Reserve	492,354	529,637	733,930	-
Transition Reserve	253,148	-	-	-
Social Services Reserve	209,080	-	-	-
Tenant Security Deposits	28,091	19,163	61,572	-
Community Building Operating Reserve	-	75,637	-	-
Rent-Up Reserve	-	45,593	-	-
Insurance/Tax Escrows	52,902	19,092	99,843	-
Working Capital Reserve	-	-	-	449,020
Interest Reserve	-	-	-	725,646
Balance, December 31, 2020	<u><u>\$ 2,844,697</u></u>	<u><u>\$ 871,467</u></u>	<u><u>\$ 1,159,885</u></u>	<u><u>\$ 1,174,666</u></u>

HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6 CAPITAL ASSETS – PRIMARY GOVERNMENT

The changes in capital assets for the year ended June 30, 2021 are as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets not Being Depreciated:				
Land	\$ 3,641,219	\$ -	\$ -	\$ 3,641,219
Construction in Progress	-	242,824	-	242,824
Capital Assets Being Depreciated:				
Buildings and Building Improvements	37,372,879	344,144	(310,055)	37,406,968
Furniture and Equipment - Dwellings	2,722,547	-	445,896	3,168,443
Furniture and Equipment - Administration	2,154,069	219,332	(135,841)	2,237,560
Total Capital Assets Being Depreciated	42,249,495	563,476	-	42,812,971
Less: Accumulated Depreciation	(27,575,482)	(1,285,090)	-	(28,860,572)
Total Capital Assets Being Depreciated, Net	14,674,013	(721,614)	-	13,952,399
Capital Assets, Net	<u>\$ 18,315,232</u>	<u>\$ (478,790)</u>	<u>\$ -</u>	<u>\$ 17,836,442</u>

NOTE 7 CAPITAL ASSETS – DISCRETE COMPONENT UNITS

The changes in capital assets for the year ended December 31, 2020 are as follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Capital Assets not Being Depreciated:					
Land	\$ 2,330,839	\$ -	\$ -	\$ -	\$ 2,330,839
Construction in Progress	-	6,915,941	-	-	6,915,941
Total Capital Assets Not Being Depreciated	2,330,839	6,915,941	-	-	9,246,780
Capital Assets Being Depreciated:					
Buildings and Building Improvements	72,003,219	28,659,449	-	-	100,662,668
Infrastructure	2,813,285	2,220,262	-	-	5,033,547
Furniture and Equipment - Dwellings	1,133,173	676,137	-	-	1,809,310
Furniture and Equipment - Administration	220,319	-	(187,917)	-	32,402
Total Capital Assets Being Depreciated	76,169,996	31,555,848	(187,917)	-	107,537,927
Less: Accumulated Depreciation	(5,179,757)	(2,869,426)	-	-	(8,049,183)
Total Capital Assets Being Depreciated, Net	70,990,239	28,686,422	(187,917)	-	99,488,744
Capital Assets, Net	<u>\$ 73,321,078</u>	<u>\$ 35,602,363</u>	<u>\$ (187,917)</u>	<u>\$ -</u>	<u>\$ 108,735,524</u>

NOTE 8 NOTES RECEIVABLE

As of June 30, 2021 the Commission had two notes receivable outstanding as part of mixed-finance transactions.

The Commission executed a Seller Note to Whitaker Homes LP on May 31, 2018 in the amount of \$15,443,820 in exchange for the Freetown Village Apartments development. Interest on the note accrues at 2.94% per annum on the unpaid principal and interest balances. The note matures May 31, 2060 with all unpaid principal and accrued interest due at that time. Payments of principal and accrued interest are due from 25% of surplus cash of the project each year. After other loans on the project are paid, payments of principal and interest are due from 75% of surplus cash each year. The note is secured by a fourth mortgage lien on the property. At June 30, 2021, \$15,443,820 remained due from Whitaker Homes LP.

HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 NOTES RECEIVABLE (CONTINUED)

The Commission executed a Seller Note to Severn Homes LP on April 1, 2020 in the amount of \$16,447,440 in exchange for the Meade Village Apartments development. Interest on the note accrues at 2.76% per annum on the unpaid principal and interest balances. The note matures April 1, 2062 with all unpaid principal and accrued interest due at that time. Payments of principal and accrued interest are due from 25% of surplus cash of the project each year. After other loans on the project are paid, payments of principal and interest are due from 75% of surplus cash each year. The note is secured by a fourth mortgage lien on the property. At June 30, 2021, \$16,447,440 remained due from Severn Homes LP.

The Commission executed a loan to Severn Homes LP on April 1, 2020 in the amount of \$6,000,000. Interest shall be paid on the outstanding principal balance at a rate of 2.76% per year. The Partnership shall make payments of principal and accrued interest from available cash flow in accordance with the partnership agreement. The remaining principal balance and any accrued and unpaid interest is due April 1, 2062. All payments shall be first applied to accrued interest with the balance, if any, applied to the outstanding principal balance. The loan is secured by a third priority acquisition leasehold deed of trust and security agreement on the Partnership's real property. At June 30, 2021 \$5,470,594 remained due from Severn Homes LP.

NOTE 9 DEVELOPER FEE RECEIVABLE

In connection with the development of the Whitaker Homes mixed finance project, the Commission will earn a development fee of \$3,122,179. The Commission earned the entire development fee during the year ended June 30, 2021. \$1,321,417 of this amount was repaid to the Commission and the remaining \$1,800,762 is included in accounts receivable on the statement of net position. The receivable is payable in accordance with the schedule indicated in the developer agreement dated May 1, 2018 between Whitaker Homes LP and the Commission.

In connection with the development of the Severn Homes mixed finance project, the Commission will earn a development fee of \$5,277,750. The Commission earned \$1,669,539 during the year ended June 30, 2020. \$1,000,000 of this amount was repaid to the Commission in April 2020 at the time of the sale of the property and the remaining \$1,725,089 is included in accounts receivable on the statement of net position. The receivable is payable in accordance with the schedule indicated in the developer agreement between Severn Homes LP and the Commission.

HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10 ACCOUNTS RECEIVABLE

As of June 30, 2021, accounts receivable consisted of the following:

HUD	\$ 211,231
Other Government	97,015
Dwelling Rents	164,926
Accrued Interest Receivable	482
Developer Fees Receivable	3,525,851
Due From Related Parties	1,238,362
Bridge Subsidy Receivable - HCVP	85,552
Other - HCVP	4,436
Other - Business Activities	2,070
RAD Predevelopment Receivables - AMPS	425,554
Portability Receivable - HCVP	72,596
Allowance for Uncollectible Accounts	(31,724)
Total	<u>\$ 5,796,351</u>

NOTE 11 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

As of June 30, 2021, accounts payable and accrued liabilities consisted of the following:

Vendors	\$ 910,330
Accrued Wages/Payroll Taxes	282,291
Other Accrued Current Liabilities	14,287
Total	<u>\$ 1,206,908</u>

NOTE 12 LONG-TERM LIABILITIES

As of June 30, 2021, long-term liabilities consisted of the following:

	Beginning Balance	Additions	Deletions	Ending Balance	Amount Due in One Year
Compensated Absences	\$ 307,572	\$ -	\$ (67,954)	\$ 239,618	\$ 23,962
FSS Escrows	388,151	185,784	(61,017)	512,918	-
Line of Credit	500,000	750,000	-	1,250,000	-
Long-Term Debt	4,352,398	120,861	(331,309)	4,141,950	599,911
Total	<u>\$ 5,548,121</u>	<u>\$ 1,056,645</u>	<u>\$ (460,280)</u>	<u>\$ 6,144,486</u>	<u>\$ 623,873</u>

HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 LONG-TERM DEBT

The following is a summary of the long-term debt for the year ended June 30, 2021:

	Beginning Balance	Additions	Retirement	Ending Balance	Amount Due in One Year
North Arundel Plaza - 1st Mortgage	\$ 1,236,866	\$ -	\$ (110,482)	\$ 1,126,384	\$ 114,871
Pumphrey House - Note	1,444,117	120,861	-	1,564,978	-
North Arundel Plaza - 2nd Mortgage	1,181,415	-	(105,827)	1,075,588	110,040
Line of Credit	500,000	750,000	-	1,250,000	-
Bonds Payable	490,000	-	(115,000)	375,000	375,000
Total	<u>\$ 4,852,398</u>	<u>\$ 870,861</u>	<u>\$ (331,309)</u>	<u>\$ 5,391,950</u>	<u>\$ 599,911</u>

On January 26, 2000, the Commission entered into a first mortgage loan with Truist in the amount of \$2,500,000. This loan ran through March 1, 2016 and required monthly principal and interest payments of \$15,137. During 2015, this loan was refinanced, resulting in a reduction of monthly principal and interest payments to \$13,156. Under the terms of the new agreement, payment consists of 59 monthly principal and interest payments. In addition, the Commission will make a final payment for all remaining principal and accrued interest at the maturity date of November 8, 2019. Interest accrues at a fixed rate of 4.04%. The loan is collateralized by the North Arundel Plaza building. The Commission entered into a loan extension agreement with Truist on November 8, 2019 which extended the maturity date to November 19, 2029 and reduced the interest rate to 3.85%.

On July 11, 2001, the Commission entered into a loan agreement with the Community Development Administration (CDA) of the state of Maryland in the amount of \$999,661. The loan matures September 1, 2042 and bears a 4.00% rate of interest. Interest and principal shall be due and payable in consecutive annual installments in an amount equal to the lesser of surplus cash or the scheduled payments. The annual installments shall commence on the first day of the fourth month following the end of the borrower's first fiscal year after the construction loan payment. In any fiscal year that the scheduled payments are greater than surplus cash, the unpaid difference shall be deferred, and all accrued and unpaid interest shall be added to the principal amount of the loan and shall accrue interest at 4%. For the year ended June 30, 2021, \$7,478 in accrued interest was added to the balance of the loan. The loan is collateralized by the Pumphrey House development.

On June 28, 2006, the Commission entered into a second mortgage loan agreement with Truist in the amount of \$2,000,000. Starting on August 15, 2006, this agreement required monthly principal and interest payments of \$14,977. During 2016, this loan was refinanced resulting in a reduction of monthly principal and interest payments to \$12,529. Under the terms of the new agreement, payment consists of 59 monthly principal and interest payments. In addition, the Commission will make a final payment for all remaining principal and accrued interest on the maturity date of November 8, 2019. Interest accrues at a fixed rate of 4.04%. The loan is collateralized by the North Arundel Plaza building. The Commission entered into a loan extension agreement with Truist on November 8, 2019 which extended the maturity date to November 3, 2029 and reduced the interest rate to 3.85%.

HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 LONG-TERM DEBT (CONTINUED)

The Commission has an unsecured line of credit in the amount of \$1,750,000 with Truist. Outstanding amounts against this line bear interest at the bank's prime rate, which was 3.25% as of June 30, 2021. The Commission's deposit on hand are considered the collateral for this line of credit. At June 30, 2021, the outstanding balance on this line of credit was \$1,250,000 and the maturity date was October 30, 2022.

On December 1, 2003, the State of Maryland issued Revenue Bond 2003 for the benefit of the Commission and other housing authorities in Maryland. The Commission's portion of the bond is \$6,150,000. The interest rate accrued on the bonds varies between 4.05% and 4.55%, and the bonds mature through June 2023. The bonds will be repaid to the state directly by HUD with capital funds in the name of the Commission. During the year ended June 30, 2021, the Commission paid an additional \$115,000 in bond principal as required for the closing of the Severn Homes LP RAD project. As of June 30, 2021, the liability for bonds payable amounted to \$375,000.

As of June 30, 2021, the debt principal and interest payments due for the notes and bonds payable are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 599,911	\$ 167,379	\$ 767,290
2023	1,483,864	153,607	1,637,471
2024	243,002	139,203	382,205
2025	252,846	124,294	377,140
2026	262,910	54,026	316,936
2027-2031	984,439	401,513	1,385,952
2032-2036	-	288,823	288,823
2037-2041	-	288,823	288,823
2042-2046	1,564,978	182,921	1,747,899
Total	<u>\$ 5,391,950</u>	<u>\$ 1,800,589</u>	<u>\$ 7,192,539</u>

NOTE 14 MORTGAGES PAYABLE – DISCRETE COMPONENT UNITS

Burwood Gardens

First Mortgage – Burwood Gardens Senior, LLC obtained a permanent financing loan from Capital One, N.A. in the amount of \$3,485,471 on September 29, 2014. The loan bears interest at a fixed rate of 6.00% per annum. Payments of principal and interest in the amount of \$20,897 are due monthly until October 29, 2044. For the year ended December 31, 2020, interest expense was \$212,376 including debt issuance cost amortization of \$12,014. As of December 31, 2020, outstanding principal was \$3,171,647 and unamortized debt issuance costs were \$266,564 based on an imputed rate of 6.98%. As of December 31, 2020, accrued interest payable was \$15,878.

HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 MORTGAGES PAYABLE – DISCRETE COMPONENT UNITS (CONTINUED)

Burwood Gardens (Continued)

Second Mortgage – Burwood Gardens Senior, LLC entered into a loan agreement with the Maryland Department of Housing and Community Development (DHCD) in the amount of \$3,983,397. On December 27, 2013, DHCD assigned and transferred the right to receive payments related to this mortgage to the Commission. The loan shall bear interest at 2.187% per annum. Interest will accrue annually until the total amount of interest accrued is equal to the original principal amount plus an amount which would be equal to interest accrued from the date of the original principal amount over a 15-year period, assuming no prepayment. The total outstanding principal balance and accrued interest will be due in full on April 1, 2054. For the year ended December 31, 2020, interest expense incurred totaled \$79,450. Outstanding principal and accrued interest on the loan as of December 31, 2020 totaled \$3,632,847 and \$594,769, respectively.

Third Mortgage – Burwood Gardens Senior, LLC entered into a loan agreement with Arundel Community Development Services Inc. (ACDS) in the amount of \$600,000 on December 27, 2012. After the construction period, as defined in the note agreement, the note will bear interest at 4.00% per annum. Beginning on April 1, 2015, annual payments of principal and interest are payable from 75% of available surplus cash until maturity on April 1, 2055. For the year ended December 31, 2020, interest expense incurred totaled \$22,519. The outstanding principal balance and accrued interest on the loan as of December 31, 2020 totaled \$560,737 and \$22,519, respectively.

The above mortgages are collateralized by all rental property of Burwood Gardens Senior, LLC.

Heritage Overlook LLC

First Mortgage – Heritage Overlook LLC has a multifamily mortgage note in the amount of \$6,206,355 held with Bank of America executed on December 5, 2018, which is secured by a first lien on the rental property. The mortgage bears interest at a fixed rate of 5.49% per annum. Monthly payments of principal and interest in the amount of \$33,612 are due beginning on February 1, 2019 through January 1, 2035, the maturity date, at which time the outstanding principal balance and all accrued interest will be due in full. As of December 31, 2020, the outstanding principal balance was \$6,151,458 and unamortized debt issuance costs were \$393,855.

Second Mortgage – The Community Development Administration, a division of the DHCD, loaned funds to Heritage Overlook LLC in the amount of \$241,043 through the Harry and Jeanette Weinberg Foundation's Affordable Rental Housing Opportunities for Persons with Disabilities program. The purpose of the loan is to provide funds to assist with the development of 3 floating units for occupancy by Eligible Residents, as defined in the loan agreements (the Weinberg Units). The loan is secured by a deed of trust note. The loan bears no interest and all outstanding principal is due at maturity on April 1, 2058. As of December 31, 2020, the outstanding principal was \$241,043.

HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 MORTGAGES PAYABLE – DISCRETE COMPONENT UNITS (CONTINUED)

Heritage Overlook (Continued)

Third Mortgage – ACDS loaned funds to Heritage Overlook LLC in the amount of \$750,000 (the HOME loan), which is secured by a deed of trust note. In accordance with the loan documents, the Heritage Overlook LLC is required to set aside 5 units to be rented to very low-income households, as defined in the agreement, for a period of 20 years commencing upon completion of the construction period. The loan bears interest at a rate of 2% per annum, through the maturity date, June 1, 2058. Beginning April 1, 2019, payments of principal and interest are due annually in the lesser amount of 75% of annual net cash flow or the actual debt service payment based on the term and interest rate of the loan to fully amortize by the maturity date. Interest expense incurred for the year ended December 31, 2020 was \$15,000, and there is \$17,130 payable as of December 31, 2020. As of December 31, 2020, the outstanding principal was \$750,000.

The liability of Heritage Overlook LLC under the mortgage notes described above are limited to the underlying value of the real estate collateral plus other amounts deposited with the Bank.

Whitaker Homes

DHCD Deed of Trust – On May 31, 2018, Whitaker Homes LP entered into a Deed of Trust Note with the Community Development Administration (CDA), a unit of the Division of Development Finance of the Maryland Department of Housing and Community Development (MD DHCD) in the amount of \$2,500,000. Under the agreement, Whitaker Homes LP must pay the applicable surplus cash percentage (50% until the Developer Fee has been paid in full; thereafter, the percentage shall be 57.69%) to CDA on each April during the permanent loan period. The remainder of the principal balance is due November 1, 2059. As of December 31, 2020, \$2,500,000 remains outstanding and unamortized debt issuance costs were \$1,098,462.

HCAAC Sellers Note – On May 31, 2018, Whitaker Homes LP entered into a Sellers Note with the Commission, in the amount of \$15,443,820. \$1,807,820 was attributed to the leasehold interest in the land and \$13,830,760 was attributed to the Building. Interest shall be paid on the outstanding principal balance at a rate of 2.94% per year. Whitaker Homes LP shall make payments of principal and accrued interest from 25% of Surplus Cash. The remaining principal balance and any accrued and unpaid interest is due May 31, 2060. All payments shall be first applied to accrued interest with the balance, if any, applied to the outstanding principal balance. As of December 31, 2020, 15,443,820 remains outstanding.

CDA Risk Share Bond – On May 1, 2018, Whitaker Homes LP entered into a finance agreement with the CDA, a unit of the Division of Development Finance of MD DHCD. Under the terms of the agreement, CDA agreed to lend a total of \$21,200,000 to be used to finance the acquisition, construction and rehabilitation of Whitaker Homes. The loan is insured by the U.S. Department of HUD under the Risk Sharing Program established by CDA and HUD pursuant to Section 542(c) of the Housing and Community Development Act of 1992 and is subject to the regulations codified at 24 CFR Part 266 and any other applicable rules and regulations.

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 14 MORTGAGES PAYABLE – DISCRETE COMPONENT UNIT (CONTINUED)

Whitaker Homes (Continued)

A short-term loan in the amount of \$11,270,000 is provided during the construction period. The loan shall accrue on the outstanding principal balance at the rate of 2.35% per annum. The loan is due to mature February 1, 2020. Interest only payments are due starting July 2018 through maturity date. At December 31, 2020, \$11,270,000 remains outstanding.

A long-term loan is in the amount of \$9,930,000. The loan shall accrue on the outstanding principal balance at the rate of 4.65% per annum. The loan is due November 1, 2059. Interest only payments are due starting July 2018 through November 1, 2019. Beginning on December 1, 2019 payments of principal and interest are due monthly in the amount of \$45,603.54 through maturity. At December 31, 2020, \$9,930,000 remains outstanding.

HOME Loan – On May 31, 2018, Whitaker Homes LP entered into a Leasehold Deed of Trust Note with ACDS in the amount of \$750,000. On April 1st of each year during the loan period, Whitaker Homes LP shall pay 17.31% of Surplus Cash. No payment shall be due in the event there is no Surplus Cash. All remaining principal is due November 1, 2059. No payments were made during the year ended December 31, 2020 and \$750,000 remains outstanding.

The above mortgages are collateralized by all rental property of Whitaker Homes, LP.

Severn Homes

FHA Loan - On April 1, 2020, the Partnership entered into a Note with the Grandbridge Real Estate Capital, LLC, in the amount of \$22,451,000. The note bear interest at a rate of 3.9% and matures on November 1, 2061. Interest only payments are due monthly commencing on May 1, 2020 through November 1, 2021. Thereafter, consecutive monthly payments of principal and interest in the amount of \$92,440 are payable on the first day of each month beginning December 1, 2021 until the entire unpaid principal balance is fully paid. The loan is secured by first priority mortgage on the Partnership's real property. As of December 31, 2020, \$10,505,750 has been borrowed on this note.

HCAAC Sellers Note - On April 1, 2020, the Partnership entered into a Sellers Note with HCAAC, in the amount of \$16,447,440. Interest shall be paid on the outstanding principal balance at a rate of 2.76% per year. The Partnership shall make payments of principal and accrued interest from available cash flow in accordance with the partnership agreement. The remaining principal balance and any accrued and unpaid interest is due April 1, 2062. All payments shall be first applied to accrued interest with the balance, if any, applied to the outstanding principal balance. The loan is secured by a third priority acquisition leasehold deed of trust and security agreement on the Partnership's real property. No payments have been made during the year ended December 31, 2020.

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 14 MORTGAGES PAYABLE – DISCRETE COMPONENT UNIT (CONTINUED)

Severn Homes (Continued)

HCAAC Loan - On April 1, 2020, the Partnership entered into a loan with HCAAC, in the amount of \$6,000,000. Interest shall be paid on the outstanding principal balance at a rate of 2.76% per year. The Partnership shall make payments of principal and accrued interest from available cash flow in accordance with the partnership agreement. The remaining principal balance and any accrued and unpaid interest is due April 1, 2062. All payments shall be first applied to accrued interest with the balance, if any, applied to the outstanding principal balance. The loan is secured by a third priority acquisition leasehold deed of trust and security agreement on the Partnership's real property. As of December 31, 2020, \$3,740,776, has been advanced.

HOME Loan - On April 23, 2020, the Partnership entered into a Leasehold Deed of Trust Note with Arundel Community Development Services, Inc (ACDS) in the amount of \$750,000. The loan is secured by second priority mortgage on the Partnership's real property. No regular interest shall accrue on this note. Contingent interest shall be due upon the occurrence of certain events as set forth in the agreement at a rate of 20%. On April 1 of each year during the loan period, the Partnership shall pay surplus cash in an amount equal to the applicable surplus cash percentage. No payment shall be due in the event there is no Surplus Cash. All remaining principal is due April 1, 2062. No payments have been made during the year ended December 31, 2020.

Estimated annual maturities of the mortgages payable for each of the next five years following December 31, 2020 are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2020	\$ 652,864
2021	1,301,409
2022	1,333,268
2023	1,365,584
2024	1,401,163
Thereafter	68,948,571
Total	<u>75,002,859</u>
Less: Unamortized Debt Issuance Costs	(3,324,912)
Net Balance	<u><u>\$ 71,677,947</u></u>

NOTE 15 RELATED PARTY ACTIVITIES

Burwood Gardens

Land Lease – Burwood Gardens Senior, LLC entered into a land lease on December 27, 2012 with the Commission for a period of 90 years. In consideration of the lease, Burwood Gardens Senior, LLC will pay an annual rent of \$1 until expiration in December 27, 2102.

HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 15 RELATED PARTY ACTIVITIES (CONTINUED)

Burwood Gardens (Continued)

Rental Subsidy Agreement – The Commission, through the United States Department of HUD, contracted with Burwood Gardens Senior, LLC to make subsidy payments to Burwood Gardens Senior, LLC pursuant to the Section 8 Housing Act of 1937 on behalf of qualified tenants. The effective date of the contract is January 1, 2014 and the contract expires on December 31, 2029. Housing subsidies provided by the Commission for the year ended December 31, 2020 were \$1,059,268.

Subsidy and Commission Services Management Fees – The Commission entered into a subsidy management fee agreement and a commission services fee agreement with Burwood Gardens Senior, LLC. Burwood Gardens Senior, LLC will pay the Commission annual amounts equal to \$30,000 and \$15,000 for subsidy management fee and Commission services fees, respectively. For the year ended December 31, 2020, subsidy management and commission services fees earned by the Commission were \$30,000 and \$15,000, respectively.

Management Fee – The Commission entered into a management agreement with Burwood Gardens Senior to manage the operations of the property. The agreement is effective for a one-year term and renews automatically annually. The fee is equal to 7% of effective gross income, which is defined as all sources from operations received on a cash basis. For the year ended December 31, 2020, the Commission earned \$94,481 in management fees.

Bookkeeping Fee – The Commission earns a bookkeeping fee related to maintaining the financial records on an ongoing basis. For the year ended December 31, 2020, the Commission earned \$8,528 in bookkeeping fees.

Asset Management Fee – For services performed related to the maintenance of administrative functions associated with compliance with the directives of HUD, the Commission earns an asset management fee of \$10 per unit, regardless of occupied status, if Burwood Gardens Senior, LLC closed with excess cash in the prior year. The asset management fee is payable from net cash flow. For the year ended December 31, 2020, \$10,800 was earned by the Commission.

Heritage Overlook LLC

Land Lease – Heritage Overlook, LLC entered into a land lease on December 28, 2016 with the Commission for a period of 90 years. In consideration of the lease, Heritage Overlook, LLC will pay an annual rent of \$1 until expiration in December 27, 2106.

Rental Subsidy Agreement – The Commission, through the United States Department of HUD, contracted with Burwood Gardens Senior, LLC to make subsidy payments to Burwood Gardens Senior, LLC pursuant to the Section 8 Housing Act of 1937 on behalf of qualified tenants. The effective date of the contract is January 1, 2014 and the contract expires on December 31, 2029. Housing subsidies provided by the Commission for the year ended December 31, 2020 were \$1,054,129.

HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 15 RELATED PARTY ACTIVITIES (CONTINUED)

Heritage Overlook LLC (Continued)

Subsidy Management Fee – The Commission entered into a subsidy management fee agreement with Heritage Overlook, which will pay the Commission an annual fee equal to \$30,000. Any unpaid fees shall accrue and be payable from net cash flow as defined in the operating agreement. For the year ended December 31, 2020, subsidy management fees earned by the Commission were \$30,000.

Management Fee – The Commission entered into a management agreement with Heritage Overlook LLC to manage the operations of the property. The agreement is effective for a one-year term and renews automatically annually. The fee is equal to 7% of effective gross income, which is defined as all sources from operations received on a cash basis. For the year ended December 31, 2020, the Commission earned \$104,261 in management fees.

Bookkeeping Fee – The Commission earns a bookkeeping fee related to maintaining the financial records on an ongoing basis. For the year ended December 31, 2020, the Commission earned \$8,505 in bookkeeping fees.

Company Management Fee – Pursuant to the company management agreement with Heritage Overlook LLC, the Commission shall earn an annual cumulative fee of \$5,000, increasing annually at a rate of 3%, and payable from distributable cash flow. For the year ended December 31, 2020, the Commission earned \$5,305 in company management fees.

Asset Management Fee – For services performed related to the effective distribution of cash flows in the preparation of quarterly financial reports, the Commission earns an annual noncumulative supervisory management fee payable from cash flow. The supervisory management fee is equal to 90% of remaining cash flow available after priority distributions, but in no event greater than 6% of gross revenues for any given year. No supervisory management fee will be earned for any years with insufficient cash flow. For the year ended December 31, 2020, the Commission earned \$60,145 in supervisory management fees.

Whitaker Homes LP

Land Lease – Whitaker Homes LP entered into a land lease on May 31, 2018 with the Commission. The term of the lease is 99 years, commencing May 31, 2018. The expiration date of the lease is May 31, 2117. The base rent for the lease is \$1 annually.

Rental Subsidy Agreement – The Commission, through the United States Department of HUD, contracted with Whitaker Homes LP to make subsidy payments to Whitaker Homes LP pursuant to the Section 8 Housing Act of 1937 on behalf of qualified tenants. Housing subsidies provided by the Commission for the year ended December 31, 2020 were \$1,318,528.

Subsidy Management Fee – The Commission entered into a subsidy management fee agreement with Whitaker Homes LP. Whitaker Homes LP will pay the Commission an annual amount equal to \$43,500 for subsidy management services. For the year ended December 31, 2020, subsidy management fees earned by the Commission were \$43,500.

HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 15 RELATED PARTY ACTIVITIES (CONTINUED)

Whitaker Homes LP (Continued)

Property Management Fee – The Partnership is managed by the Commission to provide services in connection with the rent-up, leasing and operation of the Project. By agreement, the Commission will receive a management fee from the Partnership equal to 7.5% of gross income, or otherwise a fixed percentage or amount agreed to by the Partnership and the Commission and approved by DHCD and HUD. For the year ended December 31, 2020, the Commission earned \$152,815 as a management fee.

Interfund Payable – The Partnership incurs certain operating costs in the normal course of operations which are reimbursable to the Commission, and consists primarily of administrative and management payroll and related expenses. For the year ended December 31, 2020, reimbursable costs were approximately \$378,353, and the full amount due to the Commission is reflected in the Accounts Receivable section in the accompanying balance sheet.

Severn Homes LP

Land Lease – Severn Homes LP entered into a land lease on April 1, 2020 with the Commission. The term of the lease is 99 years, commencing April 1, 2020. The expiration date of the lease is April 1, 2119. The base rent for the lease is \$200,000 annually.

Rental Subsidy Agreement – The Commission, through the United States Department of HUD, contracted with Severn Homes LP to make subsidy payments to Severn Homes LP pursuant to the Section 8 Housing Act of 1937 on behalf of qualified tenants. Housing subsidies provided by the Commission for the year ended December 31, 2020 were \$1,109,109.

Property Management Fee – The Partnership is managed by the Commission to provide services in connection with the rent-up, leasing and operation of the Project. By agreement, the Commission will receive a management fee from the Partnership equal to 7.5% of gross income, or otherwise a fixed percentage or amount agreed to by the Partnership and the Commission and approved by DHCD and HUD. For the year ended December 31, 2020, the Commission earned \$52,390 as a management fee.

Interfund Payable – The Partnership incurs certain operating costs in the normal course of operations which are reimbursable to the Commission, and consists primarily of administrative and management payroll and related expenses. For the year ended December 31, 2020, reimbursable costs were approximately \$7,902, and the full amount due to the Commission is reflected in the Accounts Receivable section in the accompanying balance sheet.

HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 16 PENSION PLAN

Effective July 1, 1999, the Commission adopted the Housing-Renewal and Local Agency Retirement Plan (HRLARP), a defined contribution plan. The Commission's board of commissioners is responsible for establishing plan benefits, contributions, and other provisions, and for approving all plan amendments. The Commission has 51 employees enrolled in the pension plan during the fiscal year ended June 30, 2018. Under Amendment Number 1 to the plan, full-time permanent employees may annually choose their level of pre-tax employee contributions between 1% to 6% of their base wages/salary, with the Commission matching the employee's contribution percentage selected for that year. Employees employed with the Commission as of July 1, 1999 are eligible to participate in the plan as of the effective date of the plan, while all employees employed after July 1, 1999 are eligible to participate in the plan after six months of continuous employment upon attaining full-time permanent status.

The Commission also participates in the Anne Arundel County Defined Benefit Pension Plan. Under the plan, employees contribute 4% of their base wages/salary, with the Commission match being specified by the County. The current required match mandated by the County is 17.2%. New employees are not eligible to participate in the plan since June 30, 1999. Only one participant remains of those who were grandfathered into the plan as of that date.

The amount of pension contributions made by the Commission for the year ended June 30, 2021 was \$130,578, and the amount of pension contributions made by its employees for the year ended June 30, 2021 was \$136,866.

NOTE 17 ECONOMIC DEPENDENCY

The Commission is economically dependent on receiving operating subsidies from the U.S. Department of HUD.

NOTE 18 CONTINGENCIES AND COMMITMENTS

The Commission is a defendant in various matters of litigation and claims. These matters result from the normal course of business. It is not presently possible to determine the ultimate outcome or settlement cost, if any, of these matters.

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 19 BLENDED COMPONENT UNIT SCHEDULES

	Blended Component Units		Blended Component Units		Blended Component Units		Blended Component Units		Blended Component Units	
	Housing Enterprises	Housing Corporation	Housing Corporation	Subtotal	Subtotal	Primary Government	Eliminations	Eliminations	Total	Total
ASSETS										
Cash and Investments	\$ 1,309,808	\$ -	-	\$ 1,309,808	\$ 1,309,808	\$ 6,728,704	\$ -	-	\$ 8,038,512	\$ 8,038,512
Current Assets	3,470,503	688	688	3,471,191	3,471,191	2,718,605	(39,536)	(39,536)	6,150,260	6,150,260
Capital Assets	-	1,413,000	1,413,000	1,413,000	1,413,000	16,423,442	-	-	17,836,442	17,836,442
Notes Receivable	-	-	-	-	-	37,361,854	-	-	37,361,854	37,361,854
Interfunds	122,539	(122,539)	(122,539)	-	-	-	-	-	-	-
Total Assets	<u>4,902,850</u>	<u>1,291,149</u>	<u>1,291,149</u>	<u>6,193,999</u>	<u>6,193,999</u>	<u>63,232,605</u>	<u>(39,536)</u>	<u>(39,536)</u>	<u>69,387,068</u>	<u>69,387,068</u>
LIABILITIES										
Current Liabilities	264	20,095	20,095	20,359	20,359	2,650,307	(39,536)	(39,536)	2,631,130	2,631,130
Noncurrent Liabilities	-	-	-	-	-	5,520,613	-	-	5,520,613	5,520,613
Total Liabilities	<u>264</u>	<u>20,095</u>	<u>20,095</u>	<u>20,359</u>	<u>20,359</u>	<u>8,170,920</u>	<u>(39,536)</u>	<u>(39,536)</u>	<u>8,151,743</u>	<u>8,151,743</u>
NET POSITION										
Net Investment in Capital Assets	-	1,413,000	1,413,000	1,413,000	1,413,000	12,281,492	-	-	13,694,492	13,694,492
Restricted	-	-	-	-	-	41,486,889	-	-	41,486,889	41,486,889
Unrestricted	4,902,586	(141,946)	(141,946)	4,760,640	4,760,640	1,293,304	-	-	6,053,944	6,053,944
Total Net Position	<u>4,902,586</u>	<u>1,271,054</u>	<u>1,271,054</u>	<u>6,173,640</u>	<u>6,173,640</u>	<u>55,061,685</u>	<u>-</u>	<u>-</u>	<u>61,235,325</u>	<u>61,235,325</u>
Total Liabilities and Net Position	<u>\$ 4,902,850</u>	<u>\$ 1,291,149</u>	<u>\$ 1,291,149</u>	<u>\$ 6,193,999</u>	<u>\$ 6,193,999</u>	<u>\$ 63,232,605</u>	<u>\$ (39,536)</u>	<u>\$ (39,536)</u>	<u>\$ 69,387,068</u>	<u>\$ 69,387,068</u>

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 19 BLENDED COMPONENT UNIT SCHEDULES (CONTINUED)

	Blended Component Units		Blended Component Units Subtotal	Primary Government	Eliminations	Total
	Housing Enterprises	Housing Corporation				
OPERATING REVENUES						
Tenant Revenue	\$ -	\$ -	\$ -	\$ 2,189,014	\$ -	\$ 2,189,014
Governmental Operating Grants	-	-	-	30,546,802	(1,389,986)	29,156,816
Other Revenues	1,669,741	411,566	2,081,307	809,774	-	2,891,081
Total Operating Revenues	<u>1,669,741</u>	<u>411,566</u>	<u>2,081,307</u>	<u>33,545,590</u>	<u>(1,389,986)</u>	<u>34,236,911</u>
OPERATING EXPENSES						
Housing Assistance Payments	-	-	-	23,640,901	-	23,640,901
Administrative	20,784	619,629	640,413	4,942,314	(1,343,722)	4,239,005
Tenant Services	-	-	-	262,521	-	262,521
Utilities	-	-	-	710,538	-	710,538
Ordinary Maintenance and Operations	-	-	-	1,705,345	(46,264)	1,659,081
Protective Services	-	-	-	272,037	-	272,037
Nonroutine Maintenance	-	-	-	751,189	-	751,189
Insurance Premiums	-	3,644	3,644	267,223	-	270,867
General Expenses	-	2,268	2,268	45,182	-	47,450
Depreciation	-	-	-	1,285,090	-	1,285,090
Total Operating Expenses	<u>20,784</u>	<u>625,541</u>	<u>646,325</u>	<u>33,882,340</u>	<u>(1,389,986)</u>	<u>33,138,679</u>
OPERATING INCOME	1,648,957	(213,975)	1,434,982	(336,750)	-	1,098,232
NONOPERATING REVENUES (EXPENSES)						
Investment Income	178,002	-	178,002	233,635	-	411,637
Interest Expense	-	-	-	(283,169)	-	(283,169)
Capital Grants	-	-	-	567,667	-	567,667
Total Nonoperating Revenues (Expenses)	<u>178,002</u>	<u>-</u>	<u>178,002</u>	<u>518,133</u>	<u>-</u>	<u>696,135</u>
CHANGE IN NET POSITION	1,826,959	(213,975)	1,612,984	181,383	-	1,794,367
Total Net Position - Beginning of Year	3,075,627	1,485,029	4,560,656	54,880,302	-	59,440,958
TOTAL NET POSITION - END OF YEAR	<u>\$ 4,902,586</u>	<u>\$ 1,271,054</u>	<u>\$ 6,173,640</u>	<u>\$ 55,061,685</u>	<u>\$ -</u>	<u>\$ 61,235,325</u>

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 19 BLENDED COMPONENT UNIT SCHEDULES (CONTINUED)

	Blended Component Units		Blended Component Units Subtotal	Primary Government	Eliminations	Total
	Housing Enterprises	Housing Corporation				
Net Cash Provided (Used) by						
Operating Activities	\$ 656,888	\$ -	\$ 656,888	\$ 557,614	\$ -	\$ 1,214,502
Capital and Related Financing Activities	-	-	-	(5,415,525)	-	(5,415,525)
Investing Activities	178,002	-	178,002	(224,892)	-	(46,890)
Net Increase (Decrease) in Cash	<u>834,890</u>	<u>-</u>	<u>834,890</u>	<u>(5,082,803)</u>	<u>-</u>	<u>(4,247,913)</u>
Cash and Cash Equivalents - Beginning of Year	474,918	-	474,918	9,430,857	-	9,905,775
Cash and Cash Equivalents - End of Year	<u>\$ 1,309,808</u>	<u>\$ -</u>	<u>\$ 1,309,808</u>	<u>\$ 4,348,054</u>	<u>\$ -</u>	<u>\$ 5,657,862</u>

