



Housing Choice Voucher Program

FY2021 Annual Plan | HCVP Administrative Plan for FY2021

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Grammatical changes and minor corrections have been made throughout the Plan and may not be reflected in this matrix.

CHAPTER 1: STATEMENT OF POLICIES AND OBJECTIVES

<p><u>1.8 FAIR HOUSING POLICY</u></p> <p>HABC shall not on the basis of race, color, sex, religion, national origin, ancestry, age, familial status, marital status, handicap or disability, sexual orientation, or gender identity:</p> <ul style="list-style-type: none"> - Deny any family or individual... 	1-6	<p>Updating statement of protected classes to include "source of income."</p> <p>HABC shall not on the basis of race, color, sex, religion, national origin, ancestry, age, familial status, marital status, handicap or disability, sexual orientation, or gender identity, <i>or source of income</i>:</p>
<p>1.8.1 Affirmatively Furthering Fair Housing – Family Self-Sufficiency (FSS)</p> <p>Pursuant to Section 808 (e) (5) of the Fair Housing Act, HUD requires its funding recipients to affirmatively further fair housing opportunities for classes protected under the Fair Housing Act. Protected classes include race, color, sex, religion, national origin, ancestry, age, familial status, marital status, handicap or disability, sexual orientation, or gender identity...</p> <p>HABC will take reasonable steps to affirmatively further fair housing in the FSS program and will...</p>	1-7	<p>Revising title of current section, inserting title for new FSS section, and revising language to reflect FEDERAL LAW, struck out statistics are governed by state and local legislation, not federal:</p> <p>1.8.1 Affirmatively Furthering Fair Housing – Family Self-Sufficiency (FSS)</p> <p>Pursuant to Section 808 (e) (5) of the Fair Housing Act, HUD requires its funding recipients to affirmatively further fair housing opportunities for classes protected under the Fair Housing Act. Protected classes <i>under the Fair Housing Act</i> include race, color, sex, religion, national origin, ancestry, age, familial status, marital status, and handicap or disability, sexual orientation, or gender identity...</p> <p><i>1.8.2 Affirmatively Furthering Fair Housing – Family Self-Sufficiency (FSS)</i></p> <p>HABC will take reasonable steps to affirmatively further fair housing in the FSS program and will...</p>

CHAPTER 2: ELIGIBILITY FOR ADMISSION

<p><u>2.8 SCREENING PROCEDURES</u></p> <p>All screening procedures shall be administered fairly and in such a way as not to discriminate on the basis of race, color, sex, religion, national origin, ancestry, age, familial status, disability, sexual orientation or gender identity, and not to violate a right to privacy.</p>	2-13	<p>Updating statement of protected classes from discrimination to include "source of income."</p> <p>All screening procedures shall be administered fairly and in such a way as not to discriminate on the basis of race, color, sex, religion, national origin, ancestry, age, familial status, disability, sexual orientation or gender identity, <i>or source of income</i>, and not to violate a right to privacy.</p>
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CHAPTER 4: ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST

4.9 SET-ASIDE OF VOUCHERS FOR FAMILIES WITH DISABILITIES

Eight hundred and fifty (850) tenant-based Housing Choice Vouchers and five hundred (500) Project-Based Vouchers were set-aside for issuance to non-elderly persons with disabilities (NEDs), as that term is defined in the consent decree entered in *Bailey v. Housing Authority of Baltimore City*, JFM-020CV-225 and *United States of America v. Housing Authority of Baltimore City*, JFM-02-CV-03107 (Bailey Consent Decree). The 850 tenant-based vouchers were offered in order by date and time of application to NEDs on the waiting list who were found eligible for the HCVP and who participated in the Enhanced Leasing Assistance Program (ELAP) (see below). On turnover, these 850 tenant-based vouchers were leased to the next eligible NED applicant until 102,000 unit months leased to NEDs was achieved. This goal was achieved in November 2018. Therefore, the 850 tenant-based vouchers are no longer available exclusively to NEDs and are now being offered to the next eligible family on turnover.

The 500 Project-Based voucher units continue to be leased to NEDs from HABC's project-based voucher waiting list who are participating in ELAP as those units turn over.

HABC established the ELAP, which is being implemented by an outside contractor. The ELAP provides housing search assistance NEDs as defined in and in accordance with the Bailey Consent Decree.

The Services provided through the ELAP include:

- Administration of a funding stream for reasonable application fees, security deposits, and utility hook-up fees;
- Housing search assistance;
- Landlord/tenant negotiations and facilitating implementation of requests on behalf of the Program participants for reasonable accommodations, including retrofitting units to make them accessible or to add accessibility features in an amount not to exceed \$5000 per unit;
- Referrals to service providers and non-profit organizations to assist the voucher holder in obtaining long-term housing stability (no guarantees will be made regarding the ability of the service providers to provide the requested services or in being able to identify appropriate service providers for all ELAP participants).

4-10

Updating statement to reflect meeting Bailey commitment and revising to current policy.

HABC established the *Enhanced Leasing Assistance Program (ELAP)*, which is being implemented by an outside contractor, pursuant to the consent decree entered in *Bailey v. Housing Authority of Baltimore City*, JFM-020CV-225 and *United States of America v. Housing Authority of Baltimore City*, JFM-02-CV-03107 (Bailey Consent Decree). The ELAP provides housing search assistance non-elderly persons with disabilities (NEDs) as defined in and in accordance with the Bailey Consent Decree who received tenant-based vouchers or are referred to units subsidized with project-based vouchers set-aside for NEDs (see below).

