HOUSING AUTHORITY of the City of Annapolis

We Are Going Somewhere

The Housing Authority of the City of Annapolis

Annual and Five Year Plan

2015 - 2019

HACA
1217 Madison Street
Annapolis MD 21403

JANUARY 31, 2015

EQUAL HOUSING OPPORTUNITY

PHA 5-Year and Annual Plan	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires 4/30/2011

1.0 PHA Information

PHA Name: _____**Housing Authority of the City of Annapolis**_____ PHA Code: **MD001**

PHA Type: ☐ Small ☐ High Performing ☒ Standard ☐ HCV (Section 8)

PHA Fiscal Year Beginning: (MM/YYYY): **07/2015** _____

2.0 Inventory (based on ACC units at time of FY beginning in 1.0 above)

Number of PH units: **790**_____ Number of HCV units: **384** _____

3.0 Submission Type

☒ 5-Year and Annual Plan ☐ Annual Plan Only ☐ 5-Year Plan Only

4.0 PHA Consortia ☐ PHA Consortia: (Check box if submitting a joint Plan and complete table below.)

Participating PHAs	PHA Code	Program(s) Included in the Consortia	Programs Not in the Consortia	No. of Units in Each Program	
				PH	HCV
PHA 1:					
PHA 2:					
PHA 3:					

5.0 **5-Year Plan.** Complete items 5.1 and 5.2 only at 5-Year Plan update.

5.1 **Mission.** State the PHA's Mission for serving the needs of low-income, very low-income, and extremely low income families in the PHA's jurisdiction for the next five years :

The Housing Authority of the City of Annapolis (HACA) strives to provide quality, affordable housing in safe, attractive communities for eligible families, the elderly, and persons with disabilities based on need and income. HACA expects all residents to make positive contributions to their communities and to work in partnership with HACA to improve the neighborhoods where they live. Through HACA's initiative "Pathways to Opportunities", HACA will encourage and will assist residents to seek a better life for themselves and their families and will provide supportive services through partnerships with local service, civic and faith based organizations. HACA's "Pathways to Opportunities" initiative is to guide residents to educational, training and employment opportunities thus increasing the likelihood of success outside of public housing.

5.2 **Goals and Objectives.** Identify the PHA's quantifiable goals and objectives that will enable the PHA to serve the needs of low-income and very low-income, and extremely low-income families for the next five years. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan.

FY 2015 PHA GOALS AND OBJECTIVES:

Goal I: Revitalize and Enhance our Communities

- Improve the Physical Conditions and Marketability of each Community and coordinate services that promote self-sufficiency to improve the income base for HACA and/or to prepare residents to move out of public housing and federal assisted programs dependency:
- Apply for grants to enhance safety on all properties
- Submit Demolition and Disposition Application for Newtowne-Twenty
- Explore Redevelopment Opportunities and Long Term Sustainability for Morris H. Blum Senior Apartments
- Implement Maryland EmPOWER Clean Energy Grant for Harbour House
- Begin construction of Obery Court Phase III-61 Units
- Improve Site Curb Appeal for each Community
- Continue Safe Communities partnership with the Annapolis Police Department
- Begin enforcement of a Non-Smoking Policy through-out HACA Communities
- Disposition Plan for the Morris H. Blum Senior Apartments

Goal II: Continue to Improve Processes and Performance

- Maintain an Occupancy rate of 98%
- Conduct 100% Annual Recertifications for all Programs
- Transition from Centralized to Site-Based and Contract Maintenance Services
- Revise and Implement Annual Preventative Maintenance Program
- Maintain Standard Performer status under the Public Housing Assessment System (Financial Assessment Sub-System, Management Assessment Sub-System and the Real Estate Assessment Sub System)
- Maintain High Performer status under the Section Eight Management Assessment System
- Revised and Implement Annual Preventative Maintenance Program
- Provide training for all staff

Goal III: Promote Efficiency and Fiscal Responsibility

- Reconcile and Reduce Outstanding Tenant Account Receivables
- Develop a Capital Fund Strategy to improve all identified HUD Real Estate Assessment Conditions deficiencies
- Create alternate Funding opportunities to support the overall operation of all programs
- Continue to manage and implement financial performance targets under the Housing Choice Voucher Sequestration Financial Improvement Plan
- Maintain a Balance Budget
- Conduct Public Housing Program Flat Rent Analysis
- Review Income Targeting Regulations.
- Study to determine what contribution the residents should pay towards the cost of water and sewer costs.

Goal IV: Provide Enhanced Customer Service

- Promote participation in the ROSS Grants-Family Self Sufficiency (PTO-FSS) and Homeownership programs
- Develop a Mandatory Good Neighbor and Housekeeping Program
- Expand HCV program to include landlord fairs to create additional housing opportunities
- Review Integrated Pest Management Programs
- Perform Enforcement of Non Smoking Policy for Morris H. Blum Senior Apartments (all properties)
- Implement Renters Insurance Policy for all Public Housing Communities
- Performed Enforcement of Non Smoking Policy for Morris H. Blum Senior Apartments (formerly Glenwood)
- Expand Health Care and Wellness Programs throughout all HACA properties through Anne Arundel Medical Center
- Create a non-profit 501 (3) organization to help raise funds for youth and human service programs
- Create a non-profit 501 (3) organization to help facilitate community development and neighborhood revitalization
- Increase internship opportunities with area colleges and university

Goal V: Identify and Implement Technology to Provide More Efficient and Effective Service to the Public

- Deploy tablets with inspectors for on-site electronic data collection and synchronization with Visual Homes management software. (Goal II)
- Identify one process that can be automated and converted to paperless to increase efficiency and reduce resource consumption. (Goal III)
- Increase utilization of Visual Homes in creating and storing documents, reducing resource utilization and increasing efficiency and effectiveness. (Goal III)

ACCOMPLISHED GOALS & OBJECTIVES: 2014

Goal I: Revitalize and Enhance our Communities

- Improved the Physical Conditions and Marketability of each Community and coordinate services that promote self-sufficiency to improve the income base for HACA and/or to prepare residents to move out of public housing and federal assisted programs dependency:
- Prepare Demolition and Disposition Application for Newtowne-Twenty
- Explored Redevelopment Opportunities and Long Term Sustainability for Morris H. Blum Senior Apartments
- Implemented Maryland EmPOWER Clean Energy Grant for Harbour House
- Begun Redevelopment of Obery Court Phase III-61 Units
- Explored Redevelopment Opportunities for Newtowne-Twenty and Morris H. Blum Senior Apartments
- Improved Site Curb Appeal for each Community
- Continued Safe Communities partnership with the Annapolis Police Department
- Explored establishing a Non-Smoking Policy through-out HACA Communities

Goal II: Continue to Improve Processes and Performance

- Maintained an Occupancy rate of 95%
- Conducted 100% Annual Recertification for all Programs
- Transitioned from Centralized to Site-Based and Contract Maintenance Services
- Continued to manage and implement Performance Targets under the HUD Public Housing Recovery Plan
- Maintained Standard Performer status under the Public Housing Assessment System (Financial Assessment Sub-System, Management Assessment Sub-System and the Real Estate Assessment Sub System)
- Maintained High Performer status under the Section Eight Management Assessment System

Goal III: Promote Efficiency and Fiscal Responsibility

- Reconciled and Reduce Outstanding Tenant Account Receivables
- Developed a Capital Fund Strategy to improve all identified HUD Real Estate Assessment Conditions deficiencies
- Created alternate Funding opportunities to support the overall operation of all programs
- Continued to manage and implement financial performance targets under the Housing Choice Voucher Sequestration Financial Improvement Plan

- Maintained a Balance Budget
- Conducted Public Housing Program Flat Rent Analysis
- Conducted Annual Utility Allowances Review for all programs
- Reviewed Income Targeting Regulations.

Goal IV: Provide Enhanced Customer Service

- Promoted participation in the ROSS Grants-Family Self Sufficiency (PTO-FSS) and Homeownership programs
- Developed a Mandatory Good Neighbor and Housekeeping Program
- Expanded HCV program to include landlord fairs to create additional housing opportunities
- Reviewed Integrated Pest Management Programs
- Implemented Renters Insurance Policy for all Public Housing Communities

FY 2016 PHA GOALS AND OBJECTIVES:

Goal I: Revitalize and Enhance our Communities

- Improve the Physical Conditions and Marketability of each Community and coordinate services that promote self-sufficiency to improve the income base for HACA and/or to prepare residents to move out of public housing and federal assisted programs dependency. Complete Redevelopment of Obery Court Phase III and begin Redevelopment of Newtowne-Twenty:
- Continue to apply for grants to enhance safety on all properties
- Perform Relocation Activities for Newtowne-Twenty
- Perform Demolition for Newtowne Twenty
- Develop Redevelopment Plan for Morris H. Blum Senior Apartments
- Prepare Demolition and Disposition Application for Morris H. Blum Senior Apartments
- Continue Safe Communities partnership with the Annapolis Police Department
- Maintain Excellent Site Curb Appeal for each Community
- Implement Non-Smoking Policy through-out HACA Communities
- Work with housing developers to increase number of housing units for low-income residents including veterans
- Enhance working relationships with the Housing Commission of Anne Arundel County, Anne Arundel County Public Schools and Anne Arundel County Government (Workforce Development)

Goal II: Continue to Improve Processes and Performance

- Establish a Business/ Community Advisory Board around program specific areas (i.e. grant writing)
- Successfully complete HUD Public Housing Recovery Plan Requirements
- Achieve High Performer status under the Public Housing Assessment System (Financial Assessment Sub-System, Management Assessment Sub-System and the Real Estate Assessment Sub System)
- Maintain High Performer status under the Section Eight Management Assessment System
- Reduce public housing Vacancy Rate
- Achieve an Occupancy rate of 98% or Higher
- Conduct 100% Annual Recertification for all Programs
- Reduce Outstanding Tenant Account Receivables
- Develop a Capital Fund Strategy to improve all identified HUD Real Estate Assessment Conditions Deficiencies
- HCVP participate base utility allowances on the lesser of the number of people in the household or the bedroom size
- Increase tenant integrity to reduce fraud for Public Housing and HCVP
- Continual training for all staff

Goal III: Promote Efficiency and Fiscal Responsibility

- Create alternate Funding opportunities to support the overall operation of all programs.
- Explore incentive programs to reduce energy consumption on all properties
- Continue to manage performance targets under the Housing Choice Voucher Sequestration Financial Improvement Plan
- Maintain a Balance Budget
- Conduct Public Housing Program Flat Rent Analysis
- Conduct Annual Utility Allowances Review for all Programs
- Effectively manage the Annual Preventative Maintenance Program
- Complete Redevelopment of Obery Court Phase III-61 Units
- Improve system to obtain rent reasonableness for HCVP

Goal IV: Provide Enhanced Customer Service

- Promote participation in the ROSS Grants-Family Self Sufficiency (PTO-FSS) and Homeownership programs
- Implement a Mandatory Good Neighbor and Housekeeping Program
- Expand HCV program to include landlord fairs to create additional housing opportunities
- Implement Integrated Pest Management Programs

- Expand Program Coordinating Committee (PCC)
- Continue to expand Health Care and Wellness Programs throughout all HACA properties through Anne Arundel Medical Center
- Build partnerships with outside organizations who have services and programs which can benefit our clients (YMCA/YWCA)
- Expand stipend program to include Wellness and Resident Services
- Continue to increase internship opportunities with area colleges and university

Goal V: Identify and Implement Technology to Provide More Efficient and Effective Service to the Public

- Investigate and implement online access to Wait List status for applicants and tenants. (Goal IV)
- Configure and implement electronic bill payments through Visual Homes, initially for utility bills and then expand to other forms of payments. (Goal II)
- Identify two processes that can be automated and converted to paperless to increase efficiency and reduce resource consumption. (Goal III)
- Increase utilization of Visual Homes in creating and storing documents, reducing resource utilization and increasing efficiency and effectiveness. (Goal III)
- Handheld system for HCV inspections
- Purchase FSS software for all Coordinators

FY 2017 PHA GOALS AND OBJECTIVES:

Goal I: Revitalize and Enhance our Communities

- Improve the Physical Conditions and Marketability of each Community and coordinate services that promote self-sufficiency to improve the income base for HACA and/or to prepare residents to move out of public housing and federal assisted programs dependency. Complete Redevelopment of Obery Court Phase III and begin Redevelopment of Newtowne-Twenty:
- Perform Relocation Activities for Newtowne-Twenty
- Perform Demolition for Newtowne Twenty
- Develop Redevelopment Plan for Morris H. Blum Senior Apartments
- Prepare Demolition and Disposition Application for Morris H. Blum Senior Apartments
- Complete Redevelopment of Obery Court Phase III-61 Units
- Continue Safe Communities partnership with the Annapolis Police Department
- Maintain Excellent Site Curb Appeal for each Community
- Continue to work with housing developers to increase number of housing units for low-income residents including veterans
- Continue to enhance the working relationships with the Housing Commission of Anne Arundel County, Anne Arundel County Public Schools and Anne Arundel County Government (Workforce Development)

Goal II: Continue to Improve Processes and Performance

- Successfully complete HUD Public Housing Recovery Plan Requirements
- Achieve High Performer status under the Public Housing Assessment System (Financial Assessment Sub-System, Management Assessment Sub-System and the Real Estate Assessment Sub System)
- Maintain High Performer status under the Section Eight Management Assessment System
- Reduce public housing Vacancy Rate
- Achieve an Occupancy rate of 98% or Higher
- Conduct 100% Annual Recertifications for all Programs
- Reduce Outstanding Tenant Account Receivables
- Develop a Capital Fund Strategy to improve all identified HUD Real Estate Assessment Conditions Deficiencies

Goal III: Promote Efficiency and Fiscal Responsibility

- Create alternate Funding opportunities to support the overall operation of all programs.
- Conduct incentive program(s) to reduce energy consumption on all properties
- Continue to manage performance targets under the Housing Choice Voucher Sequestration Financial Improvement Plan
- Maintain a Balance Budget
- Conduct Public Housing Program Flat Rent Analysis
- Conduct Annual Utility Allowances Review for all Programs
- Effectively manage the Annual Preventative Maintenance Program

Goal IV: Provide Enhanced Customer Service

- Promote participation in the ROSS Grants-Family Self Sufficiency (PTO-FSS) and Homeownership programs
- Implement a Mandatory Good Neighbor and Housekeeping Program
- Implement Non-Smoking Policy through-out HACA Communities
- Expand HCV program to include landlord fairs to create additional housing opportunities
- Implement Integrated Pest Management Programs
- Enforcement of Non Smoking Policy for Morris H. Blum Senior Apartments (formerly Glenwood.)
- Continue stipend program to include Wellness and Resident Services

Goal V: Identify and Implement Technology to Provide More Efficient and Effective Service to the Public

- Identify two processes that can be automated and converted to paperless to increase efficiency and reduce resource consumption. (Goal III)
- Determine feasibility for providing online access by owners and agents to account information. (Goal IV)
- Investigate and implement an automated work order request and tracking system. (Goal IV)

FY 2018 PHA GOALS AND OBJECTIVES:

Goal I: Revitalize and Enhance our Communities

- Maintain the Physical Conditions and Marketability of each Community and coordinate services that promote self-sufficiency to improve the income base for HACA and/or to prepare residents to move out of public housing and federal assisted programs dependency. Complete Redevelopment of Newtowne-Twenty and begin Redevelopment of Morris H. Blum Senior Apartments (formerly Glenwood Senior Development.)
- Perform Relocation for completed Redevelopment of Obery Court-Phase III
- Perform Relocation for Morris H. Blum Senior Apartments
- Begin Redevelopment of Newtowne-Twenty
- Complete Redevelopment of Obery Court Phase III-61 Units
- Prepare Demolition and Disposition Application for Morris H. Blum Senior Apartments
- Continue Safe Communities partnership with the Annapolis Police Department
- Maintain Excellent Site Curb Appeal for each Community
- Implement Non-Smoking Policy through-out HACA Communities
- Continue to work with housing developers to increase number of housing units for low-income residents including veterans
- Continue to enhance the working relationships with the Housing Commission of Anne Arundel County, Anne Arundel County Public Schools and Anne Arundel County Government (Workforce Development)

Goal II: Continue to Improve Processes and Performance

- Successfully complete HUD Public Housing Recovery Plan Requirements
- Achieve High Performer status under the Public Housing Assessment System (Financial Assessment Sub-System, Management Assessment Sub-System and the Real Estate Assessment Sub System)
- Maintain High Performer status under the Section Eight Management Assessment System
- Reduce public housing Vacancy Rate
- Achieve an Occupancy rate of 98% or Higher
- Maintain Unit Turnaround of 20 Days or Less
- Conduct 100% Annual Recertifications for all Programs
- Effectively manage the Annual Preventative Maintenance Program

Goal III: Promote Efficiency and Fiscal Responsibility

- Develop a Capital Fund Strategy to improve all identified HUD Real Estate Assessment Conditions deficiencies
- Create alternate Funding opportunities to support the overall operation of Self-Sufficiency programs
- Continue to manage performance targets under the Housing Choice Voucher Sequestration Financial Improvement Plan
- Maintain a Balance Budget
- Reduce Outstanding Tenant Account Receivables
- Conduct Public Housing Program Flat Rent Analysis
- Conduct Annual Utility Allowances Review for all Programs

Goal IV: Provide Enhanced Customer Service

- Promote participation in the ROSS Grants-Family Self Sufficiency (PTO-FSS) and Homeownership programs
- Maintain Mandatory Good Neighbor and Housekeeping Program
- Expand HCV program to include landlord fairs to create additional housing opportunities
- Manage Integrated Pest Management Programs
- Enforce Non Smoking Policy for Approved Communities

Goal V: Identify and Implement Technology to Provide More Efficient and Effective Service to the Public

- Identify two processes that can be automated and converted to paperless to increase efficiency and reduce resource consumption. (Goal III)
- Investigate and implement an online tenant portal and automated kiosk to: enable program participants to submit basic information with generated receipts; disseminate forms and other standard information; reduce the wait-time needed for face-to-face meetings. (Goal IV)
- Determine feasibility for mobile device accessibility for all online functionality and implement where practical to increase availability of our services to the public. (Goal IV)

FY 2019 PHA GOALS AND OBJECTIVES:

Goal I: Revitalize and Enhance our Communities

- Maintain the Physical Conditions and Marketability of each Community and coordinate services that promote self-sufficiency to improve the income base for HACA and/or to prepare residents to move out of public housing and federal assisted programs dependency. Complete Redevelopment of Newtowne-Twenty and begin Redevelopment of Morris H. Blum Senior Apartments (formerly Glenwood Senior Development.)
- Perform Relocation for completed Redevelopment of Obery Court-Phase III
- Perform Relocation for Morris H. Blum Senior Apartments
- Begin Redevelopment of Newtowne-Twenty
- Complete Redevelopment of Obery Court Phase III-61 Units
- Prepare Demolition and Disposition Application for Morris H. Blum Senior Apartments
- Continue Safe Communities partnership with the Annapolis Police Department
- Maintain Excellent Site Curb Appeal for each Community
- Implement Non-Smoking Policy through-out HACA Communities
- Continue to work with housing developers to increase number of housing units for low-income residents including veterans
- Continue to enhance the working relationships with the Housing Commission of Anne Arundel County, Anne Arundel County Public Schools and Anne Arundel County Government (Workforce Development)

Goal II: Continue to Improve Processes and Performance

- Successfully complete HUD Public Housing Recovery Plan Requirements
- Achieve High Performer status under the Public Housing Assessment System (Financial Assessment Sub-System, Management Assessment Sub-System and the Real Estate Assessment Sub System)
- Maintain High Performer status under the Section Eight Management Assessment System
- Reduce public housing Vacancy Rate
- Achieve an Occupancy rate of 98% or Higher
- Maintain Unit Turnaround of 20 Days or Less
- Conduct 100% Annual Recertifications for all Programs
- Effectively manage the Annual Preventative Maintenance Program

Goal III: Promote Efficiency and Fiscal Responsibility

- Develop a Capital Fund Strategy to improve all identified HUD Real Estate Assessment Conditions deficiencies
- Create alternate Funding opportunities to support the overall operation of Self-Sufficiency programs
- Continue to manage performance targets under the Housing Choice Voucher Sequestration Financial Improvement Plan
- Maintain a Balance Budget
- Reduce Outstanding Tenant Account Receivables
- Conduct Public Housing Program Flat Rent Analysis
- Conduct Annual Utility Allowances Review for all Programs

Goal IV: Provide Enhanced Customer Service

- Promote participation in the ROSS Grants-Family Self Sufficiency (PTO-FSS) and Homeownership programs
- Maintain Mandatory Good Neighbor and Housekeeping Program
- Expand HCV program to include landlord fairs to create additional housing opportunities
- Manage Integrated Pest Management Programs
- Enforce Non Smoking Policy for Approved Communities

Goal V: Identify and Implement Technology to Provide More Efficient and Effective Service to the Public

- Identify two processes that can be automated and converted to paperless to increase efficiency and reduce resource consumption. (Goal III)
- Investigate and implement an online tenant portal and automated kiosk to: enable program participants to submit basic information with generated receipts; disseminate forms and other standard information; reduce the wait-time needed for face-to-face meetings. (Goal IV)
- Determine feasibility for mobile device accessibility for all online functionality and implement where practical to increase availability of our services to the public. (Goal IV)

6.0

PHA Plan Update

(a) Identify all PHA Plan elements that have been revised by the PHA since its last Annual Plan submission:

TAB 1: Policies on Eligibility, Selection, and Admissions (*following changes have been made*)

- Section 8.2 of the Admission and Continued Occupancy Policy, clarification of family status language, pg. 23.
- Section 10.1 of the Admission and Continued Occupancy Policy, minor edit to language, pg. 32.
- Section 10.2 of the Admission and Continued Occupancy Policy, restatement of age eligibility for Disabled persons language, pg. 33.
- Section 10.5 of the Admission and Continued Occupancy Policy, substantive changes to the terms of the Offer of a Unit, pg. 35.

- Section 10.6 of the Admission and Continued Occupancy Policy, - directed to the section of the Grievance Procedures, pg. 36.
- Section 10.7 of the Admission and Continued Occupancy Policy, restatement of the number of days an applicant must accept a unit, pg.36.
- Section 12.2 of the Admission and Continued Occupancy Policy, restatement of Types of Income Verifications, pg. 51.
- Section 15.6 of the Admission and Continued Occupancy Policy, restatement of the increase in income requirements of the Interim Reexaminations, pg. 69.
- Section 16.2 of the Admission and Continued Occupancy Policy, clarification of the Transfer Priorities for emergency placements, pg.71.
- Section 16.4 of the Admission and Continued Occupancy Policy, the entire 16.4 Incentive Transfers Treated as an Administrative Transfer subsection deleted, pg.73.
- Section 16.6 of the Admission and Continued Occupancy Policy, restatement of the Tenants in Good Standing, pg.74.
- Section 17.0 of the Admission and Continued Occupancy Policy, restatement of the Inspection requirements, pg.75.
- Section 17.2 of the Admission and Continued Occupancy Policy, inserted a section on 90-Day Inspections, pg.76.
- Section 17.7 of the Admission and Continued Occupancy Policy, restatement of 90 day housekeeping inspections, pg.77.
- Section 19.2 of the Admission and Continued Occupancy Policy, clarification of Termination by the Housing Authority, pg. 79.
- Section 20.0 of the Admission and Continued Occupancy Policy, typographical error, pg. 80.

TAB 2: Financial Resources – Updated Fiscal Year information provided.

TAB 3: Operation and Management – No change from previous submission.

TAB 4: Section 8 Administrative Plan (*following changes have been made*)

- Section 1.2 of the Section 8 Administrative Plan, section on Reasonable Accommodation, revised sentence number 3, pg. 5.
- Section 4.2 of the Section 8 Administrative Plan, section on Taking Applications, added Maryland Relay Service number, pg. 22.
- Section 6.0 of the Section 8 Administrative Plan, section on Assignment of Bedroom Sizes, added additional bedroom numbers, pg. 31.
- Section 8.1 of the Section 8 Administrative Plan, section on General Policies of the Housing Authority of the City of Annapolis, paragraph 4, refined sentence, pg.42.
- Section 9.3 of the Section 8 Administrative Plan, section on Exclusions from Income, Number 13, letter q, added language, pg.51.
- Section 14.2 of the Section 8 Administrative Plan, section on Interim Reexaminations, added clarification on Interim Reexamination, pg. 86.

TAB 5: Grievance Procedures – No change from previous submission.

TAB 6: Crime and Safety – No change from previous submission.

TAB 7: Pets – No change from previous submission.

TAB 8: Civil Rights Certification – Updated signatures provided.

TAB 9: Fiscal Year Audit – Updated Fiscal Year information provided.

TAB 10: Asset Management – No change from previous submission.

TAB 11: Violence Against Women – No change from previous submission.

(b) Identify the specific location(s) where the public may obtain copies of the 5-Year and Annual PHA Plan. For a complete list of PHA Plan elements, see Section 6.0 of the instructions.

- The Plan is available for review at HACA's Administrative Office: 1217 Madison Street, its Site Management Offices, Obery Court and Annapolis Gardens Management Offices.
- The Plan is available for review at Legal Aid Bureau, Inc. Anne Arundel County Office, 229 Hanover St., P.O. Box 907, Annapolis, MD 21404.
- The Plan may be downloaded from the Agency's website: www.HACAMD.ORG

7.0

Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers. *Include statements related to these programs as applicable.*

TAB 12: Hope VI or Mixed Finance Modernization or Development: HACA with developer partner Pennrose Properties will be proceeding with construction of its Obery III mixed-financed development. This represents the third and final phase of the old Obery Court and College Creek public housing properties. This final phase contains 61 rental units arranged in three-story stacked-townhouse type buildings, including 30 public housing units, 10 project-based voucher units and 21 LIHTC-only units. Construction start is scheduled for April 2014 and completion June 2016. HACA is obligating $700,000 in RHF funds toward the redevelopment.

TAB 13: Demolition and/or Disposition: HACA is considering converting a percentage of public housing units to project based voucher assistance at the Morris H. Blum Apartments. Morris H. Blum Apartments (MD001000006) is a senior and disabled populated property sited on a 2.42-acre parcel. The 8-story building consists of 154 apartment units including 90-efficiencies, 58-1BR/1BA and 6-2BR/1BA. Construction of the property was completed in 1971, and it has significant deferred maintenance issues. The Physical Needs Assessment (PNA) completed in October 2012 estimates that $5.4 million in repair and renovation work is needed to upgrade and revitalize Morris H. Blum Apartments.

HACA intends to submit a Demolition and Disposition Application for Newtowne-Twenty, a copy of the site demographics and the RFP for requisite third-party services is attached.

HACA plans to evaluate the feasibility of pursuing a mixed-finance and voluntary conversion strategy with a developer partner and reposition the property to better serve its residents.

7.(c) **Conversion of Public Housing:** The Housing Authority of the City of Annapolis upon conducting the required assessment of viability of public housing and performing Cost-Test and Market Analyses for Voluntary Conversion of Public Housing Units Pursuant to

	24 Code of Federal Regulations Part 972, Section 22 of the U.S. Housing Act of 1937, by Section 533 of the Quality Housing and Work Responsibility Act of 1998, may seek the approval of HUD to convert identified development(s) and/or units to Tenant Based and/or Project Based Voucher program. **TAB –14: Homeownership:** This attachment provides a description of HACA's homeownership program.
8.0	**Capital Improvements.** Please complete Parts 8.1 through 8.3, as applicable. **TAB 15 – 2013-2014 Completed Capital Improvement Projects.**
8.1	**Capital Fund Program Annual Statement/Performance and Evaluation Report.** As part of the PHA 5-Year and Annual Plan, annually complete and submit **t**he *Capital Fund Program Annual Statement/Performance and Evaluation Report,* form HUD-50075.1, for each current and open CFP grant and CFFP financing. **TAB – 16: Capital Fund Program Annual Statement/ Performance and Evaluation Report.**
8.2	**Capital Fund Program Five-Year Action Plan.** As part of the submission of the Annual Plan, PHAs must complete and submit the *Capital Fund Program Five-Year Action Plan*, form HUD-50075.2, and subsequent annual updates (on a rolling basis, e.g., drop current year, and add latest year for a five year period). Large capital items must be included in the Five-Year Action Plan. **TAB 17: Capital Fund Program Five-Year Action Plan/ Capital Fund Financing Program.**
8.3	**Capital Fund Financing Program (CFFP).** ☐ Check if the PHA proposes to use any portion of its Capital Fund Program (CFP)/Replacement Housing Factor (RHF) to repay debt incurred to finance capital improvements. **TAB 17: Capital Fund Program Five-Year Action Plan/ Capital Fund Financing Program:** HACA will use its HUD approved Replacement Housing Factor Funding as an investment to the Obery Court Phase III Redevelopment Project. HACA currently pays approximately $411,000 in principal and interest payments from its Capital Fund Program toward a remaining balance of approximately $3M from a 2004 bond financing of $4.4M. HACA is in the process of refinancing the remaining balance. The annual debt service is not expected to exceed the level currently supported by the capital fund.
9.0	**Housing Needs**. Based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data, make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. **TAB 18: Housing Needs.**
9.1	**Strategy for Addressing Housing Needs**. Provide a brief description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. **Note: Small, Section 8 only, and High Performing PHAs complete only for Annual Plan submission with the 5-Year Plan.** **TAB 18: Housing Needs.**
10.0	**Additional Information**. Describe the following, as well as any additional information HUD has requested. (a) Progress in Meeting Mission and Goals. Provide a brief statement of the PHA's progress in meeting the mission and goals described in the 5-Year Plan (b) Significant Amendment and Substantial Deviation/Modification. Provide the PHA's definition of "significant amendment" and "substantial deviation/modification" - Not Applicable (c) PHAs must include or reference any applicable memorandum of agreement with HUD or any plan to improve performance. **TAB 19: Memorandum of Agreement with HUD:** HACA is under a HUD Recovery Plan and have worked diligently to move its operations from Troubled Status and is now a Standard Performer. A copy of the Recovery Action Plan Progress is attached and serves as TAB 19.
11.0	**Required Submission for HUD Field Office Review**. In addition to the PHA Plan template (HUD-50075), PHAs must submit the following documents. Items (a) through (g) may be submitted with signature by mail or electronically with scanned signatures, but electronic submission is encouraged. Items (h) through (i) must be attached electronically with the PHA Plan. **Note:** Faxed copies of these documents will not be accepted by the Field Office. **TAB 20: Other Required Submission for HUD Field Office Review** (a) Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulations* (which includes all certifications relating to Civil Rights) (b) Form HUD-50070, *Certification for a Drug-Free Workplace* (PHAs receiving CFP grants only) (c) Form HUD-50071, *Certification of Payments to Influence Federal Transactions* (PHAs receiving CFP grants only) (d) Form SF-LLL, *Disclosure of Lobbying Activities* (PHAs receiving CFP grants only) (e) Form SF-LLL-A, *Disclosure of Lobbying Activities Continuation Sheet* (PHAs receiving CFP grants only) (f) Resident Advisory Board (RAB) comments. Comments received from the RAB must be submitted by the PHA as an attachment to the PHA

	Plan. PHAs must also include a narrative describing their analysis of the recommendations and the decisions made on these recommendations. **TAB 21 – Resident & Public Comments** (g) Challenged Elements (h) Form HUD-50075.1, *Capital Fund Program Annual Statement/Performance and Evaluation Report* (PHAs receiving CFP grants only) (i) Form HUD-50075.2, *Capital Fund Program Five-Year Action Plan* (PHAs receiving CFP grants only)

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced 5-Year and Annual PHA Plans. The 5-Year and Annual PHA plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission and strategies for serving the needs of low-income and very low-income families. This form is to be used by all PHA types for submission of the 5-Year and Annual Plans to HUD. Public reporting burden for this information collection is estimated to average 12.68 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

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

Instructions form HUD-50075

Applicability. This form is to be used by all Public Housing Agencies (PHAs) with Fiscal Year beginning April 1, 2008 for the submission of their 5-Year and Annual Plan in accordance with 24 CFR Part 903. The previous version may be used only through April 30, 2008.

1.0 PHA Information
Include the full PHA name, PHA code, PHA type, and PHA Fiscal Year Beginning (MM/YYYY).

2.0 Inventory
Under each program, enter the number of Annual Contributions Contract (ACC) Public Housing (PH) and Section 8 units (HCV).

3.0 Submission Type
Indicate whether this submission is for an Annual and Five Year Plan, Annual Plan only, or 5-Year Plan only.

4.0 PHA Consortia
Check box if submitting a Joint PHA Plan and complete the table.

5.0 Five-Year Plan
Identify the PHA's Mission, Goals and/or Objectives (24 CFR 903.6). Complete only at 5-Year update.

5.1 Mission. A statement of the mission of the public housing agency for serving the needs of low-income, very low-income, and extremely low-income families in the jurisdiction of the PHA during the years covered under the plan**.**

5.2 Goals and Objectives. Identify quantifiable goals and objectives that will enable the PHA to serve the needs of low income, very low-income, and extremely low-income families.

6.0 PHA Plan Update. In addition to the items captured in the Plan template, PHAs must have the elements listed below readily available to the public. Additionally, a PHA must:

(a) Identify specifically which plan elements have been revised since the PHA's prior plan submission.

(b) Identify where the 5-Year and Annual Plan may be obtained by the public. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central off ice of the PHA. PHAs are strongly encouraged to post complete PHA Plans on its official website. PHAs are also encouraged to provide each resident council a copy of its 5-Year and Annual Plan.

PHA Plan Elements. (24 CFR 903.7)

1. **Eligibility, Selection and Admissions Policies, including Deconcentration and Wait List Procedures.** Describe the PHA's policies that govern resident or tenant eligibility, selection and admission including admission preferences for both public housing and HCV and unit assignment policies for public housing; and procedures for maintaining waiting lists for admission to public housing and address any site-based waiting lists.

2. **Financial Resources.** A statement of financial resources, including a listing by general categories, of the PHA's anticipated resources, such as PHA Operating, Capital and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support public housing or tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources.

3. **Rent Determination.** A statement of the policies of the PHA governing rents charged for public housing and HCV dwelling units.

4. **Operation and Management.** A statement of the rules, standards, and policies of the PHA governing maintenance management of housing owned, assisted, or operated by the public housing agency (which shall include measures necessary for the prevention or eradication of pest infestation, including cockroaches), and management of the PHA and programs of the PHA.

5. **Grievance Procedures.** A description of the grievance and informal hearing and review procedures that the PHA makes available to its residents and applicants.

6. **Designated Housing for Elderly and Disabled Families.** With respect to public housing projects owned, assisted, or operated by the PHA, describe any projects (or portions thereof), in the upcoming fiscal year, that the PHA has designated or will apply for designation for occupancy by elderly and disabled families. The description shall include the following information: **1**) development name and number; **2**) designation type; **3**) application status; **4**) date the designation was approved, submitted, or planned for submission, and; **5**) the number of units affected.

7. **Community Service and Self-Sufficiency.** A description of: (1) **A**ny programs relating to services and amenities provided or offered to assisted families; (2) Any policies or programs of the PHA for the enhancement of the economic and social self-sufficiency of assisted families, including programs under Section 3 and FSS; (3) How the PHA will comply with the requirements of community service and treatment of income changes resulting from welfare program requirements. **(Note: applies to only public housing).**

8. **Safety and Crime Prevention.** For public housing only, describe the PHA's plan for safety and crime prevention to ensure the safety of the public housing residents. The statement must include: (i) A description of the need for measures to ensure the safety of public housing residents; (ii) A description of any crime prevention activities conducted or to be conducted by the PHA; and (iii) A description of the coordination between the PHA and the appropriate police precincts for carrying out crime prevention measures and activities.

9. **Pets.** A statement describing the PHAs policies and requirements pertaining to the ownership of pets in public housing.

10. **Civil Rights Certification.** A PHA will be considered in compliance with the Civil Rights and AFFH Certification if: it can document that it examines its programs and proposed programs to identify any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction's initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction.

11. **Fiscal Year Audit.** The results of the most recent fiscal year audit for the PHA.

12. **Asset Management.** A statement of how the agency will carry out its asset management functions with respect to the public housing inventory of the agency, including how the agency will plan for the long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs for such inventory.

13. **Violence Against Women Act (VAWA).** A description of: **1)** Any activities, services, or programs provided or offered by an agency, either directly or in partnership with other service providers, to child or adult victims of domestic violence, dating violence, sexual assault, or stalking; **2)** Any activities, services, or programs provided or offered by a PHA that helps child and adult victims of domestic violence, dating violence, sexual assault, or stalking, to obtain or maintain housing; and **3)** Any activities, services, or programs provided or offered by a public housing agency to prevent domestic violence, dating violence, sexual assault, and stalking, or to enhance victim safety in assisted families.

7.0 Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers

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

(b) Demolition and/or Disposition. With respect to public housing projects owned by the PHA and subject to ACCs under the Act: **(1)** A description of any housing (including project number and unit numbers [or addresses]), and the number of affected units along with their sizes and accessibility features) for which the PHA will apply or is currently pending for demolition or disposition; and **(2)** A timetable for the demolition or disposition. The application and approval process for demolition and/or disposition is a separate process. See guidance on HUD's website at: http://www.hud.gov/offices/pih/centers/sac/demo_dispo/index.cfm
Note: This statement must be submitted to the extent **that approved and/or pending** demolition and/or disposition has changed.

(c) Conversion of Public Housing. With respect to public housing owned by a PHA: 1) A description of any building or buildings (including project number and unit count) that the PHA is required to convert to tenant-based assistance or that the public housing agency plans to voluntarily convert; 2) An analysis of the projects or buildings required to be converted; and 3) A statement of the amount of assistance received under this chapter to be used for rental assistance or other housing assistance in connection with such conversion. See guidance on HUD's website at: http://www.hud.gov/offices/pih/centers/sac/conversion.cfm

(d) Homeownership. A description of any homeownership (including project number and unit count) administered by the agency or for which the PHA has applied or will apply for approval.

(e) Project-based Vouchers. If the PHA wishes to use the project-based voucher program, a statement of the projected number of project-based units and general locations and how project basing would be consistent with its PHA Plan.

8.0 Capital Improvements. This section provides information on a PHA's Capital Fund Program. With respect to public housing projects owned, assisted, or operated by the public housing agency, a plan describing the capital improvements necessary to ensure long-term physical and social viability of the projects must be completed along with the required forms. Items identified in 8.1 through 8.3, must be signed where directed and transmitted electronically along with the PHA's Annual Plan submission.

8.1 Capital Fund Program Annual Statement/Performance and Evaluation Report. PHAs must complete the *Capital Fund Program Annual Statement/Performance and Evaluation Report* (form HUD-50075.1), for each Capital Fund Program (CFP) to be undertaken with the current year's CFP funds or with CFFP proceeds. Additionally, the form shall be used for the following purposes:

(a) To submit the initial budget for a new grant or CFFP;

(b) To report on the Performance and Evaluation Report progress on any open grants previously funded or CFFP; and

(c) To record a budget revision on a previously approved open grant or CFFP, e.g., additions or deletions of work items, modification of budgeted amounts that have been undertaken since the submission of the last Annual Plan. The Capital Fund Program Annual Statement/Performance and Evaluation Report must be submitted annually.

Additionally, PHAs shall complete the Performance and Evaluation Report section (see footnote 2) of the *Capital Fund Program Annual Statement/Performance and Evaluation* (form HUD-50075.1), at the following times:

1. At the end of the program year; until the program is completed or all funds are expended;

2. When revisions to the Annual Statement are made, which do not require prior HUD approval, (e.g., expenditures for emergency work, revisions resulting from the PHAs application of fungibility); and

3. Upon completion or termination of the activities funded in a specific capital fund program year.

8.2 Capital Fund Program Five-Year Action Plan

PHAs must submit the *Capital Fund Program Five-Year Action Plan* (form HUD-50075.2) for the entire PHA portfolio for the first year of participation in the CFP and annual update thereafter to eliminate the previous year and to add a new fifth year (rolling basis) so that the form always covers the present five-year period beginning with the current year.

8.3 Capital Fund Financing Program (CFFP). Separate, written HUD approval is required if the PHA proposes to pledge any

portion of its CFP/RHF funds to repay debt incurred to finance capital improvements. The PHA must identify in its Annual and 5-year capital plans the amount of the annual payments required to service the debt. The PHA must also submit an annual statement detailing the use of the CFFP proceeds. See guidance on HUD's website at: http://www.hud.gov/offices/pih/programs/ph/capfund/cffp.cfm

9.0 Housing Needs. Provide a statement of the housing needs of families residing in the jurisdiction served by the PHA and the means by which the PHA intends, to the maximum extent practicable, to address those needs. **(Note:** Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).

9.1 Strategy for Addressing Housing Needs. Provide a description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. **(Note:** Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).

10.0 Additional Information. Describe the following, as well as any additional information requested by HUD:

(a) Progress in Meeting Mission and Goals. PHAs must include (i) a statement of the PHAs progress in meeting the mission and goals described in the 5-Year Plan; (ii) the basic criteria the PHA will use for determining a significant amendment from its 5-year Plan; and a significant amendment or modification to its 5-Year Plan and Annual Plan**. (Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).**

(b) Significant Amendment and Substantial Deviation/Modification. PHA must provide the definition of "significant amendment" and "substantial deviation/modification". **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan.)**

(c) PHAs must include or reference any applicable memorandum of agreement with HUD or any plan to improve performance. **(Note: Standard and Troubled PHAs complete annually).**

11.0 Required Submission for HUD Field Office Review. In order to be a complete package, PHAs must submit items (a) through (g), with signature by mail or electronically with scanned signatures. Items (h) and (i) shall be submitted electronically as an attachment to the PHA Plan.

(a) Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulations*

(b) Form HUD-50070, *Certification for a Drug-Free Workplace* **(PHAs receiving CFP grants only)**

(c) Form HUD-50071, *Certification of Payments to Influence Federal Transactions* **(PHAs receiving CFP grants only)**

(d) Form SF-LLL, *Disclosure of Lobbying Activities* **(PHAs receiving CFP grants only)**

(e) Form SF-LLL-A, *Disclosure of Lobbying Activities Continuation Sheet* **(PHAs receiving CFP grants only)**

(f) Resident Advisory Board (RAB) comments.

(g) Challenged Elements. Include any element(s) of the PHA Plan that is challenged.

(h) Form HUD-50075.1**, *Capital Fund Program Annual Statement/Performance and Evaluation Report* (Must be attached electronically for PHAs receiving CFP grants only).** See instructions in 8.1.

(i) Form HUD-50075.2, *Capital Fund Program Five-Year Action Plan* **(Must be attached electronically for PHAs receiving CFP grants only).** See instructions in 8.2.

Housing Authority of the City of Annapolis

Annual and Five Year Plan

Executive Summary

We are continually inspired by our 2,000 low-income residents who rely on the Housing Authority of the City of Annapolis, or HACA, for the place they call home. That, by itself, defines our mission. All of these people are citizens of Annapolis and deserve the same opportunities and benefits of living in a capital city regardless of their address. Working in conjunction with the mayor and City Council of Annapolis we need to collectively provide the financial resources, recreational opportunities and public safety protections that this vulnerable population deserves.

During the past four years HACA has experienced unprecedented budget cuts and near government shutdowns, but we were able to keep our doors open and continue to provide services and programs to our clients. Despite these challenges, we have made steady progress as we continued to empower our residents and transform our communities. When I was appointed executive director in 2010, HACA was on the U.S. Department of Housing and Urban Development, or HUD, "Troubled Housing List." Today, HACA has been designated as a "Standard Performer," based upon HUD's financial, physical and managerial scoring system. Our goal over the coming months is to set HACA on a course toward becoming a "High Performer." We have already received this designation by HUD for our Housing Choice Voucher Program (Section 8) for the past three years. Today, we reaffirm our commitment to fulfilling our mission of investing in our families by building and maintaining affordable housing and by encouraging self-sufficiency and healthy communities. We are more committed than ever to bringing quality housing opportunities to the most vulnerable in our community and to improving the quality of life of our Annapolis residents.

We have set forth an Annual and Five Year Plan to upgrade and redevelop our aging housing communities. Over the next year we are slated to build an additional 61 townhouse apartments in College Creek/Obery Court in conjunction with Pennrose Development; we have teamed with the Hampstead Cos. to jointly redevelop Newtowne 20 (80 units) and Woodside Gardens (142 units) into a vibrant mixed-finance and -income community; and currently we are reviewing development proposals for the 154-unit Morris H. Blum Senior Apartments. We are utilizing the Maryland Energy Administration as a funding source to upgrade Harbour House Apartments with new heating, ventilation and air-conditioning systems, energy-efficient appliances and lighting. This joint venture with Arundel Community Development Services represents nearly $1 million in non-HUD funding.

Most people would believe that you can spend tens of millions of dollars on physical improvements, but if you don't invest in the people, the returns are not maximized. We have secured over $1 million in competitive grants through HUD's Resident Opportunities Self

Sufficiency Grant Program (ROSS) and its Family Self Sufficiency Program (FSS), which target human services resources to children, youth, families, seniors and the disabled. However, the signature program of my administration is the partnership with Anne Arundel Medical Center. Collectively, we have established a full-service patient center primary care medical clinic in the Morris H. Blum building, which not only serves the 184 seniors and disabled living in the eight-story tower, but the surrounding community.

We secured a grant through the Maryland Health Enterprise Zones to help offset some of the cost. This community clinic addresses most of the social causes and determinants of health disparities among low-income residents, while at the same time it is designed to reduce emergency room visits through prevention models. This partnership has also helped HACA implement its "Healthy Homes" initiative, which, among other things, prohibits smoking in the residential units, and we have launched a number of educational classes for children and youth.

Finally, I would like to thank HACA's dedicated staff, partners and supporters including: resident leadership, not-for-profit organizations, the faith-based community, the city and county officials. I also would like to acknowledge the dedication and effectiveness of HACA's board of commissioners — past and present — who volunteered countess hours of service to improve the lives of Annapolis residents.

Vincent O. Leggett, Executive Director

HOUSING AUTHORITY of the City of Annapolis

We Are Going Somewhere

TAB 1

Policies on Eligibility, Selection, and Admissions

2015 - 2019

HACA
1217 Madison Street
Annapolis MD 21403

January 31, 2015

EQUAL HOUSING OPPORTUNITY

Housing Authority of the City of Annapolis Admission and Continued Occupancy Policy

1217 Madison Street
Annapolis Maryland 21403
410 -267-8000
TDD/TYY: Dial 711

Vincent O. Leggett, Executive Director

APRIL 14, 2014

EQUAL HOUSING OPPORTUNITY

2010 REVISED ACOP – BOARD RESOLUTION NO. 072710-26- AUGUST 24, 2010
HUD APPROVAL DATE 1.14.11
Legal Aid Comments on behalf of Resident Advisory Board April 7 and 11 2011
2011 REVISED ACOP – Board Resolution No. 0411114-Approal Date April 11 2011 HUD APPROVAL 6.30.11
HUD Approval Date of 2012 Policy – May 15 2013
HUD Approval Date of 2013 Policy – July 24 2013

NOTE: Please be advised that there are no changes in the following document accept for formatting. Any proposed changes herein are highlighted in red text for easy identification purposes.

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ADMISSIONS AND CONTINUED OCCUPANCY POLICY

2010 REVISED ACOP – BOARD RESOLUTION NO. 072710-26- AUGUST 24, 2010
HUD APPROVAL DATE 1.14.11
Legal Aid Comments on behalf of Resident Advisory Board April 7 and 11 2011
2011 REVISED ACOP – Board Resolution No. 0411114-Approal Date April 11 2011 HUD APPROVAL 6.30.11
HUD Approval Date of 2012 Policy – May 15 2013
HUD Approval Date of 2013 Policy – July 24 2013

This Admissions and Continued Occupancy Policy defines The Housing Authority of the City of Annapolis's policies for the operation for the Public Housing Program, incorporating Federal, State and local law. If there is any conflict between this policy and laws or regulations, the laws and regulations will prevail.

1.0 FAIR HOUSING

It is the policy of The Housing Authority of the City of Annapolis to fully comply with all Federal, State and local nondiscrimination laws; the Americans with Disabilities Act; and the U. S. Department of Housing and Urban Development regulations governing Fair Housing and Equal Opportunity.

No person shall, on the grounds of race, color, sex, sexual orientation, religion, national or ethnic origin, familial status, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under The Housing Authority of the City of Annapolis's programs.

To further its commitment to full compliance with applicable Civil Rights laws, The Housing Authority of the City of Annapolis will provide Federal/State/local information to applicants/tenants of the Public Housing Program regarding discrimination and any recourse available to them if they believe they may be victims of discrimination. Such information will be made available with the application, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made available at The Housing Authority of the City of Annapolis office. In addition, all written information and advertisements will contain the appropriate Equal Opportunity language and logo.

The Housing Authority of the City of Annapolis will assist any family that believes they have suffered illegal discrimination by providing those copies of the appropriate housing discrimination forms. The Housing Authority of the City of Annapolis will also assist them in completing the forms if requested, and will provide them with the address of the nearest HUD office of Fair Housing and Equal Opportunity.

2.0 REASONABLE ACCOMMODATION

Sometimes people with disabilities may need a reasonable accommodation in order to take full advantage of The Housing Authority of the City of Annapolis housing programs and related services. When such accommodations are granted, they do not confer special treatment or advantage for the person with a disability; rather, they make the program accessible to them in a way that would otherwise not be possible due to their disability. This policy clarifies how people can request accommodations and the guidelines The Housing Authority of the City of Annapolis will follow in determining whether it is reasonable to provide a requested accommodation. Because disabilities are not always apparent, The Housing Authority of the City of Annapolis will ensure that all applicants/tenants are aware of the opportunity to request reasonable accommodations.

2.1 COMMUNICATION

Anyone requesting an application will also receive a Request for Reasonable Accommodation form.

Notifications of reexamination, inspection, appointment, or eviction will include information about requesting a reasonable accommodation. Any notification requesting action by the tenant will include information about requesting a reasonable accommodation.

All decisions granting or denying requests for reasonable accommodations will be in writing.

2.2 QUESTIONS TO ASK IN GRANTING THE ACCOMMODATION

A. Is the requestor a person with disabilities? For this purpose the definition of person with disabilities is different than the definition used for admission. The Fair Housing definition used for this purpose is:

> A person with a physical or mental impairment that substantially limits one or more major life activities, has a record of such

impairment, or is regarded as having such impairment. (The disability may not be apparent to others, i.e., a heart condition).

If the disability is apparent or already documented, the answer to this question is yes. It is possible that the disability for which the accommodation is being requested is a disability other than the apparent disability. If the disability is not apparent or documented, The Housing Authority of the City of Annapolis will obtain verification that the person is a person with a disability.

B. Is the requested accommodation related to the disability? If it is apparent that the request is related to the apparent or documented disability, the answer to this question is yes. If it is not apparent, The Housing Authority of the City of Annapolis will obtain documentation that the requested accommodation is needed due to the disability. The Housing Authority of the City of Annapolis will not inquire as to the nature of the disability.

C. Is the requested accommodation reasonable? In order to be determined reasonable, the accommodation must meet two criteria:

1. Would the accommodation constitute a fundamental alteration? The Housing Authority of the City of Annapolis's business is housing. If the request would alter the fundamental business that The Housing Authority of the City of Annapolis conducts, that would not be reasonable. For instance, The Housing Authority of the City of Annapolis would deny a request to have The Housing Authority of the City of Annapolis do grocery shopping for a person with disabilities.

2. Would the requested accommodation create an undue financial hardship or administrative burden? Frequently the requested accommodation costs little or nothing. If the cost would be an undue burden, The Housing Authority of the City of Annapolis may request a meeting with the individual to investigate and consider equally effective alternatives.

D. Generally the individual knows best what it is they need; however, The Housing Authority of the City of Annapolis retains the right to be shown how the requested

accommodation enables the individual to access or use The Housing Authority of the City of Annapolis's programs or services.

If more than one accommodation is equally effective in providing access to The Housing Authority of the City of Annapolis's programs and services, The Housing Authority of the City of Annapolis retains the right to select the most efficient or economic choice.

The cost necessary to carry out approved requests, including requests for physical modifications, will be borne by The Housing Authority of the City of Annapolis if there is no one else willing to pay for the modifications. If another party pays for the modification, The Housing Authority of the City of Annapolis will seek to have the same entity pay for any restoration costs.

If the tenant requests as a reasonable accommodation that they be permitted to make physical modifications at their own expense, The Housing Authority of the City of Annapolis will generally approve such request if it does not violate codes or affect the structural integrity of the unit.

Any request for an accommodation that would enable a tenant to materially violate essential lease terms will not be approved, i.e. allowing nonpayment of rent, destruction of property, disturbing the peaceful enjoyment of others, etc.

3.0 SERVICES FOR NON-ENGLISH SPEAKING APPLICANTS AND RESIDENTS

The Housing Authority of the City of Annapolis will endeavor to have access to people who speak languages other than English in order to assist non-English speaking families.

4.0 FAMILY OUTREACH

The Housing Authority of the City of Annapolis will publicize the availability and nature of the Public Housing Program for extremely low-income, very low and low-income

families in a newspaper of general circulation, minority media, and by other suitable means.

To reach people who cannot or do not read the newspapers, The Housing Authority of the City of Annapolis will distribute fact sheets to the broadcasting media and initiate personal contacts with members of the news media and community service personnel. The Housing Authority of the City of Annapolis will also try to utilize public service announcements.

The Housing Authority of the City of Annapolis will communicate the status of housing availability to other service providers in the community and inform them of housing eligibility factors and guidelines so they can make proper referrals for the Public Housing Program.

5.0 RIGHT TO PRIVACY

All adult members of both applicant and tenant households are required to sign HUD Form 9886, Authorization for Release of Information and Privacy Act Notice. The Authorization for Release of Information and Privacy Act Notice states how family information will be released and includes the Privacy Act Statement.
Any request for applicant or tenant information will not be released unless there is a signed release of information request from the applicant or tenant. Electronic Income Verification (EIV) for anyone over the age of 18 can not be provided to anyone other than the person whose income was verified. For youth under the age of 18, only the Head of Household on the same HACA lease as the youth can have access to that youth's EIV information. All EIV information requests must be made in writing.

6.0 REQUIRED POSTINGS

The Housing Authority of the City of Annapolis will post, at its main office located at 1217 Madison Street, in a conspicuous place and at a height easily read by all persons including persons with mobility disabilities, the following information:

A. Statement of Policies and Procedures governing Admission and Continued Occupancy

B. Notice of the status of the waiting list (opened or closed)

C. A listing of all the developments by name, address, number of units, units designed with special accommodations, address of all project offices, office hours, telephone numbers, TDD numbers, and Resident Facilities and operation hours

D. Income Limits for Admission

E. Excess Utility Charges

F. Utility Allowance Schedule

G. Current Schedule of Routine Maintenance Charges

H. Dwelling Lease

I. Grievance Procedure

J. Fair Housing Poster

K. Equal Opportunity in Employment Poster

L. Resident Safety Policy

M. Violence Against Women Act Policy

N. Non Smoking Policy

O. Non Car Washing Policy

P. Banning Policy

Q. Any current Housing Authority of the City of Annapolis Notices

7.0 TAKING APPLICATIONS

Families wishing to apply for the Public Housing Program will be required to complete an application for housing assistance. An application may be mailed to a potential applicant; however, applications will only be accepted in person during the hours of 9 AM to 4 PM M- F at: 1217 Madison Street Annapolis Maryland.

Applications are taken to compile a waiting list. Due to the demand for housing in The Housing Authority of the City of Annapolis jurisdiction, The Housing Authority of the City of Annapolis may take applications on an open enrollment basis, depending on the length of the waiting list.

Completed applications will be accepted for all applicants and The Housing Authority of the City of Annapolis will verify the information.

The completed application will be dated and time stamped upon its return to The Housing Authority of the City of Annapolis.

Persons with disabilities who require a reasonable accommodation in completing an application may call The Housing Authority of the City of Annapolis to make special arrangements. A Telecommunication Device for the Deaf (TDD) is available for the deaf. The TDD/TYY ACCESS NUMBER CAN BE REACHED BY DAILING: 711 ON ANY TELEPHONE.

The application process will involve two phases. The first phase is the initial application for housing assistance or the pre-application. The pre-application requires the family to provide limited basic information. This first phase results in the family's placement on the waiting list based on date and time of application, and preferences being assigned.

Upon receipt of the family's pre-application, The Housing Authority of the City of Annapolis will make a preliminary determination of eligibility. The Housing Authority of the City of Annapolis will notify the family in writing of the date and time of placement on the waiting list, and the approximate wait before housing may be offered. If The Housing Authority of the City of Annapolis determines the family to be ineligible, the notice will state the reasons therefore and will offer the family the opportunity of an informal review of the determination.

The applicant may at any time report changes in their applicant status including changes in family composition, income, or preference factors. The Housing Authority of the City of Annapolis will annotate the applicant's file and will update their place on the waiting list. Confirmation of the changes will be confirmed with the family in writing.

The second phase is the final determination of eligibility, referred to as the full application. The full application takes place when the family nears the top of the waiting list. The Housing Authority of the City of Annapolis will ensure that verification of all eligibility, suitability, preferences, and selection factors are current in order to determine the family's final eligibility for admission into the Public Housing Program.

8.0 ELIGIBILITY FOR ADMISSION

8.1 INTRODUCTION

There are five eligibility requirements for admission to public housing: qualifies as a family, has an income within the income limits, meets citizenship/eligible immigrant criteria, provides documentation of Social Security numbers, and signs consent authorization documents. In addition to the eligibility criteria, families must also meet The Housing Authority of the City of Annapolis screening criteria in order to be admitted to public housing.

8.2 ELIGIBILITY CRITERIA

A. Family status.

1. A **family with or without children**. Such a family is defined as a group of people related by blood, marriage, adoption or affinity that live together in a stable family relationship, regardless of actual or perceived sexual orientation, gender identity, or marital status.

   a. Children temporarily absent from the home due to placement in foster care are considered family members.

   b. Unborn children and children in the process of being adopted are considered family members for the purpose of determining bedroom size but are not considered family members for determining income limit.

2. An **elderly family**, which is:

   a. A family whose head, spouse, or sole member is a person who is at least 62 years of age;

   b. Two or more persons who are at least 62 years of age living together; or

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

3. A **near-elderly family**, which is:

   a. 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;

   b. Two or more persons, who are at least 50 years of age but below the age of 62, living together; or

   c. 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.

4. A **disabled family**, which is:

   a. A family whose head, spouse, or sole member is a person with disabilities;

   b. Two or more persons with disabilities living together; or

   c. One or more persons with disabilities living with one or more live-in aides.

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

6. A **remaining member of a tenant family -** To be considered the remaining member of the tenant family, the person must have been previously approved by the HACA to be living in the unit for at least one year.

7. A **single person** who is not an elderly or displaced person, a person with disabilities, or the remaining member of a tenant family.

B. **Income eligibility**

1. To be eligible for admission to development units that were available for occupancy before 10/1/81, the family's annual income must be within the low-income limit set by HUD. This means the family income cannot exceed 80 percent of the median income for the area.

2. To be eligible for admission to development units that became available on or after 10/1/81, the family's annual income must be within the very low-income limit set by HUD, unless HUD grants an exception. This means that without a HUD exception, the family income cannot exceed 50

percent of the median income for the area.

3. Income limits apply only at admission and are not applicable for continued occupancy. (For the 1-28-04 income limits for Anne Arundel County, see Attachment "A")

4. A family may not be admitted to the public housing program from another assisted housing program (e.g., tenant-based Section 8) or from a public housing program operated by another housing authority without meeting the income requirements of The Housing Authority of the City of Annapolis.

5. If the Housing Authority of the City of Annapolis acquires a property for public housing purposes, the families living there must have incomes within the low-income limit in order to be eligible to remain as public housing tenants.

6. Income limit restrictions do not apply to families transferring within our Public Housing Program.

C. Citizenship/Eligibility Status

1. To be eligible each member of the family must be a citizen, national, or a noncitizen who has eligible immigration status under one of the categories set forth in Section 214 of the Housing and Community Development Act of 1980 (see 42 U.S.C. 1436a(a)).

2. Family eligibility for assistance.

a. A family shall not be eligible for assistance unless every member of the family residing in the unit is determined to have eligible status, with the exception noted below.

b. Despite the ineligibility of one or more family members, a mixed family may be eligible for one of three types of assistance. (See Section 13.6 for calculating rents under the noncitizen rule)

c. A family without any eligible members and receiving assistance on June 19, 1995 may be eligible for temporary deferral of termination of assistance.

D. Social Security Number Documentation

To be eligible, all family members provide a Social Security Card.

E. Signing Consent Forms

1. In order to be eligible, each member of the family who is at least 18 years of age, and each family head and spouse regardless of age, shall sign one or more consent forms.

2. The consent form must contain, at a minimum, the following:

a. A provision authorizing HUD or The Housing Authority of the City of Annapolis to obtain from State Wage Information Collection Agencies (SWICAs) any information or materials necessary to complete or verify the application for participation or for eligibility for continued occupancy; and

b. A provision authorizing HUD or The Housing Authority of the City of Annapolis to verify with previous or current employers income information pertinent to the family's eligibility for or level of assistance;

c. A provision authorizing HUD to request income information from the IRS and the SSA for the sole purpose of verifying income information pertinent to the family's eligibility or level of benefits; and

d. A statement that the authorization to release the information requested by the consent form expires 15 months after the date the consent form is signed.

8.3 SUITABILITY

A. Applicant families will be evaluated to determine whether, based on their recent behavior, such behavior could reasonably be expected to result in noncompliance with the public housing lease. The Housing Authority of the City of Annapolis will look at past conduct as an indicator of future conduct. Emphasis will be placed on whether a family's admission could reasonably be expected to have a detrimental effect on the development environment, other tenants, The Housing Authority of the City of Annapolis employees, or other people residing in the immediate vicinity of the property. Otherwise eligible families will be denied admission if they fail to meet the suitability criteria.

B. The Housing Authority of the City of Annapolis will consider objective and reasonable aspects of the family's background, including the following:

1. Incidences of not meeting financial obligations, especially rent;

2. Lack of ability to maintain (or with assistance would have the ability to maintain) their housing in a decent and safe condition based on living or housekeeping habits and whether such habits could adversely affect the health, safety, or welfare of other tenants;

3. Incidences of criminal activity by any household member involving crimes of physical violence against persons or property and any other criminal activity including drug-related criminal activity that would adversely affect the health, safety, or well being of other tenants or staff or cause damage to the property; as well as incidents of being on HACA's banning list.

4. Incidences of disturbing neighbors or destruction of property;

5. Having committed fraud in connection with any housing assistance program, including the intentional misrepresentation of information related to their housing application or benefits derived there from; and

6. Incidences of abusing alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment by others.

C. The Housing Authority of the City of Annapolis will ask applicants to provide information demonstrating their ability to comply with the essential elements of the lease. The Housing Authority of the City of Annapolis will verify the information provided. Such verification may include but may not be limited to the following:

1. A credit check of the head, spouse and co-head;
2. A rental history check of all adult family members;
3. Work history to determine a pattern of stable employment.
4. A criminal background check on all adult household members, including live-in aides. This check will be made through State or local law enforcement or court records. Where the individual has lived outside the local area, The Housing Authority of the City of Annapolis may contact law enforcement agencies where the individual had lived or request a check through the FBI's National Crime Information Center (NCIC);
5. A home visit. The home visit provides the opportunity for the family to demonstrate their ability to maintain their home in a safe and sanitary manner. This inspection considers cleanliness and care of rooms, appliances, and appurtenances. The inspection may also consider any evidence of criminal activity; and
6. A check of the State's lifetime sex offender registration program for each Adult household member, including live-in aides. No individual registered with this program will be admitted to public housing.

8.4 GROUNDS FOR DENIAL

The Housing Authority of the City of Annapolis is not required or obligated to assist applicants who:

A. Do not meet any one or more of the eligibility criteria;

B. Do not supply information or documentation required by the application process;

C. Have failed to respond to a written request for information or a request to declare their continued interest in the program;

D. Have incidences of not meeting financial obligations, especially rent;

E. Do not have the ability to maintain (with assistance) their housing in a decent and safe condition where such habits could adversely affect the health, safety, or welfare of other tenants;

F. Have incidences of criminal activity by any household member involving crimes of physical violence against persons or property and any other criminal activity including drug-related criminal activity that would adversely affect the health, safety, or well being of other tenants or staff or cause damage to the property;

G. Have incidences of disturbing neighbors or destruction of property;

H. Currently owes rent or other amounts to any housing authority in connection with their public housing or Section 8 programs;

I. Have committed fraud, bribery or any other corruption in connection with any housing assistance program, including the intentional misrepresentation of information related to their housing application or benefits derived there from;

J. Were evicted from assisted housing within three years of the projected date of admission because of drug-related criminal activity involving the personal use or possession for personal use;

K. Were evicted from assisted housing within five years of the projected date of admission because of drug-related criminal activity involving the illegal manufacture, sale, distribution, or possession with the intent to manufacture, sell, distribute a controlled substance as defined in Section 102 of the Controlled Substances Act, 21 U.S.C. 802;

L. Are illegally using a controlled substance or are abusing alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. The Housing Authority of the City of Annapolis may waive this requirement if:

1. The person demonstrates to The Housing Authority of the City of Annapolis's satisfaction that the person is no longer engaging in drug-related criminal activity or abuse of alcohol;

2. Has successfully completed a supervised drug or alcohol rehabilitation program;

3. Has otherwise been rehabilitated successfully; or

M. Have engaged in or threatened abusive or violent behavior towards any The Housing Authority of the City of Annapolis staff or residents;

N. Have an applicant member who has ever been evicted from public housing;

O. Have a family household member who has been terminated under the certificate or voucher program;

P. **Denied for Life:** Has a lifetime registration under a State sex offender registration program.

Q. **Denied for Life:** If any family member has been convicted of manufacturing producing methamphetamine in a public housing development or in a Housing Choice Voucher Program (HCVP) assisted property.

8.5 INFORMAL REVIEW

A. If the Housing Authority of the City of Annapolis determines that an applicant does not meet the criteria for receiving public housing assistance, The Housing Authority of the City of Annapolis will promptly provide the applicant with written notice of the determination. The notice must contain a brief statement of the reason(s) for the decision and state that the applicant may request an informal review of the decision within 10 business days of the denial. The Housing Authority of the City of Annapolis will describe how to obtain the informal review.

The informal review may be conducted by any person designated by The Housing Authority of the City of Annapolis, other than a person who made or approved the decision under review or subordinate of this person. The applicant must be given the opportunity to present written or oral objections to The Housing Authority of the City of Annapolis's decision. The Housing Authority of the City of Annapolis must notify the applicant of the final decision within 14 calendar days after the informal review, including a brief statement of the reasons for the final decision.

B. The participant family may request that The Housing Authority of the City of Annapolis provide for an Informal Hearing after the family has notification of an INS decision on their citizenship status on appeal, or in lieu of request of appeal to the INS. This request must be made by the participant family within 30 days of receipt of the Notice of Denial or Termination of Assistance, or within 30 days of receipt of the INS appeal decision.

For the participant families, the Informal Hearing Process above will be utilized with the exception that the participant family will have up to 30 days of receipt of the Notice of Denial or Termination of Assistance, or of the INS appeal decision.

9.0 MANAGING THE WAITING LIST

9.1 OPENING AND CLOSING THE WAITING LIST

Opening of the waiting list will be announced with a public notice stating that applications for public housing will again be accepted. The public notice will state where, when, and how to apply. The notice will be published in a local newspaper of general circulation and also by any available minority media. The public notice will state any limitations to who may apply.

The notice will state that applicants already on waiting lists for other housing programs must apply separately for this program and such applicants will not lose their place on other waiting lists when they apply for public housing. The notice will include the Fair Housing logo and slogan and will be in compliance with Fair Housing requirements.

Closing of the waiting list will also be announced with a public notice. The public notice will state the date the waiting list will be closed and for what bedroom sizes. The public notice will be published in a local newspaper of general circulation and also by any available minority media.

9.2 ORGANIZATION OF THE WAITING LIST

HACA will maintain a Site Based Wait List system and will accept applications at its administrative office and at each development owned and/or managed under its jurisdiction. Each applicant will have an opportunity to select three developments that is most suitable to meet the housing needs of the applicant household..

The waiting list will be maintained in accordance with the following guidelines:

A. The application will be a permanent file;

B. All applications will be maintained in order of bedroom size, and then in order of date and time of application; and preferences.

C. Any contacts between The Housing Authority of the City of Annapolis and the applicant will be documented in the applicant file.

9.3 FAMILIES NEARING THE TOP OF THE WAITING LIST

When a family appears to be within three (3) months of being offered a unit, the family will be invited to an interview and the verification process will begin. It is at this point in time that the family's waiting list preference will be verified. If the family no longer qualifies to be near the top of the list, the family's name will be returned to the appropriate spot on the waiting list. The Housing Authority of the City of Annapolis will notify the family in writing of this determination and give the family the opportunity for an informal review.

Once the preference has been verified, the family will complete a full application, present Social Security Card information, citizenship/eligible immigrant information, and sign the Consent for Release of Information forms.

9.4 PURGING THE WAITING LIST

The Housing Authority of the City of Annapolis will update and purge its waiting list at least annually to ensure that the pool of applicants reasonably represents the interested families for whom The Housing Authority of the City of Annapolis has current information, i.e. applicant's address, family composition, income category, and preferences.

9.5 REMOVAL OF APPLICANTS FROM THE WAITING LIST

The Housing Authority of the City of Annapolis will not remove an applicant's name from the waiting list unless:

A. The applicant requests in writing that the name be removed;

B. The applicant fails to respond to a written request for information or a request to declare their continued interest in the program; or

C. The applicant does not meet either the eligibility or suitability criteria for the program.

9.6 MISSED APPOINTMENTS

All applicants who fail to keep a scheduled appointment with The Housing Authority of the City of Annapolis will be sent a notice of termination of the process for eligibility.

The Housing Authority of the City of Annapolis will allow the family to reschedule for good cause. Generally, no more than one opportunity will be given to reschedule without good cause, and no more than two opportunities will be given for good cause. When good cause exists for missing an appointment, The Housing Authority of the City of Annapolis will work closely with the family to find a more suitable time. Applicants will be offered the right to an informal review before being removed from the waiting list.

9.7 NOTIFICATION OF NEGATIVE ACTIONS

Any applicant whose name is being removed from the waiting list will be notified by the Housing Authority of the City of Annapolis, in writing, that they have ten (10) calendar days from the date of the written correspondence to present mitigating circumstances or request an informal review. The letter will also indicate that their name will be removed from the waiting list if they fail to respond within the timeframe specified. The Housing Authority of the City of Annapolis system of removing applicant names from the waiting list will not violate the rights of persons with disabilities. If an applicant claims that their failure to respond to a request for information or updates was caused by a disability, The Housing Authority of the City of Annapolis will verify that there is in fact a disability and the disability caused the failure to respond, and provide a reasonable accommodation. An example of a reasonable accommodation would be to reinstate the applicant on the waiting list based on the date and time of the original application and preferences.

9.8 WAITING LIST PREFERENCES

A preference does not guarantee admission to the program. Preferences are used to establish the order of placement on the waiting list. Every applicant must meet the HACA's Selection Criteria as defined in this policy.

The HACA's preference system will work in combination with requirements to match the characteristics for the family to the type of unit available, including units with targeted populations, in public housing. When such matching is required or permitted by current law, the HACA will give preference to qualified families. Each preference will be assigned points based on the weight of the preference for ranking

Families who reach the top of the waiting list will be contacted by the HACA to verify their preference and, if verified, the HACA will complete a full application for occupancy. Applicants must complete the application for occupancy and continue through the application processing and may not retain their place on the waiting list if they refuse to complete their processing when contacted by the HACA.

The HACA places applicants on the waiting lists based upon the date and time of application and eligibility for a weighted selection preference as set forth below:

- 11 Points Local Resident-Displacement
- 10 Points Non Resident-Displacement
- 9 Points Local Resident-Working Preference
- 8 Points Non Resident-Working Preference
- 7 Points Local Resident-Veteran
- 6 Points Non Resident-Veteran
- 5 Points Local-Self Sufficiency
- 4 Points Non-Resident Self Sufficiency
- 3 Points Local Resident-Sub Standard Housing
- 2 Point No Resident-Sub Standard Housing
- 1 Point Local Resident, No Preference

This selection preference is available to:

<u>11 Points – Displaced Local Resident:</u>

(a) individuals or families displaced by government action (i.e. required to move by

any level of government: federal, state or local) 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.
(b) individuals who have been displaced by domestic violence and can document such:

- Domestic violence is when one person purposely causes physical or psychologically harm to another person they are dating, including sexual assault, physical abuse, and psychological/emotional abuse.
- Dating Violence and abuse, also called intimate partner violence, is when one person purposely causes either physical or mental harm to another, including:
  - ✓ Physical abuse
  - ✓ Psychological or emotional abuse
  - ✓ Sexual assault
  - ✓ Stalking
  - ✓ Isolation (controlling all of the victim's money, shelter, time, food, etc.)

(c) individuals or families who have been subjected to documented reprisals and/or hate crime. A hate crime is actual or threatened physical violence or intimidation that is directed against a person or his/her property. It must be based on the person's race, color, religion, sex, national origin, handicap/disability or familial status; and/or
(d) individuals displaced due to the inaccessibility of a unit.

<u>10 Points – Displaced Non-Local Resident:</u>

(a) individuals or families displaced by government action (i.e. required to move by any level of government: federal, state or local) 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.
(b) individuals who have been displaced by domestic violence and can document such:

- Domestic violence is when one person purposely causes physical or psychologically harm to another person they are dating, including sexual assault, physical abuse, and psychological/emotional abuse.
- Dating Violence and abuse, also called intimate partner violence, is when one person purposely causes either physical or mental harm to another, including:
  - ✓ Physical abuse
  - ✓ Psychological or emotional abuse

- ✓ Sexual assault
- ✓ Stalking
- ✓ Isolation (controlling all of the victim's money, shelter, time, food, etc.)

(c) individuals or families who have been subjected to documented reprisals and/or hate crime. A hate crime is actual or threatened physical violence or intimidation that is directed against a person or his/her property. It must be based on the person's race, color, religion, sex, national origin, handicap/disability or familial status; and/or
(d) individuals displaced due to the inaccessibility of a unit.

9 Points – Local Resident Working Preference:

This selection preference is available to individuals or families where

(a) the head of household must work for wages, commissions, or other consideration of value and demonstrate full-time employment (32 hours or more per week) for, at least, twelve (12) months immediately prior to the date of placement. It must be apparent that the full-time employment is of a continuous, as opposed to a temporary nature, and the head of household must anticipate such continuous employment after the date of placement. Self-employed individuals may qualify for this selection preference if the head of household is able to demonstrate twelve (12) months of full- time self-employment (32 hours or more per week) immediately prior to the date of placement;

(b) the head of household is legally employed by an employer in a part-time capacity. The head of household must work for wages, commissions, or other consideration of value and can demonstrate part-time employment (20-31 hours per week) for, at least, twelve (12) months prior to the date of placement. It must be apparent that the part-time employment is of a continuous, as opposed to a temporary nature, and the head of household must anticipate such continuous employment after the date of placement. Self-employed individuals may qualify for this selection preference if the head of household is able to demonstrate twelve (12) months of part-time self-employment, of not fewer than twenty (20) hours per week, immediately prior to the date of placement.

(c) An applicant will be given the benefit of the working family preference if the head and spouse, or sole member is age 62 or older, or is a person with disabilities.

8 Points – Non Local Resident Working Preference:

This selection preference is available to individuals or families where

(a) the head of household must work for wages, commissions, or other consideration of value and demonstrate full-time employment (32 hours or more per week) for, at least, twelve (12) months immediately prior to the date of placement. It must be apparent that the full-time employment is of a continuous, as opposed to a temporary nature, and the head of household must anticipate such continuous employment after the date of placement. Self-employed individuals may qualify for this selection preference if the head of household is able to demonstrate twelve (12) months of full- time self-employment (32 hours or more per week) immediately prior to the date of placement;

(b) the head of household is legally employed by an employer in a part-time capacity. The head of household must work for wages, commissions, or other consideration of value and can demonstrate part-time employment (20-31 hours per week) for, at least, twelve (12) months prior to the date of placement. It must be apparent that the part-time employment is of a continuous, as opposed to a temporary nature, and the head of household must anticipate such continuous employment after the date of placement. Self-employed individuals may qualify for this selection preference if the head of household is able to demonstrate twelve (12) months of part-time self-employment, of not fewer than twenty (20) hours per week, immediately prior to the date of placement.

(c) An applicant will be given the benefit of the working family preference if the head and spouse, or sole member is age 62 or older, or is a person with disabilities.

7 Points – Local Resident Veteran preference: this preference is for families where the Head of Household has received an honorable discharge from the United States Armed Services.

6 Points – Non Local Resident Veteran preference: for families where the Head of Household has received an honorable discharge from the United States Armed Services.

5 Points –Local Resident: This preference is available to individuals or families who live or work in the City of Annapolis.

4 Points-Local Resident Self-Sufficiency: This preference is available to individuals or families who are willing to engage in self-sufficiency program to include; but, not limited to programs offered by HACA and its Partner, who participate in community programs, employment skills, homeownership and other programs that are available that are designed to improve the quality of life of residents that ultimately move the family from public program assistance to non public program assistance.

3 Points-Non Resident Self-Sufficiency: This preference is available to individuals or families who are willing to engage in self-sufficiency program to include; but, not limited to programs offered by HACA and its Partner, who participate in community programs, employment skills, homeownership and other programs that are available that are designed to improve the quality of life of residents that ultimately move the family from public program assistance to non public program assistance.

2 Points –Local Resident: Living in Substandard Housing: This preference is available to applicants who live in substandard housing whose dwelling meets one or more of the following criteria:

- Is dilapidated and does not provide safe, adequate shelter and have one or more critical defects or a combination of defects requiring considerable repair; endangers the health, safety and well-being family.
- Does not have operable indoor plumbing.
- Does not have usable flush toilet in the unit for the exclusive use of the family.
- Does not have adequate, safe electrical service.
- Does not have an adequate, safe source of heat.
- Should, but does not, have a kitchen. Single Room Occupancy (SRO) Housing is not standard solely because, it does not contain sanitary and/or food preparation facilities in the unit.
- Has been declared unfit for habitation by a government agency.
- Is overcrowded according to Housing Quality Standards/Local/State Housing Code.
- Families who are residing with friends or relatives on a temporary basis will be included in the definition of “substandard.”
- Families living in overcrowded conditions will be included in the definition of “substandard.”

1 Point - Non Resident-Substandard Housing:

- Is dilapidated and does not provide safe, adequate shelter and have one or more critical defects or a combination of defects requiring considerable repair; endangers the health, safety and well-being family.
- Does not have operable indoor plumbing.
- Does not have usable flush toilet in the unit for the exclusive use of the family.
- Does not have adequate, safe electrical service.
- Does not have an adequate, safe source of heat.
- Should, but does not, have a kitchen. Single Room Occupancy (SRO) Housing is not standard solely because, it does not contain sanitary and/or food preparation facilities in the unit.
- Has been declared unfit for habitation by a government agency.
- Is overcrowded according to Housing Quality Standards/Local/State Housing Code.
- Families who are residing with friends or relatives on a temporary basis will be included in the definition of "substandard."
- Families living in overcrowded conditions will be included in the definition of "substandard."

9.9 VERIFICATION OF PREFERENCE QUALIFICATION

The family may be placed on the waiting list upon their certification that they qualify for a preference. When the family is selected from the waiting list for the final determination of eligibility, the preference will be verified.

When the HACA anticipates that the family will be notified in the near future to complete a full application, the family will be sent a Preference Verification letter to the applicant's last known address, requesting verification of the family's preference. The HACA will verify the preference before the applicant's interview is conducted.

<u>Change in Circumstances:</u>

Changes in an applicant's circumstances while on the waiting list may affect the family's entitlement to a preference. Applicants are required to notify the HACA in writing when

their circumstances change. When an applicant claims an additional preference, s/he will be placed on the waiting list in the proper order of their newly-claimed preference.