SUPPLEMENTARY INFORMATION

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
FINANCIAL DATA SCHEDULE
JUNE 30, 2021**

Line Item #	Accounts Description	Project Total	ROSS	Housing Choice Voucher	HCV CARES Act Funding	Mainstream Vouchers	Housing Opportunities for Persons with AIDS	Supportive Housing	HOME	State Local
CURRENT ASSETS										
Cash:										
111	Unrestricted	\$ 1,225,512	\$ 44,553	\$ 70,795	\$ -	\$ 31,856	\$ 19,551	\$ -	\$ 39,429	\$ 74,199
113	Other Restricted	1,074,129	-	1,111,119	546,901	37,311	-	-	-	-
114	Tenant Security Deposits	183,040	-	-	-	-	-	-	-	-
115	Cash - Restricted for Payment of Current Liability	-	-	-	-	-	-	-	-	-
100	Total Cash	2,482,681	44,553	1,181,914	546,901	69,167	19,551	-	39,429	74,199
Accounts and Notes Receivable:										
121	PHIA Projects	-	-	72,596	-	-	-	-	-	-
122	HUD Other Projects	211,231	-	-	-	-	-	-	-	-
124	Other Government	-	-	-	-	-	97,015	-	-	-
125	Miscellaneous	425,554	-	89,988	-	-	-	-	-	-
126	Tenants	137,213	-	-	-	-	-	-	-	-
126.1	Allowance for Doubtful Accounts - Tenants	(20,786)	-	-	-	-	-	-	-	-
129	Accrued Interest Receivable	482	-	-	-	-	-	-	-	-
120	Total Receivables, Net of Allowances	753,694	-	162,584	-	-	97,015	-	-	-
Investments - Unrestricted										
131	Investments - Unrestricted	-	-	-	-	-	-	-	-	-
132	Investments - Restricted	-	-	-	-	-	-	-	-	-
142	Prepaid Expenses and Other Assets	58,453	1,331	17,886	-	-	-	-	-	-
143	Inventories	16,928	-	-	-	-	-	-	-	-
143.1	Allowance for Obsolete Inventories	(5,994)	-	-	-	-	-	-	-	-
144	Interprogram - Due from	-	-	-	-	-	-	-	-	-
150	Total Current Assets	3,305,762	45,884	1,362,354	546,901	69,167	116,566	-	39,429	74,199
NONCURRENT ASSETS										
Fixed Assets:										
161	Land	1,619,931	-	-	-	-	-	-	-	-
162	Buildings	29,937,388	-	-	-	-	-	-	-	-
163	Furniture, Equipment, and Machinery - Dwellings	2,647,374	-	-	-	-	-	-	-	-
164	Furniture, Equipment, and Machinery - Admin	1,203,267	-	81,550	-	-	-	-	-	-
166	Accumulated Depreciation	(23,531,569)	-	(81,550)	-	-	-	-	-	-
167	Construction in Progress	242,824	-	-	-	-	-	-	-	-
168	Infrastructure	-	-	-	-	-	-	-	-	-
160	Total Fixed Assets, Net of Accumulated Depreciation	12,119,215	-	-	-	-	-	-	-	-
171	Notes, Loans, and Mortgages Receivable - Noncurrent	37,361,854	-	-	-	-	-	-	-	-
174	Other Assets	-	-	-	-	-	-	-	-	-
180	Total Noncurrent Assets	49,481,069	-	-	-	-	-	-	-	-

HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
FINANCIAL DATA SCHEDULE
JUNE 30, 2021

Line Item #	Accounts Description	Business Activities	Blended Component Unit	14.PHC Public Housing CARES Act	Mainstream CARES Act	Central Office Cost Center	CSCP	Elimination	Enterprise Fund Total	Discrete Component Unit
CURRENT ASSETS										
Cash:										
111	Unrestricted	\$ 12	\$ 656,888	\$ -	\$ -	\$ 4,151	\$ -	\$ -	\$ 2,166,946	\$ 959,485
113	Other Restricted	470,623	-	31,851	-	-	-	-	3,271,934	5,941,889
114	Tenant Security Deposits	34,001	-	-	-	-	-	-	217,041	108,826
115	Cash - Restricted for Payment of Current Liability	-	1,941	-	-	-	-	-	1,941	-
100	Total Cash	504,636	656,888	1,941	31,851	4,151	-	-	5,657,862	7,010,200
Accounts and Notes Receivable:										
121	PHA Projects	-	-	-	-	-	-	-	72,596	-
122	HUD Other Projects	-	-	-	-	-	-	-	211,231	-
124	Other Government	-	-	-	-	-	-	-	97,015	1,610
125	Miscellaneous	2,070	3,470,503	-	-	1,293,710	-	-	5,281,825	744
126	Tenants	27,713	-	-	-	-	-	-	164,926	474,094
126.1	Allowance for Doubtful Accounts - Tenants	(10,938)	-	-	-	-	-	-	(31,724)	(5,207)
129	Accrued Interest Receivable	-	-	-	-	-	-	-	482	-
120	Total Receivables, Net of Allowances	18,845	3,470,503	-	-	1,293,710	-	-	5,796,351	471,241
131	Investments - Unrestricted	-	652,920	-	-	-	-	-	652,920	-
132	Investments - Restricted	1,944,771	-	-	-	-	-	-	1,944,771	-
142	Prepaid Expenses and Other Assets	9,882	688	-	-	16,925	-	-	105,165	185,188
143	Inventories	-	-	-	-	28,326	-	-	45,254	5,793
143.1	Allowance for Obsolete Inventories	-	-	-	-	(7,557)	-	-	(13,551)	-
144	Interprogram - Due from	-	-	-	-	616,682	-	(616,682)	-	-
150	Total Current Assets	2,478,134	4,780,999	1,941	31,851	1,952,237	-	(616,682)	14,188,772	7,672,422
NONCURRENT ASSETS										
Fixed Assets:										
161	Land	608,288	1,413,000	-	-	-	-	-	3,641,219	2,330,839
162	Buildings	7,304,078	-	-	-	165,502	-	-	37,406,968	100,662,668
163	Furniture, Equipment, and Machinery - Dwellings	468,047	-	-	-	53,022	-	-	3,168,443	1,809,310
164	Furniture, Equipment, and Machinery - Admin	93,692	-	-	-	859,051	-	-	2,237,560	32,402
166	Accumulated Depreciation	(4,274,794)	-	-	-	(972,659)	-	-	(28,860,572)	(8,049,183)
167	Construction in Progress	-	-	-	-	-	-	-	242,824	6,915,941
168	Infrastructure	-	-	-	-	-	-	-	-	5,033,547
160	Total Fixed Assets, Net of Accumulated Depreciation	4,199,311	1,413,000	-	-	104,916	-	-	17,836,442	108,735,524
171	Notes, Loans, and Mortgages Receivable - Noncurrent	-	-	-	-	-	-	-	37,361,854	-
174	Other Assets	-	-	-	-	-	-	-	-	5,042,953
180	Total Noncurrent Assets	4,199,311	1,413,000	-	-	104,916	-	-	55,198,296	113,778,477

HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
FINANCIAL DATA SCHEDULE
JUNE 30, 2021

Line Item #	Accounts Description	Project Total	ROSS	Housing Choice Voucher	HCV CARES Act Funding	Mainstream Vouchers	Housing Opportunities for Persons with AIDS	Supportive Housing	HOME	State Local
CURRENT LIABILITIES										
312	Accounts Payable < 90 Days	\$ 577,005	\$ 2,498	\$ 34,651	\$ -	\$ -	\$ 6,688	\$ -	\$ -	\$ 9,530
321	Accrued Wage/Payroll Taxes Payable	29,841	22,764	46,543	-	-	-	-	-	-
322	Accrued Compensated Absences - Current Portion	3,411	1,607	5,384	-	-	-	-	-	-
325	Accrued Interest Payable	-	-	-	-	-	-	-	-	-
341	Tenant Security Deposits	183,040	-	-	-	-	-	-	-	-
342	Deferred Revenues	-	4,556	-	546,901	-	-	-	-	-
343	Current Portion of Long-Term Debt - Capital Projects	375,000	-	-	-	-	-	-	-	-
345	Other Current Liabilities	-	-	-	-	-	-	-	-	-
346	Other Accrued Liabilities	887	-	-	-	-	-	-	-	-
347	Interprogram (Due to)	255,705	-	-	-	-	-	-	-	-
348	Loan Liability - Current	-	-	-	-	-	-	-	-	-
310	Total Current Liabilities	1,424,889	31,425	86,578	546,901	-	6,688	-	-	9,530
NONCURRENT LIABILITIES										
351	Capital Projects/Mortgage Revenue Bonds	-	-	-	-	-	-	-	-	-
353	Noncurrent Liabilities - Other	34,514	-	478,404	-	-	-	-	-	-
354	Accrued Compensated Absences - Noncurrent	30,698	14,459	48,458	-	-	-	-	-	-
355	Loan Liability - Noncurrent	-	-	-	-	-	-	-	-	-
350	Total Noncurrent Liabilities	65,212	14,459	526,862	-	-	-	-	-	-
300	Total Liabilities	1,490,101	45,884	613,440	546,901	-	6,688	-	-	9,530
NET POSITION										
508.4	Invested in Capital Assets	11,744,215	-	-	-	-	-	-	-	-
511.4	Restricted Net Position	38,401,469	-	632,715	-	37,311	-	-	-	-
512.4	Unrestricted Net Position	1,151,046	-	116,229	-	31,856	109,878	-	39,429	64,669
513	Total Net Position	51,296,730	-	748,944	-	69,167	109,878	-	39,429	64,669
600	Total Liabilities and Net Position	\$ 52,786,831	\$ 45,884	\$ 1,362,384	\$ 546,901	\$ 69,167	\$ 116,566	\$ -	\$ 39,429	\$ 74,199

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
FINANCIAL DATA SCHEDULE
JUNE 30, 2021**

Line Item #	Accounts Description	Business Activities	Blended Component Unit	14-PHC Public Housing CARES Act	Mainstream CARES Act	Central Office Cost Center	COOP	Elimination	Enterprise Fund Total	Discrete Component Unit
CURRENT LIABILITIES										
312	Accounts Payable < 90 Days	\$ 113,005	\$ 20,359	\$ 1,941	\$ -	\$ 144,653	\$ -	\$ -	\$ 910,330	\$ 4,434,177
321	Accrued Wage/Payroll Taxes Payable	2,732	-	-	-	180,411	-	-	282,291	20,211
322	Accrued Compensated Absences - Current Portion	430	-	-	-	13,130	-	-	23,962	-
325	Accrued Interest Payable	-	-	-	-	-	-	-	-	455,218
341	Tenant Security Deposits	34,001	-	-	-	-	-	-	217,041	149,882
342	Deferred Revenues	-	-	-	31,851	-	-	-	583,308	24,156
343	Current Portion of Long-Term Debt - Capital Projects	224,911	-	-	-	-	-	-	599,911	652,864
345	Other Current Liabilities	-	-	-	-	13,400	-	-	13,400	3,773,668
346	Other Accrued Liabilities	-	-	-	-	-	-	-	-	-
347	Interprogram (Due to)	346,610	-	-	-	-	14,367	(616,682)	887	-
348	Loan Liability - Current	-	-	-	-	-	-	-	-	-
310	Total Current Liabilities	721,689	20,359	1,941	31,851	351,594	14,367	(616,682)	2,631,130	9,509,976
NONCURRENT LIABILITIES										
351	Capital Projects/Mortgage Revenue Bonds	3,542,039	-	-	-	-	-	-	3,542,039	74,349,895
353	Noncurrent Liabilities - Other	-	-	-	-	-	-	-	512,918	1,231,588
354	Accrued Compensated Absences - Noncurrent	3,871	-	-	-	118,170	-	-	215,656	-
355	Loan Liability - Noncurrent	-	-	-	-	1,250,000	-	-	1,250,000	-
350	Total Noncurrent Liabilities	3,545,910	-	-	-	1,368,170	-	-	5,520,613	75,581,583
300	Total Liabilities	4,267,599	20,359	1,941	31,851	1,719,764	14,367	(616,682)	8,151,743	85,091,559
NET POSITION										
508.4	Invested in Capital Assets	432,361	1,413,000	-	-	104,916	-	-	13,694,492	30,068,394
511.4	Restricted Net Position	2,415,394	-	-	-	-	-	-	41,486,889	5,901,033
512.4	Unrestricted Net Position	(437,909)	4,760,640	-	-	232,473	(14,367)	-	6,053,944	389,913
513	Total Net Position	2,409,846	6,173,640	-	-	337,389	(14,367)	-	61,235,325	36,359,340
600	Total Liabilities and Net Position	\$ 6,677,445	\$ 6,193,999	\$ 1,941	\$ 31,851	\$ 2,057,153	\$ -	\$ (616,682)	\$ 69,387,068	\$ 121,450,899