The Services provided through the ELAP include:

- Administration of a funding stream for reasonable application fees, security deposits, and utility hook-up fees;
- Housing search assistance;
- Landlord/tenant negotiations and facilitating implementation of requests on behalf of the Program participants for reasonable accommodations, including retrofitting units to make them accessible or to add accessibility features in an amount not to exceed \$5000 per unit;
- Referrals to service providers and non-profit organizations to assist the voucher holder in obtaining long-term housing stability (no guarantees will be made regarding the ability of the service providers to provide the requested services or in being able to identify appropriate service providers for all ELAP participants).

Eight hundred and fifty (850) tenant-based Housing Choice Vouchers and five hundred (500) Project-Based Vouchers were set-aside for issuance ~~to non-elderly persons with disabilities (NEDs) pursuant to the, as that term is defined in the consent decree entered in *Bailey v. Housing Authority of Baltimore City*, JFM-020CV-225 and *United States of America v. Housing Authority of Baltimore City*, JFM-02-CV-03107 (Bailey Consent Decree).~~ The 850 tenant-based vouchers were offered in order by date and time of application to NEDs on the waiting list who were found eligible for the HCVP and who participated in the ~~Enhanced Leasing Assistance Program (ELAP) (see below).~~ On turnover, these 850 tenant-based vouchers were leased to the next eligible NED applicant until 102,000-unit months leased to NEDs was achieved. This goal was achieved in November 2018. Therefore, the 850 tenant-based vouchers are no longer available exclusively to NEDs and are now being offered to the next eligible family on turnover.

~~The 500 Project-Based voucher units continue to be leased to NEDs from HABC's project-based voucher waiting list who are participating in ELAP as those units turn over.~~

Five hundred (500) Housing Choice Project-Based Vouchers were set-aside for issuance to owners of rental properties and developers that agreed to create and maintain project-based units for NEDs. These vouchers are offered, in order by date and time of application, to NEDs on HABC's project-based voucher waiting list who have been found to meet the Housing Choice Voucher Program eligibility criteria and, while it is in existence, who are participating in the ELAP. If a NED participant moves out of one of the units subsidized by one of these vouchers, the unit will be offered to the next eligible NED referred by HCVP for the ELAP.

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CHAPTER 4: ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST (CONTINUED)

<p><u>4.12 SET-ASIDE VOUCHERS FOR RE-ENTRY CITIZENS</u></p> <p>Subject to availability of funding...operated by the Mayor's Office of Human Services...</p>	4-11	<p>Updated to reflect current division of Mayor's Office responsible for referring clients for these vouchers:</p> <p>...Mayor's Office of Human <i>Homeless</i> Services...</p>
<p><u>4.13 SET-ASIDE VOUCHERS FOR EARLY CHILDHOOD</u></p> <p>Subject to availability of funding, two hundred fifty (250) Housing Choice Vouchers will be set aside for issuance to eligible families with one or more children under the age of six (6) who are already on the tenant-based waiting list.</p>	4-11	<p>Removing this set-aside, HUD denied this request stating there is a Fair Housing issue when setting a preference for families with children under a specific age; must include all families with any children – cannot discriminate based on age.</p>
<p><u>4.14 SET-ASIDE VOUCHERS FOR HEALTHY OPPORTUNITIES PROGRAM</u></p> <p>In FY2020, HABC proposed to HUD to set aside up to fifty (50) vouchers to assist current Housing Choice Voucher families with children who are facing health related issues due to their current living situations. In this proposal, and subject to HUD approval, HCVP will assist families with moving into opportunity neighborhoods that would improve the family's overall health...</p>	4-11	<p>Revising language, HUD approved and increasing set-aside amount (from 50 to 150) – New Section 4.13:</p> <p>In FY2020, HABC proposed to HUD <i>HABC's request</i> to set aside up to one-hundred and fifty (150) vouchers to assist current Housing Choice Voucher families with children who are facing health related issues due to their current living situations. In this proposal, and Subject to HUD approval-availability of funding, HCVP will assist families with moving into opportunity neighborhoods that would improve the family's overall health...</p>
<p><u>4.15 SPECIAL FUNDING FOR VASH VOUCHERS</u></p> <p>HABC was awarded five-hundred and twenty-six (526)* Veterans Affairs Supportive Housing (VASH) vouchers, funded by HUD, to provide rental assistance to homeless veterans and their immediate families...</p>	4-12	<p>Revising language to reflect 2020 awards:</p> <p>New Section 4.14:</p> <p>HABC was awarded five-hundred and twenty-six <i>sixty-one</i> (526561)* Veterans Affairs Supportive Housing (VASH) vouchers...</p>
<p><u>4.18 SPECIAL HUD FUNDING FOR MAINSTREAM VOUCHERS</u></p> <p>HABC was awarded eighty-nine (89) vouchers funded through a competitive process approved by HUD to provide rental assistance to households that include non-elderly/disabled (NED) persons...</p> <p>Applicants are referred through partner agencies, as well as pulled from the existing waiting list for preference verification to determine if they meet preferences of this special program.</p>	4-13	<p>Revising language to reflect additional awards by HUD - New Section 4.17:</p> <p>HABC was awarded a total of eighty-nine (89) <i>one-hundred and sixteen (116)</i> vouchers...</p> <p>Applicants are <i>pulled from the existing waiting list for preference verification to determine if they meet preferences of this special program. Upon exhaustion of the existing waiting list for all Mainstream eligible applicants, HCVP may accept applications</i> referred through partner agencies, as well as pulled from the existing waiting list for preference verification to determine if they meet preferences of this special program.</p>

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CHAPTER 6: FACTORS RELATED TO TOTAL TENANT PAYMENT & FAMILY SHARE DETERMINATION