9.10. PREFERENCE DENIAL

If the HACA denies a preference, the applicant will be placed on the waiting list without benefit of the preference.

The HACA will notify the applicant in writing of the reasons why the preference was denied and offer the applicant an opportunity for a review. The applicant will have 10 working days to request the meeting in writing. If the preference denial is upheld as a result of the meeting, or the applicant does not request a meeting, the applicant will be placed on the waiting list without benefit of the preference. Applicants may exercise other rights if they believe they have been discriminated against.

Any applicant who falsifies documents or makes false statements in order to qualify for any preference will be removed from the waiting list with notification to the family.

9.11 FACTORS OTHER THAN PREFERENCES THAT AFFECT SELECTION OF APPLICANTS

Before applying its preference system, the HACA will first match the characteristics of the available unit to the applicants available on the waiting lists. Factors such as unit size, accessible features, or income mixing, income targeting, or units in housing designated for the elderly limit the admission of families to those characteristics that match the characteristics and features of the vacant unit available.

By matching unit and family characteristics, it is possible that families who are lower on the waiting list may receive an offer of housing ahead of families with an earlier date and time of application.

Any admission mandated by court order related to desegregation or Fair Housing and Equal Opportunity will take precedence over the Preference System. Other admissions required by court order will also take precedence over the preference system. If permitted by the court order, the HACA may offer the family a housing voucher.

10.0 TENANT SELECTION AND ASSIGNMENT PLAN

10.1 "NO MORE THAN TWO" ASSIGNMENT OF BEDROOM SIZES

The following guidelines will determine each family's unit size without overcrowding or over-housing:

Number of Bedrooms	Number of Persons	
	Minimum	Maximum
0	1	2*
1	1	2
2	2	4
3	3	6
4	4	8
5	5	10
6	6	12

These standards are based on the assumption that each bedroom will accommodate no more than two (2) persons. Zero bedroom units will only be assigned to one-person families or legally married couples with no children.*

In determining bedroom size, The Housing Authority of the City of Annapolis will include the presence of children to be born to a pregnant woman, children who are in the process of being adopted, children whose custody is being obtained, children who are temporarily away at school, or children who are temporarily in foster-care.

In addition, the following considerations may be taken in determining bedroom size:

A. Children of the same sex **may** share a bedroom.

B. Children of the opposite sex, both under the age of five **(5)** may share a bedroom.

C. Adults and children will not be required to share a bedroom.

D. Foster – adults and/or foster - children will not be required to share a bedroom with family members.

E. Live-in aides will get a separate bedroom.

Exceptions to normal bedroom size standards include the following:

F. Units smaller than assigned through the above guidelines – A family may request a smaller unit size than the guidelines allow. The Housing Authority of the City of Annapolis will allow the smaller size unit so long as generally no more than two (2) people per bedroom are assigned. In such situations, the family will sign a certification stating they understand they will be ineligible for a larger size unit for three (3) years or until the family size changes, whichever may occur first.

G. Units larger than assigned through the above guidelines – A family may request a larger unit size than the guidelines allow. The Housing Authority of the City of Annapolis will allow the larger size unit if the family provides a verified medical need that the family be housed in a larger unit.

H. If there are no families on the waiting list for a larger size, smaller families may be housed if they sign a release form stating they will transfer (at the family's own expense) to the appropriate size unit when an eligible family needing the larger unit applies. The family transferring will be given a 30-day notice before being required to move.

I. Larger units may be offered in order to improve the marketing of a development suffering a high vacancy rate.

10.2 SELECTION FROM THE WAITING LIST

The Housing Authority of the City of Annapolis shall follow the statutory requirement that at least 40% of newly admitted families in any fiscal year be families whose annual income is at or below 30% of the area median income. (See attachment "A" for a listing of HUD area median incomes for 1-28-04). To insure this requirement is met HACA shall perform quarterly quality assurance monitoring of incomes of the families on the waiting list. If it appears that the requirement to house extremely low-income families will not be met, we will skip higher income families on the waiting list to reach extremely low-income families.

If there are not enough extremely low-income families on the waiting list we will conduct outreach on a non-discriminatory basis to attract extremely low-income families to reach the statutory requirement.

The Housing Authority of the City of Annapolis will offer Senior Housing and services for the Glenwood development. Senior Housing is defined as persons 62 years of age or older and Disabled persons 50 years of age or older. Current residents of Glenwood who are non-senior and/or non-senior disabled will have the opportunity to remain at Glenwood or they may request an administrative transfer to another development, owned and managed by HACA.

10.3 DE-CONCENTRATION POLICY

It is The Housing Authority of the City of Annapolis's policy to provide for de-concentration of poverty and encourage income mixing by bringing higher income families into lower income developments and lower income families into higher income developments. Toward this end, we will skip families on the waiting list to reach other families with a lower or higher income. We will accomplish this in a uniform and non-discriminating manner.

The Housing Authority of the City of Annapolis will affirmatively market our housing to all eligible income groups. Lower income residents will not be steered toward lower income developments and higher income people will not be steered toward higher income developments.

Prior to the beginning of each fiscal year, we will analyze the income levels of families residing in each of our developments, the income levels of census tracts in which our developments are located, and the income levels of the families on the waiting list. Based on this analysis, we will determine the level of marketing strategies and de-concentration incentives to implement.

10.4 DE-CONCENTRATION INCENTIVES

The Housing Authority of the City of Annapolis may offer one or more incentives to encourage applicant families whose income classification would help to meet the de-concentration goals of a particular development.

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

10.5 OFFER OF A UNIT

The HACA plan for selection of applicants and assignment of dwelling units to assure equal opportunity and non-discrimination on grounds of race, color, sex, religion, or national origin is called HUD Plan A.

Under this plan, the HACA will administer site-based waiting lists. Each applicant will have the opportunity to select three developments within its jurisdiction that have available units of suitable size and type in the appropriate type of project. Plan A is based on one unit offer. Applicants will have an incentive to accept the unit offer, based on their selection of a preferred development(s.) Unless the applicant has good cause for refusing the unit offered, the applicant will be removed from all waiting lists for that specific program type, once HACA has made an appropriate unit offer. If the applicant rejects a unit for good cause, the applicant will retain their place on the wait list based on selected location, preference, application date and time. The refusal of the unit and the information justifying the refusal of the unit will remain as part of the permanent resident file. Examples of good cause include (but are not limited to): changes in the applicant's physical needs, concerns for personal welfare, proximity to family members.

The HACA will maintain a record of units offered, including location, date and circumstances of each offer, each acceptance or rejection, including the reason for the rejection.

10.6 CHANGES PRIOR TO UNIT OFFER

Changes that occur during the period between of removal from the waiting list and an offer of a suitable unit may affect the family's eligibility or Total Tenant Payment. The family will be notified in writing of changes in their eligibility or level of benefits and offered their right to an informal hearing, when applicable. (See The Grievance Procedure document.)

A. Applicants With a Change in Family Size or Status

Changes in family composition, status, or income between the time of the interview and the offer of a unit will be processed. The HACA shall not lease a unit to a family whose occupancy will overcrowd or underutilize the unit. (As defined in Section 10.1)

The family will take the appropriate place on the waiting list according to the date they first applied.

10.7 TIME LIMIT FOR ACCEPTANCE OF UNIT

Applicants must accept a unit offer within 7 business days of the date the offer is made. Offers made over the telephone will be confirmed by letter. If unable to contact an applicant by telephone, the HACA will send a letter.

Applicants Unable to Take Occupancy

If an applicant is unable to take occupancy at the time of the offer for "good cause," the applicant will not be removed from the waiting list.

Examples of "good cause" reasons for the refusal to take occupancy of a housing unit include, but are not limited to:

- An elderly or disabled family makes the decision not to occupy or accept occupancy in designated housing [24 CFR 945.303(d)];

- Inaccessibility to source of employment or children's day care such that an adult household member must quit a job or drop out of an educational institution or a job training program;

- For families who have a family member with a disability, inaccessibility to the medical provider or service provider;

- A qualified, knowledgeable, health professional verifies the temporary hospitalization or recovery from illness of the principal household member, other household members, or a live-in aide necessary to care for the principal household member; or

- The unit is inappropriate for the applicant's disabilities.

10.8 REJECTION OF UNIT

If in making the offer to the family The Housing Authority of the City of Annapolis skipped over other families on the waiting list in order to meet their de-concentration goal or offered the family any other de-concentration incentive and the family rejects the unit, the family will not lose their place on the waiting list and will not be otherwise penalized.

If The Housing Authority of the City of Annapolis did not skip over other families on the waiting list to reach this family, did not offer any other de-concentration incentive, and the family rejects the unit without good cause, the family will forfeit their application's date and time.

If the family rejects with good cause any unit offered, they will not lose their place on the waiting list. (As defined in 10.7).

If the unit offered is inappropriate for the applicant's disabilities, the family will retain their position on the waiting list.

10.9 ACCEPTANCE OF UNIT

The family will be required to sign a lease that will become effective no later than three (3) business days after the date of acceptance or the business day after the day the unit becomes available, whichever is later.

Prior to signing the lease all families (head of household) and other adult family members will be required to attend the Lease and Occupancy Orientation and a "Good Neighbor" Pre-Occupancy Housekeeping Training when they are initially approved for occupancy. The family will not be housed if they have not attended the orientation. Applicants who provide prior notice of an inability to attend the orientation will be rescheduled. Failure of an applicant to attend the orientation, without good cause, may result in the cancellation of the occupancy process.

The applicant will be provided a copy of the lease, the grievance procedure, utility allowances, utility charges, the current schedule of routine damage charges, and a request for reasonable accommodation form. These documents will be explained in detail. The applicant will sign a certification that they have received these documents and that they have reviewed them with Housing Authority personnel. The certification will be filed in the tenant's file.

The signing of the lease and the review of financial information are to be privately handled. The head of household and all adult family members will be required to execute the lease prior to admission. One executed copy of the lease will be furnished to the head of household and The Housing Authority of the City of Annapolis will retain the original executed lease in the tenant's file. A copy of the grievance procedure will be attached to the resident's copy of the lease.

The family will pay a security deposit at the time of lease signing. The security deposit will be equal to $50.00 or one month's Total Tenant Payment, whichever is greater, but not to exceed Two Hundred ($200.00) Dollars.

In the case of a move within public housing, the security deposit for the first unit will be transferred to the second unit. Additionally, if the security deposit for the second unit is

greater than that for the first, the difference will be collected from the family. Conversely, if the security deposit is less, the difference will be refunded to the family.

In the event there are costs attributable to the family for bringing the first unit into condition for re-renting, the family shall be billed for these charges.

11.0 INCOME, EXCLUSIONS FROM INCOME, AND DEDUCTIONS FROM INCOME

To determine annual income, The Housing Authority of the City of Annapolis counts the income of all family members, excluding the types and sources of income that are specifically excluded. Once the annual income is determined, The Housing Authority of the City of Annapolis subtracts all mandatory deductions (allowances) to determine the Total Tenant Payment.

11.1 INCOME

Annual income means all amounts, monetary or not, that:

- Go to (or on behalf of) the family head or spouse (even if temporarily absent) or to any other family member; or
- Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
- Are not specifically excluded from annual income.

Annual income includes, but is not limited to:

A. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services.

B. The net income from the operation of a business or profession. Expenditures for

business expansion or amortization of capital indebtedness are not 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 is included in income, except to the extent the withdrawal is a reimbursement of cash or assets invested in the operation by the family.

C. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness are not 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 an investment is 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 includes 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.

D. The full amount of periodic amounts 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 amount or prospective monthly amounts for the delayed start of a periodic amount. (However, deferred periodic amounts from supplemental security income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts are excluded.)

E. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay. (However, lump sum additions such as insurance payments from worker's compensation are excluded.)

F. Welfare assistance.

1. 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 consists of:

   a. The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus

   b. 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 requirement is the amount resulting from one application of the percentage.

2. If the amount of welfare is reduced due to an act of fraud by a family member or because of any family member's failure to comply with requirements to participate in an economic self-sufficiency program or work activity, the amount of rent required to be paid by the family will not be decreased. In such cases, the amount of income attributable to the family will include what the family would have received had they complied with the welfare requirements and/or had not committed an act of fraud.

3. If the amount of welfare assistance is reduced as a result of a lifetime time limit, the reduced amount is the amount that shall be counted as income.

G. Periodic and determinable allowances, such as alimony, child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling.

H. All regular pay, special pay, and allowances of a member of the Armed Forces. (Special pay to a member exposed to hostile fire is excluded.)

11.2 ANNUAL INCOME

Annual income does not include the following:

A. Income from employment of children (including foster children) under the age of 18 years;

B. Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);

C. 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;

D. Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;

E. Income of a live-in aide;

F. The full amount of student financial assistance paid directly to the student or to the educational institution;

G. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;

H. The amounts received from the following programs:

1. Amounts received under training programs funded by HUD;

2. Amounts received by a person with a disability 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);

3. Amounts received by a participant in other publicly assisted programs that are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and that are made solely to allow participation in a specific program;

4. Amounts received under 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 Housing Authority or 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;

5. Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) 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 the period during which the family member participates in the employment training program;

6. Temporary, nonrecurring or sporadic income (including gifts);

7. 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;

8. Earnings in excess of $480 for each full-time student 18 years old or older (excluding the head of household and spouse);

9. Adoption assistance payments in excess of $480 per adopted child;

10. For family members who enrolled in certain training programs prior to 10/1/99, the earnings and benefits resulting from the participation if the

program provides employment training and supportive services in accordance with the Family Support Act of 1988, Section 22 of the 1937 Act (42 U.S.C. 1437t), or any comparable Federal, State, or local law during the exclusion period. For purposes of this exclusion the following definitions apply:

a. Comparable Federal, State or local law means a program providing employment training and supportive services that:

   i. Is authorized by a Federal, State or local law;
   ii. Is funded by the Federal, State or local government;
   iii. Is operated or administered by a public agency; and
   iv. Has as its objective to assist participants in acquiring employment skills.

b. Exclusion period means the period during which the family member participates in a program described in this section, plus 18 months from the date the family member begins the first job acquired by the family member after completion of such program that is not funded by public housing assistance under the 1937 Act. If the family member is terminated from employment with good cause, the exclusion period shall end.

c. Earnings and benefits mean the incremental earnings and benefits resulting from a qualifying employment training program or subsequent job.

11. The incremental earnings due to employment during the 12-month period following date of hire shall be excluded. This exclusion (paragraph 11) will not apply for any family who concurrently is eligible for exclusion #10. Additionally, this exclusion is only available to the following families:

a. Families whose income increases as a result of employment of a family member who was previously unemployed for one or more

years.

b. Families whose income increases during the participation of a family member in any family self-sufficiency program.

c. Families who are or were, within 6 months, assisted under a State TANF program.

(While HUD regulations allow for the housing authority to offer an escrow account in lieu of having a portion of their income excluded under this paragraph, it is the policy of this housing authority to provide the exclusion in all cases.)

12. Deferred periodic amounts from supplemental security income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts;

13. 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;

14. Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or

15. Amounts specifically excluded by any other statute from consideration as income for purposes of determining eligibility or benefits. These exclusions include:

a. The value of the allotment of food stamps

b. Payments to volunteers under the Domestic Volunteer Services Act of 1973

c. Payments received under the Alaska Native Claims Settlement Act

d. Income from sub marginal land of the U.S. that is held in trust for certain Indian tribes

e. Payments made under HHS's Low-Income Energy Assistance Program

f. Payments received under the Job Training Partnership Act

g. Income from the disposition of funds of the Grand River Band of Ottawa Indians

h. The first $2000 per capita received from judgment funds awarded for certain Indian claims

i. Amount of scholarships awarded under Title IV including Work Study

j. Payments received under the Older Americans Act of 1965

k. Payments from Agent Orange Settlement

l. Payments received under the Maine Indian Claims Act

m. The value of child care under the Child Care and Development Block Grant Act of 1990

n. Earned income tax credit refund payments

o. Payments for living expenses under the Americorps Program

p. Additional income exclusions provided by and funded by The Housing Authority of the City of Annapolis

The Housing Authority of the City of Annapolis will not provide exclusions from income in addition to those already provided for by HUD.

11.3 DEDUCTIONS FROM ANNUAL INCOME

The following deductions will be made from annual income:

A. $480 for each dependent;

B. $400 for any elderly family or disabled family;

C. For any family that is not an elderly or disabled family but has a member (other than the head or spouse) who is a person with a disability, disability assistance expenses in excess of 3% of annual income. 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 person with disabilities.

D. For any elderly or disabled family:

1. That has no disability assistance expenses, an allowance for medical expenses equal to the amount by which the medical expenses exceed 3% of annual income;

2. That has disability expenses greater than or equal to 3% of annual income, an allowance for disability assistance expenses computed in accordance with paragraph C, plus an allowance for medical expenses that equal the family's medical expenses;

3. That has disability assistance expenses that are less than 3% of annual income, an allowance for combined disability assistance expenses and medical expenses that are equal to the total of these expenses less 3% of annual income.

E. Child care expenses.

12.0 VERIFICATION

The Housing Authority of the City of Annapolis will verify information related to waiting list preferences, eligibility, admission, and level of benefits prior to admission. Periodically during occupancy, items related to eligibility and rent determination shall also be reviewed and verified. Income, assets, and expenses will be verified, as well as disability status, need for a live-in aide and other reasonable accommodations; full time student status of family members 18 years of age and older; Social Security numbers; and citizenship/eligible noncitizen status. Age and relationship will only be verified in those instances where needed to make a determination of level of assistance.

12.1 ACCEPTABLE METHODS OF VERIFICATION

Age, relationship, U.S. citizenship, and Social Security numbers will generally be verified with documentation provided by the family. For citizenship, the family's certification will be accepted. (Or for citizenship documentation such as listed below will be required.) Verification of these items will include photocopies of the Social Security cards and other documents presented by the family, the INS SAVE approval code, and forms signed by the family.

Income information for Public Housing residents will first be verified using HUD's Electronic Verification (EIV) system. If there is a discrepancy between the tenant's reported income and the EIV information then third party verification will be conducted to insure the accuracy of the EIV income data. If there is no discrepancy, then no further verification need be conducted. EIV cannot verify child support payments. Child support income will be verified via the third party process.

Other information will be verified by third party verification. This type of verification includes written documentation with forms sent directly to and received directly by a source, not passed through the hands of the family. This verification may also be direct contact with the source, in person or by telephone. It may also be a report generated by a request from The Housing Authority of the City of Annapolis or automatically by another government agency, i.e. the Social Security Administration. Verification forms and reports received will be contained in the applicant/tenant file. Oral third party

documentation will include the same information as if the documentation had been written, i.e. name date of contact, amount received, etc.

When third party verification cannot be obtained, The Housing Authority of the City of Annapolis will accept documentation received from the applicant/tenant. Hand-carried documentation will be accepted if The Housing Authority of the City of Annapolis has been unable to obtain third party verification in a 4-week period of time. Photocopies of the documents provided by the family will be maintained in the file.

When neither third party verification nor hand-carried verification can be obtained, The Housing Authority of the City of Annapolis will accept a notarized statement signed by the head, spouse or co-head. Such documents will be maintained in the file.

12.2 TYPES OF VERIFICATION

The chart below outlines the factors that may be verified and gives common examples of the verification that will be sought. To obtain written third party verification, The Housing Authority of the City of Annapolis will send a request form to the source along with a release form signed by the applicant/tenant via first class mail.

Verification Requirements for Individual Items

Item to Be Verified	**3rd party verification**	**Hand-carried verification**
General Eligibility Items		
Social Security Number	Letter from Social Security, electronic reports	Social Security card
Citizenship	N/A	Signed certification, voter's registration card, birth certificate, etc.
Eligible immigration status	INS SAVE confirmation #	INS card
Disability	Letter from medical professional, SSI, etc	Proof of SSI or Social Security disability payments
Full time student status (if >18)	Letter from school	For high school students, any

Verification Requirements for Individual Items

Item to Be Verified	**3rd party verification**	**Hand-carried verification**
		document evidencing enrollment
Need for a live-in aide	Letter from doctor or other professional knowledgeable of condition	N/A
Child care costs	Letter from care provider	Bills and receipts
Disability assistance expenses	Letters from suppliers, care givers, etc.	Bills and records of payment
Medical expenses	Letters from providers, prescription record from pharmacy, medical professional's letter stating assistance or a companion animal is needed	Bills, receipts, records of payment, dates of trips, mileage log, receipts for fares and tolls
Value of and Income from Assets		
Savings, checking accounts	Letter from institution	Passbook, most current statements
CDS, bonds, etc	Letter from institution	Tax return, information brochure from institution, the CD, the bond
Stocks	Letter from broker or holding company	Stock or most current statement, price in newspaper or through Internet
Real property	Letter from tax office, assessment, etc.	Property tax statement (for current value), assessment, records or income and expenses, tax return
Personal property	Assessment, bluebook, etc	Receipt for purchase, other evidence of worth
Cash value of life insurance policies	Letter from insurance company	Current statement
Assets disposed of for less than fair market value	N/A	Original receipt and receipt at disposition, other evidence of worth

Verification Requirements for Individual Items

Item to Be Verified	**3rd party verification**	**Hand-carried verification**
Income		
Earned income	Letter from employer	Multiple pay stubs (i.e., 4 pay stubs when paid bi-weekly, 6 pay stubs when paid weekly)
Self-employed	N/A	Tax return (schedule C) from prior year, books of accounts
Regular gifts and contributions	Letter from source, letter from organization receiving gift (i.e., if grandmother pays day care provider, the day care provider could so state)	Bank deposits, other similar evidence
Alimony/child support	Court order, letter from source, letter from Human Services	Record of deposits, divorce decree
Periodic payments (i.e., social security, welfare, pensions, workers compensation, unemployment)	Letter or electronic reports from the source	Award letter, letter announcing change in amount of future payments
Training program participation	Letter from program provider indicating - whether enrolled or completed - whether training is HUD-funded - whether Federal, State, local govt., or local program - whether it is employment training - whether it has clearly defined goals and objectives - whether program has supportive services - whether payments are for out-of-pocket expenses incurred in order to participate in a program - date of first job after program completion	N/A Evidence of job start

12.3 VERIFICATION OF CITIZENSHIP OR ELIGIBLE NONCITIZEN STATUS

The citizenship/eligible noncitizen status of each family member regardless of age must be determined.

Prior to being admitted, or at the first reexamination, all citizens and nationals will be required to sign a declaration under penalty of perjury. They will be required to show proof of their status by such means as a Social Security card, birth certificate, military ID, or military DD 214 Form.

Prior to being admitted or at the first reexamination, all eligible noncitizen who are 62 years of age or older will be required to sign a declaration under penalty of perjury. They will also be required to show proof of age.

Prior to being admitted or at the first reexamination, all eligible noncitizen must sign a declaration of their status and a verification consent form and provide their original INS documentation. The Housing Authority of the City of Annapolis will make a copy of the individual's INS documentation and place the copy in the file. The Housing Authority of the City of Annapolis will also verify their status through the INS SAVE system. If the INS SAVE system cannot confirm eligibility, The Housing Authority of the City of Annapolis will mail information to the INS in order that a manual check can be made of INS records.

Family members who do not claim to be citizens, nationals, or eligible noncitizen must be listed on a statement of noneligible members and the list must be signed by the head of the household.

Noncitizen students on student visas, though in the country legally, are not eligible to be admitted to public housing.

Any family member who does not choose to declare their status must be listed on the statement of noneligible members.

If no family member is determined to be eligible under this section, the family's eligibility will be denied.

The family's assistance will not be denied, delayed, reduced, or terminated because of a delay in the process of determining eligible status under this section, except to the extent that the delay is caused by the family.

If The Housing Authority of the City of Annapolis determines that a family member has knowingly permitted an ineligible noncitizen (other than any ineligible noncitizen listed on the lease) to permanently reside in their public housing unit, the family will be evicted. Such family will not be eligible to be readmitted to public housing for a period of 24 months from the date of eviction or termination.

12.4 VERIFICATION OF SOCIAL SECURITY NUMBERS

Prior to admission, each family member must provide verification of their Social Security number. New family members at least 6 years of age must provide this verification prior to being added to the lease. Children in assisted households must provide this verification at the first regular reexamination after turning six or earlier if a Social Security Number has been issued.

The best verification of the Social Security number is the original Social Security card. If the card is not available, HACA will accept letters from the Social Security Agency that establishes and states the number. Documentation from other governmental agencies will also be accepted that establishes and states the number. Driver's licenses, military Is, passports, or other official documents that establish and state the number are also acceptable.

If an individual states that they do not have a Social Security number, they will be required to sign a statement to this effect. HACA will not require any individual who does not have a Social Security number to obtain a Social Security number, however HACA is required to apply for an alternate tenant identification number assigned by HUD.

If a member of an applicant family indicates they have a Social Security number, but cannot readily verify it, the family cannot be housed until verification is provided.

If a member of a tenant family indicates they have a Social Security number, but cannot readily verify it, they shall be asked to certify to this fact and shall have up to sixty (60) days to provide the verification. If the individual is at least 62 years of age, they will be given one hundred and twenty (120) days to provide the verification. If the individual fails to provide the verification within the time allowed, the family will be evicted.

12.5 TIMING OF VERIFICATION

Third party verification information must be dated within ninety (90) days of certification or (60) days of reexamination. If the verification is older than this, the source will be contacted and asked to provide information regarding any changes.

When an interim reexamination is conducted, the Housing Authority will verify and update all information related to family circumstances and level of assistance.

12.6 FREQUENCY OF OBTAINING VERIFICATION

For each family member, citizenship/eligible non-citizen status will be verified only once. This verification will be obtained prior to admission. Prior to a new member joining the family, their citizenship/eligible non-citizen status will be verified.

For each family member verification of Social Security number will be obtained only once, at the time of admission to the program.

13.0 DETERMINATION OF TOTAL TENANT PAYMENT AND TENANT RENT

13.1 FAMILY CHOICE

At admission and each year in preparation for their annual reexamination, each family is given the choice of having their rent determined under the formula method or having their rent set at the flat rent amount.

A. Families who opt for the flat rent will be required to go through the income

reexamination process every three years, rather than the annual review they would otherwise undergo.

B. Families who opt for the flat rent may request to have a reexamination and return to the formula based method at any time for any of the following reasons:

1. The family's income has decreased.

2. The family's circumstances have changed increasing their expenses for child care, medical care, etc.

3. Other circumstances creating a hardship on the family such that the formula method would be more financially feasible for the family.

13.2 THE FORMULA METHOD

The total tenant payment is equal to the highest of"

A. 10% of monthly income

B. 30% of adjusted monthly income

C. The minimum rent as established by the HACA

The family will pay the greater of the total tenant payment or the minimum rent of $50.00.

The total tenant payment does not include charges for excess utility consumption or other charges.

In the case of a family who has qualified for the income exclusion at Section 11.2(H)(11), upon expiration of the 12 month period described in that section, an additional rent benefit accrues to the family. If the family member's employment continues then for the 12-month period of disallowance, the resulting rent increase will be capped at 50 percent of the rent increase would have otherwise received.

13.3 MINIMUM RENT

The Housing Authority of the City of Annapolis has set a minimum rent in accordance with HUD regulations. The resident will be required to pay $50.00 as the minimum rent, unless HACA grants an exception due to financial hardship.

MINIMUM RENT HARDSHIP EXEMPTION

HACA has adopted a minimum rent of $50.00 per month, under the following criteria HACA may suspend the minimum rent:

When the family has lost eligibility for or is awaiting an eligibility determination for a government assistance program.

When the family would be evicted because it is unable to pay the minimum rent

When the income of the family has decreased because of changed circumstances including loss of employment

When a death has occurred in the family, and

Other circumstances determined by HACA or HUD

HACA will advise any family who pays the minimum rent of the right to request the exemption. If a family paying minimum rent request a hardship exemption, HACA must suspend the minimum rent, effective the following month. HACA may not evict the family for non-payment of the minimum rent for 90 days following the request for the hardship exemption.

The suspension of minimum rent continues until HACA determines whether or not the hardship is temporary or long term.

If the hardship is verified to be temporary (less than 90 days) HACA will reinstate the minimum rent and offer the family a reasonable repayment agreement of the minimum rent that was suspended.

If the hardship is verified to be long-term (lasting more than 90 days) the minimum rent must be suspended until the hardship ceases. The family may not be evicted for failing to pay the minimum rent while the hardship is occurring.

If HACA denies a resident the minimum rent hardship exemption, the resident is entitled to file a grievance and the HACA may not require the resident to make an escrow deposit to obtain the grievance hearing.

13.4 THE FLAT RENT

The Housing Authority of the City of Annapolis has set a flat rent for each public housing unit. In doing so, the PHA considered the location, quality, size of unit and the age of the unit; and any amenities, housing services, maintenance and utilities. The flat rent is based on the market rent charged for comparable units in the private unassisted rental market. It is equal to the estimated rent for which the PHA could promptly lease the public housing unit after preparation for occupancy. The PHA must use a reasonable method to determine the flat rent for a unit. The flat rent is designed to encourage self-sufficiency and to avoid creating disincentives for continued residency by families who are attempting to become economically self-sufficient. The amount of the flat rent will be reevaluated annually and adjustments applied. Affected families will be given a 30-day notice of any rent change. Adjustments are applied on the anniversary date for each affected family.

The Housing Authority of the City of Annapolis will post the flat rents at each of the developments and at the central office and are incorporated in this policy upon approval by the Board of Commissioners.

13.5 RENT FOR FAMILIES UNDER THE NONCITIZEN RULE

A mixed family will receive full continuation of assistance if all of the following conditions are met:

A. The family was receiving assistance on June 19, 1995;

B. The family was granted continuation of assistance before November 29, 1996;

C. The family's head or spouse has eligible immigration status; and

D. The family does not include any person who does not have eligible status other than the head of household, the spouse of the head of household, any parent of the head or spouse, or any child (under the age of 18) of the head or spouse.

If a mixed family qualifies for prorated assistance but decides not to accept it, or if the family has no eligible members, the family may be eligible for temporary deferral of termination of assistance to permit the family additional time for the orderly transition of some or all of its members to locate other affordable housing. Under this provision, the family receives full assistance. If assistance is granted under this provision prior to November 29, 1996, it may last no longer than three (3) years. If granted after that date, the maximum period of time for assistance under the provision is eighteen (18) months. The Housing Authority of the City of Annapolis will grant each family a period of six (6) months to find suitable affordable housing. If the family cannot find suitable affordable housing, The Housing Authority of the City of Annapolis will provide additional search periods up to the maximum time allowable.

Suitable housing means housing that is not substandard and is of appropriate size for the family. Affordable housing means that it can be rented for an amount not exceeding the amount the family pays for rent, plus utilities, plus 25%.

The family's assistance is prorated in the following manner:

A. Determine the 95th percentile of gross rents (tenant rent plus utility allowance) for The Housing Authority of the City of Annapolis. The 95th percentile is called the maximum rent.

B. Subtract the family's total tenant payment from the maximum rent. The resulting number is called the maximum subsidy.

C. Divide the maximum subsidy by the number of family members and multiply the result times the number of eligible family members. This yields the prorated

subsidy.

D. Subtract the prorated subsidy from the maximum rent to find the prorated total tenant payment. From this amount subtract the full utility allowance to obtain the prorated tenant rent.

13.6 UTILITY ALLOWANCE

The Housing Authority of the City of Annapolis shall establish a utility allowance for all check-metered utilities and for all tenant-paid utilities. The allowance will be 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. In setting the allowance, The Housing Authority of the City of Annapolis will review the actual consumption of tenant families as well as changes made or anticipated due to modernization (weatherization efforts, installation of energy-efficient appliances, etc). Allowances will be evaluated at least annually as well as any time utility rate changes by 10% or more since the last revision to the allowances.

The utility allowance will be subtracted from the family's formula rent to determine the amount of the Tenant Rent. The Tenant Rent is the amount the family owes each month to The Housing Authority of the City of Annapolis. The amount of the utility allowance is then still available to the family to pay the cost of their utilities. Any utility cost above the allowance is the responsibility of the tenant. Any savings resulting from utility costs below the amount of the allowance belongs to the tenant.

For The Housing Authority of the City of Annapolis paid utilities, The Housing Authority of the City of Annapolis will monitor the utility consumption of each household. Any consumption in excess of the allowance established by The Housing Authority of the City of Annapolis will be billed to the tenant monthly.

Utility allowance revisions based on rate changes shall be effective retroactively to the first day of the month following the month in which the last rate change took place. Revisions based on changes in consumption or other reasons shall become effective at each family's next annual reexamination.

Requests for relief from surcharges for excess consumption of The Housing Authority of the City of Annapolis purchased utilities or from payment of utility supplier billings in excess of the utility allowance for tenant-paid utility costs may be granted by The Housing Authority of the City of Annapolis on reasonable grounds. Requests shall be granted to families that include an elderly member or a member with disabilities. Requests by the family shall be submitted under the Reasonable Accommodation Policy. Families shall be advised of their right to individual relief at admission to public housing and at time of utility allowance changes.

13.7 EXCESSIVE UTILITY PAYMENTS

Residents in units where the HACA pays the utilities will be charged for excess utilities if additional appliances or equipment are used in the unit. The charge shall be applied as specified in the lease.

Prior to any utility baseline imposed by the Housing Authority of the City of Annapolis, it will specifically take into account the overall condition of the dwelling unit and the ability of the resident to regulate the utility being consumed, in addition to being individually metered.

Consumption in excess of the established surcharges will be billed monthly to the tenant and is payable upon receipt of each billing cycle.

13.8 PAYING RENT AND SECURITY DEPOSIT

Rent and other charges are due and payable on the first day of the month. All rents should be paid at Housing Authority Administrative Building located at 1217 Madison Street and Glenwood Apartments located at 701 Glenwood Street, Annapolis, MD**.** Reasonable accommodations for this requirement will be made for persons with disabilities. Partial payments are not accepted. As a safety measure, no cash shall be accepted as a rent payment

All rent not paid by the sixth (6th) day of each month will be assigned a late charge equal to five per cent of the current monthly rent as part of the rent for that month, not to exceed Ten ($10.00) Dollars. Notwithstanding the foregoing, a late charge is not due and

collectable until two weeks after the Authority gives written notice to the Tenant of such charges.

The security deposit is an amount equal to fifty (50.00) dollars or one month's Total Resident payment, whichever is greater, but not to exceed two hundred ($200.00) dollars.

14.0 CONTINUED OCCUPANCY AND COMMUNITY SERVICE

14.1 GENERAL

In order to be eligible for continued occupancy, each adult family member must either (1) contribute eight hours per month of community service (not including political activities) within the community in which the public housing development is located, or in the larger metropolitan area (2) participate in an economic self-sufficiency program unless they are exempt from this requirement

14.2 EXEMPTIONS

The following adult family members of tenant families are exempt from this requirement.

A. Family members who are 62 or older

B. Family members who are blind or disabled

C. Family members who are the primary care giver for someone who is blind or disabled

D. Family members engaged in work activity

E. Family members who are exempt from work activity under part A title IV of the Social Security Act or under any other State welfare program, including the welfare-to-work program

F. Family members receiving assistance under a State program funded under part A

title IV of the Social Security Act or under any other State welfare program, including welfare-to-work and who are in compliance with that program

14.3 NOTIFICATION OF THE REQUIREMENT

The Housing Authority of the City of Annapolis shall identify all adult family members who are apparently not exempt from the community service requirement.

The Housing Authority of the City of Annapolis shall notify all such family members of the community service requirement and of the categories of individuals who are exempt from the requirement. The notification will provide the opportunity for family members to claim and explain an exempt status. The Housing Authority of the City of Annapolis shall verify such claims.

The notification will advise families that their community service obligation will begin upon the effective date of their first annual reexamination on or after 10/1/99. For family's paying a flat rent, the obligation begins on the date their annual reexamination would have been effective had an annual reexamination taken place. It will also advise them that failure to comply with the community service requirement will result in ineligibility for continued occupancy at the time of any subsequent annual reexamination.

14.4 VOLUNTEER OPPORTUNITIES

Community service includes performing work or duties in the public benefit that serve to improve the quality of life and/or enhance resident self-sufficiency, and/or increase the self-responsibility of the resident within the community.

An economic self sufficiency program is one that is designed to encourage, assist, train or facilitate the economic independence of participants and their families or to provide work for participants. These programs may include programs for job training, work placement, basic skills training, education, English proficiency, work fare, financial or household management, apprenticeship, and any program necessary to ready a participant to work (such as substance abuse or mental health treatment).

The Housing Authority of the City of Annapolis will coordinate with social service agencies, local schools, and the Human Resources Office in identifying a list of volunteer community service positions.

Together with the resident advisory councils, The Housing Authority of the City of Annapolis may create volunteer positions such as hall monitoring, litter patrols, and supervising and record keeping for volunteers.

14.5 THE PROCESS

At the first annual reexamination on or after October 1, 1999, and each annual reexamination thereafter, The Housing Authority of the City of Annapolis will do the following:

A. Provide a list of volunteer opportunities to the family members.

B. Provide information about obtaining suitable volunteer positions.

C. Provide a volunteer time sheet to the family member. Instructions for the time sheet require the individual to complete the form and have a supervisor date and sign for each period of work.

D. Assign family members to a volunteer coordinator who will assist the family members in identifying appropriate volunteer positions and in meeting their responsibilities. The volunteer coordinator will track the family member's progress monthly and will meet with the family member as needed to best encourage compliance.

E. Thirty (30) days before the family's next lease anniversary date, the volunteer coordinator will advise The Housing Authority of the City of Annapolis whether each applicable adult family member is in compliance with the community service requirement.

14.6 NOTIFICATION OF NON-COMPLIANCE WITH COMMUNITY SERVICE REQUIREMENT

The Housing Authority of the City of Annapolis will notify any family found to be in noncompliance of the following:

A. The family member(s) has been determined to be in noncompliance;

B. That the determination is subject to the grievance procedure; and

C. That, unless the family member(s) enter into an agreement to comply, the lease will not be renewed or will be terminated;

14.7 OPPORTUNITY FOR CURE

The Housing Authority of the City of Annapolis will offer the family member(s) the opportunity to enter into an agreement prior to the anniversary of the lease. The agreement shall state that the family member(s) agrees to enter into an economic self-sufficiency program or agrees to contribute to community service for as many hours as needed to comply with the requirement over the past 12-month period. The cure shall occur over the 12-month period beginning with the date of the agreement and the resident shall at the same time stay current with that year's community service requirement. The first hours a resident earns goes toward the current commitment until the current year's commitment is made.

The volunteer coordinator will assist the family member in identifying volunteer opportunities and will track compliance on a monthly basis.

If any applicable family member does not accept the terms of the agreement, does not fulfill their obligation to participate in an economic self-sufficiency program, or falls behind in their obligation under the agreement to perform community service by more than three (3) hours after three (3) months, The Housing Authority of the City of Annapolis shall take action to not renew the Lease at the expiration of the lease period.

14.8 REMAINING MEMBER OF TENANT FAMILY – RETENTION OF UNIT

To be considered the remaining member of the tenant family, the person must have been previously approved by the HACA to be living in the unit for at least one year and have been of legal age for the same period or at the discretion of HACA, a lesser period of time. In addition the household member will have to meet current HACA application standards for occupancy to include but not limited to credit check, and criminal background check. A live-in attendant, by definition, is not a member of the family and will not be considered a remaining member of the Family. A reduction in family size may require a transfer to an appropriate unit size per the Occupancy Standards.

15.0 RECERTIFICATIONS

At least annually, The Housing Authority of the City of Annapolis will conduct a reexamination of family income and circumstances. The results of the reexamination determine (1) the rent the family will pay, and (2) whether the family is housed in the correct unit size.

15.1 GENERAL

The Housing Authority of the City of Annapolis will send a notification letter to the family letting them know that it is time for their annual reexamination, giving them the option of selecting either the flat rent or formula method, and scheduling an appointment if they are currently paying a formula rent. If the family thinks they may want to switch from a flat rent to a formula rent, they should request an appointment. At the appointment, the family can make their final decision regarding which rent method they will choose. The letter also includes, for those families paying the formula method, forms for the family to complete in preparation for the interview. The letter includes instructions permitting the family to reschedule the interview if necessary. The letter tells families who may need to make alternate arrangements due to a disability that they may contact staff to request an accommodation of their needs.

During the appointment, The Housing Authority of the City of Annapolis will determine whether family composition may require a transfer to a different bedroom size unit, and if

so, the family's name will placed on the transfer list.

15.2 MISSED APPOINTMENTS

If the family fails to respond to the letter and fails to attend the interview, a second letter will be mailed. The second letter will advise of a new time and date for the interview, allowing for the same considerations for rescheduling and accommodation as above. The letter will also advise that failure by the family to attend the second scheduled interview will result in The Housing Authority of the City of Annapolis taking eviction actions against the family.

15.3 FLAT RENTS

The annual letter to flat rent payers regarding the reexamination process will state the following:

A. Each year at the time of the annual reexamination, the family has the option of selecting a flat rent amount in lieu of completing the reexamination process and having their rent based on the formula amount.

B. The amount of the flat rent

C. A fact sheet about formula rents that explains the types of income counted, the most common types of income excluded, and the categories allowances that can be deducted from income.

D. Families who opt for the flat rent will be required to go through the income reexamination process every three years, rather than the annual review they otherwise would undergo.

E. Families who opt for the flat rent may request to have a reexamination and return to the formula-based method at any time for any of the following reasons:

1. The family's income has decreased.

2. The family's circumstances have changed increasing their expenses for child care, medical care, etc.

3. Other circumstances creating a hardship on the family such that the formula method would be more financially feasible for the family.

F. The dates upon which The Housing Authority of the City of Annapolis expects to review the amount of the flat rent, the approximate rent increase the family could expect, and the approximate date upon which a future rent increase could become effective.

G. The name and phone number of an individual to call to get additional information or counseling concerning flat rents.

H. A certification for the family to sign accepting or declining the flat rent.

Each year prior to their anniversary date, The Housing Authority of the City of Annapolis will send a reexamination letter to the family offering the choice between a flat and a formula rent. The opportunity to select the flat rent is available only at this time. At the appointment, The Housing Authority of the City of Annapolis may assist the family in identifying the rent method that would be most advantageous for the family. If the family wishes to select the flat rent method without meeting with The Housing Authority of the City of Annapolis representative, they may make the selection on the form and return the form to The Housing Authority of the City of Annapolis. In such case, The Housing Authority of the City of Annapolis will cancel the appointment.

15.4 THE FORMULA METHOD

During the interview, the family will provide all information regarding income, assets, expenses, and other information necessary to determine the family's share of rent. The family will sign the HUD consent form and other consent forms that later will be mailed to the sources that will verify the family circumstances.

Upon receipt of verification, The Housing Authority of the City of Annapolis will determine the family's annual income and will calculate their rent as follows.

The total tenant payment is equal to the highest of"

D. 10% of monthly income

E. 30% of adjusted monthly income

F. The minimum rent as established by the HACA

The family will pay the greater of the total tenant payment or the minimum rent of $50.00.

15.5 EFFECTIVE DATE OF RENT CHANGES FOR ANNUAL REEXAMINATIONS

The new rent will generally be effective upon the anniversary date with thirty (30) days notice of any rent increase to the family.

If the rent determination is delayed due to a reason beyond the control of the family, then any rent increase will be effective the first of the month after the month in which the family receives a 30-day notice of the amount. If the new rent is a reduction and the delay is beyond the control of the family, the reduction will be effective as scheduled on the anniversary date.

If the family caused the delay, then any increase will be effective on the anniversary date. Any reduction will be effective the first of the month after the rent amount is determined.

15.6 INTERIM REEXAMINATIONS

During an interim reexamination, only the information affected by the changes being reported will be reviewed and verified.

Program participants must report the following changes to The Housing Authority of the City of Annapolis between regular reexaminations. If the family's rent is being determined under the formula method, these changes will trigger an interim reexamination. The family shall report these changes within thirty (30) days of their

occurrence.

Change in Family Composition

A member has been added to the family through birth, adoption, or court-awarded custody.

A household member is leaving or has left the family unit.

In order to add a household member other than through birth or adoption (including a live-in aide), the family must request that the new member be added to the lease. Before adding the new member to the lease, the individual must complete an application form stating their income, assets, and all other information required of an applicant. The individual must provide their Social Security number if they have one and must verify their citizenship/eligible immigrant status. (Their housing will not be delayed due to delays in verifying eligible immigrant status other than delays caused by the family.) The new family member will go through the screening process similar to the process for applicants. The Housing Authority of the City of Annapolis will determine the eligibility of the individual before adding them to the lease. If the individual is found to be ineligible or does not pass the screening criteria, they will be advised in writing and given the opportunity for an informal review. If they are found to be eligible and do pass the screening criteria, their name will be added to the lease. At the same time, if the family's rent is being determined under the formula method, the family's annual income will be recalculated taking into account the circumstances of the new family member. The effective date of the new rent will be in accordance with paragraph below 15.8.

Increase in Income

Families must report all increases in income/assets of all household members to the HACA in writing within 30 calendar days of the occurrence**.**

The HACA will conduct interim reexaminations when families report an increase in income of more than $1000.00 during the annual lease term.

Decrease In Income

Residents may report a decrease in income and other changes, such as an increase in allowances or deductions that would reduce the amount of the total tenant payment. The HACA must calculate the change if a decrease in income is reported.

Families are not required to, but may at any time, request an interim reexamination based on a decrease in income, an increase in allowable expenses, or other changes in family circumstances. Upon such request, The Housing Authority of the City of Annapolis will take timely action to process the interim reexamination and recalculate the tenant's rent.

The HACA will process rent adjustments whenever there is a decrease or increase in income.

Flat Rent Participants

Families paying flat rent are not required to report any increases in income or assets annually. However, the family electing flat rent is required to report increase in income and assets during the scheduled reexamination every three years.

15.7 SPECIAL REEXAMINATIONS

If a family's income is too unstable to project for twelve (12) months, including families that temporarily have no income or have a temporary decrease in income, The Housing Authority of the City of Annapolis may schedule special reexaminations every sixty (60) days until the income stabilizes and an annual income can be determined.

15.8 EFFECTIVE DATE OF RENT CHANGES DUE TO INTERIM OR SPECIAL REEXAMINATIONS

Unless there is a delay in reexamination processing caused by the family, any rent increase will be effective the first of the second month after the month in which the family receives notice of the new rent amount. If the family causes a delay, then the rent increases will be effective on the date it would have been effective had the process not been delayed (even if this means a retroactive increase).

If the new rent is a reduction and any delay is beyond the control of the family, the

reduction will be effective the first of the month after the interim reexamination should have been completed.

If the new rent is a reduction and the family caused the delay or did not report the change in a timely manner, the change will be effective the first of the month after the rent amount is determined.

16.0 UNIT TRANSFERS

16.1 OBJECTIVES OF THE TRANSFER POLICY

The objectives of the Transfer Policy include the following:

A. To address emergency situations.

B. To fully utilize available housing resources while avoiding overcrowding by insuring that each family occupies the appropriate size unit.

C. To facilitate relocation when required for modernization or other management purposes.

D. To facilitate relocation of families with inadequate housing accommodations.

E. To provide an incentive for families to assist in meeting The Housing Authority of the City of Annapolis's de-concentration goal.

F. To eliminate vacancy loss and other expense due to unnecessary transfers.

16.2 TRANSFER PRIORITIES

A. **Priority 01 – Emergency / Congregate Services:** to address an emergency situation that poses an immediate threat to the life, health, or safety of a Family or one of its members, such as fire in or defects in an occupied unit and to address hate crimes, domestic violence, the safety of witnesses to a crime, a law

enforcement matter, or severely under-housed. Emergency / Congregate Transfers will take precedence over new admissions;

B. **Priority 02 – Redevelopment/Modernization:** to facilitate relocation when required by redevelopment, modernization, or other management efforts. Redevelopment and Modernization Transfers will take precedence over new admissions;

C. **Priority 03 – Medical Transfer:** to address a verifiable health condition of a Family member;

D. **Priority 04 – Under-housed Transfer:** when the Property Manager with the concurrence of the Director of Affordable Housing determines that there is extreme overcrowding. Extreme overcrowding exists when the Family size exceeds the maximum number of persons and composition for the number of bedrooms in the unit;

E. **Priority 05 – Over-housed Transfer:** when the Property Manager with the concurrence of the Director of Affordable Housing determines that the tenant is "over-housed" An Over-housed condition exists when the family/resident is in a unit that is too large based on the Family size.

16.3 DOCUMENTATION

When the transfer is at the request of the family, the family may be required to provide third party verification of the need for the transfer.

16.4 PROCESSING TRANSFERS

Transfers on the waiting list will be sorted by the above priorities and within each priority by date and time.

Upon offer and acceptance of a unit, the family will execute all lease-up documents and pay any rent and/or security deposit within two (2) days of being informed the unit is

ready to rent. The family will be allowed three (3) days to complete a transfer. The family will be responsible for paying rent at the old unit as well as the new unit for any period of time they have possession of both. The prorated rent and other charges (e.g., key deposit and any additional security deposit owing) must be paid at the time of lease execution.

The following is the policy for the rejection of an offer to transfer:

A. If the family rejects with good cause any unit offered, they will not lose their place on the transfer waiting list.

B. If the transfer is being made at the request of The Housing Authority of the City of Annapolis and the family rejects two offers without good cause, The Housing Authority of the City of Annapolis will take action to terminate their tenancy. If the reason for the transfer is that the current unit is too small to meet The Housing Authority of the City of Annapolis's optimum occupancy standards, the family may request in writing to stay in the unit without being transferred so long as their occupancy will not exceed two people per bedroom.

C. If the transfer is being made at the family's request and the rejected offer provides de-concentration incentives, the family will maintain their place on the transfer list and will not otherwise be penalized.

D. If the transfer is being made at the family's request, the family may, without good cause and without penalty, turn down one offer that does not include de-concentration incentives. After turning down a second such offer without good cause, the family's name will be removed from the transfer list.

16.5 COST OF THE FAMILY'S MOVE

The cost of the transfer will be borne by the family in the following circumstances:

A. When the transfer is made at the request of the family or by others on behalf of the family (e.g., by the police);

B. When the transfer is needed to move the family to an appropriately sized unit,

either larger or smaller;

C. When the transfer is necessitated because a family with disabilities needs the accessible unit into which the transferring family moved. The family without disabilities signed a statement to this effect prior to accepting the accessible unit.; or

D. When the transfer is needed because action or inaction by the family caused the unit to be unsafe or uninhabitable.

The cost of the transfer will be borne by The Housing Authority of the City of Annapolis in the following circumstances:

- When the transfer is needed in order to carry out rehabilitation activities; or

- When action or inaction by The Housing Authority of the City of Annapolis has caused the unit to be unsafe or inhabitable.

The responsibility for moving costs in other circumstances will be determined on a case by case basis.

16.6 TENANTS IN GOOD STANDING

When the transfer is at the request of the family, it will not be approved unless the family is in good standing with The Housing Authority of the City of Annapolis. This means the family must be in compliance with their lease, current in all payments to the Housing Authority, must pass a housekeeping inspection, and must pass a bed bug and pest inspection.

16.7 TRANSFER REQUESTS

A tenant may request a transfer at any time by completing a transfer request form. In considering the request, The Housing Authority of the City of Annapolis may request a meeting with the tenant to better understand the need for transfer and to explore possible

alternatives. The Housing Authority of the City of Annapolis will review the request in a timely manner and if a meeting is desired, it shall contact the tenant within ten (10) business days of receipt of the request to schedule a meeting.

The Housing Authority of the City of Annapolis will grant or deny the transfer request in writing within ten (10) business days of receiving the request or holding the meeting, whichever is later.

If the transfer is approved, the family's name will be added to the transfer waiting list.

If the transfer is denied, the denial letter will advise the family of their right to utilize the grievance procedure.

16.8 RIGHT OF THE HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS IN TRANSFER POLICY

The provisions listed above are to be used as a guide to ensure fair and impartial means of assigning units for transfers. It is not intended that this policy will create a property right or any other type of right for a tenant to transfer or refuse to transfer.

17.0 INSPECTIONS

An authorized representative of The Housing Authority of the City of Annapolis and an adult family member will inspect the premises prior to commencement of occupancy. A written statement of the condition of the premises and appliances will be made and the statement will be signed by both parties with a copy retained in The Housing Authority of the City of Annapolis file and a copy given to the family member. An authorized Housing Authority of the City of Annapolis representative will inspect the premises at the time the resident vacates and will furnish a statement of any charges to be made provided the resident turns in the proper notice under State law. The resident's security deposit can be used to offset against any Housing Authority of the City of Annapolis damages to the unit.

17.1 MOVE-IN INSPECTIONS

The Housing Authority of the City of Annapolis and an adult member of the family will inspect the unit prior to signing the lease. Both parties will sign a written statement of the condition of the unit. A copy of the signed inspection will be given to the family and the original will be placed in the tenant file.

17.2 90-DAY INSPECTIONS

Ninety days after move-in, a housekeeping inspection will be performed.

17.3 ANNUAL INSPECTIONS

The Housing Authority of the City of Annapolis will inspect each public housing unit annually to ensure that each unit meets The Housing Authority of the City of Annapolis's housing standards. Work orders will be submitted and completed to correct any deficiencies.

17.4 PREVENTATIVE MAINTENANCE INSPECTIONS

This is generally conducted along with the annual inspection. This inspection is intended to keep items in good repair. It checks weatherization; checks the condition of the smoke detectors, water heaters, furnaces, automatic thermostats and water temperatures; checks for leaks; and provides an opportunity to change furnace filters and provide other minor servicing that extends the life of the unit and its equipment.

17.5 SPECIAL INSPECTIONS

A special inspection may be scheduled to enable HUD or others to inspect a sample of the housing stock maintained by The Housing Authority of the City of Annapolis.

17.6 HOUSEKEEPING INSPECTIONS

Generally, at the time of annual reexamination, or at other times as necessary, The Housing Authority of the City of Annapolis will conduct a housekeeping inspection to ensure the family is maintaining the unit in a safe and sanitary condition.

17.7 NOTICE OF INSPECTION

For inspections defined as 90-day housekeeping inspections, annual inspections, preventative maintenance inspections, special inspections, and housekeeping inspections The Housing Authority of the City of Annapolis will give the tenant at least forty-eight (48) hour written notice.

17.8 EMERGENCY INSPECTIONS

If any employee and/or agent of The Housing Authority of the City of Annapolis has reason to believe that an emergency exists within the housing unit, the unit can be entered without notice. The person(s) that enters the unit will leave a written notice to the resident that indicates the date and time the unit was entered and the reason why it was necessary to enter the unit.

17.9 MOVE-OUT INSPECTIONS

The Housing Authority of the City of Annapolis conducts the move-out inspection after the tenant vacates to assess the condition of the unit and determine responsibility for any needed repairs. When possible, the tenant is notified of the inspection and is encouraged to be present. This inspection becomes the basis for any claims that may be assessed against the security deposit.

17.10 EGRESS INSPECTION AND REQUIREMENTS

The Housing Authority of the City of Annapolis conducts an annual Egress inspection to ensure that any item(s) that blocks the only entrance or exit to a room or to the unit is removed. Air Conditioner unit must be portable. Window air conditioner units are prohibited. If an Egress violation is noted, the resident will have forty-eight (48) hours to cure the violation. Failure to cure the violation will result in a lease violation subject to lease termination.

18.0 REPAYMENT AGREEMENTS

When a resident owes The Housing Authority of the City of Annapolis back charges and is unable to pay the balance by the due date, the resident may request that The Housing Authority of the City of Annapolis allow them to enter into a Repayment Agreement. The Housing Authority of the City of Annapolis has the sole discretion of whether to accept such an agreement. All Repayment Agreements must be in writing and signed by both parties. Failure to comply with the Repayment Agreement terms may subject the Resident to eviction procedures.

19.0 TERMINATION

19.1 TERMINATION BY TENANT

The tenant may terminate the lease at any time upon submitting a 30-day written notice. If the tenant vacates prior to the end of the thirty (30) days, they will be responsible for rent through the end of the notice period or until the unit is re-rented, whichever occurs first.

19.2 TERMINATION BY THE HOUSING AUTHORITY

The Housing Authority of the City of Annapolis will not renew the lease of any family that is not in compliance with the community service requirement or an approved Agreement to Cure. If they do not voluntarily leave the property, eviction proceedings will begin.

The Housing Authority of the City of Annapolis will terminate the lease for serious or repeated violations of material lease terms. Such violations include but are not limited to the following:

A. Nonpayment of rent or other charges;

B. Repeated late payment, which shall be defined as failure to pay the amount of rent or other charges due by the sixth (6th) of the month. Four such late payments within a 12 month period shall constitute a repeated late payment;

C. Failure to provide timely and accurate information regarding family composition, income circumstances, or other information related to eligibility or rent;

D. Failure to allow inspection of the unit;

E. Failure to maintain the unit in a safe and sanitary manner;

F. Assignment or subletting of the premises;

G. Use of the premises for purposes other than as a dwelling unit (other than for housing authority approved resident businesses);

H. Destruction of property;

I. Acts of destruction, to include but not limited to defacement, tenant or guest caused fires, removal of any part of the premises, and failure to cause guests to refrain from such acts;

J. Any criminal activity on the property or drug-related criminal activity on or off the premises. This includes but is not limited to the manufacture of methamphetamine on the premises of The Housing Authority of the City of Annapolis;

K. Non-compliance with Non-Citizen Rule requirements;

L. Permitting persons not on the lease to reside in the unit more than fourteen (14) days in any 12 month period without the prior written approval of the Housing Authority;

M. Residents are prohibited from permitting the use of their respective addresses by anyone other than approved household members;

N. Residents are prohibited from having persons on the Banned HACA list within Respective units;

O. Failure to comply with Egress safety and inspection requirements; and

P. Other good cause.

The Housing Authority of the City of Annapolis will take immediate action to evict any household that includes an individual who is subject to a lifetime registration requirement under a State sex offender registration program.

20.0 RETURN OF SECURITY DEPOSIT

After a family moves out, The Housing Authority of the City of Annapolis will return the security deposit within forty-five (45) days after Tenant moves out. The authority agrees to return the Security Deposit plus accrued interest (subject to applicable laws), if any, to Tenant when he/she vacates, less any deductions for any costs of repairing any intentional or negligent damages to the dwelling unit caused by Tenant, household members or guests or to pay the cost of any rent or any other charges owed by Tenant, so long as the Tenant furnishes the Authority with a forwarding address. If any deductions are made, the authority will furnish Tenant with a written statement of any such costs for damages and or other charges deduction from the security deposit. The rental unit must be restored to the same conditions as when the family moved in, except for normal wear and tear. Deposits will not be used to cover normal wear and tear or damage that existed when the family moved in.

GLOSSARY

50058 Form: The HUD form that housing authorities are required to complete for each assisted household in public housing to record information used in the certification and re-certification process and, at the option of the housing authority, for interim reexaminations.

1937 Housing Act: The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) (24 CFR 5.100)

Adjusted Annual Income: The amount of household income, after deductions for specified allowances, on which tenant rent is based. (24 CFR 5.611)

Adult: A household member who is 18 years or older or who is the head of the household, or spouse, or co-head.

Allowances: Amounts deducted from the household's annual income in determining adjusted annual income (the income amount used in the rent calculation). Allowances are given for elderly families, dependents, medical expenses for elderly families, disability expenses, and child care expenses for children under 13 years of age. Other allowance can be given at the discretion of the housing authority.

Annual Contributions Contract (ACC): The written contract between HUD and a housing authority under which HUD agrees to provide funding for a program under the 1937 Act, and the housing authority agrees to comply with HUD requirements for the program. (24 CFR 5.403)

Annual Income: All amounts, monetary or not, that:

A. Go to (or on behalf of) the family head or spouse (even if temporarily absent) or to any other family member; or

B. Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and

C. Are not specifically excluded from annual income.

Annual Income also includes amounts derived (during the 12-month period) from assets to which any member of the family has access. (1937 Housing Act; 24 CFR 5.609)

Applicant (applicant family): A person or family that has applied for admission to a program but is not yet a participant in the program. (24 CFR 5.403)

As-Paid States: States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs. Currently, the four as-paid States are New Hampshire, New York, Oregon, and Vermont.

Assets: The value of equity in savings, checking, IRA and Keogh accounts, real property, stocks, bonds, and other forms of capital investment. The value of necessary items of personal property such as furniture and automobiles are not counted as assets. (Also see "net family assets.")

Asset Income: Income received from assets held by family members. If assets total more than $5,000, income from the assets is "imputed" and the greater of actual asset income and imputed asset income is counted in annual income. (See "imputed asset income" below.)

Ceiling Rent: Maximum rent allowed for some units in public housing projects.

Certification: The examination of a household's income, expenses, and family composition to determine the family's eligibility for program participation and to calculate the family's share of rent.

Child: For purposes of citizenship regulations, a member of the family other than the family head or spouse who is under 18 years of age. (24 CFR 5.504(b))

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 actively seek employment, be gainfully employed, or to further his or her education and only to the

extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income. (24 CFR 5.603(d))

Citizen: A citizen or national of the United States. (24 CFR 5.504(b))

Consent Form: Any consent form approved by HUD to be signed by assistance applicants and participants for the purpose of obtaining income information from employers and SWICAs, return information from the Social Security Administration, and return information for unearned income from the Internal Revenue Service. The consent forms may authorize the collection of other information from assistance applicants or participant to determine eligibility or level of benefits. (24 CFR 5.214)

Decent, Safe, and Sanitary: Housing is decent, safe, and sanitary if it satisfies the applicable housing quality standards.

Department: The Department of Housing and Urban Development. (24 CFR 5.100)

Dependent: A member of the family (except foster children and foster adults), other than the family head or spouse, who is under 18 years of age or is a person with a disability or is a full-time student. (24 CFR 5.603(d))

Dependent Allowance: An amount, equal to $480 multiplied by the number of dependents, that is deducted from the household's annual income in determining adjusted annual income.

Disability 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. (24 CFR 5.603(d))

Disability Assistance Expense Allowance: In determining adjusted annual income, the amount of disability assistance expenses deducted from annual income for families with a disabled household member.

Disabled Family: A family whose head, spouse, or sole member is a person with disabilities; two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides. (24 CFR 5.403(b)) (Also see "person with disabilities.")

Disabled Person: See "person with disabilities."

Displaced Family: A family in which each member, or whose sole member, is a person displaced by governmental action (such as urban renewal), or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to disaster relief laws. (24 CFR 5.403(b))

Displaced Person: 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 disaster relief laws. *[1937 Act]*

Drug-Related Criminal Activity: The illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug. (24 CFR5.100) Drug means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

Elderly Family: A family whose head, spouse, or sole member is a person who is at least 62 years of age; 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. (24 CFR 5.403)

Elderly Family Allowance: For elderly families, an allowance of $400 is deducted from the household's annual income in determining adjusted annual income.

Elderly Person: A person who is at least 62 years of age. (1937 Housing Act)

Extremely low-income families: Those families whose incomes do not exceed 30% of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families.

Fair Housing Act: Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988 (42 U.S.C. 3601 et seq.). (24 CFR 5.100)

Family includes but is not limited to**:**

A. A family with or without children;

B. An elderly family;

C. A near-elderly family;

D. A disabled family;

E. A displaced family;

F. The remaining member of a tenant family; and

G. A single person who is not an elderly or displaced person, a person with disabilities, or the remaining member of a tenant family. (24 CFR 5.403)

Family Members: All members of the household other than live-in aides, foster children, and foster adults. All family members permanently reside in the unit, though they may be temporarily absent. All family members are listed on the lease.

Family Self-Sufficiency Program (FSS Program): The program established by a housing authority to promote self-sufficiency among participating families, including the coordination of supportive services. (24 CFR 984.103(b))

Flat Rent: A rent amount the family may choose to pay in lieu of having their rent determined under the formula method. The flat rent is established by the housing authority set at the lesser of the market value for the unit or the cost to operate the unit.

Families selecting the flat rent option have their income evaluated once every three years, rather than annually.

Formula Method: A means of calculating a family's rent based on 10% of their monthly income, 30% of their adjusted monthly income, the welfare rent, or the minimum rent. Under the formula method, rents may be capped by a ceiling rent. Under this method, the family's income is evaluated at least annually.

Full-Time Student: A person who is carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended. An educational institution includes a vocational school with a diploma or certificate program, as well as an institution offering a college degree. (24 CFR 5.603(d))

Head of Household: The adult member of the family who is the head of the household for purposes of determining income eligibility and rent. (24 CFR 5.504(b))

Household Members: All members of the household including members of the family, live-in aides, foster children, and foster adults. All household members are listed on the lease, and no one other than household members is listed on the lease.

Housing Assistance Plan: A housing plan that is submitted by a unit of general local government and approved by HUD as being acceptable under the standards of 24 CFR 570.

Imputed Income: For households with net family assets of more than $5,000, the amount calculated by multiplying net family assets by a HUD-specified percentage. If imputed income is more than actual income from assets, the imputed amount is used as income from assets in determining annual income.

In-Kind Payments: Contributions other than cash made to the family or to a family member in exchange for services provided or for the general support of the family (e.g., groceries provided on a weekly basis, baby sitting provided on a regular basis).

Interim (examination): A reexamination of a family income, expenses, and household composition conducted between the regular annual recertifications when a change in a household's circumstances warrants such a reexamination.

Live-In Aide: A person who resides with one or more elderly persons, near-elderly persons, or persons with disabilities and who:

A. Is determined to be essential to the care and well- being of the persons;

B. Is not obligated for the support of the persons; and

C. Would not be living in the unit except to provide the necessary supportive services. (24 CFR 5.403(b))

Low-Income Families: Those families whose incomes do not exceed 80% of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 80% of the median for the area on the basis of the Secretary's findings that such variations are necessary because of prevailing levels of construction costs or unusually high or low family incomes. (1937Act)

Medical Expenses: Medical expenses (of all family members of an elderly or disabled family), including medical insurance premiums, that are anticipated during the period for which annual income is computed and that are not covered by insurance. (24 CFR 5.603(d)). These expenses include, but are not limited to, prescription and non-prescription drugs, costs for doctors, dentists, therapists, medical facilities, care for a service animals, and transportation for medical purposes.

Mixed Family: A family whose members include those with citizenship or eligible immigration status and those without citizenship or eligible immigration status. (24 CFR 5.504(b))

Monthly Adjusted Income: One twelfth of adjusted income. (24 CFR 5.603(d))

Monthly Income: One twelfth of annual income. (24 CFR 5.603(d))

National: A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession. (24 CFR 5.504(b))

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; 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. (24 CFR 5.403(b))

Net Family Assets:

A. Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.

B. In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income.

C. In determining net family assets, housing authorities or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms. (24 CFR 5.603(d))

Non-Citizen: A person who is neither a citizen nor national of the United States. (24 CFR 5.504(b))

Occupancy Standards: The standards that a housing authority establishes for determining the appropriate number of bedrooms needed to house families of different sizes or composition.

Person with Disabilities: A person who:

A. Has a disability as defined in Section 223 of the Social Security Act, which states:

"Inability to engage in any substantial, gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than 12 months, or

In the case of an individual who attained the age of 55 and is blind and unable by reason of such blindness to engage in substantial, gainful activity requiring skills or ability comparable to those of any gainful activity in which he has previously engaged with some regularity and over a substantial period of time."

B. Is determined, pursuant to regulations issued by the Secretary, to have a physical, mental, or emotional impairment that:

1. Is expected to be of long-continued and indefinite duration;

2. Substantially impedes his or her ability to live independently; and

3. Is of such a nature that such ability could be improved by more suitable housing conditions, or

C. Has a developmental disability as defined in Section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act, which states:

"Severe chronic disability that:

1. Is attributable to a mental or physical impairment or combination of mental and physical impairments;

2. Is manifested before the person attains age 22;

3. Is likely to continue indefinitely;

4. Results in substantial functional limitation in three or more of the following areas of major life activity: (1) self care, (2) receptive and responsive language, (3) learning, (4) mobility, (e) self-direction, (6) capacity for independent living, and (7) economic self-sufficiency; and

5. Reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are of lifelong or extended duration and are individually planned and coordinated."

This definition does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome. (1937 Act)

No individual shall be considered to be a person with disabilities for purposes of eligibility solely based on any drug or alcohol dependence.

Proration of Assistance: The reduction in a family's housing assistance payment to reflect the proportion of family members in a mixed family who are eligible for assistance. (24 CFR5.520)

Public Housing Agency (PHA): Any State, county, municipality, or other governmental entity or public body (or agency or instrumentality thereof) which is authorized to engage in or assist in the development or operation of low-income housing under the 1937 Housing Act. (24 CFR 5.100)

Recertification: The annual reexamination of a family's income, expenses, and composition to determine the family's rent.

Remaining Member of a Tenant Family: A member of the family listed on the lease who continues to live in the public housing dwelling after all other family members have left. To be considered the remaining member of the tenant family, the person must have been previously approved by the HACA to be living in the unit for at least one year.

Self-Declaration: A type of verification statement by the tenant as to the amount and source of income, expenses, or family composition. Self-declaration is acceptable verification only when third-party verification or documentation cannot be obtained.

Shelter Allowance: That portion of a welfare benefit (e.g., TANF) that the welfare agency designates to be used for rent and utilities.

Single Person: Someone living alone or intending to live alone who does not qualify as an elderly family, a person with disabilities, a displaced person, or the remaining member of a tenant family. (Public Housing: Handbook 7465.1 REV-2, 3-5)

State Wage Information Collection Agency (SWICA): The State agency receiving quarterly wage reports from employers in the State or an alternative system that has been determined by the Secretary of Labor to be as effective and timely in providing employment-related income and eligibility information. (24 CFR 5.214)

Temporary Assistance to Needy Families (TANF): The program that replaced the Assistance to Families with Dependent Children (AFDC) that provides financial assistance to needy families who meet program eligibility criteria. Benefits are limited to a specified time period.

Tenant: The person or family renting or occupying an assisted dwelling unit. (24 CFR 5.504(b))

Tenant Rent: The amount payable monthly by the family as rent to the housing authority. Where all utilities (except telephone) and other essential housing services are supplied by the housing authority or owner, tenant rent equals total tenant payment.

Where some or all utilities (except telephone) and other essential housing services are supplied by the housing authority and the cost thereof is not included in the amount paid as rent, tenant rent equals total tenant payment less the utility allowance. (24 CFR 5.603(d))

Third-Party (verification): Written or oral confirmation of a family's income, expenses, or household composition provided by a source outside the household.

Total Tenant Payment (TTP):

A. Total tenant payment for families whose initial lease is effective on or after August 1, 1982:

1. Total tenant payment is the amount calculated under Section 3(a) (1) of the 1937 Act which is the higher of:

   a. 30% of the family's monthly adjusted income;

   b. 10% of the family's monthly income; or

   c. If the family is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing costs, the 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 section 3(a) (1) shall be the amount resulting from one application of the percentage.

2. Total tenant payment for families residing in public housing does not include charges for excess utility consumption or other miscellaneous charges.

B. Total tenant payment for families residing in public housing whose initial lease was effective before August 1, 1982: Paragraphs (b) and (c) of 24 CFR 913.107, as it existed immediately before November 18, 1996), will continue to govern the total tenant payment of families, under a public housing program, whose initial lease was effective before August 1, 1982.

Utility Allowance: If the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made by a housing authority of the monthly cost 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. (24 CFR 5.603)

Utility Reimbursement: The amount, if any, by which the utility allowance for the unit, if applicable, exceeds the total, tenant payment for the family occupying the unit. (24 CFR 5.603)

Very Low-Income Families: Low-income families whose incomes do not exceed 50% of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 50% of the median for the areas on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes. Such ceilings shall be established in consultation with the Secretary of Agriculture for any rural area, as defined in Section 520 of the Housing Act of 1949, taking into account the subsidy characteristics and types of programs to which such ceilings apply. (1937 Act)

Violence Against Woman Act:

- **<u>Domestic Violence</u>**

Felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person sho is cohabitating with or has cohabitated with victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the

jurisdiction receiving grant monies grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

- **Dating Violence**

  Violence committed by a persons (A) who is or has been in a social relationship of a romantic or intimate nature with the victim; and (B) where the existence of such a relationship shall be determined based on a consideration of the following factors: (i) The length of the relationship; (ii) the type of relationship; and (iii) the frequency of interaction between the persons involved in the relationship.

- **Stalking**
  Means to follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass or intimidate another person; or to place under surveillance with the intent to kill, injure, harass, or intimidate another person; and in the course of, or as result of; such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to that person; a member of the immediate family of that person; or the spouse or intimate partner of that person.

- **Immediate Family**
  Immediate family member is defined to mean, with respect to a person (A) a spouse, parent, brother or sister, or child of that person, or an individual to whom that person stands in the care of a child or any other person living in the household of that person and is related to that person by blood or marriage.

Welfare Assistance: Welfare or other payments to families or individuals, based on need, that are made under programs funded by Federal, State or local governments. (24 CFR 5.603(d))

Welfare Rent: In "as-paid" welfare programs, the amount of the welfare benefit designated for shelter and utilities.

ACRONYMS

ACC	Annual Contributions Contract
CFR	Code of Regulations
FSS	Family Self Sufficiency (program)
HCDA	Housing and Community Development Act
HQS	Housing Quality Standards
HUD	Department of Housing and Urban Development
INS	(U.S.) Immigration and Naturalization Service
NAHA	(Cranston-Gonzalez) National Affordable Housing Act
NOFA	Notice of Funding Availability
OMB	(U.S.) Office of Management and Budget
PHA	Public Housing Agency
QHWR	Quality Housing and Work Responsibility Act of 1998
SSA	Social Security Administration
TTP	Total Tenant Payment

CERTIFICATION OF DOMESTIC VIOLENCE, DATING VIOLENCE OR STALKING

U. S. Department of Housing and Urban Development
Office of Housing
OMB Approval No. 2502-0204

Public reporting burden for this collection of information is estimated to average 1 hour per response. This includes the time for collecting, reviewing, and reporting the data. Information provided is to be used by owners and management agents administering Section 8 project-based assistance under the United States Housing Act of 1937 (42 U.S.C. 1437) to request a tenant to certify that the individual is a victim of domestic violence, dating violence, or stalking. The information is subject to the confidentiality requirements of the HUD Reform Legislation. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number.

Purpose of Form: The Violence Against Women and Justice Department Reauthorization Act of 2005 protects qualified tenants and family members of tenants who are victims of domestic violence, dating violence, or stalking (collectively "domestic violence") from being evicted or terminated from housing assistance based on acts of such violence against them.

Use of Form: If you have been a victim of domestic violence, you or a family member on your behalf must complete and submit this certification form, or submit the information described below under "Alternate Documentation," which may be provided in lieu of the certification form, within 14 business days of receiving the written request for this certification form by the owner or management agent. The certification form or alternate documentation must be returned to the person and the address specified in the written request for the certification form. If the requested certification form or the information that may be provided in lieu of the certification form is not received by the 14th business day or any extension of the date provided by the owner or management agent, none of the protections afforded to victims of domestic violence under the Section 8 project-based assistance program will apply. Distribution or issuance of this form does not serve as a written request for certification.

Alternate Documentation: In lieu of this certification form (or in addition to it), the following documentation may be provided:

(1) A federal, state, tribal, territorial, or local police or court record; or

(2) Documentation signed by an employee, agent or volunteer of a victim service provider, an attorney or medical professional, from whom the victim has sought assistance in addressing the domestic violence, dating violence or stalking, or the effects of abuse, in which the professional attests under penalty of perjury (28 U.S.C. 1746) to the professional's belief that the incident(s) in question are bona fide incidents of abuse, and the victim has signed or attested to the documentation.

TO BE COMPLETED BY OR ON BEHALF OF THE VICTIM OF DOMESTIC VIOLENCE:

1. Date written request is received from owner or management agent: _____

2. Name of victim:
_____

3. Your name (if different):
_____

4. Name(s) of other family members listed on the lease:
_____

_____

5. Name of the abuser:
_____

6. Relationship of the abuser to the victim:
_____

7. Date of incident:
_____

8. Time of incident:
_____

9. Location of incident:
_____

{Page two must be completed and attached to this form.}

Description of Incident:

In your own words, describe the incident (Attach more sheets if needed. Initial and number each attachment.):

This is to certify that the information provided is true and correct, and that the individual named above in Item 2 is a victim of domestic violence, dating violence, or stalking. The incident(s) in question is a bona fide incident(s) of such actual or threatened abuse. I acknowledge that submission of false information could jeopardize program eligibility and could be the basis for termination of Section 8 project-based assistance or eviction from assisted property.

Signature _____ Executed on (Date) _____

Pursuant to 42 U.S.C. 1437f(ee)(2)(A), all information provided to an owner or management agent related to the incident(s) of domestic violence, dating violence or stalking, including the fact that an individual is a victim of domestic violence, dating violence or stalking shall be retained in confidence by the owner or management agent and shall neither be entered into any shared database nor provided to any related entity, except to the extent that such disclosure is:

(1) Requested or consented to by the victim in writing;

(2) Required for use in an eviction proceeding or termination of assistance; or

(3) Otherwise required by applicable law

The U.S. Department of Housing and Urban Development (HUD) under the Public Housing Assessment System (PHAS) measures the performance of public housing agencies on an annual basis. One component of the PHAS is the Management Assessment Sub-System (MASS) which measures the public housing agency's performance in the areas of vacant unit turnaround, Capital Fund, work orders, annual inspection of units and systems, security and economic self sufficiency. Sub-Indicator 5: Security requires a Board adopted policy governing:

The Housing Authority will engage and perform the following:

- Tracking and reporting monthly crime statistics
- Tracking and reporting crime-related issues and problems
- Engage a cooperative partnership for tracking and reporting crime information and data to and receiving statistical information from the Local Police Authorities
- Screening and denying of admission to applicants with a history of crime-related activities, including drug-related activity, crimes of violence, disruptive alcohol abuse behavior, persons listed on the state sex offender's registration list and persons listed on HACA's Banned List.
- Tracking the number of resident evictions for drugs, criminal-related activity to include crimes of violence and disruptive alcohol abuse, which are determined to be on the state sex offender's registration list.

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS
1217 Madison Street

Annapolis, MD 21403

410-267-8000*Fax 401-267-8290*TYY/TDD: Dial 711 on any telephone

RESIDENTIAL LEASE AGREEMENT

1. LEASE SUMMARY

Name of Tenant _____ Client No._____

Head of Household

Tenant_____

Co head or Spouse

Unit No. _____ Number of Bedrooms _____

Address

_____

_____

Monthly Rent $_____ Effective Date _____

2. **PARTIES:** This Lease is between the Housing Authority of the City of Annapolis ("HACA" or "Authority") and the Tenant or Tenants listed in Section 1 ("Tenant".) Each Tenant of legal age is responsible for performance of all obligations under this Lease, including but not limited to payment of Rent. Persons not listed in Section 5 have no tenancy rights.

Reviewed _____/_____/_____
Initial _____

3. **DWELLING UNIT:** Pursuant to this Lease, HACA is renting to Tenant the Unit described in Section 1. Except where otherwise indicated, the term "Unit" refers to the apartment unit and adjacent area assigned for Tenant's exclusive use.

4. **LEASE TERM AND RENEWAL:** The term of this Lease is one (1) year. The Lease will be automatically renewed for the same period unless earlier terminated by HACA or Tenant pursuant to this Lease.

5. **HOUSEHOLD MEMBERS: The Tenant's household is composed of the individuals listed below and only those persons may live in the Unit:**

NAME	RELATIONSHIP to Head of House-Hold	AGE & BIRTH DATE	SOCIAL SECURITY Number

6. **USE OF UNIT BY MEMBERS OF THE HOUSEHOLD ONLY:** No one other than a Household Member listed in Section 5 may stay overnight in the unit for more than fourteen (14)

Reviewed _____/_____/_____
Initial _____

days in any month without the prior written permission of HACA. HACA will only deny permission for good cause.