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
FINANCIAL DATA SCHEDULE
JUNE 30, 2021**

Line Item #	Accounts Description	Project Total	ROSS	Housing Choice Voucher	HCV CARES Act Funding	Mainstream Vouchers	Housing Opportunities for Persons with AIDS	Supportive Housing	HOME	
									State	Local
REVENUE										
70300	Net Tenant Rental Revenue	\$ 1,742,564	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70400	Tenant Revenue - Other	13,985	-	-	-	-	-	-	-	-
70500	Total Tenant Revenue	1,756,549	-	-	-	-	-	-	-	-
70600	HUD PHA Operating Grants	2,604,483	218,819	23,584,712	100,000	882,946	-	-	-	-
70610	Capital Grants	567,667	-	-	-	-	-	-	-	-
70710	Management Fee	-	-	-	-	-	-	-	-	-
70720	Asset Management Fee	-	-	-	-	-	-	-	-	-
70730	Bookkeeping Fee	-	-	-	-	-	-	-	-	-
70750	Other Fees	-	-	-	-	-	-	-	-	-
70800	Other Governmental Grants	-	-	-	-	-	548,364	-	-	154,049
71100	Investment Income - Unrestricted	403	-	181	-	-	-	-	-	-
71200	Mortgage Interest Income	-	-	-	-	-	-	-	-	-
71400	Fraud Recovery	-	-	-	-	-	-	-	-	-
71500	Other Revenue	406,746	-	32,628	-	-	-	-	-	-
71600	Gain (Loss) on Sale of Fixed Assets	-	-	-	-	-	-	-	-	-
72000	Investment Income - Restricted	-	-	-	-	-	-	-	-	-
70000	Total Revenue	5,335,848	218,819	23,617,521	100,000	882,946	548,364	-	-	154,049
EXPENSES										
Administrative:										
91100	Administrative Salaries	230,019	202,827	583,682	81,325	28,822	-	-	-	8,109
91200	Auditing Fees	6,991	-	11,571	-	-	-	-	-	-
91300	Management Fee	334,912	-	310,543	-	-	-	-	-	-
91310	Bookkeeping Fee	40,666	-	158,940	-	-	-	-	-	-
91400	Advertising and Marketing	-	-	599	-	-	-	-	-	-
91500	Employee Benefit Contributions - Admin	68,329	15,569	134,035	18,675	6,619	-	-	-	3,824
91600	Office Expenses	60,954	-	89,388	-	-	-	-	-	1,130
91700	Legal Expense	5,716	-	1,355	-	-	-	-	-	-
91800	Travel	590	-	69,326	-	-	-	-	-	-
91900	Other	100,699	-	-	-	-	-	-	-	413
	Total Administrative	848,876	218,396	1,359,439	100,000	35,441	-	-	-	13,476
92000	Asset Management Fee	-	-	-	-	-	-	-	-	-
Tenant Services:										
92100	Salaries	85,073	-	-	-	-	10,348	-	-	-
92300	Employee Benefit Contributions	6,399	-	-	-	-	2,317	-	-	-
92400	Other	3,855	-	-	-	-	43,472	-	-	39,545
	Total Tenant Services	95,327	-	-	-	-	56,137	-	-	39,545
Utilities:										
93100	Water	41,841	-	37	-	-	-	-	-	-
93200	Electricity	364,097	-	4,174	-	-	-	-	-	-
93300	Gas	118,647	-	1,868	-	-	-	-	-	-
93600	Sewer	73,526	-	88	-	-	-	-	-	-
	Total Utilities	620,113	-	6,157	-	-	-	-	-	-
Ordinary Maintenance and Operations:										
94100	Labor	229,098	-	-	-	-	-	-	-	-
94200	Materials and Other	116,384	-	200	-	-	-	-	-	-
94300	Contracts	880,979	-	255	-	-	-	-	-	-
94500	Employee Benefits Contribution	59,664	-	-	-	-	-	-	-	-
	Total Ordinary Maint and Operations	1,286,125	-	455	-	-	-	-	-	-
Protective Services:										
95100	Labor	108,569	-	-	-	-	-	-	-	-
95200	Other Contract Costs	13,101	-	55	-	-	-	-	-	-
95500	Employee Benefits Contribution	3,051	-	-	-	-	-	-	-	-
	Total Protective Services	124,721	-	55	-	-	-	-	-	-

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
FINANCIAL DATA SCHEDULE
JUNE 30, 2021**

Line Item #	Accounts Description	Business Activities	Blended Component Unit	14.PHC Public Housing CARES Act	Mainstream CARES Act	Central Office Cost Center	COCO	Elimination	Enterprise Fund Total	Discrete Component Unit
REVENUE										
70300	Net Tenant Rental Revenue	\$ 419,538	-	-	-	-	-	-	\$ 2,162,102	\$ 5,713,343
70400	Tenant Revenue - Other	12,927	-	-	-	-	-	-	26,912	15,100
70500	Total Tenant Revenue	432,465	-	-	-	-	-	-	2,189,014	5,728,443
70600	HUD PHA Operating Grants	-	-	241,279	-	-	-	-	27,632,239	-
70610	Capital Grants	-	-	-	-	-	-	-	567,667	-
70710	Management Fee	-	-	-	-	704,514	-	(704,514)	-	-
70720	Asset Management Fee	-	-	-	-	6,240	-	(6,240)	-	-
70730	Bookkeeping Fee	-	-	-	-	203,687	-	(203,687)	-	-
70750	Other Fees	-	-	-	-	221,425	-	(221,425)	-	-
70800	Other Governmental Grants	6,590	-	-	-	-	815,574	-	1,524,577	6,208
71100	Investment Income - Unrestricted	-	178,002	-	-	201	-	-	178,787	-
71200	Mortgage Interest Income	-	-	-	-	-	-	-	-	-
71400	Fraud Recovery	-	-	-	-	-	-	-	-	-
71500	Other Revenue	532,614	2,081,307	-	-	91,906	-	(254,120)	2,891,081	20,333
71600	Gain (Loss) on Sale of Fixed Assets	-	-	-	-	-	-	-	-	-
72000	Investment Income - Restricted	232,850	-	-	-	-	-	-	232,850	-
70000	Total Revenue	1,204,519	2,259,309	241,279	-	1,227,973	815,574	(1,389,986)	35,216,215	5,754,984
EXPENSES										
Administrative:										
91100	Administrative Salaries	29,740	-	-	-	1,199,240	-	-	2,363,764	469,790
91200	Auditing Fees	4,948	641	-	-	34,370	-	-	55,225	55,225
91300	Management Fee	59,059	-	-	-	-	-	(704,514)	58,521	409,060
91310	Bookkeeping Fee	4,081	-	-	-	-	-	(203,687)	-	-
91400	Advertising and Marketing	-	-	-	-	6,086	-	-	6,685	341
91500	Employee Benefit Contributions - Admin	8,304	-	-	-	243,224	-	-	498,579	140,716
91600	Office Expenses	3,567	-	201,437	-	403,707	-	(254,120)	506,063	313,833
91700	Legal Expense	-	8,698	-	-	20,162	-	-	35,931	9,553
91800	Travel	-	787	-	-	4,602	-	-	5,879	107
91900	Other	9,836	630,287	-	-	128,083	-	(175,161)	763,483	-
	Total Administrative	119,535	640,413	201,437	-	2,039,474	-	(1,337,482)	4,239,005	1,398,625
92000	Asset Management Fee	6,240	-	-	-	-	-	(6,240)	-	-
Tenant Services:										
92100	Salaries	-	-	-	-	-	27,694	-	123,115	-
92300	Employee Benefit Contributions	-	-	-	-	-	6,200	-	14,916	-
92400	Other	4,144	-	19,393	-	14,081	-	-	124,490	20,611
	Total Tenant Services	4,144	-	19,393	-	14,081	33,894	-	262,521	20,611
Utilities:										
93100	Water	6,798	-	-	-	18	-	-	48,694	81,980
93200	Electricity	45,578	-	-	-	10,219	-	-	444,068	115,024
93300	Gas	5,640	-	-	-	1,135	-	-	127,280	42,947
93600	Sewer	14,824	-	-	-	56	-	-	90,496	155,504
	Total Utilities	72,840	-	-	-	11,428	-	-	710,538	395,455
Ordinary Maintenance and Operations:										
94100	Labor	47,390	-	-	-	12,072	-	-	288,560	409,391
94200	Materials and Other	14,304	-	18,508	-	71,798	-	(46,264)	174,930	237,946
94300	Contracts	227,401	-	1,941	-	6,343	-	-	1,116,919	697,294
94500	Employee Benefits Contribution	11,908	-	-	-	7,102	-	-	78,672	21,027
	Total Ordinary Maint and Operations	301,001	-	20,449	-	97,315	-	(46,264)	1,659,081	1,365,558
Protective Services:										
95100	Labor	58,018	-	-	-	58,725	-	-	225,312	-
95200	Other Contract Costs	10,917	-	-	-	15,115	-	-	39,188	-
95500	Employee Benefits Contribution	-	-	-	-	4,486	-	-	7,537	-
	Total Protective Services	68,935	-	-	-	78,326	-	-	272,037	-

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
FINANCIAL DATA SCHEDULE
JUNE 30, 2021**

Line Item #	Accounts Description	Project Total	ROSS	Housing Choice Voucher	HCV CARES Act Funding	Mainstream Vouchers	Housing Opportunities for Persons with AIDS	Supportive Housing	HOME	State Local
EXPENSES (Continued)										
96110	Property Insurance	\$ 173,003	\$ -	\$ 14,771	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
96130	Workmen's Compensation	19,916	423	-	-	-	199	-	-	-
96140	Other Insurance	-	-	-	-	-	-	-	-	-
	Total Insurance Premiums	192,919	423	14,771	-	-	199	-	-	-
General Expenses:										
96200	Other General Expenses	37,319	-	60,083	-	-	-	-	-	-
96210	Compensated Absences	(9,674)	-	(15,269)	-	-	-	-	-	-
96300	Payment in Lieu of Taxes	-	-	-	-	-	-	-	-	-
96400	Bad Debt - Tenant Rents	-	-	-	-	-	-	-	-	-
96600	Bad Debt - Other	-	-	-	-	-	-	-	-	-
96000	Total General Expenses	27,645	-	44,824	-	-	-	-	-	-
96710	Interest of Mortgage Payable	20,747	-	-	-	-	-	-	-	-
96720	Interest of Notes Payable	-	-	-	-	-	-	-	-	-
96730	Amortization Expense	-	-	-	-	-	-	-	-	-
96900	Total Operating Expenses	3,216,473	218,819	1,425,701	100,000	35,441	56,336	-	-	53,021
EXCESS OF OPERATING REVENUE OVER OPERATING EXPENSES										
97000		2,119,375	-	22,191,820	-	847,505	492,028	-	-	101,028
97100	Extraordinary Maintenance	658,737	-	-	-	-	-	-	-	-
97200	Casualty Losses - Noncapitalized	70,118	-	-	-	-	-	-	-	-
97300	Housing Assistance Payments	199,992	-	21,424,046	-	916,919	364,054	-	(1,310)	-
97350	Housing Assistance Payments Portability - In	-	-	16,731	-	-	-	-	-	-
97400	Depreciation Expense	995,459	-	-	-	-	-	-	-	-
90000	Total Expenses	5,140,779	218,819	22,866,478	100,000	952,360	420,390	-	(1,310)	53,021
Other Financing Sources (Uses):										
10010	Operating Transfer In	-	-	-	-	-	-	-	-	-
10020	Operating Transfer Out	-	-	-	-	-	-	-	-	-
10100	Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-
10000	EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENSES	\$ 195,069	\$ -	\$ 751,043	\$ -	\$ (69,414)	\$ 127,974	\$ -	\$ 1,310	\$ 101,028
Memo Account Information										
11020	Required Annual Debt Principal Payments	\$ 115,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11030	Beginning Equity	51,101,661	-	(2,099)	-	138,581	(18,096)	-	38,119	(36,359)
11040	Prior Period Adjustments, Equity Transfers and Connection	-	-	-	-	-	-	-	-	-
11170	Administrative Fee Equity	-	-	116,229	-	-	-	-	-	-
11180	Housing Assistance Payments Equity	-	-	632,715	-	-	-	-	-	-
11190	Unit Months Available	5,664	-	22,083	-	1,241	-	-	-	-
11210	Unit Months Leased	5,581	-	21,192	-	1,241	-	-	-	-
11610	Land Purchases	-	-	-	-	-	-	-	-	-
11620	Building Purchases	500,491	-	-	-	-	-	-	-	-
11630	Furniture and Equipment - Dwelling Purchases	-	-	-	-	-	-	-	-	-
11640	Furniture and Equipment - Administrative Purchases	67,176	-	-	-	-	-	-	-	-
11650	Leasehold Improvements Purchases	-	-	-	-	-	-	-	-	-
11660	Infrastructure Purchases	-	-	-	-	-	-	-	-	-
13510	CFPP Debt Service Payments	-	-	-	-	-	-	-	-	-
13901	Replacement Housing Factor Funds	-	-	-	-	-	-	-	-	-

HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
FINANCIAL DATA SCHEDULE
JUNE 30, 2021

Line Item #	Accounts Description	Business Activities	Blended Component Unit	14.PHC Public Housing CARES Act	Mainstream CARES Act	Central Office Cost.Center	COCOP	Elimination	Enterprise Fund Total	Discrete Component Unit
EXPENSES (Continued)										
96110	Property Insurance	\$ 25,395	\$ 3,644	\$ -	\$ -	\$ 18,251	\$ -	\$ -	235,064	\$ 253,501
96130	Workmen's Compensation	8,661	-	-	6,072	-	532	-	35,803	9,434
96140	Other Insurance	-	-	-	-	-	-	-	-	332
	Total Insurance Premiums	34,056	3,644	-	-	24,323	532	-	270,867	263,267
General Expenses:										
96200	Other General Expenses	4,800	-	-	-	108	-	-	102,320	523,857
96210	Compensated Absences	(1,220)	-	-	-	(30,975)	-	-	(57,138)	-
96300	Payment in Lieu of Taxes	-	2,268	-	-	-	-	-	2,268	-
96400	Bad Debt - Tenant Rents	-	-	-	-	-	-	-	-	21,178
96600	Bad Debt - Other	-	-	-	-	-	-	-	-	-
96000	Total General Expenses	3,580	2,268	-	-	(30,867)	-	-	47,450	545,035
96710	Interest of Mortgage Payable	238,498	-	-	-	23,924	-	-	283,169	2,484,569
96720	Interest of Notes Payable	-	-	-	-	-	-	-	-	-
96730	Amortization Expense	-	-	-	-	-	-	-	-	534,736
96900	Total Operating Expenses	848,829	646,325	241,279	-	2,258,004	34,426	(1,389,986)	7,744,668	7,007,856
EXCESS OF OPERATING REVENUE OVER OPERATING EXPENSES										
97000		355,690	1,612,984	-	-	(1,030,031)	781,148	-	27,471,547	(1,252,872)
97100	Extraordinary Maintenance	16,239	-	-	-	6,095	-	-	681,071	-
97200	Casualty Losses - Noncapitalized	-	-	-	-	-	-	-	70,118	-
97300	Housing Assistance Payments	-	-	-	-	-	720,469	-	23,624,170	-
97350	Housing Assistance Payments Portability - In	-	-	-	-	-	-	-	16,731	-
97400	Depreciation Expense	277,953	-	-	-	11,678	-	-	1,285,090	2,869,426
90000	Total Expenses	1,143,021	646,325	241,279	-	2,275,777	754,895	(1,389,986)	33,421,848	9,877,282
Other Financing Sources (Uses):										
10010	Operating Transfer In	-	-	-	-	-	-	-	-	-
10020	Operating Transfer Out	-	-	-	-	-	-	-	-	-
10100	Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-
10000	EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENSES	\$ 61,498	\$ 1,612,984	\$ -	\$ -	\$ (1,047,804)	\$ 60,679	\$ -	\$ 1,794,367	\$ (4,122,298)
Memo Account Information										
11020	Required Annual Debt Principal Payments	-	-	-	-	-	-	-	\$ 115,000	\$ -
11030	Beginning Equity	2,348,348	4,560,656	-	-	1,385,193	(75,046)	-	59,440,958	24,079,598
11040	Prior Period Adjustments, Equity Transfers and Correction	-	-	-	-	-	-	-	-	16,402,040
11170	Administrative Fee Equity	-	-	-	-	-	-	-	116,229	-
11180	Housing Assistance Payments Equity	-	-	-	-	-	-	-	632,715	-
11190	Unit Months Available	-	-	-	-	-	-	-	28,988	4,680
11210	Unit Months Leased	-	-	-	-	-	-	-	28,014	4,491
11610	Land Purchases	-	-	-	-	-	-	-	-	-
11620	Building Purchases	-	-	-	-	-	-	-	500,491	-
11630	Furniture and Equipment - Dwelling Purchases	-	-	-	-	-	-	-	-	-
11640	Furniture and Equipment - Administrative Purchases	-	-	-	-	-	-	-	67,176	-
11650	Leasehold Improvements Purchases	-	-	-	-	-	-	-	-	-
11660	Infrastructure Purchases	-	-	-	-	-	-	-	-	-
13510	CFFP Debt Service Payments	-	-	-	-	-	-	-	-	-
13901	Replacement Housing Factor Funds	-	-	-	-	-	-	-	-	-

SINGLE AUDIT



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Commissioners
Housing Commission of Anne Arundel County
Glen Burnie, Maryland

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate discretely presented component units of the Housing Commission of Anne Arundel County (the Commission), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated September 26, 2022. The audits of Whitaker Homes, LP and Severn Homes, LP, discrete component units, were not performed in accordance with *Government Auditing Standards*, and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with these discretely presented component units. Our report includes a reference to other auditors who audited the financial statements of Burwood Gardens Senior, LLC and Heritage Overlook, LLC, as described in our report on the Commission's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditor.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Baltimore, Maryland
September 26, 2022



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Commissioners
Housing Commission of Anne Arundel County
Glen Burnie, Maryland

Report on Compliance for Each Major Federal Program

We have audited the Housing Commission of Anne Arundel County's (the Commission) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Commission's major federal programs for the year ended June 30, 2021. The Commission's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The Commission's basic financial statements include the operations of discretely presented component units which may have received federal awards, and which are not included in the schedule of expenditures of federal awards for the year ended June 30, 2021. Our audit, described below, did not include the operations of the aggregate discretely presented component units because other auditors were engaged to perform audits of compliance, if applicable.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Commission's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Commission's compliance.

Opinion on Each Major Federal Program

In our opinion, the Commission complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the Commission is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Commission’s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Commission’s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



CliftonLarsonAllen LLP

Baltimore, Maryland
September 26, 2022

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2021**

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Grantor's Number	Amounts Passed Through to Subrecipients	Expenditures
U.S. Department of Housing and Urban Development (HUD):				
DIRECT GRANTS				
Public and Indian Housing Program	14.850	N/A	\$ -	\$ 2,081,036
COVID 19 - Public and Indian Housing Program	14.850	N/A	-	241,279
Total Public and Indian Housing Program			<u>-</u>	<u>2,322,315</u>
 Resident Opportunity and Supportive Services	 14.870	 N/A	 -	 218,819
Capital Fund Program	14.872	N/A	-	1,091,114
Section 8 Voucher Program Cluster:				
Section 8 Housing Choice Voucher Program	14.871	N/A	-	22,866,478
COVID 19 - Section 8 Housing Choice Voucher Program	14.871	N/A	-	100,000
Mainstream Vouchers	14.879	N/A	-	952,360
Total Section 8 Voucher Program Cluster			<u>-</u>	<u>23,918,838</u>
 Total Direct Programs			 -	 27,551,086
INDIRECT GRANTS				
Passed Through Arundel Community Development Services, Inc.:				
Continuum of Care Program	14.267	Various	-	754,895
Housing Opportunities for Persons with AIDS (HOPWA)	14.241	MDH17-F001 / MDH18-F001	-	420,390
Total Indirect Programs			<u>-</u>	<u>1,175,285</u>
 Total U.S. Department of HUD			 -	 28,726,371
 Total Federal Expenditures			 <u>\$ -</u>	 <u>\$ 28,726,371</u>

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2021**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Commission under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Commission, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Commission.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Commission has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 NONCASH FEDERAL ASSISTANCE

The Commission did not receive any noncash federal assistance for the year ended June 30, 2021.

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes X no
 - Significant deficiency(ies) identified? _____ yes X none reported
3. Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes X no
 - Significant deficiency(ies) identified? _____ yes X none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes X no

Identification of Major Federal Programs

ALN Number(s)

14.871, 14.879
14.872

Name of Federal Program or Cluster

Housing Voucher Cluster
Capital Fund Program

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 861,791

Auditee qualified as low-risk auditee?

_____ yes X no

**HOUSING COMMISSION OF ANNE ARUNDEL COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

CERTIFICATIONS

**Certifications of Compliance with
PHA Plan and Related Regulations
(Standard, Troubled, HCV-Only, and
High Performer PHAs)**

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 3/31/2024

RESOLUTION #703

**PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations
including PHA Plan Elements that Have Changed**

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairperson or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the ___ 5-Year and/or X Annual PHA Plan, hereinafter referred to as "the Plan", of which this document is a part, and make the following certification and agreements with the Department of Housing and Urban Development (HUD) for the PHA fiscal year beginning 07/01/2023, in connection with the submission of the Plan and implementation thereof:

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located (24 CFR § 91.2).
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments (AI) to Fair Housing Choice, or Assessment of Fair Housing (AFH) when applicable, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan (24 CFR §§ 91.2, 91.225, 91.325, and 91.425).
3. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Resident Advisory Board or Boards in developing the Plan, including any changes or revisions to the policies and programs identified in the Plan before they were implemented, and considered the recommendations of the RAB (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
4. The PHA provides assurance as part of this certification that:
 - (i) The Resident Advisory Board had an opportunity to review and comment on the changes to the policies and programs before implementation by the PHA;
 - (ii) The changes were duly approved by the PHA Board of Directors (or similar governing body); and
 - (iii) The revised policies and programs are available for review and inspection, at the principal office of the PHA during normal business hours.
5. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
6. The PHA certifies that it will carry out the public housing program of the agency in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d-4), the Fair Housing Act (42 U.S.C. 3601-19), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), title II of the Americans with Disabilities Act (42 U.S.C. 12101 et seq.), and other applicable civil rights requirements and that it will affirmatively further fair housing in the administration of the program. In addition, if it administers a Housing Choice Voucher Program, the PHA certifies that it will administer the program in conformity with the Fair Housing Act, title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, title II of the Americans with Disabilities Act, and other applicable civil rights requirements, and that it will affirmatively further fair housing in the administration of the program.
7. The PHA will affirmatively further fair housing, which means that it will take meaningful actions to further the goals identified in the Assessment of Fair Housing (AFH) conducted in accordance with the requirements of 24 CFR § 5.150 through 5.180, that it will take no action that is materially inconsistent with its obligation to affirmatively further fair housing, and that it will address fair housing issues and contributing factors in its programs, in accordance with 24 CFR § 903.7(o)(3). The PHA will fulfill the requirements at 24 CFR § 903.7(o) and 24 CFR § 903.15(d). Until such time as the PHA is required to submit an AFH, the PHA will fulfill the requirements at 24 CFR § 903.7(o) promulgated prior to August 17, 2015, which means that it examines its programs or proposed programs; identifies any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement; and maintains records reflecting these analyses and actions.
8. For PHA Plans that include a policy for site-based waiting lists:
 - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2011-65);

- The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
 - Adoption of a site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
 - The PHA shall take reasonable measures to assure that such a waiting list is consistent with affirmatively furthering fair housing; and
 - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR 903.7(o)(1).
9. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
 10. In accordance with 24 CFR § 5.105(a)(2), HUD's Equal Access Rule, the PHA will not make a determination of eligibility for housing based on sexual orientation, gender identify, or marital status and will make no inquiries concerning the gender identification or sexual orientation of an applicant for or occupant of HUD-assisted housing.
 11. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
 12. The PHA will comply with the requirements of Section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
 13. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
 14. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
 15. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
 16. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
 17. The PHA will keep records in accordance with 2 CFR 200.333 and facilitate an effective audit to determine compliance with program requirements.
 18. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
 19. The PHA will comply with the policies, guidelines, and requirements of 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Financial Assistance, including but not limited to submitting the assurances required under 24 CFR §§ 1.5, 3.115, 8.50, and 107.25 by submitting an SF-424, including the required assurances in SF-424B or D, as applicable.
 20. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
 21. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
 22. The PHA certifies that it is in compliance with applicable Federal statutory and regulatory requirements, including the Declaration of Trust(s).

Housing Commission of Anne Arundel County

PHA Name

MD018

PHA Number/HA Code

Annual PHA Plan for Fiscal Year 2023

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).

Name of Executive Director
Clifton C. Martin



Date 3/20/2023

Name Board Chairman
Danny G. Boyd

Signature



Date 3/20/2023

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. This information is collected to ensure compliance with PHA Plan, Civil Rights, and related laws and regulations including PHA plan elements that have changed. Public reporting burden for this information collection is estimated to average 0.16 hours per year 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.