<p><u>6.4 INCOME AND ALLOWANCES</u></p> <p>6.4.1 Annual Income</p> <p>...The annual income will be calculated for the family head of household and the spouse, and for each additional member of the family listed on the lease that is eighteen (18) years or older. Income from adult full-time students will be excluded from calculations of household TTP...</p>	6-4	<p>Revising language to clarify annual income is calculated for entire household, but earned income is only calculated for the HOH, spouse and adult HH members (or emancipated minors):</p> <p>...The annual income will be calculated for <i>the entire household; the annual earned income will be calculated for the family</i> head of household and the spouse, and for each additional <i>adult</i> member of the family listed on the lease <i>household (anyone listed on the lease that is eighteen (18) years or older or is an emancipated minor). Earned income</i> from adult full-time students will be excluded from calculations of household TTP...</p>
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CHAPTER 7: VERIFICATION PROCEDURES

<p><u>7.3 METHODS OF INCOME VERIFICATION AND TIME ALLOWED</u></p> <p>HABC will verify income information through the five methods of verification acceptable to HUD in the following order:</p> <ul style="list-style-type: none"> - Level 6 (highest): Upfront Income Verification (UIV) (i.e. HUD's Enterprise Income Verification (EIV) system). 	7-1	<p>Adding new and added tool per HUD to Level 6 hierarchy for verification:</p> <ul style="list-style-type: none"> - Level 6 (highest): Upfront Income Verification (UIV) (i.e. HUD's Enterprise Income Verification (EIV) system <i>and Income Verification Tool (IVT)</i>).
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CHAPTER 8: VOUCHER ISSUANCE AND BRIEFINGS

<p><u>8.3 BRIEFING TYPES AND REQUIRED ATTENDANCE</u></p> <p>8.3.2 Voucher Briefing Packet</p> <p>The documents and information provided in the briefing packet and discussed during the briefing for the voucher program, will comply with all HABC-MTW requirements. The family is provided with the following information and materials:</p> <ul style="list-style-type: none"> - ... 	8-2	<p>Adding a bullet to the materials included in a briefing packet:</p> <p>The family is provided with the following information and materials:</p> <ul style="list-style-type: none"> - ... - <i>An "Owner Checklist" to be completed by potential landlords.</i> - ...
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CHAPTER 9: REQUEST FOR TENANCY APPROVAL AND CONTRACT EXECUTION

<p><u>9.4 LEASE REVIEW</u></p> <p>9.4.1 Actions before Lease Term and Execution of the HAP Contract</p> <p>...The following must be submitted and/or verified before execution of the HAP Contract:</p> <ul style="list-style-type: none"> - ... - Owner must provide the following required documentation prior to unit inspection: <ul style="list-style-type: none"> o Property License and Registration... o ... o Tax Identification Number on IRS letterhead or tax documents o ... o Direct Deposit form o Management/Agent Agreement o ... 	9-5	<p>Revising the list for clarification and acceptable documents required from owners prior to inspecting new units:</p> <p>...The following must be submitted and/or verified before execution of the HAP Contract:</p> <ul style="list-style-type: none"> - ... - Owner must provide the following required documentation prior to unit inspection: <ul style="list-style-type: none"> o <i>Rental</i> Property License and Registration... o ... o Tax Identification Number on IRS letterhead or tax <i>official SSA or IRS</i> documents o ... o Direct Deposit form (<i>will require voided check or bank account verification form</i>) o Management/Agent Agreement o <i>Notarized Owner Affidavit (in lieu of Photo ID, Property Management and Operating Agreements and/or authorization letters)</i> o <i>For Estates, must provide a Death Certificate, State of Maryland Letters of Administration, and proof of the EIN for the Estate.</i>
<p><u>9.12 CONTRACT EXECUTION PROCESS</u></p> <p>...HABC requires the following information from the landlord or the authorized agent/representative, to execute the HAP Contract:</p> <ul style="list-style-type: none"> - ... - Proof of registration of the property with the Baltimore City Department of Housing and Community Development. - ... - HABC's Electronic Direct Deposit Request Form - ... 	9-9	<p>Revising list for updated, clarified and acceptable documentation required from owners prior to HAP Contract execution:</p> <p>...HABC requires the following information from the landlord or the authorized agent/representative, to execute the HAP Contract:</p> <ul style="list-style-type: none"> - ... - Proof of registration of the property with <i>Rental Property License and Registration receipt from</i> the Baltimore City Department of Housing and Community Development (<i>DHCD</i>). - ... - HABC's Electronic Direct Deposit Request Form (<i>will require voided check or bank account verification letter</i>) and - <i>Notarized Owner Affidavit (in lieu of Photo ID, Property Management and/or Operating Agreements and authorization letters).</i> - ...

CHAPTER 10: HOUSING QUALITY STANDARDS AND INSPECTIONS

<p><u>10.2 GUIDELINES/TYPES OF INSPECTIONS</u></p> <p>10.2.2 Windows</p> <p>...All window sashes must be in good condition. Damaged or deteriorated sashes must be replaced.</p> <p>Window screens must be in good condition. (Applies only if screens are present).</p>	10-2	<p>Adding "balances" to statement for Windows:</p> <p>...All window sashes <i>and balances</i> must be in good condition. Damaged or deteriorated sashes <i>and/or balances</i> must be replaced.</p> <p>Window screens must be in good condition. (Applies only if screens are present).</p>
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CHAPTER 10: HOUSING QUALITY STANDARDS AND INSPECTIONS (CONTINUED)