7. ADDITIONS TO AND DELETIONS FROM THE HOUSEHOLD:

A. The Tenant has the right to exclusive use and occupancy of the leased unit by the members of the household authorized to reside in the unit in accordance with the lease, including reasonable accommodation of their guests. A "guest "means a person temporarily staying in the unit with the consent of a Tenant or other Adult member of the household who has express or implied authority to so consent on behalf of the Tenant.

B. Any additions to the household members listed in this Lease, including live-in aides and foster children, but excluding additions due to natural birth, court-awarded child custody and/or legally adopted, require the advanced written approval of HACA. New household members must meet all HACA's applicable eligibility and screening requirements, including criminal history check if eighteen (18) or over, and proof of custody, guardianship, or adoption for minor children. The household shall not be entitled to any priority or preference to transfer other than set forth in the ACOP. The requirement of advanced written approval will be waived if an addition is made under emergency circumstances (e.g., an emergency placement by the Department of Social Services) but Tenant must still seek HACA's approval for the addition as soon as feasible.

C. The Head of Household agrees to wait to after receiving HACA's approval before allowing additional persons to move into the unit. HACA will not unreasonably withhold approval. HACA considers failure to comply with this provision of the Lease a serious and material violation of this Lease and grounds for termination of the Lease and eviction.

D. If a household member qualifies to have a live-in aide, the aide will have no tenancy rights. Live-in aide means a person who resides with an elderly, or disabled household member who (i) is determined to be essential to the care and well-being of the household member; (ii) is not obligated to support the household member, and (iii) would not be living in the Unit except to provide the necessary supported services. The aide may live in the Unit only so long as the household member qualifies for the aide's services and must vacate immediately upon termination of employment or death of the Tenant.

E. The Head of Household or their authorized representative shall notify HACA in writing in any Household Member vacates or no longer resides in the Unit within ten (10) days thereof. Tenant shall be fully responsible for the actions of all Household Members until HACA has been notified in writing of the change and the Household Member has been removed from the Unit. HACA will not remove a Household Member from the Lease once a Lease violation has occurred, unless HACA makes a determination as specified in Section 18.D.

8. RENT AND OTHER PAYMENTS DUE UNDER THE LEASE:

A. Rent:

1. Rent in the amount of $_____ per month shall be due and payable in advance on the first day of each month and shall be considered delinquent on the sixth day of the

month. If this lease begins on a day other than the first day of the month, the rent shall be prorated. The first month's prorated rent shall be $_____.
_____ The rent is based on the Authority determined flat rent for this unit.
_____ This rent is based on the income or other information reported by the Tenant.

2. A late charge in the amount of five (5%) percent (but not to exceed $30.00) of the monthly rent due will be assessed if rent is not received by the sixth (6th) day of the month. The late charge shall be due and payable fourteen (14) days after HACA gives written notice of such charge. Tenant acknowledges that this provision for payment of a late charge does not establish a grace period and that HACA may serve a notice to pay rent or quit the premises at any time after payment of rent is due.

3. HACA may terminate this Lease for violations of material terms of the Lease. Such serious or repeated violations of terms of the Lease shall include the following:
Failure to pay Rent when due, or habitual late payment of Rent. Any tenant against whom 3 judgments of possession have been entered for Rent due and unpaid in the 12 months prior to the initiation of the fourth action for summary ejectment for failure to pay rent may result in the loss of the right of redemption.

4. Tenant shall be liable for rent for thirty days after giving written notice of intent to vacate to HACA. If notice is given and the unit remains occupied beyond thirty days, Tenant shall be liable for all applicable rent on a prorated basis, and subject to eviction as a tenant holding over. In the absence of written notice, Tenant shall be liable for rent for thirty days after HACA learns that Tenant and all household members have vacated the unit. If the end of any thirty-day period under this section does not coincide with the end of a month, the rent due under this provision shall be prorated at a daily rate.

5. Rent and other charges can be paid by mail, at the Housing Authority Offices located at 1217 Madison Street or 701 Glenwood Street, Annapolis, Maryland. However, if needed as a reasonable accommodation, the Authority shall make arrangements for payment of rent. The Authority will not accept cash. Additionally, the Authority will not accept checks, if the Tenant has a returned check for insufficient funds on file.

B. **PHA Supplied Utilities:** HACA shall provide the following utilities and services. The Tenant will be provided an allowance for gas and electricity and will be charged for excess usage. Schedules showing the amount of the allowances for each development are posted outside the management office for each development property, as well as the main HACA offices.

Utility	Yes	No
Gas	X	
Electricity		X
Water &	X	

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Sewer		
Trash	X	

C. **Tenant Purchased Utilities:** If the Tenant resides in a development where HACA does not supply electricity and/or natural gas, an allowance for the utilities shall be established, appropriate for the size and type of dwelling unit for the utilities that the Tenant pays directly to the utility supplier. The total Tenant payment less the allowance for utilities equals Tenant rent. If the allowance for utilities the total Tenant payment, HACA will pay a utility reimbursement each month.
HACA may change the allowance at any time during the term of the lease, and shall give Tenant 60 day's written notice of the revised allowance along with any resultant changes in Tenant rent utility reimbursement. Schedules showing the amount of the allowance for each development will be posted outside the management office for each development property, as well as the main HACA offices.

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

Tenant shall maintain the uninterrupted supply of utility services by paying the utility bills promptly to avoid shut-offs. HACA considers the use of candles, kerosene, oil lamps, or lye as a substitute source of heat is a serious material violation of this Lease and grounds for termination of the Lease and eviction.

D. **Appliances:** HACA will provide the following appliances.

Appliances	**Yes**	**No**
Electric Stove	X	
Refrigerator	X	

E. **Damage Charges:** Tenant shall pay for the repair of damages which are beyond normal wear and tear to the unit, development buildings, facilities or common areas, and for cleaning and extermination made necessary by the action or neglect of the Tenant. Such charges shall be those outlined in HACA's Schedule of Service and Repairs, which is available at HACA's site and central offices and which may be changed from time to time by HACA.

F. **Additional Charges:** All charges for late fees, unit damage fees, and excess utility charges shall be deemed as additional charges. Failure by the Tenant to pay such charge shall be deemed by HACA as a contract violation, for which HACA will seek a monetary judgment. The Tenant shall also be responsible for the payment of reasonable charges for property damages. Schedules of damages charges are posted outside the management office for each development property, as well as at the main HACA offices. Tenant's failure to pay other properly imposed charges, such as excess utility fees, unit damage fees and legal fees due and

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owing to HACA, which failure is deemed a substantial breach, may subject Tenant to termination of this Lease and eviction under state law. All claims by HACA for additional charges shall be subject to the Grievance Policy and Procedure.

G. Security Deposit:

1. Tenant shall pay $_____ as a security deposit. The security deposit is equal to fifty ($50) dollars or one month's Total Tenant Payment, whichever is greater, but not to exceed two hundred ($200) dollars.
2. Payment of the security deposit is due at move-in, unless HACA determines there is a case of extreme hardship. In which case Tenant shall make an initial payment of one hundred dollars ($100) upon move-in, and pay the balance in ten (10) equal monthly installments (rounded off to the nearest dollar), with the first installment being due at the beginning of the second (2nd) month of tenancy.
3. HACA may use the security deposit upon termination of the Lease for any purpose permitted under Maryland Law including but not limited to paying the cost of any rent or the cost of repairing any intentional or negligent damages to the dwelling unit caused by Tenant, household members and/or guests. At the time the Tenant vacates the unit; HACA will inspect the unit and provide the Tenant with a written statement for the charges, if any, for which the Tenant is responsible. The Tenant and/or a representative may join in such inspection, unless the Tenant vacates without notice to the Authority.
4. The return of a security deposit shall occur within 45 days after the end of the tenancy, the security deposit shall be returned to the Tenant together with simple interest, which has accrued in the amount of 4 per cent per annum less, any damages rightfully withheld. If any deductions are made, the Authority will furnish Tenant with a written statement of any such costs for damages and/or other charges deducted from the Security Deposit. The rental unit must be restored to the same conditions as when the family move-in, except for normal wear and tear. Deposits will not be used to cover normal wear and tear or damage that existed when the family moved in.
5. The Authority shall not charge a higher security deposit for Tenants with disabilities that use wheelchairs and/or have service or companion animals necessary as reasonable accommodation.

H. Any charges assessed for maintenance and repair beyond normal wear and tear, consumption of excess utilities and penalties for late payment, shall be due and payable fourteen (14) days after HACA gives written notice of such charges.

9. RENT RE-DETERMINATION:

A. Each year, the Tenant will be given the option to choose to pay income-based rent or flat rent. The Tenant will be informed of the flat rent amount and an estimate, based on current information, what the Tenant's income-based rent would be. The Authority shall verify the information supplied by the Tenant and use the verified information to establish the amount of the Tenant's rent for the next year. At the time of the annual review, the Authority shall advise the Tenant of any income that will be excluded from consideration (the

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EQUAL HOUSING OPPORTUNITY

"Earned Income Disregard"). One hundred percent (100%) of increased earnings due to employment shall be excluded during the twelve month period following the hire for families whose income has increased because of the employment of a family member who was previously unemployed for one or more years; because of participation in a self-sufficiency or other job training program; or who was assisted by a State TANF program within the last six months. During the second twelve months of increased income, fifty percent (50%) of increased earnings shall be excluded from consideration for the purpose of rent calculation. (24 CFR 960.255)

B. **Income-based Rent:** If Tenant has elected to pay rent based on household income, then, each year, by the anniversary date of the beginning of the tenancy; Tenant shall provide updated information regarding household income, assets, expenses, and household composition. HACA shall verify the information supplied by Tenant and use the verified information to establish the amount of Tenant's rent for the next year. At the time of the annual review, the Authority shall advise the Tenant of any income that will be excluded from consideration. Increased earnings due to employment shall be excluded during the twelve-month period following hire for families whose income has increased because of employment for a family member who was previously unemployed for one or more years or because of participation in a self sufficiency program, or that was assisted by state TANF program within the last 6 months. If rent is adjusted, HACA will notify the Tenant, providing the nature of the income considerations. Tenant paying income-based rent will be advised of the option to pay a flat rent every year. All residents electing flat rent will only receive a rent determination every three (3) year. Tenant may meet with HACA to discuss any change in rent resulting from the recertification process. If Tenant does not agree with the new rent determination, Tenant may request a hearing in accordance with HACA's grievance procedure.

In cases where the Tenant has chosen income-based rent and annual income cannot be projected for twelve (12) –month period, or if the Tenant reports no income, HACA will schedule special rent reviews every ninety (90) days. Provided, however, Tenant may request a change to the flat rent option before the date of the review if the Tenant household's circumstances have changed, such as increased child care or medical expenses, such that the flat rent option would be more financially feasible for the Tenant.

C. **Flat Rent:** Income reviews will be held every three (3) years if Tenant has elected to pay a flat rent. Tenant will be notified at the appropriate time for this review. Tenant may elect to change his/her choice option at the time of the review appointment or at the time of annual notification of the option to change between flat rent and income-based rent.

D. **Welfare/TANF rent changes:** Notwithstanding the provisions listed in this section and in accordance with HUD requirements, a Tenant's rent shall not be reduced if the decreased family's annual income is caused by a reduction in the welfare or public assistance benefits received by the family that is a result of the Tenant's failure to comply with the conditions of

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the assistance program requiring participation in an economic self-sufficiency program or other work activities. In addition, if the decrease in the family's annual income is caused by a reduction in welfare or public assistance benefits received by the family that is the result of an act of fraud, such decreased in income shall not result in a rent reduction. In such cases, the amount of income to be attributed to the family shall include what the family would have received had they complied with the welfare requirements or had not committed an action of fraud.

For purposes of rent adjustments, the reduction of welfare or public assistance benefits to a family that occurs as a result of the expiration of a time limit for the receipt of assistance will not be considered a failure to comply with program requirements. Accordingly, a Tenant's rent will be reduced as a result of such a verified decrease.

E. **Income and Household Size Information:** As requested by HACA, at the time specified above, Tenant shall provide complete, accurate, written, current, and verifiable information to HACA as to:

1. Household composition, including full names, genders, dates of birth, Social Security numbers and copies of Maryland driver's licenses or Maryland identification cards or other verification of legal identity as provided in HACA's Admissions and Continued Occupancy Policy (the "ACOP") for each person in Tenant's household, plus any additional information required by reference into this Lease.

2. The source and amount of income received by each person in Tenant's household. Current, written verification must be provided within fifteen (15) days of notification to the Tenant.

3. Any usual expenses or circumstances which create a financial burden on the Tenant's household.

4. All information must be verified. Tenant shall comply with all reasonable requests for verification by signing releases for third-party sources, presenting documents for review, or providing other suitable forms of verification.

F. **Failure to Provide Information:** HACA considers failure to provide the information required under Section 9, or the submittal of intentional incorrect or fraudulent information, is a serious and material violation of this Lease and grounds for termination of the Lease and eviction.

G. **Interim Redeterminations:**

1. The Rent determined pursuant to the rent determination process shall remain in effect between regular re-determinations unless Tenant's rent should be changed pursuant to the ACOP.

2. Tenant must report all changes in family and household composition that occur between annual re-examination.
3. Tenant is required to report increases in income of Tenant or other household member in writing to HACA within 30 days of the occurrence. Tenant may request an interim re-examination if a household has a decrease in income or other change in circumstances.
4. When Tenant reports a change in household circumstances, such as decreases in income or household size, Tenant's rent shall be re-determined and adjusted pursuant to the ACOP, subject to verification of the change as provided in the ACOP. Any decrease in rent will not be effective until the month following Tenant's report of change of circumstances in accordance with this provision.
5. If Tenant has reported zero ($0) household income, HACA will conduct an interim re-examination every Ninety (90) days so long as the Tenant continues to report that the household has no income.

H. **Change in Rent:** If HACA increases the rent pursuant to a rent review, the new monthly rent shall be effective thirty days following completion of the review. If HACA decreases the rent pursuant to a rent review, the new monthly rent shall be effective on the first (1st) of the month following completion of the rent review.

I. **Tenant Obligation to Repay:** Tenants who pay rent based on income shall reimburse HACA for the difference between the rent that was paid and the rent that should have been charged if proper notice if income change had been given and if the following circumstances occurs:
   1. Resident does not submit rent review information by the date specified in HACA's request; or
   2. Resident submits false information at Admission or at annual, special or interim review.

   Resident is not required to reimburse HACA for undercharges caused solely by HACA's failure to follow procedures for computing rent as specified in U.S. Department of Housing and Urban Development regulations and/or HACA's ACOP.

10. UNIT SIZE; TRANSFERS:

A. HACA has the right to transfer Tenant and any other Household Members to an appropriate dwelling unit if HACA determines, either on its own initiative or at the request of the Tenant, that:
   1. The size of the unit is no longer appropriate for the household size.
   2. A transfer is necessary to protect the health or safety of Tenant or another household member or another HACA Tenant.
   3. The unit is needed as a disabled unit and neither Tenant nor any other household member disabled.
   4. Tenant or another household member needs to live in a unit with special features (e.g., disabled access) and the Unit is not reasonably suited for such use.

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EQUAL HOUSING OPPORTUNITY

5. A transfer is necessary in order for HACA to repair, retrofit, replace or modify the unit.
6. A court-ordered stipulation is executed or Tenant enters into a written agreement to transfer.
7. Other good cause as defined in the ACOP and in accordance with any priorities established by HACA in the ACOP.

B. HACA may transfer the Tenant to an appropriate size dwelling unit based on family composition upon appropriate thirty (30) day notice by HACA informing the Tenant that such a dwelling unit is available.

C. If there is a transfer to a new dwelling unit, this Lease shall automatically terminate and a new Lease will shall be executed for the new Unit.

D. If Tenant is required by HACA to move, Tenant must do so within thirty (30) days after delivery of a notice to transfer. If Tenant refuses to move, HACA may terminate this Lease.

E. If Tenant disputes the basis for the move, Tenant may utilize the grievance procedure.

11. GRIEVANCE PROCEDURE:

A. If HACA seeks to terminate this Lease or takes some other adverse action against the Household, Tenant may, in some instances, be entitled to request a grievance hearing to contest the action. Tenant may also be entitled, in some instances, to a hearing to resolve other disputes or grievances with HACA.

B. HACA's Grievance Procedure sets forth the matters that can be subject of a grievance hearing as well as the procedures for requesting a hearing and the procedures to be followed during the hearing. A copy of HACA's current Grievance Procedure, which may be modified from time to time after notice and opportunity for comment by the residents pursuant to federal regulations, is attached as Exhibit A and is incorporated herein by reference. HACA's Grievance Procedure is also posted in HACA's Site Offices.

C. In the case of a proposed adverse action other than a proposed lease termination, HACA shall not take the proposed action until time to request such a hearing has passed and (if hearing was timely requested) the grievance process has been completed. The applicability of the Grievance Procedure to proposed lease terminations is discussed in Section 18 of this Lease.

12. **HACA's OBLIGATIONS:** HACA is obligated to:

A. Maintain the unit and the development in decent, safe and sanitary condition.

B. Comply with the requirements of all applicable building and housing codes materially affecting health and safety and all applicable U.S. Department of Housing and Urban Development regulations.

C. Make necessary repairs to the unit within a reasonable time, provided that if the damage was caused by the Tenant, Tenant's household or guests and did not arise from normal wear and tear, the reasonable cost of the repairs shall be charged to the Tenant.

D. Keep the development's buildings, facilities and common areas, not otherwise assigned to Tenant's for maintenance and upkeep, in clean and safe condition.

E. Maintain in good and safe working order and condition, electrical, plumbing, sanitary, heating, and ventilation and other facilities and appliances, including elevators, supplied or required to be supplied by HACA.

F. Provide and maintain appropriate receptacles and facilities for the deposit and disposal of garbage and other waste removed from the unit by Tenant.

G. Supply running water and reasonable amounts of hot water and heat, except where heat or hot water is within Tenant's exclusive control.

H. Notify Tenant of the specific grounds for any proposed adverse action by HACA. The term "proposed adverse action" includes, but is not limited to, a proposed Lease termination, transfer of the household to another unit or imposition of charges for maintenance or repair, or for excessive utility consumption.

I. Provided, at Tenant's request, reasonable accommodations for a disabled Tenant or any other household member. Accommodations are not reasonable if they impose undue financial or administrative burdens on HACA.

13. **OBLIGATIONS OF TENANT, HOUSEHOLD MEMBERS, AND GUESTS:** In addition to obligations set forth elsewhere in this Lease, Tenant must comply with, and must cause all household members, guests, and others under Tenant's control to comply with the following rules; as used in this Lease, "person under Tenant's control" shall mean a tenant, any member of the tenant's household, a guest or another person under the tenant's control, although not staying as a guest (as defined in Section 7 of this Lease) in the unit, is, or was at the time of the activity in question, on HACA property based on an invitation from the Tenant or other member(s) of the household who has expressed or implied authority to consent on behalf of the Tenant (Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate commercial purposes is not defined under Tenant's control.)

A. **Use of Unit:** Not to assign or sublease the unit. Not to provide accommodations for boarders or lodgers. To use the unit solely as a private dwelling for Tenant and household members, and not for any other purpose, except when Tenant has received written permission from HACA to conduct a specific lawful business. Permission will not be unreasonably denied.

B. **Mail Drop:** Not to give permission for anyone other than a household member to use the unit as an address or "mail drop".

C. **Health and Safety:** To comply with all obligations imposed on Tenant by applicable provisions of building and housing codes materially affecting health and safety. To keep the unit and other areas assigned to Tenant for exclusive use in a clean and safe condition. Not to create (by act or omission) or permit to exist, any condition on the premises which results in risk to personal health and safety of any person or damage to any property.

D. **Garbage and Trash Removal:** To dispose of all garbage, trash and other waste from the unit in a sanitary and safe manner only in containers approved and provided by the HACA. To refrain from, and cause members of the Tenant's household or guest to refrain from, littering or leaving trash around the unit or the development.

E. **Care In Use of Facilities:** To use only in a reasonable and safe manner, all electrical, plumbing, heating, ventilating, air conditioning, elevators and other facilities in the unit, the development, and the common areas.

F. **Damage to Unit or Development:** To refrain from destroying, defacing, damaging, removing or tampering with any part of the unit or the development. To immediately report to HACA any vandalism on the premises, or need for repair to the unit or common areas.

G. **Alterations:** To make no alterations, additions or repairs of any kind to the unit (other than addition of a reasonable number of picture hangers) without prior written approval of HACA. Such approval shall not be unreasonably withheld. The prohibited alterations, additions, and or repairs include but are not limited to the following:
   1. Dismantling, changing or removing any part of HACA-owned appliances, fixtures or equipment.
   2. Painting or installing wallpaper or contact paper.
   3. Attaching any shelves, awnings, window security bars, screen doors, or other permanent improvements.
   4. Attaching or placing any fixtures or fencing on the building(s), the common areas, or the development grounds.
   5. Installing or altering carpeting, resurfacing floors or alters woodwork.
   6. Installing washing machines or dryers unless appropriate connections are available in the Unit.
   7. Installing any antennas or satellite dishes.

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8. Installing additional or different locks or gates on any doors or windows.

H. **Community Service:** To participate in community service in accordance with the ACOP and federal law, subject to any applicable exceptions to the community service requirement.

I. **Grounds Maintenance:** To place no personal property (including pets), furniture, refuse, or other materials, at any time in walkways, stairs, landings, hallways, grounds, patios, balconies and landscaping.

J. **Smoke Detectors, Sprinklers, Safety Devices:** To maintain all smoke detectors in the unit in proper working order, and to immediately report any malfunctioning or inoperable smoke detector, sprinkler or safety device to HACA. To not damage, remove, tamper with or otherwise interfere with the normal operation of smoke detectors, sprinklers, or other safety devices within the unit of the Development. To not remove live batteries and to replace worn out batteries.

K. **Fire Safety:** To neither store nor keep any ammunition, explosives, and fireworks, flammable or other hazardous materials in or around the unit. To use all reasonable precautions to avoid causing a fire, including but not limited to refraining from smoking in bed, failing to control lit materials, or overloading electrical circuits or extension cords.

L. **Guests:** Not to invite anyone to enter a HACA Unit, building or property unless that person is Tenant's guest and known to Tenant. To require such guests to remain in Tenant's control and not to allow guests to loiter on HACA property. The Tenant shall not knowingly invite a person that has been banned by HACA to enter a HACA building or property. A "banned person" is a person whose name has been placed on a Banned List; Banned Lists are posted at each development's Property Management Offices, as well as HACA's central administrative offices. The Tenant should familiarize himself or herself with the Banned List.

M. **Quiet Enjoyment:** To act in a manner that will not disturb the rights of other Tenants or neighbors of the development to the peaceful enjoyment of their accommodations. To refrain from playing musical instruments and electronic devices such as radios, televisions, CD's, DVD's record and tape players at an unreasonable volume anywhere within the development at any time.

N. **Vehicles:** To ensure that vehicles owned by or registered to Tenant or members of Tenant's household or guests shall not be parked on Authority property except with current and valid registration, proper licensing and inspection stickers. To refrain from parking any vehicles in front of dumpsters, on the grass, and any right of way or fire lane designated and marked by the Authority, any inoperable, unregistered or unlicensed motor vehicles as described above will be removed from Authority property at Tenant's expense including motorcycles, dirt

bikes and ATVs. Automobile repair on Authority property is prohibited except for minor auto repairs.

O. **Mold and Mildew:** To make reasonable measures (positive steps) to prevent the growth of mold and/or mildew, including properly ventilating rooms, cleaning, and promptly reporting growth of mold and/or mildew to HACA. To fully cooperate with HACA in the abatement of mold and/or mildew, including moving furniture away from walls, emptying closets, removing items from cupboards, and other actions necessary to make the affected areas accessible for abatement.

P. To pay reasonable charges (other than for wear and tear) for the repair of damages to the dwelling unit, or to the project (including damages to project buildings, facilities or common areas) caused by the Tenant, a member of the household, or guest.

14. **CRIMINAL AND DRUG RELATED ACTIVITIES:** Tenant assures that no member of the tenant's household or guest engages in any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other tenants, or any drug-related criminal activity on or off the premises; to assure that no other person under the tenant's control engages in: any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other tenants; of any drug-related criminal activity on the premises; to assure that tenants and non members of the household do not engage in an abuse or pattern of abuse of alcohol that affects the health, safety, or right to peaceful enjoyment of the premises by other tenants. HACA may terminate this Lease for criminal activity and abuse or pattern of abuse of alcohol that affects the health, safety, or right to peaceful enjoyment of the premises by other tenants. Consistent with federal law and HUD regulations. Nothing in this Lease is intended to require that, in order for criminal activity on the part of a tenant, household member, guest, or other person(s) under Tenant's control to form the basis for an eviction action against Tenant, the Tenant must know, or should know, of such activity. However, HACA will exercise discretion in deciding whether to terminate tenancy as described in Section 18D of this Lease.

A. **Criminal Activity:** Tenant shall not engage in and shall insure that no other household member, guest, or any other person under Tenant's control engages in any criminal activity that threatens the health, safety or right of peaceful enjoyment of other HACA tenants. HACA may terminate this Lease for such criminal activity regardless of whether there is an arrest or a conviction that results therefrom. However, criminal activity directly relating to domestic violence, dating violence, or stalking (as defined in the Violence Against Women Act, 42 U.S.C. §1437d (u)), engaged in by Tenant, a Household Member or any guest or other person under Tenant's control, shall not be cause for termination of the tenancy or occupancy rights, if Tenant or an immediate member of Tenant's family is a victim of that domestic violence, dating violence, or stalking; except that HACA may bifurcate this Lease or remove a household member from the Lease, in order to evict, remove, or terminate occupancy rights for any Tenant or Household Member who engages in criminal acts of

physical violence against family members or others, without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is also a Tenant or Household Member.

B. **Drug-related Criminal Activity:** Tenant and household members shall not engage in drug-related criminal activity on or off HACA property and Tenant shall ensure that no guest or other person under Tenant's control engages in drug-related criminal activity on HACA property. "Drug-related criminal activity" means the illegal manufacturing, sell, distribute or use the drug. "Drug" means a controlled substance as defined in Section 102 of the Controlled Substances Act (21 U.S.C. § 802). HACA may terminate this Lease for drug-related criminal activity regardless of whether there is an arrest or conviction.

C. **Alcohol Abuse:** Tenant shall not engage in and shall insure that no other household member engages in the abuse or a pattern of abuse of alcohol that affects the health, safety, or right to peaceful enjoyment of the premises of any other HACA tenant.

D. **Methamphetamine Conviction:** HACA will immediately terminate this Lease if it determines that Tenant or any household member has ever been convicted of drug-related criminal activity for the manufacture or production of methamphetamine on the premises of any federally assisted housing.

E. **Registered Sex Offenders:** HACA will immediately terminate this Lease if it determines that Tenant or any other household member or any unauthorized occupant has ever been convicted of a sexual criminal offense that is subject to lifetime registration with the Maryland Sex Offender Registration Program, or otherwise subject to a lifetime registration requirement under another state's sex offender registration program.

F. **Fraud:** HACA will immediately terminate this Lease upon thirty (30) days notice, subject to the grievance procedure and due process, if it determines that Tenant or any other household member has submitted fraudulent information or committed fraud or bribery to secure or otherwise remain in the unit.

Evicting for other criminal activity consist of threat to other tenants. The lease covers person(s) that threatens the health, safe or right to peaceful enjoyment of the premises by other tenants (include PHA management staff) or threatens the health, safety or right to peaceful enjoyment of their residences by persons residing in the immediate vicinity of the premises is grounds for termination of tenancy. The PHA may terminate the tenancy if a tenant is fleeing to avoid prosecution, or custody or confinement after conviction, for a criminal, or attempt to commit a crime, that is a felony un the laws of the place from which the individual fees. The PHA may evict the tenant by judicial action for criminal activity, if the PHA determines that the covered person has engaged in the criminal activity, regardless

of whether the covered person has been arrested or convicted for such activity and without satisfying the standard of proof used for a criminal conviction.

15. PET POLICY:

A. Animals are forbidden in the Unit or on other HACA property without the prior written approval of HACA, unless allowed by state or federal law or a verified disability warrants the possession of a service animal or a companion animal.

B. If keeping an animal is approved by HACA; Tenant must comply with HACA's adopted Pet Policy, as set forth in the ACOP.

C. Keeping an animal in violation of the Pet Policy is a serious and material violation of this Lease.

16. **INSPECTION AND ACCESS:** HACA may enter the unit as follows:

A. After at least forty-eight (48) hours' written notice stating that purpose for entry. HACA's entry shall be during normal business hours to perform routine inspections and/or repairs.

B. HACA may enter the unit at any time without advanced notification when there is reasonable cause to believe an emergency exists.

C. If no adult members of the Tenant's household are at home when HACA enters the unit, then HACA must leave a notification for the Tenant specifying the date, time and purpose of entry.

D. Prior to the commencement of occupancy by the Tenant, HACA and the Tenant and/or representative will inspect the dwelling unit. HACA will provide the Tenant with a written statement of the condition of the dwelling unit, and the equipment provided with the unit.

17. TERMINATION OF LEASE BY TENANT:

A. This Lease may be terminated at any time by Tenant giving thirty (30) days' written notice to HACA.

B. Tenant shall leave the unit in clean and as good condition as received at the start of occupancy, reasonable wear and tear excepted. Tenant shall return the keys to HACA upon moving out.

C. If through any cause, a signer of this Lease ceases to reside in the unit, this Lease shall be terminated. HACA reserves the right to approve or disapprove the execution of a new Lease with any remaining household member(s), subject to applicable federal regulations.

18. TERMINATION BY HACA:

A. Any termination of this Lease shall be carried out in accordance with U.S. Department of Housing and Urban Development regulations, state and local law, and the terms of this Lease.

B. Subject to the Grievance Policy and Procedure, where applicable,HACA may terminate this Lease for violations of material terms of the Lease. Such serious or repeated violations of terms of the Lease shall include the following:

1. Failure to pay Rent when due, or habitual late payment of Rent. Any tenant against whom 3 judgments of possession have been entered for Rent and unpaid in the 12 months prior to the initiation of the fourth action for summary ejectment for failure to pay rent may result in the loss of the right of redemption.
2. Failure to comply with the obligations set forth in Section 13, OBLIGATIONS OF TENANT, HOUSEHOLD MEMBERS, AND GUESTS.
3. Failure to supply timely and accurate statements of income, assets, expenses and family composition.
4. Failure to attend scheduled rent re-determination interviews without good cause or to cooperate in the verification process.
5. Serious or repeated damage to Unit, or creation of physical hazards in the unit, common areas, grounds or parking areas of any HACA development.
6. Criminal activity or alcohol abuse as provided in Section 14, CRIMINAL AND DRUG-RELATED ACTIVITIES.
7. Failure to perform community service or participate in an economic self-sufficiency program in accordance with federal regulations are grounds for non renewal of Lease. Failure to cure within 12 months of notice of non-compliance is subject to non renewal of Lease. HACA will only pursue non renewal of Lease for this ground if the Tenant has been notified of the non-compliance, has been offered an agreement to cure the non-compliance, and has failed to enter into the agreement or has failed to comply with the agreement. HACA will honor the grievance process for non performance based on good cause.
8. Failure to allow inspection of the unit in accordance with the Lease's inspection provisions. After at least forty-eight (48) hours' written notice stating that purpose for entry. HACA's entry shall be during normal business hours to perform routine inspections and/or repairs. HACA may enter the unit at any time without advanced notification when there is reasonable cause to believe an emergency exists. If no adult members of the Tenant's household are at home when HACA enters the unit, then HACA must leave a notification for the Tenant specifying the date, time and purpose of entry.
9. Material false statements or fraud by the Tenant in connection with the Tenant's application for assistance or re-examination of income. Discovery after admission of facts

that made the tenant ineligible; Discovery of material false statement or fraud by the tenant in connection with an application for assistance or with reexamination of income.

C. Inability to comply with the lease terms if Tenant, by reason of physical or mental impairment is no longer able to comply with the material terms of this lease, and cannot make arrangements for someone to aid him/her in complying with the lease, and HACA cannot make reasonable accommodations that would enable Tenant to comply with the lease, then the lease will be terminated and the termination is subject to a grievance hearing under the related policy.

D. HACA shall give Tenant written notice of termination of the lease, stating the ground(s) for the termination and informing Tenant to make such reply as Tenant wishes. The notice shall also inform Tenant of the right to examine HACA document directly relevant to the lease termination, and the right to request a grievance hearing, if applicable. HACA will provide notice of lease termination in accordance with the following:
   1. Fourteen (14) days in the case of failure to pay rent.
   2. Fourteen (14) days in the case of a breach of lease involving behavior by the Tenant or a person who is on the property with the Tenant's consent, which demonstrates a clear and imminent danger of the Tenant or person doing serious harm to themselves, to include other tenants, HACA's property or HACA representatives, and/or any other person on the property.
   3. Thirty (30) days, or such other period allowed by state or local law, in any other case.

E. In deciding to terminate tenancy, pursuant to federal regulations, HACA shall exercise its discretion to consider all circumstances of the case, including the seriousness of the offense, the extent of participation by or awareness of Tenant or any other household member, and the effect the eviction would have on household members who did not engage in the prohibited activity, the extent to which the Tenant has shown personal responsibility and has taken all reasonable steps to prevent or mitigate the offending activity, and (for past abuse of alcohol or use of illegal drugs) the culpable Tenant or occupancy by non-offending household members provided they agree that the offending household member shall not reside at or visit the unit and shall not be invited or allowed upon the development.

F. The receipt of money by HACA from the Tenant or any other household member after notice of termination of the Lease shall not be deemed a waiver of the HACA's right to terminate this Lease or to prosecute and maintain an action of eviction.

G. Any notice to vacate or quit that is required by state or local law may be combined with, or run concurrently, with the notice of Lease termination pursuant to this Section. The notice to vacate must be in writing, and specify that if Tenant fails to vacate the unit within the applicable period, appropriate action will be brought against Tenant.

H. When HACA is required to offer Tenant the opportunity for a grievance hearing concerning the Lease termination under HACA's grievance procedure, the tenancy shall not terminate until the period to request a hearing has expired, or, if a hearing is requested, until the grievance process has been completed.

I. When HACA is not required to offer Tenant the opportunity for a hearing under the grievance procedure, the notice of Lease termination will:
   1. State that Tenant is not entitled to a grievance hearing on the termination.
   2. Specify the judicial eviction process to be used by HACA for eviction and state a hearing in court that contains the basic elements of due process as defined in HUD regulations.
   3. State whether the eviction is for criminal activity or drug-related criminal activity as defined in Section 14.

J. An incident or incidents of actual or threatened domestic violence, dating violence, or stalking (as defined in the Violence Against Women Act, 42 U.S.C. § 1437d (u)), will not be construed as a serious or repeated violation of the lease by the victim or threatened victim of that violence and will not be good cause for terminating the tenancy or occupancy rights of the victim of such violence.

19. ABANDONMENT:

A. If Tenant is absent from the Unit for fourteen (14) consecutive days without notifying HACA and Rent is owed for more than 30-days and there has been no acknowledgement or response to notices regarding the past due rent; HACA will proceed in accordance with state law to establish whether the Tenant has abandoned the Unit and will dispose of Tenant's property pursuant to applicable state law and document such findings. The Tenant is responsible for rent until HACA receives notice from the Tenant or HACA staff that the unit is vacant.

B. HACA reserves the right to terminate this Lease in accordance with Section 17 if Tenant is absent from the residence for more than thirty (30) days consecutive days without providing advance written notice to HACA.

20. NOTICES:

A. Notices to Tenant from HACA shall be in writing and delivered to Tenant or any other adult household member, or sent by properly addressed, prepaid first class mail. If Tenant is visually impaired, all notices will be given in an accessible format.

B. Notices to HACA from Tenant shall be in writing, delivered or mailed to the appropriate HACA site Office or the HACA Central Office.

C. The notice of a proposed adverse action shall inform Tenant of the right to request a grievance hearing.

21. PROVISIONS FOR MODIFICATION:

A. This lease, together with all attachments and documents incorporated by references, constitutes the entire agreement between the parties.

B. Modifications to the lease require a written rider signed by HACA and the Tenant, except for Notifications of Rent Adjustment pursuant to annual or interim re-examinations or changes in addition to rent and other charges on posted schedules.

C. Documents incorporated by reference into this lease may be changed from time to time by HACA. Such documents include the Schedule of Charges for Services and Repairs, Schedule of Rents, Utility Allowances, Grievances Procedures, Pet Policy, House Rules, and ACOP. The lease may be modified at any time by written agreement between the parties. HACA shall give thirty (30) days' notice prior to the effective date of any changes, setting forth the proposed changes, and providing Tenant's the opportunity to make written comments. HACA will consider Tenant comments before the proposed changes become effective.

22. MISCELLANEOUS PROVISIONS:

A. Severability: If any provision of this Lease is found to be void, unenforceable or illegal, the remaining provisions shall remain in effect.

B. Non-Assignable: Tenant may not assign this Lease or transfer it to another person.

C. No Waiver: HACA's failure to insist in any one or more instance upon strict observance of any terms of this Lease shall not be considered a waiver by HACA to enforce any provisions of the Lease.

D. Acceptance of Rent after Violation: Acceptance of Rent by HACA with knowledge of any violations of this Lease shall not operate as a waiver of the violations.

23. EXHIBITS TO THE LEASE: Tenant certifies that she/he has received a copy of the Lease and the following listed attachments to the Lease, and understands that these attachments are part of this Lease as if fully set forth herein.

A. Grievance Procedure
B. Lead Based Disclosure of Information
C. Schedule of Damage Charges
D. Housekeeping Standards
E. Pet Policy
F. Violence Against Women Act Information
G. Banning Policy of the Housing Authority of the City of Annapolis (12/10/2010)
H. Non-Smoking Policy, if applicable
I. Car Washing Ban Policy
J. Family Self-Sufficiency Policy (Pathways to Opportunities)
K. Congregate Housing Program Policy, if applicable
L. Other: _____

BY SIGNING THIS LEASE, EACH TENANT CERTIFIES THAT:

Reviewed _____/_____/_____
Initial _____

1. Tenant has read this Lease or had it read or explained, and that Tenant understands the Lease;
2. That all information Tenant has given to HACA is true and correct;
3. That Tenant will occupy the unit as Tenant's sole residence as of the

Effective Date: _____

TENANT(S) SIGNATURE(S):

_____ _____

Print Name: _____

_____ _____

Print Name: _____

_____ _____

Print Name: _____ _____

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

By: _____ _____

Print Name: _____

Reviewed _____/_____/_____
Initial _____

HOUSING AUTHORITY
of the City of Annapolis

We Are Going Somewhere

TAB 2

Financial Resources

2015 - 2019

HACA
1217 Madison Street
Annapolis MD 21403

January 31, 2015

EQUAL HOUSING OPPORTUNITY

2. Statement of Financial Resources

[24 CFR Part 903.7 9 (b)]

Financial Resources: Planned Sources and Uses		
Sources	**Planned $**	**Planned Uses**
1. **Federal Grants (FY 2014 grants)**		
a) Public Housing Operating Fund	$3,270,795	
b) Public Housing Capital Fund	$1,227,246	
c) HOPE VI Revitalization	N/A	
d) HOPE VI Demolition	N/A	
e) Annual Contributions for Section 8 Tenant-Based Assistance	$3,952,657	HAP/UAP/ADMIN
f) Public Housing Drug Elimination Program (including any Technical Assistance funds)	N/A	
g) Resident Opportunity and Self-Sufficiency Grants (Homeownership)	$296,824	Program Costs
h) Community Development Block Grant	N/A	
i) HOME	N/A	
Other Federal Grants (list below)		
Section 8 Substantial Rehabilitation	N/A	
Section 8 Project-Based Assistance	$624,000	HAP/Admin Costs
2. Prior Year Federal Grants (unobligated funds only) (list below)		
FY2013 Capital Fund Program	00	Site/Dwelling Structures & Equip.
FY2014 Capital Fund Program	$376,215	Dwell Equip, Non-Dwell Structures.
3. Public Housing Dwelling Rental Income	$1,804,649	Operations
4. Other income (list below)		
Maintenance Income	1,552	Operations
Interest Income	1,730	Operations
Miscellaneous Income	36,000	Laundry, Center etc.
5. Non-federal sources (list below)		
Bond Funds (CCFP)	N/A	
Congregate Housing	$147,509	Program Costs
Total Resources	$11,739,177	

Housing Authority of the City of Annapolis

Fiscal Year 2015 Approved Operating Budget

DESCRIPTION	EPT/HH FY15 PROPOSED BUDGET	RW FY15 PROPOSED BUDGET	NT20 FY15 PROPOSED BUDGET	BLUM FY15 PROPOSED BUDGET	BBSQ FY15 PROPOSED BUDGET	COCC FY15 PROPOSED BUDGET	TOTAL FY15 BUDGET
OPERATING INCOME:							
RENTAL INCOME:							
DWELLING RENTAL	675,941	296,075	235,862	474,486	190,992	-	1,873,356
EXCESS UTILITIES	-	-	12,000	-	-	-	12,000
MAINTENANCE INCOME	6,000	2,000	-	-	-	-	8,000
Total of Rental Income	**$ 681,941**	**$ 298,075**	**$ 247,862**	**$ 474,486**	**$ 190,992**	**$ -**	**$ 1,893,356**
HUD OPERATING FUNDING:							
HUD Operating Subsidy	1,283,299	661,646	324,401	323,650	112,424	-	**2,705,420**
Oper Revenue - Capital Funds	-	**6,000**	75,000	86,000	33,000	-	**200,000**
Total of HUD Operating Funding	**$ 1,283,299**	**$ 667,646**	**$ 399,401**	**$ 409,650**	**$ 145,424**	**$ -**	**$ 2,905,420**
OTHER INCOME:							
INTEREST G/F INVESTMENTS	500	-	-	800	-	-	1,300
MISC INCOME - TENANTS	9,000	4,800	2,400	3,300	1,500	-	21,000
LEGAL INCOME - TENANTS	1,500	1,200	1,200	600	200	-	4,700
OTHER INCOME (NON-TENANT)	24,000	12,000	3,600	58,000	2,400	109,665	209,665
LAUNDRY INCOME	18,000	-	8,600	12,000	-	-	38,600
PROPERTY MGMT FEE REVENUE	-	-	-	-	-	513,236	513,236
ASSET MGMT FEE REVENUE	-	-	-	-	-	67,063	67,063
BOOKKEEPING FEE REVENUE	-	-	-	-	-	95,480	95,480
FRONT-LINE SERV FEE REVENUE	-	2,400	1,000	-	-		3,400
CFP ADMIN FEE	73,134	-	17,035	83,087	7,907	17,183	198,346
Total of Other Income	**126,134**	**20,400**	**33,835**	**157,787**	**12,007**	**802,627**	**1,152,790**
TOTAL OPERATING INCOME	**$ 2,091,374**	**$ 986,121**	**$ 681,098**	**$ 1,041,923**	**$ 348,423**	**$ 802,627**	**$ 5,951,566**

DESCRIPTION	EPT/HH FY15 PROPOSED BUDGET	RW FY15 PROPOSED BUDGET	NT20 FY15 PROPOSED BUDGET	BLUM FY15 PROPOSED BUDGET	BBSQ FY15 PROPOSED BUDGET	COCC FY15 PROPOSED BUDGET	TOTAL FY15 BUDGET
OPERATING EXPENSES:							
ADMINISTRATION:							
ADMINISTRATIVE SALARIES	2,000	1,200	-	-	600	461,776	465,576
HOUSING MANAGEMENT SALARIES	305,093	73,342	38,138	134,309	54,195	-	605,077
OTHER ADMIN WAGES/TEMP STAFFING	-	-	-	-	-	6,000	6,000
ADMIN SALARIES - OVERTIME	-	-	-	-	-	600	600
LEGAL EXPENSE	15,000	2,400	15,000	100	3,600	30,000	66,100
COMMISSIONER TRAINING	600	1,000	-	100	100	4,800	6,600
STAFF TRAINING & TRAVEL	200	1,200	-	100	100	600	2,200
LOCAL TRAVEL	600	1,800	-	100	150	2,400	5,050
MEALS & LODGING/RELATED TRAVEL E	200	-	-	300	150	600	1,250
ACCOUNTING & AUDITING FEES	6,000	3,600	2,000	3,000	1,200	6,000	21,800
PAYROLL SERVICE EXPENSE	8,000	3,600	2,000	3,600	1,200	-	18,400
PROPERTY MANAGEMENT FEE	232,000	98,000	43,000	104,236	36,000	-	513,236
BOOKKEEPING FEE	30,000	13,000	6,000	13,463	4,600	-	67,063
ASSET MANAGEMENT FEE	43,000	18,000	10,000	18,480	6,000	-	95,480
OTHER ADMIN EXPENSES	600	-	-	-	300	4,800	5,700
POSTAGE	8,000	3,800	1,800	3,600	1,200	-	18,400
ADVERTISING	4,000	1,800	900	1,800	600	2,400	11,500
OFFICE SUPPLIES	7,000	3,600	600	3,000	1,500	12,000	27,700
RENTAL-OFFICE EQUIPMENT	17,000	8,000	3,600	6,600	6,000	1,200	42,400
PUBLICATIONS	600	-	-	-	-	600	1,200
REGISTRATION FEES & DUES	600	300	-	-	100	3,600	4,600
COMMUNICATIONS	32,000	15,000	7,500	18,000	6,200	6,500	85,200
OTHER ADMIN / GENERAL	500	1,000	1,600	600	400	2,400	6,500
BANK CHARGES	7,200	3,000	1,500	2,400	1,200	600	15,900
COMMUNICATIONS EQUIPMENT	-	600	-	-	-	4,800	5,400
LICENSES, PERMITS, & OTHER	-	-	-	-	-	600	600
BOARD OF COMMISSIONERS	-	-	-	-	-	6,000	6,000
COMPUTER HARD/SOFTWARE, ACCESS	9,000	4,000	1,800	3,600	1,200	1,500	21,100
BACKGROUND/CREDIT CHECKS	1,200	600	300	600	200	600	3,500
PRINTING	500	600	300	600	100	500	2,600
COLLECTION FEES	2,400	1,000	1,200	600	300	-	5,500
CONSULTING SERVICES (Redevepolment)	-	-	12,000	2,400	-	3,000	17,400
Total of Administrative Expenses	**$ 733,293**	**$ 260,442**	**$ 149,238**	**$ 321,588**	**$ 127,195**	**$ 563,876**	**$ 2,155,631**

DESCRIPTION	EPT/HH FY15 PROPOSED BUDGET	RW FY15 PROPOSED BUDGET	NT20 FY15 PROPOSED BUDGET	BLUM FY15 PROPOSED BUDGET	BBSQ FY15 PROPOSED BUDGET	COCC FY15 PROPOSED BUDGET	TOTAL FY15 BUDGET
RESIDENT SERVICES:							
RES. SERV. SALARIES	112,806	82,919	75,831	97,622	27,083	-	396,261
REC-PUBLICATIONS & OTHER SERVICES	1,200	600	1,000	-	-	-	2,800
RESIDENT STIPEND	14,400	4,800	4,800	4,800	4,800	-	33,600
RESIDENT COUNCIL	2,000	3,000	-	1,800	972	-	7,772
REC CENTER SUPPLIES	1,200	-	-	-	-	-	1,200
PATHWAY TO OPPORTUNITY	-	-	-	-	-	10,000	10,000
SUMMER CAMP EXPENSES	2,400	-	-	-	600	-	3,000
BUS RENTAL / TRANSPORTATION	2,400	2,400	1,200	300	600	-	6,900
MISC. RESIDENT FUNCTION	1,200	600	-	-	-	-	1,800
CABLE SERVICES - COMMON ROOMS	2,200	2,400	1,800	1,800	1,200	6,000	15,400
LIFELINE MONITORING	3,600	-	-	3,700	800	-	8,100
SPORTS CLUBS & ACTIVITIES	4,000	4,000	1,000	600	800	-	10,400
Total of Resident Services Expenses	**$ 147,406**	**$ 100,719**	**$ 85,631**	**$ 110,622**	**$ 36,855**	**$ 16,000**	**$ 497,233**
UTILITIES:							
WATER	200,000	132,000	50,000	28,000	37,000	1,500	448,500
ELECTRICITY	75,000	43,000	78,000	107,000	5,000	32,000	340,000
GAS	60,000	10,000	40,000	60,000	2,000	12,000	184,000
Total of Utilities Expenses	**$ 335,000**	**$ 185,000**	**$ 168,000**	**$ 195,000**	**$ 44,000**	**$ 45,500**	**$ 972,500**
ORDINARY MAINTENANCE & OPERATION:							
MAINTENANCE SALARIES	272,058	120,724	101,491	128,750	29,319	-	652,342
MAINTENANCE SALARIES - OVERTIME	36,152	15,190	7,899	15,595	5,165	-	80,000
Total of Maintenance Salaries and Labor	**$ 308,210**	**$ 135,914**	**$ 109,389**	**$ 144,345**	**$ 34,483**	**$ -**	**$ 732,342**
MATERIALS & SUPPLIES:							
MAINTENANCE MATERIALS & SUPPLIES	60,000	20,000	16,000	12,000	4,800	1,500	114,300
NON INVENT MAINT SUPPLIES	12,000	12,000	4,800	6,000	1,800	1,200	37,800
GASOLINE	16,000	10,000	4,800	3,600	2,400	10,000	46,800
Total of Maintenance Material Expenses	**$ 88,000**	**$ 42,000**	**$ 25,600**	**$ 21,600**	**$ 9,000**	**$ 12,700**	**$ 198,900**
CONTRACTORS:							
MAINT CONTRACT COSTS	3,000	1,000		-	1,200	-	5,200
BOILER & A/C BASIC	9,000	1,000	6,000	6,000	2,400	5,000	29,400
ELEVATOR	-	-	-	15,000	3,600	-	18,600
UNIFORMS	10,000	4,200	2,000	4,400	1,500	-	22,100
TRASH	70,000	30,000	15,000	30,600	24,000	1,600	171,200
MISC CONTRACTORS	3,000	6,000	6,000	5,000	600	-	20,600
GLASS	3,000	1,200	600	1,200	-	-	6,000

DESCRIPTION	EPT/HH FY15 PROPOSED BUDGET	RW FY15 PROPOSED BUDGET	NT20 FY15 PROPOSED BUDGET	BLUM FY15 PROPOSED BUDGET	BBSQ FY15 PROPOSED BUDGET	COCC FY15 PROPOSED BUDGET	TOTAL FY15 BUDGET
ELECTRICAL	12,000	9,000	9,000	6,000	1,800	2,000	39,800
AUTO & TRUCK	12,000	4,800	3,000	6,000	1,800	3,600	31,200
EXTERMINATING	24,000	9,600	4,800	12,000	300	8,000	58,700
FIRE PROTECTION	1,800	600	-	3,600	-	2,400	8,400
SECURITY & FIRE ALARMS	3,000	900	-	3,600	1,600	-	9,100
LANDSCAPING	32,000	18,000	6,000	3,600	3,600	1,800	65,000
PLUMBING & SEWER REPAIRS	20,000	12,000	6,000	3,000	3,000	1,000	45,000
MAINTENANCE EQUIPMENT REPAIRS	1,000	600	-	500	600	1,200	3,900
POOL REPAIR & MAINTENANCE	2,000	-	-	-	-	-	2,000
DOORS & LOCKS & KEYS	600	600	-	600	-	600	2,400
MAINTENANCE EQUIPMENT RENTAL	-	-	-	-	-	2,400	2,400
ROOFING, GUTTERS & DOWNSPOUTS	8,000	6,000	3,000	3,000	1,200	2,000	23,200
GRAFFITI REMOVAL	1,000	1,000	1,000	-	-	951	3,951
Total of Contractors Expenses	**$ 215,400**	**$ 106,500**	**$ 62,400**	**$ 104,100**	**$ 47,200**	**$ 32,551**	**$ 568,151**
TOTAL ORDINARY MAINTENANCE & OPERATION EXP	**$ 611,610**	**$ 284,414**	**$ 197,389**	**$ 270,045**	**$ 90,683**	**$ 45,251**	**$ 1,499,393**
GENERAL EXPENSES:							
INSURANCE	120,000	66,000	35,000	65,000	25,000	40,000	351,000
BENEFITS	142,465	65,000	45,840	79,069	24,090	92,000	448,464
COLLECTION LOSSES	1,000	1,200	-	600	600	-	3,400
OTHER GENERAL EXPENSES	600	23,346	-	-	-	-	23,946
Total of General Expenses	**$ 264,065**	**$ 155,546**	**$ 80,840**	**$ 144,669**	**$ 49,690**	**$ 132,000**	**$ 826,810**
TOTAL ROUTINE EXPENSES	**$ 2,091,374**	**$ 986,121**	**$ 681,098**	**$ 1,041,923**	**$ 348,423**	**$ 802,627**	**$ 5,951,566**
TOTAL INCOME	**$ 2,091,374**	**$ 986,121**	**$ 681,098**	**$ 1,041,923**	**$ 348,423**	**$ 802,627**	**$ 5,951,566**
TOTAL EXPENSES	**$ 2,091,374**	**$ 986,121**	**$ 681,098**	**$ 1,041,923**	**$ 348,423**	**$ 802,627**	**$ 5,951,566**
NET INCOME(LOSS)	**0**	**(0)**	**(0)**	**0**	**(0)**	**0**	**(0)**

Cell: K28
Comment: Richard Walton:
Timothy House

HOUSING AUTHORITY of the City of Annapolis

We Are Going Somewhere

TAB 3

Operations and Management Policies

2015 - 2019

HACA
1217 Madison Street
Annapolis MD 21403

January 31, 2015

EQUAL HOUSING OPPORTUNITY

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

MAINTENANCE PLAN

Executive Summary

The Housing Authority of the City of Annapolis is responsible for maintaining the physical condition of its units of Public Housing, non-dwelling facilities and grounds. All units are located within the service area and all maintenance-related services are provided from the Central Maintenance Facility.

It is essential that the Maintenance Operation be adequately planned, staffed, and implemented with individual employee job performance evaluated and documented on a regular basis. A maintenance plan is essential to a well-integrated maintenance operation that is efficient and effective. A systematic and efficient maintenance plan assists in keeping the Housing Authority's physical facilities in good condition, extending the useful life, and resulting in lower operating and maintenance costs. In addition, a well-maintained facility adds to the marketability of the units in the marketplace.

Performing maintenance in a timely and quality manner is a priority of the Housing Authority. This goal is achieved through this maintenance plan which outlines procedures for efficient and effective performance of functions in the following areas:

- Work Order Classification
- Work Order Receipt and Distribution
- Work Order Tracking
- Emergency After-Hours Maintenance Services
- Vacancy Preparation
- Preventive Maintenance/HQS Inspections
- Systems Inspections
- Inventory Control
- Contracting
- Infestation and Pest Control
- Lawn Maintenance

Work Order Classification

The work order system is the most critical part of the tracking system for the Maintenance Department. The work order system documents requests, maintains schedules, documents response time, and provides PHAS reporting requirements for all functions. The Housing Authority utilizes a work order system that provides the information needed for preparing reports to evaluate the performance of the maintenance operation.

Work orders are classified as:

- Emergency/Urgent
- Routine
- Housing Quality Standards
- Preventive Maintenance
- Vacancy
- Systems Inspections

The maintenance staff completes work orders by listing all labor and materials. The staff should account for seven and one half-hours per day, including travel time, on work orders. The proper classification of work items is critical to the success of the work order system. All items of an emergency/urgent nature are classified accordingly and receive continuous attention until complete. The time of receipt and the completion time are noted for all emergency/urgent work orders as well as all other classifications.

Work Order Receipt and Distribution

The Central Maintenance phone number is provided to all residents and posted at the Central Office. Residents call the Central Maintenance Office to initiate work requests. Work orders are entered into the work order system. Work orders are generated and forwarded to the maintenance supervision staff for distribution to the appropriate staff daily. Emergency and urgent work orders are completed first, followed by routine requests. Work orders for PM, HQS, and vacancy prep., are assigned to the appropriate staff.

Completed work orders are posted listing all labor, materials, completion date and time, and number of hours spent, including travel. When materials are posted, the work order is removed from the inventory. The mechanic and the resident, if available, are required to sign the work order, and the resident receives a copy. The maintenance staff is responsible for filing a copy of the completed work order in the resident's file. If residents are being charged for repairs, a copy of the work order is attached to the payment notice sent to the resident by housing management.

Work Order Tracking

Work orders are completed and properly posted to the work order system with totals transferred monthly to the Monthly PHAS Report for Maintenance Related Items. The Management Reporting System tracks and reports the number and type of work orders received, work orders completed, average completion time, and outstanding work orders for the current month, in addition to the year-to-date cumulative totals per category.

Emergency After Hours Maintenance Services

The assigned staff will rotate weekly on call for all after hour emergencies. The on-call person has a digital beeper and the after hours answering service gives the resident the beeper number for any emergency call.

The Resident's are advised of what constitutes a legitimate emergency request. Residents are advised that they will be charged for unjustified call-outs. Maintenance staff members responding to emergency after hour calls receive time and a half for all documented response time.

Vacancy Preparation

The Housing Authority of the City of Annapolis had 254 move-outs over the last 22 months. Annualized, that number comes to approximately 138 move-outs. This represents a 13% turnover annually. The goal of the Maintenance Department is to complete a vacant unit within 5 calendar days after receipt of the vacancy preparation work order.

When units become vacant, the maintenance staff makes a move-out inspection using the Vacancy Preparation Checklist. One vacancy preparation work order is generated listing all work items required and the proper staff person lists all parts, materials, and labor on that work order. Upon completion, the maintenance supervisory staff re-inspects the unit, and if accepted, notifies Housing Management by memorandum that the unit is ready for occupancy. A listing of any Resident charges for damages is provided to Housing Management. Housing Management conducts a move-in inspection when the unit is shown to a prospective resident. If exceptions are found, the maintenance staff corrects the deficiency immediately.

Preventive Maintenance (PM)/HQS Inspections

The Authority recognizes the need to perform preventive maintenance to increase the life of equipment, reduce the number of emergency and routine work orders, and increase the marketability of the Authority-owned units.

The Maintenance Supervisory staff schedules specific units on a weekly basis based on an average of four man-hours per units per year. Completed PM work orders provide documentation for the Preventive Maintenance Program. The maintenance supervisory staff performs the HQS inspections using Housing Quality Standards or their equivalent for quality control and monitoring the staff. One copy of the HQS Inspection Form is placed in the Unit File. The unit passes the HQS inspection if the PM staff was thorough and the Resident is not abusing the unit. If the unit fails, an HQS work order is generated. This is the only HQS work order generated. The PM staff returns to the unit to complete the HQS work order within the week. The PM staff is required to use the Vacancy Preparation Checklist to verify all work items are checked and related work and materials are listed on the PM work order.

Systems Inspections

The Housing Authority performs systems inspections of each Authority site on an annual basis on or before the ninth month of the fiscal year. The maintenance supervisory staff is responsible for performing the inspection. Systems work orders are generated for any failed items found during the systems inspections. To ensure accuracy and consistency, the Authority has developed a Systems Inspection Log and checklist.

Inventory Control

The Authority has a central stock room with limited access controlled by the maintenance supervisory staff. Parts are issued from the stock room only when a work order is presented with a work order number. All parts are numbered and are posted on the inventory system. When parts are posted on completed work orders, the part is removed from the inventory listing.

Restocking of inventory is performed in compliance with the Authority's Procurement Policy.

CONTRACTING

Contract services are required to supplement the vacancy preparation effort as required.

Infestation and Pest Control

As a part of the Housing Authority's commitment to obliterating roaches within all of its developments, a copy of the Pest Control contract is attached.

Trash Removal

In an effort to provide sanitary conditions, the Housing Authority contracts out trash removal. The contractor is responsible for cleaning and making repairs to the trash containers when necessary.

Fire Systems

The Housing Authority contracts all inspections of fire sprinklers and fire extinguishers.

Elevator

The annual inspection of the elevator in the Glenwood high-rise is contracted.

Security Systems

The Housing Authority contracts the monitoring services on existing security systems.

HOUSING AUTHORITY of the City of Annapolis

We Are Going Somewhere

TAB 4

Section 8 Administrative Plan

2015 - 2019

HACA
1217 Madison Street
Annapolis MD 21403

January 31, 2015

EQUAL HOUSING OPPORTUNITY

Housing Authority of the City of Annapolis Housing Choice Voucher Program Administrative Plan

1217 Madison Street
Annapolis Maryland 21403
410 -267-8000
TDD/TYY: Dial 711

Vincent O. Leggett, Executive Director

APRIL 14, 2014

EQUAL HOUSING OPPORTUNITY

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS
Housing Choice Voucher Program
HACA's Administrative Plan, 2014 Revisions, Submitted to HUD with HACA's 2014 PHA Plan
Board Resolution # Admin. 031814-03

NOTE: Please be advised that there are no Changes in the following document accepting for formatting. Any proposed changes herein are highlighted in red text for easy identification purposes.

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GLOSSARY

SECTION 8 ADMINISTRATIVE PLAN

1.0 EQUAL OPPORTUNITY

1.1 FAIR HOUSING

It is the policy of the Housing Authority of the City of Annapolis to comply fully with all Federal, State and local nondiscrimination laws; the Americans with Disabilities Act; and the U.S. Department of Housing and Urban Development regulations governing Fair Housing and Equal Opportunity.

No person shall, on the grounds of race, color, sex, sexual orientation, religion, national or ethnic origin, familial status, or disability be subjected to discrimination under the Housing Authority of the City of Annapolis Housing programs.

To further its commitment to full compliance with applicable Civil Rights Law, the Housing Authority of the City of Annapolis will provide Federal/State/local information to applicants for and participants in the section 8 Housing Program regarding discrimination and any recourse available to them if they believe they may be victims of discrimination. Such information will be made available with the application, and all applicable Fair Housing Information and Discrimination complaint Forms will be made available at the Housing Authority of the City of Annapolis office. In addition all written information and advertisements will contain the appropriate Equal Opportunity language and logo.

The Housing Authority of the City of Annapolis will assist any family that believes they have suffered illegal discrimination by providing copies of the housing discrimination form. The Housing Authority of the City of Annapolis will also assist them in completing the form, if requested, and will provide them with the address of the nearest HUD office of Fair Housing and Equal Opportunity.

1.2 REASONABLE ACCOMMODATION

Sometimes people with disabilities may need a reasonable accommodation in order to take full advantage of the Housing Authority of the City of Annapolis housing programs and related service. When such accommodation are granted they do not confer special treatment or advantage for the person with a disability; rather, they make the program fully accessible to them in a way that would otherwise not be possible due to their disability. This policy clarifies how a participant can request accommodations and the guidelines the Housing Authority of the City of Annapolis will follow in determining whether it is reasonable to provide a requested accommodation. Because disabilities are not always apparent, the Housing Authority of the City

of Annapolis will ensure that all applicants/participants are aware of the opportunity to request reasonable accommodations.

1.3 COMMUNICATION

Anyone requesting an application will also receive a Request for Reasonable Accommodation Form.

Notifications of reexamination, inspection, appointment, or eviction will include information about requesting a reasonable accommodation. Any notification requesting action by the participant will include information about requesting a reasonable accommodation.

All decisions granting or denying requests will be in writing.

1.4 QUESTIONS TO ASK IN GRANTING THE ACCOMMODATION

A. Is the requestor a person with disabilities? For this purpose the definition of disabilities is different than the definition used for admission. The Fair Housing definition used for this purpose is:

> A person with a physical or mental impairment that substantially limits one or more major life activities, has a record of such impairment, or is regarded as having such impairment. (The disability may not be apparent to others, i.e. a heart condition.)

If the disability is apparent or already documented, the answer to this question is yes. It is possible that the disability for which the accommodation is being requested is a disability other than the apparent disability. If the disability is not apparent or documented, the Housing Authority of the City of Annapolis will obtain verification that person is a person with disability.

B. Is the requested accommodation related to the disability? If it is apparent that the request is related to the apparent or documented disability, the answer to this question is yes. If it is not apparent, the Housing Authority of the City of Annapolis will obtain documentation that the requested accommodation is needed due to the disability. The Housing Authority of the City of Annapolis will not inquire as to the nature of the disability.

C. Is the requested accommodation reasonable? In order to be determined reasonable, the accommodation must meet two criteria:

D.
Would the accommodation constitute a fundamental alteration? The Housing Authority of the City of Annapolis' business is housing. If the request would alter the Fundamental business that the Housing Authority of the City of Annapolis conducts, that would not be reasonable. For instance, the Housing Authority of the City of Annapolis would deny a request to have the Housing Authority of the City of Annapolis does grocery shopping for the person with disabilities.

Would the requested accommodation create an undue financial hardship or administrative burden? If the cost would be an undue burden, the Housing Authority of the City of Annapolis may request a meeting with the individual to investigate and consider equally effective alternatives.

Generally the individual knows best what they need; however, the Housing Authority of the City of Annapolis retains the right to be shown how the requested accommodation enables the individual to access or use the Housing Authority of the City of Annapolis' program services.

If more than one accommodation is equally effective in providing access to the Housing Authority of the City of Annapolis' programs and services, the Housing Authority of the City of Annapolis retains the right to select the most efficient or economic choice.

The cost necessary to carry out approved requests will be borne by the Housing Authority of the City of Annapolis if there is no one else willing to pay for modifications. If another party pays for the modification, the Housing Authority of the City or Annapolis will seek to have the same entity pay for any restoration cost.

If the participant requests, as a reasonable accommodation, that he or she be permitted to make physical modification to their dwelling unit, at their own expense, the request should be made to the property owner/manager. The Housing Authority does not have responsibility for the owner's unit and does not have responsibility to make the unit accessible.

Any request for an accommodation that would enable a participant to materially violate family obligation will not be approved.

1.5 SERVICES FOR NON-ENGLISH SPEAKING APPLICANTS AND PARTICIPANTS

The Housing Authority of the City of Annapolis will endeavor to have access to people who speak languages other than English to assist non-English speaking families.

1.6 FAMLIY/OWNER OUTREACH

The Housing Authority of the City of Annapolis will publicize the availability and nature of the Section 8 Program for extremely low-income, very low and low income families in a newspaper of general circulation, minority media, and by other suitable means.

To reach persons, who cannot or do not read newspapers, the Housing Authority of the City of Annapolis will distribute fact sheets to the broadcasting media and initiate personal contacts with members of the news media and community service personnel. The Housing Authority of the City of Annapolis will also try to utilize public service announcements.

The Housing Authority of the City of Annapolis will communicate the status of program availability to other service providers in the community and advise them of housing eligibility factors and guidelines so that they can make proper referral of their clients to the program.

The Housing Authority of the City of Annapolis will hold briefings for owners who participate in or who are seeking information about the Section 8 Program. Owners and managers participating in the Section 8 Program will participate in making this presentation. The briefing is intended to:

A. Explain how the program works

B. Explain how the program benefits owners;

C. Explain owner's responsibilities under the program. Emphasis is placed on quality screening and ways the Housing Authority of the City of Annapolis helps owners do better screening; and

D. Provide an opportunity for owners to ask questions, obtain written materials and meet Housing Authority of the City of Annapolis staff.

The Housing Authority of the City of Annapolis will particularly encourage owners of suitable units located outside of low-income or minority concentration to attend. Targeted mailing lists will be developed and announcements mailed.

1.7 RIGHT TO PRIVACY

All adult members of both applicant and participant households are required to sign HUD Form 9886, *Authorization for Release of Information and Privacy Act Notice*. The *Authorization for Release of Information and Privacy Act Notice* states how family information will be released and includes the *Federal Privacy Act Statement*.

Any request for applicant or participant information will not be released unless there is a signed release of information request from the applicant or participant.

Compliance with the Privacy Act. The collection, maintenance, use and dissemination of SSNs, EINs, any information derived from SSNs and Employer Identification Numbers (EINs), and income information under this subpart shall be conducted, to the extent applicable, in compliance with the Privacy Act (5 U.S.C. 552a) and all other provisions of Federal, State, and local law.

Privacy Act Notice. All assistance applicants shall be provided with a Privacy Act notice at the time of application. All participants shall be provided with a Privacy Act notice at each annual income recertification.

1.8 REQUIRED POSTINGS

The Housing Authority of the City of Annapolis will post at its main office located at 1217 Madison Street, Annapolis, Maryland, in a conspicuous place and at a height easily read by all persons including persons with mobility disabilities, the following information:

A. The Section 8 Administrative Plan

B. Notice of the status of the waiting list (opened or closed)

C. Address of all Housing Authority of the City of Annapolis offices, office hours, telephone numbers, TDD numbers, and hours of operation

D. Income Limits for Admission

E. Informal Review and Informal Hearing Procedures

F. Fair Housing Poster

G. Equal Opportunity in Employment Poster

2.0 HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS/OWNER RESPONSIBILITY/ OBLIGATION OF THE FAMILY

This Section outlines the responsibilities and obligations of the Housing Authority of the City of Annapolis, the Section 8 Owners/Landlords, and the participating families.

2.1 HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS RESPONSIBILITIES

A. The Housing Authority of the City of Annapolis will comply with the consolidated ACC, the application, HUD regulations and other requirements, and the Housing Authority of the City of Annapolis Section 8 Administrative Plan.

B. In administering the program, the Housing Authority of the City of Annapolis must:

1. Publish and disseminate information about the availability and nature of housing assistance under the program;

2. Explain the program to owners and families;

3. Seek expanded opportunities for assisted families to locate housing outside areas of poverty or racial concentration;

4. Encourage owners to make units available for leasing in the program, including owners of suitable units located outside areas of poverty or racial concentration;

5. Affirmatively further fair housing goals and comply with equal opportunity requirements;

6. Make efforts to help disabled persons find satisfactory housing;

7. Receive applications from families, determine eligibility, maintain the waiting list, select applicants, issue a voucher to each selected family, and provide housing information to families selected;

8. Determine who can live in the assisted unit at admission and during the family's participation in the program;

9. Obtain and verify evidence of citizenship and eligible immigration status in accordance with 24 CFR part 5;

10. Review the family's request for approval of the tenancy and the owner/landlord lease, including the HUD prescribed tenancy addendum;

11. Inspect the unit before the assisted occupancy begins and at least annually during the assisted tenancy;

12. Determine the amount of the housing assistance payment for a family;

13. Determine the maximum rent to the owner and whether the rent is reasonable;

14. Make timely housing assistance payments to an owner in accordance with the HAP contract;

15. Examine family income, size and composition at admission and during the family's participation in the program. The examination includes verification of income and other family information;

16. Establish and adjust Housing Authority of the City of Annapolis utility allowance;

17. Administer and enforce the housing assistance payments contract with an owner, including taking appropriate action as determined by the Housing Authority of the City of Annapolis, if the owner defaults (e.g., HQS violation);

18. Determine whether to terminate assistance to a participant family for violation of family obligations;

19. Conduct informal reviews of certain Housing Authority of the City of Annapolis decisions concerning applicants for participation in the program;

20. Conduct informal hearings on certain Housing Authority of the City of Annapolis decisions concerning participant families;

21. Provide sound financial management of the program, including engaging an independent public accountant to conduct audits; and

2.2 OWNER RESPONSIBILITY

A. The owner is responsible for performing all of the owner's obligations under the HAP contract and the lease.

B. The owner is responsible for:

1. Performing all management and rental functions for the assisted unit, including selecting a voucher holder to lease the unit, and deciding if the family is suitable for tenancy of the unit.

2. Maintaining the unit in accordance with HQS, including performance of ordinary and extraordinary maintenance.

3. Complying with equal opportunity requirements.

4. Preparing and furnishing to the Housing Authority of the City of Annapolis information required under the HAP contract.

5. Collecting from the family:

    a. Any security deposit required under the lease.

    b. The tenant contribution (the part of rent to owner not covered by the housing assistance payment.

    c. Any charges for unit damage by the family.

6. Enforcing tenant obligations under the lease.

7. Paying for utilities and services (unless paid by the family under the lease.)

C. For provisions on modifications to a dwelling unit occupied or to be occupied by a person with disabilities see 24 CFR 100.203.

D.

2.3 OBLIGATIONS OF THE PARTICIPANT

This Section states the obligations of a participant family under the program.

A. Supplying required information.

1. The family must supply any information that the Housing Authority of the City of Annapolis or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status. Information includes any requested certification, release or other documentation.

2. The family must supply any information requested by the Housing Authority of the City of Annapolis or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.

3. The family must disclose and verify Social Security Numbers and must sign and submit consent forms for obtaining information.

4. Any information supplied by the family must be true and complete.

B. HQS breach caused by the family

The family is responsible for any HQS breach caused by the family or its guests.

C. Allowing Housing Authority of the City of Annapolis to perform Housing

Quality Standards Inspections.

The family must allow the Housing Authority of the City of Annapolis to inspect the unit at reasonable times and after receiving written notice at lease 48-hours prior to inspection. All emergency inspections will be performed and corrected by landlord within 24 hours of inspection.

Violation of Lease

The family may not commit any serious or repeated violation of the lease.

E. E. Family Notice of Move or Lease Termination.

The family must notify the Housing Authority of the City of Annapolis and the owner before the family moves out of the unit or terminates the lease by a notice to the owner.

F. Owner Eviction Notice

The family must promptly give the Housing Authority of the City of Annapolis a copy of any owner eviction notice it receives.

G. Use and Occupancy of the Unit:

1.The family must use the assisted unit for a residence by the family. The unit must be the family's only residence.

2.The Housing Authority of the City of Annapolis must approve the composition of the assisted family residing in the unit. The family must promptly inform the Housing Authority of the City of Annapolis of the birth, adoption or court-awarded custody of a child. The family must request approval from the Housing Authority of the City of Annapolis to add any other family member as an occupant of the unit. No other person (i.e., no one but members of the assisted family) may reside in the unit (except for a foster child/foster adult or live-in aide as provided in paragraph (4) of this Section).

3. The family must promptly notify the Housing Authority of the City of Annapolis if any family member no longer resides in the unit.

4. If the Housing Authority of the City of Annapolis has given approval, a foster child/foster adult or a live-in aide may reside in the unit. The Housing Authority of the City of Annapolis has the discretion to adopt reasonable policies concerning residence by a foster child/foster adult or a live-in aide and defining when the Housing Authority of the City of Annapolis consent may be given or denied.

5. Members of the household may engage in legal profit making activities in the unit, but only if such activities are incidental to primary use of the unit or residence by members of the family. Any business uses of the unit must comply with zoning requirements and the affected household member must obtain all appropriate licenses.

6. The family must not sublease the unit.

7. The family must not assign the lease or transfer the unit.

H. Absence from the Unit:

The family must supply any information or certification requested by the Housing Authority of the City of Annapolis to verify that the family is living in the unit, or relating to family absence from the unit, including any Housing Authority of the City of Annapolis requested information or certification on the purposes of family absences. The family must cooperate with the Housing Authority of the City of Annapolis for this

purpose. The family must promptly notify the Housing Authority of the City of Annapolis of its absence from the unit.

Absence means no member of the family is residing in the unit. The family may be absent from the unit up to 30 days. The family must request permission from the Housing Authority of the City of Annapolis for absences exceeding 30 days. The Housing Authority of the City of Annapolis will make a determination within 5 business days of the request. An authorized absence may not exceed 180 days. Any family absent for more than 30 days without authorization will be terminated from the program.

Authorized absences may include, but are not limited to:

1. Prolonged hospitalization

2. Absences beyond the control of the family (i.e., death in the family, other family member illness)

3. Other absences that are deemed necessary by the Housing Authority of the City of Annapolis

I. Interest in the Unit

The family may not own or have any interest in the unit (except for owners of manufactured housing renting the manufactured home space).

J. Fraud and Other Program Violations

The members of the family must not commit fraud, bribery, or any other corrupt or criminal act in connection with the programs.

K. Crime by Family Members

The members of the family may not engage in drug-related criminal activity or other violent criminal activity.

Other Housing Assistance

An assisted family, or members of the family, may not receive Section 8 tenant-based assistance while receiving another housing subsidy, for the same unit or for a different

unit, under any duplicative (as determined by HUD or in accordance with HUD requirements) Federal, State or local housing assistance program.

3.0 ELIGIBILITY FOR ADMISSION

3.1 INTRODUCTION

There are five eligibility requirements for admission to Section 8 – qualifies as a family, has an income within the income limits, meets citizenship/eligible immigrant criteria, provides documentation of Social Security Numbers, and signs consent authorization documents. In addition to the eligibility criteria, families must also meet the Housing Authority of the City of Annapolis screening criteria in order to be admitted to the Section 8 Program.

3.2 ELIGIBILITY CRITERIA

A. Family status:

1. A **family with or without children.** Such a family is defined as a group of people related by blood, marriage, adoption or affinity that lives together in a stable family relationship.

   a. Children temporarily absent from the home due to placement in foster care are considered family members.

   b. Unborn children and children in the process of being adopted are considered family members for purposes of determining bedroom size, but are not considered family members for determining income limit.

2. An **elderly family,** which is:

   a. A family whose head, spouse, or sole member is a person who is at least 62 years of age;

   b. Two or more persons who are at least 62 years of age living together; or

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

3. A **near-elderly family,** which is:

   a. 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.

   b. Two or more persons who are at least 50 years of age but below the age of 62 living together; or

   c. 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.

4. A **disabled family,** which is:

   a. A family whose head, spouse, or sole member is a person with disabilities;

   b. Two or more persons with disabilities living together; or

   c. One or more persons with disabilities living with one or more live-in aides.

4. 5. A **displaced family** is a family in which each member, or whose sole member, has been displaced by governmental 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 and/or a person affected by Domestic Violence; stalking, date violence, and/or who is a person under and can document such to include individuals or families who have been subjected to documented reprisals and/or hate crimes.

   1. A **remaining member of a tenant family.**

   2. A **single person** who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

B. Income Eligibility

   1. To be eligible to receive assistance a family shall, at the time the family initially receives assistance under the

Section 8 program shall be a low-income family that is:

a. A very low-income family;

b. A low-income family continuously assisted under the 1937 Housing Act;

c. A low-income family that meets additional eligibility criteria specified by the Housing Authority;

d. A low-income family that is a non-purchasing tenant in a HOPE 1 or HOPE 2 project or a property subject to a resident homeownership program under 24 CFR 248.173;

e. A low-income family or moderate-income family that is displaced as a result of the prepayment of the mortgage or voluntary termination of an insurance contract on eligible low-income housing.

f. A low-income family that qualifies for voucher assistance as a non-purchasing family residing in a HOPE 1 (HOPE for public housing ownership) or HOPE 2 (HOPE for homeownership of multi-family units) project.

2. Income limits apply only at admission and are not applicable for Continued occupancy; however, as income rises the assistance will decrease.

3. The applicable income limit for issuance of a voucher is the highest income limit for the family size for areas within the housing authority's jurisdiction. The applicable income limit for admission to the program is the income limit for the area in which 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.

4. Families, who are moving into the Housing Authority of the City of Annapolis' jurisdiction under portability and have the status of applicant rather than of participant at their initial housing authority, must meet the income limit for the area where they are initially assisted under the program.

5. Families who are moving into the Housing Authority of the City of Annapolis' jurisdiction under portability and are already program participants at their initial housing authority do not have to meet the income eligibility requirement for the Housing Authority of the City of Annapolis program.

6. Income limit restrictions do not apply to families transferring units within the Housing Authority of the City of Annapolis Section 8 Program.

C. Citizenship/Eligible Immigrant status

To be eligible at lease-up, one member of the family must be a citizen, national, or a non-citizen who has eligible immigration status under one of the categories set forth in Section 214 of the Housing and Community Development Act of 1980 (see 42 U.S.C. 143a(a)).

Family eligibility for assistance.

1. A family shall not be eligible for assistance unless every member of the family residing in the unit is determined to have eligible status, with the exception noted below.

2.Despite the ineligibility of one or more family members, a mixed family may be eligible for one of three types of assistance. (See Section 11.5(K) for calculating rents under the non-citizen rule).

3.A family without any eligible members and receiving assistance on June 19, 1995 may be eligible for temporary deferral of termination of assistance.

D. Social Security Number Documentation

To be eligible, all family members must provide a Social Security Number for each household member or provide certification that a number has been requested.