**Certification by State or Local
Official of PHA Plans Consistency
with the Consolidated Plan or
State Consolidated Plan
(All PHAs)**

U. S Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 3/31/2024

**Certification by State or Local Official of PHA Plans
Consistency with the Consolidated Plan or State Consolidated Plan**

I, Steuart Pittman , the Anne Arundel County Executive
Official's Name *Official's Title*

certify that the 5-Year PHA Plan for fiscal years _____ and/or Annual PHA Plan for fiscal year 2023 of the Housing Commission of Anne Arundel County is consistent with the
PHA Name


Consolidated Plan or State Consolidated Plan including the Analysis of Impediments (AI) to Fair Housing Choice or Assessment of Fair Housing (AFH) as applicable to the

Anne Arundel County
Local Jurisdiction Name

pursuant to 24 CFR Part 91 and 24 CFR §§ 903.7(o)(3) and 903.15.

Provide a description of how the PHA Plan's contents are consistent with the Consolidated Plan or State Consolidated Plan.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official: Steuart Pittman	Title: Anne Arundel County Executive
Signature: 	Date: January 20, 2023

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. This information is collected to ensure consistency with the consolidated plan or state consolidated plan.

Public reporting burden for this information collection is estimated to average 0.16 hours per year 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.

FLAT RENTS

Housing Commission of Anne Arundel County

Flat Rents - Based on FY2023 Small Area Fair Market Rents for Anne Arundel County

As of July 1, 2023

Property	Bedroom Size	Small Area Fair Market Rent	80% of Fair Market Rent	Tenant Paid Utility Allowance	Flat Rent
Pinewood Village	0	\$1,080	\$864	\$89	\$775
	1	\$1,260	\$1,008	\$90	\$918
	2	\$1,550	\$1,240	\$98	\$1,142
Pinewood East	0	\$1,080	\$864	\$86	\$778
	1	\$1,260	\$1,008	\$101	\$907
	2	\$1,550	\$1,240	\$99	\$1,141
Glen Square	0	\$1,080	\$864	\$79	\$785
	1	\$1,260	\$1,008	\$84	\$924
	2	\$1,550	\$1,240	\$94	\$1,146
Stoney Hill	0	\$1,490	\$1,192	\$83	\$1,109
	1	\$1,730	\$1,384	\$96	\$1,288

UTILITY ALLOWANCES

Housing Commission of Anne Arundel County
COST ALLOWANCE PER MONTH

7/1/2023 -

PROJECT NAME	UNIT TYPE	AVERAGE MONTHLY GAS	AVERAGE MONTHLY ELECTRIC	TOTAL MONTHLY ALLOWANCE
18-3	1 BR AP ENDJR	\$45	\$44	\$89
Pinewood Village	1 BR AP MIDJR	\$42	\$44	\$86
Midrise	1 BR AP END REG	\$46	\$44	\$90
	1 BR AP MID REG	\$43	\$44	\$87
	2 BR AP BM	\$50	\$48	\$98
18-5	0 BR AP BE	\$43	\$43	\$86
Pinewood East	0 BR AP BM	\$39	\$43	\$82
	0 BR AP TE	\$42	\$43	\$85
	0 BR AP TM	\$42	\$43	\$85
	1 BR AP BE	\$56	\$44	\$100
	1 BR AP BM	\$49	\$44	\$93
	1 BR AP TE	\$57	\$44	\$101
	1 BR AP TM	\$48	\$44	\$92
	2 BR AP BM	\$52	\$47	\$99
18-6	0 BR AP BM	\$37	\$42	\$79
Glen Square	0 BR AP TM	\$37	\$42	\$79
	1 BR AP BM	\$42	\$42	\$84
	1 BR AP TM	\$42	\$42	\$84
	2 BR AP BM	\$49	\$45	\$94
	2 BR AP TM	\$50	\$45	\$95
18-7	0 BR AP MID	\$28	\$55	\$83
Stony Hill	1 BR AP BE	\$31	\$65	\$96
	1 BR AP BM	\$29	\$65	\$94

Legend

AP = Apartment

TH = Townhouse

BM = Bottom Middle

BE = Bottom End

TM = Top Middle

TE = Top End

Utility Allowance Schedule

U.S. Department of Housing and Urban
Development
Office of Public and Indian Housing

LOCALITY/PHA		UNIT TYPE					DATE
Housing Commission of Anne Arundel County		Duplex					7/1/2023
UTILITY OR SERVICE	MONTHLY DOLLAR ALLOWANCE						
	0-BR	1-BR	2-BR	3-BR	4-BR	5-BR	
HEATING							
a. Natural Gas	\$33	\$30	\$36	\$38	\$44	\$48	
b. Electric	\$41	\$48	\$58	\$65	\$77	\$84	
c. Heat Pump	\$24	\$28	\$34	\$38	\$45	\$49	
d. Fuel Oil	\$74	\$84	\$99	\$108	\$126	\$137	
e. Propane	\$64	\$73	\$85	\$93	\$108	\$118	
AIR CONDITIONING	\$15	\$19	\$24	\$30	\$38	\$45	
COOKING							
a. Natural Gas	\$10	\$11	\$13	\$13	\$15	\$15	
b. Electric	\$14	\$14	\$17	\$18	\$20	\$20	
c. Propane	\$21	\$21	\$26	\$27	\$30	\$31	
OTHER ELECTRIC	\$35	\$38	\$43	\$50	\$56	\$67	
WATER HEATING							
a. Natural Gas	\$15	\$20	\$25	\$36	\$47	\$59	
b. Electric	\$14	\$23	\$33	\$52	\$72	\$93	
c. Fuel Oil	\$30	\$41	\$52	\$73	\$96	\$119	
d. Propane	\$31	\$41	\$52	\$74	\$97	\$120	
WATER							
Anne Arundel Water Department	\$16	\$21	\$27	\$38	\$49	\$60	
SEWER							
Anne Arundel Water Department	\$20	\$30	\$39	\$59	\$78	\$97	
TRASH COLLECTION	N/A	N/A	N/A	N/A	N/A	N/A	
REFRIGERATOR	\$5	\$5	\$5	\$5	\$5	\$5	
RANGE	\$4	\$4	\$4	\$4	\$4	\$4	
Natural Gas Base Rate	\$17	\$17	\$17	\$17	\$17	\$17	
ACTUAL FAMILY ALLOWANCES: (May be used by family to compute allowance while searching for a unit.)				UTILITY/SERVICE/APPLIANCE		ALLOWANCE PER MONTH	
HEAD OF HOUSEHOLD NAME				HEATING		\$	
				AIR CONDITIONING		\$	
UNIT ADDRESS				COOKING		\$	
				OTHER ELECTRIC		\$	
				WATER HEATING		\$	
				WATER		\$	
				SEWER		\$	
				TRASH COLLECTION		\$	
				REFRIGERATOR		\$	
				RANGE		\$	
NUMBER OF BEDROOMS				OTHER		\$	
				TOTAL		\$	

Allowances for 6-BR units are calculated by multiplying the 5-BR unit allowance by 1.15. Allowances for 7-BR units are calculated by multiplying the 5-BR allowance by 1.30. Additional bedroom sizes are calculated similarly at 15% additional per bedroom

Utility Allowance Schedule

**U.S. Department of Housing and Urban
Development**
Office of Public and Indian Housing

LOCALITY/PHA		UNIT TYPE					DATE
Housing Commission of Anne Arundel County		Garden					7/1/2023
UTILITY OR SERVICE	MONTHLY DOLLAR ALLOWANCE						
	0-BR	1-BR	2-BR	3-BR	4-BR	5-BR	
HEATING							
a. Natural Gas	\$27	\$26	\$30	\$33	\$39	\$43	
b. Electric	\$31	\$39	\$46	\$55	\$65	\$73	
c. Heat Pump	\$18	\$23	\$27	\$32	\$38	\$42	
d. Fuel Oil	\$59	\$71	\$82	\$94	\$109	\$120	
e. Propane	\$52	\$62	\$71	\$82	\$94	\$104	
AIR CONDITIONING	\$14	\$19	\$23	\$31	\$38	\$45	
COOKING							
a. Natural Gas	\$10	\$11	\$13	\$13	\$15	\$15	
b. Electric	\$14	\$14	\$17	\$18	\$20	\$20	
c. Propane	\$21	\$21	\$26	\$27	\$30	\$31	
OTHER ELECTRIC	\$35	\$38	\$43	\$50	\$56	\$67	
WATER HEATING							
a. Natural Gas	\$15	\$20	\$25	\$36	\$47	\$59	
b. Electric	\$14	\$23	\$33	\$52	\$72	\$93	
c. Fuel Oil	\$30	\$41	\$52	\$73	\$96	\$119	
d. Propane	\$31	\$41	\$52	\$74	\$97	\$120	
WATER							
Anne Arundel Water Department	\$16	\$21	\$27	\$38	\$49	\$60	
SEWER							
Anne Arundel Water Department	\$20	\$30	\$39	\$59	\$78	\$97	
TRASH COLLECTION	N/A	N/A	N/A	N/A	N/A	N/A	
REFRIGERATOR	\$5	\$5	\$5	\$5	\$5	\$5	
RANGE	\$4	\$4	\$4	\$4	\$4	\$4	
Natural Gas Base Rate	\$17	\$17	\$17	\$17	\$17	\$17	
ACTUAL FAMILY ALLOWANCES: (May be used by family to compute allowance while searching for a unit.)				UTILITY/SERVICE/APPLIANCE		ALLOWANCE PER MONTH	
HEAD OF HOUSEHOLD NAME				HEATING		\$	
UNIT ADDRESS				AIR CONDITIONING		\$	
				COOKING		\$	
				OTHER ELECTRIC		\$	
				WATER HEATING		\$	
				WATER		\$	
				SEWER		\$	
				TRASH COLLECTION		\$	
				REFRIGERATOR		\$	
				RANGE		\$	
NUMBER OF BEDROOMS				OTHER		\$	
				TOTAL		\$	

Allowances for 6-BR units are calculated by multiplying the 5-BR unit allowance by 1.15. Allowances for 7-BR units are calculated by multiplying the 5-BR allowance by 1.30. Additional bedroom sizes are calculated similarly at 15% additional per bedroom

Utility Allowance Schedule

U.S. Department of Housing and Urban
Development
Office of Public and Indian Housing

LOCALITY/PHA	UNIT TYPE					DATE
Housing Commission of Anne Arundel County	High-Rise					7/1/2023
	MONTHLY DOLLAR ALLOWANCE					
UTILITY OR SERVICE	0-BR	1-BR	2-BR	3-BR	4-BR	5-BR
HEATING						
a. Natural Gas	\$18	\$16	\$18	\$21	\$24	\$26
b. Electric	\$17	\$21	\$25	\$30	\$35	\$39
c. Heat Pump	\$10	\$12	\$15	\$18	\$20	\$23
d. Fuel Oil	\$39	\$44	\$50	\$58	\$65	\$71
e. Propane	\$35	\$39	\$45	\$51	\$57	\$62
AIR CONDITIONING	\$10	\$13	\$16	\$22	\$27	\$32
COOKING						
a. Natural Gas	\$10	\$11	\$13	\$13	\$15	\$15
b. Electric	\$14	\$14	\$17	\$18	\$20	\$20
c. Propane	\$21	\$21	\$26	\$27	\$30	\$31
OTHER ELECTRIC	\$35	\$38	\$43	\$50	\$56	\$67
WATER HEATING						
a. Natural Gas	\$15	\$20	\$25	\$36	\$47	\$59
b. Electric	\$14	\$23	\$33	\$52	\$72	\$93
c. Fuel Oil	\$30	\$41	\$52	\$73	\$96	\$119
d. Propane	\$31	\$41	\$52	\$74	\$97	\$120
WATER						
Anne Arundel Water Department	\$16	\$21	\$27	\$38	\$49	\$60
SEWER						
Anne Arundel Water Department	\$20	\$30	\$39	\$59	\$78	\$97
TRASH COLLECTION	N/A	N/A	N/A	N/A	N/A	N/A
REFRIGERATOR	\$5	\$5	\$5	\$5	\$5	\$5
RANGE	\$4	\$4	\$4	\$4	\$4	\$4
Natural Gas Base Rate	\$17	\$17	\$17	\$17	\$17	\$17
ACTUAL FAMILY ALLOWANCES: (May be used by family to compute allowance while searching for a unit.)				UTILITY/SERVICE/APPLIANCE		ALLOWANCE PER MONTH
HEAD OF HOUSEHOLD NAME				HEATING		\$
UNIT ADDRESS				AIR CONDITIONING		\$
				COOKING		\$
				OTHER ELECTRIC		\$
				WATER HEATING		\$
				WATER		\$
				SEWER		\$
				TRASH COLLECTION		\$
				REFRIGERATOR		\$
				RANGE		\$
NUMBER OF BEDROOMS				OTHER		\$
				TOTAL		\$