<p>10.2.6 Security</p> <p>If window security bars or security screens are present on any exterior windows, they must be equipped with a quick release system. The owner is responsible for ensuring that the family is instructed on the use of the quick release system.</p>	10-2	<p>Add language for exceptions due to International Fire Code:</p> <p>If window security bars or security screens are present on any exterior windows, they must be equipped with a quick release system; <i>exceptions may be made to align with the International Fire Code.</i> The owner is responsible for ensuring that the family is instructed on the use of the quick release system.</p>
<p>10.2.8 Dens</p> <p>...The following conditions shall be evaluated when assessing whether space should be considered a den:</p> <ol style="list-style-type: none"> ... Conversion of an existing bedroom cannot be done to create a den. ... 	10-3	<p>Revising #2 to reflect actual and current policy:</p> <ol style="list-style-type: none"> ... Conversion of an existing bedroom cannot be done to create a den <i>must meet criteria specified within this Section of the Administrative Plan and be approved by HABC.</i>
<p>10.2.8 Dens</p> <p>...If there is any doubt in the assessment of residential living spaces, the inspector should discuss specific conditions with the manager of the HCVP Inspection Office.</p>	10-4	<p>Revising grammar and title for inspection discrepancies:</p> <p>...If there is any doubt <i>uncertainty</i> in the assessment of residential living spaces, the inspector should discuss specific conditions with the manager of the HCVP Inspection Office <i>HCVP Inspection's Manager or Senior Manager.</i></p>
<p>10.2.10 Types of Inspections</p> <p>There of 7 types of inspections HABC will perform:</p> <ul style="list-style-type: none"> Pre-Contract: Conducted upon receipt of Request for Tenancy Approval. Biennial: Must be conducted once within a 24-month period and is scheduled on a biennial basis. ... 	10-5	<p>Updating and inserting language to clarify current terms and types of inspections:</p> <p>There are 7 <i>6</i> types of inspections HABC will performs:</p> <ul style="list-style-type: none"> Pre-Contract: <i>Pre-Contract (aka Initial):</i> Conducted... Biennial: <i>(or Regular):</i> Must be conducted once within <i>at least a</i> 24-month period and is scheduled on a biennial <i>regular</i> basis. <i>Some units may be inspected on an annual basis as determined by HABC.</i>
<p><u>10.4 SCHEDULED INSPECTIONS</u></p> <p>10.4.3 Scheduling Inspections</p> <p>HABC will notify the family and owner of the date and time of the inspection appointment by mail at least fifteen (15) calendar days prior to the scheduled inspection date.</p> <p>...No more than two (2) attempts to inspect are required.</p>	10-8	<p>Notification of inspections only applies for the biennial or regular inspections. Adding clarifying factor to the title of this section.</p> <p>10.4.3 Scheduling Inspections <i>(Biennial or Regular Inspections Only)</i></p> <p>Also, adding a statement to last paragraph to clarify why only biennial or regular inspections receive 15-day notices.</p> <p>...No more than two (2) attempts to inspect are required. <i>HABC may conduct other types of inspections as needed that may require immediate notification (i.e. emergency, special or complaint inspections).</i></p>

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CHAPTER 10: HOUSING QUALITY STANDARDS AND INSPECTIONS (CONTINUED)

<p><u>NO CURRENT POLICY</u> – Re-Inspection Fees as per MTW Activity 2020-01.</p>	<p>N/A</p>	<p>New MTW Activity 2020-01 was approved by HUD.</p> <p><i>10.4.8 Circumstances under which Fees may be Applied</i></p> <p><i>Outlined below are the circumstances under which re-inspection fees will be charged (applies to both tenant-based and project-based programs):</i></p> <ol style="list-style-type: none"> <i>1. An owner notifies HABC that a deficiency cited in a previous re-inspection has been repaired or the allotted time for repairs has elapsed, and in either case the previously cited deficiency has NOT been corrected. HABC may require the owner to pay a re-inspection fee prior to conducting a second re-inspection. An example of this provision is as follows:</i> <ul style="list-style-type: none"> <i>A unit fails its regular inspection on March 5: No fee.</i> <i>A re-inspection on April 4 reveals that the previously cited deficiencies have not been corrected: No fee, but HAP is abated.</i> <i>On April 30, the owner notifies HABC that the previously failed items have been corrected. Prior to HABC conducting a second re-inspection, HABC will charge, and the owner must pay, a re-inspection fee.</i> <i>Re-inspection fees will be charged for each additional re-inspection until the unit receives a pass rating.</i> <i>2. For a unit not currently under HAP contract and where an HQS inspection has been scheduled, HABC will charge the owner for a re-inspection if the unit is not ready for inspection, e.g. plumbing fixtures or appliances are not connected, the unit is under construction, disconnected or illegal utilities, excessive violations or the owner fails to provide access to the unit.</i> <i>3. For a unit not currently under HAP contract, HABC will provide owners with a self-inspection checklist as part of the Request for Tenancy Approval (RFTA). The checklist will include guidance that upon inspection by HABC, if the unit fails inspection, HABC will schedule a re-inspection. There will be no fee for the first re-inspection. If the unit fails at the first re-inspection, HABC will charge the owner a re-inspection fee for the second re-inspection if the family wishes to continue the process of leasing that unit. The re-inspection fee must be paid in full prior to HABC conducting a second re-inspection of the unit. An example of this provision is as follows:</i> <ul style="list-style-type: none"> <i>Completed RFTA and inspection checklist are submitted by an owner. HABC inspects the unit, and the unit fails this initial inspection: No fee.</i> <i>HABC will give the owner 15 days to correct the deficiency and conduct the first re-inspection: No fee.</i> <i>If the unit fails the first re-inspection for deficiencies found on the initial inspection that have not been corrected, HABC will issue the tenant a new RFTA.</i> <i>If the owner notifies HABC that the family is still interested in the unit and requests a second re-inspection, advising that the deficiency has been corrected, HABC will first confirm with the family that they are still interested; the owner will be charged for this re-inspection.</i> <i>HABC will not reschedule the re-inspection until the owner pays the re-inspection fee.</i> <i>Upon receipt of payment for the re-inspection fee, HABC will reschedule the second re-inspection.</i>
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CHAPTER 11: OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS

11.4 RENT REASONABLENESS DETERMINATIONS

HABC will determine and document on a case-by-case basis that the approved rent is reasonable in comparison to rent for other comparable unassisted units in the market. This applies to all funding categories. HABC will not approve a lease until HABC determines that the initial rent to owner is a reasonable rent.