E. Signing Consent Forms

1. In order to be eligible each member of the family who is at least 18 years of age, and each family head and spouse regardless of age, shall sign one or more consent forms.

2. The consent form must contain, at a minimum, the following:

a. A provision authorizing HUD and the Housing Authority of the City of Annapolis to obtain from State Wage Information Collection Agencies (SWICAs) and HUD Earned Income Verification (EIV) System any information or materials necessary to complete or verify the application for participation or for eligibility for continued occupancy;

b. A provision authorizing HUD or the Housing Authority of the City of Annapolis to verify with previous or current employers income information pertinent to the family's eligibility for or level or assistance;

c. A provision authorizing HUD to request income information from the IRS and the SSA for the sole purpose of verifying income information pertinent to the family's eligibility or level of benefits; and

d. A statement that the authorization to release the information requested by the consent form expires 15 months after the date the consent form is signed.

F. Suitability for tenancy. The Housing Authority of the City of Annapolis determines eligibility for participation and will also conduct criminal background checks on all adult household members, including live-in aides. The Housing Authority of the City of Annapolis will deny assistance to a family because of drug-related criminal activity or violent criminal activity by family members. This check will be made through state or local law enforcement or court records in those cases where the household member has lived in the local jurisdiction for the last three years. If the individual have lived outside the local area. The Housing Authority of the City of Annapolis may contact law enforcement agencies where the individual had lived or request a check through the FBI's National Crime Information Center (NCIC).

The Housing Authority of the City of Annapolis will check with the State sex offender registration program and will ban for life any individual who is registered as a lifetime sex offender.

Additional screening is the responsibility of the owner. Upon the written request of a prospective owner, the Housing Authority of the City of Annapolis will provide any factual information.

4.0 MANAGING THE WAITING LIST

4.1 OPENING AND CLOSING THE WAITING LIST

Opening of the waiting list will be announced via public notice that applications for Section 8 will again be accepted. The public notice will state where, when, and how to apply. The notice will be published in a local newspaper of general circulation, and also by any available minority media. The public notice will state any limitations to who may apply.

The notice will state that applicants already on waiting lists for other housing programs must apply separately for this program, and that such applicants will not lose their place on other waiting lists when they apply for Section 8. The notice will include the Fair Housing logo and slogan and otherwise be in compliance with Fair Housing requirements.

Closing of the waiting list will be announced via public notice. The public notice will state the date the waiting list will be closed. The public notice will be published in a local newspaper of general circulation, and also by any available minority media.

4.2 TAKING APPLICATIONS

Families wishing to apply for the Section 8 Program will be required to complete an application for housing assistance. Applications will be accepted during regular business hours at: 1217 Madison Street, Annapolis, MD 21403.

Applications are taken to compile a waiting list. Due to the demand for Section 8 assistance in the Housing Authority of the City of Annapolis jurisdiction, the Housing Authority of the City of Annapolis may take applications on an open enrollment basis, depending on the length of the waiting list.

When the waiting list is open, completed applications will be accepted from all applicants. The Housing Authority of the City of Annapolis will later verify the information in the applications relevant to the applicant's eligibility, admission, and level of benefit.

Applications may be made in person at The Housing Authority of the City of Annapolis Administrative Office Building at 1217 Madison Street, Monday through Friday, 8:00 a.m. to 5:00 p.m. Applications will be mailed to interested families upon request.

The completed application will be dated and time stamped upon its return to the Housing Authority of the City of Annapolis.

Persons with disabilities who require a reasonable accommodation in completing an application may call the Housing Authority of the City of Annapolis to make special arrangements to

complete their application. A Telecommunication Device for the Deaf (TDD) is available for the deaf through the Maryland Relay Service by dialing 711.

The application process will involve two phases. The first phase is the initial application for housing assistance or the pre-application. The pre-application requires the family to provide limited basic information including name, address, phone number, family composition and family unit size, racial or ethnic designation of the head of household, income category, and information establishing any preferences to which they may be entitled. This first phase results in the family's placement on the waiting list.

Upon receipt of the families pre-application, the Housing Authority of the City of Annapolis will make a preliminary determination of eligibility. The Housing Authority of the City of Annapolis will notify the family in writing of the date and time of placement on the waiting list and the approximate amount of time before housing assistance may be offered. If the Housing Authority of the City of Annapolis determines the family to be ineligible, the notice will state the reasons therefore and offer the family the opportunity of an informal review of this determination.

An applicant may at any time report changes in their applicant status including changes in family composition, income, or preference factors. The Housing Authority of the City of Annapolis will annotate the applicant's file and will update their place on the waiting list. Confirmation of the changes will be confirmed with the family in writing.

The second phase is the final determination of eligibility, referred to as the full application. The full application takes place when the family nears the top of the waiting list. The Housing Authority of the City of Annapolis will ensure that verification of all preferences, eligibility, suitability selection factors are current in order to determine the family's final eligibility for admission into the Section 8 Program.

4.3 ORGANIZATION OF THE WAITING LIST AND PREFERENCES

The waiting list will be maintained in accordance with the following guidelines:

A. The application will be a permanent file;

B. All applications will be maintained first in order by preferences and then by application date and time, and

C. Any contact between the Housing Authority of the City of Annapolis and the applicant will be documented in the applicant file.

Note: The waiting list cannot be maintained by bedroom size under current HUD regulations.

4.4 WAITING LIST PREFERENCES

A preference does not guarantee admission to the program. Preferences are used to establish the order of placement on the waiting list. Every applicant must meet the HACA's Selection Criteria as defined in this policy.

Families who reach the top of the waiting list will be contacted by the HACA to verify their preference and, if verified, the HACA will complete a full application for occupancy. Applicants must complete the application for occupancy and continue through the application processing and may not retain their place on the waiting list if they refuse to complete their processing when contacted by the HACA.

The HACA places applicants on the waiting list based upon preferences and then the date and time of application of eligibility for a weighted selection preference as set forth below:

1. Displaced Preference-Local Resident

This selection preference is available to individuals or families who have lived or worked in the City of Annapolis for at least twelve (12) months prior to placement who are:

(a) individuals or families who are residents of Annapolis displaced by government action (i.e. required to move by any level of government: federal, state or local) or whose dwelling have been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to federal disaster relief laws.
(b) individuals who have been displaced by domestic violence, stalking and/or date violence and can document such;
(c) individuals or families who have been subjected to documented reprisals and/or hate crime. A hate crime is actual or threatened physical violence or intimidation that is directed against a person or his/her property. It must be based on the person's race, color, religion, sex, national origin, handicap/disability or familial status; and/or(d) individuals displaced due to the inaccessibility of a unit.

2. Displaced Preference-Non Resident

This selection preference is available:

(a) individuals or families who are residents of Annapolis displaced by government action

(i.e. required to move by any level of government: federal, state or local) or whose dwelling have been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to federal disaster relief laws.
(b) individuals who have been displaced by domestic violence, stalking and/or date violence and can document such;
(c) individuals or families who have been subjected to documented reprisals and/or hate crime. A hate crime is actual or threatened physical violence or intimidation that is directed against a person or his/her property. It must be based on the person's race, color, religion, sex, national origin, handicap/disability or familial status; and/or (d) individuals displaced due to the inaccessibility of a unit.

3. Working Family Preference – Local Resident:

This selection preference is available to individuals or families where individuals or families who have lived or worked in the City of Annapolis for at least twelve (12) months prior to placement who are:
(a) the head of household must work for wages, commissions, or other consideration of value and demonstrate full-time employment (32 hours or more per week) for, at least, twelve (12) months immediately prior to the date of placement. It must be apparent that the full-time employment is of a continuous, as opposed to a temporary nature, and the head of household must anticipate such continuous employment after the date of placement. Self-employed individuals may qualify for this selection preference if the head of household is able to demonstrate twelve (12) months of full- time self-employment (32 hours or more per week) immediately prior to the date of placement;

(b) the head of household is legally employed by an employer in a part-time capacity. The head of household must work for wages, commissions, or other consideration of value and can demonstrate part-time employment (20-31 hours per week) for, at least, twelve (12) months prior to the date of placement. It must be apparent that the part-time employment is of a continuous, as opposed to a temporary nature, and the head of household must anticipate such continuous employment after the date of placement. Self-employed individuals may qualify for this selection preference if the head of household is able to demonstrate twelve (12) months of part-time self-employment, of not fewer than twenty (20) hours per week, immediately prior to the date of placement.

(c) An applicant will be given the benefit of the working family preference if the head of household or spouse, or sole member is 62 years of age or older, or is a person with disabilities.

4. Working Family Preference-Non Resident:

This selection preference is available to individuals or families where:

(a) the head of household must work for wages, commissions, or other consideration of value and demonstrate full-time employment (32 hours or more per week) for, at least, twelve (12) months immediately prior to the date of placement. It must be apparent that the full-time employment is of a continuous, as opposed to a temporary nature, and the head of household must anticipate such continuous employment after the date of placement. Self-employed individuals may qualify for this selection preference if the head of household is able to demonstrate twelve (12) months of full- time self-employment (32 hours or more per week) immediately prior to the date of placement;

(b) the head of household is legally employed by an employer in a part-time capacity. The head of household must work for wages, commissions, or other consideration of value and can demonstrate part-time employment (20-31 hours per week) for, at least, twelve (12) months prior to the date of placement. It must be apparent that the part-time employment is of a continuous, as opposed to a temporary nature, and the head of household must anticipate such continuous employment after the date of placement. Self-employed individuals may qualify for this selection preference if the head of household is able to demonstrate twelve (12) months of part-time self-employment, of not fewer than twenty (20) hours per week, immediately prior to the date of placement.

(c) An applicant will be given the benefit of the working family preference if the head of household or spouse, or sole member is 62 years of age or older, or is a person with disabilities.

_____**5. Veteran's preference** Local Resident is This selection preference is available to individuals or families where individuals or families who have lived or worked in the City of Annapolis for at least twelve (12) months prior to placement is for: families where the Head of Household has received an honorable discharge from the United States Armed Services.

6. Veteran's preference Non Resident - for families where the Head of Household has received an honorable discharge from the United States Armed Services.

7. Residency preference - this preference is available to individuals or families who have lived or worked in the City of Annapolis for at least twelve (12) months prior to placement.

4.5 VERIFICATION OF PREFERENCE QUALIFICATION

The family may be placed on the waiting list upon their certification that they qualify for a preference. When the family is selected from the waiting list for the final determination of eligibility, the preference will be verified.

When the HACA anticipates that the family will be notified in the near future to complete a full application, the family will be sent a Preference Verification letter to the applicant's last known address, requesting verification of the family's preference. The HACA will verify the preference before the applicant's interview and briefing is conducted.

Changes in an applicant's circumstances while on the waiting list may affect the family's entitlement to a preference. Applicants are required to notify the HACA in writing when their circumstances change. When an applicant claims an additional preference, s/he will be placed on the waiting list in the proper order of their newly-claimed preference.

If the HACA denies a preference, the applicant will be placed on the waiting list without benefit of the preference. The HACA will notify the applicant in writing of the reasons why the preference was denied and offer the applicant an opportunity for a review. The applicant will have 10 working days to request the meeting in writing. If the preference denial is upheld as a result of the meeting, or the applicant does not request a meeting, the applicant will be placed on the waiting list without benefit of the preference. Applicants may exercise other rights if they believe they have been discriminated against.

Any applicant who falsifies documents or makes false statements in order to qualify for any preference will be removed from the waiting list with notification to the family.

4.6 FACTORS OTHER THAN PREFERENCES THAT AFFECT SELECTION OF APPLICANTS

Any admission mandated by court order related to desegregation or Fair Housing and Equal Opportunity will take precedence over the Preference System. Other admissions required by court order will also take precedence over the preference system. If permitted by the court order, the HACA may offer.

When a family appears to be within 2 months of being offered assistance, the family will be invited to an interview and the verification process will begin. If the family no longer qualifies to be near the top of the list, the family's name will be returned to the appropriate spot on the waiting list. The Housing Authority of the City of Annapolis must notify the family in writing of this determination, and give the family the opportunity for an informal review.

The family will complete a full application, present Social Security Number information, citizenship/eligible immigrant information, and sign the Consent for Release of Information forms.

All applicants who fail to keep a scheduled appointment in accordance with the paragraph below will be sent a notice of denial.

The Housing Authority of the City of Annapolis will allow the family to reschedule appointments for good cause. Generally, no more than one opportunity will be given to reschedule without good cause, and no more than two opportunities for good cause. When a good cause exists, the Housing Authority of the City of Annapolis will work closely with the family to find a more suitable time. Applicants will be offered the right to an informal review before being removed from the waiting list.

The Housing Authority of the City of Annapolis will update and purge its waiting list at least annually to ensure that the pool of applicants reasonably represents interested families. Purging also enables the Housing Authority to update the information regarding address, family composition, income category and preferences.

4.7 FAMILIES NEARING THE TOP OF THE WAITING LIST

When a family appears to be within 2 months of being offered assistance, the family will be invited to an interview and the verification process will begin. If the family no longer qualifies to be near the top of the list, the family's name will be returned to the appropriate spot on the waiting list. The Housing Authority of the City of Annapolis must notify the family in writing of this determination and give the family the opportunity for an informal review.

4.8 MISSED APPOINTMENTS

All applicants who fail to keep a scheduled appointment in accordance with the paragraph below will be sent a notice of denial.

The Housing Authority of the City of Annapolis will allow the family to reschedule appointments for good cause. Generally, no more than one opportunity will be given to reschedule without good cause, and no more than two opportunities for good cause. When a good cause exists, the Housing Authority of the City of Annapolis will work closely with the family to find a more suitable time. Applicants will be offered the right to an informal review before being removed from waiting list.

4.9 PURGING THE WAITING LIST

The Housing Authority of the City of Annapolis will update and purge its waiting list at least annually to ensure that the pool of applicants reasonably represents interested families. Purging also enables the Housing Authority to update the information regarding address, family composition, income category and preferences.

4.10 REMOVAL OF APPLLICANTS FROM THE WAITING LIST

The Housing Authority of the City of Annapolis will not remove an applicant's name from the waiting list unless:

A. The applicant requests that the name be removed;

B. The applicant fails to respond to a written request for information or a request to declare their continued interest in the program or misses scheduled appointments; or

C. The applicant does not meet either the eligibility or screening criteria for the program.

4.11 GROUNDS FOR DENIAL

The Housing Authority of the City of Annapolis will deny assistance to applicants who:

A. Do not meet any one or more of the eligibility criteria;

B. Do not supply information or documentation required by the application process;

C. Fail to respond to a written request for information or a request to declare their continued interest in the program;

D. Fail to complete any aspect of the application or lease-up process;

E. Have a history of criminal activity by any household member involving crimes of physical violence against persons or property, and any other criminal activity including drug-related criminal activity that would adversely affect the health, safety, or well being of other tenants or staff, or cause damage to the property.

F. Currently owes rent or other amounts to any housing authority in connection with the public housing or Section 8 Programs.

G. Have committed fraud, bribery, or any other corruption in connection with any Federal housing assistance program, including the intentional misrepresentation of information related to their housing application or benefits derived there from;

H. Have a family member who was evicted from public housing within the last three years;

I. Have a family member who was evicted from assisted housing within five years of the projected date of admission because of drug-related criminal activity involving the illegal manufacture, sale, distribution, or possession with the intent to manufacture, sell, distribute a controlled substance as defined in Section 102 of the Controlled Substances Act, 21, U.S.C. 802;

J. Have a family member who is illegally using a controlled substance or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. The Housing Authority of the City of Annapolis may waive this requirement if:

1. The person demonstrates to the Housing Authority of the City of Annapolis' satisfaction that the person is no longer engaging in drug-related criminal activity or abuse of alcohol;

2. The person has successfully completed a supervised drug or alcohol rehabilitation program;

3. The person has otherwise been rehabilitated successfully; or

4. The person is participating in a supervised drug or alcohol rehabilitation program.

K. Have engaged in or threatened abusive or violent behavior towards any Housing Authority staff or residents;

L Have a family household member who has been terminated under the Certificate or Voucher Program during the last three years;

M. Have a family member with a lifetime registration under a State sex offender registration program (Denied for life).

4.12 NOTIFICATION OF NEGATIVE ACTIONS

Any applicant whose name is being removed from the waiting list will be notified by the Housing Authority of the City of Annapolis, in writing, that they have ten (10) business days, from the date of the written correspondence, to present mitigating circumstances or request an informal review. The letter will also indicate that their name will be removed from the waiting list if they fail to respond within the timeframe specified. The Housing Authority of the City of Annapolis' system of removing applicant's names from the waiting list will not violate the rights of persons with disabilities. If an applicant's failure to respond to a request for information or

updates was caused by the applicant's disability, the Housing Authority of the City of Annapolis will provide a reasonable accommodation. If the applicant indicates that they did not respond due to a disability, the Housing Authority of the City of Annapolis will verify that there is in fact a disability and that the accommodation they are requesting is necessary based on the disability. An example of a reasonable accommodation would be to reinstate the applicant on the waiting list based on the date and time of the original application.

4.12 4.13 INFORMAL REVIEW

If the Housing Authority of the City of Annapolis determines that an applicant does not meet the criteria for receiving Section 8 assistance, the Housing Authority of the City of Annapolis will promptly provide the applicant with written notice of the determination. The notice must contain a brief statement of the reason(s) for the decision, and state that the applicant may request an informal review of the decision within 10 business days of the denial. The Housing Authority of the City of Annapolis will describe how to obtain the informal review. The informal review process is described in Section 16.2 of this Plan.

5.0 SELECTING FAMILIES FROM THE WAITING

5.1 WAITING LIST ADMISSIONS AND SPECIAL ADMISSIONS

The Housing Authority may admit an applicant for participation in the program either as a special admission or as a waiting list admission.

If a HUD awards funding that is targeted for families with specific characteristics or families living in specific units, the Housing Authority of the City of Annapolis will use the assistance for those families.

5.2 PREFERENCES

The Housing Authority of the City of Annapolis will select families based preferences and on date and time of application.

5.3 SELECTION FROM THE WAITING LIST

Notwithstanding the above, if necessary to meet the statutory requirement that 75% of newly admitted families in any fiscal year are families who are extremely low-income, the Housing Authority of the City of Annapolis retains the right to skip higher income families on the waiting list to reach extremely low-income families. This measure will only be taken if it appears the

goal will not otherwise be met. To ensure this goal is met, the Housing Authority will monitor incomes of newly admitted families and the income of the families on the waiting list.

If there are not enough extremely low-income families on the waiting list we will conduct outreach on a non-discriminatory basis to attract extremely low-income families to reach the statutory requirement. (See attachment "A" for a listing of HUD median incomes.

6.0 ASSIGNMENT OF BEDROOM SIZES (SUBSIDY STANDARDS)

The Housing Authority of the City of Annapolis will issue a voucher for a particular bedroom size – the bedroom size is a factor in determining the family's level of assistance. The following guidelines will determine each family's unit size without overcrowding or over-housing:

Number of Bedrooms	Number of Persons	
	Minimum	Maximum
0	1	1
1	1	2
2	2	4
3	3	6
4	4	8
5	6	10
6	7	11

These standards are based on the assumption that each bedroom will accommodate no more than two (2) persons.

In determining bedroom size, the Housing Authority of the City of Annapolis will include the presence of children to be born to a pregnant woman, children who are in the process of being adopted, children whose custody is being obtained, children who are temporarily away at school or temporarily in foster-care.

Bedroom size will also be determined using the following guidelines:

A. Children of the same sex **will** share a bedroom.

B. Children of the opposite sex, both under the age of five (5) will share a bedroom.

C. Adults and children will not be required to share a bedroom.

D. Foster-adults and children will not be required to share a bedroom with family members.

E. Live-in aides will get a separate bedroom.

The Housing Authority of the City of Annapolis will grant exceptions to normal occupancy standards when a family requests a larger size than the guidelines allow and documents a medical reason why the larger size is necessary.

The family unit size will be determined by the Housing Authority of the City of Annapolis in accordance with the above guidelines and will determine the maximum rent subsidy for the family; however, the family may select a unit that may be larger or smaller than the family unit size. If the family selects a smaller unit, the payment standard for the smaller size will be used to calculate the subsidy. If the family selects a larger size, the payment standard for the family unit size will determine the maximum subsidy.

6.1 BRIEFING

When the Housing Authority of the City of Annapolis selects a family from the waiting list, the family will be invited to attend a briefing explaining how the program works. In order to receive a voucher the family is required to attend the briefing. If they cannot attend the originally scheduled briefing, they may attend a later session. If the family fails to attend two briefings without good cause, they will be denied admission.

If an applicant with a disability requires auxiliary aids to gain full benefit from the briefing, the Housing Authority will furnish such aids where doing so would not result in a fundamental alteration of the nature of the program and in an undue financial or administrative burden. In determining the most suitable auxiliary aid, the Housing Authority will give primary consideration to the requests of the applicant. Families unable to attend a briefing due to a disability may request a reasonable accommodation such as having the briefing presented at an alternate location.

The briefing will cover at least the following subjects:

A. A description of how the program works;

B. Family and owner responsibilities;

C. Where the family may rent a unit, including inside and outside the Housing Authority's jurisdiction;

D. Types of eligible housing;

E. For families qualified to lease a unit outside the Housing Authority's jurisdiction under portability, an explanation of how portability works;

F. An explanation of the advantages of living in an area that does not have a high concentration of poor families; and

G. An explanation that the family's share of rent may not exceed 40% of the family's monthly adjusted income.

6.2 PACKET

During the briefing, the Housing Authority will give the family a packet covering at least the following subjects:

A. The term of the voucher and the Housing Authority's policy on extensions and suspensions of the term. The packet will include information on how to request an extension and forms for requesting extensions;

B. How the Housing Authority determines the housing assistance payment and total tenant payment for the family;

C. Information on the payment standard, exception payment standard rent areas, and the utility allowance schedule;

D. How the Housing Authority determines the maximum rent for an assisted unit;

E. Where the family may lease a unit. For families qualified to lease outside the Housing Authority's jurisdiction, the packet includes an explanation of how portability works;

F. The HUD-required tenancy addendum that provides the language that must be included in any assisted lease, and a sample contract;

G. The request for approval of the tenancy form and an explanation of how to request Housing Authority approval of a unit;

H. A statement of the Housing Authority's policy on providing information to prospective owners. This policy requires applicants to sign disclosure statements allowing the Housing Authority to provide prospective owners with the family's current and prior

addresses and the names and addresses of the landlords for those addresses. Upon written request, the Housing Authority will also supply any factual information.

I. The Housing Authority's subsidy standards;

J. The HUD brochure on how to select a unit ("A Good Place to Live");

K. The HUD-required lead-based paint brochure;

L. Information on Federal, State, and local equal opportunity laws; the brochure "Fair Housing: It's Your Right;" and a copy of the housing discrimination complaint form;

M. A list of landlords or other parties known to the Housing Authority of the City of Annapolis may be willing to lease a unit to the family or help the family find a unit;

N. Notice that if the family includes a person with disabilities, the family may request a current list of accessible units known to the Housing Authority of the City of Annapolis that may be available;

O. The family's obligations under the program;

P. The grounds upon which the Housing Authority may terminate assistance because of the family's action or inaction;

Q. Housing Authority of the City of Annapolis informal hearing procedures, including when the Housing Authority is required to provide the opportunity for an informal hearing, and information on how to request a hearing.

6.3 ISSUANCE OF VOUCHER; REQUEST FOR APPROVAL OF TENANCY

Beginning August 12, 1999, the Housing Authority of the City of Annapolis will issue only vouchers. Treatment of previously issued certificates and vouchers will be dealt with as outlined in Section 21.0 Transition to the New Housing Choice Voucher Program.

Once all family information has been verified, their eligibility determined, their subsidy calculated, and they have attended the family briefing, the Housing Authority of the City of Annapolis will issue the voucher. At this point the family begins to search for a unit.

When the family finds a unit that the owner is willing to lease under the program, the family and the owner will complete and sign a proposed lease, the HUD required tenancy addendum and the

request for approval of the tenancy form. The family will submit the proposed lease and the request form to the Housing Authority during the term of the voucher. The Housing Authority will review the request, the lease, and the HUD required tenancy addendum and make an initial determination of approval of tenancy. The Housing Authority may assist the family in negotiating changes that may be required for the tenancy to be approvable. Once it appears the tenancy may be approvable, the Housing Authority will schedule an appointment to inspect the unit within 15 days after the receipt of inspection request from the family and owner. The 15 day period is suspended during any period the unit is unavailable for inspection. The Housing Authority will promptly notify the owner and the family whether the unit and tenancy are approvable.

During the initial stage of qualifying the unit, the Housing Authority will provide the prospective owner with information regarding the program. Information will include Housing Authority and owner responsibilities for screening and other essential program elements. The Housing Authority will provide the owner with the family's current and prior address as shown in the Housing Authority records along with the name and address (if known) of the landlords for those addresses.

Additional screening is the responsibility of the owner. Upon request by the prospective owner, the Housing Authority will provide any factual information or third party written information they have to a voucher holder's history of, or ability to, comply with standard material lease terms.

6.4 TERM OF THE VOUCHER

The initial term of the voucher will be 60 days and will be stated on the Housing Choice Voucher.

The Housing Authority may grant an extension, but the initial term plus any extensions will never exceed 180 calendar days from the initial date of issuance.

If the family includes a person with disabilities and the family requires an extension due to the disability, the Housing Authority will grant an extension allowing the family the full 180 days search time.

Upon submittal of a completed request for approval of tenancy form, the Housing Authority of the City of Annapolis will suspend the term of the voucher. The term will be in suspension until the date the Housing Authority provides notice that the request has been approved or denied. This policy allows families the full term to find a unit, not penalizing them for the period during which the Housing Authority is taking action on their request. A family may submit a second

request for approval of tenancy before the Housing Authority finalizes action on the first request. In this case the suspension will last from the date of the first submittal through the Housing Authority's action on the second submittal. No more than two requests will be concurrently considered.

6.5 APPROVAL TO LEASE A UNIT

The Housing Authority of the City of Annapolis will approve a lease if all of the following conditions are met:

A. The unit is eligible;

B. The unit is inspected by the Housing Authority and passes HQS;

C. The lease is approvable and includes the language of the tenancy addendum;

D. The rent to owner is reasonable;

E. The family's share of rent does not exceed 40% of their monthly adjusted income;

F. The owner has not been found to be debarred, suspended, or subject to a limited denial of participation by HUD or the Housing Authority; and

G. The family continues to meet all eligibility and screening criteria.

If tenancy approval is denied, the Housing Authority will advise the owner and the family in writing and to advise of any actions they could take that would enable the Housing Authority to approve the tenancy.

The lease term may begin only after all of the following conditions are met:

A. The unit passes the Housing Authority HQS inspection;

B. The family's share of rent does not exceed 40% of their monthly adjusted income;

C. The landlord and tenant sign the lease to include the HUD required addendum; and

D. The Housing Authority approves the leasing of the unit.

The Housing Authority will prepare the contract when the unit is approved for tenancy. Generally, the landlord, simultaneously with the signing of the lease and the HUD required tenancy addendum, will execute a contract. Upon receipt of the executed lease and the signed contract by the landlord, the Housing Authority will execute the contract. The Housing Authority will not pay any housing assistance to the owner until the contract is executed.

In no case will the contract be executed later than 60 days after the beginning of the lease term.

Any contract executed after the 60-day period will be void and the Housing Authority will not pay housing assistance to the owner.

6.6 ANNAPOLIS HOUSING AUTHORITY DISAPPROVAL OF OWNER

The Housing Authority will deny participation by the owner at the direction of HUD. The Housing Authority will also deny the owner's participation for any of the following reasons:

A. The owner has violated any obligations under a Section 8 Housing Assistance Payments Contract;

B. The owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program;

C. The owner has engaged in drug-related criminal activity or any violent criminal activity;

D. The owner has a history or practice of non-compliance with HQS for units leased under Section 8 or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other Federal housing program;

E. The owner has a history or practice of renting units that fail to meet State or local codes; or

F. The owner has not paid State or local real estate taxes, fines, or assessments.

G. The owner refuses (or has a history of refusing) to evict families for drug-related or violent criminal activity or for activity that threatens the health, safety or right of peaceful enjoyment of the:

1. premises by tenants, Housing Authority of the City of Annapolis employees or owner employees; or

2. residences by neighbors.

H. If the owner is the parent, child, grandparent, grandchild, sister, brother or any member of the family unless the Housing Authority of the City of Annapolis determines that approving the unit would provide reasonable accommodation for a family member who is a person with disabilities.

I. Other conflicts of interest under Federal, State, or local law.

6.7 INELIGIBLE/ELIGIBLE HOUSING

The following types of housing cannot be assisted under the Section 8 Tenant-Based Program:

A. A public housing or Indian housing unit;

B. A unit receiving project-based assistance under a Section 8 Program;

C. Nursing homes, board and care homes, board and care homes, or facilities providing continual psychiatric, medical or nursing services.

D. College or other school dormitories;

E. Units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions;

F. A unit occupied by its owner. This restriction does not apply to cooperatives or to assistance on behalf of a manufactured home owner leasing a manufactured home space; and

G. A unit receiving any duplicative Federal, State, or local housing subsidy. This does not prohibit renting a unit that has a reduced rent because of a tax credit.

The Housing Authority of the City of Annapolis will not approve a lease for any of the following special housing types, except as a reasonable accommodation for a family with disabilities:

A. Congregate Housing

B. Group Homes

C. Shared housing

D. Cooperative housing

E. Single room occupancy housing

The Housing Authority of the City of Annapolis will approve leases for the following housing types:

A. Single family dwellings

B. Apartments

C. Manufactured housing

D. Manufactured home space rentals

E. House boats

6.8 SECURITY DEPOSIT

The owner may collect a security deposit from the tenant in an amount not in excess of amounts charged in private market practice and not in excess of amounts charged by the owner to unassisted tenants.

When the tenant moves out of the dwelling unit, the owner, subject to State or local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid rent payable by the tenant, damages to the unit or for other amounts the tenant owes under the lease.

The owner must give the tenant a written list of all items charged against the security deposit and the amount of each item. After deducting the amount, if any, used to reimburse the owner, the owner must refund promptly the full amount of the unused balance to the tenant within 30-days of move-out

If the security deposit is not sufficient to cover amounts the tenant owes under the lease, the owner may seek to collect the balance from the tenant.

7.0 MOVES WITH CONTINUED ASSISTANCE

Participating families are allowed to move to another unit after the initial 12 months has expired, if the landlord and the participant have mutually agreed to terminate the lease, or if the Housing Authority has terminated the HAP contract. The Housing Authority of the City of Annapolis will issue the family a new voucher if the family does not owe the previous landlord, Housing Authority of the City of Annapolis or any other Housing Authority money, has not violated the Family Obligation, has not moved or been issued a certificate or voucher within the last 12 months, and if the Housing Authority of the City of Annapolis has sufficient funding for continued assistance. If the move is necessitated for a reason other than family choice, the 12-month requirement will be waived.

7.1 WHEN A FAMILY MAY MOVE

For families already participating in the Certificate and Voucher Program, the Housing Authority of the City of Annapolis will allow the family to move to a new unit if:

A. The assisted lease for the old unit has terminated;

B. The owner has given the tenant a notice to vacate, has commenced an action to evict the tenant, or has obtained a court judgment or other process allowing the owner to evict the tenant; or

C. The tenant has given notice of lease termination (if the tenant has a right to terminate the lease on notice to the owner).

7.2 PROCEDURES REGARDING FAMILY MOVES

Families considering transferring to a new unit will be scheduled to attend a mover's briefing. All families who are moving, including any families moving into or out of the Housing Authority of the City of Annapolis's jurisdiction, will be required to attend a mover's briefing prior to the Housing Authority of the City of Annapolis entering a new HAP contract on their behalf.

This briefing is intended to provide the following:

A. A refresher on program requirements and the family's responsibilities. Emphasis will be on giving proper notice and meeting all lease requirements such as leaving the unit in good condition.

B. Information about finding suitable housing and the advantages of moving to an area that does not have a high concentration of poor families;

C. Payment standards, exception payment standard rent areas, and the utility allowance schedule;

D. An explanation that the family shares of rent may not exceed 40% of the family's monthly adjusted income;

E. Portability requirements and opportunities;

F. The need to have a reexamination conducted within 120 days prior to the move;

G. An explanation and copies of the forms required to initiate and complete the move; and

H. All forms and brochures provided to applicants at the initial briefing.

Families are required to give proper written notice of their intent to terminate the lease. In accordance with HUD regulations, no notice requirement may exceed 60 days. During the initial term, families may not end the lease unless they and the owner mutually agree to end the lease. If the family moves from the unit before the initial term of the lease ends without the owner's and the Housing Authority of the City of Annapolis's approval, it will be considered a serious lease violation and subject the family to termination from the program.

The family is required to give the Housing Authority of the City of Annapolis a copy of the notice to terminate the lease at the same time as it gives the notice to the landlord. A family's failure to provide a copy of the lease termination notice to the Housing Authority of the City of Annapolis will be considered a violation of Family Obligations and may cause the family to be terminated from the program.

The family who gives notice to terminate the lease must mail the notice certified mail or have the landlord or his agent sign a statement stating the date and time received. The family will be required to provide the certified mail receipt and a copy of the lease termination notice to the Housing Authority of the City of Annapolis, or a copy of the lease termination and the signed statement stating the date and time the notice was received. If the landlord or his/her agent does not accept the certified mail receipt, the family will be required to provide the receipt and envelope showing that the attempt was made.

Failure to follow the above procedures may subject the family to termination from the program.

8.0 PORTABILITY

8.1 GENERAL POLICIES OF THE HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

A family whose head or spouse has a domicile (legal residence) or works in the jurisdiction of the Housing Authority of the City of Annapolis at the time the family first submits its application for participation in the program to the Housing Authority of the City of Annapolis may lease a unit anywhere in the jurisdiction of the Housing Authority of the City of Annapolis or outside the Housing Authority of the City of Annapolis jurisdiction as there is another entity operating a tenant-based Section 8 program covering the location of the proposed unit.

If the head or spouse of the assisted family does not have a legal residence or work in the jurisdiction of the Housing Authority of the City of Annapolis at the time of its application, the family will not have any right to lease a unit outside of the Housing Authority of the City of Annapolis jurisdiction for a 12-month period beginning when the family is first admitted to the program. During this period, the family may also lease a unit located in the jurisdiction of the Housing Authority of the City of Annapolis.

Families participating in the Voucher Program will not be allowed to move more than once in any 12-month period and under no circumstances will the Housing Authority of the City of Annapolis allow a participant to improperly break a lease. Under extraordinary circumstances the Housing Authority of the City of Annapolis may consider allowing more than one move in a 12-month period.

Families may only move to a jurisdiction where a Housing Choice Voucher (Section 8) Program is being administered.

If a family has moved out of their assisted unit in violation of the lease, the Housing Authority of the City of Annapolis will not issue a voucher, and will terminate assistance in compliance with Section 17.0, Grounds for Termination of the Lease and Contract.

8.2 INCOME ELIGIBILITY

A. Admission

A family must be income-eligible in the area where the family first leases a unit with assistance in the Voucher Program.

B. If a portable family is already a participant in the Initial Housing Authority's Voucher Program, income eligibility is not re-determined.

8.3 PORTABILITY: ADMINISTRATION BY RECEIVING HOUSING AUTHORITY

A. When a family utilizes portability to move to an area outside the Initial Housing Authority jurisdiction, another Housing Authority (the Receiving Housing Authority) must administer assistance for the family if that Housing Authority has a tenant-based program covering the area where the unit is located.

B. A Housing Authority with jurisdiction in the area where the family wants to lease a unit must issue the family a voucher. If there is more than one such housing authority, the Initial Housing Authority may choose which housing authority shall become the Receiving Housing Authority.

8.4 PORTABILITY PROCEDURES

A. When the Housing Authority of the City of Annapolis is the Initial Housing Authority:

1. The Housing Authority of the City of Annapolis will brief the family on the process that must take place to exercise portability. The family will be required to attend an applicant or mover's briefing.

2. The Housing Authority of the City of Annapolis will determine whether the family is income-eligible in the area where the family wants to lease a unit (if applicable).

3. The Housing Authority of the City of Annapolis will advise the family how to contact and request assistance from the Receiving Housing Authority.

4 The Housing Authority of the City of Annapolis will, within ten (10) calendar days, notify the Receiving Housing Authority to expect the family.

5. The Housing Authority of the City of Annapolis will immediately mail to the Receiving Housing Authority the most recent HUD Form 50058 (Family Report) for the family, and related verification information.

6. A participant must lease-up and reside within the Initial Housing Authority jurisdictional area one-year, prior to requesting approval to port-out to another area outside of the Initial Housing Authority

jurisdictional area.

B. When the Housing Authority of the City of Annapolis is the Receiving Authority:

1. When the portable family requests assistance from the Housing Authority of the City of Annapolis, the Housing Authority of the City of Annapolis will within ten (10) calendar days inform the Initial Housing Authority whether it will bill the Initial Housing Authority for assistance on behalf of the portable family, or absorb the family into its own program. When the Housing Authority of the City of Annapolis receives a portable family, the family will be absorbed if funds are available and the voucher will be issued.

2. The Housing Authority of the City of Annapolis will issue a voucher to the family. The term of the Housing Authority of the City of Annapolis's voucher will not expire before the expiration date of any Initial Housing Authority's voucher. The Housing Authority of the City of Annapolis will determine whether to extend the voucher term. The family must submit a request for tenancy approval to the Housing Authority of the City of Annapolis during the term of the Housing Authority of the City of Annapolis's voucher.

3. The Housing Authority of the City of Annapolis will determine the family unit size for the portable family. The family unit size is determined in accordance with the Housing Authority of the City of Annapolis's subsidy standards.

4. The Housing Authority of the City of Annapolis will within ten (10) calendar days notify the Initial Housing Authority if the family has leased an eligible unit under the program, or if the family fails to submit a request for tenancy approval for an eligible unit within the term of the voucher.

5. If the Housing Authority of the City of Annapolis opts to conduct a new reexamination, the Housing Authority of the City of Annapolis will not delay issuing the family a voucher or otherwise delay approval of a unit unless the re-certification is necessary to determine income eligibility.

6. In order to provide tenant-based assistance for portable families, the Housing Authority of the City of Annapolis will perform all Housing Authority program functions, such as reexaminations of family income and composition. At any time, either the Initial Housing Authority or the Housing Authority of the City of Annapolis may make a determination to deny or terminate assistance to the family in accordance with 24 CFR 982.552.

C. Absorption by the Housing Authority of the City of Annapolis

1. To cover assistance for a portable family, the Receiving Housing Authority may bill the Initial Housing Authority for housing assistance payments and administrative fees. The billing procedure will be as follows:

   a. As the Initial Housing Authority, the Housing Authority of the City of Annapolis will promptly reimburse the Receiving Housing Authority for the full amount of the housing assistance payments made by the Receiving Housing Authority for the portable family. The amount of the housing assistance payment for a portable family in the Receiving Housing Authority's program is determined in the same manner as for the other families in the Receiving Housing Authority's program.

   b. The Initial Housing Authority will promptly reimburse the Receiving Housing Authority for 80% of the Initial Housing Authority's on-going administrative fee for each unit month that the family receives assistance under the tenant-based programs and is assisted by the Receiving Housing Authority. If both Housing Authorities agree, we may negotiate a different amount of reimbursement.

E. When A Portable Family Moves

When a portable family moves out of the tenant-based program of a Receiving Housing Authority that has not absorbed the family, the Housing Authority in the new jurisdiction to which the family moves becomes the Receiving Housing Authority, and the first Receiving Housing Authority is no longer required to provide assistance for the family.

9.0 DETERMINATION OF FAMILY INCOME

9.1 INCOME, EXCLUSIONS FROM INCOME, DEDUCTIONS FROM INCOME

To determine annual income, the Housing Authority of the City of Annapolis counts the income of all family members, excluding the types and sources of income that are specifically excluded. Once the annual income is determined, the Housing Authority of the City of Annapolis subtracts out all allowable deductions (allowances) as the next step in determining the Total Tenant Payment.

9.2 INCOME

A. Annual income means all amounts, monetary or not, that:

1. Go to (or on behalf of) the family head or spouse (even if temporarily absent) or to any other family member, or

2. Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and

3. Are not specifically excluded from annual income.

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 legal operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness are not 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 is 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 are not 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 an investment is 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 includes the greater of the actual income derived from all net family assets or a percentage of the value such assets based on the current passbook savings rate, as determined by HUD.

4. The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including lump-sum amount of prospective monthly amounts for the delayed start of a periodic amount. (However, deferred periodic amounts from supplemental security income and Social Security benefits that the received in a lump sum amount or in prospective monthly amounts are excluded.)

5. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay. (However, lump sum additions such as insurance payments from worker's compensation are excluded.)

6. Welfare assistance.

   a. 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 consists 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 requirement is the amount resulting from one application of the percentage.

   b. If the amount of welfare is reduced due to an act of fraud by a family member or because of any family member's failure to comply with requirements to participate in an economic self-sufficiency program or work activity, the amount of rent required to be paid by the family will not be decreased. In such cases, the amount of income attributable to the family will include what the family would have received had they complied with the welfare requirements and/or had not committed an act of fraud.

c. If the amount of welfare assistance is reduced as a result of a lifetime time limit, the reduced amount is the amount that shall be counted. Food stamps will be treated as income and removed in final rent determination.

7. Periodic and determinable allowances, such alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling.

8. All regular pay, special pay, and allowances of a member of the Armed Forces. (Special pay to a member exposed to hostile fire is excluded.)

9.3 EXCLUSIONS FROM INCOME

Annual income does not include the following:

A. Income from employment of children (including foster children) under the age of 81 years;

B. Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone;

C. 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;

D. Amounts received by the family that is specifically for, or in reimbursement of, the cost of medical expenses for any family member;

E. Income of a live-in aide;

F. The full amount of student financial assistance paid directly to the student or to the educational institution;

G. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;

H. The amounts received from the following programs:

1. Amounts received under training programs funded by HUD;

2. Amounts received by a person with a disability 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);

3. Amounts received by a participant in other publicly assisted programs that are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and that are mode solely to allow participation in a specific program;

4. Amounts received under 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 Housing Authority or 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 initiative coordination. No resident may receive more than one such stipend during the same period of time.

5. Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) 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 period during which the family member participates in the employment training program;

6. Temporary, nonrecurring, or sporadic income (including gifts);

7. 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;

8. Earnings in excess of $480 for each full-time student 18 years old or older (excluding the head of household and spouse);

9. Adoption assistance payments in excess of $480 per adopted child;

10. Deferred periodic amounts from Supplemental Security Income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts;

11. 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;

12. Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or

13. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits.

    These exclusions include:

    a. The value of the allotment of food stamps

    b. Payments to volunteers under the Domestic Volunteer Services Act of 1973

    c. Payments received under the Alaska Native Claims Settlement Act

    d. Income from sub-marginal land of the U.S. that is held in trust for certain Indian tribes

    e. Payments made under HHS's Low-Income Energy Assistance Program

    f. Payments received under the Job Training Partnership Act

    g. Income from the disposition of funds of the Grand River Band of Ottawa Indians

    h. The first $2000 per capita received from judgment funds awarded for certain Indian claims

    i. Amount of scholarships awarded under Title IV including Work-Study

    j. Payments received under the Older Americans Act of 1965

    k. Payments from Agent Orange Settlement

    l. Payments received under the Maine Indian Claims Act

m. The value of child care under the Child Care and Development Block Grant Act of 1990

n. Earned income tax credit refund payments

o. Temporary employment payments by the U.S. Census Bureau.

p. Payments for living expenses under the AmeriCorps Program

q. Payments received to a Family as Kinship payments for foster care of children living with a related legal guardian.

9.4 DEDUCTIONS FROM ANNUAL INCOME

The following deductions will be made from annual income:

A. $480 for each dependent

B. $400 for any elderly family or disabled family

C. For any family that is not elderly or disabled family but has a member (other than the head or spouse) who is a person with a disability, disability assistance expenses in excess of 3% of annual income. 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 person with disabilities.

D. For any elderly or disabled family:

1. That has no disability assistance expenses, an allowance for medical expenses equal to the amount by which the medical expenses exceed 3% of annual income;

2. That has disability expenses greater than or equal to 3% of annual income, an allowance for disability assistance expenses computed in accordance with paragraph C, plus an allowance for medical expenses that equal the family's medical expenses;

3. That has disability assistance expenses that are less than 3% of annual income, an allowance for combined disability assistance expenses and medical expenses that is equal to the total of these expenses less than 3% of annual income.

E. Child care expenses.

10.0 VERIFICATION

The Housing Authority of the City of Annapolis will verify information related to waiting list preferences, eligibility, admission and level of benefits prior to admission. Periodically during occupancy, items related to eligibility and rent determination shall also be reviewed and verified. Income, assets, and expenses will be verified, as well as disability status, need for a live-in aide and other reasonable accommodations, full time student status of family members 18 years of age and older, Social Security Numbers, citizenship/eligible noncitizen status. Age and relationship will only be verified in those instances where needed to make a determination of level of assistance.

10.1 ACCEPTABLE METHODS OF VERIFICATION

Age, relationship, U.S. citizenship, and Social Security Numbers will generally be verified with documentation provided by the family. For citizenship, the family's certification will be accepted. (Or for citizenship documentation such as listed below will be required.) Verification of these items will include photocopies of the Social Security cards and other documents presented by the family, the INS SAVE approval code, and forms signed by the family.

Income information for applicants and participants under the HCV program will first be verified using the HUD Electronic Verification (EIV) system. If there is a discrepancy between the applicant/participant reported income and the EIV information, then third party verification will be conducted to insure the accuracy of the EIV income data. If there is no discrepancy, then no further verification needs to be conducted. EIV cannot verify child support payments.

Other information will be verified by third party verification. This type of verification includes written documentation (with forms sent directly to and received directly from a source, not passed through the hands of the family.) This verification may also be direct contact with the source, in person or by telephone. It may also be a report generated by a request from the Housing Authority of the City of Annapolis or automatically by another government agency, i.e. the Social Security Administration. Verification forms and reports received will be contained in the applicant/tenant file. Oral third party documentation will include the same information as if the documentation had been written, i.e. name date of contract, amount received, etc.

When third party verification cannot be obtained, the Housing Authority of the City of Annapolis will accept documentation received from the applicant/ participant. Hand-carried documentation

will be accepted if the Housing Authority of the City of Annapolis has been unable to obtain third party verification in a four week period of time. Photocopies of the documents provided by the family will be maintained in the file.

When neither third party verification nor hand-carried verification can be obtained, the Housing Authority of the City of Annapolis will accept a notarized statement signed by the head, spouse or co-head. Such documents will be maintained in the field.

10.2 TYPES OF VERIFICATION

The chart below outlines the factors that may be verified and gives common examples of the verification that will be sought. To obtain written third party verification, the Housing Authority of the City of Annapolis will send a request form to the source along with a release form signed by the applicant/participant via first class mail.

Verification Requirements for Individual Items		
Item to Be Verified	**3rd Party verification**	**Hand-carried verification**
General Eligibility Items		
Social Security Number	Letter from Social Security, electronic reports	Social Security card
Citizenship	N/A	Signed certification, voter's registration card, birth certificate, etc.
Eligible immigration status	INS SAVE confirmation #	INS card
Disability	Letter from medical professional, SSI, etc.	Proof of SSI or Social Security disability payments
Full time student status (if > 18)	Letter from school	For high school students, any document evidencing enrollment
Need for a live-in aide	Letter from doctor or other professional knowledgeable of condition	N/A
Child care costs	Letter from care provider	Bills and receipts
Disability assistance expenses	Letters from suppliers, care givers, etc.	Bills and records of payment
Medical expenses	Letters from providers, prescription record from pharmacy, medical professional's letter stating assistance or a companion animal is needed	Bills, receipts, records of payment, dates of trips, mileage log, receipts for fares and tolls
Value of and Income from Assets		
Savings, checking accounts	Letter from institution	Passbook, most current statements
CDs, bonds, etc.	Letter from institution	Tax return, information brochure from institution, the CD, the bond
Stocks	Letter from broker or holding company	Stock or most current statement, price in newspaper or through Internet

Verification Requirements for Individual Items		
Real property	Letter from tax office, assessment, etc.	Property tax statement (for current value), assessment, records or income and expenses, tax return
Personal property	Assessment, bluebook, etc.	Receipt for purchase, other evidence of worth
Cash value of life insurance policies	Letter from insurance company	Current statement
Assets disposed of for less than fair market value	N/A	Original receipt and receipt at disposition, other evidence of worth
Income		
Earned income	Letter from employer	Multiple pay stubs
Self-employed	N/A	Tax return from prior year, books of accounts
Regular gifts and contributions	Letter from organization receiving gift (i.e., if grandmother pays day care provider, the day care provider could so state)	Bank deposits, divorce decree
Alimony/child support	Court order, letter from source, letter from Human Services	Record of deposits, divorce decree
Periodic payments, (i.e., social security, welfare, pensions, worker's comp, unemployment)	Letter or electronic reports from the source	Award letter, letter announcing change in amount of future payments
Training program participation	Letter from program provider indicating: - whether enrolled - whether training is HUD-funded -whether State or local program - whether it is employ-ment training - whether payments are for out-of-pocket expenses	N/A

	incurred in order to participate in a program	

10.3 VERIFICATION OF CITIZENSHIP OR ELIGIBLE NONCITIZEN STATUS

The citizenship/eligible noncitizen status of each family member regardless of age must be determined.

Prior to being admitted or at the first reexamination, all eligible non-citizens and nationals will be required to sign a declaration under penalty of perjury. (They will be required to show proof of their status by such means as, birth certificate, military ID or military DD 214 Form.)

Prior to being admitted or at the first reexamination, all eligible non citizens who are 62 years of age or older will be required to sign a declaration under penalty of perjury. They will also be required to show proof of age.

Prior to being admitted, each eligible noncitizen must sign a declaration of their status and a verification consent form and provide their original INS documentation. The Housing Authority of the City of Annapolis will make a copy of the individual's INS documentation and place the copy in the file. The Housing Authority of the City of Annapolis also will verify their status through the INS SAVE system. If the INS SAVE system cannot confirm eligibility, the Housing Authority of the City of Annapolis will mail information to the INS so a manual check can be made of INS so a manual check can be made of INS records.

Family members who do not claim to be citizens, nationals or eligible noncitizens, or whose status cannot be confirmed, must be listed on a statement of non-eligible members and the list must be signed by the head of the household.

Noncitizen students on student visas, though in the country legally, are not eligible to be admitted on the section 8 program.

Any family member who does not choose to declare their status must be listed on the statement of non-eligible members.

If no family member is determined to be eligible under this Section, the family's admission will be denied.

The family's assistance will not be denied, delayed, reduced or terminated because of a delay process of determining eligible status under this Section, except to the extent that the delay is caused by the family.

If the Housing Authority of the City of Annapolis determines that a family member has knowingly permitted an ineligible noncitizen (other than any ineligible noncitizens listed on the lease) to permanently reside in their Section 8 unit, the family's assistance will be terminated. Such family will not be eligible to be readmitted to the Section 8 program for a period of 24 months from the date of termination.

10.4 VERIFICATION OF SOCIAL SECURITY NUMBERS

Prior to admission, each family member must have a Social Security Number and provide verification of his or her Social Security Number. New family members must provide this verification prior to being added to the lease. Children in assisted households must provide this verification within 30-days of new born birth or any other household addition. All children added to the household must have a social security number and the head of household must have legal custody documentation for any child added to the lease.

The best verification of Social Security Number is the original Social Security card. If the card is not available, the Housing Authority of the City of Annapolis will accept letters from Social Security that establish and state the number. Documentation from other governmental agencies will also be accepted that establish and state the number. Driver's license, military ID, passports, or other official documents that establish and state the number are also acceptable.

If a member of an applicant family indicates they have a Social Security Number, but cannot readily verify it, the family cannot be assisted until verification is provided.

If a member of a tenant family indicates they have a Social Security Number, but cannot readily verify it, they shall be asked to certify to this fact and shall have up to 60 days to provide the verification. If the individual is at least 62 years of age, they will be given 120 days to provide the verification. If the individual fails to provide the verification within the time allowed, the family will be denied assistance or will have their assistance terminated.

10.5 TIMING OF VERIFICATION

Verification must be dated within 90 days of certification or reexamination. If the verification is older than this, the source will be contacted and asked to provide information regarding any changes.

When an interim reexamination is conducted, the Housing Authority will verify and update only those elements reported to have changed.

10.6 FREQUENCY OF OBTAINING VERIFICATION

For each family member, citizenship/eligible noncitizen status will be verified only once. This verification will be obtained prior to admission. If the status of any family member was not determined prior to admission, verification of their status will be obtained at the next regular reexamination. Prior to a new member joining the family, their status will be verified.

For each family member, verification of Social Security Number will be obtained only once. This verification will be accomplished prior to admission.

11.0 RENT AND HOUSING ASSISTANCE PAYMENT

11.1 GENERAL

After August 12, 1999, the Housing Authority of the City of Annapolis will issue only vouchers to applicants, movers, and families entering the jurisdiction through portability. Certificates currently held will continue to be honored until the transition of the merger of the Section 8 Certificate and Voucher programs as outlined in 24 CFR 982.502 is complete (see Section 21.0 for additional guidance).

11.2 RENT REASONABLENESS

The Housing Authority will not approve an initial rent or a rent increase in any of the tenant-based programs without determining that the rent amount is reasonable. Reasonableness is determined prior to the initial lease and at the following times:

A. Before any increase in rent to the owner is approved.

B. If 60 days before the contract anniversary date there is a 5% decrease in the published FMR as compared to the previous FMR; and

C. If the Housing Authority of HUD directs that reasonableness be re-determined.

11.3 11.3 COMPARABILITY

In making a rent reasonableness determination, the Housing Authority will compare the rent for the unit to the rent of comparable units in the same or comparable neighborhoods. The Housing Authority will consider the location, quality, size, number of bedrooms, age, amenities, housing service, maintenance and utilities of the unit and the comparable units.

The Housing Authority will maintain current survey information on rental units in the jurisdiction. The Housing Authority will also obtain from landlord associations and management firms the value of the array of amenities.

The Housing Authority will establish minimum base rent amounts for each unit type and bedroom size. To the base the Housing Authority will be able to add or subtract the dollar value for each characteristic and amenity of a proposed unit.

Owners are invited to submit information to the survey at any time. Owners may review the determination made on their unit and may submit additional information or make improvements to the unit that will enable the Housing Authority to establish a higher value.

The owner must certify the rents charged for other units. By accepting the housing assistance payment each month the owner is certifying that the rent to owner is not more than the rent charged by the owner for comparable unassisted units in the premises.

11.4 MAXIMUM SUBSIDY

The Fair Market Rent (FMR) published by HUD or the exception payment standard rent (requested by The Housing Authority of the City of Annapolis and approved by HUD) determines the maximum subsidy for a family.

For a regular tenancy under the Certificate Program, the FMR/exception rent limit is the maximum initial gross rent under the assisted lease. This only applies until the transition of the merger of the Section 8 Certificate and Voucher programs as outlined in 24 CFR 982.502 is complete.

For the Voucher Program, the maximum payment standard will be 110% of the FMR without prior approval from HUD, or the exception payment standard approved by HUD.

For a voucher tenancy in an insured or non insured 236 project, a 515 project of the Rural Development Administration , or a Section 221 (d)(3) below market interest rate project the payment standard may not exceed the basic rent charged including the cost of tenant-paid utilities.

For manufactured home space rental, the maximum subsidy under any form of assistance is the Fair Market Rent for the space as outlined in 24 CFR 982.88

11.4.1 Setting the Payment Standard

HUD requires that the payment standard be set by the Housing Authority at between 90 and 110% of the FMR. The Housing Authority of the City of Annapolis will review its determination of the payment standard annually after publication of the FMRs. The Housing Authority of the City of Annapolis will consider vacancy rates and rents in the market area, size and quality of the units leased under the program, rent and units leased under the program, success rates of voucher holders in finding the units, and the percentage of annual income families are paying for rent under the Voucher Program. If it is determined that success rates will suffer or that families are having to rent low quality units or pay over 40% of income for rent, the payment standard may be raised to the level judged necessary to alleviate these hardships.

The Housing Authority of the City of Annapolis may establish a higher payment standard (although still within 110% of the published fair market rent) as a reasonable accommodation for a family that includes people with disabilities.

Payment standards will not be raised solely to allow the renting of luxury quality units.

If success levels are projected to be extremely high and rents are projected to be at or below 30% of income, the Housing Authority will reduce the payment standard. Payment standards for each bedroom size may increase or decrease while other remains unchanged. The Housing Authority of the City of Annapolis may consider adjusting payment standards at the times other than the annual review when circumstances warrant.

Before increasing any payment standard, the Housing Authority will conduct a financial feasibility test to ensure that in using the higher standard, adequate funds will continue to be available to assist families in the program.

11.4.2 Selecting the Correct Payment Standard for a Family

A. For the voucher tenancy, the payment standard for a family is the low of:

1. The payment standard for the family unit size; or

2. The payment standard for the unit size rented by the family.

B. If the unit rented by a family is located in an exception rent area, The Housing Authority will use the appropriate payment standard for the Rent area.

C. During the HAP contract term for a unit, the amount of the payment Standard for a family is the higher of:

1. The initial payment standard (at the beginning of the lease term) minus any amount by which the initial rent to owner exceeds the current rent to owner; or

2. The payment standard as determined at the most recent regular reexamination of family income and composition effective after the beginning of the HAP contract term.

D. At the next annual reexamination following a change in family size or composition during the HAP contract term and for any reexamination thereafter, paragraph C above does not apply.

E. If there is a change in family unit size resulting from a change in family size or composition, the new family unit size will be considered when determining the payment standard at the next annual reexamination.

11.4.3 Area Exception Rents

In order to help families find housing outside areas of high poverty or when voucher holders are having trouble finding housing for lease under the program, Housing Authority may request that HUD approve an exception payment standard rent for certain areas within its jurisdiction. The areas may be of any size, though generally not smaller than a census tract. The Housing Authority may request one such exception payment standard area or many. Exception payment standard rent authority may be requested for all or some unit sizes, or for all or some unit types.

When an exception payment standard rent has been approved and the FMR increases, the exception rent remains unchanged until such time the Housing Authority requests and HUD approves a higher exception payment standard rent.
If the FMR decreases, the exception payment standard rent authority automatically expires.

11.5 ASSISTANCE AND RENT FORMULAS

The total tenant payment is equal to the highest of:

1. 10% of the monthly income

2. 30% of adjusted monthly income

3. Minimum rent

4. The welfare rent

Plus ant rent above the payment standard.

B. Minimum Rent.

The Housing Authority of the City of Annapolis has set the minimum rent as $50.00.

C. Section 8 Merged Vouchers

1. The payment standard is set by the Housing Authority between 90% and 110% of the FMR or higher or lower with HUD approval.

2. The participant pays the greater of the Total Tenant Payment or the minimum rent, plus the amount by which the gross rent exceeds the payment standard.

3. No participant when initially receiving tenant-based assistance on a unit shall pay more than 40% of their monthly adjusted income.

D. Section 8 Preservation Vouchers

1. Payment Standard

2. The payment standard is the lower of:

a. The payment standard amount for the appropriate family unit size; or
b. The payment standard amount for the size of the dwelling unit actually rented by the family.

a. If the dwelling unit is located in an exception area, The Housing Authority of the City of Annapolis will use the appropriate payment standard for the exception area.

c. During the HAP contract term, the payment standard for the family is the higher of:

i. The initial payment standard (at the beginning of the HAP contract term), as determine in accordance with paragraph (1) (a) or (1) (b) of this section, minus any amount by the initial rent to the owner exceeds the current rent to the owner or

ii. The payment standard as determined in accordance with paragraph (1) (a) or (1) (b) of this section, as determined at the most recent regular reexamination of the family income and composition effective after the beginning of the HAP contract term.

d. At the next regular reexamination following a change in the family composition that causes a change in family unit size during the HAP contract term, and for any examination thereafter during the term:

i. Paragraph (c) (i) of this section does not apply: and

ii. The new family unit size must be used to determine the payment standard.

2. The Housing Authority of the City of Annapolis will pay a monthly housing assistance payment on behalf of the family that equals the lesser of:

a. The payment standard minus the total payment; or
b. The gross rent minus the total tenant payment.

E. Manufactured Home Space Rental: Section 8 Vouchers

1. The payment standard for a participant renting a manufactured home space is the published FMR for rental of a manufactured home space.

2. The space rent is the sum of the following as determined by the Housing Authority:

a. Rent to the owner for the manufactured home space;
b. Owner maintenance and management charges for the space; and
c. Utility allowance for tenant paid utilities.

3. The participant pays the rent to owner less the HAP.

4. HAP equals lesser of:

   a. The payment standard minus the total tenant payment; or

   b. The rent paid for total of the real property on which the manufactured home owned by the family is located.

F. Rent for families under the Noncitizen Rule

A mixed family will receive full continuation of assistance if all of the following conditions are met:

1. The family was receiving assistance on June 19, 1995;

2. The family was granted continuation of assistance before November 29, 1996;

3. The family's head or spouse has eligible immigration status; and

4. The family does not include any person who does not have eligible status other than the head of household, the spouse of the head of household, any parent of the head or spouse, or any child (under the age of 18) of the head or spouse.

If a mixed family qualifies for prorated assistance but decides not to accept it, or if the family has no eligible members, the family may not be eligible for temporary deferral of termination of assistance to permit the family additional time for the orderly transition of some or all of its members to locate other affordable housing. Under this provision the family receives full assistance. If assistance is granted under this provision prior to November 29, 1996, it may last no longer than three years. If granted after that date, the maximum period of time for assistance is under the provision is 18 months. The Housing Authority of the City of Annapolis will grant each family a period of 6 months to find suitable housing, The Housing Authority of the City of Annapolis will provide additional search periods up to the maximum time allowable.

Suitable housing means that housing is not substandard and it is of appropriate size for the family. Affordable housing means that it can be rented for an amount not exceeding the amount the family pays for rent, plus utilities, plus 25%.

The family's assistance is prorated in the following manner:

1. Find the prorated housing assistant payment (HAP) by dividing the HAP by the total number of family members, and then multiplying the result by the number of eligible family members.

2. Obtain the prorated family share by subtracting the prorated HAP from the gross rent (contract rent plus utility allowance).

3. The prorated tenant rent equals the prorated family share minus the full utility allowance.

11.6 UTILITY ALLOWANCE

The Housing Authority maintains a utility allowance schedule for all tenant-paid utilities (except telephone), for cost of tenant-supplied refrigerators and ranges, and for other tenant-paid housing services (e.g., trash collection (disposal of waste and refuse)).

The utility allowance schedule is determined based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. In developing the schedule, the Housing Authority uses normal patterns of consumption for the community as whole and current utility rates.

The Housing Authority reviews the utility allowance schedule annually and revises any allowance for a utility category if there has been a change of 10% or more in the utility rate since the last time the utility allowance schedule was revised. The Housing Authority maintains information supporting the annual review of utility allowances and any revisions made in its utility allowance schedule.

The Housing Authority uses the appropriate utility allowance for the size of dwelling unit actually leased by the family (rather than the family unit size as determined under the Housing Authority subsidy standards).

At each reexamination, the Housing Authority applies the utility allowance from the most current utility allowance schedule.

The Housing Authority will approve a request for a utility allowance that is higher than the applicable amount on the utility allowance schedule if a higher utility allowance is needed as a reasonable accommodation to make the program accessible to and usable by the family member with a disability.

The utility allowance will be subtracted from the family's share to determine the amount of the Total Tenant Payment. The Total Tenant Payment is the amount the family owes each month to the owner. The amount of the utility allowance is then still available to the family to pay the cost of their utilities. Any utility cost above the allowance is the responsibility of the tenant. Any savings resulting from utility costs below the amount of the allowance belong to the tenant.

11.7 DISTRIBUTION OF HOUSING ASSISTANCE PAYMENT

The Housing Authority pays the owner the lesser of the housing assistance payment of the rent to owner. If payments are not made when due, the owner may charge the Housing Authority of the City of Annapolis a late payment, agreed to in the Contract and in accordance with generally accepted practices in the Annapolis jurisdiction.

11.8 CHANGE OF OWNERSHIP

The Housing Authority of the City of Annapolis requires a written request by the owner who executed the HAP contract in order to make changes regarding who is to receive the Housing Authority of the City of Annapolis' rent payment or the address as to where the rent payment should be sent.

In addition, the Housing Authority of the City of Annapolis requires a written request from the new owner to process a change of ownership. The following documents must accompany the written request:

A. Deed of Trust showing the transfer of title; and

B. Tax Identification Number or Social Security Number

New owners will be required to execute IRS Form W-9. The Housing Authority of the City of Annapolis may withhold the rent payment until the taxpayer identification number is received.

12.0 HOUSING INSPECTION POLICIES, HOUSING QUALITY STANDARDS, AND DAMAGE CLAIMS

The Housing Authority of the City of Annapolis will inspect all units to ensure that they meet Housing Quality Standards (HQS). No unit will be initially placed on the Section 8 Existing Program unless the HQS is met. Units will be inspected at least annually, and at other times as added, to determine if the units meet HQS.

The Housing Authority of the City of Annapolis must be allowed to inspect the dwelling unit at reasonable times with reasonable notice. The family and owner will be notified of the inspection appointment by first class mail. If the family cannot be at home for the scheduled inspection appointment, the family must call and reschedule the inspection or make arrangements to enable the Housing Authority to enter the unit and complete the inspection.

If the family misses the scheduled inspection and fails to reschedule the inspection, the Housing Authority of the City of Annapolis will only schedule one more inspection. If the family misses two inspections, the Housing Authority of the City of Annapolis will consider the family to have violated a Family Obligation and their assistance will be terminated.

12.1 TYPES OF INSPECTIONS

There are seven types of inspections the Housing Authority of the City of Annapolis will perform:

A. Initial Inspection – An inspection that must take place to insure that the unit passes HQS before assistance can begin.

B. Annual Inspection – An inspection to determine that the unit continues to meet HQS

C. Complaint Inspection –An inspection caused by the Authority receiving a complaint on the unit by anyone.

D. Special Inspection – An inspection caused by a third party, i.e. HUD, needing to view the unit.

E. Emergency – An inspection that takes place in the event of a perceived emergency. These will take precedence over all other inspections.

F. Move Out Inspection (if applicable) – An inspection required for units in service before October 2, 1995, and optional after that date. These inspections document the condition of the unit at the time of the move-out.

G. Quality Control Inspection – Supervisory inspections on at least 5% of the total number of units that were under lease during the Housing Authority's previous fiscal year.

12.2 OWNER AND FAMILY RESPONSIBILITY

A. Owner Responsibility for HQS

1. The owner must maintain the unit in accordance with HQS.

2. If the owner fails to maintain the dwelling unit in accordance with HQS, the Housing Authority of the City of Annapolis will take prompt and vigorous action to enforce the owner's obligations. The Housing Authority of the City of Annapolis; remedies for such breach of the HQS include termination, suspension or reduction of housing assistance payments and termination of the HAP contract.

3. The Housing Authority of the City of Annapolis will not make any housing assistance payments for a dwelling unit that fails to meet the HQS, unless the owner corrects the defect within the period specified by the Housing Authority of the City of Annapolis and the Housing Authority of the City of Annapolis verifies the correction. If a defect is life threatening, the owner must correct the defect within no more than 24 hours. For other defects the owner must correct the defect within no more than 30 calendar days (or any Housing Authority of the City of Annapolis approved extension).

4. The owner is not responsible for a breach of the HQS that is not caused by the owner, and for which the family is responsible. Furthermore, the Housing Authority of the City of Annapolis may terminate assistance to a family because of the HQS breached caused by the family.

B. Family Responsibility for HQS

1. The family is responsible for a breach of the HQS that is caused by any of the following:

   a. The family fails to pay for any utilities that the owner is not required to pay for, but which are to be paid by the tenant;

   b. The family fails to provide and maintain any appliances that the owner is not required to provide, but which are to be provided by the tenant; or

   c. Any member of the household or a guest damages the dwelling unit or premises (damage beyond ordinary wear and tear).

2. If an HQS breach caused by the family is life threatening, the family must correct the defect within no more than 24 hours. For other family-caused defects, the

family must correct the defect within no more than 30 calendar days (or any Housing Authority of the City of Annapolis approved extension).

3. If the family has caused a breach of the HQS, the Housing Authority of the City of Annapolis will take prompt and vigorous action to enforce the family obligations. The Housing Authority of the City of Annapolis may terminate assistance for the family in accordance with 24 CFR 982.552.

12.3 HOUSING QUALITY STANDARDS (HQS) 24 CFR 982.401

This Section states performance and acceptability criteria for these key aspects of the following housing quality standards:

A. Sanitary Facilities

1. Performance Requirements

The dwelling unit must include sanitary facilities located in the unit. The sanitary facilities must be in proper operating condition and adequate for personal cleanliness and the disposal of human waste. The sanitary facilities must be usable in privacy.

2. Acceptability Criteria

a. The bathroom must be located in a separate private room and have a flush toilet in proper operating condition.

b. The dwelling unit must have a fixed basin in proper operating condition, with a sink trap and hot and cold running water.

c. The dwelling unit must have a shower or a tub in proper operating condition with hot and cold running water.

d. The facilities must utilize an approvable public or private disposal system (including a locally approvable septic system).

B. Food Preparation and Refuse Disposal

1. Performance Requirements

a. The dwelling unit must have suitable space and equipment to store, prepare, and serve foods in a sanitary manner.

b. There must be adequate facilities and services for the sanitary disposal of food wastes and refuse, including facilities for temporary storage where necessary (e.g., garbage cans).

2. Acceptability Criteria

a. The dwelling unit must have an oven, a stove or range, and a refrigerator of appropriate size for the family. All of the equipment must be in proper operating condition. Either the owner or the family may supply the equipment. A microwave oven may be substituted for a tenant-supplied oven and stove or range. A microwave oven may substituted for an owner-supplied oven and stove or range if the tenant agrees and microwave ovens are furnished instead of an oven or stove or range to both subsidized and unsubsidized tenants in the building or premises.

b. The dwelling unit must have a kitchen sink in proper operating condition, with a sink trap and hot and cold running water. The sink must drain into an approvable public or private system.

c. The dwelling unit must have space for the storage, preparation, and serving of food.

d. There must be facilities and services for the sanitary disposal of food waste and refuse, including temporary storage facilities where necessary (e.g., garbage cans).

B. Space and Security

1. Performance Requirement

a. At a minimum, the dwelling unit must have a living room, a kitchen area, and a bathroom.

b. The dwelling unit must have at least one bedroom or living/sleeping room for each two persons. Children of opposite sex, other than very young

children, may not be required to occupy the same bedroom or living/sleeping room.

c. Dwelling unit windows that are accessible from the outside, such as basement, first floor, and fire escape windows, must be lockable (such as window units with sash pins or sash locks, and combination windows with latches). Windows that are nailed shut are acceptable only if these windows are not needed for ventilation or as an alternate exit in case of fire.

d. The exterior doors of the dwelling unit must be lockable. Exterior doors are doors by which someone can enter or exit the dwelling unit.

D. Thermal Environment

1. Performance Requirement

The dwelling unit must have and be capable of maintaining a thermal environment healthy for the human body.

2. Acceptability Criteria

a. There must be a safe system for heating the dwelling unit (and a safe cooling system, where present). The system must be in proper operating condition. The system must be able to provide adequate heat (and cooling, if applicable), either directly or indirectly, to each room, in order to assure a healthy living environment appropriate to the climate.

b. The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Electric heaters are acceptable.

E. Illumination and Electricity

1. Performance Requirement

Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances. The electrical fixtures and wiring must ensure safety from fire.

2. Acceptability Criteria

   a. There must be at least one window in the living room and in each sleeping room.

   b. The kitchen area and the bathroom must have a permanent ceiling or wall light fixture in proper operating condition. The kitchen area must also have at least one electrical outlet in proper operating condition.

   c. The living room and each bedroom must have at least two electrical outlets in proper operating condition. Permanent overhead or wall-mounted light fixtures may count as one of the required electrical outlets.

F. Structure and Materials

1. Performance Requirement

   The dwelling unit must be structurally sound. The structure must not present any threat to the health and safety of the occupants and must protect the occupants from the environment.

2. Acceptability Criteria

   a. Ceilings, walls, and floors must not have any serious defects such as severe bulging or leaning, large holes, and loose surface materials, severe buckling, missing parts, or other serious damage.

   b. The roof must be structurally sound and weather tight.

   c. The exterior wall structure and surface must not have any serious defects such as serious leaning, buckling, sagging, large holes, or defects that may result in air infiltration or vermin infestation.

   d. The condition and equipment of interior and exterior stairs, halls, porches, walkways, etc., must not present a danger of tripping and falling. For example, broken or missing steps or loose boards are unacceptable.

   e. Elevators must be working and safe.

G. Interior Air Quality

1. Performance Requirement

The dwelling unit must be free of pollutants in the air at levels that threaten the health of the occupants.

2. Acceptability Criteria

a. The dwelling unit must be free from dangerous levels of air pollution from carbon monoxide, sewer gas, fuel gas, dust, and other harmful pollutants.

b. There must be adequate air circulation in the dwelling unit.

c. Bathroom areas must have one window that can be opened other than adequate exhaust ventilation.

d. Any room used for sleeping must have at least one window. If the window is designed to be opened, the window must work.

H. Water Supply

1. Performance Requirement

The water supply must be free from contamination

2. Acceptability Criteria

The dwelling must be served by an approvable public or private water supply that is sanitary and free from contamination.

I. Lead-Based Paint

1. Definitions

a. Chewable surface: Protruding paint surfaces up to five feet from the floor or ground that are readily accessible to children under six years of age; for example, protruding corners, window sills and frames, doors and frames, and other protruding woodwork.

b. Component: An element of a residential structure identified by type and location, such as a bedroom wall, an exterior window sill, a baseboard in a living room, a kitchen floor, an interior window sill in a bathroom, a porch floor, and stair treads in a common stairwell, or an exterior wall.

c. Defective paint surface: A surface on which the paint is cracking, scaling, chipping, peeling, or loose.

d. Elevated blood level (EBL): Excessive absorption of lead. Excessive absorption is a confirmed concentration of lead in whole blood of 20 ug/dl (micrograms of lead per deciliter) for a single test or of 15-19 ug/dl in two consecutive tests 3-4 months apart.

e. HEPA: A high efficiency particle accumulator as used in lead abatement vacuum cleaners.

f. Lead-based paint: A paint surface, whether or not defective, identified as having a lead content greater than or equal to 1 milligram per centimeter squared (mg/cm^2), or 0.5% by weight or 5000 parts per million (PPM).

2. Performance Requirements

a. The purpose of this paragraph of this Section is to implement Section 302 of the Lead-Based Paint Poisoning Prevention Act, 42 U.S.C. 4822, by establishing procedures to eliminate as far as practicable the hazards of lead-based paint poisoning for units assisted under this part. This paragraph is issued under 24 CFR 35.24(b) (4) and supersedes, for all housing to which it applies, the requirements of subpart C of 24 CFR part 35.

b. The requirements of this paragraph of this section do not apply to 0-bedroom units, units that are certified by a qualified inspector to be free of lead-based paint, or units designated exclusively for the elderly. The requirements of subpart A of 24 CFR part 35 apply to all units constructed prior to 1978 covered by a HAP contract under 24 CFR Part 982.

c. If a dwelling unit constructed before 1978 is occupied by a family that includes a child under the age of six years, the initial and each periodic inspection (as required under this part), must include a visual inspection

for defective paint surfaces. If defective paint surfaces are found, such surfaces must be treated in accordance with paragraph k of this Section.

d. The Housing Authority may exempt from such treatment defective paint surfaces that are found in a report by a qualified lead-based paint inspector not to be lead-based paint, as defined in paragraph 1(f) of this Section. For purposes of this Section, a qualified lead-based paint inspector is a State of local health or housing agency, a lead-based paint inspector certified or regulated by a State or local health or housing agency, or an organization recognized by HUD.

e. Treatment of defective paint surfaces required under this Section must be completed within 30 calendar days of Housing Authority notification to the owner. When weather conditions prevent treatment of the defective paint conditions on exterior surfaces with in the 30-day period, treatment as required by paragraph k of this Section may be delayed for a reasonable time.

f. The requirements in this paragraph apply to:

   i. All painted interior surfaces within the unit (including ceilings but excluding furniture);

   ii. The entrance and hallway providing access to a unit in a multi-unit building; and

   iii. Exterior surfaces up to five feet from the floor or ground that are readily accessible to children under six years of age (including walls, stairs, decks, porches, railings, windows and doors, but excluding outbuildings such as garages and sheds).

g. In addition to the requirements of paragraph c of this Section, for a dwelling unit constructed before 1978 that is occupied by a family with a child under the age of six years with an identified EBL condition, the initial and each periodic inspection (as required under this part) must include a test for lead-based paint on chewable surfaces. Testing is not required if previous testing of chewable surfaces is negative for lead-based paint or if the chewable surfaces have already been treated.

h. Testing must be conducted by a State or local health or housing agency, an inspector certified or regulated by a State or local health or housing

agency, or an organization recognized by HUD. Lead content must be tested by using an X-ray fluorescence analyzer (XRF) or by laboratory analysis of paint samples. Where lead-based paint on chewable surfaces is identified, treatment of the paint surface in accordance with paragraph k of this Section is required, and treatment shall be completed within the time limits in paragraph c of this Section.

i. The requirements in paragraph g of this Section apply to all protruding painted surfaces up to five feet from the floor or ground that are readily accessible to children under six years of age:

   i. Within the unit;

   ii. The entrance and hallway providing access to a unit in a multi-unit building; and

   iii. Exterior surfaces (including walls, stairs, decks, porches, railings, windows and doors, but excluding outbuildings such as garages and sheds).

j. In lieu of the procedures set forth in paragraph g of this Section, the housing authority may, at this discretion, waive the testing requirement and require the owner to treat all interior and exterior chewable surfaces in accordance with the methods set out in paragraph k of this Section.

k. Treatment of defective paint surfaces and chewable surfaces must consist of covering or removal of the paint in accordance with the following requirements:

   i. A defective paint surface shall be treated if the total area of defective paint on a component is:

      (1) More than 10 square feet on an exterior wall;

      (2) More than 2 square feet on an interior or exterior component with a large surface area, excluding exterior walls and including, but not limited to, ceilings, floors, doors, and interior walls;

(3) More than 10% of the total surface area on an interior or exterior component with a small surface area, including, but not limited to, windowsills, baseboards and trim.

ii. Acceptable methods of treatment are the following: removal by wet scraping, wet sanding, chemical stripping on or off site, replacing painted components, scraping with infra-red or coil type heat gun with temperatures below 1100 degrees, HEPA vacuum sanding, HEPA vacuum needle gun, contained hydro-blasting or high pressure wash with HEPA vacuum, and abrasive sandblasting with HEPA vacuum. Surfaces must be covered with durable materials with joint edges sealed and caulked as needed to prevent the escape of lead contaminated dust.

iii. Prohibited methods of removal are the following: open flame burning or torching, machine sanding or grinding without a HEPA exhaust, uncontained hydro-blasting or high pressure wash, and dry scraping except around electrical outlets or except when treating defective paint spots on more than two square feet in any one interior room or space (hallway, pantry, etc.) or totaling no more than twenty square feet on exterior surfaces.

iv. During exterior treatment soil and playground equipment must be protected from contamination.

v. All treatment procedures must be concluded with a thorough cleaning of all surfaces in the room or area of treatment to remove fine dust particles. Cleanup must be accomplished by wet washing surfaces with a lead solubilizing detergent such as trisodium phosphate or an equivalent solution.

vi. Waste and debris must be disposed of in accordance with all applicable Federal, State, and local laws.

l. The owner must take appropriate action to protect residents and their belongings from hazards associated with treatment procedures. Residents must not enter spaces undergoing treatment until cleanup is completed. Personal belongings that are in work areas must be relocated or otherwise protected from contamination.

m. Prior to execution of the HAP contract, the owner must inform the Housing Authority and the family of any knowledge of the presence of lead-based paint on the surfaces of the residential unit.

n. The Housing Authority must attempt to obtain annually from local health agencies the names and addresses of children with identified EBLs and must annually match this information with the names and addresses of participants under this part. If a match occurs, the Housing Authority must determine whether local health officials have tested the unit for lead-based paint. If the unit has lead-based paint, the Housing Authority must require the owner to treat the lead-based paint. If the owner does not complete the corrective actions required by this Section, the family must be issued a certificate or voucher to move.

o. The Housing Authority must keep a copy of each inspection report for at least three years. If a dwelling unit requires testing, or if the dwelling unit requires treatment of chewable surfaces based on the testing, the Housing Authority must keep the test results indefinitely, and if applicable, the owner certification and treatment. The records must indicate which chewable surfaces in the dwelling units have been tested and which chewable surfaces were tested or tested and treated in accordance with the standards prescribed in this Section, such chewable surfaces do not have to be tested or treated at any subsequent time.

p. The dwelling unit must be able to be used and maintained without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire (such as fire stairs or egress through windows).