Allowances for 6-BR units are calculated by multiplying the 5-BR unit allowance by 1.15. Allowances for 7-BR units are calculated by multiplying the 5-BR allowance by 1.30. Additional bedroom sizes are calculated similarly at 15% additional per bedroom

Utility Allowance Schedule

U.S. Department of Housing and Urban
Development
Office of Public and Indian Housing

LOCALITY/PHA		UNIT TYPE					DATE
Housing Commission of Anne Arundel County		Mobile Home					7/1/2023
UTILITY OR SERVICE	MONTHLY DOLLAR ALLOWANCE						
	0-BR	1-BR	2-BR	3-BR	4-BR	5-BR	
HEATING							
a. Natural Gas	\$37	\$35	\$42	\$49	\$52	\$61	
b. Electric	\$47	\$55	\$68	\$83	\$89	\$106	
c. Heat Pump	\$27	\$32	\$40	\$48	\$52	\$62	
d. Fuel Oil	\$83	\$96	\$116	\$137	\$145	\$171	
e. Propane	\$72	\$83	\$99	\$117	\$124	\$146	
AIR CONDITIONING	\$13	\$17	\$21	\$27	\$32	\$39	
COOKING							
a. Natural Gas	\$10	\$11	\$13	\$13	\$15	\$15	
b. Electric	\$14	\$14	\$17	\$18	\$20	\$20	
c. Propane	\$21	\$21	\$26	\$27	\$30	\$31	
OTHER ELECTRIC	\$35	\$38	\$43	\$50	\$56	\$67	
WATER HEATING							
a. Natural Gas	\$15	\$20	\$25	\$36	\$47	\$59	
b. Electric	\$14	\$23	\$33	\$52	\$72	\$93	
c. Fuel Oil	\$30	\$41	\$52	\$73	\$96	\$119	
d. Propane	\$31	\$41	\$52	\$74	\$97	\$120	
WATER							
Anne Arundel Water Department	\$16	\$21	\$27	\$38	\$49	\$60	
SEWER							
Anne Arundel Water Department	\$20	\$30	\$39	\$59	\$78	\$97	
TRASH COLLECTION	N/A	N/A	N/A	N/A	N/A	N/A	
REFRIGERATOR	\$5	\$5	\$5	\$5	\$5	\$5	
RANGE	\$4	\$4	\$4	\$4	\$4	\$4	
Natural Gas Base Rate	\$17	\$17	\$17	\$17	\$17	\$17	
ACTUAL FAMILY ALLOWANCES: (May be used by family to compute allowance while searching for a unit.)				UTILITY/SERVICE/APPLIANCE		ALLOWANCE PER MONTH	
HEAD OF HOUSEHOLD NAME				HEATING		\$	
UNIT ADDRESS				AIR CONDITIONING		\$	
				COOKING		\$	
				OTHER ELECTRIC		\$	
				WATER HEATING		\$	
				WATER		\$	
				SEWER		\$	
				TRASH COLLECTION		\$	
				REFRIGERATOR		\$	
				RANGE		\$	
NUMBER OF BEDROOMS				OTHER		\$	
				TOTAL		\$	

Allowances for 6-BR units are calculated by multiplying the 5-BR unit allowance by 1.15. Allowances for 7-BR units are calculated by multiplying the 5-BR allowance by 1.30. Additional bedroom sizes are calculated similarly at 15% additional per bedroom

Utility Allowance Schedule

U.S. Department of Housing and Urban
Development
Office of Public and Indian Housing

LOCALITY/PHA	UNIT TYPE						DATE
Housing Commission of Anne Arundel County	Single Family						7/1/2023
	MONTHLY DOLLAR ALLOWANCE						
UTILITY OR SERVICE	0-BR	1-BR	2-BR	3-BR	4-BR	5-BR	
HEATING							
a. Natural Gas	\$41	\$40	\$44	\$51	\$55	\$59	
b. Electric	\$54	\$65	\$76	\$89	\$100	\$107	
c. Heat Pump	\$31	\$38	\$44	\$52	\$58	\$62	
d. Fuel Oil	\$93	\$110	\$125	\$144	\$159	\$169	
e. Propane	\$80	\$95	\$107	\$123	\$137	\$145	
AIR CONDITIONING	\$16	\$21	\$27	\$35	\$43	\$50	
COOKING							
a. Natural Gas	\$10	\$11	\$13	\$13	\$15	\$15	
b. Electric	\$14	\$14	\$17	\$18	\$20	\$20	
c. Propane	\$21	\$21	\$26	\$27	\$30	\$31	
OTHER ELECTRIC	\$35	\$38	\$43	\$50	\$56	\$67	
WATER HEATING							
a. Natural Gas	\$15	\$20	\$25	\$36	\$47	\$59	
b. Electric	\$14	\$23	\$33	\$52	\$72	\$93	
c. Fuel Oil	\$30	\$41	\$52	\$73	\$96	\$119	
d. Propane	\$31	\$41	\$52	\$74	\$97	\$120	
WATER							
Anne Arundel Water Department	\$16	\$21	\$27	\$38	\$49	\$60	
SEWER							
Anne Arundel Water Department	\$20	\$30	\$39	\$59	\$78	\$97	
TRASH COLLECTION	N/A	N/A	N/A	N/A	N/A	N/A	
REFRIGERATOR	\$5	\$5	\$5	\$5	\$5	\$5	
RANGE	\$4	\$4	\$4	\$4	\$4	\$4	
Natural Gas Base Rate	\$17	\$17	\$17	\$17	\$17	\$17	
ACTUAL FAMILY ALLOWANCES: (May be used by family to compute allowance while searching for a unit.)				UTILITY/SERVICE/APPLIANCE		ALLOWANCE PER MONTH	
HEAD OF HOUSEHOLD NAME				HEATING		\$	
				AIR CONDITIONING		\$	
UNIT ADDRESS				COOKING		\$	
				OTHER ELECTRIC		\$	
				WATER HEATING		\$	
				WATER		\$	
				SEWER		\$	
				TRASH COLLECTION		\$	
				REFRIGERATOR		\$	
				RANGE		\$	
NUMBER OF BEDROOMS				OTHER		\$	
				TOTAL		\$	

Allowances for 6-BR units are calculated by multiplying the 5-BR unit allowance by 1.15. Allowances for 7-BR units are calculated by multiplying the 5-BR allowance by 1.30. Additional bedroom sizes are calculated similarly at 15% additional per bedroom

Utility Allowance Schedule

**U.S. Department of Housing and Urban
Development**
Office of Public and Indian Housing

LOCALITY/PHA	UNIT TYPE						DATE
Housing Commission of Anne Arundel County	Townhouse						7/1/2023
UTILITY OR SERVICE	MONTHLY DOLLAR ALLOWANCE						
	0-BR	1-BR	2-BR	3-BR	4-BR	5-BR	6-BR
HEATING							
a. Natural Gas	\$30	\$35	\$41	\$44	\$50	\$56	\$63
b. Electric	\$37	\$44	\$53	\$59	\$69	\$79	\$91
c. Heat Pump	\$21	\$26	\$31	\$34	\$40	\$46	\$53
d. Fuel Oil	\$68	\$79	\$92	\$100	\$114	\$129	\$146
e. Propane	\$59	\$69	\$79	\$86	\$98	\$111	\$126
AIR CONDITIONING	\$14	\$19	\$24	\$30	\$38	\$45	\$57
COOKING							
a. Natural Gas	\$10	\$11	\$13	\$13	\$15	\$15	\$17
b. Electric	\$14	\$14	\$17	\$18	\$20	\$20	\$23
c. Propane	\$21	\$21	\$26	\$27	\$30	\$31	\$34
OTHER ELECTRIC	\$35	\$38	\$43	\$50	\$56	\$67	\$78
WATER HEATING							
a. Natural Gas	\$15	\$20	\$25	\$36	\$47	\$59	\$69
b. Electric	\$14	\$23	\$33	\$52	\$72	\$93	\$112
c. Fuel Oil	\$30	\$41	\$52	\$73	\$96	\$119	\$140
d. Propane	\$31	\$41	\$52	\$74	\$97	\$120	\$141
WATER							
Anne Arundel Water Department	\$16	\$21	\$27	\$38	\$49	\$60	\$72
SEWER							
Anne Arundel Water Department	\$20	\$30	\$39	\$59	\$78	\$97	\$119
TRASH COLLECTION	N/A	N/A	N/A	N/A	N/A	N/A	N/A
REFRIGERATOR	\$5	\$5	\$5	\$5	\$5	\$5	\$5
RANGE	\$4	\$4	\$4	\$4	\$4	\$4	\$4
Natural Gas Base Rate	\$17	\$17	\$17	\$17	\$17	\$17	\$17

ACTUAL FAMILY ALLOWANCES (May be used by family to compute allowance while searching for a unit.)	UTILITY/SERVICE/APPLIANCE	ALLOWANCE PER MONTH
HEAD OF HOUSEHOLD NAME	HEATING	\$
UNIT ADDRESS	AIR CONDITIONING	\$
	COOKING	\$
	OTHER ELECTRIC	\$
	WATER HEATING	\$
	WATER	\$
	SEWER	\$
	TRASH COLLECTION	\$
	REFRIGERATOR	\$
	RANGE	\$
	OTHER	\$
NUMBER OF BEDROOMS	TOTAL	\$

Allowances for 6-BR units are calculated by multiplying the 5-BR unit allowance by 1.15. Allowances for 7-BR units are calculated by multiplying the 5-BR allowance by 1.30. Additional bedroom sizes are calculated similarly at 15% additional per bedroom

Medical Equipment Allowances

Item	Hrs/Day	Wattage	Monthly Consumption (kWh)	Allowance
Oxygen Concentrator	18	400	219	\$34
Nebulizer	2	75	5	\$1
Electric Hospital Bed	0.2	200	1	\$1
Alternating Pressure Pad	24	70	51	\$8
Low Air-Loss Mattress	24	120	88	\$14
Power Wheelchair/Scooter	3	360	33	\$5
CPAP Machine	10	30	9	\$2

Oxygen Concentrator

Use per day varies, assume 12 to 24 hours a day.

The 5-Liter model uses 400 W, the 3-Liter model uses 320 W.

Nebulizer

A medicine delivery system used mostly for pediatric care.

Used 4-6 times a day for 20 minutes at a time at 75 W.

Semi/Fully Electric Hospital Beds

Use depends on adjustments. 200 W.

Alternating Pressure Pad

An air-filled mattress overlay.

Used 24 hours a day for someone who is bed-ridden.

Low Air-Loss Mattress

Takes the place of mattress - air-filled pressurized mattress.

Cycles air around every 15-20 minutes.

Power Wheelchairs and Scooters

Need to be charged approximately 8 hours every 3 days.

Batteries are 120 V, 3 Amp, 360 W.

CPAP Machines

Used for Sleep Apnea. Machines run only at night for people who have a tendency to stop breathing at night. At maximum pressure they use 40 Watts. On average - 30Watts.

OTHER DOCUMENTS

Agency Plan FY2023 Comments

Name/Community/
Address

Comment

Michelle	Why did it take so long for HUD to finalize this?
Rhonda	When all of these changes go into effect, are we going to have to re-certify?
Shonda	What happens with the increase in medical if we cannot afford our rent?
Michelle	What if my decrease in income is under 10% but I cannot afford the current rent?
Andrew	When will Stoney Hill be renovated?
Christine	Can we change our policy on how people are approved to have service animals?

Agency Plan FY2023 Comments

Name/Community/
Address

Comment

Lorraine	When can the changes to the intake process become effective?
Jack	Will the other sites have to pay for BGE when converted?
Jackie	What is the difference between a service and emotional support animal?
Christine	What are the income limits that someone would have to reach to be over income?
Rhonda	When each year will HUD decided if the deductions change?

Agency Plan Public Hearing
Monday, March 20, 2023
11:00 AM
Virtual via Zoom
Sign-in Sheet

Name

Company/Community

Name	Company/Community
Danny Boyd	Board Chair
Sandra Ervin	Board Vice-Chair
Luis Gonzalez	Commissioner
Bill Utz	Commissioner
Beryl Downs	Commissioner
Clifton C. Martin	HCAAC
Rainbow Lin	HCAAC
Christopher Ostovitz	HCAAC
Lanita Hillen	HCAAC
Gina Gibson	HCAAC
Pamela Walton	HCAAC
Michael Hale	HCAAC
Alex Sankov	HCAAC
Carole Ann Brazeal	HCAAC
DeAndra Vaughn	HCAAC

Agency Plan FY2023 Comments

Name/Community/
Address

Comment

Danny Boyd	Any change or revision that is required as a result of a change in Federal, State, or local statutes shall not be considered significant amendment or modification. Why is this being added?
Danny Boyd	If a person is denied access to one of our units, who is the judge of that?
Danny Boyd	In the case of an emergency where a women needs to leave the house how long does that take?
Luis Gonzalez	Clerical error on the Administrative Plan page 4 into 5.