HABC may re-determine the reasonable rent at the following times (but not limited to):

- ...

11-3

Revising statement as per HUD Rent Reasonableness audit leading to change in policy:

HABC will determine and document on a case-by-case basis that the approved rent is reasonable in comparison to rent for other comparable unassisted units in the market. ~~This applies to all funding categories.~~ HABC will not approve a lease until HABC determines that the initial rent to owner is a reasonable rent.

HABC may re-determine the reasonable rent at the following times (but not limited to):

- ...

- *Upon request by HUD.*

11.4.1 Rent Reasonableness Methodology

HABC utilizes a commercially available rent reasonableness system (GoSection8) that generates and maintains an appropriately sized, up-to-date database of market-based comparable units in the subject market area.

The system searches the database of units within HABC's jurisdiction. The system searches the database of units within HABC's jurisdiction, identifies potential comparable units, using all nine of the factors that HUD requires a PHA to take into consideration when performing a Rent Reasonableness certification: location; quality; size; unit type; age; amenities (e.g., washer/dryer, dishwasher, air conditioning, etc.); housing services; maintenance and utilities (paid by owner or paid by tenant). Adjustments between subject units and comparable units are auto-generated to create an appropriate, supportable reasonable rent.

The system allows for and automates adjustments to reasonable rent levels for properties in superior condition and superior neighborhoods and serves as a tool in:

- encouraging property owners to improve properties on the program; and
- attracting owners of superior properties to participate in the program.

Alternate Rent Reasonableness Methodologies

HABC will consider alternative rent reasonableness methodologies and incentives in order to improve neighborhoods, to upgrade existing housing stock and to encourage development of new quality housing to be available to HCVP participants. Issues which may be considered are the scope of improvement, the level of capital investment and the value to meeting the housing goals of HABC and of the City of Baltimore.

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Revising this section as a result of HUD's Rent Reasonableness Audit/Review (per Edgemere):

HABC utilizes ~~a~~ commercially available rent reasonableness systems *(i.e. GoSection8 and other rental platforms)* that generates and maintains an appropriately sized, up-to-date database of market-based comparable units in the subject market area.

HABC may adjust the system generated comparable rent when and if unit conditions are not fully represented in the system generated comps (i.e. if a unit is significantly upgraded or in a superior neighborhood) HABC may adjust the system generated comparable rent. Additionally, upon owner request and provision of relevant documentation (i.e. additional comparable unit rents or unit feature updates) HABC may review the reasonable rent determination and update the reasonable rent.

~~The system searches the database of units within HABC's jurisdiction. The system searches the database of units within HABC's jurisdiction, identifies potential comparable units, using all nine of the factors that HUD requires a PHA to take into consideration when performing a Rent Reasonableness certification: location; quality; size; unit type; age; amenities (e.g., washer/dryer, dishwasher, air conditioning, etc.); housing services; maintenance and utilities (paid by owner or paid by tenant). Adjustments between subject units and comparable units are auto-generated to create an appropriate, supportable reasonable rent.~~

~~The system allows for and automates adjustments to reasonable rent levels for properties in superior condition and superior neighborhoods and serves as a tool in:~~

- ~~encouraging property owners to improve properties on the program; and~~
- ~~attracting owners of superior properties to participate in the program.~~

~~Alternate Rent Reasonableness Methodologies~~

~~HABC will consider alternative rent reasonableness methodologies and incentives in order to improve neighborhoods, to upgrade existing housing stock and to encourage development of new quality housing to be available to HCVP participants. Issues which may be considered are the scope of improvement, the level of capital investment and the value to meeting the housing goals of HABC and of the City of Baltimore.~~

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CHAPTER 11: OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS (CONTINUED)

11.7 REQUEST FOR RENT ADJUSTMENTS

HABC will not notify owners of their right to request an annual rent adjustment.

The owner is required to notify HABC, in writing, at least sixty (60) to ninety (90) calendar days before any change in the amount of rent to owner is scheduled to go into effect. Rent reasonableness is determined by the Leasing and Contracting Unit upon initial lease up, prior to the signing of the HAP contract. Any requested change in rent to owner will be subject to rent reasonableness requirements. Any approved annual rent adjustment will become effective no sooner than ninety (90) calendar days after the owner's request is received.

The approval or disapproval decision regarding the adjustment will be based on HABC-required calculations and a rent reasonableness determination or other MTW-acceptable method. The annual rent adjustment may result in an increase or a decrease in the HAP to the owner or the tenant rent to owner.

No more than one annual rent adjustment will be granted in any twelve-month period. No annual rent adjustment will be authorized within the initial lease term.

The notice of an annual rent adjustment change does not affect the automatic renewal of the lease and does not require a new lease, or HAP contract, or even an executed amendment.

To receive an annual rent adjustment for an annual anniversary date, the owner must request the adjustment at least ninety (90) calendar days before the next annual anniversary date.

The rent to owner for a unit will not be adjusted at the annual anniversary date unless, during the year before the anniversary date, the owner has complied with all requirements of the HAP contract, including compliance with HQS.

To request an annual rent adjustment the owner is required to submit a completed annual rent adjustment request form. Owners requesting rent adjustments for multi-family dwelling units will be required to submit one or more of the following documents:

- A current rent roll;
- A rent schedule (Schedule A);
- An approval letter from HUD or the Department of Housing and Community Development;
- A Regulatory and Operating Agreement for affordable housing;
- Any other applicable TAX CREDIT documentation.