J. Access

1. Performance Requirements

The dwelling unit must be able to be used and maintained without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire (such as fire stairs or egress through windows).

K. Site and Neighborhood

1. Performance Requirements

The site and neighborhood must be reasonably free from disturbing noises and reverberations and other dangers to the health, safety, and general welfare of the occupants.

2. Acceptability Criteria

The site and neighborhood may not be subject to serious adverse environmental conditions, natural or manmade, such as dangerous walks or steps; instability; flooding, poor drainage, septic tank back-ups or sewage hazards; mudslides; abnormal air pollution, smoke or dust; excessive noise, vibration or vehicular traffic; excessive accumulations of trash; vermin or rodent infestation; or fire hazards.

L. Sanitary Condition

1. Performance Requirements

The dwelling unit and its equipment must be in sanitary condition.

2. Acceptability Criteria

The dwelling unit and its equipment must be free of vermin and rodent infestation.

M. Smoke Detectors

1. Performance Requirements

a. Except as provided in paragraph "b" below of this Section, each dwelling unit must have at least one battery-operated or hard-wired smoke detector, in proper operating condition, on each level of the dwelling unit, including basements but excepting crawl spaces and unfinished attics. Smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection Association Standard (NFPA) 74 (or its successor standards). If the dwelling unit is occupied by any hearing-impaired person, smoke detectors must have an alarm system, designed for hearing-impaired persons as specified in NFPA 74 (or successor standards).

b. For units assisted prior to April 24, 1993, owners who installed battery-operated or hand-wired smoke detectors prior to April 24, 1993, in compliance with HUD's smoke detector requirements, including the regulations published on July 30, 1992, (57 FR 33846), will not be required subsequently to comply with any additional requirements mandated by NFPA 74 (i.e., the owner would not be required to install a smoke detector in a basement not used for living purposes, nor would the owner be required to change the location of the smoke detectors that have already been installed on the other floors of the unit).

12.4 TIME FRAMES AND CORRECTIONS OF HQS FAIR ITEMS

A. Correcting Initial HQS Fail Items

The Housing Authority of the City of Annapolis will schedule a timely inspection of the unit on the date the owner indicates that the unit will be ready for inspection, or as soon as possible thereafter (within 5 working days) upon receipt of a Request for Tenancy Approval. The owner and participant will be notified in writing of the results of the inspection. If the unit fails HQS again, the owner and the participant will be advised to notify the Housing Authority of the City of Annapolis to reschedule a re-inspection when the repairs have been properly completed.

On an initial inspection, the owner will be given up to 30 days to correct the items noted as failed, depending on the extent of the repairs that are required to be made. No unit will be placed in the program until the unit meets the HQS requirements.

B. HQS Fail Items for Units Under Contract

The owner or participant will be given time to correct the failed items cited on the inspection report for a unit already under contract. If the failed items endangered the family's health or safety (using the emergency item list below), the owner or participant will be given 24 hours to correct the violations. For less serious failures, the owner or participant will be given up to 30 days to correct the failed item(s).

If the owner fails to correct the HQS failed items after proper notification has been given, the Housing Authority of the City of Annapolis will abate payment and terminate the contract in accordance with Sections 12.7 and 17.0(B)(3).

If the participant fails to correct HQS failed items that are family-caused after proper notification has been given, the Housing Authority of the City of Annapolis will terminate assistance for the family in accordance with Sections 12.2(B) and 17.0(B)(3).

C. Time Frames for Corrections

1. Emergency repair items must be abated within 24 hours.

2. Repair of refrigerators, range and oven, or a major plumbing fixture supplied by the owner must be abated within 72 hours.

3. Non-emergency items must be completed within 10 days of the initial inspection.

4. For major repairs, the owner will have up to 30 days to complete.

D. Extensions

At the sole discretion of the Housing Authority of the City of Annapolis, extensions of up to 30 days may be granted to permit an owner to complete repairs of the owner has made a good faith effort to initiate repairs. If repairs are not completed within 60 days after the initial inspection date, the Housing Authority of the City of Annapolis will abate the rent and cancel the HAP contract for owner noncompliance. Appropriate extensions will be granted if a severe weather condition exists for such items as exterior painting and outside concrete work for porches, steps, and sidewalks.

12.5 EMERGENCY FAIL ITEMS

The following items are to be considered examples of emergency items that need to be abated within 24 hours:

A. No hot or cold water

B. No electricity

C. Inability to maintain adequate heat

D. Major plumbing leak

E. Natural gas leak

F. Broken lock(s) on first floor doors or windows

G. Broken windows that unduly allow weather elements into the unit

H. Electrical outlet smoking or sparking

I. Exposed electrical wires which could result in shock or fire

J. Unusable toilet when only one toilet is present in the unit

K. Security risks such as broken doors or windows that would allow intrusion

L. Other conditions which pose an immediate threat to health or safety

12.6 ABATEMENT

When a unit fails to meet HQS and the owner has been given an opportunity to correct the deficiencies, but has failed to do so within the required timeframe, the rent for the dwelling unit will be abated.

The initial abatement period will not exceed 7 days. If the corrections of deficiencies are not made within the 7-day timeframe, the abatement will continue until the HAP contract is terminated. When the deficiencies are corrected, the Housing Authority of the City of Annapolis will end the abatement the day the unit passes inspection. Rent will resume the following day and be paid the first day of the next month.

For tenant caused HQS deficiencies, the owner will not be held accountable and the rent will not be abated. The tenant is held to the same standard and timeframes for correction of deficiencies as owners. If repairs are not completed by the deadline, the Housing Authority of the City of Annapolis will send a notice of termination to both the tenant and the owner. The tenant will be given the opportunity to request an informal hearing.

13.0 OWNER CLAIMS FOR DAMAGES, UNPAID RENT, AND VACANCY LOSS AND PARTICIPANT'S ENSUING RESPONSIBILITIES

This Section only applies to HAP contracts in effect before October 2, 1995. Certificates have a provision for damages, unpaid rent, and vacancy loss. Vouchers have a provision for damages and unpaid rent. No vacancy loss is paid on vouchers. No Damage Claims will be processed unless the Housing Authority of the City of Annapolis has performed a move-out inspection.

Either the tenant or the owner can request the move-out inspection. Ultimately, it is the owner's responsibility to request the move-out inspection if he/she believes there may be a claim.

Damage claims are limited in the following manner:

A. In the Certificate Program, owners are allowed to claim up to two (2) months contract rent minus greater of the security deposit collected or the security deposit that should have been collected under the lease.

B. In the Voucher Program, owners are allowed to claim up to one (1) month contract rent minus greater of the security deposit collected or the security deposit that should have been collected under the lease.

C. No damage claims will be paid under either program effective on or after October 2, 1995.

13.1 OWNER CLAIMS FOR PRE-OCTOBER 2, 1995, UNITS

In accordance with the HAP contract, owners can make special claims for damages, unpaid rent, and vacancy loss (vacancy loss cannot be claimed for vouchers) after the tenant has vacated or a proper eviction proceeding has been conducted.

Owner claims for damages, unpaid rent, and vacancy loss are reviewed for accuracy and completeness. Claims are then compared to the move-in and move-out inspections to determine if an actual claim is warranted. No claim will be paid for normal wear and tear. Unpaid utility bills are not an eligible claim item.

The Housing Authority of the City of Annapolis will make payments to owners for approved claims. It should be noted that the tenant is ultimately responsible for any damages, unpaid rent, and vacancy loss paid to the owner and will be held responsible to repay the Housing Authority of the City of Annapolis to remain eligible for the Section 8 Program.

Actual bills and receipts for repairs, materials, and labor must support claims for damages. The Housing Authority of the City of Annapolis will develop a list of reasonable costs and charges for items routinely included on damage claims. This list will be used as a guide.

Owners can claim unpaid rent owned by the tenant up to the date of HAP termination.

In the Certificate Program, owners can claim for a vacancy loss out as outlined in the HAP contract. In order to claim a vacancy loss, the owner must notify the Housing Authority of the

City of Annapolis immediately upon learning of the vacancy or suspected vacancy. The owner must make a good faith effort to rent the unit as quickly as possible to another renter.

All claims and supporting documentation under this Section must be submitted to the Housing Authority of the City of Annapolis within thirty (30) days of the move-out inspection. Any reimbursement shall be applied first towards any unpaid rent for the period after the family vacates.

13.2 PARTICIPANT RESPONSIBILITIES

If a damage claim or unpaid rent claim has been paid to an owner, the participant is responsible for repaying the amount to the Housing Authority of the City of Annapolis. This shall be done by either paying the full amount due immediately upon the Housing Authority of the City of Annapolis requesting it or through a Repayment Agreement that is approved by the Housing Authority of the City of Annapolis.

If the participant is not current on any Repayment Agreements or has unpaid claims on more than one unit, the participant shall be terminated from the program. The participant retains the right to request an informal hearing. Under the Housing Choice Voucher program no vacancy loss will be considered.

14.0 RECERTIFICATION

14.1 ANNUAL REEXAMINATION

At least annually the Housing Authority of the City of Annapolis will conduct a reexamination of family income and circumstances. The results of the reexamination determine (1) the rent the family will pay, and (2) whether the family subsidy is correct based on the family unit size.

The Housing Authority of the City of Annapolis will send a notification letter to the family letting them know that it is time for their annual reexamination and scheduling an appointment. The letter includes forms for the family to complete in preparation for the interview. The letter includes instructions permitting the family to reschedule the interview if necessary. The letter tells families who may need to make alternate arrangements due to a disability that they may contact staff to request an accommodation of their needs.

During the interview, the family will provide all information regarding income, assets, expenses, and other information necessary to determine the family's share of rent. The family will sign

the HUD consent form and other consent forms that later will be mailed to the sources that verify the family circumstances.

Upon receipt of verification, the Housing Authority of the City of Annapolis will determine the family's annual income and will calculate their family share.

14.1.1Effective Date of Rent Changes for Annual Reexaminations

The new family share will generally be effective upon the anniversary date with 30 days notice of any rent increase to the family.

If the rent determination is delayed due to a reason beyond the control of the family, then any rent increase will be effective the first of the month after the month in which the family receives a 30 day notice of the amount. If the new rent is a reduction and the delay is beyond the control of the family, the reduction will be effective as scheduled on the anniversary date.

If the family caused the delay, then any increase will be effective on the anniversary date. Any reduction will be effective the first of the month after the rent amount is determined.

14.1.2 Missed Appointments

If the family fails to respond to the letter and fails to attend the interview, a second letter will be mailed. The second letter will advise of a new time and date for the interview, allowing for the same considerations for rescheduling and accommodation as above. The letter will also advise that failure by the family to attend the second scheduled interview will result in the Housing Authority of the City of Annapolis taking action to terminate the family's assistance.

14.2 INTERIM REEXAMINATIONS

During an interim reexamination only the information affected by the changes being reported will be reviewed and verified.

Families are required to report all increases in earned income, including new employment within 10-Business Days in which the change takes effect.

Families will report all decreases in earned income and are required to provide third-party written verification in order to receive an adjustment to rent. Rent reduction will take place the first day of the month from the date of that the written verification of income reduction is received by HACA. All verifications must be submitted within 10-Business Days after the reported decrease in income.

Families are required to report the following changes to the Housing Authority of the City of Annapolis between regular reexaminations. These changes will trigger an interim reexamination.

A. A member has been added to the family through birth or adoption or court-awarded custody.

B. A household member is leaving or has left the family unit.

C. Family break-up

In circumstances of a family break-up, the Housing Authority of the City of Annapolis will make a determination of which family member will retain the certificate or voucher, taking into consideration the following factors:

1. To whom the certificate or voucher was issued.

2. The interest of minor children or of ill, elderly, or disabled family members.

3. Whether the assistance should remain with the family members remaining in the unit.

4. Whether family members were forced to leave the unit as a result of actual or threatened physical violence by a spouse or other member(s) of the household.

If a court determines the disposition of property between members of the assisted family in a divorce or separation under a settlement of judicial decree, the Housing Authority of the City of Annapolis will be bound by the courts determination of which family members continue to receive assistance in the program.

Because of the number of possible different circumstances in which a determination will have to be made, the Housing Authority of the City of Annapolis will make determinations on a case by case basis.

The Housing Authority of the City of Annapolis will issue a determination within 10- business days of the request for a determination. The family member requesting the determination may request an informal hearing in compliance with the informal hearings in Section 16.3.

In order to add a household member other than through birth or adoption (including a live-in aide) the family must request that the new member be added to the lease. Before adding the new member to the lease, the individual must complete an application form stating their income, assets, and all other information required of an applicant. The individual must provide their Social Security Number if they have one, and must verify their citizenship/eligible immigrant status. (Their housing will not be delayed due to delays in verifying eligible immigrant status other delays caused by the family). The new family member will go through the screening process similar to the process for applicants. The Housing Authority of the City of Annapolis will determine the eligibility of the individual before allowing them to be added to the lease. If the individual is found to be ineligible or does not pass the screening criteria, they will be advised in writing and given the opportunity for an informal review. If they are found to be eligible and do pass the screening criteria, the Housing Authority of the City of Annapolis will grant approval to add their name to the lease. At the same time, the family's annual income will be recalculated taking into account the income and circumstances of the new family member. The effective date of the new rent will be in accordance with paragraph below 14.2.2.

14.2.1 Special Reexaminations

If a family's income is too unstable to project for 12 months, including families that temporarily have no income or have a temporary decrease in income, the Housing Authority of the City of Annapolis may schedule special reexaminations every 90 days until the income stabilizes and an annual income can be determined.

14.2.2 Effective Date of Rent Changes Due to Interim or Special Reexaminations

Unless there is a delay in reexamination processing caused by the family, any rent increase will be effective the first of the second month after the month in which the family receives notice of the new rent amount. If the family cause's delays, then the rent increase will be effective on the date it would have been effective had the process not been delayed (even if this means a retroactive increase).

If the new rent is a reduction and any delay is beyond the control of the family, the reduction will be effective the first of the month after the interim reexamination should have been completed.

If the new rent is a reduction and the family caused the delay or did not report the change in a timely manner, the change will be effective the first of the month after the rent amount is determined.

15.0 TERMINATION OF ASSISTANCE TO THE FAMILY BY THE HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

The Housing Authority may at any time terminate program assistance for the participant, because of any of the actions or inaction by the household:

A. If the family violates any family obligation under the program.

B. If a family member fails to sign and submit consent forms.

C. If a family fails to establish citizenship or eligible immigrant status and is not eligible for or does not elect continuation of assistance, pro-ration of assistance, or temporary deferral of assistance. If the Housing Authority of the City of Annapolis determines that a family member has knowingly permitted an ineligible noncitizen (other than any ineligible noncitizens listed on the lease) to permanently reside in their Section 8 unit, the family's assistance will be terminated. Such family will not be eligible to be readmitted to Section 8 for a period of 24 months from the date of termination.

D. If any member of the family has ever been evicted from public housing.

E. If the Housing Authority has ever terminated assistance under the Certificate or Voucher Program for any member of the family.

F. If any member of the family commits drug-related criminal activity, or violent criminal activity.

G. If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program. If the family currently owes rent or other amounts to the Housing Authority or to another Housing Authority in connection with Section 8 or public housing assistance under the 1937 Act.
If the family has not reimbursed any Housing Authority for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.

If the family breaches an agreement with the Housing Authority to pay amounts owed to a Housing Authority, or amounts paid to an owner by a Housing Authority. (The Housing Authority, at its discretion, may offer a family the opportunity to enter an agreement to pay amounts owed to a Housing Authority or amounts paid to an owner by a Housing Authority. The Housing Authority may prescribe the terms of the agreement.

If a family participating in the FSS program fails to comply, without good cause, with the family's FSS contract of participation.

If the family has engaged in or threatened abusive or violent behavior toward Housing Authority personnel.

If any household member is subject to a lifetime registration requirement under a State sex offender registration program.

If a household member's illegal use (or pattern of illegal use) of a controlled substance, or whose abuse (or pattern of abuse) of alcohol, is determined by the Housing Authority of the City of Annapolis to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

O. REMOVAL OF RENTAL ASSISTANCE BY HUD

Participant understands that the Voucher is available to families only because of the program subsidy payments made to HACA (rental assistance payments), which allows HACA to offer the rental assistance at a rent level that is less than the market (unsubsidized) rent which would otherwise be due on the Unit. If the amount of the Rental Assistance Payments is reduced or eliminated, HACA may be permitted by Section 35 of the united States Housing Act of 1937 (the "Act") to deviate from the Act's general restrictions regarding assistance, income eligibility, and other areas of public housing management. Under such circumstances, subject to the limitations described in Section 35 of the Act or any successor provision and in accordance with any implementing HUD regulation, HACA may take reasonable steps to put HACA's on a sound financial footing, including increasing the rent up to market levels, upon such notice to the Participant as required under state law.

16.0 COMPLAINTS, INFORMAL REVIEWS FOR APPLICANTS, INFORMAL HEARINGS FOR PARTICIPANTS

The Housing Authority of the City of Annapolis hereby sets forth its policies and procedures respecting its Housing Choice Voucher program participants' and applicants' grievance rights in accordance with the U.S. Department of Housing and Urban Development's Section 8 Tenant Based Assistance Housing Choice Voucher ("HCV") Program, 24 Code of Federal Regulations ("CFR") Part 982.

Families seeking admission to or already participating in the HCV have the right to receive an informal review or hearing in most circumstances in which the Housing Authority makes a decision affecting

their eligibility or amount of assistance. The purpose of an informal review or hearing is to resolve applicant or participant disputes with the Housing Authority without legal action. Under HUD regulations, an informal review is for program applicants and an informal hearing is for program participants. In the case of non-citizen assistance an informal hearing is required regardless of whether the family is an applicant or participant.

16.1 COMPLAINTS

The Housing Authority of the City of Annapolis will investigate and respond to complaints by participant families, owners, and the general public. The Housing Authority of the City of Annapolis may require that complaints other than Housing Quality Standards (HQS) violations be put in writing. Anonymous complaints are investigated whenever possible.

16.2 INFORMAL REVIEW FOR APPLICANTS (24 CFR 982.554)

A. Notice of Denial of Assistance (24 CFR 982.554(a))

The Housing Authority of the City of Annapolis will give an applicant for participation in the HCV Program prompt notice of a decision denying assistance to the applicant. The notice will contain a brief statement of the reasons for the Housing Authority of the City of Annapolis' decision. The notice will state that the applicant may request an informal review within 10 business days of the denial and will describe how to obtain the informal review.

B. Informal Review Process (24 CFR 982.554(b))

The Housing Authority of the City of Annapolis will give an applicant an opportunity for an informal review of the Housing Authority of the City of Annapolis decision denying assistance to the applicant. The procedure is as follows:

1. The review will be conducted by any person or persons designated by the Housing Authority of the City of Annapolis other than the person who made or approved the decision under review or a subordinate of this person.

2. The applicant will be given an opportunity to present written or oral objections to the Housing Authority of the City of Annapolis decision.

3. The Housing Authority of the City of Annapolis will notify the applicant of the Housing Authority of the City of Annapolis decision after the informal review within 14 calendar days. The notification will include a brief statement of the reasons for the final decision.

C. When an Informal Review is not required. (24 CFR 982.554(c))

The Housing Authority of the City of Annapolis will not provide the applicant an opportunity for an informal review for any of the following reasons:

1. Discretionary administrative determinations by the Housing Authority of the City of Annapolis.

2. General policy issues.

3. A determination of the family unit size under the Housing Authority of the City of Annapolis subsidy standards.

4. A determination not to approve an extension or suspension of a certificate or voucher term..

5. A determination not to grant approval to lease a unit under the program or to approve a proposed lease.

6. A determination that a unit selected by the applicant is not in compliance with HQS

7. A determination that the unit is not in accordance with HQS because of family size or composition.

D. Procedures for Denial of Assistance on the Basis of Ineligible Immigration Status. (24 CFR 982.554(d))

The applicant family may request that the Housing Authority of the City of Annapolis provide for an informal review after the family has notification of the INS decision on appeal, or in lieu of request of appeal to the INS. This request must be made by the

applicant family within 30 days of receipt of the *Notice of Denial or Termination of Assistance,* or within 30 days of receipt of the INS appeal decision.

For applicant families, the Informal Review Process above will be utilized with the exception that the applicant family will have up to 30 days of receipt of the *Notice of Denial or Termination of Assistance,* of the INS appeal decision to request the review.

16.3 INFORMAL HEARINGS FOR PARTICIPANTS (24 CFR 982.555)

A. When a Hearing is Required (24 CFR 982.555(a)

1. The Housing Authority of the City of Annapolis will give a participant family an opportunity for an informal hearing to consider whether the following Housing Authority of the City of Annapolis decisions relating to the individual circumstances of a participant family are in accordance with the law, HUD regulations, and Housing Authority of the City of Annapolis policies:

   a. A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment.

   b. A determination of the appropriate utility allowance (if any) for tenant-paid utilities from the Housing Authority of the City of Annapolis utility allowance schedule.

   c. A determination of the family unit size under the Housing Authority of the City of Annapolis subsidy standards.

   d. 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 Housing Authority of the City of Annapolis subsidy standards, or the Housing Authority of the city of Annapolis determination to deny the family's request for an exception from the standards.

   e. A determination to terminate assistance because the participant family has been absent from the assisted unit for longer than the maximum period permitted under the Housing Authority's policy and HUD rules.

   f. A determination to terminate assistance for a participant family because of the family's action or failure to act. (See 24 CFR.982.552

2. In cases described in paragraphs 16.3(A)(1)(d), (e), and (f), of this Section, the Housing Authority of the City of Annapolis will give the opportunity for an informal hearing before the Housing Authority of the City of Annapolis terminates housing assistance payments for the family under an outstanding HAP contract.

B. When a Hearing is Not Required or Granted (24 CFR 982.555(b))

The Housing Authority of the City of Annapolis will not provide a participant family an opportunity for an informal hearing for any of the following reasons:

1. Discretionary administrative determinations by the Housing Authority of the City of Annapolis.

2. General policy issues or class grievances.

3. Establishment of the Housing Authority of the City of Annapolis schedule of utility allowances for families in the program.

4. A Housing Authority of the City of Annapolis determination not to approve an extension or suspension of a certificate or voucher term.

5. The Housing Authority of the City of Annapolis determination not to approve a unit or lease.

6. A Housing Authority of the City of Annapolis determination that an assisted unit is not in compliance with HQS. (However, the Housing Authority of the City of Annapolis will 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 24 CFR 982.551(c)).

7. A Housing Authority of the City of Annapolis determination that the unit is not in accordance with HQS because of the family size.

8. A determination by the Housing Authority of the City of Annapolis to exercise or not exercise any right or remedy against the owner under a HAP contract.

C. Notice to the Family (24 CFR 982.555(c))

1. In cases described in paragraphs 16.3(A) (1) (a), (b), and (c), of this Section, the Housing Authority of the City of Annapolis will notify the family that the family may ask for an explanation of the basis of the Housing Authority of the City of Annapolis; 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 16.3(A) (1)(d), (e), and (f), of this Section, the Housing Authority of the City of Annapolis will give the family prompt written notice that the family may request a hearing within 10 business days of the notification. The notice shall:

   a. Contain a brief statement of the reasons for the decision;

   b. State that if the family does not agree with the decision, the family may request an informal hearing on the decision within ten (10) business days of the notification; and

   c. State the deadline for the family to request an informal hearing.

D. Expeditious Hearing Process. (24 CFR 982.555(d))

Where a hearing for a participant family is required under this section, the Housing Authority of the City of Annapolis will proceed with the hearing in a reasonably expeditious manner upon the request of the family.

E. Hearing Procedures (24 CFR 982.555(e))

The Housing Authority of the City of Annapolis and participants will adhere to the following procedures:

1. Administrative Plan. The Administrative Plan must state HACA procedures for conducting informal hearings for participants.

2. Discovery

   a. The family will be given the opportunity to examine before the hearing any Housing Authority of the City of Annapolis documents that are directly relevant to the hearing. The family will be allowed to copy any such document at the family's expense. If the Housing Authority of the City of Annapolis does not make the documents(s) available for

examination on request of the family, the Housing Authority of the City of Annapolis may not rely on the document at the hearing.

b. The Housing Authority of the City of Annapolis will be given the opportunity to examine, at the Housing Authority of the City of Annapolis' offices before the hearing, any family documents that are directly relevant to the hearing. The Housing Authority of the City of Annapolis will be allowed to copy any such document at the Housing Authority of the City of Annapolis' expense. If the family does not make the document(s) available for examination on request of the Housing Authority of the City of Annapolis, the family may not rely on the document at the hearing.

c. The term document includes records and regulations.

3. Representation of the Family

A lawyer or other representative may represent the family at the family's expense.

4. Hearing Panel

a. The hearing will be conducted a panel of five impartial individuals appointed by the Board of Commissioners to hear grievances and render opinions with respect thereto. At least one panel member shall be a recommendation of the Resident Advisory Board and at least one panel member shall be a representative of the Anne Arundel Conflict Resolution Center.

b. The Hearing Panel will conduct the hearing in accordance with the hearing procedure described in 24 CFR 982.555.

5. Evidence

The Housing Authority of the City of Annapolis and the family must have the opportunity to present evidence and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

6. Issuance of Decision

The Hearing panel must issue a written decision within fourteen (14) calendar days from the date of the hearing, 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, evidence which is of greater weight or more convincing than the evidence which is offered in opposition.

F. Effect of the Decision (24 CFR 982.555(f))

The Housing Authority of the City of Annapolis is not bound by a hearing decision:

a. Concerning a matter for which the Housing Authority of the City of Annapolis 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 Housing Authority of the City of Annapolis hearing procedures.

b. Contrary to HUD regulations or requirements, or otherwise contrary to Federal, State, or local law.

c. If the Housing Authority of the City of Annapolis determines that it is not bound by a hearing decision, the Housing Authority of the City of Annapolis will notify the family within 14 calendar days of the determination, and of the reasons for the determination.

G. Procedures for Denial of Assistance on the Basis of Ineligible Immigration Status (24 CFR 982.555(g))

The participant family may request that the Housing Authority of the City of Annapolis provide for an informal hearing after the family has notification of the INS decision on appeal, or in lieu of request of appeal to the INS. This request must be made by the participant family within 30 days of the receipt of the *Notice of Denial or Termination of Assistance*, or within 30 days of receipt of the INS appeal decision.

With good cause, the Housing Authority may extend the period to request an informal hearing related to immigration status.

H. Considering Circumstances

In deciding whether to terminate assistance because of action or inaction by members of the family, the Housing Authority may consider all of the circumstances in each case, including the seriousness of the case, the extent of participation or culpability of individual family members, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure.

The Housing Authority may impose, as a condition of continued assistance for other family members, a requirement that family members who participated in or were culpable for the action or failure will not reside in the unit. The Housing Authority may permit the other members of the participant family to continue receiving assistance.

If the Housing Authority seeks to terminate assistance because of illegal use, or possession for personal use, of a controlled substance, or pattern of abuse of alcohol, such use or possession or pattern of abuse must have occurred within one year before the date that the Housing Authority provides notice to the family of the Housing Authority determination to deny or terminate assistance. In determining whether to terminate assistance for these reasons the Housing Authority of the City of Annapolis will consider evidence of whether the household member:

1. Has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol;

2. Has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol; or

3. Is participating in a supervised drug or alcohol rehabilitation program and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol.

F.

17.0 TERMINATION OF THE LEASE AND CONTRACT

The term of the lease and the term of the HAP contract are the same. They begin on the same date and they end on the same date. The lease may be terminated by the owner, by the tenant, or by the mutual agreement of both. The owner may only terminate the contract by terminating the

lease. The HAP contract may be terminated by the Housing Authority of the City of Annapolis. Under some circumstances the contract automatically terminates.

A. Termination of the lease

1. By the family

The family may terminate the lease without cause upon proper notice to the owner and to the Housing Authority of the City of Annapolis after the first year of the lease. The length of the notice that is required is stated in the lease (generally 30 days).

2. By the owner

a. The owner may terminate the lease during its term on the following grounds:

i. Serious or repeated violations of the terms or conditions of the lease;

ii. Violation of Federal, State, or local law that impose obligations on the tenant in connection with the occupancy or use of the unit and its premises;

iii. Criminal activity by the household, a guest, or another person under the control of the household that threatens the health, safety, or right to peaceful enjoyment of the premises by other persons residing in the immediate vicinity of the premises;

iv. Any drug-related criminal activity on or near the premises;

v. Other good cause. Other good cause may include, but is not limited to:

(1) Failure by the family to accept the offer of a new lease;

(2) Family history of disturbances of neighbors or destruction of property, or living or housekeeping habits resulting in damage to the property or unit;

(3) The owner's desire to utilize the unit for personal or family use for a purpose other than use as a residential rental unit;

(4) A business or economic reason such as sale of the property, renovation of the unit, desire to rent at a higher rental amount.

b. During the first year the owner may not terminate tenancy for other good cause unless the reason is because of something the household did or failed to do.

c. The owner may only evict the tenant by instituting court action. The owner must give the Housing Authority of the City of Annapolis a copy of any owner eviction notice to the tenant at the same time that the owner gives the notice to the tenant.

d. The owner may terminate the contract at the end of the initial lease term or any extension of the lease term without cause by providing notice to the family that the lease term will not be renewed.

3. Termination of the Lease by mutual agreement

The family and the owner may at any time mutually agree to terminate the lease.

B. Termination of the Contract

1. Automatic Termination of the Contract

a. If the Housing Authority of the City of Annapolis terminates assistance to the family, the contract terminates automatically.

b. If the family moves out of the unit, the contract terminates automatically.

c. The contract terminates automatically 180 calendar days after the last housing assistance payment to the owner.

2. Termination of contract by owner

The owner may only terminate tenancy in accordance with lease and State and local law.

3. Termination of the HAP contract by the Housing Authority of the City of Annapolis

The Housing Authority may terminate the HAP contract because:

a. The Housing Authority has terminated assistance to the family.

b. The unit does not meet HQS space standards because of an increase in family size or change in family composition.

c. The unit is larger than appropriate for the family size or composition under the regular Certificate Program.

d. When the family breaks up and the Housing Authority of the City of Annapolis determines that the family members who move from the unit will continue to receive the assistance.

e. The Housing Authority of the City of Annapolis determines that there is insufficient funding in their contract with HUD to support continued assistance for families in the program.

f. The owner has breached the contract in any of the following ways:

i. If the owner has violated any obligation under the HAP contract for the dwelling unit, including the owner's obligation to maintain the unit in accordance with the HQS.

ii. If the owner has violated any obligation under any other housing assistance payments contract under Section 8 of 1937.

iii. If the owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program.

iv. For projects with mortgages insured by HUD or loans made by HUD, if the owner has failed to comply with the regulations for the applicable mortgage insurance or loan program, with the mortgage or mortgage note, or with the regulatory agreement;

v. If the owner has engaged in drug trafficking.

4. Final HAP payment to owner

The HAP payment stops when the lease terminates. The owner may keep the payment for the month in which the family moves out. If the owner has begun eviction proceedings and the family continues to occupy the unit, the Housing Authority will continue to make payments until the owner obtains a judgment or the family moves out.

18.0 CHARGES AGAINST THE SECTION 8 ADMINISTRATIVE FEE RESERVE

Occasionally, it is necessary for the Housing Authority of the City of Annapolis to spend money of its Section 8 Administrative Fee Reserve to meet unseen or extraordinary expenditures or for its other housing related purposes consistent with State law.

19.0 INTELLECTUAL PROPERTY RIGHTS

No program receipts may be used to indemnify contractors or subcontractors of the Housing Authority of the City of Annapolis against costs associated with any judgment of infringement of intellectual property rights.

20.0 QUALITY CONTROL OF SECTION 8 PROGRAM

In order to maintain the appropriate quality standards for the Section 8 program, the Housing Authority of the City of Annapolis will annually review files and records to determine if the work documented in the files or records conforms to program requirements. This shall be accomplished by the supervisor or another qualified person other than the one originally responsible for the work or someone subordinate to that person. The number of files and/or records checked shall be at least equal to the number specified in the Section 8 Management Assessment program for our size housing authority.

21.0 PARTICIPANT OBLIGATION TO REPAY

If A Participant and a member of a participant's household submits false information on any application, certification or request for interim adjustment or does not report interim changes in family income and as a result, is charged a rent less than the amount required by HUD's rent formulas,

Participant agrees to reimburse HACA for the difference between the rent that should have been paid and the rent that was charged. Knowingly giving HACA false information regarding income or other factors considered in determining program eligibility and rent is a violation and is grounds for program termination. Participant will be subject to penalties available under Federal law. Those penalties include fines up to $10,000.00 and/or imprisonment for up to five (5) years.

22.0 TRANSITION TO THE NEW HOUSING CHOICE VOUCHER PROGRAM

A. New HAP Contracts

On and after August 12, 1999, the Housing Authority of the City of Annapolis will only enter into a HAP contract for the tenancy under the voucher program, and will not enter into a new HAP contract for a tenancy under the certificate program.

B. Over-FMR Tenancy

If the Housing Authority of the City of Annapolis had entered into any HAP contract for an over-FMR tenancy under the certificate program prior to the merger date of August 12, 1999, on and after August 12, 1999 such tenancy shall be considered and treated as a tenancy under the voucher program, and will be subject to the voucher program requirements under 24 CFR 982.502, including calculation of the voucher housing assistance payment in accordance with 24 CFR 982.505. However, 24 CFR 982.505(b)(2) will not be applicable for calculation of the housing assistance payment prior to the effective date of the second regular reexamination of family income and composition on or after the merger date of August 12, 1999.

C. Voucher Tenancy

If the Housing Authority of the City of Annapolis had entered into any HAP contract for a voucher tenancy prior to the merger date of August 12, 1999, on and after August 12, 1999 such tenancy will continue to be considered and treated as a tenancy under the voucher program, and will be subject to the voucher program requirements under 24 CFR 982.502, including calculation of the voucher housing assistance payment in accordance with 24 CFR 982.505. However, 24 CFR 982.505(b)(2) will not be applicable for calculation of the housing assistance payment prior to the effective date of the second regular reexamination of family income and composition on or after the merger date of August 12, 1999.

D. Regular Certificate Tenancy

The Housing Authority of the City of Annapolis will terminate program assistance under any outstanding HAP contract for a regular tenancy under the certificate program entered into prior to the merger date of August 12, 1999 at the effective date of the second regular reexamination of family income and composition on or after the merger date of August 12, 1999. Upon such termination of assistance, the HAP contract for such tenancy terminates automatically. The Housing Authority of the City of Annapolis will give at least 120 days written notice of such termination to the family and the owner, and the Housing Authority of the City of Annapolis will offer the family the opportunity for continued tenant-based assistance under the voucher program. The Housing Authority of the City of Annapolis may deny the family the opportunity for continued assistance in accordance with 24 CFR 982.552 and 24 CFR 982.553.

23.0 TRANSITION TO CONVERSION VOUCHERS

The Housing Authority of the City of Annapolis upon submission of a Conversion Voucher application to HUD and approval by HUD may administer Conversion Vouchers. Conversion vouchers assist PHAS with relocation or replacement housing needs that result from the demolition, disposition, or mandatory conversion of public housing units. Also conversion vouchers include providing assistance to families living in section 8 projects for which the owner is opting out of the HAP contract, HUD is taking enforcement action against owners with project-based assistance, and project for which the owner is prepaying the mortgage.

24.0 VOLUNTARY CONVERSION OF PUBLIC HOUSING UNITS TO TENANT-BASED OR PROJECT-BASED ASSISTANCE

The Housing Authority of the City of Annapolis upon conducting required assessment of viability of public housing and performing Cost-Test and Market Analyses for Voluntary Conversion of Public Housing Units Pursuant to 24 Code of Federal Regulations Part 972, Section 22 of the U.S. Housing Act of 1937 by Section 533 of the Quality Housing and Work Responsibility Act of 1998 may seek the approval of HUD to convert identified development(s) and/or units to Tenant Based and/or Project Based Voucher program.

Addendum to the Section 8 Admin Plan

PROJECT-BASED VOUCHER (PBV) PROGRAM

Addendum to the Section 8 Admin 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 the Housing Authority of the City of Annapolis' (HACA) policies and procedures for its PBV program in accord with the new regulations.

HACA'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, HACA'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. HACA's PBV COMMITMENTS AND PRIORITIES

HACA'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. HACA's PBV program has is committed to the following priorities:

1. Expand the supply of affordable housing and increase the affordable housing choices of residents within the jurisdiction

2. Support projects which further revitalize neighborhoods, promote the deconcentration 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.

B. PROPOSAL SUBMISSION AND SELECTION

Request for Proposals Process

HACA will select PBV proposals through a public Request for Proposals (RFP) process.

HACA's PBV RFP will be advertised in a manner to provide broad public notice of the opportunity to offer PBV proposals for consideration by HACA. 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 HACA's main offices at 1217 Madison Street, Annapolis, MD.

The full RFP document will provide detailed information about proposal submission and selection procedures and will be available upon request of interested parties at HACA'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 HACA'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 HACA 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 HACA on a rolling basis. HACA's selection of proposals under the alternative competitive processes may be contingent upon the owner providing additional information required according to HACA's selection requirements and HUD and HACA requirements for PBV assistance. HACA 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 HACA'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 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 HACA Proposal Selection

HACA will provide public notice of PBV proposal selections, including publication of public notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice.

HACA will make documentation available for public inspection regarding the basis for HACA's selection of a PBV proposal.

C. SITE SELECTION STANDARDS

HACA 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.

D. 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 HACA'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). HACA 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. HACA 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 HACA 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, HACA 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 selection process. At HACA's discretion, HACA may request additional documentation of compliance with supportive service obligations.

The unit 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.

E. WAITING LISTS

HACA will establish individual site-based waiting lists for each PBV project selected.

HACA will offer to place applicants who are listed on the waiting list for tenant-based assistance on the waiting list(s) for PBV assistance.

HACA will open and close the site-based waiting lists pursuant to the procedures outlined in Administrative Plan.

F. PREFERENCES

HACA 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, HACA will first refer families who require such accessibility features to the owner. For other units that are designated to receive supportive services, HACA 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 shall not be required to accept the particular services offered at the project.

HACA is prohibited from granting preferences to persons with specific disabilities (see 24 CFR 982.207(b)(3),

G. 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 HACA's Administrative Plan.

At the time of the application, HACA will provide applicants with the opportunity to be placed on the tenant-based waiting list if open, or any open site-based waiting lists.

H. TENANT SELECTION

When notified of a vacancy in a PBV unit, HACA will refer tenants according to the following procedures:

First-come, first-served among applicants on the specific PBV waiting list.

For PBV waiting lists that include preferences, HACA will select applicants from the waiting list on a first-come, first-based basis who:

- Qualified for preference at the time of application; and
- Continue to qualify for preference at the time of admission.

I. TENANT SCREENING

HACA's procedures for tenant screening for the PBV program are not different than procedures for screening tenant-based applicants, which are provided in HACA's Administrative Plan.

HACA's policy for providing information to owners about families referred to PBV units is not different than HACA's policies for tenant-based applicants, which are provided in HACA's Administrative Plan.

J. PROCEDURES FOR FAMILIES OCCUPYING A UNIT OF THE WRONG SIZE OR AN ACCESSIBILE UNIT WHOSE ACCESSIBILITY FEATURES ARE NOT REQUIRED BY THE FAMILY

If a family is determined by HACA 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 HACA 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 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.

K. 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 HACA.

Should a family terminate its PBV lease and request alternate assistance, the HACA 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 HACA will give the family priority to receive tenant-based rental assistance at the next available opportunity for such tenant-based rental assistance.

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.

Glossary

1937 Housing Act: The United States Housing Act of 1937 [42 U.S.C. 1437 et seq.)

Absorption: In portability, the point at which a receiving housing authority stops billing the initial housing authority for assistance on behalf of a portable family. [24 CFR 982.4]

Adjusted Annual Income: The amount of household income, after deductions for specified allowances, on which tenant rent is based.

Administrative fee: Fee paid by HUD to the housing authority for the administration of the program.

Administrative Plan: The plan that describes housing authority policies for the administration of the tenant-based programs.

Admission: The point when the family becomes a participant in the program. In a tenant-based program, the date used for this purpose is the effective date of the first HAP Contract for a family (first day of initial lease term).

Adult: A household member who is 18 years or older or who is the head of the household, or spouse, or co-head.

Allowances: Amounts deducted from the household's annual income in determining adjusted annual income (the income amount used in the rent calculation). Allowances are given for elderly families, dependents, medical expenses for elderly families, disability expenses, and child care expenses for children under 13 years of age. Other allowance can be given at the discretion of the housing authority.

Amortization Payment: In a manufactured home space rental: The monthly debt service payment by the family to amortize the purchase price of the manufactured home. If furniture was included in the purchase price, the debt service must be reduced by 15% to exclude the cost of the furniture. The amortizations cost is the initial financing, not refinancing. Set-up charges may be included in the monthly amortization payment.

Annual Contributions Contract (ACC): The written contract between HUD and a housing authority under which HUD agrees to provide funding for a program under the 1937 Act, and the housing authority agrees to comply with HUD requirements for the program.

Annual Income: All amounts, monetary or not, that:

a. Go to (or on behalf of) the family head or spouse (even if temporarily absent) or to any other family member, or

b. Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and

c. Are not specifically excluded from Annual Income.

d. Annual Income also includes amounts derived (during the 12-month period) from assets to which any member of the family has access.

Applicant (applicant family): A family that has applied for admission to a program but is not yet a participant in the program.

Assets:see net family assets.

Asset Income: Income received from assets held by household members. If assets total more than $5,000, income from the assets is "imputed" and the greater of actual asset income and imputed asset income is counted in annual income.

Assisted lease (lease): A written agreement between an owner and a family for the leasing of a dwelling unit to the family. 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 housing authority.

Certificate: A document issued by a housing authority to a family selected for admission to the Certificate Program. The certificate describes the program and the procedures for housing authority approval of a unit selected by the family. The certificate also states the obligations of the family under the program.

Certification: The examination of a household's income, expenses, and family composition to determine the household's eligibility for program participation and to calculate the household's rent for the following 12 months.

Child: For purposes of citizenship regulations, a member of the family other than the family head or spouse who is under 18 years of age.

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 actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of childcare necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.

Citizen: A citizen or national of the United States.

Common space: In shared housing: Space available for use by the assisted family and other occupants of the unit.

Congregate housing: Housing for elderly or persons with disabilities that meets the HQS for congregate housing.

Consent form: Any consent form approved by HUD to be signed by assistance applicants and participants for the purpose of obtaining income information from employers and SWICAs, return information from the Social Security Administration, and return information for unearned income from the Internal Revenue Service. The consent forms may authorize the collection of other information from assistance applicants or participant to determine eligibility or level of benefits.

Contiguous MSA: In portability, an MSA that shares a common boundary with the MSA in which the jurisdiction of the initial housing authority 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.

Cooperative: Housing owned by a non-profit corporation or association, and where a member of the corporation or association has the right to reside in a particular apartment, and to participate in management of the housing.

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

Decent, safe, and sanitary: Housing is decent, safe, and sanitary if it satisfies the applicable housing quality standards.

Department: The Department of Housing and Urban Development.

Dependent: A member of the family (except foster children and foster adults) other than the family head or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student.

Disability 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; or two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.

Disabled person: See "person with disabilities."

Displaced family: A family in which each member, or whose sole member, is a person displaced by governmental action (such as urban renewal), 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.

Displaced person: A person displaced by governmental action (such as urban renewal), 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.

Drug related criminal activity: Illegal use or personal use of a controlled substance, and the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use, of a controlled substance.

Drug trafficking: The illegal manufacture, sale, or distribution, or the possession with intent to manufacture, sell, or distribute, of a controlled substance.

Elderly family: A family whose head, spouse, or sole member is a person who is at least 62 years of age; or 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.

Evidence of citizenship or eligible status: The documents that must be submitted to evidence citizenship or eligible immigration status.

Exception rent: An amount that exceeds the published fair market rent.

Extremely low-income families: Those families whose incomes do not exceed 30% of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families.

Fair Housing Act: Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988 (42 U.S.C. 3601 et seq.*)*.
Fair market rent (FMR): The rent, including the cost of utilities (except telephone), as established by HUD for units of varying sizes (by number of bedrooms), that must be paid in the housing market area to rent privately owned, existing, decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. FMRs are published periodically in the Federal Register.

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

(1) A single person, who may be an elderly person, displaced person, disabled person, near-elderly person; or
(2) A group of persons residing together and such group includes, but is not limited to:
(i) A family with or with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family);
(ii) An elderly family;
(iii) A near-elderly family;
(iv) A disabled family;
(v) A displaced family; and
(vi) The remaining member of a tenant family.

In addition, for categorizing family as defined above, the terms disabled family, elderly family and near-elderly family (per 24 CFR 5.403) are:

Disabled family means a family whose head (including co-head), spouse or sole member is a person with a disability.

Elderly family means a family whose head (including co-head), spouse or sole mem ber is a person who is at least 62 years of age.

Near elderly family means a family whose head (including co-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.

Family members: include all household members except live-in aides, foster children and foster adults. All family members permanently reside in the unit, though they may be temporarily absent. All family members are listed on the HUD-50058.

Family self-sufficiency program (FSS program): The program established by a housing authority to promote self-sufficiency of assisted families, including the coordination of supportive services (42 U.S.C. 1437u).

Family share: The portion of rent and utilities paid by the family or the gross rent minus the amount of the housing assistance payment.

Family unit size: The appropriate number of bedrooms for a family as determined by the housing authority under the housing authority's subsidy standards.

50058 Form: The HUD form that Housing Authority's are required to complete for each assisted household in public housing to record information used in the certification and re-certification process, and, at the option of the housing authority, for interim reexaminations.

FMR/exception rent limit: The Section 8 existing housing fair market rent published by HUD headquarters, or any exception rent. For a tenancy in the Voucher Program, the housing authority may adopt a payment standard up to the FMR/exception rent limit.

Full-time student: A person who is carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended. An educational institution includes a vocational school with a diploma or Certificate Program, as well as an institution offering a college degree.

Gross rent: The sum of the rent to the owner plus any utilities.

Group Home: A dwelling unit that is licensed by a State as a group home for the exclusive residential use of two to twelve persons who are elderly or persons with disabilities (including any live-in aide).

Head of household: The adult member of the family who is the head of the household for purposes of determining income eligibility and rent.

Household members: include all individuals who reside or will reside in the unit and who are listed on the lease, including live-in aides, foster children and foster adults.

Housing Assistance Payment (HAP): The monthly assistance by a housing authority, which includes (1) a payment to the owner for rent to the owner under the family's lease, and (2) an additional payment to the family if the total assistance payment exceeds the rent to owner.

Housing quality standards (HQS): The HUD minimum quality standards for housing assisted under the Section 8 program.

Housing voucher: A document issued by a housing authority to a family selected for admission to the Voucher Program. This document describes the program and the procedures for housing authority approval of a unit selected by the family. The voucher also states the obligations of the family under the program.

Housing voucher holder: A family that has an unexpired housing voucher.

Imputed income: For households with net family assets of more than $5,000, the amount calculated by multiplying net family assets by a HUD-specified percentage. If imputed income is more than actual income from assets, the imputed amount is used in determining annual income.

Income category: Designates a family's income range. There are three categories: low income, very low income and extremely low-income.

Incremental income: The increased portion of income between the total amount of welfare and earnings of a family member prior to enrollment in a training program and welfare and earnings of the family member after enrollment in the training program. All other amounts, increases and decreases, are treated in the usual manner in determining annual income.

Initial Housing Authority: In portability, both: (1) a housing authority that originally selected a family that later decides to move out of the jurisdiction of the selecting housing authority; and (2) a housing authority that absorbed a family that later decides to move out of the jurisdiction of the absorbing housing authority.

Initial payment standard: The payment standard at the beginning of the HAP contract term.

Initial rent to owner: The rent to owner at the beginning of the initial lease term.

Interim (examination): A reexamination of a household's income, expenses, and household status conducted between the annual recertifications when a change in a household's circumstances warrant such a reexamination.

Jurisdiction: The area in which the housing authority has authority under State and local law to administer the program.

Lease: A written agreement between an owner and 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 housing authority.

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

a. Is determined to be essential to the care and well- being of the persons;
b. Is not obligated for the support of the persons; and
c. Would not be living in the unit except to provide the necessary supportive services.

Low-income families: Those families whose incomes do not exceed 80% of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families. *[1937Act)*

Manufactured home: A manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets the HQS.

Manufacture home space: In manufactured home space rental: A space leased by an owner to a family. A manufactured home owned and occupied by the family is located on the space.

Medical expenses: Medical expenses, including medical insurance premiums that are anticipated during the period for which annual income is computed, and that are not covered by insurance.

Mixed family: A family whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigration status.

Moderate rehabilitation: Rehabilitation involving a minimum expenditure of $1000 for a unit, including its prorated share of work to be accomplished on common areas or systems, to:

a. upgrade to decent, safe and sanitary condition to comply with the Housing Quality Standards or other standards approved by HUD, from a condition below these standards (improvements being of a modest nature and other than routine maintenance; or
b. repair or replace major building systems or components in danger of failure.

Monthly adjusted income: One twelfth of adjusted income.

Monthly income: One twelfth of annual income.

Mutual housing is included in the definition of "cooperative".

National: A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

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:

a. Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.
b. In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income.
c. In determining net family assets, housing authorities or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

Noncitizen: A person who is neither a citizen nor national of the United States.

Notice Of Funding Availability (NOFA): For budget authority that HUD distributes by competitive process, the Federal Register document that invites applications for funding. This document explains how to apply for assistance, and the criteria for awarding the funding.

Occupancy standards: The standards that the housing authority establishes for determining the appropriate number of bedrooms needed to house families of different sizes or composition.

Owner: Any person or entity, including a cooperative, having the legal right to lease or sublease existing housing.

Participant (participant family]: A family that has been admitted to the housing authority's 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 housing authority for the family (first day of initial lease).

Payment standard: In a voucher tenancy, the maximum monthly assistance payment for a family (before deducting the total tenant payment by family contribution). For a voucher tenancy, the housing authority sets a payment standard in the range from 90% to 110% of the current FMR.

Person with disabilities: A person who:

a. Has a disability as defined in Section 223 of the Social Security Act,

"Inability to engage in any substantial, gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than 12 months, or

In the case of an individual who attained the age of 55 and is blind and unable by reason of such blindness to engage in substantial, gainful activity requiring skills or ability comparable to those of any gainful activity in which he has previously engaged with some regularity and over a substantial period of time."

b. Is determined, pursuant to regulations issued by the Secretary, to have a physical, mental, or emotional impairment that:

(1) is expected to be of long-continued and indefinite duration,

(2) substantially impedes his or her ability to live independently, and

(3) is of such a nature that such ability could be improved by more suitable housing conditions, or

c. Has a developmental disability as defined in Section 102(7) of the of the Developmental Disabilities Assistance and Bill of Rights Act.

"Severe chronic disability that:

(1) is attributable to a mental or physical impairment or combination of mental and physical impairments;

(2) is manifested before the person attains age 22;

(3) is likely to continue indefinitely;

(4) results in substantial functional limitation in three or more of the following areas of major life activity: (1) self care, (2) receptive and responsive language, (3) learning, (4) mobility, (e) self-direction, (6) capacity for independent living, and (7) economic self-sufficiency; and

(5) reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are of lifelong or extended duration and are individually planned and coordinated."

This definition does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

No individual shall be considered to be a person with disabilities for purposes of eligibility solely based on any drug or alcohol dependence.

Portability: Renting a dwelling unit with Section 8 tenant-based assistance outside the jurisdiction of the initial housing authority.

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

Private space: In shared housing: The portion of a contract unit that is for the exclusive use of an assisted family.

Preservation: This program encourages owners of eligible multifamily housing projects to preserve low-income housing affordability and availability while reducing the long-term cost of providing rental assistance. The program offers several approaches to restructuring the debt of properties developed with project-based Section 8 assistance whose HAP contracts are about to expire.

Proration of assistance: The reduction in a family's housing assistance payment to reflect the proportion of family members in a mixed family who are eligible for assistance.

Public Housing Agency: 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.

Reasonable rent: A rent to owner that is not more than charged: (a) for comparable units in the private unassisted market; and (b) for a comparable unassisted unit in the premises.

Receiving Housing Authority: In portability, a housing authority that receives a family selected for participation in the tenant-based program of another housing authority. The receiving housing authority issues a certificate or voucher, and provides program assistance to the family.

Re-certification: A reexamination of a household's income, expenses, and family composition to determine the household's rent for the following 12 months.

Remaining member of a tenant family: A member of the family listed on the lease who continues to live in an assisted household after all other family members have left.

Rent to owner: The monthly rent payable to the owner under the lease. Rent to owner covers payment for any housing services, maintenance, and utilities that the owner is required to provide and pay for.

Set-up charges: In a manufactured home space rental, charges payable by the family for assembly, skirting and anchoring the manufactured home.

Shared housing: A unit occupied by two or more families. The unit consists of both common space for shared use by the occupants of the unit and separate private space for each assisted family.

Shelter Allowance: That portion of a welfare benefit (e.g., TANF) that the welfare agency designates to be used for rent and utilities.

Single person: Someone living alone or intending to live alone who does not qualify as an elderly person, a person with disabilities, a displaced person, or the remaining member of a tenant family.

Single room occupancy housing (SRO): A unit for occupancy by a single eligible individual capable of independent living that contains no sanitary facilities or food preparation facilities, or contains either, but not both, types of facilities.

Special admission: Admission of an applicant that is not on the housing authority waiting list or without considering the applicant's waiting list position.

Special housing types: Special housing types include: SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing), and manufactured homes (including manufactured home space rental).

State Wage Information Collection Agency (SWICA): The State agency receiving quarterly wage reports from employers in the State, or an alternative system that has been determined by the Secretary of Labor to be as effective and timely in providing employment-related income and eligibility information.

Statement of family responsibility: An agreement in the form prescribed by HUD, between the housing authority and a Family to be assisted under the Moderate Rehabilitation Program, stating the obligations and responsibilities of the family.

Subsidy standards: Standards established by a housing authority to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

Suspension: Stopping the clock on the term of a family's certificate or voucher, for such period as determined by the housing authority, from the time when the family submits a request for housing authority approval to lease a unit, until the time when the housing authority approves or denies the request. Also referred to as tolling.

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

Tenant rent: The amount payable monthly by the family as rent to the owner minus any utility allowance.

Third-party (verification): Oral or written confirmation of a household's income, expenses, or household composition provided by a source outside the household, such as an employer, doctor, school official, etc.

Tolling: see suspension.

Total tenant payment (TTP):

(1) Total tenant payment is the amount calculated under Section 3(a) (1) of the 1937 Act. which is the higher of:

30% of the family's monthly adjusted income;

10% of the family's monthly income;

Minimum rent; or

if the family is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing costs, the 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 Section 3(a)(1) shall be the amount resulting from one application of the percentage.

Utility allowance: If the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a housing authority or HUD of the monthly cost 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.

Utility hook-up charge: In a manufactured home space rental, costs payable by a family for connecting the manufactured home to utilities such as water, gas, electrical and sewer lines.

Utility reimbursement: The amount, if any, by which the utility allowance for the unit, if applicable, exceeds the total tenant payment for the family occupying the unit.

Verification:

a. The process of obtaining statements from individuals who can attest to the accuracy of the amounts of income, expenses, or household member status (e.g., employers, public assistance agency staff, doctors).

b. The three types of verification are:

(1) Third-party verification, either written or oral, obtained from employers, public assistance agencies, schools, etc.)

(2) Documentation, such as a copy of a birth certificate or bank statement

(3) Family certification or declaration (only used when third-party or documentation verification is not available)

Very low-income families: Low-income families whose incomes do not exceed 50% of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families. *[1937 Act]*

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.

Voucher (rental voucher): A document issued by a housing authority to a family selected for admission to the Housing Choice Voucher Program. This document describes the program and the procedure for housing authority approval of a unit selected by the family and states the obligations of the family under the program.

Voucher holder: A family holding a voucher with unexpired search time.

Waiting list admission: An admission from the housing authority waiting list. *[24 CFR 982.4]*

Welfare assistance. Welfare or other payments to families or individuals, based on need, that are made under programs funded by Federal, State or local governments. *[24 CFR 5.603(d)]*

Welfare rent: In "as-paid" welfare programs, the amount of the welfare benefit designated for shelter and utilities.

ACRONYMS

ACC	Annual Contributions Contract
CACC	Consolidated Annual Contributions Contract
CFR	Code of Federal Regulations
FMR	Fair Market Rent
FSS	Family Self Sufficiency (program)
HA	Housing Authority
HAP	Housing Assistance Payment
HCDA	Housing and Community Development Act
HQS	Housing Quality Standards
HUD	Department of Housing and Urban Development
INS	(U.S.) Immigration and Naturalization Service
NAHA	(Cranston-Gonzalez) National Affordable Housing Act
NOFA	Notice of Funding Availability
OMB	(U.S.) Office of Management and Budget
PBC	Project-Based Certificate (program)
QHWRA	Quality Housing and Work Responsibility Act of 1998
PHA	Public Housing Agency
TTP	Total Tenant Payment

Field Office: **3BPH BALTIMORE HUB OFFICE**

Housing Agency: **MD001 Annapolis Housing Authority**

Housing Agency Details

PHA Fiscal Year: 2014 Select

FYE: 6/30

Status: Certification Submitted

Exec Director Approval Date: NA

SEMAP Certification Due Date: 8/29/2014

Corrective Actions Required: 0

SEMAP Certification Details

FYE	Certification/Profile	Submission Status	Overall Rating	Reason	Date
6/30/2014	Certification	Certification Submitted	--	New Certification	08-28-2014

Field Office: 3BPH BALTIMORE HUB OFFICE
Housing Agency: MD001 Annapolis Housing Authority
PHA Fiscal Year End: 6/30/2014

SEMAP CERTIFICATION (Page 2)

Performance Indicators

8 Payment Standards(24 CFR 982.503)

The PHA has adopted current payment standards for the voucher program by unit size for each FMR area in the PHA jurisdiction and, if applicable, for each PHA-designated part of an FMR area, which do not exceed 110 percent of the current applicable FMR and which are not less than 90 percent of the current FMR (unless a lower percent is approved by HUD). (24 CFR 982.503)

PHA Response ○ **Yes** ○ **No**

FMR Area Name Anne Arundel Cty FMR 1 of 1

Enter current FMRs and payment standards (PS)

0-BR FMR	847	1-BR FMR	1001	2-BR FMR	1252	3-BR FMR	1599	4-BR FMR	1741
PS	831	PS	981	PS	1227	PS	1567	PS	1706

Save Add Delete

If the PHA has jurisdiction in more than one FMR area, and/or if the PHA has established separate payment standards for a PHA-designated part of an FMR area, add similar FMR and payment standard comparisions for each FMR area and designated area.

9 Timely Annual Reexaminations(24 CFR 5.617)

The PHA completes a reexamination for each participating family at least every 12 months.(24 CFR 5.617)

PHA Response ◉ **Yes** ○ **No**

10 Correct Tenant Rent Calculations(24 CFR 982, Subpart K)

The PHA correctly calculates tenant rent in the rental certificate program and the family rent to owner in the rental voucher program (24 CFR 982,Subpart K)

PHA Response ◉ **Yes** ○ **No**

11 Pre-Contract HQS Inspections(24 CFR 982.305)

Each newly leased unit passes HQS inspection before the beginning date of the assisted lease and HAP contract.(24 CFR 982.305)

PHA Response ◉ **Yes** ○ **No**

12 Annual HQS Inspections(24 CFR 982.405(a))

The PHA inspects each unit under contract at least annually (24 CFR 982.405(a))

PHA Response ◉ **Yes** ○ **No**

13 Lease-Up

The PHA executes assistance contracts on behalf of eligible families for the number of units that has been under budget for at least one year. The PHA executes assistance contracts on behalf of eligible families for the number of units that has been under budget for at least one year

PHA Response ◉ **Yes** ○ **No**

14 Family Self-Sufficiency (24 CFR 984.105 and 984.305)

14a.Family Self-Sufficiency Enrollment. The PHA has enrolled families in FSS as required.

Applies only to PHAs required to administer an FSS program.
Check here if not applicable ☑

a. Number of mandatory FSS slots (Count units funded under the FY 1992 FSS incentive awards and in FY 1993 and later through 10/20/1998. Exclude units funded in connection with Section 8 and Section 23 project-based contract terminations; public housing demolition, disposition and replacement; HUD multifamily property sales; prepaid or terminated mortgages under section 236 or section 221(d)(3); and Section 8 renewal funding. Subtract the number of families that successfully completed their contracts on or after 10/21/1998.)

Or, Number of mandatory FSS slots under HUD-approved exception **(If not applicable, leave blank)**

b. Number of FSS families currently enrolled

c. Portability: If you are the initial PHA, enter the number of families currently enrolled in your FSS program, but who have moved under portability and whose Section 8 assistance is administered by another PHA

Percent of FSS slots filled (b+c divided by a) **(This is a nonenterable field. The system will calculate the percent when the user saves the page)**

14b. Percent of FSS Participants with Escrow Account Balances.The PHA has made progress in supporting family self-sufficiency as measured by the percent of currently enrolled FSS families with escrow account balances.(24 CFR 984.305)

Applies only to PHAs required to administer an FSS program
Check here if not applicable ☑

PHA Response ○ **Yes** ○ **No**

Portability: If you are the initial PHA, enter the number of families with FSS escrow accounts currently enrolled in your FSS program, but who have moved under portability and whose Section 8 assistance is administered by another PHA

15 Deconcentration Bonus
The PHA is submitting with this certification data which show that :

(1) Half or more of all Section 8 families with children assisted by the PHA in its principal operating area resided in low poverty census tracts at the end of the last PHA FY;

(2) The percent of Section 8 mover families with children who moved to low poverty census tracts in the PHA's principal operating area during the last PHA FY is atleast two percentage points higher than the percent of all Section 8 families with children who resided in low poverty census tracts at the end of the last PHA FY; or

(3) The percent of Section 8 mover families with children who moved to low poverty census tracts in the PHA's principal operating area over the last two PHA FY is at least two percentage points higher than the percent of all Section 8 families with children who resided in low poverty census tracts at the end of the second to last PHA FY.

PHA Response ○ **Yes** ◉ **No**

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Deconcentration Addendum
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Save Reset

Resolution
of
The Housing Authority of the City of Annapolis
Board of Directors

A Resolution approving the Section Eight Management Assessment Program (SEMAP) Certification for Submission

Resolution No. ADMIN 081914-16

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) has established the Section Eight Management Assessment Program(SEMAP) as means of measuring the performance of Public Housing Authority's Housing Choice Voucher Program; and

WHEREAS, Public Housing Authorities are required to prepare and submit an annual certification regarding its performance under certain indicators; and

WHEREAS, The Housing Authority is required to make the submission to HUD by August 29, 2014; and

WHEREAS, The Housing Authority will certify its Housing Choice Voucher Program as a High Performer under SEMAP for the Fiscal Year Ending June 30 2014; and

WHEREAS, the Board of Commissioners are required to approve the submission of the certification;

NOW THEREFORE BE IT RESOLVED that the Board of Commissioners does herby approve the submission of the SEMAP certification to the HUD as required.

Resolved this 19th day of August 2014

RESOLVED:

The undersigned Commissioners of the Housing Authority of the City of Annapolis sign below to indicate their affirmative or disapproval vote or that they are abstaining from voting pursuant to Section 13-106 of the Housing and community Development Article of the Annotated Code of Maryland.

Carl O. Snowden, Chairman ☑ Approved ☐ Disapproved ☐ Abstain

Cynthia A. Carter, Vice Chairman ☑ Approved ☐ Disapproved ☐ Abstain

Richard Callahan, Treasurer ☑ Approved ☐ Disapproved ☐ Abstain

Deborah A. Johnson, Commissioner ☑ Approved ☐ Disapproved ☐ Abstain

Jeffrey C. Henderson, Commissioner ☑ Approved ☐ Disapproved ☐ Abstain

Elizamae Robinson, Commissioner ☑ Approved ☐ Disapproved ☐ Abstain

Jacquelyn V. Wells, Commissioner ☑ Approved ☐ Disapproved ☐ Abstain

Section 8 Management Assessment Program (SEMAP) Certification

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0215
(exp. 9/30/2013)

Public reporting burden for this collection of information is estimated to average 12 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and you are not required to respond to, a collection of information unless it displays a currently valid OMB control number.

This collection of information is required by 24 CFR sec 985.101 which requires a Public Housing Agency (PHA) administering a Section 8 tenant-based assistance program to submit an annual SEMAP Certification within 60 days after the end of its fiscal year. The information from the PHA concerns the performance of the PHA and provides assurance that there is no evidence of seriously deficient performance. HUD uses the information and other data to assess PHA management capabilities and deficiencies, and to assign an overall performance rating to the PHA. Responses are mandatory and the information collected does not lend itself to confidentiality.

Instructions Respond to this certification form using the PHA's actual data for the fiscal year just ended.

PHA Name	For PHA FY Ending (mm/dd/yyyy)	Submission Date (mm/dd/yyyy)
Housing Authority of the City of Annapolis	06/30/2014	08/25/2014

Check here if the PHA expends less than $300,000 a year in Federal awards ☐
Indicators 1 - 7 will not be rated if the PHA expends less than $300,000 a year in Federal awards and its Section 8 programs are not audited for compliance with regulations by an independent auditor. A PHA that expends less than $300,000 in Federal awards in a year must still complete the certification for these indicators.

Performance Indicators

1. Selection from the Waiting List. (24 CFR 982.54(d)(1) and 982.204(a))
(a) The PHA has written policies in its administrative plan for selecting applicants from the waiting list.

PHA Response Yes ☑ No ☐

(b) The PHA's quality control samples of applicants reaching the top of the waiting list and of admissions show that at least 98% of the families in the samples were selected from the waiting list for admission in accordance with the PHA's policies and met the selection criteria that determined their places on the waiting list and their order of selection.

PHA Response Yes ☑ No ☐

2. Reasonable Rent. (24 CFR 982.4, 982.54(d)(15), 982.158(f)(7) and 982.507)
(a) The PHA has and implements a reasonable written method to determine and document for each unit leased that the rent to owner is reasonable based on current rents for comparable unassisted units (i) at the time of initial leasing, (ii) before any increase in the rent to owner, and (iii) at the HAP contract anniversary if there is a 5 percent decrease in the published FMR in effect 60 days before the HAP contract anniversary. The PHA's method takes into consideration the location, size, type, quality, and age of the program unit and of similar unassisted units, and any amenities, housing services, maintenance or utilities provided by the owners.

PHA Response Yes ☑ No ☐

(b) The PHA's quality control sample of tenant files for which a determination of reasonable rent was required shows that the PHA followed its written method to determine reasonable rent and documented its determination that the rent to owner is reasonable as required for (check one):

PHA Response ☑ **At least 98% of units sampled** ☐ **80 to 97% of units sampled** ☐ **Less than 80% of units sampled**

3. Determination of Adjusted Income. (24 CFR part 5, subpart F and 24 CFR 982.516)
The PHA's quality control sample of tenant files shows that at the time of admission and reexamination, the PHA properly obtained third party verification of adjusted income or documented why third party verification was not available; used the verified information in determining adjusted income; properly attributed allowances for expenses; and, where the family is responsible for utilities under the lease, the PHA used the appropriate utility allowances for the unit leased in determining the gross rent for (check one):

PHA Response ☑ **At least 90% of files sampled** ☐ **80 to 89% of files sampled** ☐ **Less than 80% of files sampled**

4. Utility Allowance Schedule. (24 CFR 982.517)
The PHA maintains an up-to-date utility allowance schedule. The PHA reviewed utility rate data that it obtained within the last 12 months, and adjusted its utility allowance schedule if there has been a change of 10% or more in a utility rate since the last time the utility allowance schedule was revised.

PHA Response Yes ☑ No ☐

5. HQS Quality Control Inspections. (24 CFR 982.405(b))
A PHA supervisor (or other qualified person) reinspected a sample of units during the PHA fiscal year, which met the minimum sample size required by HUD (see 24 CFR 985.2), for quality control of HQS inspections. The PHA supervisor's reinspected sample was drawn from recently completed HQS inspections and represents a cross section of neighborhoods and the work of a cross section of inspectors.

PHA Response Yes ☑ No ☐

6. HQS Enforcement. (24 CFR 982.404)
The PHA's quality control sample of case files with failed HQS inspections shows that, for all cases sampled, any cited life-threatening HQS deficiencies were corrected within 24 hours from the inspection and, all other cited HQS deficiencies were corrected within no more than 30 calendar days from the inspection or any PHA-approved extension, or, if HQS deficiencies were not corrected within the required time frame, the PHA stopped housing assistance payments beginning no later than the first of the month following the correction period, or took prompt and vigorous action to enforce the family obligations for (check one):

PHA Response ☑ **At least 98% of cases sampled** ☐ **Less than 98% of cases sampled**

7. Expanding Housing Opportunities. (24 CFR 982.54(d)(5), 982.153(b)(3) and (b)(4), 982.301(a) and 983.301(b)(4) and (b)(12)).
Applies only to PHAs with jurisdiction in metropolitan FMR areas.
Check here if not applicable ☐

(a) The PHA has a written policy to encourage participation by owners of units outside areas of poverty or minority concentration which clearly delineates areas in its jurisdiction that the PHA considers areas of poverty or minority concentration, and which includes actions the PHA will take to encourage owner participation.
PHA Response **Yes** ☑ **No** ☐

(b) The PHA has documentation that shows that it took actions indicated in its written policy to encourage participation by owners outside areas of poverty and minority concentration.
PHA Response **Yes** ☑ **No** ☐

(c) The PHA has prepared maps that show various areas, both within and neighboring its jurisdiction, with housing opportunities outside areas of poverty and minority concentration; the PHA has assembled information about job opportunities, schools and services in these areas; and the PHA uses the maps and related information when briefing voucher holders.
PHA Response **Yes** ☑ **No** ☐

(d) The PHA's information packet for voucher holders contains either a list of owners who are willing to lease, or properties available for lease, under the voucher program, or a list of other organizations that will help families find units and the list includes properties or organizations that operate outside areas of poverty or minority concentration.
PHA Response **Yes** ☑ **No** ☐

(e) The PHA's information packet includes an explanation of how portability works and includes a list of neighboring PHAs with the name, address and telephone number of a portability contact person at each.
PHA Response **Yes** ☐ **No** ☐

(f) The PHA has analyzed whether voucher holders have experienced difficulties in finding housing outside areas of poverty or minority concentration and, where such difficulties were found, the PHA has considered whether it is appropriate to seek approval of exception payment standard amounts in any part of its jurisdiction and has sought HUD approval when necessary.
PHA Response **Yes** ☑ **No** ☐

8. Payment Standards. The PHA has adopted current payment standards for the voucher program by unit size for each FMR area in the PHA jurisdiction and, if applicable, for each PHA-designated part of an FMR area, which do not exceed 110 percent of the current applicable FMR and which are not less than 90 percent of the current FMR (unless a lower percent is approved by HUD). (24 CFR 982.503)

PHA Response **Yes** ☑ **No** ☐

Enter current FMRs and payment standards (PS)

0-BR FMR 847	1-BR FMR 1001	2-BR FMR 1252	3-BR FMR 1599	4-BR FMR 1741
PS 831	PS 981	PS 1227	PS 1567	PS 1706

If the PHA has jurisdiction in more than one FMR area, and/or if the PHA has established separate payment standards for a PHA-designated part of an FMR area, attach similar FMR and payment standard comparisons for each FMR area and designated area.

9. Annual Reexaminations. The PHA completes a reexamination for each participating family at least every 12 months. (24 CFR 982.516)

PHA Response **Yes** ☑ **No** ☐

10. Correct Tenant Rent Calculations. The PHA correctly calculates tenant rent in the rental certificate program and the family rent to owner in the rental voucher program. (24 CFR 982, Subpart K)

PHA Response **Yes** ☑ **No** ☐

11. Precontract HQS Inspections. Each newly leased unit passed HQS inspection before the beginning date of the assisted lease and HAP contract. (24 CFR 982.305)

PHA Response **Yes** ☑ **No** ☐

12. Annual HQS Inspections. The PHA inspects each unit under contract at least annually. (24 CFR 982.405(a))

PHA Response **Yes** ☑ **No** ☐

13. Lease-Up. The PHA executes assistance contracts on behalf of eligible families for the number of units that has been under budget for at least one year.

PHA Response **Yes** ☑ **No** ☐

14a. Family Self-Sufficiency Enrollment. The PHA has enrolled families in FSS as required. (24 CFR 984.105)
Applies only to PHAs required to administer an FSS program.
Check here if not applicable ☑
PHA Response
a. Number of mandatory FSS slots (Count units funded under the FY 1992 FSS incentive awards and in FY 1993 and later through 10/20/1998. Exclude units funded in connection with Section 8 and Section 23 project-based contract terminations; public housing demolition, disposition and replacement; HUD multifamily property sales; prepaid or terminated mortgages under section 236 or section 221(d)(3); and Section 8 renewal funding. Subtract the number of families that successfully completed their contracts on or after 10/21/1998.) ☐

or, Number of mandatory FSS slots under HUD-approved exception ☐

b. Number of FSS families currently enrolled

c. Portability: If you are the **initial** PHA, enter the number of families currently enrolled in your FSS program, but who have moved under portability and whose Section 8 assistance is administered by another PHA

Percent of FSS slots filled (b + c divided by a)

14b. Percent of FSS Participants with Escrow Account Balances. The PHA has made progress in supporting family self-sufficiency as measured by the percent of currently enrolled FSS families with escrow account balances. (24 CFR 984.305)
Applies only to PHAs required to administer an FSS program .
Check here if not applicable ✓

PHA Response **Yes** ☐ **No** ☐

Portability: If you are the **initial** PHA, enter the number of families with FSS escrow accounts currently enrolled in your FSS program, but who have moved under portability and whose Section 8 assistance is administered by another PHA

Deconcentration Bonus Indicator (Optional and only for PHAs with jurisdiction in metropolitan FMR areas).

The PHA is submitting with this certification data which show that:

(1) Half or more of all Section 8 families with children assisted by the PHA in its principal operating area resided in low poverty census tracts at the end of the last PHA FY;

(2) The percent of Section 8 mover families with children who moved to low poverty census tracts in the PHA's principal operating area during the last PHA FY is at least two percentage points higher than the percent of all Section 8 families with children who resided in low poverty census tracts at the end of the last PHA FY;

or

(3) The percent of Section 8 mover families with children who moved to low poverty census tracts in the PHA's principal operating area over the last two PHA FYs is at least two percentage points higher than the percent of all Section 8 families with children who resided in low poverty census tracts at the end of the second to last PHA FY.

PHA Response **Yes** ☐ **No** ☐ **If yes, attach completed deconcentration bonus indicator addendum.**

I hereby certify that, to the best of my knowledge, the above responses under the Section 8 Management Assessment Program (SEMAP) are true and accurate for the PHA fiscal year indicated above. I also certify that, to my present knowledge, there is not evidence to indicate seriously deficient performance that casts doubt on the PHA's capacity to administer Section 8 rental assistance in accordance with Federal law and regulations.

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)

Executive Director, signature

Date (mm/dd/yyyy) 08/19/2014

Chairperson, Board of Commissioners, signature

Date (mm/dd/yyyy) 08/19/2014

The PHA may include with its SEMAP certification any information bearing on the accuracy or completeness of the information used by the PHA in providing its certification.

SEMAP Certification - Addendum for Reporting Data for Deconcentration Bonus Indicator

Date (mm/dd/yyyy) _____

PHA Name _____

Principal Operating Area of PHA _____
(The geographic entity for which the Census tabulates data)

Special Instructions for State or regional PHAs Complete a copy of this addendum for each metropolitan area or portion of a metropolitan area (i.e., principal operating areas) where the PHA has assisted 20 or more Section 8 families with children in the last completed PHA FY. HUD will rate the areas separately and the separate ratings will then be weighted by the number of assisted families with children in each area and averaged to determine bonus points.

1990 Census Poverty Rate of Principal Operating Area _____

Criteria to Obtain Deconcentration Indicator Bonus Points

To qualify for bonus points, a PHA must complete the requested information and answer yes for only one of the 3 criteria below. However, State and regional PHAs must always complete line 1) b for each metropolitan principal operating area.

1) _____ a. Number of Section 8 families with children assisted by the PHA in its principal operating area at the end of the last PHA FY who live in low poverty census tracts. A low poverty census tract is a tract with a poverty rate at or below the overall poverty rate for the principal operating area of the PHA, or at or below 10% whichever is greater.

_____ b. Total Section 8 families with children assisted by the PHA in its principal operating area at the end of the last PHA FY.

_____ c. Percent of all Section 8 families with children residing in low poverty census tracts in the PHA's principal operating area at the end of the last PHA FY (line a divided by line b).

Is line c 50% or more? **Yes** ☐ **No** ☐

2) _____ a. Percent of all Section 8 families with children residing in low poverty census tracts in the PHA's principal operating area at the end of the last completed PHA FY.

_____ b. Number of Section 8 families with children who moved to low poverty census tracts during the last completed PHA FY.

_____ c. Number of Section 8 families with children who moved during the last completed PHA FY.

_____ d. Percent of all Section 8 mover families with children who moved to low poverty census tracts during the last PHA fiscal year (line b divided by line c).

Is line d at least two percentage points higher than line a? **Yes** ☐ **No** ☐

3) _____ a. Percent of all Section 8 families with children residing in low poverty census tracts in the PHA's principal operating area at the end of the second to last completed PHA FY.

_____ b. Number of Section 8 families with children who moved to low poverty census tracts during the last two completed PHA FYs.

_____ c. Number of Section 8 families with children who moved during the last two completed PHA FYs.

_____ d. Percent of all Section 8 mover families with children who moved to low poverty census tracts over the last two completed PHA FYs (line b divided by line c).

Is line d at least two percentage points higher than line a? **Yes** ☐ **No** ☐

If one of the 3 criteria above is met, the PHA may be eligible for 5 bonus points.

See instructions above concerning bonus points for State and regional PHAs.

SEMAP Indicators Report

As of July 31, 2014

Housing Authority: **MD001**

Housing Authority FYE: **June 30**

Download in Excel Print Page Back to Report

Current SEMAP Indicator Information

Most Recent SEMAP Indicator Information

Reporting Rate as of July 31, 2014

Program Type	VMS Units Leased	As of MM/YY	Port-Outs	Port-Ins	Number of 50058s Required (#)	Number of 50058s Reported (#)	Reporting Rate (%)
All Voucher Funded Assistance	337	06/14	9	9	337	327	97

Indicator 9:
Annual Reexaminations

Note: For Indicators 9-12 and 14, HUD mandates for SEMAP a Reporting Rate of atleast 95 percent by the PHA's fiscal year end. If this threshold is not met, the PHA will receive zero points for these four indicators.