The rent adjustment amount for rental housing in the Baltimore area may be determined using the published Annual Adjustment Factor (AAF) and/or other factors depending on available funding. The AAF will be used for single-family dwelling properties. However, for multi-family dwelling properties, either the AAF or the 75th percentile (a methodology which calculates the 75th percentile from the multi-family rent roll submitted for each unit bedroom size (e.g. 1 bedroom, 2 bedroom, 3 bedrooms, etc.) will be used.

Annual rent adjustments are effective the first of a specified month.

Notwithstanding any of the above, HABC may suspend annual rent adjustments or take other rent-related actions if funds required to pay for those adjustments or current rent amounts are not available. HABC shall make every effort to minimize the effects of such actions.

11-7

Revisions to be made per HUD Rent Reasonableness Audit/Review and per Edgemere Consulting:

~~HABC will not notify owners of their right to request an annual rent adjustment.~~

The owner is required to ~~notify HABC request a rent adjustment~~, in writing, at least sixty (60) ~~to but no more than~~ ninety (90) calendar days before ~~the anniversary date of the HAP Contract.~~ ~~any change in the amount of rent to owner is scheduled to go into effect. Rent reasonableness is determined by the Leasing and Contracting Unit upon initial lease up, prior to the signing of the HAP contract. Any requested change in rent to owner will be subject to rent reasonableness requirements.~~ Any approved ~~annual~~ rent adjustment will become effective no sooner than ~~ninety (90)~~ *sixty (60)* calendar days after the owner's request is received.

The approval or disapproval decision regarding the *rent* adjustment will be based on ~~HABC-required calculations and~~ a rent reasonableness determination ~~or other MTW-acceptable method.~~ The ~~annual~~ rent adjustment may result in an increase or a decrease in the HAP to the owner or the tenant rent to owner.

No more than one ~~annual~~ rent adjustment will be granted in any twelve-month period. No ~~annual~~ rent adjustment will be authorized within the initial lease term.

The notice of an ~~annual~~ rent adjustment change ~~does not affect the automatic renewal of the lease and~~ does not require a new lease, or HAP contract, or even an executed amendment.

~~To receive an annual rent adjustment for an annual anniversary date, the owner must request the adjustment at least ninety (90) calendar days before the next annual anniversary date.~~

The rent to owner for a unit will not be adjusted ~~at the annual anniversary date unless, during the year before the anniversary date,~~ the owner has complied with all requirements of the HAP contract, including compliance with HQS, *throughout the entire 12-month period prior to the request for a rent adjustment.*

To request an ~~annual~~ rent adjustment the owner is required to submit a completed ~~annual~~ rent adjustment request form. ~~Owners requesting rent adjustments for multi-family dwelling units will be required to submit one or more of the following documents:~~

- ~~A current rent roll;~~
- ~~A rent schedule (Schedule A);~~
- ~~An approval letter from HUD or the Department of Housing and Community Development;~~
- ~~A Regulatory and Operating Agreement for affordable housing;~~
- ~~Any other applicable TAX CREDIT documentation.~~

~~The rent adjustment amount for rental housing in the Baltimore area may be determined using the published Annual Adjustment Factor (AAF) and/or other factors depending on available funding. The AAF will be used for single-family dwelling properties. However, for multi-family dwelling properties, either the AAF or the 75th percentile (a methodology which calculates the 75th percentile from the multi-family rent roll submitted for each unit bedroom size (e.g. 1 bedroom, 2 bedroom, 3 bedrooms, etc.) will be used.~~

~~Annual Rent~~ adjustments are effective the first of a specified month.

Notwithstanding any of the above, HABC may suspend ~~annual~~ rent adjustments or take other rent-related actions if funds required to pay for those adjustments or current rent amounts are not available. HABC shall make every effort to minimize the effects of such actions.

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CHAPTER 11: OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS (CONTINUED)

<p><u>11.8 REQUEST FOR RENT ADJUSTMENT APPEALS</u></p> <p>HABC will not notify owners of their right to request a rent adjustment appeal.</p> <p>The rent adjustment appeal process re-determines on a case-by-case basis the rent reasonableness of the contract rent utilizing a commercially available rent reasonableness system (GoSection8) that generates and maintains an appropriately sized, up to date database of market based comparable units in the subject market area.</p> <p>11.8.1 Rent Adjustment Appeal Process HCVP Property owners must first request an Annual Rent Adjustment (as described in the previous section) prior to requesting a Rent Appeal.</p> <p>The HCVP may approve or deny the Annual Rent Adjustment. The Property Owner may appeal the approved or denied amount of the adjustment by submitting a Rent Appeal Request Form to HABC.</p> <p>Owners cannot request a rent appeal unless an annual rent adjustment has first been requested and approved or denied. A request for a rent appeal cannot be submitted less than ninety (90) calendar days after a rent adjustment request has been approved or denied. A rent appeal will become effective no sooner than ninety (90) calendar days after the owner's request is received and is effective the first of a specified month. The rent appeal may result in an increase or a decrease in the HAP to the owner or the tenant rent to the owner. The current contract rent being charged will remain in effect until such time that the owner is notified in writing of the APPEAL results. Until such time, the participant cannot pay a rental amount other than the amount currently approved and in effect.</p>	11-8	<p>Removing this section, per Edgemere – procedure, not policy and is not required to be in the Plan (it is unnecessary).</p> <p><u>11.8 REQUEST FOR RENT ADJUSTMENT APPEALS</u></p> <p>HABC will not notify owners of their right to request a rent adjustment appeal.</p> <p>The rent adjustment appeal process re-determines on a case-by-case basis the rent reasonableness of the contract rent utilizing a commercially available rent reasonableness system (GoSection8) that generates and maintains an appropriately sized, up to date database of market based comparable units in the subject market area.</p> <p>11.8.1 Rent Adjustment Appeal Process HCVP Property owners must first request an Annual Rent Adjustment (as described in the previous section) prior to requesting a Rent Appeal.</p> <p>The HCVP may approve or deny the Annual Rent Adjustment. The Property Owner may appeal the approved or denied amount of the adjustment by submitting a Rent Appeal Request Form to HABC.</p> <p>Owners cannot request a rent appeal unless an annual rent adjustment has first been requested and approved or denied. A request for a rent appeal cannot be submitted less than ninety (90) calendar days after a rent adjustment request has been approved or denied. A rent appeal will become effective no sooner than ninety (90) calendar days after the owner's request is received and is effective the first of a specified month. The rent appeal may result in an increase or a decrease in the HAP to the owner or the tenant rent to the owner. The current contract rent being charged will remain in effect until such time that the owner is notified in writing of the APPEAL results. Until such time, the participant cannot pay a rental amount other than the amount currently approved and in effect.</p>
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CHAPTER 12: RE-EXAMINATIONS

<p><u>12.2 REEXAMINTIONS</u></p> <p>...At each re-examination (interim, annual, biennial, or triennial), HABC will check criminal history for all members of the household...</p>	12-1	<p>Revising statement to reflect that criminal backgrounds are only run on interims if there is a family composition change:</p> <p>...At each re-examination (interim, annual, biennial, or triennial <i>and on interims but only for family composition changes</i>), HABC will <i>formally</i> check criminal history for all members of the household...</p>
<p>12.2.7 Online Reexamination Process</p> <p>In June 2019, HABC started the implementation of a three- to six-month pilot online reexamination process for a representative selection of participants. HABC plans to make online reexaminations available to all HCV Program participants.</p>	12-4	<p>Removing all reference to “plans” and “pilot” as online reexams are now a permanent fixture of the HCVP:</p> <p>In June 2019, HABC started the implementation of a three- to six-month pilot online reexamination process for a representative selection of participants. HABC plans to make <i>has made</i> online reexaminations available to all HCV Program participants, <i>as of May 2020</i>.</p>

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CHAPTER 13: MOVES WITH CONTINUED ASSISTANCE AND PORTABILITY

<p><u>13.5 PORTABILITY</u></p> <p>13.5.2 Incoming Portability (Port-Ins)</p> <p>...If the participant fails to complete any of the following, HABC will send the family's paperwork back to the initial PHA within five (5) business days:</p> <ul style="list-style-type: none"> - ... 	13-3	<p>Adding a bullet to include failure to request a change in family composition:</p> <p>...If the participant fails to complete any of the following, HABC will send the family's paperwork back to the initial PHA within five (5) business days:</p> <ul style="list-style-type: none"> - ... - <i>Request to change family composition (add/remove members) or household size (increase/decrease in bedrooms); or</i>
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CHAPTER 15: DENIAL OR TERMINATION OF ASSISTANCE

<p><u>15.2 GROUNDS FOR DENIAL AND TERMINATION</u></p> <p>15.2.2. Mandatory Denial and Termination</p> <p>HABC must permanently deny admission to an applicant if HABC determines that any member of the household is subject to a lifetime registration requirement under a State sex offender registration program. See section 15.2 of this Chapter for HABC's established standards regarding criminal background investigation and determining whether a member of the household is subject to a lifetime registration requirement under a State sex offender registration program.</p>	15-2 to 15-3	<p>Removing last sentence of the noted paragraph, there is no section describing the contact as stated:</p> <p>HABC must permanently deny admission to an applicant if HABC determines that any member of the household is subject to a lifetime registration requirement under a State sex offender registration program. See section 15.2 of this Chapter for HABC's established standards regarding criminal background investigation and determining whether a member of the household is subject to a lifetime registration requirement under a State sex offender registration program.</p>
<p><u>15.4 DEFINITIONS OF TEMPORARILY / PERMANENTLY ABSENT</u></p> <p>15.4.2 Absence due to Medical Reasons</p> <p>...If a person who is determined to be permanently absent is the sole member of the household, assistance will be terminated in accordance with HABC's "Absence of Entire Family" policy...</p>	15-6	<p>Adding a statement to cover persons with disabilities:</p> <p>...If a person who is determined to be permanently absent is the sole member of the household, assistance will be terminated in accordance with HABC's "Absence of Entire Family" policy...</p> <p><i>A person with a disability may request an extension of time before termination as an accommodation, subject to approval by the Senior Vice President or designee.</i></p> <p><i>If the absence, which resulted in termination of assistance, was due to a person's disability and HABC can verify that the person was unable to notify HABC in accordance with the family's responsibilities, and if funding is available, HABC may reinstate the family as an accommodation.</i></p>

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CHAPTER 16: OWNER DISAPPROVAL AND RESTRICTIONS

<p><u>16.4 CHANGE IN OWNERSHIP</u></p> <p>...The additional information required to complete a change in ownership is listed below:</p> <ul style="list-style-type: none"> - ... - Electronic Funds Transfer Request Form (Direct Deposit Form) – must include a voided check or Savings Deposit slip (mandatory)... - ... <p>...If the new owner declines participation in the program, and/or the family decides to move to another unit, a 30-day notice to vacate should be submitted and the family is responsible for getting a voucher to move.</p>	16-3 to 16-4	<p>Adding a required form and revising requirements for direct deposit forms:</p> <p>...The additional information required to complete a change in ownership is listed below:</p> <ul style="list-style-type: none"> - ... - <i>Notarized Owner Affidavit (in lieu of Photo ID, Property Management and Operating Agreements, and/or authorization letters)</i> - Electronic Funds Transfer Request Form (Direct Deposit Form) – must include a voided check or Savings Deposit slip <i>bank account verification form</i> (mandatory)... <p>Revising last statement to include a 60-day notice to vacate:</p> <p>...If the new owner declines participation in the program, and/or the family decides to move to another unit, a 30- <i>or 60</i>-day notice to vacate should be submitted and the family is responsible for getting a voucher to move.</p>
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CHAPTER 17: OWNER OR FAMILY DEBTS TO HABC