Percent of Families with reexaminations overdue (%) (Percentage includes all reexaminations more than 2 months overdue. SEMAP scores: Under 5% = 10 points; 5% - 10% = 5 points; greater than 10% = 0 points. Percentages shown as red and bold result in reduced SEMAP scores.)	0

Number of Families in Current Database	Number of Late Reexaminations
329	1

[+] Families with reexaminations overdue

Indicator 10:
Correct Tenant Rent Calculations

Percent of Families with incorrect rent calculation (%) (SEMAP scores zero points when more than 2 percent of the Housing Authority□s tenant rent calculations are incorrect as indicated by percentages shown in red and bold.)	0

Number of Families in Current Database	Number of Rent Discrepancies
183	0

[+] Families with incorrect rent calculation(s)

Indicator 11:
Precontract HQS Inspections

Percent of units that did pass HQS inspection before the beginning date of the assisted lease and HAP contract (%) (SEMAP scores zero points when fewer than 98 percent of newly leased units pass the HQS inspection before the beginning of the lease/HAP as indicated by percentages as shown in red and bold.)	100

Number of Families in Current Database	Number of Inspections On or Before Effective Date
27	27

[+] Families where HQS inspection did not pass before lease and HAP contract

Indicator 12:
Annual HQS Inspections

Percent of units under contract where annual HQS inspection is overdue (%) (Percentage includes all HQS Inspections more than 2 months overdue. SEMAP scores: Under 5% = 10 points; 5% - 10% = 5 points; greater than 10% = 0 points. Percentages shown as red and bold result in reduced SEMAP scores.)	1

Number of Families in Current Database	Number of Late Inspections
276	3

[+] Families with annual HQS inspections overdue

Indicator 13: Lease-Up

Note: This data is not currently available.

Indicator 14: Family Self-Sufficiency Enrollment

Enrolled	Escrow Balance	Points
80% or more	30% or more	10
60%-79%	30% or more	8
80% or more	Less than 30%	5
Less than 60%	30% or more	5
60%-79%	Less than 30%	3
Less than 60%	Less than 30%	0

Percentages shown in red and bold result in reduced SEMAP scores.

Number of Mandatory Slots (#)*	Number of Families Enrolled (#)	Percent of Families Enrolled (%)	Number of Families with Progress Report and Escrow Balances (#)	Percent of Families with Progress Report and Escrow Balances (%)
0	0	0	0	0

[+] Families enrolled in Voucher FSS Program

[+] Families completing FSS Contract

* - As reported by the PHA in Indicator 14 (a) from the last SEMAP Certification and confirmed by the Field Office. This number may have decreased as families have graduated from the program. Also data may not include approved exceptions to mandatory slots.

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS
MD-001
SEMAP CERTIFICATION FOR FY 2014
POSSIBLE POINTS

INICATOR #	POSSIBLE POINTS	POINTS
1- SELECTION FOR WAIT LIST	15	15
2 - RENT REASONABLENESS	20	20
3 - DETERMINATION OF ADJUSTED INCOME	20 90% or more 20 pts 80% to 90% 15 pts less than 80% 0 pts	20
4 – UTILITY ALLOWANCE SCHEDULE	5	5
5 – HQS QUALITY CONTROL INSPECTIONS	5	5
6 – HQS ENFORCEMENT	10 98% 10 pts less than 98% O pts	10
7 – EXPANDING HOUSING OPPORTUNITIES	5 policy to locate housing outside of areas of poverty	5
8 – PAYMENT STANDARDS	5 Payment Standard must not exceed 110% of FMR	5
9 – ANNUAL REEXMINATIONS	10 less than 5% late 10 pts 5% to 10% late 5 pts more than 10% late 0 pts	10
10- CORRECT TENANT RENT CALCULATIONS	5 2% or fewer incorrect 5 pts more than 2% incorrect 0 pts	5
11 – PRECONTRACT HQS INSPECTIONS	5 98-100% 5 pts. Fewer than 5% 0 pts	5
12 – ANNUAL INSPECTIONS	10 5% More than 2 months late 10 pts 5 -10 % more than 2 months late 5 pts More than 10% late 0 pts	10
13 – LEASE-UP	20 98% or more leased 98 pts 95 to 97% leased 15 pts less than 95% leased 0 pts	20
14 – FSS	10 (not mandatory)	0
15 – DECONCENTRATION BONUS	5 (Bonus not required)	0
Total	150	**135**
Percentage		**90%**

HIGH PERFORMER	90% AND ABOVE
STANDARD PERFORMER	61-89%
TROUBLED PERFORMER	60% OR LESS

Certified by: _____

HOUSING AUTHORITY
of the City of Annapolis

We Are Going Somewhere

TAB 5

Grievance Procedures

2015 - 2019

HACA
1217 Madison Street
Annapolis MD 21403

January 31, 2015

EQUAL HOUSING OPPORTUNITY

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

GRIEVANCE POLICY AND PROCEDURE

The Housing Authority of the City of Annapolis ("Housing Authority") hereby sets forth its policies and procedures respecting its public housing tenants' grievance rights in accordance with the U.S. Department of Housing and Urban Development's ("HUD") Public Housing Lease and Grievance Procedure, 24 Code of Federal Regulations ("CFR") Part 966 Subpart B.

The following provisions pertaining to the grievance policy and procedures are divided into sections that are intended to correspond and comply with similarly numbered provisions of the CFR.

Sec. 966.50 Purpose and Scope

All grievances concerning the obligations of a Tenant and/or members of the Tenant's household and the Housing Authority of the City of Annapolis ("Housing Authority") which adversely affect the Tenant's rights, duties, welfare or status in accordance with the dwelling lease and/or regulations of the United States Department of Housing and Urban Development ("HUD"), shall be resolved in accordance with this "Grievance Policy and Procedure" ("Policy").

Sec. 966.51 Applicability

(a) This Policy is applicable to all individual grievances with respect to the Housing Authority's action or its failure to act in accordance with the individual's lease or application or HUD and/or Housing Authority regulations which adversely affect the individual's rights, duties, welfare, or status <u>except that this Policy shall not be applicable to any termination of tenancy or eviction that involves:</u>

> <u>(1) Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other residents or employees of the Housing Authority;</u>
>
> <u>(2) Any violent or drug-related criminal activity on or off such premises;</u>
>
> (3) <u>Any criminal activity that resulted in felony conviction of a household member.</u>

(b) The Housing Authority may establish an expedited grievance procedure for any grievance concerning a termination of tenancy or eviction related to Sec. 966.51 (1-3) of

this Policy. In the case of a grievance under the expedited procedure, Sec. 966.54 herein (informal discussion and settlement) is not applicable.

(c) HUD has determined that the Maryland procedure for: (1) An action for summary eviction in District Court under MD Code Ann., Real Property, Sections 8-401 to 403; (2) An action for ejectment in Circuit Court under MD. Code Ann., Cts. 7 Jud. Proc. 4-402; and (3) An action for ejectment in Circuit Court under MD Rules Ann. Ch. 1100, T40 to T46 comports with HUD's due process determination. Pursuant to 42 U.S.C. 1437d(k) and 25 C.F.R. Section 966.51 the Housing Authority is not required to afford an opportunity for a hearing in the above circumstances, and the Housing Authority has excluded the offer of the grievance procedure for terminations of tenancy/evictions as set forth above.

(d) Further, this Policy shall not be applicable to disputes between tenants not involving the Housing Authority or to class grievances. This Policy is not intended as a forum for initiating or negotiating policy changes between a group or groups of tenants and Housing Authority's Board of Commissioners.

Sec. 966.52 Requirements

(a) A Tenant may dispute, within the timeframes and procedures established herein, any Housing Authority action or failure to act, which actions include, but are not limited to, notice of lease termination, notice of rent adjustment, monthly statement of rent, and notice to transfer.

(b) Tenants and resident organizations will be given at least 30 days notice of any proposed changes to this Policy and an opportunity to present written comments which shall be considered by the Housing Authority before adoption of any changes.

(c) A copy of this Policy shall be given to each tenant and to resident organizations.

Sec. 966.53 DEFINITIONS:

(a) *COMPLAINANT* shall mean any Tenant or applicant whose grievance is presented to the Housing Authority for an informal discussion and settlement or hearing as defined herein.

(b) *ELEMENTS OF DUE PROCESS*, shall mean 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/Complainant of the grounds for terminating the tenancy and for eviction;

(2) Right of the Complainant to be represented by legal counsel at the expense of the Complainant;

(3) Opportunity for the Complainant to refute the evidence presented in the Complainant file and/or presented during the informal discussion and settlement by HACA, including the right to confront and cross-examine witnesses and to present any affirmative legal or equitable defense which the Complainant may have; and

(4) A decision on the merits.

(c) *GRIEVANCE* shall mean any dispute which a Complainant may have with respect to the Housing Authority's action or failure to act in accordance with Complainant's lease, the Admissions and Continued Occupancy Policy (ACOP), Section 8 Administrative Plan or other HACA policies, and/or HUD regulations, which action or omission of an act adversely affects the individual Complainant's rights, duties, welfare or status.

(d) *HOUSING AUTHORITY or HACA or PHA* shall mean the Housing Authority of the City of Annapolis.

(e) *HEARING PANEL* shall mean a panel of five impartial individuals appointed by the Board of Commissioners to hear grievances and render a decision with respect thereto. At least one panel member shall be a recommendation of the Resident Advisory Board and at least one panel member shall be a representative of the Anne Arundel Conflict Resolution Center.

(f) *HUD* shall mean the United States Department of Housing and Urban Development.

(g) *POLICY* shall mean the "Grievance Policy and Procedure" contained herein.

(h) *TENANT* shall mean the adult person (or persons, other than a live-in aide):

(1) Who resides in the unit, and who executed the lease with the Housing Authority as lessee of the dwelling unit; or

(2) Who resides in the unit, and is the remaining head of household of the complainant family residing in the dwelling unit; or

Sec. 966.54 Mandatory Informal Discussion & Settlement of Grievance

(a) Beginning the Grievance Process. To begin the grievance process, a Tenant or applicant, within ten (10) business days of receipt of a notice of lease termination admission denial letter, program assistance termination or any other notice of an adverse action to the household or a member of the household, **must first** present a verbal or written request for the grievance procedure to the Property Manager or a Housing Authority official.

(b) Informal Discussion and Settlement. After presenting the grievance in accordance with 966.54 (a), the Tenant or applicant then becomes a Complainant. The Complainant shall then be entitled to an informal discussion and settlement of the grievance within ten (10) business days of receiving such notice.

(c) Summary of Discussion or Settlement. A summary of the discussion and any settlement offered must be prepared within twenty-four (24) hours of the discussion by the Property Manager or other Housing Authority official involved in the discussion with the Complainant. Copies shall be hand delivered and sent by first-class mail to both the Housing Authority Compliance Department and the Complainant. The Compliance Department must place a copy of the summary of the discussion and settlement offered in the Tenant's or applicant's file and in the Complainant's pending grievance file.

(d) Contents of the Summary. The summary shall specify the names of the participants, dates of the meeting, the nature of the proposed disposition of the complaint and the specific reasons therefore, and shall specify the procedures by which a hearing may be obtained if the Complainant is not satisfied.

(e) Failure to Properly Initiate Grievance**.** The failure of the Complainant to properly initiate the grievance by making a verbal or written request for a grievance procedure within ten (10) business days of the receipt of notice of adverse action (termination, rent increase, transfer, etc.) will forfeit the Complainant's right to an informal discussion and settlement, and to an informal hearing by the Hearing Panel, except for good cause shown pursuant to Sec. 966.55(d).

Sec. 966.55 PROCEDURES TO OBTAIN A HEARING

(a) Written Request for a Hearing. The Complainant shall submit a written request for a hearing to the Housing Authority or the Property Manager within ten (10) business days of receiving the summary of the informal discussion and settlement offered pursuant to 24 CFR 966.54 (a-c) and 24 CFR966.55 (d).

(b) Contents of the Written Request. The written request shall specify: (1) the reasons for the grievance; and (2) the action or relief sought (the action the Complainant wants the Housing Authority to take).

(c) Failure to Request a Hearing. If the Complainant fails to timely request a hearing with the Hearing Panel after compliance with the informal discussion and settlement procedure or fails to submit a timely request for a hearing, then the Housing Authority's disposition of the grievance under the informal settlement procedure in accordance with 24 CFR 966.54 shall become final.

(d) Show Good Cause. If the Complainant failed to request an informal discussion and settlement and desires a grievance hearing, Complainant must request a grievance hearing in writing within ten (10) business days of notice of adverse action and must show good cause to the Hearing Panel why he or she failed to request an informal discussion and settlement in order for the Hearing Panel to waive this prerequisite to a grievance hearing. 24 CFR 966.55(d). "Good cause" includes, but is not limited to, an unavoidable conflict which seriously affects the health, safety or welfare of the family.

(e) Failure to Request a Hearing is Not a Waiver. A Complainant's failure to request a hearing with the Hearing Panel shall not constitute a waiver by the Complainant of his right thereafter to contest the Housing Authority's action in disposing of the complaint in an appropriate court proceeding, or to appeal to the Board of

Commissioners only in a case where a federal regulation and/or Housing Authority policy has been violated.

(f) Escrow Deposit for Rent Violations**.** Before a hearing is scheduled in any grievance involving the amount of rent (defined in 24 CFR 966.4(b)) that the Housing Authority claims is due, the Complainant must pay an escrow deposit to HACA in an amount equal to the amount of rent due and payable as of the first of the month, preceding the month in which the act or failure to act took place. 24 CFR 966.55(e). After the first deposit, the Complainant shall thereafter deposit the same amount of the monthly rent until the complaint is resolved by decision of the Hearing Panel.

(g) Escrow Waiver. HACA must waive the escrow requirement in the case of financial hardship or a welfare benefits reduction where required under 24 CFR 5.630 or 5.615.

(h) Escrow Non-Payment. Unless the escrow requirement is waived, the failure to make such escrow payments shall result in a termination of the Complainant's grievance proceedings. Failure to make payment shall not constitute a waiver of any right the Complainant has to contest the Housing Authority's disposition of the grievance in any appropriate judicial (court) proceeding.

(i) Scheduling the Hearing**.** When timely and properly requested and granted, a grievance hearing will be scheduled and conducted within ten (10) business days by an impartial Hearing Panel and scheduled at a time and place reasonably convenient for the Complainant, the Housing Authority and the Hearing Panel.

(j) Written Notification. A written notification specifying the time, place and the procedures governing the hearing shall be mailed to the Complainant by the Housing Authority.

(k) Complaint to HUD. The Complainant may make a complaint to HUD if he or she believes the Housing Authority's notice of adverse action was based on race, color, religion, gender, sexual orientation, national origin, familial status or disability.

(l) Composition of Hearing Panel. The Hearing Panel shall consist of a panel of five impartial individuals appointed by the Board of Commissioners. At least one

panel member shall be a recommendation of the Resident Advisory Board and at least one shall be a representative of the Anne Arundel Conflict Resolution Center. The Complainant representative or any other member on the Hearing Panel shall not be an employee or agent of the Housing Authority.

(m) Presiding Officer. The members of a Hearing Panel shall choose from among themselves a Presiding Officer who shall chair meetings of the panel with full authority to control the conduct of panel proceedings.

(n) Notice to Complainant. The Complainant shall be informed of the composition of the hearing panel that will hear the grievance. The notice of panel composition shall be sent at the same time as the notice of the date, time, and place of the hearing.

(o) Hearing Panel Member Disqualification. A Hearing Panel member may be disqualified from sitting on the Hearing Panel if the member: (1) is related to Complainant or any witness who appears on behalf of Complainant or HACA; or (2) participated in the decision which is the subject of the complaint. The remaining panel members will judge the merit of any objection and may request a panel member to step down. If a Hearing Panel member is disqualified, the remaining Hearing Panel members shall decide the issue.

(p) A Quorum. A minimum of three panel members shall constitute a quorum. The Hearing Panel's decision must be made by a majority vote unless the panel is composed of only three members, in which case the vote must be unanimous to decide against the Tenant.

Sec. 966.56 Procedures Governing the Hearing

(a) Hearing Panel & Location. The hearing shall be held before a Hearing Panel as defined above. The hearing shall be held at the Housing Authority's Central Office or another location as determined by the Hearing Panel

(b) Fair Hearing. The Complainant shall be afforded a fair hearing, which shall include:

(1) The opportunity before the grievance hearing to examine all information regarding the adverse action and presented to the Hearing Panel, and all Housing Authority documents, including records and regulations that are directly relevant to the hearing. The Complainant shall be allowed to copy any such document at the Complainant's expense. When no informal settlement meeting is held the Hearing Panel will provide the Complainant an opportunity to review the material prior to the start of the hearing proceedings. If the Housing Authority does not make the document available for examination upon request by the Complainant, the Housing Authority may not rely on such documents at the grievance hearing.

(2) The right to be represented by counsel or other person(s) chosen as the Complainant's representative and to have such person make statements on the Complainant's behalf.

(3) The right to a private hearing.

(4) The right to present evidence and arguments in support of Complainant's complaint, to controvert evidence relied on by the Housing Authority or project manager, and to confront and cross-examine all witnesses.

(5) A decision based solely and exclusively upon the facts presented at the hearing.

(c) Hearing Panel Decision without Hearing. The hearing officer or hearing panel may render a decision without proceeding with the hearing if the hearing officer or hearing panel determines that the issue has been previously decided in another proceeding.

(d) Failure to Appear & Notice of Determination. If the Complainant or the representative of the Housing Authority fails to appear at a scheduled hearing, the Hearing Panel may make a determination to postpone the hearing for a time not to exceed ten (10) business days or make a determination that the party has waived his or her right to a hearing. Both the Complainant and the Housing Authority shall be notified of the determination by the Hearing Panel. Provided that a determination that the Complainant has waived his right to a hearing shall not waive the right of the Complainant to contest the Housing Authority's disposition of the grievance to the Board of Commissioners in the instance of policy and/or regulatory violation(s) only and/or in an appropriate judicial proceeding.

(e) General Procedures. At the hearing, the Complainant must first make a showing of an entitlement to the relief sought (has met procedural requirements) and thereafter the Housing Authority must sustain the burden of justifying the Housing Authority's action or failure to act against which the complaint is directed.

(f) Informal Hearing & Conduct. The hearing shall be conducted informally by the Hearing Panel and 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 Panel shall require the Housing Authority, the Complainant, the Complainant's counsel and other participants or spectators to conduct themselves in an orderly fashion. Failure to comply with the directions of the Hearing Panel to obtain order may result in exclusion from the proceedings or in a decision adverse to the interest of the disorderly party by granting or denying the relief sought, as appropriate.

(g) Transcripts of Hearing. The Complainant or the Housing Authority may arrange, in advance at the expense of the party requesting the arrangement, for a transcript of the hearing.

(h) Reasonable Accommodations for Persons with Disabilities. The Housing Authority will provide reasonable accommodations for persons with disabilities to participate in the hearing. Reasonable accommodation may include a certified sign language interpreter, reader, and accessible locations and attendants. If the Complainant is visually impaired, any notice to the Complainant that is required under this Policy will be in an accessible format and/or an agreeable format for both parties.

Sec. 966.57 DECISION OF THE HEARING PANEL

(a) Written Decision. The Hearing Panel shall prepare a written decision, together with the reasons therefore, within ten (10) business days from the date after the hearing. A copy of the decision shall be sent to the Complainant and the Housing Authority. The Housing Authority shall retain a copy of the decision in the Complainant's Grievance and Tenant folders. A copy of such decision, with all names and identifying references deleted, shall also be maintained on file by the Housing Authority and made available for inspection by a prospective Complainant, their representative, or the Hearing Panel. All Complainant requested documents from the grievance hearing such as: recording, transcript and copies from the file will be provided by the Housing Authority to the Complainant at the Complainant's expense based on reasonable costs associated with the request.

(b) Binding. The decision of the Hearing Panel shall be binding on the Housing Authority, which shall take all actions, or refrain from any actions, necessary to carry out the decision, subject to the Complainant's right to appeal to the Board of Commissioners as described herein.

(c) Final Notice to Vacate. If the Hearing Panel upholds the Housing Authority's action to terminate the tenancy of a Complainant, the Housing Authority shall not commence an eviction or ejectment action in State or local court until after it has served a final notice to vacate to the Complainant, and in no event shall the final notice to vacate be issued prior to the decision of the Hearing Panel having being mailed or delivered to the Complainant. Such final notice to vacate must be in writing and specify that if the Complainant fails to quit (leave) the premises within the applicable statutory period or on the termination date appropriate action will be brought against the respective Complainant and he or she may be required to pay court costs and attorneys' fees.

(d) Right to Appeal to Board of Commissioners. If a Complainant is dissatisfied with the Hearing Panel's decision, the Complainant may appeal to the Board of Commissioners only if:

(1) the grievance does not concern the Housing Authority's action or failure to act in accordance with or involving the Complainant's lease or Housing Authority regulations, which adversely affect the Complainant's rights, duties, welfare of status; or

(2) the decision of the Hearing Panel is contrary to applicable Federal, State or local law, HUD regulations or requirements of the Annual Contributions Contract between HUD and the Housing Authority in accordance with 24 CFR 966.57(b)(1-2).

(e) Right to Appeal in Judicial Proceeding. A decision by the Hearing Panel or Board of Commissioners in favor of the Housing Authority or which denies the relief requested by the Complainant in whole or in part shall not constitute a waiver of, nor affect in any manner whatever, any rights the Complainant in whole or in part may have to a trial de novo or judicial review in any judicial proceedings to contest the Housing Authority's action or inaction which may thereafter be brought in the matter in accordance with 24.CFR 966.57(b)and(c.).

(f) Right to Refer to HUD. Additionally, each Complainant and/ or their respective representative(s) have a right to refer complaints to HUD if the Complainant believes the Housing Authority's action is based on race, color, religion, sex, sexual orientation, national origin, familial status or disability.

Grievance File Management

A. Separate File. Upon receiving a request for a grievance hearing or appeal or review of a HACA decision by a Complainant, the Housing Authority shall create a separate file from its Tenant file for the Complainant, which shall only contain documents related to the grievance hearing.

B. Case Number. Each grievance file shall be assigned an individual case number.

Notices

A. Delivery. All notices under this grievance Policy shall be deemed delivered:

(1) upon personal service upon the Complainant or an adult member of the Complainant's household; or

(2) upon the date received and signed for or refused by the addressee, in the case of certified or registered U.S. Mail; or

(3) on the second day after the deposit thereof for mailing, postage prepaid, with the U.S. Postal Service, if mailed by first class mail other than certified or registered mail.

B. Delivery to Visually Impaired. If a Complainant is visually impaired, any notice hereunder delivered to such Complainant shall be in an accessible format.

MODIFICATION

A. Approval of Board of Commissioners. This grievance Policy may not be amended or modified except by approval of a majority of the Board of Commissioners of the Housing Authority present at a regular meeting or a special meeting called for such purposes.

B.Notice to Tenants. In addition to the forgoing, any changes proposed to be made to this Policy must provide for at least thirty (30) days advance notice to Tenants and Tenant organizations, setting forth the proposed changes and providing an opportunity to present written comments. The comments submitted shall be considered and any changes must be approved by the Board of Commissioners before final adoption of any amendments hereto.

HOUSING AUTHORITY of the City of Annapolis

We Are Going Somewhere

TAB 6

Crime and Safety

2015 - 2019

HACA
1217 Madison Street
Annapolis MD 21403

January 31, 2015

EQUAL HOUSING OPPORTUNITY

HOUSING AUTHORITY of THE CITY of ANNAPOLIS

SAFETY AND CRIME PREVENTOIN

The Housing Authority of the City of Annapolis (HACA) Mission is to provide safe, decent and affordable housing to low income persons. HACA approach to Safety and Crime Prevention is four fold (Cooperation Agreement with the City of Annapolis Police Department and Safety Grant-Substation at Harbour House, HACA's Lease Enforcement Policy, HACA's Banning Policy and Resident Council partnership:

COOPERATIVE PARTNERSHIP WITH CITY OF ANNAPOLIS

HACA has a long standing Cooperative Agreement with the City of Annapolis Police Department (APD) This Agreement provides for information sharing and coordination of reporting crime reports, crime statistics, security cameras and monitoring services and site patrol at each property, site patrols. Additionally,
APD received a grant to establish an onsite substation at Harbour House to perform foot patrol, car patrol, bike control, observation and surveillance, community policing and crime prevention initiatives.

LEASE-ENFORCEMENT POLICY

19.0 Termination

A. *19.1 Termination By Tenant*

The tenant may terminate the lease at any time upon submitting a 30-day written notice. If the tenant vacates prior to the end of the thirty (30) days, they will be responsible for rent through the end of the notice period or until the unit is re-rented, whichever occurs first.

B. *19.2 Termination By the Housing Authority*

The Housing Authority of the City of Annapolis will not renew the lease of any family that is not in compliance with the community service requirement or an approved Agreement to Cure. If they do not voluntarily leave the property, eviction proceedings will begin.

The Housing Authority of the City of Annapolis will terminate the lease for serious or repeated violations of material lease terms. Such violations include but are not limited to the following:

A. Nonpayment of rent or other charges;

B. Repeated late payment, which shall be defined as failure to pay the amount of rent or other charges due by the sixth (6th) of the month. Four such late payments within a 12 month period shall constitute a repeated late payment;

C. Failure to provide timely and accurate information regarding family composition, income circumstances, or other information related to eligibility or rent;

D. Failure to allow inspection of the unit;

E. Failure to maintain the unit in a safe and sanitary manner;

F. Assignment or subletting of the premises;

G. Use of the premises for purposes other than as a dwelling unit (other than for housing authority approved resident businesses);

H. Destruction of property;

I. Acts of destruction, to include but not limited to defacement, tenant or guest caused fires, removal of any part of the premises, and failure to cause guests to refrain from such acts;

J. Any criminal activity on the property or drug-related criminal activity on or off the premises. This includes but is not limited to the manufacture of methamphetamine on the premises of The Housing Authority of the City of Annapolis;

K. Non-compliance with Non-Citizen Rule requirements;

L. Permitting persons not on the lease to reside in the unit more than fourteen (14) days each year without the prior written approval of the Housing Authority;

M. Residents are prohibited from permitting the use of their respective addresses by anyone other than approved household members;

N. Residents are prohibited from having persons on the Banned HACA list within Respective units, and

O. Failure to comply with Egress safety and inspection requirements

P. Other good cause.

The Housing Authority of the City of Annapolis will take immediate action to evict any household that includes an individual who is subject to a lifetime registration requirement under a State sex offender registration program.

BANNING POLICY

The Housing Authority of the City of Annapolis, hereinafter referred to as the "Authority," is aware of the problem its residents and Authority face with the unwanted presence of persons on, in or about the property of the Authority. Recognizing the seriousness of illegal drug activity as well as other criminal activity, the Authority adopts the following policy in an effort to enhance the safety, health, and well being of its residents and its property. The goal of the following policy is to reduce criminal activity involving drugs and other activity which threatens the peace and tranquility desired for public housing and its residents. The following policy is to be implemented and carried out under the laws of the State of Maryland and applicable laws, ordinances and regulations of the City of Annapolis.

A. The Authority may cause a written banning notice to be issued to any nonresident for the reasons and periods specified below. The ban will be in effect for the specified period, except that a banned nonresident may apply to be removed from the ban list before the specified ban period ends, pursuant to Paragraph F.

1. **Time period of the ban: 1 Year**. Is charged with, or within the past six months has been charged with, engaging in criminal activity on housing authority property which is non-violent in nature (activity that is not likely to result in physical injury), and which causes no physical injury to another person provided that such charge(s) has not been resolved by a judgment of acquittal, a dismissal of the charge(s) or expungement following a conviction;

2. **Time period of the ban: 3 Years**: Is charged with, or within the past six months has been charged with, engaging in criminal activity on housing authority property in which a deadly weapon was used or threatened to be used, or which activity resulted in physical injury to any person; provided that such charge(s) has not been resolved by a judgment of acquittal, a dismissal of the charge(s) or expungement following a conviction;

3. **Time period of the ban: 3 Years:** Is charged with, or within the past twelve months has been charged with, engaging in drug related criminal activity on or within 300 feet of housing authority property provided that such charge(s) has not been resolved by a judgment of acquittal, a dismissal of the charge(s) or expungement following a conviction;

4. **Time period of the ban: 3 Years:** Is charged with, or within the past six months has been charged with, engaging in violent criminal activity (activity that is likely to result in physical injury) on or within 300 feet of Housing Authority property provided that such

charge(s) has not been resolved by a judgment of acquittal, a dismissal of the charge(s) or expungement following a conviction;

5. **Time period of the ban: Lifetime**: Is charged with the manufacture or production of methamphetamine on the premises of federally assisted housing provided that such charge(s) has not been resolved by a judgment of acquittal, a dismissal of the charge(s) or expungement following a conviction;

6. **Time period of the ban: Lifetime**: Is subject to a lifetime registration requirement under the state sex offender registration program;

7. **Banning for Misdemeanors:** The Authority will not impose a ban under this policy as the result of a misdemeanor charge or conviction of possession or consumption of alcohol, disorderly conduct that does not result in injury, failure to obey police, loitering, littering or similar "nuisance" offense as determined by the Housing Authority.

B. A written notice of banning shall be issued to such person or persons by the Director of Community Safety or sworn officer of the Annapolis Police Department ("APD") acting as an agent of the Authority or such other employee(s) of the Authority designated by the Executive Director. A copy of the notice as issued shall be maintained by with the Director of Community Safety of the Authority or other appropriate official(s) of the Authority as may be designated by the Executive Director.

C. Any person who has received a notice of banning to leave the property under the provisions of this policy and who returns to the Authority property before the ban has been officially lifted in writing, shall be subject to arrest for criminal trespass as provided for in Section 6-403 of the Criminal Law Article of the Annotated Code and under applicable laws or ordinances of the City of Annapolis.

D. A copy of the notice, picture of the banned person, and related documents shall be maintained by the Housing Authority. The names of persons receiving the banning notice shall be supplied at least monthly to the local law enforcement agencies including but not limited to Annapolis Police Department, Parole and Probation for use in their official capacities. In the event that the charges underlying a banning notice are resolved by a judgment of acquittal, a dismissal of the charge(s) or expungement following a conviction, and the Authority is aware of such a disposition, the Authority will timely lift the banning notice within 30 days of notice thereof and immediately notify the APD thereof.

E. Invited Guests

1. Upon receipt of information that a friend or relative has been and is banned under the Banning Policy, any HACA Resident named as such, and in good standing under his or her lease, (hereinafter referred to as the "Resident"), may designate (the "Designation") that person as an "Invited Guest". For the purposes of this paragraph,

"good standing" means a Resident against whom HACA has not obtained a judgment of possession permitting HACA to evict the Resident.

2. Designation. The Resident will make such Designation on a form available at the HACA main office. The Designation will require that the Resident:

(i). provide the Resident's full legal name and address;

(ii). provide the Invited Guest's full legal name and address;

(iii). indicate the day(s) and time(s) that the Invited Guest is permitted to visit the Resident, or provide that the Invited Guest may visit on any date or at any time;

(iv). take responsibility for the Invited Guest while the Invited Guest is on HACA property, and acknowledge that the terms of the Resident's lease may provide that Resident is responsible for the actions of the Invited Guest on HACA property;

(v). if known to the Resident, provide the Invited Guest's social security number and birth date; and, if not known, agree to take reasonable steps to obtain and provide HACA with the Invited Guest's social security number or other further information for identification purposes upon written request should HACA be unable to identify the Invited Guest by name alone; and

(vi). date and sign the form.

3. Eligibility. Individuals who have been banned pursuant to subsections 2, 4, 5, or 6 of Paragraph A of the Policy shall be ineligible for Designation as Invited Guests. Individuals who have been banned pursuant to subsection 3 of Paragraph A of this policy shall be ineligible for Designation as Invited Guests only if the "drug related criminal activity" for which they have been banned included a charge(s) of drug manufacture or sale or distribution and provided that such charge(s) has not been resolved by a judgment of acquittal, a dismissal of the charge(s), expungement following a conviction, or *nolle pros*. An individual whose Pass has been revoked shall be ineligible for Designation as an Invited Guest for a period of 6 months following the revocation.

4. Consideration. The Authority will review the completed Designation promptly. HACA will conduct a background check on the Invited Guest for eligibility; if HACA is unable complete the background check due to lack of identifying information, the Resident shall provide further identifying information within 5 days of request by HACA. If the Invited Guest is eligible for Designation as an Invited Guest, The Authority will issue a Pass to that person within seven days of the submission of the completed Designation to HACA, or seven days from the date of the provision of information permitting the completion of a background check, whichever is later. A copy of the Pass will be issued to the Invited Guest, as well as the Resident.

5. Scope Of Pass. A Pass will provide the name and address of the Resident and shall be subject to the following Restrictions:

(i). the date(s) and time(s) on which the Designation permits the Invited Guest to visit the Resident or members of the Resident's household;

(ii). any other restrictions on the time, date, or manner during which the Invited Guest is permitted to visit the Resident or members of the Resident's household, including location(s) on HACA property, as indicated by the Resident.

(iii). unless the Pass has expired or been revoked, the Authority will not impose any restrictions on visits made by an Invited Guest unless so directed by the Resident. Notwithstanding anything to the contrary in this Agreement, nothing shall prohibit HACA from obtaining injunctive relief prohibiting any person from entering HACA property; such injunction will permit the individual to be placed on the Ban List and/or permit a Pass to be revoked.

6. Expiration. Passes issued to Invited Guests will remain valid for three (3) months and may be modified or revoked at any time by the request of the Resident. If, at any time within one (1) month of the expiration of a pass, the Resident notifies HACA in writing that he or she wishes to have a Pass renewed, then HACA will renew the Pass for an additional three (3) months. No later than fourteen (14) days before the expiration of a Pass, HACA will notify the Resident in writing of the date upon which the Pass will expire (the "Expiration Notification"). The Expiration Notification will include a clearly-marked section where the Resident may indicate that he or she wishes to renew the Pass. The Resident may renew the Pass for an additional three (3) months either by submitting a written request for renewal to HACA or by indicating that he or she would like to renew the pass in the appropriate section of the Expiration Notification and returning the Expiration Notification to HACA.

7. Revocation. HACA may revoke any Pass under the following circumstances:

(i). The Invited Guest is found on HACA property at a time, on a date, in a place, or in a manner not permitted by the Pass;

(ii). The Invited Guest is found on HACA property and fails to promptly provide accurate information concerning his name and address to a police officer or HACA employee or agent requesting identification;

(iii). The Invited Guest is found on HACA property and fails to promptly and accurately identify the Resident that he or she is visiting upon request of a police officer or HACA employee or agent;

(iv). The Invited Guest is charged with any criminal activity that is proper grounds for placing the individual on the Ban List, including any activity described in paragraph A of the Banning Policy.

A revocation revokes all Passes for the Invited Guest.

8. Entry Upon HACA property. Unless the Pass has expired or has been revoked, an Invited Guest will be free to enter HACA property, subject to the Restrictions designated in the terms of the Pass. Invited Guests will not be required to carry any pass or other article on their person in order to legally enter HACA property in accordance with the terms of the Pass. A copy of the Pass will be issued to the Invited Guest solely for the purpose of ensuring that he or she has been notified of its terms.

9. Notice. The Authority will provide the Annapolis Police Department ("the APD") and/or any other person or entity The Authority employs or directs to enforce the Banning Policy with a copy of the Banning Policy and information concerning the terms of any Passes outstanding at least once every month.

F. The Housing Authority will provide a complete list of persons who are at that time banned from HACA property under this policy to every HACA household at least once every month.

G. Removal from Ban List

A banned individual, or his or her representative, may request that the ban be lifted before its stated expiration date by submitting a written request to the Housing Authority. Said request must be accompanied by a signed and dated release of information statement (which may be obtained from the Authority) allowing the Housing Authority to check police reports. The Request must state the following:

- full name
- social security number
- date of birth
- date the banning notice was issued
- reason for the request

The Housing Authority will consider the circumstances surrounding each case on an individual basis. In making such determination, the Housing Authority will consider: (1) whether the activity for which the individual was banned is unlikely to occur again; (2) whether or not the individual will conduct themselves in a manner that does not detract from the safety, health, or well being of HACA residents and HACA property.

The banned nonresident should direct their application for removal to the Director of Safety. The Director of Safety's written decision will be mailed to the nonresident individual within ten (10) business days of receipt of the request. If the banned individual disagrees with the decision of the Director of Safety, a request for review must be mailed to the Executive Director within ten (10) business days of the Director of Safety's decision. The Executive Director's decision will be mailed to the individual within five (5) business days of receipt of the request. If the individual disagrees with the decision of the Executive Director, a request for review must be mailed to the Board of Commissioners within ten (10) business days of the Executive Director's decision.. If the individual disagrees with the decision of the Board, the individual may seek redress in the

courts.

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RESIDENT COUNCIL COLLABORATIONS

The Housing Authority in partnership with each Resident Council conducts periodic meetings with each community and APD. Residents are exposed to risk prevention and safety tools and always provided an opportunity to provide both management and the police department their concerns on safety, reporting incidents and process for reporting crimes confidentially.

Safety on HACA properties have decreased significantly; however, we know too well that one assault, one murder and/or one person selling drugs within a community has a drastic effect and affect on resident safety.

HOUSING AUTHORITY of the City of Annapolis

We Are Going Somewhere

TAB 7

Pets

2015 - 2019

January 31, 2015

HACA
1217 Madison Street
Annapolis MD 21403

EQUAL HOUSING OPPORTUNITY

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

PET POLICY

1. **Management Approval of Pets**

All pets must be approved in advance by the Housing Authority of The City of Annapolis (HACA) management.

2. **Pet Registration:**

Pets must be registered and approved with HACA before they are brought onto any HACA premises. The resident must submit a written request for pet ownership, specifying the type and number of pet desired to the case manager. Preliminary approval for ownership will be granted based on staff's assessment of the residents' ability to care for the pet and conformance with Pet Ownership Guidelines regarding pet size, type and number.

If preliminary approval is granted, the resident must be willing and able to provide management with the following:

Certificate signed by a licensed veterinarian or State/local authority that the pet has received all inoculations required by State or local law, that the pet has no communicable disease(s), that the pet is pest-free, and that the pet's maximum full-grown weight will not exceed 20 pounds.

A complete description of the pet stating pet's age, type, weight, color, name along with a photograph.

Documentation that the dogs and cats have been spayed or neutered.

A copy of current license for the pet in compliance with local ordinances and requirements.

Execution of a Pet Agreement with the Housing Authority stating that the tenant acknowledges complete responsibility for the care and cleaning of the pet.

Present Pet Deposit.

Registration must be renewed and will be coordinated with the annual recertification date.

The names, addresses and phone numbers of two adults who agree to assume full responsibility for the pet in the event of the owner's death or incapacity to care for the pet.

Pets will not be allowed on Housing Authority property prior to written approval.

3. **Refusal to Register Pets**

The HACA will refuse to register a pet if:

a. The pet is not a common household pet as defined in the policy;
b. Keeping the pet would violate any House Pet Rules;
c. The pet owner fails to provide complete pet registration information, or fails to update the registration annually;
d. The Housing Authority reasonably determines that the pet owner is unable to keep the pet in compliance with the pet rules and other lease obligations. The pet's temperament and behavior may be considered as a factor in determining the pet owner's ability to comply with provisions of the lease.
e. Pets of a vicious or dangerous disposition.

The notice of refusal may be combined with a notice of a pet violation.

A resident who cares for another resident's registered pet must notify the HACA and agree to abide by all of the pet rules in writing.

4. **Standards for Pets**

Type of Pets Allowed

Common household pets are defined as a domesticated animal such as a dog, cat, bird, rodent, fish or turtle that is traditionally kept in the home for pleasure rather than for commercial purposes. This definition shall not include animals that are used to assist persons with disabilities.

Only the following animals may be kept by a resident. Residents are not permitted to have more than **one type** of pet.

a. Dogs - Must be under 20 pounds when full grown, spayed or neutered, housebroken, have all required inoculations, and must be licensed as specified now or in the future by State law and local ordinance. (proof of updated inoculations must be submitted annually)
b. Cats - No more than one, must be declawed, spayed or neutered, trained to use a litter box or other waste receptacle and have all inoculations. (proof of updated inoculations must be submitted annually)
c. Birds - No more than two and must be enclosed in no more than one cage at all times.
d. Fish – Aquarium size must not exceed 20 gallons.
e. Rodents – Rabbit, Guinea pig, hamster, or gerbil ONLY) – Only one cage permitted and no more than two rodents. Rodents must be enclosed in an acceptable cage at all times and Must have any or all inoculations as

specified now or in the future by State law or local ordinance. (proof of updated inoculations must be submitted annually)

f. Turtles – No more than two turtles and no more than one cage. Turtles must be enclosed in an acceptable cage or container at all times.

g. Pregnant animals are not eligible as pets.

5. **Assistive and Supportive Animals**

Exclusion for animals that assist elderly and persons with disabilities.

This exclusion applies to assistive /service animals that reside in units for the elderly or persons with disabilities, as well as assistive/service animals that visit these units.

To qualify for an exclusion the resident or prospective resident certifies in writing that the head of household or a member or his or her family is a person with a disability;

The animal has been trained to assist persons with that specific disability;

The animal actually assists the person with the disability.

6. **Pets Temporarily on the Premises**

Pets, which are not owned by a resident, will not be allowed.

Residents are prohibited from feeding or harboring stray animals.

This rule excludes visiting pet programs sponsored by a humane society or other non-profit organization.

State of local laws governing pets temporarily in dwelling accommodations shall prevail.

7. **Designation of No Pet Areas**

The following areas are designated no-pet areas:
Nutrition sites, Community Services Buildings, Project Offices and Recreation areas. Pets are not allowed to roam common areas in or outside of any Housing Authority property.

8. **Additional Fees and Deposits for Pets**

Resident shall be required to pay a refundable pet deposit. The HACA may use the pet deposit only to pay reasonable expenses directly attributable to the presence of a dog or cat in the unit, including (but not limited to) the cost of repairs, replacements, and cleaning the unit, grounds, flooring, finish tiles, carpeting, walls, etc., and fumigating for tick and fleas. The HACA shall refund the unused portion of the pet deposit to the tenant within reasonable time after the resident moves from the unit or no longer owns or keeps a pet in the dwelling unit. The maximum amount of pet deposit that may be charged by the HACA, on a per dwelling unit basis, shall not exceed the higher of the Total Tenant Payment or $75.00. The HACA may allow

gradual accumulation of the pet deposit by the pet owner. **The pet deposit is not part of the rent payable by the tenant. No pet deposit will be required for fish, turtles, birds and rodents.** The HACA reserves the right to change or increase the required deposit by amendment to these rules.

Alternations to Unit

Residents/pet owners shall not alter their unit, patio, premises or common areas to create an enclosure for any animal.

9. Pet Waste Removal Charge

All pet owners are responsible for the proper disposal of the pet's waste material as follows:

a. Dogs must be walked at least twice a day and puppies, until they are housetrained, every three hours and deposit of animal waste (in plastic bag) immediately in the dumpster or trash bin. If a mess is made within a unit it must be disposed of in a plastic bag and taken to a Dumpster immediately.

b. Cat litter boxes must be emptied at least twice a week into a strong plastic bag and taken to the dumpster or trash bin immediately.

c. Residents may not place any pet waste material in any plumbing facility within the unit or within a garbage can.

d. A separate pet waste removal charge of $15.00 per occurrence will be assessed against the resident for violations of the pet policy. Repeated violations shall be cause for removal of the pet, termination of the lease or both.

e. Pet deposit and pet waste removal charges are not part of rent payable by the resident.

f. All reasonable expenses incurred by the HACA as the result of damages directly attributable to the presence of the pet will be the responsibility of the resident, including:
The cost of repairs, replacements, and cleaning the unit, grounds, flooring, finish tiles, carpeting, walls, etc., and fumigating for tick and fleas.

g. If the resident is in occupancy when such costs occur, the tenant shall be billed for such costs as a current charge.

h. If such expenses occur as the result of a move-out inspection, they will be deducted from the pet deposit. The resident will be billed for any amount, which exceeds the pet deposit.

i. The expense of flea deinfestation shall be the responsibility of the resident.

10. Pet Area Restrictions

a. Pets must be maintained within the resident's unit. No pet houses are allowed outside the unit. When outside of the unit (within the building or on the grounds) dogs and cats **must** be kept on a leash no longer than six feet or carried and under the control of the resident or other responsible individual **at all times**.

b. Pets are not permitted in common areas including lobbies, community rooms and laundry areas except for those common areas which are entrances to and exits from the building.

11. Noise

Pet owners must agree to control the noise of pets so that such noise does not constitute a nuisance to other residents or interrupt their peaceful enjoyment of their housing unit or premises. This includes, but is not limited to loud or continuous barking, howling, whining, biting, scratching, chirping, or other such activities. Such actions will constitute a violation under the Residential Dwelling Lease.

12. Cleanliness Requirements

a. Litter Box Requirements. All animal waste or the litter from litter boxes shall be picked up immediately by the pet owner, disposed of in sealed plastic trash bags, and placed in a dumpster or trash bin.

Litter shall not be disposed of by being flushed through a toilet.

Litter box shall be stored inside the resident's dwelling unit.

b. Removal of Waste from Other Locations. The Resident/Pet Owner shall be responsible for the removal of waste from the exercise area by placing it in a sealed plastic bag and disposing of it in an outside trash bin.

The resident/pet owner shall take adequate precautions to eliminate any pet odors within or around the unit and to maintain the unit in a sanitary condition at all times.

13. Pet Care

a. No pet (excluding fish and turtles) shall be left unattended in any apartment for a period in excess of 8 hours.

b. All residents/pet owners shall be responsible for adequate care, nutrition, exercise and medical attention for his/her pet.

c. Residents/pet owners must recognize that other residents may have chemical sensitivities or allergies related to pets, or may be easily frightened or disoriented by animals. Pet owners must agree to exercise courtesy with respect to other residents.

14. **Responsible Parties**

The resident/pet owner must designate two responsible parties and have notarized statement by each in HACA file for the care of the pet if the health or safety of the pet is threatened by the death or incapacity of the pet owner, or by other factors that render the pet owner unable to care for the pet.

15. Inspections

a. The HACA may enter and inspect the unit only if a written complaint is received alleging that the conduct or condition of the pet in the unit constitutes a nuisance or threat to the health or safety of the other occupants or other persons in the community under applicable State or local law. However, this does not apply to HQS inspections.

16. Pet Rule Violations

If a determination is made on objective facts supported by written statements, that a resident/pet owner has violated the Pet Rule Policy, written notice will be served.

The Notice will contain a brief statement of the factual basis for the determination and the pet rule(s), which were violated. The notice will also state:

a. That the resident/pet owner has 10 days from the effective date of the services of notice to correct the violation and make written request for a meeting to discuss the violation;
b. That the resident pet owner is entitled to be accompanied by another person of his or her choice at the meeting; and
c. That the resident/pet owner's failure to correct the violation, request a meeting, or appear at a requested meeting may result in initiation of procedures to terminate the pet owner's tenancy.

If the resident dispute decisions made by the HACA, the resident may request an informal grievance hearing in accordance with the Grievance Policy.

17. Notice for Pet Removal

If the resident /pet owner and the HACA are unable to resolve the violation at the meeting/grievance or the pet owner fails to correct the violation in the time period allotted by the HACA, the HACA may serve notice to remove the pet.

The Notice shall contain:

a. A brief statement of the factual basis for the HACA's determination of the Pet Rule that has been violated.
b. The requirement that the resident/pet owner must remove the pet within 10 days of the notice; and
c. A statement that failure to remove the pet may result in the inititation of termination of tenancy procedures.

18. Termination of Tenancy

The HACA may initiate procedures for termination of tenancy based on a pet rule violation if:

a. The pet owner has failed to remove the pet or correct a pet rule violation within the time period specified; and
b. The pet rule violation is sufficient to begin procedures to terminate tenancy under terms of the lease.

19. Pet Removal

If the health or safety of the pet is threatened by the death or incapacity of the pet owner, or by other factors that render the owner unable to care for the pet, (includes pets who are poorly cared for, abused, or have been left unattended for over 12 hours), the situation will be reported to the Responsible Party designated by the resident/pet owner.

If the responsible party is unwilling or unable to care for the pet, or if the Housing Authority after reasonable efforts cannot contact the responsible party, the HACA may contact the appropriate State or local agency and request the removal of the pet.

20. Emergencies

The HACA will take all necessary steps to insure that pets which become vicious, display symptoms of severe illness, or demonstrate behavior that constitutes an immediate threat to the health or safety of others, are referred to the appropriate State of local entity authorized to remove such animals.

I/We have read the foregoing Pet Policy and further state that I/we fully understand and agree to the terms and conditions as set forth therein.

Signed:_____ _____

Tenant Date

Signed:_____ _____

Co-tenant Date

Witness:

_____ Authorized HACA Representative

_____ Title

_____Date Signed

HOUSING AUTHORITY OF THE CITY OF PET CARE AGREEMENT

IN THE EVENT OF MY ABSENCE FROM MY UNIT FOR A LENGTH OF TIME, MY PET SHALL BE CARED FOR BY THE FOLLOWING:

I, THE UNDERSIGNED, WILL BE RESPONSIBLE FOR THE PET OF

_____

RESIDENT'S NAME AND ADDRESS

_____

RESIDENT'S PHONE NUMBER

_____

NAME AND ADDRESS OF RESPONSIBLE PERSON

_____

PHONE OF RESPONSIBLE PERSON

_____

SIGINATURE OF RESIDENT DATE

_____

SIGNATURE OF RESPONISIBLE PERSON
DATE

WITNESS My Hand and Notarial Seal this _____day of _____.

_____

NOTARY PUBLIC

HOUSING AUTHORITY
of the City of Annapolis

We Are Going Somewhere

TAB 8

Civil Rights Certification

2015 - 2019

HACA
1217 Madison Street
Annapolis MD 21403

January 31, 2015

EQUAL HOUSING OPPORTUNITY

Civil Rights Certification	**U.S. Department of Housing and Urban Development** Office of Public and Indian Housing **Expires 4/30/2011**

Civil Rights Certification

Annual Certification and Board Resolution

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioner, I approve the submission of the Plan for the PHA of which this document is a part and make the following certification and agreement with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

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, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990, and will affirmatively further fair housing.

Housing Authority of the City of Annapolis	MD 001
PHA Name	PHA Number/HA Code

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 Jeffrey C. Henderson	Title Chairman, Board of Commissioners
Signature Jeffrey C. Henderson	Date February 2, 2015

HOUSING AUTHORITY
of the City of Annapolis

We Are Going Somewhere

TAB 9

Fiscal Year Audit

2015 - 2019

HACA
1217 Madison Street
Annapolis MD 21403

January 31, 2015

EQUAL HOUSING OPPORTUNITY

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

Financial Statements and Supplemental Schedules Together with Reports of Independent Public Accountants

For the Year Ended June 30, 2014

SB & COMPANY, LLC
EXPERIENCE • QUALITY • CLIENT SERVICE

JUNE 30, 2014

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SB & COMPANY, LLC
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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

Board of Commissioners
Housing Authority of the City of Annapolis

Report on the Financial Statements

We have audited the accompanying statement of net position of the Housing Authority of the City of Annapolis (the Authority) as of June 30, 2014, and the related statements of revenue, expenses, and change in net position, and the statement of cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The Authority's management is responsible for the preparation and fair presentation of these basic 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the blended component unit financial statements of the Annapolis Community Development Partners, LLC, and Obery Court Phase I, LLC, which represent 57 percent, 1 percent, and 19 percent, respectively, of the total assets, net position, and operating revenue of the Authority. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Annapolis Community Development Partners, LLC, and Obery Court Phase I, LLC, 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 opinion.

Opinion

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority, as of June 30, 2014, and the respective changes in financial position and its 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 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 and the other auditors 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 evidence sufficient to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Supplemental Schedules of Combining Financial Statements and the HUD Financial Data Schedule as of and for the year ended June 30, 2014, are presented for purposes of additional analysis as required by the U.S. Department of Housing and Urban Development, and are not a required part of the basic financial statements. Also, the accompanying Schedule of Expenditures of Federal Awards is presented for the purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements.

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The Supplemental Schedules of Combining Financial Statements, the HUD Financial Data Schedule, 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. 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, such information is 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 February __, 2015, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 Authority's internal control on financial reporting and compliance.

Hunt Valley, Maryland
February __, 2015

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

Management's Discussion and Analysis
June 30, 2014

Overview of the Financial Statements and Financial Analysis

This discussion and analysis of the Housing Authority of the City of Annapolis (the Authority) financial statements provides an overview of the Authority's financial activities for the year ended June 30, 2014, with the fiscal year 2013 data presented for comparative purposes. The emphasis of discussion about these statements is on the current-year activity. Management has prepared the financial statements and the related footnote disclosures along with this discussion and analysis. There are three basic financial statements presented: the Statement of Net Position; the Statement of Revenue, Expenses, and Change in Net Position; and the Statement of Cash Flows.

Financial Highlights

Statement of Net Position

The Statement of Net Position presents the assets, liabilities, and net position of the Authority as of the end of the fiscal year. This statement reflects a "point-of-time" financial picture. The purpose of the Statement of Net Position is to present to the readers a fiscal "snapshot" of the Authority. The Statement of Net Position helps answer the question "is the Authority as a whole financially better off or worse off as a result of the year's activities?" When revenue exceeds expenses, the result is an increase in net position. When the reverse occurs, the result is a decrease in net position. The relationship between revenue and expenses may be thought of as the Authority's operating results. Net assets are divided into two major categories. The first category, net investment in capital assets, provides the Authority's equity in capital assets owned by the Authority. The other category is unrestricted net position, which is available to the Authority for any lawful purpose of the Authority.

	As of June 30,	
	2014	**2013**
Assets		
Current assets	**$ 4,696,899**	$ 4,846,104
Non-current assets, net	**44,946,938**	46,788,016
Total Assets	**49,643,837**	51,634,120
Liabilities		
Current liabilities	**1,604,614**	1,474,770
Non-current liabilities	**30,836,957**	31,793,127
Total Liabilities	**32,441,571**	33,267,897
Net Position		
Net investment in capital assets	**31,930,392**	33,837,442
Restricted	**3,295,246**	3,027,232
Unrestricted	**(18,023,372)**	(18,498,451)
Total Net Position	**$ 17,202,266**	$ 18,366,223

Financial Highlights (continued)

Statement of Net Position (continued)

A review of the Statement of Net Position reveals that the total assets and net position of the Authority decreased by $1,990,283 and $1,163,957, respectively, as a result of depreciation on buildings.

Statement of Revenue, Expenses, and Change in Net Position

Total net position is presented on the Statement of Net Position based on activity presented in the Statement of Revenue, Expenses, and Change in Net Position. The purpose of this statement is to present the revenue received by the Authority, both operating and non-operating; the expenses paid by the Authority, both operating and non-operating; and any other revenue, expenses, gains or losses received or spent by the Authority.

Operating revenue consists of tenant rental revenue, operating grants and other revenue to provide housing and services to tenants of the Authority. Operating expenses are those expenses paid to acquire or produce the services provided in return for the operating revenue, and to carry out the mission of the Authority. Non-operating revenue is revenue received for which goods or services are not provided. The non-operating revenue for the year ended June 30, 2014, relates to investment earnings, interest costs and grants for capital purposes.

Financial Highlights (continued)

Statement of Revenue, Expenses, and Change in Net Position (continued)

	For the Years Ended June 30,	
	2014	**2013**
Operating Revenue		
Grants for operating purposes	**$ 8,666,333**	$ 8,225,200
Tenant rental income	**3,120,820**	3,077,378
Other income	**1,542,893**	1,620,872
Total Operating Revenue	**13,330,046**	12,923,450
Operating Expenses		
Administrative	**2,770,490**	3,318,085
Housing assistance payments	**4,231,240**	4,531,401
Tenant services	**1,077,783**	792,495
Utilities	**1,151,432**	1,137,799
Maintenance and operations	**2,298,874**	2,160,195
Depreciation and amortization	**2,407,288**	2,264,013
Other general	**668,598**	515,616
Bad debt expense	**44,919**	24,367
Total Operating Expenses	**14,650,624**	14,743,971
Net Operating Loss	**(1,320,578)**	(1,820,521)
Non-Operating Revenue		
Investment income	**1,730**	3,840
Interest expense	**(622,611)**	(616,622)
Grants for capital purposes	**777,502**	680,310
Total Non-Operating Revenue	**156,621**	67,528
Change in net position	**(1,163,957)**	(1,752,993)
Net position, beginning of year	**18,366,223**	20,119,216
Net Position, End of Year	**$ 17,202,266**	$ 18,366,223

Financial Highlights (continued)

Statement of Revenue, Expenses, and Change in Net Position (continued)

Operating revenue increased by $406,596, which is due primarily to an increase in operating grants. Operating expenses decreased by $93,347, due to an increase in housing assistance payments.

Statement of Cash Flows

An additional method to assess the financial health of the Authority is to look at the Statement of Cash Flows. Its primary purpose is to provide relevant information about the cash receipts and cash payments of the Authority during a defined period. The Statement of Cash Flows also helps users to assess the Authority's:

- Ability to generate future net cash flows
- Ability to meet its obligations as they come due
- Need for external financing.

	For the Years Ended June 30,	
Cash flows from:	**2014**	**2013**
Operating activities	**$ 399,358**	$ 544,252
Capital and related financing activities	**(795,328)**	(1,579,657)
Investing activities	**(53,380)**	1,495
Net (Decrease) Increase in Cash and Cash Equivalents	**(449,350)**	(1,033,910)
Cash and cash equivalents, beginning of year	**4,173,615**	5,207,525
Cash and Cash Equivalents, End of Year	**$ 3,724,265**	$ 4,173,615

Cash from operating activities was decreased by $144,894, primarily because of _____. Cash from capital and non-capital related financing activities was decreased by $784,329 primarily due to a decrease in capital grants.

Financial Highlights (continued)

Capital Assets and Debt

Details of these capital assets as of June 30, 2014 and 2013, are indicated below:

	As of June 30,	
	2014	**2013**
Capital Assets		
Land	**$ 4,704,603**	$ 4,929,603
Building and improvements	**63,035,010**	62,586,709
Furniture and equipment	**1,603,218**	1,539,194
Total Capital Assets	**69,342,831**	69,055,506
Less: accumulated depreciation	**25,116,487**	22,791,234
Capital Assets, Net	**$ 44,226,344**	$ 46,264,272

During the year ended June 30, 2014, capital assets decreased by $2,037,928 primarily as a result of depreciation.

Notes payable decreased by $309,212, based on principal payments.

Economic Outlook

The economic position of the Authority is closely tied to that of the State of Maryland. Because the Authority's revenue is primarily received from HUD, it is heavily dependent on its relationship with HUD and the need for subsidized housing in the City of Annapolis because of its economy.

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

Statement of Net Position
As of June 30, 2014

ASSETS		
Current Assets		
Cash and cash equivalents	**$**	**285,295**
Cash and cash equivalents - restricted		**3,295,246**
Tenants' security deposits		**143,724**
Investments		**314,013**
Accounts receivable, net of allowance of $ 20,435		**464,960**
Inventories, net of allowance of $ 12,077		**68,434**
Prepaid expenses and other current assets		**125,227**
Total Current Assets		**4,696,899**
Non-Current Assets		
Other Assets		**720,594**
Land		**4,704,603**
Building and improvements		**63,035,010**
Furniture and equipment		**1,603,218**
Accumulated depreciation		**(25,116,487)**
Total Non-Current Assets, Net		**44,946,938**
TOTAL ASSETS	**$**	**49,643,837**
LIABILITIES		
Current Liabilities		
Accounts payable		**713,683**
Accrued expenses and other liabilities		**306,131**
Tenants' security deposit		**142,094**
Accrued compensated absences		**28,659**
Deferred revenue		**180,000**
Current portion of notes payable		**27,290**
Miscellaneous liabilities		**206,757**
Total Current Liabilities		**1,604,614**
Non-Current Liabilities		
Notes payable and accrued interest, net of current portion		**12,021,954**
Accrued compensated absences		**257,930**
Unearned grant income		**12,542,489**
Other liabilities		**6,014,584**
Total Non-Current Liabilities		**30,836,957**
TOTAL LIABILITIES		**32,441,571**
NET POSITION		
Net investment in capital assets		**31,930,392**
Restricted		**3,295,246**
Unrestricted		**(18,023,372)**
TOTAL NET POSITION	**$**	**17,202,266**

The accompanying notes are an integral part of this financial statement.

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

Statement of Revenue, Expenses, and Change in Net Position
For the Year Ended June 30, 2014

	2014
Operating Revenue	
Grants for operating purposes	$ 8,666,333
Tenant rental income	3,120,820
Other income	1,542,893
Total Operating Revenue	13,330,046
Operating Expenses	
Administrative	2,770,490
Housing assistance payments	4,231,240
Tenant services	1,077,783
Utilities	1,151,432
Maintenance and operations	2,298,874
Depreciation and amortization	2,407,288
Other general expense	668,598
Bad debt expense	44,919
Total Operating Expenses	14,650,624
Net Operating Loss	(1,320,578)
Non-Operating Revenue	
Investment income	1,730
Interest expense	(622,611)
Grants for Capital Purposes	777,502
Total Non-Operating Revenue	156,621
Change in net position	(1,163,957)
Net position, beginning of year	18,366,223
Net Position, End of Year	$ 17,202,266

The accompanying notes are an integral part of this financial statement.

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

Statement of Cash Flows
For the Year Ended June 30, 2014

Cash Flows from Operating Activities		
Tenant revenue receipts	$	3,126,279
Operating grant revenue receipts		8,371,548
Other income receipts		871,330
Payments to employees		(3,914,788)
Payments to tenants		(4,231,240)
Payments to suppliers		(3,823,771)
Net Cash from Operating Activities		399,358
Cash Flows from Capital and Related Financing Activities		
Proceeds from capital grants		648,820
Purchase of fixed assets		(512,325)
Interest paid on notes payable		(622,611)
Principal repayments		(309,212)
Net Cash from Capital and Related Financing Activities		(795,328)
Cash Flows from Investing Activities		
Purchase of investments		(55,110)
Interest income		1,730
Net Cash from Investing Activities		(53,380)
Net decrease in cash and cash equivalents		(449,350)
Cash and cash equivalents, beginning of year		4,173,615
Cash and Cash Equivalents, End of Year	$	3,724,265

The accompanying notes are an integral part of this financial statement.

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

Statement of Cash Flows
For the Year Ended June 30, 2014

Reconciliation of Operating Loss to Cash Flow from Operating Activities		
Net operating loss	**$**	**(1,320,578)**
Adjustments to reconcile operating loss to net cash from operating activities:		
Depreciation and amortization expense		**2,407,288**
Grant income		**(341,679)**
Bad debt expense		**44,919**
Effect of changes in non-cash operating assets and liabilities:		
Accounts receivable		**(217,556)**
Inventories		**5,728**
Prepaid expenses		**(31,477)**
Other assets		**28,150**
Accounts payable		**146,275**
Accrued expenses and other liabilities		**(279,328)**
Tenants' security deposits		**5,459**
Accrued compensated absences		**29,386**
Deferred revenue		**(77,229)**
Net Cash from Operating Activities	**$**	**399,358**

The accompanying notes are an integral part of this financial statement.

1. SUMMARY OF ACCOUNTING POLICIES

Organization

The Housing Authority of the City of Annapolis (the Authority) was established pursuant to the laws of the State of Maryland to transact business and to have powers as defined therein. An independent Board of Commissioners, appointed for five-year terms by the Mayor, is responsible for all activities of the Authority. The offices of the Authority are separate from those of the City of Annapolis (the City), and employees of the Authority are not included in or entitled to benefit programs of the City. Separate accounting records are maintained, and debts incurred by the Authority are not obligations of the City. The accompanying financial statements present the Authority and its blended component units, Annapolis Community Development Partners, LLC, (the Company) and Obery Court Phase I, LLC. The two companies' year end is December 31, 2013. Blended component units, although legally separate entities, are, in substance, part of the Authority's operations.

The Company was formed as a limited liability company under the laws of the State of Maryland on November 26, 2008, for the purpose of constructing and operating a 150-unit apartment project known as Annapolis Gardens in Annapolis, Maryland. Pursuant to the Operating Agreement dated September 29, 2009, the managing member of the Company is Landex Development, LLC, a Maryland limited liability company, and the housing authority member is Annapolis/Bowman Redevelopment, LLC.

Obery Court Phase I, LLC, was formed as a limited liability company under the laws of the State of Maryland on March 6, 2009. The purpose of Obery Court Phase I, LLC, is to acquire, construct, renovate and operate an affordable housing project consisting of 50 rental units. Rental operations began on February 19, 2010. There were no significant operations before February 19, 2010.

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting. Under this method, revenue is recorded when earned and expenses are recorded at the time liabilities are incurred. The Authority applies all applicable *Governmental Accounting Standards Board* (GASB) pronouncements.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

1. SUMMARY OF ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

Cash equivalents represent highly liquid investments with original maturities of three months or less.

Restricted cash and cash equivalents represent amounts received for a specific purpose. Once the purpose has been fulfilled, the restriction will be released. As of June 30, 2014, $1,231,524 and $1,938,110 was restricted for building and other related reserve restrictions from the Company and Obery Court Phase I, LLC, respectively and $125,612 was restricted for HACA based on HUD regulations.

Investments

As of June 30, 2014, the Authority has certificate of deposit investments with both carrying value and market value at $314,013, with various institutions that are covered by FDIC deposit insurance and other collateral. These investments are to mature in 2014 with an average interest rate of 0.95%. The Authority's investment policy limits investment portfolio to maturities of less than one year. FDIC deposit insurance is $250,000 per depositor, per bank.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

Accounts Receivable

Accounts receivable includes amounts due from tenants and for grant reimbursements. It is the practice of the Authority to write-off uncollectible receivables only upon approval of the Board of Commissioners after exhausting all efforts to collect the amounts due. An allowance for doubtful accounts is used in the valuation of receivables to estimate the net realizable value.

Inventories

Inventories of materials are valued at the lower of cost or market with cost being determined on a first-in, first-out basis. The Authority has established a valuation allowance for its estimate of obsolete inventories.

1. SUMMARY OF ACCOUNTING POLICIES (continued)

Capital Assets

Capital assets consist of land, structures and equipment which are stated at cost. Donated assets are recorded at fair market value at the date of donation. Additions, improvements, and expenditures that significantly extend the useful life of an asset are capitalized. The Authority capitalizes all expenditures for capital assets in excess of $1,000. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Buildings	45 years
Furniture and equipment	3 to 15 years
Improvements	15 years

Expenditures for maintenance and repairs are charged to expense.

Accrued Compensated Absences

The Authority accrues a liability for compensated absences, including vacation and sick leave that have been earned but not yet paid.

Payment in Lieu of Taxes

Under Federal, state and city laws, the Authority is exempt from income, property and excise taxes. Housing authorities are, however, required to make payments in lieu of taxes (PILOT) in accordance with the provisions of their cooperation agreement with local taxing authorities. Under its cooperation agreement with the City, the Authority must pay the City the greater of 10% of its net shelter rent or the amounts charged for sanitation services. Net shelter rent is defined as the excess of rental income over total utilities expense.

For the year ended June 30, 2014, the amount paid for sanitation services was approximately $180,000. This exceeded 10% of the net shelter rent, therefore no PILOT was required.

Revenue and Expenses

Revenue and expenses are distinguished between operating and non-operating items. Operating revenues generally result from providing services in connection with the Authority's principal ongoing operations. The principal operating revenues of the Authority are tenant rentals and operating grants/subsidies from the Department of Housing and Urban Development (HUD).

Operating expenses include the costs associated with the day-to-day operations of the Authority and depreciation on capital assets. All revenue and expenses not meeting these definitions are reported as non-operating revenue and expenses.

2. CAPITAL ASSETS

A summary of activity in capital assets for the year ended June 30, 2014, was as follows:

	Consolidated			
	July 1, 2013	**Additions**	**Transfers and Deletions**	**June 30, 2014**
Land	$ 4,929,603	$ -	$ (225,000)	$ 4,704,603
Building and improvements	62,586,709	448,201	-	63,034,910
Furniture and equipment	1,539,194	134,700	(119,734)	1,554,160
Total Capital Assets	69,055,506	582,901	(344,734)	69,293,673
Less: accumulated depreciation	22,791,234	2,407,288	(131,193)	25,067,329
Capital Assets, Net	$ 46,264,272	$ (1,824,387)	$ (213,541)	$ 44,226,344

3. NOTES PAYABLE

During the year ended June 30, 2007, the Authority entered into a $5,186,820, debt agreement with the State of Maryland Department of Housing and Community Development (DHCD) which matures on July 1, 2023. The debt requires payment of interest at 4.51% and is payable from future HUD capital grants with annual payments of approximately $392,000, starting December 31, 2006. The Authority incurred approximately $169,000 of interest expense related to the debt. As of June 30, 2014, the outstanding principal balance was $2,427,468.

On September 29, 2009, the Company entered into a deed of trust note with Enterprise Mortgage Investments, Inc. of the State of Maryland in the maximum amount of $2,300,000 (the “Mortgage Loan”). The Mortgage Loan is secured by the Project. The Mortgage Loan matures on October 1, 2026. The Mortgage Loan bears a simple interest rate of 7.01% per annum until the outstanding indebtedness is paid in full. Interest and principal are due and payable in consecutive annual installments of $15,317. As of December 31, 2013, the outstanding principal on the Mortgage Loan was $2,245,145. For the year ended December 31, 2013, interest incurred was $171,476.

3. NOTES PAYABLE (continued)

On September 29, 2009, the Company entered into a deed of trust note with the Department of Housing and Community Development of the State of Maryland in the maximum amount of $1,747,245 (the "DHCD Loan"). The DHCD Loan is secured by the Project. The DHCD Loan matures on May 1, 2051. The DHCD Loan bears no interest from September 29, 2009, until the last day of April 2011 (the "Construction Period"). Thereafter, the DHCD Loan bears interest at the rate of 4% per annum until the outstanding indebtedness is paid in full. No payments required during the Construction Period.

All interest accruing from the end of the Construction Period until December 31, 2011 is due and payable from not more than 75% of surplus cash on April 1, 2012. Thereafter, interest and principal is due and payable in consecutive annual installment in an amount equal to the lesser of 75% of surplus cash or the scheduled payment, as more particularly defined in the contractual documents associated with the DHCD Loan. As of December 31, 2013, the outstanding principal and accrued interest on the DHCD Loan were $1,682,152 and $68,632, respectively. For the period beginning November 26, 2008 (inception) and ending December 31, 2012, interest incurred was $82,060.

On September 29, 2009, the Company entered into a leasehold deed of trust note with Arundel Community Development Services, Inc., a body corporate of the State of Maryland in the maximum amount of $500,000, (the "ACDS Loan") for the purpose of providing gap financing to aid in the construction of the Project. The ACDS Loan is secured by the Project. The ACDS Loan bears no interest until May 29, 2011. Thereafter, the ACDS Loan bears simple interest at the rate of 2% per annum. Amortization of principal begins on May 29, 2011. Annual payments of principal and interest are limited to not more than 25% of annual net cash flow, as defined in the ACDS Loan. Annual payments are due and payable on the first day of April beginning April 1, 2012. The ACDS Loan matures on May 29, 2051. As of December 31, 2013, the outstanding principal and accrued interest on the ACDS Loan was $480,328 each year. For the period ending December 31, 2013, interest incurred was $10,000.

3. NOTES PAYABLE (continued)

The Department of Housing and Community Development of the State of Maryland (DHCD) issued a commitment to lend and has originated funding in the amount of $2,000,000, which is secured by a deed of trust note. The loan bears simple interest at a rate of 4% per annum commencing on June 1, 2010 and ends at maturity (June 1, 2050). Annual payments of outstanding principal and interest are due and payable out of 75% surplus cash, beginning April 1, 2011. Interest expense for the period ended December 31, 2013 was $76,264. Accrued interest as of December 31, 2013 was $245,822, of which $0 is currently due. As of December 31, 2013, the outstanding principal was $1,906,604.

DHCD issued a commitment to lend and has originated funding in the amount of $2,307,547, which is secured by a deed of trust note. The loan bears simple interest at a rate of 4% per annum commencing on June 1, 2010, and ends at maturity (June 1, 2050). All payments of principal and interest are deferred and shall remain outstanding in perpetuity, as agreed to in the deed of trust note. Interest expense for the period ended December 31, 2013 was $92,302. Accrued interest as of December 31, 2013, was $330,749. As of December 31, 2013, the outstanding principal was $2,307,547.

Arundel Community Development Services, Inc. (ACDS) issued a commitment to lend and has originated funding in the amount of $1,000,000, which is secured by a deed of trust note. The loan bears simple interest at a rate of 2% per annum commencing on March 6, 2011, and ends at maturity (March 6, 2051). All outstanding principal and interest are due and payable at maturity. Interest expense for the period ended December 31, 2012 was $20,000. Accrued interest as of December 31, 2013 was $53,334. As of December 31, 2013, the outstanding principal was $1,000,000.

The scheduled debt payments for all non-cash flow loans were as follows:

Years Ended June 30,	Principal	Interest
2015		
2016		
2017		
2018		
2019		
2020-2025		
2026-2031		
2051		
Total	$ -	$ -

3. NOTES PAYABLE (continued)

A summary of activity in notes payable and accrued compensated absences for the year ended June 30, 2014, was as follows:

	July 1, 2013	Payments	Additions	June 30, 2014	Amounts Due in One Year
Notes payable	$ 12,358,956	$ 309,212	$ -	$ 12,049,744	$ 27,290
Accrued compensated absences	257,203	104,924	79,421	231,700	28,659
Total	$ 12,616,159	$ 414,136	$ 79,421	$ 12,281,444	$ 55,949

4. RETIREMENT PLAN

The Authority participates in the Housing Renewal and Local Agency Retirement Plan, a multiemployer defined contribution plan covering substantially all employees. The Authority contributes 5.5% of participating employees' gross salaries, if the employees contribute 5.0% of their gross salaries. Employees can voluntarily contribute any amount up to the maximum deferrals set by the Internal Revenue Service in addition to this contribution. Employees become fully vested in employer contributions after five years of service. Contributions by the Authority to the plan for the year ended June 30, 2014, were approximately $90,000.

5. RISK MANAGEMENT

The Authority is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority has obtained insurance coverage from commercial insurance companies for these risks. There were no significant reductions in insurance coverage from the prior year and no amounts of settlements have exceeded insurance coverage in each of the past three years.

6. CONTINGENCY

The Authority has several grants from the U.S. Government. Revenue from such grants is recognized only to the extent that actual expenses incurred comply with grant terms. For government grants, revenue received in excess of expenses is shown as a liability, and expenses incurred in excess of funds collected are reflected as grants receivable.

The Authority received approximately 65% of its total revenue from the U.S. Government for the year ended June 30, 2014. Government grants are subject to final determination of allowability by the government agency.

Until such audits have been completed and final settlement reached, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability will result from such audits.

7. LITIGATION

The Authority is involved in lawsuits arising in the normal course of its operations. Management is of the opinion that no material liability will result from such lawsuits outstanding as of June 30, 2014.

8. TAX CREDIT PARTNERSHIP

During the year ended June 30, 2009, the Authority entered into a partnership to reconstruct low income and subsidized housing at one of its properties (Obery Court). The partnership will receive tax credits to finance the construction of the new building. The Authority has leased this land to the management company through a below market value ninety-eight year lease. The Authority received an upfront payment of $225,000 for the lease of which the entire amount was deferred until operations commence on the property. During the year ended June 30, 2010, operations commenced and the Authority recognized approximately $2,300 of revenue related to the upfront payment. At the end of the tax credit recapture period, the Authority has the right to repurchase the building based on the terms of the partnership agreement. As a result, the Authority has recorded its investment in the partnership at its basis in the partnership and has written down the investment in fixed assets to the value of the land of approximately $1,850,000**.** This partnership has been included as a blended component unit in the accompanying financial statements. The members' equity of $6,024,849, has been included in other liabilities in the accompanying statement of net assets.

During the year ended June 30, 2010, the Authority entered into a partnership to reconstruct low income and subsidized housing at another one of its properties (Annapolis Gardens). The partnership will receive tax credits to finance the construction of the new building. The Authority has leased this land to the management company through a below market value ninety-eight year lease. At the end of the tax credit recapture period, the Authority has the right to repurchase the building based on the terms of the partnership agreement. As a result, the Authority has recorded its investment in the partnership at its basis in the partnership, and has written down the investment in fixed assets to the value of the land of approximately $1,951,000.

SUPPLEMENTARY INFORMATION

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS 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 Authority of the City of Annapolis

We have audited, 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Housing Authority of the City of Annapolis (the Authority) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated February __, 2015. Our report includes a reference to other auditors who audited the financial statements of Annapolis Community Development Partners, LLC and Obery Court Phase I, LLC as described in our report on the Authority'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 auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the 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 Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority'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.

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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 Authority'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 determination of financial statement amounts. 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 Authority'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 Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hunt Valley, Maryland
February __, 2015

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Commissioners
Housing Authority of the City of Annapolis

Report on Compliance for Each Major Federal Program

We have audited the Housing Authority of the City of Annapolis' (the Authority's) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of the Authority's major Federal programs for the year ended June 30, 2014. The Authority's major Federal programs are identified in the summary of Independent Public Accountant's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its Federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority'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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 Authority'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 Authority's compliance.

Opinion on Each Major Federal Program

In our opinion, the Authority complied, in all material respects, with the 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, 2014.

Report on Internal Control over Compliance

Management of the Authority 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 Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program as a basis for designing 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 OMB Circular A-133, 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 Authority'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 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.

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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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Hunt Valley, Maryland
February __, 2015

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2014

Federal Grantor/Pass-Through Program or Cluster Title	Federal CFDA Number	Federal Expenditures
Direct Grants		
U.S. Department of Housing and Urban Development		
Public and Indian Housing Program:		
Locally Owned Housing		
- Operating subsidy	14.850	**$ 3,099,679**
- Public housing tenant opportunity	14.853	**296,824**
Low-Income Assistance Programs		
- Voucher (major program)	14.871	**4,576,657**
Modernization Grants		
- Capital Fund Program (major program)	14.872	**1,396,701**
Total Direct Grants		**$ 9,369,861**

The accompanying footnotes are an integral part of this schedule.

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

Notes to Schedule of Expenditures of Federal Awards
June 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

All Federal grant operations of the Authority are included in the scope of the Office of Management and Budget (OMB) Circular A-133 audit (the Single Audit). The Single Audit was performed in accordance with the provisions of the OMB Circular A-133, (the Compliance Supplement). Compliance testing of all requirements, as described in the Compliance Supplement, was performed for the major grant programs noted on the Schedule of Expenditures of Federal Awards. These programs represent all Federal award programs with fiscal year 2013 cash or non-cash expenditure activities. We have evaluated the Federal financial assistance programs of the Authority for the year ended June 30, 2014, and have selected those major programs for testing. Our actual coverage was approximately 64%. The major programs tested are listed below.

Program Title	Federal CFDA Number	Federal Expenditures
Housing Choice Voucher	14.871	**$ 4,576,657**
Public Housing Capital Projects Fund	14.872	**1,396,701**
		$ 5,973,358

2. BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards has been prepared on the accrual basis of accounting.

3. FINDINGS

There were no current or prior year findings.

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2014

Section I- Summary of Independent Public Accountants' Results

Financial Statements	
Type of report of independent public accountants	Unmodified
Internal control over financial reporting:	
Material weakness (es) identified?	No
Significant deficiencies identified?	None Reported
Noncompliance material to the financial statements noted?	No
Federal Awards	
Type of Report of Independent Public on compliance for major programs	Unmodified
Internal control over major programs:	
Material weakness (es) identified?	No
Significant deficiencies identified?	None Reported
Any audit findings disclosed that are required to be reported in accordance with section 510(a)	No

Identification of Major Program:

Major Program	Federal CFDA Number	Federal Expenditures
Housing Choice Voucher	14.871	**$ 4,576,657**
Public Housing Capital Projects Fund	14.872	**1,396,701**
		$ 5,973,358

Threshold for distinguishing between Type A programs.	**$ 300,000**
Did the Authority qualify as a low risk auditee?	Yes

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2014

Section II –Financial Statement Findings

None noted.