<p><u>17.6 GUIDELINES FOR PAYMENT AGREEMENTS</u></p> <p>...No move will be approved until the debt is paid in full...</p>	17-4	<p>Revising language, some moves may be approved depending on the conditions or situations:</p> <p>...No move will <i>Moves may not</i> be approved until the debt is paid in full...</p>
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CHAPTER 19: SPECIAL HOUSING TYPES

<p><u>19.7 HOMEOWNERSHIP</u></p> <p>19.7.1 Eligibility Requirements</p> <p>...HABC will impose the following additional initial requirements:</p> <ul style="list-style-type: none"> - ... - The family is not within the initial 1-year period of a HAP Contract (This requirement is waived for Flag Priority Buyers and Priority Buyers as defined above). - ... 	19-7	<p>Adding statement as per HUD approved waiver for eligibility requirements:</p> <p>...HABC will impose the following additional initial requirements:</p> <ul style="list-style-type: none"> - ... - The family is not within the initial 1-year period of a HAP Contract (This requirement is waived for Flag Priority Buyers and Priority Buyers as defined above; <i>this requirement is also waived for families relocated by HABC from a public housing development</i>). <p><i>The HCVPHP first year of participation in the Housing Choice Voucher Program will be waived for families who have been approved for an HCV and have the ability to obtain a mortgage loan to purchase a home in Baltimore City.</i></p> <ul style="list-style-type: none"> - ...
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CHAPTER 19: SPECIAL HOUSING TYPES (CONTINUED)

<p><u>NO CURRENT POLICY</u></p>	<p>N/A</p>	<p><i>19.7.8.4 Ownership Interest in Property to be Purchased</i> <i>To receive continued Homeownership assistance, anyone who has an ownership interest in the property being purchased must also be listed on the Housing Choice Voucher. The income of all parties who have said ownership interest as stated here, will be included in determining continued participation and assistance in the HCVHP.</i></p> <p><i>During the time a family receives homeownership assistance under the HCVHP, no family member that has an ownership interest in the property being purchased may have an ownership interest in any other residential property, regardless of whether such property is improved with a residence, is improved with a residence subject to a ground rent, or is unimproved land zoned for residential purposes.</i></p> <p><i>19.7.8.5 Bankruptcy and Mortgage Affirmation</i> <i>HABC will only provide homeownership assistance to families of which one or more persons in the family, including but not limited to the head of household, are legally obligated to pay a mortgage secured by a lien on the property and have an ownership interest in the property.</i></p> <p><i>In the event the head of household files bankruptcy and does not reaffirm the mortgage, HABC will immediately stop homeownership assistance and terminate the family from the HCVHP.</i></p> <p><i>In the even the head of household declines to reaffirm the mortgage but was not delinquent on the mortgage but was not delinquent on the mortgage or facing foreclosure, the family may request to reenter the HCV Program with continued tenant-based assistance.</i></p> <p><i>19.7.8.6 Bankruptcy and Mortgage Affirmation</i> <i>Any participant who is initially approved for homeownership assistance and fails to provide HABC with requested homeownership documents within 60 calendar days of the home purchase will be terminated from the HCVHP and consequently ineligible for continued assistance.</i></p> <p><i>19.7.17.1 Funding Restrictions on Moves with Continued Assistance</i> <i>HABC will not pay more than what any participant currently receives in assistance.</i></p> <p><i>19.7.17.2 Contribution Towards Purchase of a New Home</i> <i>HABC may require participants to use a percentage of net proceeds towards the purchase of a second home. The percentage will equal the percentage HABC contributes to the participant's current mortgage payments.</i></p> <p><i>19.7.17.3 Re-Entering the Homeownership Program after Sale of Home</i> <i>Homeownership participants who sell their home and continue to receive regular tenant-based assistance with the Housing Choice Voucher will be required to remain in the HCV Program for three (3) years before reapplying for the Homeownership Program. At HABC's discretion, considering the circumstances, this 3-year term may be decreased.</i></p> <p><i>Reentering the Homeownership Program will not extend the original subsidized term. The participant's maximum subsidy upon reentering the Homeownership Program will be capped at the last subsidy amount received as a previous Homeownership Program participant.</i></p>
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CHAPTER 20: PROJECT-BASED PROGRAM ASSISTANCE

<p><u>20.4 PROPOSAL SELECTION PROCESS</u></p> <p>HABC will select PBV proposals by any of the following methods:</p> <ul style="list-style-type: none"> - ... - Proposals that were previously selected based on competition... 	20-2	<p>Adding language to second bullet:</p> <ul style="list-style-type: none"> - Proposals that were previously selected...<i>HABC reserves the right to not issue project-based voucher contracts in the event the project does not meet HABC's strategic plan initiatives.</i>
<p><u>20.7 FAMILY ELIGIBILITY AND OBTAINING A PROJECT-BASED VOUCHER SUBSIDY</u></p> <p>20.7.3 Removal from Consideration for Assistance</p> <p>A household on HABC's HCVP project-based waiting list may be removed from that waiting list:</p> <ul style="list-style-type: none"> a) ... b) If there were three or more occurrences where an applicant was invited to consider applying for an available project-based unit and failed to respond to or apply for that unit; c) ... 	20-5	<p>Revising b) to reflect failure or rejection of three or more units:</p> <ul style="list-style-type: none"> b) If there were three or more occurrences where an applicant was invited to consider applying for an available project-based unit and <i>rejects the unit or fails ed</i> to respond to or apply for that unit;