Section III –Federal Award Findings

None noted.

OTHER SUPPLEMENTAL INFORMATION

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

Supplemental Schedule of Combining Financial Statements – Blended Component Units - Statement of Net Position
As of June 30, 2014

	Primary Government (Housing Authority of the City of Annapolis)	Blended Component Units	Total Primary Government
ASSETS			
Current Assets			
Cash and cash equivalents	$ 59,101	$ 226,194	$ 285,295
Cash and cash equivalents - restricted	125,612	3,169,634	3,295,246
Tenants' security deposit	111,913	31,811	143,724
Investments	314,013	-	314,013
Accounts receivable, net	447,966	16,994	464,960
Inventories, net of allowance of 12,077	68,434	-	68,434
Prepaid expenses and other current assets	76,503	48,724	125,227
Total Current Assets	1,203,542	3,493,357	4,696,899
Non-Current Assets			
Other Assets	-	720,594	720,594
Land	4,704,603	-	4,704,603
Building and improvements	36,665,150	26,369,860	63,035,010
Furniture and equipment	998,614	604,604	1,603,218
Construction in Progress	-	-	-
Accumulated depreciation	(22,389,204)	(2,727,283)	(25,116,487)
Total Non-Current Assets, Net	19,979,163	24,967,775	44,946,938
TOTAL ASSETS	21,182,705	28,461,132	49,643,837
LIABILITIES			
Current Liabilities			
Accounts payable	546,275	167,408	713,683
Accrued expenses and other liabilities	114,721	191,410	306,131
Tenants' security deposit	111,913	30,181	142,094
Accrued compensated absences	28,659	-	28,659
Deferred revenue	180,000	-	180,000
Current portion of notes payable	-	27,290	27,290
Miscellaneous liabilities	67,897	138,860	206,757
Total Current Liabilities	1,049,465	555,149	1,604,614
Non-Current Liabilities			
Notes payable and accrued interest, net of current portion	2,427,468	9,594,486	12,021,954
Accrued compensated absences	257,930	-	257,930
Unearned grant income	-	12,542,489	12,542,489
Other liabilities	252,911	5,761,673	6,014,584
Total Non-Current Liabilities	2,938,309	27,898,648	30,836,957
TOTAL LIABILITIES	3,987,774	28,453,797	32,441,571
NET POSITION			
Net investment in capital assets	17,551,695	14,378,697	31,930,392
Restricted	125,612	3,169,634	3,295,246
Unrestricted	(482,376)	(17,540,996)	(18,023,372)
TOTAL NET POSITION	$ 17,194,931	$ 7,335	$ 17,202,266

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

Supplemental Schedule of Combining Financial Statements – Blended Component Units – Statement of Revenue, Expenses, and Change in Net Position
For the Year ended June 30, 2014

	Primary Government (Housing Authority of the City of Annapolis)	Blended Component Units	Total Primary Government
Operating Revenue			
Grants for operating purposes	$ 8,218,250	$ 448,083	$ 8,666,333
Tenant rental income	1,804,648	1,316,172	3,120,820
Other income	771,626	771,269	1,542,895
Total Operating Revenue	10,794,524	2,535,524	13,330,048
Operating Expenses			
Administrative	2,307,629	462,861	2,770,490
Housing assistance payments	4,231,240	-	4,231,240
Tenant services	905,707	172,076	1,077,783
Utilities	1,031,743	119,689	1,151,432
Maintenance and operations	1,934,740	364,134	2,298,874
Depreciation and amortization	1,601,222	806,066	2,407,288
Other general expense	447,052	221,546	668,598
Bad debt expense	18,735	26,184	44,919
Total Operating Expenses	12,478,068	2,172,556	14,650,624
Net Operating Loss	(1,683,544)	362,968	(1,320,576)
Non-Operating Revenue			
Investment income	1,730	-	1,730
Interest expense	(159,356)	(463,255)	(622,611)
Grants for Capital Purposes	777,502	-	777,502
Total Non-Operating Revenue	619,876	(463,255)	156,621
Change in net position	(1,063,668)	(100,287)	(1,163,955)
Net position, beginning of year	18,258,599	107,622	18,366,221
Net Position, End of Year	$ 17,194,931	$ 7,335	$ 17,202,266

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

Supplemental Schedule of Combining Financial Statements – Blended Component Units - Statement of Cash Flows
For the Year ended June 30, 2014

	Primary Government (Housing Authority of the City of Annapolis)	Blended Component Units	Total Primary Government
Cash Flows from Operating Activities			
Tenant revenue receipts	$ 1,807,981	$ 1,318,298	$ 3,126,279
Operating grant revenue receipts	7,895,356	476,192	8,371,548
Other income receipts	773,353	97,977	871,330
Payments to employees	(3,126,477)	(788,311)	(3,914,788)
Payments to tenants	(4,231,240)	-	(4,231,240)
Payments to suppliers	(3,429,786)	(393,985)	(3,823,771)
Net Cash from Operating Activities	(310,813)	710,171	399,358
Cash Flows from Capital and Related Financing Activities			
Grants for capital expenditures receipts	755,337	(106,517)	648,820
Purchase of fixed assets	(508,149)	(4,176)	(512,325)
Interest expense payments	(159,356)	(463,255)	(622,611)
Principal draws/repayments (net)	(244,999)	(64,213)	(309,212)
Net Cash from Capital and Related Financing Activities	(157,167)	(638,161)	(795,328)
Cash Flows from Investing Activities			
Purchase of investments	(55,110)	-	(55,110)
Interest income	1,730	-	1,730
Net Cash from Investing Activities	(53,380)	-	(53,380)
Net (decrease) increase in cash and cash equivalents	(521,360)	72,010	(449,350)
Cash and cash equivalents, beginning of year	817,986	3,355,629	4,173,615
Cash and Cash Equivalents, End of Year	$ 296,626	$ 3,427,639	$ 3,724,265

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

Supplemental Schedule of Combining Financial Statements – Blended Component Units - Statement of Cash Flows
For the Year ended June 30, 2014

	Primary Government (Housing Authority of the City of Annapolis)	Blended Component	Total Primary
Reconciliation of Operating Loss to Cash Flow from Operating Activities			
Net operating loss	$ (1,681,816)	$ 361,238	$ (1,320,578)
Adjustments to reconcile operating loss to net cash from operating activities:			
Depreciation and amortization expense	1,519,187	888,101	2,407,288
Grant income	-	(341,679)	(341,679)
Bad debt expense	18,735	26,184	44,919
Effect of changes in non-cash operating assets and liabilities:			-
Accounts receivable	(250,108)	32,552	(217,556)
Inventories	5,728	-	5,728
Prepaid expenses	(24,681)	(6,796)	(31,477)
Other assets	-	28,150	28,150
Accounts payable	109,835	36,440	146,275
Accrued expenses and other liabilities	32,375	(311,703)	(279,328)
Tenants' security deposits	3,332	2,127	5,459
Accrued compensated absences	29,386	-	29,386
Deferred revenue	(72,786)	(4,443)	(77,229)
Net Cash from Operating Activities	$ (310,813)	$ 710,171	$ 399,358

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

Supplemental Schedule of Combining Financial Statements – Bloomsbury Square - Statement of Net Position
As of June 30, 2014

	Bloomsbury Square	Others	Total
ASSETS			
Current Assets			
Cash and cash equivalents	$ 7,914	$ 277,381	$ 285,295
Cash and cash equivalents - restricted	-	3,295,246	3,295,246
Investments	16,609	297,404	314,013
Accounts receivable, net of allowance of $ 20,435	18,099	446,861	464,960
Inventories, net of allowance of $ 12,077	4,106	64,328	68,434
Inter funds	98,248	-	98,248
Prepaid expenses and other current assets	4,591	120,636	125,227
Total Current Assets	149,567	4,501,856	4,651,423
Non-Current Assets			
Land	45,057	4,659,546	4,704,603
Construction in progress	-	720,594	720,594
Building, improvements, furniture and equipment	8,386,427	54,648,583	63,035,010
Accumulated depreciation	(1,777,902)	(23,338,585)	(25,116,487)
Total Non-Current Assets, Net	6,653,582	36,690,138	43,343,720
TOTAL ASSETS	6,803,149	41,191,994	47,995,143
LIABILITIES			
Current Liabilities			
Accounts payable	25,518	688,165	713,683
Accrued expenses and other liabilities	8,891	297,240	306,131
Tenants' security deposit	7,914	134,180	142,094
Accrued compensated absences	1,085	27,574	28,659
Deferred revenue	-	180,000	180,000
Current portion of notes payable	-	27,290	27,290
Miscellaneous liabilities	1,686	205,071	206,757
Total Current Liabilities	45,094	1,559,520	1,604,614
Non-Current Liabilities			
Notes payable and accrued interest, net of current portion	13,637	12,008,317	12,021,954
Accrued compensated absences	9,762	248,168	257,930
Unearned grant income	-	12,542,489	12,542,489
Other liabilities	-	6,014,584	6,014,584
Total Non-Current Liabilities	23,399	30,813,558	30,836,957
TOTAL LIABILITIES	68,493	32,373,078	32,441,571
NET POSITION			
Investment in capital assets, net of related debt	6,639,945	25,290,447	31,930,392
Restricted	-	3,295,246	3,295,246
Unrestricted	94,711	(18,118,083)	(18,023,372)
TOTAL NET POSITION	$ 6,734,656	$ 10,467,610	$ 17,202,266

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

Supplemental Schedule of Combining Financial Statements - Bloomsbury Square - Statement of Revenue, Expenses and Change in Net Position
For the Year Ended June 30, 2014

	Bloomsbury Square	Others	Total
Operating Revenue			
Grants for operating purposes	$ 164,521	$ 8,501,812	$ 8,666,333
Tenant rental income	185,772	2,935,048	3,120,820
Other income	35,211	1,507,682	1,542,893
Total Operating Revenue	385,504	12,944,542	13,330,046
Operating Expenses			
Administrative	88,360	2,682,130	2,770,490
Housing assistance payments	-	4,231,240	4,231,240
Tenant services	43,632	1,034,151	1,077,783
Utilities	40,571	1,110,861	1,151,432
Maintenance and operations	150,497	2,148,377	2,298,874
Depreciation and amortization	190,318	2,216,970	2,407,288
Other general	45,662	622,936	668,598
Bad debt expense	815	44,104	44,919
Total Operating Expenses	559,855	14,090,769	14,650,624
Net Operating Loss	(174,351)	(1,146,227)	(1,320,578)
Non-Operating Revenue			
Investment income	6	1,724	1,730
Interest expense	(1,594)	(621,017)	(622,611)
Grants for capital purposes	-	777,502	777,502
Total Non-Operating Revenue	(1,588)	158,209	156,621
Change in net position	(175,939)	(988,018)	(1,163,957)
Net position, beginning of year	6,910,595	11,455,628	18,366,223
Net Position, End of Year	$ 6,734,656	$ 10,467,610	$ 17,202,266

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

Supplemental Schedule – HUD Financial Data Schedule
As of and for the Year Ended June 30, 2014

HOUSING AUTHORITY of the City of Annapolis

We Are Going Somewhere

TAB 10

Asset Management

2015 - 2019

HACA
1217 Madison Street
Annapolis MD 21403

January 31, 2015

EQUAL HOUSING OPPORTUNITY

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS
ASSET MANAGEMENT STATEMENT

The Housing Authority of the City of Annapolis (HACA) manages 790 Public Housing Units. Of this number 742 (93% occupancy rate) units were occupied as of February 1 2014, 3 units are exempt of other reasons for an adjusted unit count of 755 units (94%) of adjusted occupancy. HACA short term goal is to achieve a minimum occupied unit count of 750 for an Occupancy rate of 95% and an adjusted unit count of 754 units for an Adjusted Occupancy rate of 95%. HACA's long-term goal is to achieve a 98% Occupancy rate (774 occupied units) or above and maintain a minimum of 774 occupied units.

HACA's sustainability goals are to complete Obery Court Phase III Redevelopment of 61 units and will use its Replacement Housing Factor Funding as an investment to complete the project. HACA is seeking to procure a redevelopment partner to redevelop the 78 units of Public Housing at Newtowne-Twenty. HACA will assess the possible funding opportunities to include the Rental Assistance Demonstration Project for the redevelopment of the 154 units at the Morris H. Blum (formerly Glenwood Senior Apartments) Senior Apartments. Additionally, HACA has partnered with Anne Arundel Community Development Services, Inc. and have successfully secured a weatherization grant to provide weatherized and to provide energy star boilers, refrigerators and air conditioning units for 163 units at Harbour House.

HACA will focus on preventative maintenance and landscape to enhance the marketability and livability of its properties. Listed below is the Financial Statement of funding resources to carry out the stated goals and objectives.

Financial Resources: Planned Sources and Uses		
Sources	**Planned $**	**Planned Uses**
1. **Federal Grants (FY 2013 grants)**		
a) Public Housing Operating Fund	$3,266,643	
b) Public Housing Capital Fund	$1,175,765	
c) HOPE VI Revitalization	N/A	
d) HOPE VI Demolition	N/A	
e) Annual Contributions for Section 8 Tenant-Based Assistance	$3,897,010	HAP/UAP/ADMIN
f) Public Housing Drug Elimination Program (including any Technical Assistance funds)	N/A	
g) Resident Opportunity and Self-Sufficiency Grants (Homeownership)	$142,632	Program Costs
h) Community Development Block Grant	N/A	
i) HOME	N/A	
Other Federal Grants (list below)		
Section 8 Substantial Rehabilitation	N/A	

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS
ASSET MANAGEMENT STATEMENT

Financial Resources: Planned Sources and Uses		
Sources	**Planned $**	**Planned Uses**
Section 8 Project-Based Assistance	$350,789	HAP/Admin Costs
2. Prior Year Federal Grants (unobligated funds only) (list below)		
FY2011 Capital Fund Program	$23,348	Site/Dwelling Structures & Equip.
FY2012 Capital Fund Program	$244,269	Dwell Equip, Non-Dwell Structures, Equip.and Hsing Replacemt Factor
3. Public Housing Dwelling Rental Income	$1,857,735	Operations
4. Other income (list below)		
Maintenance Income	$4,453	Operations
Interest Income	$3,840	Operations
Miscellaneous income	$21,536	Operations
5. Non-federal sources (list below)		
Bond Funds (CCFP)	N/A	
Congregate Housing	$94,575	Program Costs
Total Resources	$11,082,594	

HOUSING AUTHORITY
of the City of Annapolis

We Are Going Somewhere

TAB 11

Violence Against Women

2015 - 2019

January 31, 2015

HACA
1217 Madison Street
Annapolis MD 21403

EQUAL HOUSING OPPORTUNITY

NOTICE TO LANDLORDS/MANGERS/OWNERS PARTICIPATING THE HCV PROGRAM

The Congress of the United States passed the Violence Against Women (VAWA) and Department of Justice Reauthorization Act of 2005 in 2005, and President Bush signed the law in January 2006. This law affects the selection of residents, the lease provisions that deal with termination of the lease and eviction, and the termination of assistance or eviction provisions in the HAP contract and the housing authority's relationship with the resident. HUD says the law is effective immediately although it has not issued a revised HAP Contract incorporating these terms. A brief explanation of each of these three areas follows. Consult your attorney; the HAO cannot give legal advice.

Selection of tenants and/or program participants: The law prohibits landlords/owners/managers of HCV properties from refusing to lease to persons who are, or have been, victims of domestic violence, dating violence, or stalking, when the applicant is otherwise a qualified applicant.

Lease Terms Regarding Termination: If a tenant is the victim of an incident or incidents of actual or threatened domestic violence, dating violence, or stalking, those incidents may not be construed as a serious or repeated violation of the lease by the victim or the threatened victim of the violence, and are not good cause for terminating the tenancy or occupancy rights of the victim of such violence or threatened violence. Likewise, the HAO may not terminate the assistance of such a victim.

Termination of Assistance/Eviction: HAP Contract: criminal activity directly relating to domestic violence, dating violence, or stalking engaged in by a member of a tenant's household or any guest or other person under the tenant's control shall not be cause for termination of the tenancy rights if the tenant or an immediate member of the tenant's family is the victim or threatened victim of that domestic violence, dating violence, or stalking.

Termination of Assistance by Housing Authority: Criminal activity directly relating to domestic violence, dating violence, or stalking shall not be considered cause for termination of assistance for any participant, or immediate member of the a participant's family who is a victim of the domestic violence, dating violence or stalking.

What the landlord/owner/manager can do:

The owner/manager/landlord may "bifurcate" the lease to terminate evict a leaseholder who engages in criminal acts of violence as described above to family members or others without evicting the victimized lawful occupants.

The owner/manager/landlord may honor court orders regarding rights of access or control of the property.

The owner/manager/landlord may evict tenants for other good cause unrelated to the incident or incidents of domestic violence, provided that the victim is not subject to a "more demanding standard" than non-victims.

The owner/manager/landlord may evict if it can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if the tenant is not evicted.

Certification: Tenant provided: If a tenant claims they are a victim of domestic violence, dating violence or stalking, the owner/landlord/manager may request that the tenant certify via a HUD approved certification form, that the individual is a victim of domestic violence, dating violence, or stalking. The certification must also state that the incident or incidents or bona fide incidents of such actual or threatened abuse, and meet the requirements set forth in the law. The certification form must include the name of the person committing the violence. If the landlord/owner/manager wants the victim to provide a certification, it must tell the victim that it wants it in writing, and that the victim must provide the information no less than 14 days after the date on which the owner/manager/landlord in writing requests the certification. **Third party provided:** 1: the tenant may comply with the certification requirements by providing 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, sexual assault or stalking, or the effects of the abuse, in which the professional attests under penalty of perjury (28 USC 1746) to the professionals belief that the incident or incidents in question are bona fide incidents of abuse, and the victim of domestic violence, dating violence, or stalking has singed or attested to the documentation or 2: the tenant may produce a Federal, State, tribal, territorial, or local police or court record.

This sample form is intended for use by public housing agencies, in consultation with their legal counsel, to implement the provisions of the Violence Against Women Act. It is not intended as a substitute for obtaining legal advice, but rather as information that may be used by agency counsel as a point of departure in preparing documents suitable to the agency. Neither NAHRO nor the drafter(s) of this document warrants or guarantees its efficacy, sufficiency or compliance with law. Agencies must look solely to their legal counsel for final determinations concerning the form and substance of their documents implementing VAWA.

Confidentiality: information provided by the victim pursuant to the certification shall be retained in confidence and not entered into any shared database nor provided to any related entity except when the discloser is: consented to by the individual in writing, required for use in eviction proceedings, or otherwise required by law.

This sample form is intended for use by public housing agencies, in consultation with their legal counsel, to implement the provisions of the Violence Against Women Act. It is not intended as a substitute for obtaining legal advice, but rather as information that may be used by agency counsel as a point of departure in preparing documents suitable to the agency. Neither NAHRO nor the drafter(s) of this document warrants or guarantees its efficacy, sufficiency or compliance with law. Agencies must look solely to their legal counsel for final determinations concerning the form and substance of their documents implementing VAWA.

NOTIFICATION OF RIGHTS AND OBLIGATIONS
VIOLENCE AGAINST WOMEN ACT

To: [Section 8- assisted tenant name and address]

From: [Housing authority]

In January 2006, President Bush signed a law known as the Violence Against Women and Department of Justice Reauthorization Act of 2005. Portions of this law create new protections for victims of domestic violence, dating violence and stalking who are residents in public housing or who are assisted with section 8 rental assistance.

The following is a brief summary of the principal provisions of the new law, which is known as "VAWA". Additional details are set forth in the [brochure/housing authority VAWA policy] delivered with this notice.

You should know that:

1. **Admissions**: That an applicant is or has been the victim of domestic violence, dating violence, or stalking (see attached brochure for definitions of these terms) is not an appropriate basis on which to deny program assistance or for denial of admission if the applicant otherwise qualifies for assistance or admission.

2. **Lease terms:**

- **An incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be considered to be a "serious or repeated" violation of the lease by the victim or threatened victim of that violence and shall not be good cause for terminating the assistance, tenancy or occupancy rights of the victim of that violence.**

- **Additionally, your tenancy, assistance or occupancy rights will not be terminated as a result of criminal activity, if that criminal activity is directly related to domestic violence, dating violence or stalking engaged in by a member of your household, a guest or another person under your control, and you or an immediate family member is the victim.**

You should also know that there are some limitations to these protections:

- **Your tenancy and/or assistance *may be* terminated if the owner, manager, or housing authority can demonstrate "an actual and imminent threat" to other tenants or to persons employed at or providing services to the development.**

- **So long as the owner, manager or housing authority does not apply a more demanding standard to you than to other tenants, your tenancy and/or assistance *may be* terminated for lease violations that are not based on an**

This sample form is intended for use by public housing agencies, in consultation with their legal counsel, to implement the provisions of the Violence Against Women Act. It is not intended as a substitute for obtaining legal advice, but rather as information that may be used by agency counsel as a point of departure in preparing documents suitable to the agency. Neither NAHRO nor the drafter(s) of this document warrants or guarantees its efficacy, sufficiency or compliance with law. Agencies must look solely to their legal counsel for final determinations concerning the form and substance of their documents implementing VAWA.

incident or incidents of domestic violence, dating violence or stalking for which VAWA provides protections.

- **If you claim protection under VAWA against termination of your tenancy or assistance, the owner, manager, or housing authority may require you to deliver a certification concerning the incident or incidents that you believe raises the VAWA protections. If you do not deliver this certification within the time allowed, you will lose your legal protections under VAWA.**

3. **Certification:** There are three way to certify if the owner, manager or housing authority requests you to do so. The law allows you to fill out a HUD-approved form, which will be delivered to you by the housing authority, or you may provide a police report or court record, or you may have a professional person whom you consulted about the domestic violence, dating violence or stalking provide documentation as described more fully in the attached brochure. *You must deliver the certification in one of these three ways within 14 business days after your receipt of the owner, manger or housing authority's request for certification*.

4. **Confidentiality:** Information provided by you about an incident or incidents of domestic violence, dating violence or stalking involving you or a member of your household will be held by the owner, manager, or housing authority in confidence and not shared without your consent, *except that this information may be disclosed in an eviction proceeding or otherwise as necessary to meet the requirements of law*.

5. **Removal of/Termination of Assistance to Perpetrator of Physical Violence:** VAWA contains a new provision of federal law that allows the owner or manager to terminate the tenancy of and evict a tenant or other lawful occupant, and/or the housing authority to terminate assistance to a participant in the Section 8 program, who engages in criminal acts of physical violence against family members or others. This action may be taken against the individual alone, without evicting, terminating the tenancy of, removing, denying assistance to, or otherwise penalizing other household members.

6. **Portability/Moving to Another Location.** If you are otherwise in compliance with your lease and other the Section 8 requirements, and you must relocate in order to protect the health or safety of a person who was or is the victim of domestic violence, dating violence, or stalking you may move (port) to another location even though you are breaking your lease when doing so. However, the victim must have a reasonable belief that he or she is imminently threatened by harm from further violence if he or she remains in the present location.

For additional information, please consult the attached [brochure/housing authority VAWA policy] or you may contact _____ at Tel. No. _____ E-mail _____.

This sample form is intended for use by public housing agencies, in consultation with their legal counsel, to implement the provisions of the Violence Against Women Act. It is not intended as a substitute for obtaining legal advice, but rather as information that may be used by agency counsel as a point of departure in preparing documents suitable to the agency. Neither NAHRO nor the drafter(s) of this document warrants or guarantees its efficacy, sufficiency or compliance with law. Agencies must look solely to their legal counsel for final determinations concerning the form and substance of their documents implementing VAWA.

[Optional acknowledgment of receipt]

I certify that I have received a copy of this Notification and the attached [brochure/housing authority VAWA policy] this date.

_____

_____
Print Name

Date: _____

This sample form is intended for use by public housing agencies, in consultation with their legal counsel, to implement the provisions of the Violence Against Women Act. It is not intended as a substitute for obtaining legal advice, but rather as information that may be used by agency counsel as a point of departure in preparing documents suitable to the agency. Neither NAHRO nor the drafter(s) of this document warrants or guarantees its efficacy, sufficiency or compliance with law. Agencies must look solely to their legal counsel for final determinations concerning the form and substance of their documents implementing VAWA.

CERTIFICATION OF DOMESTIC VIOLENCE, DATING VIOLENCE, OR STALKING

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0249
Exp. (05/31/2007)

Public reporting burden for this collection of information is estimated to average 1 hour per response. This includes the time for collecting, reviewing, and reporting the data. Information provided is to be used by PHAs and Section 8 owners or managers to request a tenant to certify that the individual is a victim of domestic violence, dating violence or stalking. The information is subject to the confidentiality requirements of the HUD Reform Legislation. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number.

Purpose of Form: The Violence Against Women and Justice Department Reauthorization Act of 2005 protects qualified tenants and family members of tenants who are victims of domestic violence, dating violence, or stalking from being evicted or terminated from housing assistance based on acts of such violence against them.

Use of Form: A family member must complete and submit this certification, or the information that may be provided in lieu of the certification, within 14 business days of receiving the written request for this certification by the PHA, owner or manager. The certification or alternate documentation must be returned to the person and address specified in the written request for the certification. If the family member has not provided the requested certification or the information that may be provided in lieu of the certification by the 14th business day or any extension of the date provided by the PHA, manager and owner, none of the protections afforded to victims of domestic violence, dating violence or stalking (collectively "domestic violence") under the Section 8 or public housing programs apply.

Note that a family member may provide, in lieu of this certification (or in addition to it):
(1) A Federal, State, tribal, territorial, or local police or court record; 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 abuse, in which the professional attest under penalty of perjury (28 U.S.C. 1746) to the professional's belief that the incident or incidents in question are bona fide incidents of abuse, and the victim of domestic violence, dating violence, or stalking has signed or attested to the documentation.

TO BE COMPLETED BY THE VICTIM OF DOMESTIC VIOLENCE:

Date Written Request Received By Family Member: _____

Name of the Victim of Domestic Violence: _____

Name(s) of other family members listed on the lease _____

_____

Name of the abuser: _____

Relationship to Victim: _____

Date the incident of domestic violence occurred: _____

Time: _____

Location of Incident: _____

Name of victim:

_____

Description of Incident:

[INSERT TEXT LINES HERE]

I hereby certify that the information that I have provided is true and correct and I believe that, based on the information I have provided, that I am a victim of domestic violence, dating violence or stalking and that the incident(s) in question are bona fide incidents of such actual or threatened abuse. I acknowledge that submission of false information relating to program eligibility is a basis for termination of assistance or eviction.

Signature _____ Executed on (Date) _____

All information provided to a PHA, owner or manager relating to the incident(s) of domestic violence, including the fact that an individual is a victim of domestic violence shall be retained in confidence by an owner and shall neither be entered into any shared database nor provided to any related entity, except to the extent that such disclosure is (i) requested or consented to by the individual in writing; (ii) required for use in an eviction proceeding or termination of assistance; or (iii) otherwise required by applicable law.

U.S. Department of Housing and Urban Development
Office of Housing

OMB Approval No. 2502-0204
Exp. 05/31/2011

LEASE ADDENDUM

VIOLENCE AGAINST WOMEN AND JUSTICE DEPARTMENT REAUTHORIZATION ACT OF 2005

TENANT	LANDLORD	UNIT NO. & ADDRESS

This lease addendum adds the following paragraphs to the Lease between the above referenced Tenant and Landlord.

Purpose of the Addendum

The lease for the above referenced unit is being amended to include the provisions of the Violence Against Women and Justice Department Reauthorization Act of 2005 (VAWA).

Conflicts with Other Provisions of the Lease

In case of any conflict between the provisions of this Addendum and other sections of the Lease, the provisions of this Addendum shall prevail.

Term of the Lease Addendum

The effective date of this Lease Addendum is _ _____. This Lease Addendum shall continue to be in effect until the Lease is terminated.

VAWA Protections

1. The Landlord may not consider incidents of domestic violence, dating violence or stalking as serious or repeated violations of the lease or other "good cause" for termination of assistance, tenancy or occupancy rights of the victim of abuse.
2. The Landlord may not consider criminal activity directly relating to abuse, engaged in by a member of a tenant's household or any guest or other person under the tenant's control, cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant's family is the victim or threatened victim of that abuse.
3. The Landlord may request in writing that the victim, or a family member on the victim's behalf, certify that the individual is a victim of abuse and that the Certification of Domestic Violence, Dating Violence or Stalking, Form HUD-91066, or other documentation as noted on the certification form, be completed and submitted within 14 business days, or an agreed upon extension date, to receive protection under the VAWA. Failure to provide the certification or other supporting documentation within the specified timeframe may result in eviction.

_____ _____
Tenant Date

_____ _____
Landlord Date

Local Resources

NATIONAL DOMESTIC VIOLENCE HOTLINE

(24 hours a day. They will direct you to local resources)

1-800-799-SAFE (7233) TTY: 1-800-787-3224

NATIONAL TEEN DATING ABUSE HELPLINE:

1-866-331-9474 TTY 1-866-331-8453

DOMESTIC VIOLENCE LEGAL CLINIC

Toll-Free Legal Hotline: 1-888-880-7884
Main Office: (410) 554-8463
Baltimore District Court Office: (410) 235-6370
Hyattsville Courthouse: (301) 985-3588
Prince George's County Main Office: (240) 450-3270
Upper Marlboro Courthouse Office: (301) 952-4303
Montgomery County Office: (240) 777-9077

GATEWAY PROJECT - ABUSER INTERVENTION

Main Office: (410) 554-8479
(to schedule intake or general information)

Victim Contact Counselor: (410) 554-8498

Abusers choose to abuse.

Don't suffer in silence.

You are not to blame.

Sources:

˘Third Annual Report to Congress under the Violence Against Woment Act

˘˘The National Women's Health Information Center

U.S. Department of Health and Human Services

Office on Women's Health

HACA

Bloomsbury Square
Victoria Garcia, Property Manager
101 Bloomsbury Square
Annapolis, MD 21401
410-267-8000, Ext. 8471

Harbour House / Eastport Terrace Communities
Raelyn Shaw, Property Manager
1014 President Street
Annapolis, MD 21403
410-267-8000, Ext. 8451

Housing Choice Voucher Program
Alisa Odea, Program Specialist II
1217 Madison Street
Annapolis, MD 21403
410-267-8000, Ext. 8432

Robinwood Community & Newtowne 20 Communities
Latounzia Buchanan, Property Manager
1386 Tyler Avenue
Annapolis, MD 21403
410-267-8000, Ext. 8481

Morris H. Blum Senior Apartments
Victora Garcia, Property Manager
701 Glenwood Street
Annapolis, MD 21401
410-267-8000, Ext. 8471

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

VIOLENCE AGAINST WOMEN ACT (VAWA)
Pamphlet

Vincent O. Leggett
Executive Director

Violence Against Women Act

In January 2006, President Bush signed a law known as the Violence Against Women and Department of justice Reauthorization Act of 2005. Portions of this law create new protections for victims of domestic violence, dating violence and stalking who are residents in public housing or who are assisted with section 8 rental assistance.

You should know that:

- An applicant who is or has been the victim of domestic violence, dating violence, or stalking is not an appropriate basis on which to deny program assistance or for denial of admission if the applicant otherwise qualifies for assistance or admission.
- Under VAWA an incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be considered to be a "serious or repeated" violation of the lease and shall not be good cause for terminating the assistance, tenancy of the victim of that violence. Nor shall your tenancy, or occupancy rights be terminated as a result of criminal activity that is directly related to domestic violence, dating violence or stalking engaged in by a member of your household, a guest or another person under your control, and you or an immediate family member is the victim.

You should also know that there are some limitations to these protections:

Your tenancy and/or assistance *may be* terminated if the owner, manager, or housing authority can demonstrate "an actual and imminent threat" to other tenants or to persons employed at or providing services to the development., or for lease violations that are not based on an incident or incidents of domestic violence, dating violence or stalking for which VAWA provides protections.

If you claim protection under VAWA against termination of your tenancy or assistance, the owner, or housing authority may require you to deliver a certification concerning the incident or incidents that you believe raises the VAWA protections.

There are three ways to certify if you are requested to do so. The law allows you to fill out a HUD-approved form, which will be delivered to you by the housing authority, or you may provide a police report or court record, or you may have a professional person whom you consulted about the domestic violence, dating violence or stalking provide documentation. ***You must deliver the certification in one of these three ways within 14 business days after your receipt of the owner, manager, or housing authority's request for certification.***

Privacy Notice: Information provided by you about an incident or incidents of domestic violence, dating violence or stalking involving you or a member of your household will be held in confidence and not shared without your consent, *except that this information may be disclosed in an eviction proceeding or otherwise as necessary to meet the requirements of law.*

Stalking

Intimate or formerly intimate stalking - The stalker and victim may be married or divorced, current or former cohabitants, serious or casual sexual partners, or former sexual partners. A history of domestic violence may exist

Acquaintance stalking -The stalker and victim may know each other casually, either through formal or informal contact. For example, they may be coworkers or neighbors, or they may have dated once or twice but were not sexual partners.

Stranger stalking - The stalker and victim do not know each other at all.

Domestic Violence

Dating violence is when one person purposely causes physical or psychological harm to another person they are dating, including sexual assault, physical abuse, and psychological/emotional abuse. It is a serious crime that occurs in both casual and serious relationships, and in both heterosexual and same-sex relationships.

Dating Violence

Domestic violence and abuse, also called intimate partner violence, is when one person purposely causes either physical or mental harm to another, including:

- physical abuse
- psychological or emotional abuse
- sexual assault
- isolation

controlling all of the victim's money, shelter, time, food, etc. Often, the violent person is a husband, former husband, boyfriend, or ex-boyfriend, but sometimes the abuser is female.

HOUSING AUTHORITY of the City of Annapolis

We Are Going Somewhere

TAB 12

Hope VI or Mixed Finance Modernization or Development

2015 - 2019

HACA
1217 Madison Street
Annapolis MD 21403

January 31, 2015

EQUAL HOUSING OPPORTUNITY

7.(c) **Conversion of Public Housing.** With respect to public housing owned by a PHA: **1)** A description of any building or buildings (including project number and unit count) that the PHA is required to convert to tenant-based assistance or that the public housing agency plans to voluntarily convert; **2)** An analysis of the projects or buildings required to be converted; and **3)** A statement of the amount of assistance received under this chapter to be used for rental assistance or other housing assistance in connection with such conversion. See guidance on HUD's website at: http://www.hud.gov/offices/pih/centers/sac/conversion.cfm

Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers. *Include statements related to these programs as applicable.*

The Housing Authority of the City of Annapolis upon conducting the required assessment of viability of public housing and performing Cost-Test and Market Analyses for Voluntary Conversion of Public Housing Units Pursuant to 24 Code of Federal Regulations Part 972, Section 22 of the U.S. Housing Act of 1937, by Section 533 of the Quality Housing and Work Responsibility Act of 1998, may seek the approval of HUD to convert identified development(s) and/or units to Tenant Based and/or Project Based Voucher program.

HACA is considering converting a percentage of public housing units to project based voucher assistance at the Morris H. Blum Apartments. Morris H. Blum Apartments (MD001000006) is a senior and disabled populated property sited on a 2.42-acre parcel. The 8-story building consists of 154 apartment units including 90-efficiencies, 58-1BR/1BA and 6-2BR/1BA. Construction of the property was completed in 1971, and it has significant deferred maintenance issues. The Physical Needs Assessment (PNA) completed in October 2012 estimates that $5.4 million in repair and renovation work is needed to upgrade and revitalize Morris H. Blum Apartments.

HACA plans to evaluate the feasibility of pursuing a mixed-finance and voluntary conversion strategy with a developer partner and reposition the property to better serve its residents.

8.3 **Capital Fund Financing Program (CFFP).** Separate, written HUD approval is required if the PHA proposes to pledge any portion of its CFP/RHF funds to repay debt incurred to finance capital improvements. The PHA must identify in its Annual and 5-year capital plans the amount of the annual payments required to service the debt. The PHA must also submit an annual statement detailing the use of the CFFP proceeds. See guidance on HUD's website at: http://www.hud.gov/offices/pih/programs/ph/capfund/cffp.cfm

Check if the PHA proposes to use any portion of its Capital Fund Program (CFP)/Replacement Housing Factor (RHF) to repay debt incurred to finance capital improvements.

HACA currently pays approximately $411,000 in principal and interest payments from its Capital Fund Program toward a remaining balance of approximately $3M from a 2004 bond financing of $4.4M.

HACA is in the process of refinancing the remaining balance. The annual debt service is not expected to exceed the level currently supported by the capital fund.

HOUSING AUTHORITY
of the City of Annapolis

We Are Going Somewhere

TAB 13

Demolition and/or Disposition

2015 - 2019

HACA
1217 Madison Street
Annapolis MD 21403

January 31, 2015

EQUAL HOUSING OPPORTUNITY

REQUEST FOR PROPOSALS

Master Planning and Redevelopment
Morris H. Blum Senior Apartments

RFP STEP II

TECHNICAL SUBMISSION REQUIREMENTS

I. Background

The Housing Authority City of Annapolis (HACA) is issuing a Request for Proposals for qualified firms (selected in RFQ Step 1) for redevelopment of the federally-subsidized public housing property known as Morris H. Blum Apartments, located at Clay and Glenwood Streets in Annapolis, Maryland 21403.

The 2.42-acre project will be repositioned to improve the quality of life of the property's current and future residents and better support their healthcare needs through supportive services and state-of-the-art technology. Proposed redevelopment or modernization shall introduce universal physical design, unit configurations and sustainable building materials that promote healthy living and aging-in-place for our residents. Proposed redevelopment/ repositioning should be complementary to recent initiatives undertaken by HACA and the Anne Arundel Health System Inc., which include the operation of an on-site community health care facility.

Morris H. Blum Apartments is a senior and disabled property sited on a 2.42-acre parcel. It consists of 154 apartment units in an 8-story building. The building consists of 90-Studio's, 58-1BR/1BA and 6-2BR/1BA. In addition to the referenced community health care facility, on-site amenities include a laundry room, a commercially-equipped kitchen and congregate/multi-purpose area. Construction of the property was completed in 1971. The property is zoned R-4. The property has significant deferred maintenance issues.

The Physical Needs Assessment (PNA) completed in October 2012 estimates that $5.4 million in repair and renovation work is needed to upgrade and revitalize Morris H. Blum Apartments. The PNA will be made available to those developers selected in RFQ Step I, intending to respond to this Step II RFP. In the current economic outlook, there are not adequate State or Federal funds available to upgrade the project. It is believed a mixed-income/mixed-finance approach will provide the additional capital necessary to redevelop the property to better meet the housing needs of our residents, meet the goals of HACA for the project and maintain the record of success realized in other HACA public/private partnerships.

II. Description of Project, Neighborhood and Management

A. Property Description: Morris H. Blum Apartments (MD001000006). The property consists of 154-units: 90-Studio's, 58-1BR/1BA and 6-2BR/1BA apartments occupying an 8-story high-rise building structure. Total 2.42 acres.

Property Disposition:	The HACA anticipates providing a long-term property ground-lease to the selected development team.
Development Program:	Respondents shall assume responsibility for the rehabilitation or redevelopment of existing improvements**.** Redevelopment must result in either: (1) a comprehensive rehabbed public housing/ affordable senior community; including one-for-one replacement of public housing units (on and/or off-site) and the on-site non-residential facilities/services, OR (2) another residential use which yields the production off-site of a new replacement senior public housing/affordable senior community.
Development Entities:	Developers may be non-profit (including faith-based) or for-profit entities, for development and ownership purposes. The HACA will retain ownership of the land.

B. MORRIS H. BLUM APARTMENTS Neighborhood Area

The immediate community surrounding MORRIS H. BLUM APARTMENTS is a homeownership and multifamily residential neighborhood with two means of ingress and egress from Glenwood Street and Clay Street. The neighborhood is serviced by Germantown Elementary School, Bates Middle School, Annapolis High School and Anne Arundel County Annapolis Branch Public Library. The community borders College Creek in downtown Annapolis, a mere half-mile from the Annapolis State Capitol Building and is in proximity to highway Route 50 exits.

Morris Blum Apartments is also located in proximity to the HACA's Obery Court mixed-income rental and homeownership community.

C. Oversight

To guide this process of redevelopment, the HACA plans to establish a Redevelopment Steering Committee. The purpose of the MORRIS H. BLUM APARTMENTS Redevelopment Steering Committee is to:

- Advise the HACA on the overall direction and implementation of the Revitalization Project;
- Recommend programs and comment on schedules for the Project;
- Conduct regular information sharing meetings in and for the greater community; and
- Receive for comment financial information on the project.

The composition of the Steering Committee, while not finalized, is envisioned to include representatives of HACA, City of Annapolis, Morris H. Blum Apartments residents, Anne Arundel Health System, Inc. and neighborhood stakeholders.

D. Project Management

Day to day oversight and project management pursuant to terms of the Development Agreement (anticipated to result from this solicitation process) shall be provided by staff and/or consultants of the HACA and/or its designated representative. However, it is emphasized that frequent interaction and collaboration will be required between the successful developer and various HACA development partners, including the MORRIS H. BLUM APARTMENTS Redevelopment Steering Committee and the HACA Board of Directors.

III. Project Expected Outcomes

A. Income Requirement

The MORRIS H. BLUM APARTMENTS redevelopment program is envisioned to remain affordable senior housing (62 and older). However, HACA is receptive to other proposals which yield a more economically sustainable model and at the same time provides for affordable senior housing. The program proposed shall include one-for-one replacement, either on-site or off-site, of former public housing units. The residents of the public housing units should be programmed at incomes of 30% percent of the Area Median Income or less.

B. Design

Morris H. Blum Apartments currently consists of 154 apartments occupying an 8-story hi-rise building structure. The scope of work shall include, but not be limited to:

1. Interior demolition of current units and improvements.
2. Green and sustainability principles shall be incorporated. The buildings must be redeveloped to a minimum Silver Level LEED (Leadership in Energy and Environmental Design) Certification.
3. New reconfigured above and below grade site work and improvements, as applicable
4. Design and implementation of a sustainable landscape plan;
5. Potentially creating amenities which better integrate MORRIS H. BLUM APARTMENTS with the community;
6. Meeting architectural standards in conformance to City of Annapolis and HACA standards ;
7. Developing and implement a technology plan to support healthy living/ learning and healthcare delivery;
8. Developing common area and open space amenities;

9. Addressing security issues;
10. Utilizing local contractors or builders;
11. Consulting with, and gather input from community; and
12. Designing and Managing Construction. Developer to manage design, financing and construction approvals and implementation of all components of the project.

C. Economic Development and Opportunities

The MORRIS H. BLUM APARTMENTS redevelopment is intended to generate economic opportunities for low income individuals and Minority/ Women Business Enterprises (M/WBE). These opportunities must be quantifiable in terms of dollars and number and types of contracts. A second goal is to create an infrastructure for economic sustainability of the community. This second goal must be tied to the development and implementation of technology infrastructure, education, training, and supportive services for the MORRIS H. BLUM APARTMENTS project site or HACA public housing residents at-large

Under HUD's Section 3 regulations, the HACA's developers, builders, and contractors shall, to the greatest extent feasible, provide employment and training to low-income persons and contracting opportunities to Section 3 businesses. This includes a special emphasis on persons receiving HUD housing assistance. Please refer to implementing regulations at 24 CFR Part 135. The selected developer shall prepare a "Section 3 Plan". The plan consists of projections of employment and training opportunities for Section 3 residents, as well as contracting opportunities for Section 3 certified businesses and the approaches to achieve both.

Housing construction for the MORRIS H. BLUM APARTMENTS redevelopment shall be required to be in compliance with the provisions of the Davis-Bacon Act. The Developer and builders, or their subcontractors, will be required to document their payment of wages to workers employed directly at the development site at no less than the local prevailing wages and fringe benefits for similar projects.

D. Wages and Labor Law Compliance.

Wages under HACA's construction agreements must be paid in accordance with a wage determination issued pursuant to the Davis-Bacon Act, 40 U.S.C. Section 276(a), et al, by the United States Department of Labor or by HUD. The Development Partner and its general contractor shall be expected to execute a written affirmation of its compliance with Davis-Bacon compliance matters and ensure all subcontractors are fully compliant with Davis-Bacon wage requirements. Development Partner and its general contractor shall incorporate this requirement in all subcontractor agreements to ensure compliance.

The application of Maryland State wage and labor rates are governed by HUD Form-5370, under Section 47, Non-Federal Prevailing Wage Rates (attached).

E. Financial Viability

It is understood that any redevelopment plans for MORRIS H. BLUM APARTMENTS will require a mixed finance approach where various funding sources are layered together to achieve financial feasibility. The HACA acknowledges that significant subsidies maybe required to redevelop MORRIS H. BLUM APARTMENTS and will support the selected developer in obtaining private and public financing.

Responsive proposals should identify the sources of funds required for the development, as well as provide a projected 15-year cash flow of the project for the Step 2 RFP technical submission. Proposals may include a mix of private resources, State and Federal tax credits, federal funding, federal housing subsidies, bond financing, state housing funds, on-site and off-site commercial loans and developer equity. The proposal shall indicate the interim financing structure for the project as well as the long term financing arrangements. To the extent public and private financing are used as part of the financing package, the proposal shall indicate how the developer will secure these monies.

F. Development Goals

The HACA's primary goal is to upgrade and improve MORRIS H. BLUM APARTMENTS through the redevelopment or modernization of existing site and improvements and:

1. Establish an economically sustainable senior residential community;
2. Provide one-for-one replacement of senior public housing units on-site and off-site;
3. Minimize permanent off-site relocation of residents, through effective planning and scheduling of the project; and
4. Meet minimum Silver Level LEED energy efficient requirements and those set forth in the State of Maryland's and the City of Annapolis most recent building codes.
5. Incorporate in physical design and programming (by third parties as applicable), support for aging-in-place accommodations and services which extend to healthcare delivery.

G. Regulatory Compliance

Prior to the start of construction of the MORRIS H. BLUM APARTMENTS redevelopment, the proposed development plan must be presented to and approved by HUD in the form of a Mixed-Finance Proposal, in compliance with HUD's mixed-finance development rules and safe-harbor standards, Federal and State funding regulations. Project implementation will be closely monitored by HACA and HUD, who will require routine reporting on the development phase, including current financial, production, and administrative updates. The selected developer will be responsible, at a minimum, for the following administrative goals:

1. The selected developer shall be solely responsible for adequate communication to its staff regarding Contract terms and conditions.

2. The selected developer shall maintain its own written policies that, at a minimum, address the following:
    a. Drug Free Workplace Policy;
    b. Sexual Harassment Awareness in the Workplace Policy;
    c. Non-Violence in the Workplace Policy;
    d. Standards of Conduct;
    e. Fair Housing; and
    f. Americans with Disabilities Act.

The selected developer shall maintain evidence that all staff is informed of its requirements and their agreement to comply with said policies. The selected developer shall be solely responsible for the conduct of its employees and for their compliance with its administrative policies.

Unless otherwise indicated 24 CFR 85.36 applies and shall be satisfied upon the procurement of a Master Planning and Development Team in that HUD or other Federal funds are used in either the development or operations of the public housing project. If public and private funds are expended on development activities 24 CFR 85.36 applies. 24 CFR 85.36 does not apply to activities which are solely funded by the expenditure of non-HUD or non-Federal funds.

H. Relocation.

Temporary relocation of current MORRIS H. BLUM APARTMENTS residents will be designed to minimize the impact on the current residents. As required, the developer will be charged with developing a relocation phasing strategy with cooperation and approval of HACA to move residents to decent, safe and sanitary housing for the duration of the modernization or redevelopment. HACA shall be responsible for implementation of the relocation strategy. Developers may also consider a phased relocation method which would require only relocating residents living in units undergoing redevelopment at the time. The respondent needs to define the plans for relocation in the technical submission.

Residents' Right to Return. Current Morris H. Blum Apartments residents in good standing as of the date of issuance of the 90-day notice to relocate will have the right to return to the MORRIS H. BLUM APARTMENTS redevelopment when construction is completed. HACA may ask that a committee composed of residents assist in the establishment of criteria for returning residents to promote a healthy new community.

I. Community Participation

Throughout the MORRIS H. BLUM APARTMENTS redevelopment planning process and implementation, there must be meaningful and effective communication among

public and private entities, including civic organizations, businesses, schools, neighborhood residents, neighborhood boards, government officials and various other stakeholders.

J. On Schedule

The successful developer must demonstrate the capacity to meet or exceed the established deadline once it is determined, and provide a development schedule and the necessary documents to obtain HUD's approval for an acceptable time line.

IV. Development Partner Responsibilities

Throughout the redevelopment of the MORRIS H. BLUM APARTMENTS community the Development Partner will work closely with the HACA staff, the residents of MORRIS H. BLUM APARTMENTS, the HACA's consultants, the City of Annapolis and the MORRIS H. BLUM APARTMENTS Steering Committee. The Development Partner will be responsible for ensuring that the Final Development Plan is approvable, financially feasible and implementable. The Final Development Plan must create the blueprint for a successful, safe, attractive and sustainable senior community**. In general, the goal of the Final Development Plan is to physically improve the quality of living for public housing seniors in a space which effectively supports social and healthcare service delivery.**

A. General:

1. <u>Oversee and Implement Redevelopment Efforts at MORRIS H. BLUM APARTMENTS</u>
   Provide the necessary staffing, expertise, supervision and guarantees to fully and expeditiously implement all aspects of the redevelopment as required by the Agreement.

2. <u>Comply with all Applicable Federal, State and Local Rules and Regulations</u>
   Remain compliant with all applicable Federal, State and local rules and regulations applying to the HUD mixed income/mixed-finance transactions, and all activities required by the Agreement.

3. <u>Debarment</u>
   The Development Partner must provide evidence that it, its principal partners and any subcontractor are not debarred, suspended or otherwise prohibited from professional practice by any federal, state or local agency.

4. <u>MBE/WBE and Local Preference Opportunities</u>
   The use of federal and state programs requires the Authority to require its contractor(s) to solicit bids from and use minority firms and women's business

enterprises ("M/WBEs") whenever possible. The Development Partner will take all necessary affirmative steps to assure that M/WBEs are used when possible.

5. Section 3
The Development Partner will be expected to develop a strategy for fostering resident employment and small businesses during the redevelopment process. This strategy shall be coordinated and integrated with the HACA throughout the development process.

6. Hire and Manage Consultants and Contractors Necessary to Implement the Project
Procure other consultants and/or contractors and coordinate all tasks necessary to finalize the Master Plan and implement the MORRIS H. BLUM APARTMENTS redevelopment project according to the Master Plan and Agreement. At a minimum, the Development Partner's team will need to include consultants appropriate to cover the environmental review; market analysis; geo-technical studies; civil, mechanical and electrical engineering; and any other activities deemed necessary by the Development Partner and the HACA.

7. Maintain Communication Regarding Project Progress with the HACA, HUD and the Residents
The HACA will establish a regular schedule of Team Meetings, in which the Development Partner will participate. Moreover, the Development Partner will be responsible for submitting monthly progress reports to HACA, in such formats and media as HACA might direct, on the project status and schedule, including but not limited to design, permits, financing, resident coordination, etc. Finally, on a quarterly basis, the Development Partner will provide HACA the appropriate information in the format required by HACA and/or HUD. The Development Partner will set-up and maintain adequate system support for this endeavor.

8. Develop and Maintain Quality Control Measures
The Development Partner is responsible for ensuring the project as defined in the Agreement is constructed and managed with the highest quality materials appropriate to the project and workmanship. The Development Partner will be required to implement quality assurance and control measures to ensure effective performance by all parties in all aspects of the program.

9. Develop and Maintain a Detailed Development Schedule and Critical Path Schedule
Develop and maintain a detailed schedule of events, predicated on financing deadlines that include pre-development activities, construction start, project stabilization and permanent loan close. Develop a Critical Path Schedule for all phases of construction, and lease-up and stabilization.

10. Foster Resident Involvement in Project Implementation
Facilitate and foster the involvement of public housing residents in the implementation of the redevelopment program. In cooperation with HACA, keep residents informed of the status of the redevelopment, assist in providing job opportunities for residents during and after implementation, and assist/encourage resident businesses.

11. Assist in Providing Community and Supportive Services
The Development Partner will be responsible to assist in the provision and coordination of those services with HACA's Pathways to Opportunities programs. The HACA will look to the Development Partner to identify additional funding sources that will contribute to the success of the Community and Supportive Services, and expects the Development Partner to leverage other funds for this use.

12. Collaborate with HACA Staff
Propose methods that allow for capacity building opportunities for the HACA staff during the predevelopment and development phases, and during management and operation of each phase.

13. Be Responsive to Local Community, Neighborhood, and City, State, and Federal Interests
Promote and maintain good relations with neighborhood groups and federal, state and local governments.

B. Pre-Development:

1. Prepare a Market Analysis Addressing the Residential Components of the Master Plan
In order to finalize the overall development program, prepare a market analysis that will, among other things, a) assist in better defining complementary aging-in-place housing programs b) assist in determining the proper mix of residential and non-residential uses; and (c) confirm proposed rents (both residential and commercial) are sustainable and supportable in the local market.

2. Prepare Final Master Plan
In consultation with the HACA, MORRIS H. BLUM APARTMENTS and neighborhood residents, the City of Annapolis and other interested stakeholders prepare a detailed final Master Plan that supports the program goals and feasibly achieves the unit counts envisioned in the award and approved by HACA and HUD.

3. Obtain Environmental Clearances
In collaboration with the HACA, procure the necessary consultants and prepare the necessary documents to obtain environmental clearances from all interested agencies, pursuant to SEPA, NEPA and HUD regulations. Development partners

should note that projects may be subject to supplementary environmental analyses and reviews, with potentially significant timing and/or budget ramifications.

4. Plans and Specifications
The Development Partner shall be responsible for the preparation of the building plans and specifications.

6. Relocation
Development Partner will assume responsibility with cooperation of HACA for the relocation phasing strategy of residents displaced by redevelopment activities, subject to HACA approval.

C. Financing:

1. Produce an Overall Financing Plan
Produce a feasible financing plan for the overall redevelopment project. The overall financing plan will be developed in consideration with the Master Plan and market analysis. The Master Plan shall reflect the realities of the financing plan and market analysis, while the financing plan will reflect the goals of the Master Plan. The financing plan must demonstrate a sensitivity and approach in using Capital Grant funds (subject to availability) in the most efficient manner and maximizing leverage of the Capital Grant funds to the greatest extent possible.

2. Prepare the Mixed-Finance Proposal
At the direction of HACA the Development Partner shall take responsibility in the preparation of the Mixed-Finance Proposal ("MFP") and the development of certain associated evidentiary materials for submission to HUD. Where the HACA has primary responsibility and the lead role for the MFP and evidentiary submission to HUD, the Development Partner shall be responsible for drafting any portions as directed by HACA, and for obtaining evidentiaries from third parties as directed by HACA.

3. Financing Application(s)
Per the Agreement and in a timely fashion, the Development Partner will be required to prepare and pursue all financing applications, including, but not limited to, tax credits, tax-exempt bonds, state and local funds, and private debt. Development Partner shall assist and support the HACA with the preparation of any federal, state or private grant applications.

4. Maximize the Leveraging of Public and Private Resources
Per the Agreement, maximize the leveraging of public and private resources by pursuing all reasonable sources of financing and utilizing a variety of partners and partnerships. Take full responsibility for securing all financing sources in a timely fashion. Coordinate discussion and negotiations with financial institutions

and private partners. All financing terms are subject to review and approval by the HACA.

5. Obtain Equity Investment
Using an open competition among a variety of syndicators or investors, obtain equity investment on the best terms currently available as required by the Agreement. The HACA will require a competitive syndication process using evaluation criteria agreed to by both the HACA and the Development Partner. Moreover, the HACA will reserve the right to review investor submissions and to approve the final investor selection.

6. Guarantees
In accordance with the Agreement, provide all guarantees required for the successful financing of the project, including completion guarantees, operating deficit guarantees, and tax credit adjuster or recapture guarantees. HACA will require that the Development Partner demonstrate financial capacity to honor the guarantees, and indicate how they intend to honor the guarantees if necessary.

7. Operating Feasibility
As required in the Agreement, the Development Partner shall structure such reserves and other resources as will reasonably guarantee the long-term operating feasibility of the rental development, utilizing no more public housing subsidy than currently is allocated or which the HACA can expect to receive based on the number of ACC units in the Development Partner's proposal.

8. Accounting/Financing
As provided for in the Agreement, maintain accounting records and ensure project financing is available at the appropriate times and utilized in the appropriate manner.

D. Construction

1. Hire Qualified General Contractors and Oversee Construction Activities
As provided for in the Agreement, the Development Partner will create and implement a process for selecting the most qualified General Contractor. HACA shall retain the right to review and approve proposed General Contractors. During construction, the Development Partner shall provide oversight of construction activities by coordinating with all development team members and attending job-site meetings to ensure the expeditious implementation of construction activities.

2. Facilitate Necessary Site Improvements, Demolition and Disposition
Subject to HACA's approval, the Development Partner may assume primary responsibility for the demolition and disposition of any public housing units at MORRIS H. BLUM APARTMENTS. Pursuant to the Agreement, the

Development Partner shall implement and complete site work and infrastructure construction.

3. Implement Development Program
In accordance with the Agreement and the final Master Plan approved by HACA, the Development Partner will develop all improvements associated with the development program, including residential units and/or common area facilities.

4. Insurance and Real Estate Taxes
Except as provided in above, and where appropriate, the Development Partner shall cooperate with HACA to obtain and maintain exemption from real property and sales taxes associated with the affordable and public housing units. According to the terms of the Agreement, the Development Partner shall obtain and maintain necessary and appropriate amounts of insurance during predevelopment and development.

E. Ownership and Asset Management:

1. Organize Ownership Entity
Upon completion of the Master Plan and its approval by HACA, the selected Development Partner will be expected to develop and participate in the ownership structure of and management of the property. Where a Limited Partnership or Limited Liability Corporation is formed, the HACA or an affiliate may participate in that structure.

2. Ensure the Short- and Long-Term Viability of the Redeveloped Projects
The Development Partner shall develop and implement marketing, re-occupancy, asset and property management plans that will ensure the short- and long-term viability of the sites redeveloped in accordance with the Agreement.

3. Select and Manage a Property Management Firm for the Rental Units
The HACA expects the Development Partner to assume the property management operation of the redeveloped MORRIS H. BLUM APARTMENTS and be responsible for the operations, maintenance and compliance with Local, State and Federal affordable housing standards.

4. Market and Lease-up the Senior Rental Units
The Development Partner shall create and implement a marketing and lease-up strategy for the rental units to ensure that stabilized occupancy is achieved in compliance with all applicable financing and land use agreements.

V. Housing Authority City of Annapolis Responsibilities

The HACA shall be responsible for the following:

A. Lease of land

Lease the subject land under a long term ground lease that would require the project to be operated as affordable housing long term.

B. Public/private partnership

Form a public/private partnership with the selected development team, if applicable.

C. Development Agreement (DA)

Enter into a Development Agreement (DA) with the selected developer. The DA will provide for specific goals and timing to be met and will include a detailed scope of work, schedule and affordability levels agreed upon.

D. Provider of Capital Grant Funds

HACA may make a limited amount of Capital Grant funds available to the MORRIS H. BLUM APARTMENTS redevelopment, subject to HACA Board approval and future capital funding from HUD. HACA will work with the Development Partner to achieve the maximum leverage of Capital Grant funds.

E. Provider of Operating Subsidies

HACA will make financial contributions toward the cost of operating the MORRIS H. BLUM APARTMENTS redevelopment in the form of federal operating subsidies for the public housing units (i.e., those units under the Annual Contributions Contract). Alternatively, HACA may consider proposals using the Rental Assistance Demonstration (RAD) program. HACA will not provide to the Development Partner any amount larger than what it receives from HUD less an amount it will retain for its monitoring and asset management functions. For purposes of information HUD provides an operating subsidy amount of up to $ 269 PUM (Per Unit Month) for MORRIS H. BLUM APARTMENTS. Total Project Expense Level is $ 425 for calendar year 2013. The Utility Expense Level is $65 PUM for calendar year 2014. In addition, HACA's Capital Fund allocable to Morris H. Blum Apartments for 2014 is $165,000 Developer Partners should be aware that in recent years HUD has "pro-rated" the PEL and the Capital Fund for public housing authorities nationally.

F. Provider of Project-Based Housing Choice Vouchers/Section 8

HACA recognizes the economic benefit of utilizing Project Based Vouchers to leverage private debt financing. As such, the HACA may assign a project based HAP contract to the new community should it be required for financial feasibility, subject to HUD and HACA approval and shall be subject to all the project based voucher requirements, including 24 CFR Part 983.

G. Land Owner

The HACA will remain owner of the land, and will lease the land to an ownership entity organized by the Development Partner (which entity may include HACA at HACA's option). The lease may be structured to enable the Development Partner to receive Low Income Housing Tax Credits in connection with the project. As owner of the leasehold estate, the Development Partner is principally responsible to ensure that land and

infrastructure improvements are being designed and constructed appropriately to satisfy the MORRIS H. BLUM APARTMENTS redevelopment project's long term needs. The HACA shall have responsibility for obtaining any Payment in Lieu of Taxes ("PILOT") Agreements with the City of Annapolis and Anne Arundel County and any related Cooperation Agreements as authorized by law.

H. HACA Relocation

HACA shall review and approve the Development Partner's proposed phasing plan for relocation of residents displaced by redevelopment activities. HACA will be responsible for the implementation of the relocation plan.

I. Disposition

HACA shall review and approve the Development Partner's proposed disposition plan for any public housing units at MORRIS H. BLUM APARTMENTS. HACA shall be responsible for the submission of the disposition application and assist the Development Partner with plan approvals from HUD. All units demolished shall be replaced either on-site and/or off-site.

J. Property Management

The HACA currently manages its properties. The HACA expects the Development Partner to propose a property management arrangement that will provide for long-term stable property management for the best interests of the redevelopment, subject to HACA and HUD approval.

K. Asset Management

The HACA will continue to have asset management responsibilities related to the public housing units as well as all other units in which HACA has an ownership interest. The HACA will monitor and enforce the terms of its Lease, the Regulatory and Operating Agreement with the Development Partner and require that all housing units be managed in accordance with applicable local, state and federal requirements.

L. Supportive Services

The HACA expects that the Development Partner will propose a Community and Supportive Services Plan, which considers the development goal of supporting aging-in-place for residents through programming which promotes good health and extends to providing healthcare delivery services. In addition the Plan should consist of Section 3 and M/WBE program goals and requirements during the master planning, redevelopment and operating phases. Once complete HACA will support the Development Partner in program implementation with its Pathways to Opportunities program.

M. Monitor Development Partner Compliance with Section 3

The HACA will monitor the Development Partner's plans and efforts for reaching Section 3 goals and objectives. The Development Partner's strategy must be coordinated and integrated with the Property Management and Maintenance Services Branch throughout the development process. Section 3 requirements apply not only to resident employment but also resident small businesses.

N. Facilitation of the MORRIS H. BLUM APARTMENTS Steering Committee
The HACA will be responsible for ensuring that the MORRIS H. BLUM APARTMENTS Steering Committee continues to understand and advise on all aspects of the development initiative.

VI. Evaluation Criteria, Process and Schedule

Responsive proposals shall be prepared on standard 8½'' x 11'' letter-size paper, single-sided, bound on the long side, and tabs to separate sections. No Respondent materials will be returned. Respondents must submit one (1) bound original and five (5) printed copies.

1. **Physical Program and Approach.** The conceptual design proposal of the Developer and the degree it incorporates sound universal design principles to create a functionally sustainable senior community. The manner the Developer would implement the Physical Plan. If the Developer takes issue with any elements of the Development Goals, explain and show why it should be amended. (**20 points**)

Development Goals

- **Incomes**: Affordable housing for seniors, including public housing eligible and tax credit eligible senior households.
- **One-for-one replacement** of public housing units on and/or off-site.
- **Minimal permanent off-site relocation** of residents.
- **Master Plan**: that includes neighborhood scale design, pedestrian and bicycle-friendly design, community amenities, supportive services which enhance the existing community and strengthens its economic vitality.
- **Economic Development and Opportunities**: Job creation, both short and long term, for local residents and businesses, with a foundation for long-term economic growth of the community.
- **Supportive Service Programs**: Complement and support existing partnership with Anne Arundel Health System, Inc. Incorporate in physical design and programming (by third parties as applicable) support for aging-in-place accommodations and services which extend to healthcare delivery. In addition, create viable employment opportunities for current public housing residents during the redevelopment process and establish partnerships with local agencies for job training and supportive service program opportunities.
- **Financial Viability**: Efficient use of available funds, and leverage of private investment.
- **Regulatory Compliance**: All redevelopment must be implemented in compliance with all State and Federal (i.e., U. S. Department of Housing and Urban Development) requirements relating to the project.

- **Community participation**: Meaningful and effective communication among public and private entities, including civic organizations, businesses, neighborhood residents, City officials and various other stakeholders.
- **On Schedule**: Timely and efficient development.

Respondent shall provide a narrative outlining their approach for all work as stated in Section IV: Development Partner Responsibilities of this RFP, with graphic representations of the conceptual plan (that includes at minimum: the master site plan, typical building elevations, typical building plans), and vision for the concept of the property described in Section III: Project Expected Outcomes of this RFP. The narrative shall include if applicable the development/construction phasing proposed for implementation, the number of units, bedroom mix, unit sizes and construction and finish materials proposed.

For purposes of this Step II evaluation, the following terms are defined as follows: (1) "Affordable Senior Housing Units" are defined as on-site and off-site housing units, for seniors 62 years of age and older, where there are affordable housing use restrictions on the unit, i.e. project-based Housing Choice Voucher (Section 8) units, Low Income Housing Tax Credit units, HOME units, affordable homeownership units, etc. (2) "Public Housing" is defined as rental units subject to the Annual Contributions Contract. (3) A "Market Rate" unit is defined as rental or ground lease apartment/townhouse ownership units without income restrictions. The HACA expects to maintain a ground lease on the property.

The proposed unit mix should, at minimum, satisfy the objectives of the RFP. While it is up to the Respondent to determine the unit mix that is appropriate for the site, it is essential that the unit mix include a sufficient amount of public housing rental units. The difference between the number of former public housing units replaced and the number proposed on-site shall be sited at an identified off-site location of which the Respondent must provide evidence of site control (which may include an option to purchase, sales contract, land swap, deed, title or ground lease. If providing an option to purchase, the option must extend for at least 180 days after the submission deadline of the Step 2 proposal). The narrative shall explain how the number of units included with the proposal makes the best use of the available land, optimize its use to allow for a unit mix that provides an optimum number of public housing units and concurrently the number of affordable and/or market units to achieve economic feasibility, how the residential nature of the surrounding community is maintained in the new development, what kinds of strategies are included to induce aesthetic, physical, social and economic improvement to the community, and any other information that may be necessary for review.

A. Proposal will receive up to <u>20 points</u> if, in addition to sufficiently addressing the required information in 1. above, the proposed site plan, dwelling units and building demonstrate that:

(1) Respondent has proposed a responsive site plan that is efficient pedestrian and bicycle friendly with interconnected network of streets and public open space;

(2) The proposed uses are thoroughly integrated into the community through the use of local architectural and best practices that promote green-building (natural lighting, natural ventilation and use of renewable energy sources), building scale, grouping of buildings, and design elements; and

(3) Respondent's plan proposes minimum Silver Level LEED energy efficient requirements and those set forth in the State of Maryland's and the City of Annapolis most recent building codes, appropriate Low Impact Development Techniques and landscaping of the natural environment appropriate to the site's soils and microclimate.

B. Proposal will receive up to 15 points if, in addition to addressing the required information in 1. above, the proposed site plan, dwelling units and buildings demonstrate design that adequately addresses one or two, but not all three of the elements in 1.A. above.

C. Proposal will receive 0 points if the proposed design is perfunctory or otherwise does not address any element in 1.A. above. Proposal will also receive zero points if the proposal does not address the information required for the criteria submission in 1. above.

2. **Financial Program.** Approaches the Developer would use to finance the revitalization to achieve an economically feasible and sustainable development. (**15 points**)

Respondents shall discuss how they intend to finance the Morris H. Blum Apartments redevelopment, what resources they intend to utilize and secure. Respondents shall provide a pricing proposal, including detailed sources and uses and 15-year operating pro-forma to support the development of the conceptual design, including (a) an Internal Rate of Return, Return on Cost, Return on Equity, Total Profit, Total Developer Equity, Total Development Cost, and Total Developer Fees in one summary form and (b) proposed master plan and predevelopment budgets that delineate the respective costs to be incurred by the Developer and the HACA. All spreadsheets should also be submitted on CD in MS-EXCEL format unlocked and contain fully functional, adaptive formulas.

A. Proposal will receive up to 15 points if, in addition to sufficiently addressing the required information in 2. above, the proposal addresses the following in the Respondent's financing plan:

(1) Fulfills the HACA's development goals;

(2) Is economically feasible in the context of current local market conditions;

(3) If Respondent includes market rate housing uses in its concept plan, Respondent must provide a signed letter from an independent, third party, credentialed market research firm or professional that describes its assessment of the demand and associated pricing structure for the proposed uses based on the market and economic conditions of the sub-market area;

(4) Does not propose to use public housing funds for non-public housing uses;

(5) Includes a completed HUD Total Development Cost/Grant Limitations Worksheet in the proposal and follows the funding restrictions and federal program requirements; and

(6) Includes a completed F-1 Worksheet in the proposal in addition to developer sources and use.

B. Proposal will receive up to 10 points if, in addition to sufficiently addressing the required information in 2. above, the proposal addresses some but not all of the elements of 2.A. above.

C. Proposal will receive 0 points if the proposal does not address any element of 2.A. above. Proposal will also receive zero points if the proposal does not address the information required for the criteria submission in 2. above.

3. **Project and Property Management**. How the developer would manage the entire redevelopment process including property management. (**10 points**)

A. Proposal will receive up to 10 points if the proposal addresses the following in the Respondent's project management plan.

(1) Describe the Respondent's project plan and procedures to be used in performing the redevelopment and property management services described in the Scope of Work (see Sections IV and V of the RFP). The Respondent shall describe its approach to project organization and management, including the responsibilities of Respondent's management and staff personnel that will perform work in this project. The Respondent shall also describe any work to assist HACA in preparing and submitting to HUD, the mixed finance plan consistent with 24 CFR 941, subpart F;

(2) Provide a realistic project schedule to complete the project, identifying specific key tasks, activities and duration to successfully complete the development goals of the RFP (in MS Project format); and

(3) Organizational chart delineating roles and responsibilities of each team member and personnel.

B. Proposal will receive up to 7 points if the proposal addresses some but not all of the elements of 3.A. above.

C. Proposal will receive up 0 points if the proposal does not address the elements of 3.A. above.

4. **Fee and Risk Share Proposal.** The degree of risk the developer is willing to assume and the methodology for determining the amount of compensation expected. Such proposal should include a proposed role for HACA as part of the development team with compensation commensurate with its contribution of land, staff and ability to secure local, state and federal funding resources. (**10 points**)

A. Proposal will receive up to 10 points if the proposal includes the following:

A narrative and spreadsheet in MS-EXCEL format which considers the Respondent's financing strategy and details:

(1) Pre-development cost sharing;

(2) Respondent's fee structure during Pre-Development and Development periods

(3) Guarantees HACA can expect from the Respondent; and

(4) Proposed Deferred Fees.

B. Proposal will receive up to 7 points if the proposal addresses some but not all of the elements of 4.A. above.

C. Proposal will receive 0 points if the proposal does not address the elements of 4.A. above.

5. **Supportive Services Program (SSP).** Approaches the developer will use to secure the commitment and resources of third party providers of healthcare and/or healthcare-related services to support aging-in-place for senior residents. Such service programming should support and not conflict, nor compete, with Anne Arundel Health System, Inc., which currently operates a community healthcare facility in the building. **(10 points)**

Respondents shall provide a narrative which demonstrates the Respondent's knowledge of healthcare industry challenges of addressing the physical and mental healthcare needs of seniors. At the same time the Respondent will provide a feasible supportive services plan which will meaningfully evidence the

promotion of healthy outcomes for senior residents and illustrate how it will be supported by the proposed Physical Program and Approach (referenced above). The proposal plan will evidence the interest and/or commitment of third party providers/partners, experience of referenced providers/partners, a description of the role of each implementing partner, including HACA's Pathways To Opportunity and the rationale for selection; and a description of the management, data collection, reporting and tracking activities that will measure progress of the SSP overall outcomes

A. Proposal will receive up to 10 points if the proposal demonstrates that Respondent has a feasible plan that addresses sufficiently all the required information in 5. above.

B. Proposal will receive up to 5 points if the proposal contains some but not all the information required for the criteria in 5. above.

C. Proposal will receive 0 points if the proposal does not address the information required for the criteria submission in 5. above.

Schedule. Step Two – Request for Proposals:

• Technical Submission RFP Released	July 14, 2014
• Submission of Developer Proposals	September 15, 2014
• Presentation(s) by Developer(s)	October 2014
• Notification of Selected Developer	November 2014
• Complete MOU/ Development Agreement	February 2015

The HACA shall conduct a Pre-Proposal Conference on July 29, 2014 from 10 a.m. to 11 a.m. Eastern Standard Time (EST) and a site inspection at approximately 11:30 a.m. EST. **The HACA strongly encourages all parties intending to submit a response to this Step 2 RFP attend.**

Responses Due

Response to this Step 2 RFP: Proposals (one (1) bound original and 5 copies) are due no later than 1:00 PM, EST on Monday, September 15, and should be sealed and addressed as follows:

Mr. Vincent O. Leggett, Executive Director
Housing Authority City of Annapolis
1217 Madison Street
Annapolis, MD 21403-2203
Attn: Morris H. Blum Apartments, Step 2 RFP Proposals

The above stated deadline is firm as to date and hour. The HACA will treat as ineligible for consideration any submission that is received after that deadline. Upon receipt of each proposal, HACA will date and time stamp it to evidence timely or late receipt, and upon request, provide the developers with an acknowledgment of receipt. Faxed or emailed submissions will not be accepted. All submissions become the property of HACA and will not be returned.

VII. Terms and Conditions (see RFQ Step I: Section VIII)

Application Type

1. **Application Funding Type:** Strategic Demolition and Smart Growth Impact Fund (SDSGIF)

2. **County:** Anne Arundel County

3. **Name of Existing Sustainable Community (SC):**
   Annapolis

4. **What is the primary legislative district of your proposed project or program?**
   30

5. **Authorizing Official**
   Paul Rowe

Project/Program Details

1. Please provide a short description of your project or program in 25 words or less:

   The demoltion and redevelopment of Newtowne 20, a 78-unit family public housing property comprised of nine (9) two-story buildings and a 2000 sf community center built in 1971, on a 6.45-acre parcel.

2. Project/Program Name: Newtowne 20 Redevelopment

3. Select: Is this a project or a program? ✔ Project Program
   Project= single address
   Program= serves a district, area, or multiple addresses

If you are applying for funds for a Project, list address:

3a. Street Address/ Address Range: Number: 800 Direction: Street Name: Betsy Court Suffix:

3b. City: Annapolis

3c. If you have indicated Baltimore City please select the most appropriate neighborhood from the dropdown below:

3d. State: Maryland
3e. County: Anne Arundel County
3f. Zip Code: 21401-4608
3g. Primary State Legislative District: 30

3h. What number of site addresses are involved with this program? (Maximum is 10)

4a. Your proposed project or program must be located within the boundaries of a Sustainable Community. Verify proposed project address/es

here. Are all project addresses located within a Sustainable Community boundary? (click yes or no) ✔ Yes No

4b. Indicate the name of the Sustainable Community in which the proposed project or program is located. **Annapolis**

5. What other existing federal, state, or local designation is this project/program located within? (check all that apply)

Main Street Maryland
Maple Street Maryland
National Register Historic District
Local Historic District
Arts & Entertainment District
State Enterprise Zone Special Taxing District
Base Realignment and Closure Zone (BRAC)
State Designated Transit Orientated Development (TOD)
✔ Other(s): State of Maryland Community of Opportunity
Other(s):
Other(s):

6. What best describes the type of project or program for which you are seeking funding? **Demolition**

7. If you are submitting more than one application in this round, where does this one rank (for example: 1st of 5; 3rd of 6, etc.)? **1st of 1**

List the program address(es).

7a. Street Address/ Address Range: Number: Direction: Street Name: Suffix:

7b. City:

7c. If you have indicated Baltimore City please select the most appropriate neighborhood from the dropdown below:

7d. State: Maryland

Project/Program Details

7e. County:

7f. Zip Code:

7g. Primary State Legislative District:

8a. Street Address/ Address Range: Number: Direction: Street Name: Suffix:

8b. City:

8c. If you have indicated Baltimore City please select the most appropriate neighborhood from the dropdown below:

8d. State: Maryland

8e. County:

8f. Zip Code:

8g. Primary State Legislative District:

9a. Street Address/ Address Range: Number: Direction: Street Name: Suffix:

9b. City:

9c. If you have indicated Baltimore City please select the most appropriate neighborhood from the dropdown below:

9d. State: Maryland

Project/Program Details

9e. County:

9f. Zip Code:

9g. Primary State Legislative District:

10a. Street Address/ Address Range: Number: Direction: Street Name: Suffix:

10b. City:

10c. If you have indicated Baltimore City please select the most appropriate neighborhood from the dropdown below:

10d. State: Maryland

10e. County:

10f. Zip Code:

10g. Primary State Legislative District:

11a. Street Address/ Address Range: Number: Direction: Street Name: Suffix:

11b. City:

11c. If you have indicated Baltimore City please select the most appropriate neighborhood from the dropdown below:

11d. State: Maryland

11e. County:

11f. Zip Code:

11g. Primary State Legislative District:

12a. Street Address/ Address Range: Number: Direction: Street Name: Suffix:

12b. City:

12c. If you have indicated Baltimore City please select the most appropriate neighborhood from the dropdown below:

12d. State: Maryland

12e. County:

12f. Zip Code:

12g. Primary State Legislative District:

13a. Street Address/ Address Range: Number: Direction: Street Name: Suffix:

13b. City:

13c. If you have indicated Baltimore City, please select the most appropriate neighborhood from the dropdown below:

13d. State: Maryland

13e. County:

Project/Program Details

13f. Zip Code

13g. Primary State Legislative District:

14a. Street Address/ Address Range: Number: Direction: Street Name: Suffix:

14b. City:

14c. If you have indicated Baltimore City, please select the most appropriate neighborhood from the dropdown below:

14d. State: Maryland

14e. County:

14f. Zip Code

14g. Primary State Legislative District:

15a. Street Address/ Address Range: Number: Direction: Street Name: Suffix:

15b. City:

15c. If you have indicated Baltimore City, please select the most appropriate neighborhood from the dropdown below:

15d. State: Maryland

15e. County:

Project/Program Details

15f. Zip Code

15g. Primary State Legislative District:

16a. Street Address/ Address Range: Number: Direction: Street Name: Suffix:

16b. City:

16c. If you have indicated Baltimore City, please select the most appropriate neighborhood from the dropdown below:

16d. State: Maryland

16e. County:

16f. Zip Code

16g. Primary State Legislative District:

Community Conditions and Input - 20 points

PROJECT NAME: Newtowne 20 Redevelopment

1. Describe the community conditions that requested funds will address in this project/program. What positive outcomes or impacts on neighborhood revitalization and economic development are expected? How will the quality of life in the surrounding community be enhanced?

The Housing Authority City of Annapolis (HACA) seeks program funds in the amount of $800,000 for demolition, infrastructure and site work costs related to Newtowne 20, a 78-unit multifamily public housing property located at Newtowne Drive and Betsy Court in Annapolis, Anne Arundel County. All units are 3BR/ 1BA configurations comprised of nine (9) two-story buildings with basements, built in 1971 and sited on 6.45-acres. There is also a single story community center building of approximately 2,000 sf. The property is zoned R-3 and has significant deferred maintenance issues. Currently, sixteen (16) units are verified vacant in need of substantial rehab. A Physical Needs Assessment (PNA) completed in October 2012 estimates that $4.4 million in repair and renovation work is needed to upgrade and revitalize Newtowne 20. In consideration of that assessment and the property's physical and functional obsolescence, HACA concluded the cost to be better spent towards the property's revitalization. Such action will enable the comprehensive revitalization of the community with an expansion of housing choices.

Newtowne 20, is located on Newtowne Drive off of the highly trafficked Forest Drive, which runs from Aris T. Allen Boulevard thru Farragut Road to the Chesapeake Bay. Conversely, Newtowne Drive is a two-lane road which provides access to a community of four distinct properties: The Glen, a homeownership townhome community; The Homes of the Glen, a lease-to-purchase community; Woodside Gardens, a 144-unit project-based Section 8 garden apartment community and Newtowne 20 which dead-ends onto a land-locked cul-de-sac. One-way in and one-way out. With limited access Newtowne 20 residents (and to a similar extent Woodside residents) are physically and socially isolated. The existing site design contributes to limited social and physical connectivity of the two communities, with ill-defined public and private space, lack of common recreational space and limited pedestrian walkways and pathways. As a result, both properties and residents are vulnerable to chronic criminal activity. For example, the first six months of this year there has been 100% increase in reported incidents and 200% increase in arrests compared to same period in 2013.. The inability to sufficiently address these issues is exacerbated by a dual ownership/ management structure which by nature makes difficult the implementation of a well-intergrated safety and security strategy for Woodside and Newtowne 20.

HACA plans to demolish all Newtowne 20 improvements and leverage the property in partnership with The Hampstead Companies, the adjacent property owner of Woodside Gardens, into a comprehensive revitalization to address distressed physical, social and economic conditions that exist in the otherwise emerging Forest Drive corridor of communities. The proposed program contemplates the merging and revitalization of the two properties into one seamless mixed-income residential community while maintaining affordability for current and future residents. When completed the proposed redevelopment will consist of 252 units, including 160 new units as replacement public housing and Woodside units, 62 rehabbed Woodside units and the introduction of 30 new senior cottages. The redevelopment will also provide a new community center, athletic field and tot lot for recreation. In addition, a transit center with a bus turn-around and covered seating for riders will be introduced to more effectively promote public safety and transportation connections in and out of the community.

The master plan will employ new physical design elements to enhance security by establishing defensible public spaces, new pedestrian walkways to promote walkability and introduce a new north-south street connection to an adjacent planned mixed-used development. It's a reasonable expectaton that revitalization of the Newtowne/ Woodside communities will accelerate that development.

2. Project alignment with State and Local plans: Your jurisdiction's Sustainable Communities Action Plan, comprehensive plan, small area or sector plan, local revitalization or economic development plan, or transit oriented-development plan have provided baseline information about the conditions of your community. How does your project meet the goals and objectives of these plans? In what way does the project/program advance State-level Smart Growth plans and goals (e.g. consistent with 12 Visions, Plan MD)? Click here to locate your Sustainable Community Action Plan.

How does your project /program meet the goals and objectives of these plans

The Newtowne 20 redevelopment is very much in alignment with the City of Annapolis' Sustainable Communities Action Plan (the "Plan"). Geographically part of the Sustainable Community, Newtowne 20 is also a Designated Neighborhood and Opportunity Area pursuant to the the city's Comprehensive Plan based on its economically underserved population and capital improvement needs. As such Newtowne 20 is acknowledged in the Plan's baseline information as one of five Annapolis public housing developments in the poorest condition. The Plan recognizes the geographic isolation and limited access to employment centers.

In order to address the needs of this community the Plan establishes several goals and objectives which the Newtowne 20 redevelopment will help achieve:

Promote Access to Quality Affordable Housing

The Plan specifically speaks to among other things:
- supporting revitalized quality housing for low-income and work-force income residents through the establishment of public-private partnerships,
-expanding income diversity of public housing residents and the inclusion of social supportive programs in public housing's revitalization to impact social/income disparities
-Revitalizing public housing that is located near transit can also help achieve affordable density, with access to employment..

Newtowne 20 seeks to accomplish those goals using means outlined in Plan:

Leveraging private sector investments (i.e. private debt, tax credit equity) with Initial public investment (federal, state and local funds) in order to achieve specific outcomes:

- Encouraging infill development and growth in Opportunity Areas
- Promoting access to quality affordable housing
- Supporting the Housing Authority in revitalizing public housing

Initial State funding will support a Plan goal of enabling the City to invest in incidental site improvements and infrastructure which serve the full needs of the community. This will help support community access to other amenties and neighborhood improvements such as sidewalks, tree plantings, safe and reliable bicycle transportation and public transportation.

The Newtowne 20 redevelopment also advances State-level Smart Growth goals in several ways:

- Encourage reinvestment and growth in existing communities
- HACA, in partnership with the City and the Hampstead Companies will implement infill development in a designated Opportunity Area. HACA wlll accomplish this by leveraging private sector investments (tax credit equity and private debt) with public assets (public housing property, federal, state and local funds)
--Specific and targeted improvements to the local street system will be made with priority to those that improve cross-town circulation, route continuity for public transit, and utilize intersection capacities.
--The City will support investment in street improvements to accommodate the proposed Transit Center turnaround in order to serve the full needs of the community by expanding transportation connections to employment centers.
--Enhance and promote recreation facilities with the objective of supporting structured and informal recreation
and encouraging human health and fitness.
--Complete the network of pedestrian and bicycle pathways to the extent they can reduce the community's carbon footprint.
--Support development of housing affordable to workforce or middle income households.
--Support housing programs that assist low and moderate-income households

3. How and what public input was received on the project program? Include the nature and extent of public support for(or opposition) to the proposed project/program. In addition to presenting the proposed project/program at a County, City, or Town council meeting, local governments and their partners are encouraged to use social media, local PTA/Os and/or social service agencies as a means to reach their constituents.

Public input and support for the Newtowne 20 redevelopment has been generally supportive. HACA has focused its public engagement with the stakeholders most affected by current conditions and the future opportunities at Newtowne 20... its residents.

As standard practice, HACA has traditionally engaged and kept informed the Newtowne 20 Resident Council on matters involving maintenance and capital improvement needs. As a result, the residents have been informed about HACA efforts to improve resident living conditions through redevelopment and have provided input to HACA regarding resident concerns. As to be expected there is some resident anxiety about future residency at a redeveloped Newtowne 20 and the short-term and long-term impacts on their lives. A related concern is the need to preserve affordable housing which the proposed redevelopment accomplishes. These issues notwithstanding there is a recognition that living conditions at Newtowne 20 require significant improvement.

As a measure to extend resident input early in the process, the Resident Council President was invited and actively participated as a member in the developer evaluation panel which recommended The

Hampstead Companies be awarded the opportunity to develop the property. HACA intends for the Resident Council be a member and participate on the Executive Policy Committee which will establish and monitor program policy for the development.

HACA has also involved and kept informed the local Alderwoman and her Council colleagues with routine briefings. In addition, HACA has engaged and kept involved the City of Annapolis Department of Planning & Zoning and its Community Development Division, which is supportive.

Upon penning a formal relationship with The Hampstead Companies, HACA intends to coordinate with the developer the creation of a web and social media presence in order to more effectively broadcast information and progress of Newtowne 20, while at the same time facilitate public input.

4. Explain how this proposal developed, from project/program genesis through decision-making and adoption.

Newtowne 20 for years has been considered a physically distressed conventional housing property. Built in 1971, it has succumbed to the effects of inadequate storm water infrastructure and deferred maintenance due to insufficient capital funding from the federal government. In October 2012, HACA commissioned a Physical Needs Assessment which confirmed what was known: the need to replace most of the major building systems (i.e. roofing, heating, windows, vinyl flooring and sub-surface waterproof insulation. The cost of replacement was estimated at $4.4 million.

HACA's inability to fund the deferred maintenance and the capital replacement costs resulted in taking units off-line resulting in a 20% vacancy level at Newtowne 20. This in turn negatively impacts HACA's agency evaluation by HUD of its inventory's physical condition. Consistent low physical scores challenge HACA's ability to maintain a standard performer status which affects HACA's funding and local governance.

Recognizing the limited options available to substantially rehab the property, upon discussions with the Newtowne 20 residents and various representatives of the City, the decision was made to redevelop the property. HACA has a history of successfully redeveloping its conventional public housing properties in partnership with private developers (i.e. Bloomsbury Square, Annapolis Gardens, Obery Courts/ College Creek). Therefore in March 2013, the HACA Board of Commissioners authorized the Executive Director to procure a contingent of developers from which to solicit redevelopment proposals for Newtowne 20. Ten (10) developers were procured in September 2013, and a Request for Proposals for the Newtowne 20 Redevelopment was advertised in October 2013. Although there was inital interest by many, only two (2) of the pre-qualified developers responded. The limited interest was a function of the limited by-right development permitted on the 6.45 acre site juxtaposed with the goal of HACA to preserve the number of public housing units and the ability to generate sufficient private capital to accomplish that goal.

HACA worked extensively with the City's Department of Planning and Zoning to explore changing the site's zoning classification. However, the outcome of that effort remains uncertain. Irrespective of there being a zoning change HACA's perspective had been in order for a redeveloped Newtowne 20 to succeed (as a sustainalble community in the long term) it is imperative that a broader footprint for comprehensive community development be considered. That broader footprint would necessarily include

Woodside Gardens, the neigboring project-based Section 8 community which has similar challenges to that of Newtowne 20 by virtue of its physical design, configuration and similar incidences of crime. Consequently, The Hampstead Companies, one of the developers to respond to the RFP and Woodside's owner was selected for award.

The proposed development plan will leverage vacant land at Woodside in order to increase overall density (without a Zoning change) and accomplish many of the development goals establshed by HACA which include:

-preservation of quality affordable housing
-enhance public space improvements and amenities which are environmentally sound
-improve transportation linkages for public transit and pedestrian traffic

Project/Program Scope - 25 points

Project Name: Newtowne 20 Redevelopment

1. Funding type: Is this a capital or operating program/project or both? — Capital

2. Is this an ongoing project/program? — Yes

3. Who is going to administer this project/program? — Both
   Partner Name: The Hampstead Companies

4. If this project/program involves a specific property(ies), has Maryland Historical Trust compliance review been requested? — Yes

5. If this project/program involves a specific property(ies), do you have site control? Include a more detailed response, addressed within question nine (9) below. — Yes

6. Describe the scope of the project/program and the connection to the community conditions stated previously. What alternatives were considered? Why is this project/program the best approach?

   Newtowne 20, is located on Newtowne Drive off of the highly trafficked six lane Forest Drive, which runs from Aris T. Allen Boulevard and transitions to Farragut Road and leads to the Chesapeake Bay. Conversely, Newtowne Drive is a two-lane road which provides access to a community of four (4) distinct properties: The Glen, a homeownership townhome community; The Homes of the Glen, a lease-to-purchase townhome community; Woodside Gardens, 144-unit project-based Section 8 garden apartment community and Newtowne 20 which dead-ends onto a land-locked cul-de-sac. One-way in and one-way out. With limited access Newtowne 20 residents (and to a similar extent Woodside residents) are physically and socially isolated. The existing site design contributes to limited social and physical connectivity of the two communities, with ill-defined public and private space, lack of common recreational space and limited pedestrian walkways and pathways. As a result, both properties and residents are vulnerable to chronic criminal activity. For example, in the first six months of this year there has been 100% increase in reported incidents and a 200% increase in arrests compared to the same period in 2013. The inability to sufficiently address these issues is exacerbated by a dual ownership/management structure which by its nature makes difficult the implementation of a well-intergrated safety and security strategy for Woodside and Newtowne 20.

   HACA plans to demolish all Newtowne 20 improvements and leverage the property in partnership with The Hampstead Companies, the adjacent property owner of Woodside Gardens, into a comprehensive revitalization to address distressed physical, social and economic conditions that exist in the otherwise emerging Forest Drive corridor of communities. The proposed program contemplates the merging and revitalization of the two properties into one seamless mixed-income residential community while maintaining affordability for current and future residents. When completed the proposed redevelopment will consist of 252 units, including 160 new units as replacement public housing and Woodside units, 62 rehabbed Woodside units and the introduction of 30 new senior cottages. The redevelopment will also provide a new community center, athletic field and tot lot for recreation. In addition, a transit center with a bus turn-around and covered seating for riders will be introduced to more effectively promote public

safety and transportation connections in and out of the community.

The master plan will employ new physical design elements to enhance security by establishing defensible public spaces, new pedestrian walkways to promote walkability and introduce a new north-south street connection to an adjacent planned mixed-used development. In so doing more improved motor and pedestrian connections to future amenties and employment opportunities will be achieved. This comprehensive redevelopment of both Newtowne 20 and Woodside, HACA believes is the best approach as a means of addressing in a holistic way the housing, public safety, transportation and economic needs of all the community's residents. A revitalized Newtowne 20/ Woodside community with new quality affordable housing and community amenities will make this a more attractive place to live and thus improve the public safety and marketability of the neighborhood. Compared to a scenario where the current properties maintain their current configuration and operations, it is a reasonable expectaton that a comprehensive revItalization may accelerate the development timeline of a future neighboring development, Villages at Crystal Spring (see #8 below). That in turn will hasten the benefits of proximity to new commercial and retail amenities and employment opportunities.

7. If this is a PROGRAM what will requested funds support? Describe in detail the activities that will be undertaken to complete the program. Include guidelines and/or marketing tools, e.g. if this is a Revolving Loan Fund, please describe your underwriting criteria and the repayment terms.

8. Describe the development activity over the past five years in the Sustainable Community in which this project/program is located. To your knowledge have businesses and real estate developers successfully secured financing for proposed projects? Also, provide any relevant market data that demonstrates the feasibility of the proposed project/program.

Recent development activity in proximity to Newtowne 20 has been limited. The general location on Forest Drive is landmarked by a small strip center anchored by Safeway. Forest Drive is a major six-lane roadway which runs from Aris T. Allen Boulevard and transitions to Farragut Road which leads to the Chesapeake Bay. Traveling south on Forest Drive between the Safeway and Newtowne Drive is the entrance to South Cherry Grove Avenue where a mixed-use development known as the "Village Greens of Annapolis" is located which includes a CVS Pharmacy, Capital One Bank, small retail and a fast food restaurant. Set back from the main road are for-sale townhomes under construction by Craftmark Homes and an upscale rental community named Berkshire Annapolis Bay. To our knowledge, this project was privately financed, but targets a much higher income demographic than the redevelopment of Newtowne 20 and Woodside.

Adjacent and to the south of Newtowne 20, is a vacant 110 acre site which has been optioned by Crystal Spring Development LLC (CSD), led by a group out of Connecticut and the National Lutheran Communities & Services (NLCS) as its local sponsor. CSD has proposed the "Village At Crystal Spring" to the City of Annapolis, anchored by a 55 acre 370-unit Continuing Care Retirement Community (CCRC) and another 55 acres of mixed-use commercial/ retail/residential development including 130 market townhomes, a hotel and performing arts center. For the past several years the development has been delayed pending compliance with local environmental regulations. However, for the past 12-18

months NLCS has been actively marketing the development to retiring seniors. It is uncertain at this time whether CSD has been able to maintain its prior financing commitments.

With regard to the market for affordable housing and the feasibility of the Newtowne 20 Redevelopment, 2010 Census data and the Annapolis Consolidated Housing & Community Development Plan 2011-2015 (the "Plan"), confirms the viability of affordable housing and hence the project:

Based on Census data the population of the City of Annapolis is 38,394 persons which make-up 16,136 households. The median income household income is $70,229. The percentage of occupied rental units is 49.3%. It is of significance that renter households spending more than 30% of income for rent, which is defined as "housing cost burdened" increased from 33.7% in 2000 to 49.6% in 2010. As a result, the Plan cites the two most underserved housing needs as:
- Affordable housing and supportive services, and
- Affordable Owner-Occupied Housing

A large part of this condtion is attributable to not only the growth in population (7.1%) from 2000-2010, but the demographic segments of the population which experienced relative losses and gains. Households earning $75,000 and below decreased in number within the 10 year period while households earning above $100,000 increased during the same period (see attached graph). This suggests an increase in market demand and supply of housing for upper income households. At the same time a shortage of housing affordable to lower income and workforce households has resulted. This is further confirmed on the rental spectrum by empirical data. HACA's combined housing choice voucher and public housing rental waiting lists total 1,775 household which represents a demand of 2.25 times the supply of its public housing units. Similarly, Woodside typically operates at or near 100% occupancy, with only 10% of its 144 units becoming available each year. Other properties in the area generally have vacancy rates of 0-5% at any time. Consequently there is a demand for affordable housing in Annapolis.

9. Describe the status of site control (specify property ownership) as well as zoning and building code approval, traffic impact studies, environmental permitting or any other applicable review. Also for capital projects/programs, give the age of the building(s), and indicate if the project is located within a local historic district or a National Register historic district. Clarify any issues that may relate to clearing and/or transfer of title.

The Housing Authority City of Annapolis (HACA) owns title to Newtowne 20, a 78-unit multifamily public housing property located at 800 Betsy Court off Newtowne Drive in Annapolis, Anne Arundel County, Maryland. All units are 3BR/ 1BA configurations comprised of nine (9) two-story buildings with basements, built in 1971 and sited on 6.45-acres. There is also a single story community center building of approximately 2,000 sf. The property is zoned R-3, which permits 12.1 residential units per acre as a matter-of-right. The redevelopment plan proposes approximately 60 townhouse units be constructed on the Newtowne 20 site proper which is permitted.

The community is not located in a historic district nor do the buildings hold any historic significance or designation. As we understand, the only public review is that for design review administered by the City of Annapolis Department of Planning and Zoning. There are no adverse issues contemplated as it

relates to transfer of title or site readiness.

10a. Provide the names of consultants, architects, or contractors that you plan to use.

The Hampstead Companies plans to contract with locally based professionals and contractors to work on the Newtowne 20 Redevelopment. While Hampstead to-date has not engaged any company other than its in-house architect (The Arcadia Group), it has used the following organizations in the past and will consider them for this project:

Nastos General Construction (Washington, DC) MDOT MBE
The Arcadia Group- Architects (San Diego, CA)
Sustainable Technologies Group - Energy Efficiency Engineering (San Diego, CA)
Nixon Peabody- Legal (Washington, DC)
Cohen Reznick- Accounting (Bethesda, MD)
D.W. Kozera and Associates (Baltimore)- Geotechnical Engineers
McCrone, Inc (Annapolis, MD) -Civil Engineers
Johnson Consulting Engineers, Inc. (Baltimore,, MD)- Mehanical/ Electrical Engineer
Real Property ResearchGroup (Columbia, MD) - Market Analysis

10b. Are any of the partners listed above minority owned or women owned businesses? Yes

11. You will be required to provide quarterly progress reports for this project/program. Explain in detail how its revitalization impact/outcome will be measured. Include quantifiable measures. What benchmarks will be used to measure and report this outcome on a quarterly basis? Also, discuss how these impacts/outcomes relate to those described in the Sustainable Community Action Plan.

The basis and quantitative measures of the quarterly progress reports adminstered by the MD-DHCD Neighborhood Revitalization Division will gauge and guide HACA's performance. While the overall goal of the Newtowne 20 Redevelopment is to develop quality affordable housing, in the context of a multi-phased construction project the application of grant funds are for discrete activities (demolition, infrastructure and sitework). As such there may be various milestones established which are typically used to demonstrate progress for these activities.. For example during pre-development:

Regulatory and Legal approvals
- local design/ plan review and approval
- HUD demolition/ disposition approval
- MD-CDA financing
- Construction permit review and approval
Relocation start/ completion
Demolition start/ completion
Draw-down of SDSGI funds (0 - 100%)

HACA's ability to accomplish its outcome benchmarks will serve to measure the outcomes described in the Annapolis Sustainability Community Action Plan (SCAP), which provide the broader context for

consideration in measuring progress. For example:

A. Supporting existing communities & reducing environmental impacts
HACA's ability to garner the funds necessary for demolition will jump start redevelopment at Newtowne 20, support the long term sustainablity of the community and enable the following outcome initiatives:
--Encouraging infill development and growth in opportunity areas
--Maintaining limits on growth in environmentally sensitive properties
--Decreasing the City Government's environmental footprint through better design and adoption of best practices

B. Valuing communities and neighborhoods -- building upon assets and building in amenities
HACA's Newtowne 20 redevelopment program is leveraging the physical and social assets of the Newtowne 20/ Woodside communities and in so doing creates opportunities for:
--Improving and connecting existing recreational areas
--Encourage a "Complete Streets" approach (streets which serve the full needs of the community)

C. Enhancing economic competitiveness
The Annapolis SCAP acknowledges HACA as one of the two leaders in the City which provides opportunities for job training . The SCAP also references the City of Annapolis as home to a number of green businesses, government offices and non-profit organizations. We believe the visibility of the Newtowne 20 Redevelopment, particularly given new green construction technologies, will create opportunities for community residents to access training through HACA's Pathways to Opportunity program and serve to:
--Promote green jobs

D. Promoting access to quality affordable housing
The Newtowne 20 Redevelopment speaks directily to achieving this outcome and the opportunity for the State to make good the Annapolis SCAP initiative to:
--Support the Housing Authority in revitalizing public housing

E. Support transportation efficiency and access
The Newtowne 20 Redevelopment features the introduction of the "Transit Center" which will marry the benefits of improved access to public and regional transportation options with enhanced public safety attributable to a central community amenity. Along with new street connections and pedestrian walkways, the project will facilitate the following:
--Join regional transportation initiatives
--Improve walkability

Timeline - 5 points

The timeline lists activities necessary for how your project/program will be accomplished.

The Community Legacy, Strategic Demolition and Smart Growth Impact Fund, Baltimore Regional Neighborhood Initiative and Community Legacy/Neighborhood Intervention Programs require that 50% of awarded funds be expended by the first anniversary of the award.

100% of funds must be expended within two years of award.

Fill in the timeline to include dates referring to the commencement date and completion date.

1.

Start Date (mm/dd/yyyy)	End Date (mm/dd/yyyy)	Description of Activity (25 words or less)
8/1/2015	12/15/2015	Pre-Phase Infrastructure/Site Work
8/1/2015	9/30/2015	Demolition 16 units
6/1/2016	9/30/2016	Demolition 53 units

2. Provide a narrative of the above timeline that demonstrates how and why this project is ready to proceed.

Newtowne 20 will represent HACA's fourth conventional public housing property to undergo revitalization in 11 years. It is also the most distressed of its remaining six (6) properties. The conditions at Newtowne 20 are impacted not only by systemic funding conditions associated with federal spending but also on-the-ground issues due to its physical proximity and relationship to Woodside Gardens. It has become increasingly imperative that the revitalization of the two properties within this isolated community be jumpstarted as a prelude to gaining the additional funding commitments from private lenders, investors, the State, County and the City.

HACA has already selected a developer partner, The Hampstead Companies, Inc., which is uniquely positioned as adjacent landowner, existing community stakeholder and experienced developer to deliver a comprehensive revitalized Woodside Gardens and Newtowne 20 community. The proposed plan is consistent with the site's matter-of-right zoning and therefore is not subject to a lengthy review process. Subject to completion of approved design/ construction drawings and financing committments we are ready to go.

The team is considering a submission of a 9% LIHTC financing application to MD-DHCD this fall. If submitted and should it be awarded, the Newtown 20 redevelopment would be well positioned for a closing by the third quarter of 2015. If an application is not tendered, or the project is not awarded ,the team remains prepared to commence SDSGIF-funded infrastructure, site work and selective demolition in advance of a financial closing.

Neighborhood Revitalization Application FY2015

Organization: Housing Authority of the City of Annapolis **NR-SDSGIF-APP-2015-AnnapolHA-00150**

Project Budget

PROJECT NAME: Newtowne 20 Redevelopment

USES OF FUNDS BY ACTIVITY	SOURCES OF FUNDS					TOTALS BY ACTIVITY	STATUS OF OTHER FUNDINGS SOURCES
	Capital Request	Operating Request	Applicants Contribution	Names of Other Sources	Other Sources Amount		
Building/Site Acquisition	$0	$0	$0	LIHTC	$6,300,000.00	$6,300,000.00	N/A
Predevelopment	$621,000.00	$0	$0	Conventional Debt	$500,000.00	$1,121,000.00	N/A
Studies: Market/Feasibility/Planning	$0	$0	$0	Conventional Debt	$275,000.00	$275,000.00	N/A
New Construction	$139,000.00	$0	$200,000.00	LIHTC, Conventional Debt	$10,252,000.00	$10,591,000.00	N/A
Rehabilitation/ Renovation	$0	$0	$0	0	$0	$0	N/A
Project Admin. (Cash)	$40,000.00	$0	$0	0	$0	$40,000.00	N/A
Project Admin. (In kind)	$0	$0	$50,000.00	0	$0	$50,000.00	N/A
Other (a) Other Soft Costs	$0	$0	$0	0	$0	$0	N/A
Other (b) Reserves	$0	$0	$0	Conventional Debt, MD-CDA, LIHTC	$513,000.00	$513,000.00	N/A
Other (c) Financing Cost	$0	$0	$0	Conventional Debt	$1,300,000.00	$1,300,000.00	N/A

Project Budget

Other (d) Development Fees	$0	$0	$0	LIHTC	$2,400,000.00	$2,400,000.00	N/A
TOTALS OF FUNDS BY SOURCES	$800,000.00	$0	$250,000.00		$21,540,000.00		

Total Project Cost: **$22,590,000.00**

Please upload documentation for each source that you have indicated funds committed.

	Document File Upload	Document Brief Description
Other (a)		
Other (b)		
Other (c)		
Other (d)		
Other (e)		

Please upload documentation if you are committing your own funds.

Project Financing - 30 points

PROJECT NAME: Newtowne 20 Redevelopment

1. What type of financing are you seeking? Please check one of the following:

Grant ✔ Loan/Grant Combination Loan

2. If you have requested a grant explain in detail why a loan is not possible.

A loan/grant structured as a loan, the principal of which must only be repaid subject to the project's preservation and maintenance of affordable housing, would be preferred.

Demolition typically has been a sunk cost for public housing authorities when funded by HUD (HUD no longer has a demoltion funding program for distressed public housing) as a means of presenting a marketable and developable site to the private sector development community. As a sunk cost there is little to no cost basis associated with the land in order to better cost justify the development of affordable housing . At the same time, HACA would like to legally structure the fundiing as a loan (i.e. repayment conditioned on units remaining affordable) in order to enhance its tax credit basis and maximize the equity raised.

3. Please provide a narrative description of your budget. Include a description of the specific activities the requested award will fund.

The Newtowne 20 Redevelopment is a four (4) phase development, of which the sources/ uses are estimated at approximately $57.5 million. The particular budget for the out phases (phases 2-4) is generally explained in section #4 below.

The budget for the specific activities the requested award will fund is related to the first phase of the development. As such the first phase contemplates the construction of 79 new townhomes and apartments on land sited at Woodside Gardens at a development cost of approximately $22.5 million. The first phase of construction would be funded by $13.5 M tax credit equity (9%), $6.3 M conventional debt, $1.8 M DHCD and another $925K in energy subsidies, income from operations during construction and deferred development fee. These sources will pay for $6.3M acquisition, $10.6M construction, $1.4M professional fees & soft costs, $1.3M financing costs, $513K reserves and $2.4M developer fee.

During that first phase the specific activities the requested award will fund in part is site clearing and infrastructure work. These activities are required to build the new units followed by demolition of 69 units --- including Newtowne 20 units currently vacant and Newtowne 20/ Woodside units which will be vacated byhouseholds relocating to the new constructed units. We estimate $800,000 ($9,000/ unit demolitiion and the balance toward site/ infrastructure activity).

4. Provide the uses and sources of other funds that have been identified as part of the total project cost. Describe your financial and/or in-kind contributions to the project/program. Be sure you have uploaded supporting documentation with your application for each committed funding source in the previous form.

As referenced above the total development cost for the Newtowne 20 Redevelopment is projected at $57.5 million. Phase I of the multiple phase redevelopment is approximately $22.5 million.

Phase 2 construction will be proceeded by the demolition of 69 Newtowne and Woodside Gardens units. Construction will include 51 townhomes and apartments, the substantial rehabilitation of 62 Woodside units and the Community Center/ Transit Center. Phase 2 contemplates two transactions: 2A and 2B.

Phase 2A total development costs are $11.2M, and funding will include $9.6M tax credit equity (9%), $1.5M DHCD and $120K energy subsidies. These sources will pay for $7.7M construction, $1.2M professional fees & soft costs, $414K financing costs, $508K reserves and $1.3M developer fee.

Phase 2B total development costs are $11.2M and funding will include $2.6M tax credit equity (4%), $5.9M tax-exempt bonds, $1.1M DHCD, $300K County HOME funds and another $1.1M in energy subsidies, income from operations during construction and deferred development fee. These sources will pay for $5.1M land acquisition, $2.7M construction, $793K professional fees & soft costs, $935K financing costs, $435K reserves and $1.1M developer fee.

Phase 3 total development costs are $7.2M and will commence after demoliton of 36 apartments and construction will include 30 townhomes. Phase 3 funding will include $6M tax credit equity (9%), $1M DHCD, and another $77K in energy subsidies and deferred development fee. These sources will pay for $4.8M construction, $909K professional fees & soft costs, $310K financing costs, $318K reserves and $860K developer fee.

Phase 4 total development costs are $5.4M and will commence after demoliton of 55 Woodside Gardens apartments followered by construction of a 30-unit cottage senior village. Phase 4 funding will include $1.2M tax credit equity (4%), $1.9M tax-exempt bonds, $1.4M DHCD, $550K County HOME funds and and another $246K in energy subsidies, bond income and deferred development fee. These sources will pay for $991K land acquisition, $2.7M construction, $672K professional fees & soft costs, $320K financing costs, $175K reserves and $607K developer fee.

HACA is providing at least $ 200,000 in Replacement Housing Factor funds toward construction of the public housing units in Phase 2A.

5. Will you have all funds needed to complete the project/program if all requested funds are awarded? No

6. What is your strategy to secure the remaining funds necessary to complete the project/program if your award amount is less than requested? When would the necessary funding be secured?

Should the awarded amount be less than requested HACA would have to look to either the City of Annapolis for Capital Improvement Program funds or Anne Arundel County to source the gap. Funding from the former, if provided, would be limited to public infrastructure costs associated with the subject activity (it should be noted the City of Annapolis in the past has not funded any of HACA's redeveloped

properties). Such funding would have to be secured no later than the end of 2015.

7. Explain in detail how you propose to structure the repayment for those projects involving repayments. What are the projected revenues, expenses, and debt service on the project?

No repayment is proposed for the SDSGIF as long as the units remain affordable.

The phase immediately following demolition has first year projected gross revenue of $1.3 million and expenses (including replacement reserves) of $753,235. After payment of debt service $514,552, total cash flow is projected at $103,224 (that amount grows to $155,123 in year 15). In addition to the requiste investor and partnership asset management fees there is the amortization of a deferred development fee ($556,215) starting in year 1 and running thru year 6, resulting in no net cash flow thru year 5. It is not until year 6, that net cash flow is realized, at $69K and increasing to $141K in year 15.

Organizational Capacity - 20 points

PROJECT NAME: Newtowne 20 Redevelopment

1. Explain how your organization will administer and oversee the project/program.

   HACA will administer and provide oversight of the Newtowne 20 Redevelopment in general and the SDSGIF in particular. It is contemplated that HACA will implement the demolition of Newtowne 20 by procuring a contractor to perform those services. Of the work funded by SDSGIF for incidental infrastructure and site work HACA will delegate to the developer, The Hampstead Companies.

   Day-to-day oversight and inspection of the demolition and construction activity will be managed by HACA staff (see below, Mark Ford) . Administration of the grant will also be performed by HACA staff (see below Sean Griffin).

2. Provide names, titles, names of departments, etc., along with roles and responsibilities of project/program administrators.

   Vincent O. Leggett - Executive Director
   Executive leadership, policy direction, political outreach and support.

   Joseph Johnson - Deputy Executive Director
   Executive leadership and resource deployment

   Mark Ford - Capital Program Director
   Capital program administration

   Venus Bradford - Acting Director of Affordable Housing
   Rental housing administration

   Richard Walton - Finance Officer
   Finance and budget administration and support/

   Sean Griffin - Compliance Officer
   Compliance monitoring support and administration

   Heather Walker - Procurment Manager
   Contract procurement and administraton

   Wanda Stansbury - Pathways to Opportunities Program Director
   Resident services and program support

3. Who will be responsible for submitting the quarterly reports and payment requests if awarded funds?

   Mark Ford- Capital Program Director (primary responsibility) and Sean Griffn- Compliance Officer

(secondary responsibility).

4. Describe your organization's capacity and past experience in administering similar projects/awards successfully.

HACA has a history of administration and oversight of MD-DHCD programs. HACA applied for and administered a Community Legacy grant for the Obery Court/ College Creek Phase I and II developments. In addition HACA has been co-applicant/sponsor of the tax-exempt bond, low-income tax credit and the Rental Partnership Funding programs for Obery Court/ College Creek (see below) and the Annapolis Gardens redevelopments.

5. Has the applicant received any funding through DHCD programs in the past two years, such as Community Legacy, Community Development Block Grant, Strategic Demolition and Smart Growth Impact Fund, Community Investment Tax Credit, Maryland Affordable Housing Trust, etc.? Please provide a brief description of those project/program funded and indicate the amount of funds awarded.

In 2013, HACA with its development partner Pennrose was awarded for Obery Court/ College Creek Phase III, a 9% tax credit allocation in the amount of $7.85M, $2M in Rental Housing Funds and $1.2M in Partnership Rental Housing Program funds. Obery Court/ College Creek Phase III is 61 Units of affordabe housing consisting of 30 replacement public housing units, 10 Project-Based Voucher Units and 21 LIHTC units.

Although not in the past two years but in 2011, HACA in cooperation with the City of Annapolis was awarded $225,000 in Community Legacy funds for the demolition of College Creek Terrace.

6. How are you working collaboratively to achieve your economic, community, and housing development goals? Will you have government, public or private organization partners taking a role in implementing the project/program? List and describe the public/private entities with whom you are partnering. Include a letter of support from all major partners including a description of their role in the partnership. Letters of support may be uploaded at the "Upload Partner Support Letters, Photos, and Other Pertinent Documents" section of the application.

HACA has worked collaboratively with the executive and legislative branches of the CIty of Annapolis on all of its public housing redevelopments. HACA has worked particularly closely with the Department of Planning and Zoning- Division of Community Development. An integral partner for HACA in the Newtowne Redevelopment is The Hampstead Companies, our selected developer partner. Their role and responsibility will be the financing, construction and management of the redeveloped community. HACA intends to also work closely with the residents of Newtowne 20, in order for them to play a meaningful role in shaping the outcome of the redeveloped community. The residents are formally organized and represented by the Newtowne 20 Resident Council, which will be a member of the Executive Policy Committee, along with HACA and Hampstead. Morevover, we will be working with MD-DHCD's Community Development Administration for funding of LIHTC and tax-exempt bond financing. As the redevelopment process evolves we expect to establish a breadth of other business and community partnerships individually and collectively in the form of a Newtowne 20 Stakeholders Committee, in order to bring the Newtowne 20 redevelopment successfully to fruition.

7. Indicate your partner/s' roles, responsibilities, and percentage of the project they will carry out.

The Hampstead Companies shall be HACA's development partner and will be responsible for the overall redevelopment of the Newtowne 20/ Woodside ---planning, financing, construction and management. HACA will assume program policy authority and oversight as steward of a public asset and joint venture partner of Hampstead. Hampstead will be administering 70%-80% of the project which includes most of the master planning, financing and hard cost activities

8. Describe your partner/s' capacity and past experience in administering similar projects successfully.

Hampstead has directly executed complex multi-phased redevelopment efforts integrating new construction with the rehabilitation of existing buildings. It has a strong track record of developing master plans, assembling properties, obtaining land-use approvals, increasing energy efficiency, and receiving sequential allocations of public funds. The firm is able to use the creative skills of its in-house financing, architecture, legal, construction, and energy teams to approach projects that others tend to ignore or find too difficult to administer. Hampstead has managed the development process from concept to completion related to over 40 properties consisting of over 4,500 low-income rental units located in nine states and the District of Columbia. Hampstead has completed seven developments in Maryland, including the substantial rehabilitation of Woodside in 2002, and has three additional projects in the predevelopment or construction phase. It is familiar with nearly every type of federal, state, and local financing source available for housing development in Maryland, and has included many of these in its financial plan.

One specific example of this expertise is the coordinated, multi-phased redevelopment effort scattered over six blocks in the Poppleton area on the West Side of Baltimore.

Hampstead partnered with residents of the troubled HUD-assisted Poppleton Cooperative, who began to organize a decade ago for improved conditions in their homes and neighborhood. Phase I, known as Poppleton Place, involved the full renovation of 123 townhouse units and was completed in 2006. Phase II, now known as Vintage Gardens, involved demolishing a number of extremely distressed units and a "gut" rehabilitation of 86 townhouses, including community facilities, all incorporating energy- and water-efficient technologies. In addition, Hampstead assembled 28 properties in the immediate area, many of which were former Housing Authority units, and constructed 25 new townhouses and cottages. Phase II was completed in 2011.

The development also included making space and obtaining planning approvals for substantial infrastructure improvements, adjacent commercial development (now under construction) as well as accessible housing for special needs residents. The Poppleton effort included the creation of open landscaped community space and center, and the creation of a fund administered by the resident council to provide for extensive resident services. Hampstead recently began construction on Poppleton Phase III, which will add a new 30-unit energy-efficient building to the neighborhood.
Hampstead is also coordinating redevelopment in the West Ashley area of Charleston, South Carolina. Hampstead recently purchased Ashley Arms, a 100-unit a project-based Section 8 property and is under contract to purchase St. Andrews Gardens, a 336-unit property that was originally constructed with FHA mortgage insurance, but is now unrestricted. Hampstead plans to begin major renovations of both

properties in September 2014. St. Andrews will be divided into two properties: 228 units affordable housing and 100 market-rate units, a new community building with management and leasing offices, meeting room, resident laundry, fitness center, and outdoor pool.

Hampstead will devote the necessary staffing and financial resources to implement the redevelopment fully and expeditiously. Greg Maul, Managing Director of Agency Consulting, will lead the project and coordinate the efforts of other team members of Hampstead and third party firms. Other Hampstead professionals to be involved include: Art Balourdas and Mike Fraire, Principals of The Arcadia Group as architects; Wylie Allen, Hampstead General Counsel; Eric Torykian, Managing Director of Sustainable Technologies Group, providing energy efficiency engineering and financing. Chris Foster, President, will assist with general project oversight and strategy.

Impact Data

The chart below will be used to help assess the impact of your project. The impact will be a consideration in the review and ranking of your application. The information you provide should relate only to this project as anticipated upon its completion. We recognize that the following 27 questions will not apply to all projects. Please fill in as many as possible. If necessary, please provide an estimate if unknown.

PROJECT NAME: Newtowne 20 Redevelopment

NAICS Code: 925110, 531110

*For questions that include a text box, provide a brief explanation (and/or calculation) to describe/demonstrate how you arrived at the numerical value.	Numerical Value
1. "As is" tax value of property:	
Land $5.6M, Improvements $4.4M, Total $10M Property tax exempt	10010700
2. "As completed" tax value of property:	
Estimated $22.3 M based on new development/ construction cost replacement	22303536
3. Number of existing housing units that will be renovated:	62
4. Number of new housing units that will be created:	190
5. Number of new homeowners (each household equals 1 homeowner):	0
6. Percentage of Neighborhood Revitalization funds that will be repaid within 5 years:	0%
7. Number of existing clients to be served annually at the project location:	
The Newtowne 20 and Woodside redevelopment will result in the replacement of 78 public housing untis and 144 project-based Section 8 units.	222
8. Number of new clients to be served annually at the project location:	
In addition, 30 new Senior cottages will be constructed	30
9. Number of commercial facades that will be improved:	0
10. Number of linear feet of streetscape that will be added or improved:	2500
11. Number of linear feet of water/sewer lines that will be added or improved:	2500

Impact Data

12. Additional neighborhood investment that will result from this project over the next 3 years:	
Total Development Cost is $57.4 Million, assume a multiplier .5X of over 3 years translates to over $28 million	28700000
13. Annual increase in sales (for retail and commercial activities):	
30 additional HH with average HH incomes of $25,000, and disposable income of fifty percent translates to retail/commercial activity of $375,000	375000
14. Number of vacant/underutilized buildings that will be put back into operation:	16
15. Square footage of vacant/underutilized space that will be put back into operation:	14800
16. Length of time (in years) property referenced above has been vacant:	0
17. Number of blighted properties to be removed:	2
18. Increase in inventory of developable lots:	7
19. Number of direct permanent employees:	
Related to property management and services	7
20. Number of direct temporary employees:	
Construction related employment	127
21. Number of direct permanent Maryland resident employees:	
From above	7
22. Number of direct temporary Maryland resident employees:	
Construction related employement @ 75%	95
23. Annual wages/salaries of direct permanent employees:	
Assuming average $40,000 per	280000
24. Annual wages/salaries of direct temporary employees:	
Assuming $50,000 per	6350000

Impact Data

25. Annual project operating expenditures including wages/salaries:

Annual projected expenses based on year 7 over 15-yr period for each phase: Phase I $626K, Phase II $899K, Phase III $239K, Phase IV $235K	2000000
26. Visitor based activities	13
(a) Number of new annual day-trip patrons:	
Assuming 2 visitors per month for each of the 30 new HH	720
(b) Number of new annual overnight patrons:	
Assume 1/2 over-nite visitor per year for each 30 new HH	15
(c) Admission fee (per entry):	
27. For Community Impact activity of your project/program not addressed by the previous questions, provide a short description and numerical count (e.g. “50 Trees planted at $50 each,” 2500). Introduction of new transit center will provide enhanced service experience and result in reduction of 5% of HH vehicle day trips.	13

HOUSING AUTHORITY
of the City of Annapolis

We Are Going Somewhere

TAB 14

Homeownership

2015 - 2019

January 31, 2015

HACA
1217 Madison Street
Annapolis MD 21403

EQUAL HOUSING OPPORTUNITY

Housing Authority of the City of Annapolis
Administrative Plan
HCV Homeownership Program

Addendum to Section 8 Administrative Plan

The Housing Authority of the City of Annapolis (HACA) hereby establishes a Section 8 tenant-based homeownership option in Annapolis, MD, pursuant to the U.S. Department of Housing and Urban Development's (HUD) final rule dated October 12, 2000 and as amended, and Section 555 of the Quality Housing and Work Responsibility Act of 1998 under Section 8(y), Homeownership Option.

Participant Qualification
[24 CFR 982.626, 982.627]

Any Section 8 eligible applicant or program participant who has been issued a Section 8 housing choice voucher may utilize the subsidy to purchase rather than rent a home, subject to the following:

1) A family must meet the requirements for admission to or continued participation in the HACA Section 8 Tenant-Based Program.

2) The homeownership option will be included in all Briefing and Re-Housing classes as well as media and community announcements. Current Section 8 participants must be in compliance with their lease and program requirements and must terminate their current lease arrangement in compliance with the lease.

3) A family in which the head of household or co-head has previously received assistance and has defaulted on a mortgage obtained through the Homeownership Option is barred from participation.

4) Participant families must be any of the following: "first-time homeowners," in which no family member has any present ownership interest in a residence of any family member in the last three years; residents of limited equity cooperatives; or, a family of which a member is a person with disabilities, and use of the Homeownership Option is needed as a reasonable accommodation. (Title to a mobile home is not considered as homeownership for purposes of this option.)

5) Participants in the Section 8 Homeownership Option must attend and satisfactorily complete the pre-purchase homeownership counseling program and be deemed to be "mortgage ready" before a homeownership voucher will be issued. Participants are also required to attend and complete post-purchase, ongoing homeownership counseling. At a minimum, the counseling will cover the following:

- Home maintenance
- Budgeting and money management
- Credit counseling
- Negotiating the purchase price of a home
- Financing
- Locating the home
- De-concentration issues
- Family must only purchase a home that passes HQS inspection and has been satisfactory according the independent inspection

6. The head of household and/or co-head must be currently employed on a full-time basis (as defined by HUD to average 30 hours per week) and have been continuously so employed during the year before commencement of homeownership assistance. Families in which the head of household or co-head is disabled or elderly are exempted from this requirement. Families that include a person with disabilities may request an exemption as a reasonable accommodation.

7. The family's income must be equal to or exceed the HUD minimum income requirement, currently set at 2000 hours times the Federal minimum wage or $10,300. Welfare assistance will not be counted (used) in meeting the income requirement, except for households in which the head or co-head is elderly or disabled and for households that include a disabled person other than head or co-head. ("Welfare assistance" includes federal housing assistance or the housing component of a welfare grant; Jobs and Family Services 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.)

8. Participants must be currently enrolled or willing to enroll in the Family Self-Sufficiency (FSS) Program. Funds accumulated in the escrow account may be advanced for purchase of the home or home maintenance, subject to the guidelines of the FSS Program.

9. The HACA requires the applicant for the program to be a current participant of Section 8 and must have been in the program for at least one year, and be a participant in good standing.

Time Frame to Purchase a Home
[24 CFR 982.626(b), CFR 982.629(a)]

An applicant will have a maximum of 90 days from the date of issuance of a homeownership voucher to find a home and enter into a Purchase Agreement.

If an applicant is unable to enter into a Purchase Agreement before the end of the initial 90-day period, the applicant will be provided an extension of 90 days to either enter into a Contract of Sale or utilize the voucher to rent a unit.

Any additional extension will be at the discretion of the HACA Homeownership Coordinator and Housing Choice Voucher Program Manager.

Portability
[24 CFR 982.636]

Families determined eligible for homeownership assistance may exercise the Homeownership Option outside of HACA's jurisdiction if the receiving public housing authority is administering a Section 8 voucher homeownership program and is accepting new families into its program.

Permitted Ownership Arrangements

The Homeownership Option may be utilized for three types of housing:

1) A single-family unit owned by the family, where one or more family members hold title to the home, or a home previously occupied under a lease-purchase agreement. Such unit may be a single family home, half of a duplex, or single unit within a condominium or multi-plex.

2) A cooperative unit, where one or more family members hold membership shares in the cooperative.

3) A manufactured home on a permanent foundation that the family owns the land in which the home sits in fee simple or if the family does not own the land which the home sits, but has the right to occupy the land for at least thirty years.

Contract of Sale and Home Inspections
[24 CFR 982.631]

Participants in the Homeownership Option Program must initially complete a Purchase Agreement with the owner of the property to be purchased.

The Purchase Agreement must include the seller's certification that the seller(s) has not been debarred, suspended, or subject to a limited denial of participation under any federal contract in accordance with 24 CFR part 24.

The Purchase Agreement must include the home's price and other terms of sale, the HACA pre-purchase HQS inspection requirements (including a provision that the participant will arrange for a pre-purchase inspection of the unit as set forth below), a provision that the

participant is not obligated to purchase the unit unless the inspection is satisfactory to the purchaser, and an agreement that the purchaser is not obligated to pay for any necessary repairs.

The participant must obtain an independent professional home inspection of the unit's major systems at the participant's expense. A member of the American Society of Home Inspectors (ASHI) or a regular member of the National Association of Home Inspectors (NAHI) must conduct the independent inspection. In all cases 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. The inspector must provide a copy of the inspection report both to the family and to HACA.

HACA will conduct a Housing Quality Standards (HQS) inspection and will review the independent professional inspection of the unit's major systems. HACA retains the right to disqualify the unit for inclusion in the Homeownership Option based on either the HQS inspection or the independent professional inspection report.

Financing
[24 CFR 982.632]

Mortgage instruments must meet at least one of the following criteria:

The household is solely responsible for obtaining financing. All loans must meet FHA, or acceptable terms by Fannie Mae, Freddie Mac, reputable secondary markets, or acceptable mortgage insurance credit underwriting requirements. HACA will review lender qualifications, loan terms, and other family debt and expenses to determine that the debt is affordable and reserves the right to disapprove the loan if it is unaffordable or the terms are considered predatory.

HACA requires a minimum down payment of 3 percent (3%) of the purchase price; two percent (2%) of the purchase price will come from the family's personal resources; 1 percent (1%) may be derived from grants or other sources of assistance. HACA will consider waiving or reducing the family contribution in cases where the family is using down payment assistance grants that will cover all down-payment cost. Waivers will be granted on a case-by-case basis at the discretion of the Homeownership Coordinator and Housing Choice Voucher Manager.

HACA will prohibit the following forms of financing:

- Balloon payment mortgages
- Variable interest rate loans
- Seller financing, EXCEPT in cases where the seller is a non-profit organization, AND the purchase price can be supported by an independent appraisal.

Additionally, HACA will not, under any circumstance, provide subsidy assistance for more than the appraised value of the property.

In the event of an appeal, the Housing Choice Voucher Manager will appoint a review panel.

Length and Continuation of Assistance
[24 CFR 982.634]

Section 8 assistance will only be provided for the months the family is in residence in the home. The maximum term a family may receive homeownership assistance is fifteen years if the initial mortgage incurred to finance purchase of the home is 20 years or longer. In all other cases, the maximum term of assistance is ten years.

Elderly families that qualify as such at the start of homeownership assistance and disabled families that qualify as such at any time during receipt of homeownership assistance are exempt from this time limit. If an elderly or disabled family ceases to qualify as such during the course of homeownership assistance, the maximum term applies from the date the assistance commenced, except that the family will be provided at least 6 months of assistance after the maximum term becomes applicable.

Family Obligations
[24 CFR 982.633]

In addition to completing the pre- and post-purchase homeownership counseling program, the family must execute a statement of family obligations prior to the issuance of the homeownership voucher, agreeing to comply with all family obligations under the Homeownership Option, including:

1) The family must comply with the terms of any mortgage securing debt incurred to purchase the home or any refinancing of such debt.

2) A home equity loan may not be acquired without the prior written consent of HACA.

3) The family must provide required information regarding income and family composition in order to calculate correctly total tenant payment and homeownership assistance, consistent with Section 8 requirements and any other information requested by HACA concerning financing, the transfer of any interest in the home, or the family's homeownership expenses.

4) While receiving homeownership assistance, the family must notify HACA, within 30 days, if the family defaults on the mortgage.

5) While receiving homeownership assistance, the family must notify HACA before the family moves out of the home.

6) The family must, at annual reexamination, provide documentation that the family is current on mortgage, insurance and utility payments.

7) While receiving homeownership assistance, no family member may have any ownership interest in any other residential property.

Assistance Payment
[24 CFR 982.635]

The HACA may provide upon approval by HUD, one of two types of homeownership assistance paid directly to the lender on behalf of the family.

1. A monthly homeownership assistance payment

The family's Section 8 monthly housing assistance payment will be the lower of (1) the Section 8 voucher payment standard minus the Total Tenant Payment or (2) the family's monthly homeowner expenses minus the Total Tenant Payment.

Homeownership expenses include principal and interest on mortgage debt, refinancing charges of mortgage debt, mortgage insurance premiums, real estate taxes and public assessments, home insurance, allowance for maintenance expenses, allowance for major repairs and replacements based on allowance recommended by HACA's designees, a utility allowance, and principal and interest on mortgage debt incurred to finance costs for major repairs, replacements or improvements for the home (including expense of reasonable accommodation).

If a family's income increases to a level that they are no longer eligible to 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.

2. A single downpayment assistance grant

If approved by HUD and the family chooses to take the single downpayment assistance grant, they will not be eligible for the monthly payment from HACA.

To be eligible to receive the downpayment assistance grant, the family must meet all eligibility requirements for the homeownership option and must have been receiving tenant based rental assistance for a one-year period prior to receiving the downpayment grant.

The maximum downpayment grant "may not exceed the amount that is equal to the sum of the assistance payments that would be made during the first year of assistance on behalf of the family, based on the income of the family at the time the grant is made." The amount paid

by HACA on behalf of the family will not exceed twelve (12) monthly payments which would be the payment standard minus the TTP times 12 months. Homeownership expenses will not be considered in making the determination. The downpayment assistance grant will be paid at the time of closing on a home and must be applied toward the purchase price of the home. The HACA will not implement the provisions on downpayment assistance until HUD provides the necessary funding and authorization to implement.

Lease-to-Purchase

Lease-to-Purchase agreements are considered rental property and subject to the Section 8 tenant-based assistance rules. All regulations of the Homeownership Program will become effective at the time that the family exercises the option to use a homeownership voucher.

Default

If the family defaults on the home mortgage loan, the participant will not be able to use the Homeownership Voucher for rental housing but may reapply for the Section 8 waiting list.

Recapture
[24 CFR 982.640]

HACA will comply with CFR 982.640 in recapturing a percentage of the homeownership assistance provided to the family upon sale or refinancing of the home.

HACA will not recapture the Homeownership Voucher payments unless there was an act of fraud or misrepresentation of a material fact in order to obtain a benefit. The HCV Homeownership recapture provision does not apply to any other program funds that may be used in the transaction.

The buyer shall agree to maintain residence for ten (10) years after purchase of the property. If at any time the family is receiving homeownership assistance, the family may not sell or transfer any interest in the home to any entity or person other than a member of the assisted family residing in the home.

Denial or Termination of Assistance
[24 CFR 982.638]

HACA reserves the right to deny or terminate assistance for the family, and will deny voucher rental assistance for the family, in accordance with HUD regulations governing any failure to comply with family obligations, mortgage default or failure to demonstrate that the family has conveyed title to the home as required, or the family has moved from the home within the period established or approved.

Informal Hearings
[24 CFR 982.555]

An informal hearing will be provided for participants who are being terminated from the Program because of the family's action or failure to act as provided in 24 CFR 982.552. The rules and procedures set forth in the Section 8 Administrative Plan, entitled "Informal Hearings," will apply.

HOUSING AUTHORITY of the City of Annapolis

We Are Going Somewhere

TAB 15

Capital Improvements

2015 - 2019

HACA
1217 Madison Street
Annapolis MD 21403

January 31, 2015

EQUAL HOUSING OPPORTUNITY

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

CAPITAL IMPROVEMENT PROJECTS

Morris H. Blum Senior Apartments	Repaired 8th floor deck
Harbour House Community Center	Install CCTV security cameras in Harbour House
Morris H. Blum Senior Apartments	Install CCTV security cameras
Harbour House	Installed New Smoke and Fire Detectors and Monitor Panels In each Building Hallway
Harbour House	Painted Hallways
Morris H. Blum Senior Apartments	Installed Solar Panels
Harbour House	Installed Solar Panels
Agency-Wide	Conducted Physical Needs Assessment
Agency-Wide	Conducted Energy Audit
Agency-Wide	Turned over 31 Units under Contract Services (formerly MOD units.)

HOUSING AUTHORITY of the City of Annapolis

We Are Going Somewhere

TAB 16

Capital Fund Program Annual Statement/Performance and Evaluation Report

2015 - 2019

HACA
1217 Madison Street
Annapolis MD 21403

January 31, 2015

EQUAL HOUSING OPPORTUNITY

Annual Statement / Performance and Evaluation Report
Capital Fund Program, Capital Fund Projgram Replacement Housing Factor and
Captial Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/2011

Part I: Summary

PHA Name:	**Grant Type and Number**	**FFY of Grant:**
	Capital Fund Program Grant No: MD06P00150115	**2015**
Housing Authority of the City of Annapolis	Date of CFFP: _____	**FFY of Grant Approval:**

Type of Grant

[X] Original Annual Statement [ ] Reserve for Disasters/Emergencies [ ] Revised Annual Statement (Revision no: ___)
[ ] Performance and Evaluation Report for the Period Ending: [ ] Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost[1]	
		Original	Revised[2]	Obligated	Expended
1	Total Non-CGP Funds				
2	1406 Operations (may not exceed 20% of line 20) [3]	200,000.00	0.00	0.00	0.00
3	1408 Management Improvements	120,000.00	0.00	0.00	0.00
4	1410 Administration (may not exceed 10% of line 20)	40,000.00	0.00	0.00	0.00
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	30,000.00	0.00	0.00	0.00
8	1440 Site Acquisition				
9	1450 Site Improvement	141,000.00	0.00	0.00	0.00
10	1460 Dwelling Structures	234,095.00	0.00	0.00	0.00
11	1465.1 Dwelling Equipment - Non-expendable	50,000.00	0.00	0.00	0.00
12	1470 Non-dwelling Structures	0.00	0.00	0.00	0.00
13	1475 Non-dwelling Equipment	29,401.00	0.00	0.00	0.00
14	1485 Demolition	0.00	0.00	0.00	0.00
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities [4]				
18a	1501 Collaterization or Debt Service Paid by the PHA	406,845.00	0.00	0.00	0.00
18b	9000 Collateralization of Debt Service Paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of Line 20)				
20	**Amount of Annual Grant (Sum of lines 2 - 19)**	1,251,341.00	0.00	0.00	0.00
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Compliance				
23	Amount of line 20 Related to Security - Soft Costs	0.00	0.00		
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				

Signature of Exectutive 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.

form **HUD-50075.1** (4/2008)

Part II: Supporting Pages

PHA Name:	**Grant Type and Number**	**Federal FFY of Grant: 2015**
Housing Authority of the City of Annapolis	Capital Fund Program Grant No: CFFP (Yes/No): Replacement Housing Factor Grant No:	

Development Number/Name PHA-Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated [2]	Funds Expended [2]	
PHA Wide	Operations	**1406**		200,000.00				
Mgmt.								
Improv.	Neighborhood Security	**1408**						
	Security Coordinator	**1408**		50,000.00				
	Staff Training	**1408**		20,000.00				
	Program Administrator	**1408**		40,000.00				
	Grant Writer	**1408**		10,000.00				
Salaries	Administration	**1410**		40,000.00				
A & E Fees	Fees and Costs	**1430**		30,000.00				

[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, Capital Fund Projgram Replacement Housing Factor and
Captial Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/2011

Part II: Supporting Pages

PHA Name:	**Grant Type and Number**	**Federal FFY of Grant: 2015**
Housing Authority of the City of Annapolis	Capital Fund Program Grant No: CFFP (Yes/No): Replacement Housing Factor Grant No:	

Development Number/Name PHA-Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated [2]	Funds Expended [2]	
	Site Improvement	**1450**		141,000.00				
PHA Wide	- Sidewalks, railings, hallways, trees & shrubs							
Morris H. Blum	Dwelling Structures							
	Replacement of Elevators	**1460**		100,000.00				
PHA Wide	Dwelling Structures	**1460**		124,095.00				
	- Vacancy Reduction							
PHA Wide	- Interior Painting	**1460**		10,000.00				
PHA Wide	Dwelling Equipment	**1465**		50,000.00				
	- Refrig / Ranges / Hot Water Heaters							
PHA Wide	Non-Dwelling Equipment	**1475**		29,401.00				
	- Vehicle, IT Hardware							
PHA Wide	Debt Service	**1501**		406,845.00				

[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

form **HUD-50075.1** (4/2008)

HOUSING AUTHORITY of the City of Annapolis

We Are Going Somewhere

TAB 17

Capital Fund Program Five-Year Action Plan/ Capital Fund Financing Program

2015 - 2019

HACA
1217 Madison Street
Annapolis MD 21403

January 31, 2015

EQUAL HOUSING OPPORTUNITY

2015 - 5 Year Capital Fund Plan

	2015	2016	2017	2018	2019
Original Budget Amount	1,251,341.00	1,251,341.00	1,251,341.00	1,251,341.00	1,251,341.00
1406 Operating	200,000.00	180,000.00	190,000.00	200,000.00	200,000.00
1408 Management Improvements					
Training & Development	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00
Security Officer	50,000.00	40,000.00	40,000.00	40,000.00	40,000.00
Neighborhood Security Program Administrator	40,000.00	45,000.00	40,000.00	45,000.00	45,000.00
Grant Writer	10,000.00			10,000.00	
PNA & Energy Audit			40,000.00		
1410 Administration	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00
1430 A&E Fees and Costs	30,000.00	30,000.00	30,000.00	40,000.00	40,000.00
1450 Site Improvement					
PHA Wide - Fencing, Sidewalks, Parking Lots, Railings, Hallways, Trees & Shrubs, Waste Water Pipes	141,000.00	150,000.00	137,176.00	150,000.00	150,000.00
1460 Dwelling Structures					
PHA Wide - Vacancy Reduction	124,095.00	124,095.00	124,095.00	144,095.00	154,095.00
PHA Wide - Interior Painting	10,000.00	60,000.00	60,000.00	60,000.00	60,000.00
Eastport / Harbour House -					
Exterior paintng ngs / Porches: see site improvement)			30,000.00		
Morris H Blum					
Elevator Replacement	100,000.00				
Roof Patching		35,000.00			
1465 Dwelling Equipment					
Refrig, Ranges, Hot Water Heaters	50,000.00	50,000.00	40,000.00	41,781.00	42,223.00
1475 Non-Dwelling Equipment					
HH/EPT Rec Heating & Air		19,000.00			
Vehicles, IT Hardware	29,401.00	49,552.00	50,000.00	50,000.00	50,000.00
1501 Debt Service	406,845.00	408,694.00	410,070.00	410,465.00	410,023.00
Remaining Balance	-	-	-	-	-
Debt Service Percentage	33%	33%	33%	33%	33%
Soft Cost Percentage	29%	26%	30%	28%	28%
Hard Cost Percentage	39%	41%	38%	39%	40%

Capital Fund Program - Five-Year Action Plan

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Expires 4/30/2011

Part I: Summary

PHA Name/Number: **Housing Authority of the City of Annapolis - MD001**

Locality: (City/County & State) **Annapolis/Anne Arundel/Maryland**

[x] Original 5-Year Plan [ ] Revision No.: _____

A. Development Number/Name	Work Statement for Year 1 FFY 2015	Work Statement for Year 2 FFY 2016	Work Statement for Year 3 FFY 2017	Work Statement for Year 4 FFY 2018	Work Statement for Year 5 FFY 2018
MD 1-2, Eastport Terrace	See Annual Statement	$0	$30,000	$0	$0
MD 1-6, Harbour House		$0	$0	$0	$0
MD 1-7, Robinwood		$0	$0	$0	$0
MD 1-8, Newtowne Twenty		$0	$0	$0	$0
MD 1-9, Morris H. Blum		$35,000	$0	$0	$0
MD 1-15, Bloomsbury Square		$0	$0	$0	$0
Agency Wide Physical Improvements		$334,095	$321,271	$354,095	$364,095
B. Physical Improvements Subtotal		$369,095	$351,271	$354,095	$364,095
C. Management Improvements (1408)		$105,000	$140,000	$115,000	$105,000
D. HA - Wide Nondwelling Structures and Equipment (1465/1475)		$118,552	$90,000	$91,781	$92,223
E. Administration (1410)		$40,000	$40,000	$40,000	$40,000
F. Other (1430,1495, 1502)		$30,000	$30,000	$40,000	$40,000
G. Operations		$180,000	$190,000	$200,000	$200,000
H. Demolition		$0	$0	$0	$0
I. Development		$0	$0	$0	$0
J. Captial Fund Financing - Debt Service		$408,694	$410,070	$410,465	$410,023
K. Total CFP Funds		**$1,251,341**	**$1,251,341**	**$1,251,341**	**$1,251,341**
L. Total Non-CFP Funds		$0	$0	$0	$0
M. Grand Total		**$1,251,341**	**$1,251,341**	**$1,251,341**	**$1,251,341**

Part II: Supporting Pages - Physical Needs Work Statement(s)

Work Statement for Year 1 FFY 2015	Work Statement for Year 2 FFY 2016			Work Statement for Year 3 FFY 2017		
	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 Statement						
	MD 1-9, Morris H. Blum			**MD 1-2, Eastport Terrace**		
	Dwelling Structures			Dwelling Structures		
	- Roof Patching and Repair	154 DU	$35,000	-Exterior Painting	84	$30,000
	Total: MD 1-9		**$35,000**	**Total: MD 1-2**		**$30,000**
	PHA Wide			**PHA Wide**		
	Site Improvement			Site Improvement		
	- Sidewalks, Trees, Curbing, Retaining walls, Erosion Control		$150,000	- Sidewalks, Trees, Curbing, Retaining walls, Erosion Control		$137,176
	Dwelling Structure			Dwelling Structure		
	- Interior Painting		$60,000	- Interior Painting		$60,000
	- Vacancy Reduction		$124,095	- Vacancy Reduction		$124,095
	Total: PHA Wide		**$334,095**	**Total: PHA Wide**		**$321,271**
	Operations			**Operations**		
	-Operations	LS	$180,000	-Operations	LS	$190,000
	Total for Account 1406		**$180,000**	**Total for Account 1406**		**$190,000**
	Administration			**Administration**		
	-Administration	LS	$40,000	-Administration	LS	$40,000
	Total for Account 1410		**$40,000**	**Total for Account 1410**		**$40,000**
	Fees and Costs			**Fees and Costs**		
	-Architectual & Engineering Fees	10%	$30,000	-Architectual & Engineering Fees	10%	$30,000
	Total for Account 1430		**$30,000**	**Total for Account 1430**		**$30,000**
	Dwelling Equipment - Nonexpendable			**Dwelling Equipment - Nonexpendable**		
	-Stoves and Refrigerators	LS	$50,000	-Stoves and Refrigerators	LS	$40,000
	Total for Account 1465.1		**$50,000**	**Total for Account 1465.1**		**$40,000**
	Non-Dwelling Equipment			**Non-Dwelling Equipment**		
	- HH/EPT Rec Ctr Heating / Air Conditioning	LS	$19,000			
	=Computers, Office Equipment, Vehicles, Maint Equip	LS	$49,552	=Computers, Office Equipment, Vehicles, Maint Equip	LS	$50,000
	Total for Account 1475		**$68,552**	**Total for Account 1475**		**$50,000**
	Debt Service			**Debt Service**		
	=Debt Repayment	LS	$408,694	=Debt Repayment	LS	$410,070
	Total for Account 1501		**$408,694**	**Total for Account 1501**		**$410,070**
	Subtotal of Estimated Cost		$1,146,341	Subtotal of Estimated Cost		#REF!

Part II: Supporting Pages - Physical Needs Work Statement(s)

Work Statement for Year 1 FFY 2015	Work Statement for Year 4 FFY 2018			Work Statement for Year 5 FFY 2019		
	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 Statement						
	PHA Wide			**PHA Wide**		
	Site Improvement			Site Improvement		
	- Sidewalks, Trees, Curbing, Retaining walls, Erosion Control		$150,000	- Sidewalks, Trees, Curbing, Retaining walls, Erosion Control		$150,000
	PHA Wide					
	Dwelling Structure					
	- Interior Painting		$60,000	- Interior Painting		$60,000
	- Vacancy Reduction		$144,095	- Vacancy Reduction		$154,095
	Total: PHA Wide		**$354,095**	**Total: PHA Wide**		**$364,095**
	Operations			**Operations**		
	-Operations	LS	$200,000	-Operations	LS	$200,000
	Total for Account 1406		**$200,000**	**Total for Account 1406**		**$200,000**
	Administration			**Administration**		
	-Administration	LS	$40,000	-Administration	LS	$40,000
	Total for Account 1410		**$40,000**	**Total for Account 1410**		**$40,000**
	Fees and Costs			**Fees and Costs**		
	-Architectual & Engineering Fees	10%	$40,000	-Architectual & Engineering Fees	10%	$40,000
	Total for Account 1430		**$40,000**	**Total for Account 1430**		**$40,000**
	Dwelling Equipment - Nonexpendable			**Dwelling Equipment - Nonexpendable**		
	-Stoves and Refrigerators	LS	$41,781	-Stoves and Refrigerators	LS	$42,223
	Total for Account 1465.1		**$41,781**	**Total for Account 1465.1**		**$42,223**
	Non-Dwelling Equipment			**Non-Dwelling Equipment**		
	=Computers, Office Equipment, Vehicles, Maint Equip	LS	$50,000	=Computers, Office Equipment, Vehicles, Maint Equip	LS	$50,000
	Total for Account 1475		**$50,000**	**Total for Account 1475**		**$50,000**
	Debt Service			**Debt Service**		
	=Debt Repayment	LS	$410,465	=Debt Repayment	LS	$410,023
	Total for Account 1501		**$410,465**	**Total for Account 1501**		**$410,023**
	Subtotal of Estimated Cost		$1,136,341	Subtotal of Estimated Cost		$1,146,341

Part III: Supporting Pages - Management Needs Work Statement(s)

Work Statement for Year 1 FFY 2015	**Work Statement for Year 2 FFY 2016**			**Work Statement for Year 3 FFY 2017**		
	General Description of Major Work Categories	Quantity	Estimated Cost	General Description of Major Work Categories	Quantity	Estimated Cost
See Annual Statement	**Management Improvements**			**Management Improvements**		
	-Staff and Resident Training	LS	$20,000	-Staff and Resident Training	LS	$20,000
	-Program Administrators	LS	$45,000	-Program Administrators	LS	$40,000
	-Security Coordinator	LS	$40,000	-Security Coordinator	LS	$40,000
				-Physical Needs Assessment	LS	$40,000
	Total for Account 1408		**$105,000**	**Total for Account 1408**		**$140,000**
	Subtotal of Estimated Cost		$105,000	Subtotal of Estimated Cost		$140,000

Capital Fund Program - Five-Year Action Plan

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Expires 4/30/2011

Part III: Supporting Pages - Management Needs Work Statement(s)

Work Statement for Year 1 FFY 2015	**Work Statement for Year 4 FFY 2018**			**Work Statement for Year 5 FFY 2019**		
	General Description of Major Work Categories	Quantity	Estimated Cost	General Description of Major Work Categories	Quantity	Estimated Cost
See Annual Statement	**Management Improvements**			**Management Improvements**		
	-Staff and Resident Training	LS	$20,000	-Staff and Resident Training	LS	$20,000
	-Program Administrators	LS	$45,000	-Program Administrators	LS	$45,000
	-Security Coordinator	LS	$40,000	-Security Coordinator	LS	$40,000
	-Grant Writer	LS	$10,000	-Grant Writer	LS	
	Total for Account 1408		**$115,000**	**Total for Account 1408**		**$105,000**
	Subtotal of Estimated Cost		$0	Subtotal of Estimated Cost		$0

HOUSING AUTHORITY of the City of Annapolis

We Are Going Somewhere

TAB 18

Housing Needs

2015 - 2019

HACA
1217 Madison Street
Annapolis MD 21403

January 31, 2015

EQUAL HOUSING OPPORTUNITY

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS

STRATEGY OF HOUSING NEEDS

Executive Summary

The Quality Housing and Work Responsibility Act of 1998 (QHWRA) requires that Authorities provide a statement of the housing needs of the low-income, very-low income, and extremely low-income families (including elderly families and families with disabilities) in the jurisdiction served by the Housing Authority of the City of Annapolis. An analysis of the Authority's Waiting List is also required.

The QHWRA requires that the housing needs in this Agency Plan be consistent with the housing needs defined in the Consolidated Plan. This Assessment of Housing Needs contains:

- Executive Summary;
- A brief overview of Annapolis and Anne Arundel County;
- Summary of the Housing Needs Identified in the City of Annapolis Consolidated Plan;
- Resident demographics for the Housing Authority of the City of Annapolis;
- Applicant demographics from the Housing Authority of the City of Annapolis waiting List;
- Housing Needs of Families in Jurisdiction;
- Assessment of Housing Needs Conclusion; and
- Strategy for Addressing Housing Needs.

City of Annapolis and the County of Anne Arundel Overview

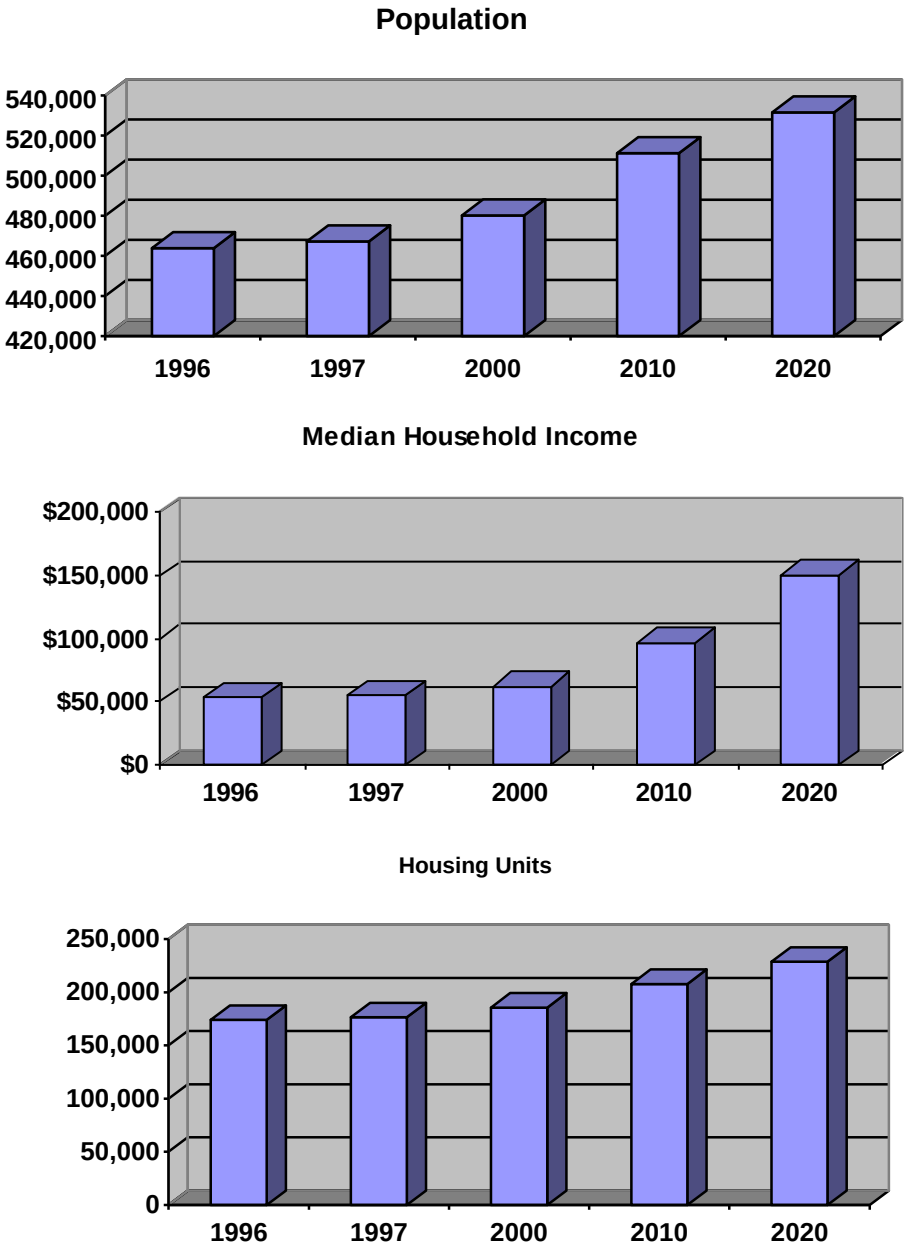
Annapolis is located on the Chesapeake Bay in Anne Arundel County, Maryland, which lies about 30 miles east of Washington, D.C. Annapolis, the State Capital of Maryland, is a cosmopolitan city with a small town atmosphere where residents enjoy vacation living year round. Known as "America's Sailing Capital", you are never far from boats or water in Annapolis or Anne Arundel County.

In 1997, the civilian labor force of Anne Arundel County consisted of 234,634 people, of which 3.96% were unemployed. The per capita personal income in 1997 was $25,561. There are over 11,042 businesses in the county; an estimated 215 of these businesses have 100 or more employees. Major private sector employers include Northrop Grumman, US Airways, North

Arundel Health System, and Anne Arundel Health System. Also, Federal, State, and Local Governments employ approximately 30,000 people.

The Anne Arundel Public School system makes up the fifth largest school system in Maryland and the 47th largest in the Nation. Annapolis is also home to the United States Naval Academy.

Anne Arundel County Major Statistics 1996-2020



Source: Anne Arundel Economic Development Corporation

MODERNIZATION OF AUTHORITY OWNED PROPERTIES

HACA has redeveloped and entered into Private Management Contracts for 4 of its 10 Developments. Annapolis Gardens was a redevelopment for 150 units was successfully completed in 2011. Phase I and II Redevelopment of Obery Court is complete for a total of 123 units. Bloomsbury Square which is owned and managed by HACA was redeveloped 2003-2004. All redevelopment projects are 100% occupied.

Summary of the Housing Needs Identified in the City of Annapolis Consolidated Plan

Housing Market Conditions in the City of Annapolis

Annapolis has a stable population and a sound housing stock. Unfortunately, the City's size prevents it from having the economic influence of a central city. However, some consider Annapolis a microcosm of larger cities because it has:

- a clearly identified urban core;
- a large number of subsidized housing projects;
- an increasing Hispanic population;
- an increasing homeless population;
- a large number of very low and high income families;
- a day-time population that exceeds the night or permanent population; and
- an economy that is becoming more dependent on tourist dollars.

Annapolis has an even mix of stable owner occupied neighborhoods and areas dominated by rental units. Because Annapolis did lose some of its employment base during the 1980's, the City felt the effect of the economic slowdown more than other parts of Anne Arundel County. Apartment complexes that had waiting lists in 1990 started offering incentives to potential renters in 1991 which continue today. Also, Annapolis has seasonal population influxes from the State Legislature, the Naval Academy, tourists, and seasonal property owners which add to a higher than average vacancy rate.

The bulk of construction activity over the last ten years was in attached housing; townhomes, condominiums and garden apartments. The layout of many of these units was designed for professional couples without children. Many of the existing single family units were expanded and a large number of starter homes were transformed into luxury units. These trends lead to a reduction in affordable units.

Annapolis has taken steps to minimize the impacts of these development trends. In the area of new rental units, requests have been made to set aside below market rate units. Unfortunately,

the reduction allowed still does not put these units in the affordable range for low income families.

Two programs designed to protect the City's heritage have also contributed to the high cost of housing in the area. First, the Historic District Commission has heightened the City's appreciation of the historic structures, but the restrictions placed on renovations have raised the cost of maintaining a home in the Historic District. Second, efforts to preserve vistas and the character of the shoreline resulted in restrictions on building heights. This limits the overall density of the City.

The bulk of the rental housing stock was constructed before 1970. But, because the City requires all rental units to be licensed and inspected on an annual basis, most of the 8,000 rental units are in relatively good repair.

Housing Needs of Low, Very Low and Extremely Low Income Families

In 1997, the Anne Arundel County Economic Development Corporation reported there were 7,306 households living below the poverty line within the county. For these households, rent takes up a large portion of their income. The chart below lists the Average Area Median Income for the low, very low and extremely low-income families for Anne Arundel County.

County	**Average Area Median Income**	**Income Limits**					
		Person(s)					
Anne Arundel	$60,600	**1**	**2**	**3**	**4**	**5**	**6**
30% AMI	$18,200	$12,650	$14,450	$16,300	$18,100	$19,550	$21,000
50% AMI	$30,300	$21,100	$24,100	$27,150	$30,150	$32,550	$34,950
80% AMI	$48,480	$33,450	$38,250	$43,000	$47,800	$51,600	$55,450

High vacancy rates have reduced the sale price of many units and some rents. Low interest rates for mortgages have increased the supply of affordable housing for first-time homebuyers who have qualifying incomes, a saved down payment, and the initiative to become a homeowner. Given these changes, the City is moving more cautiously into the development of new units and is focusing its' energies on activities that rehabilitate the existing housing stock and revitalize its neighborhoods. Low attendance at housing affordability meetings for low-income households indicates that great community outreach is required. Little interest from qualified low-income households in available affordable units indicates that there is a fear of long-term commitment. In some neighborhoods, potential homebuyers site safety as their primary deterrent from purchasing an otherwise affordable unit. All of these factors must be taken into consideration when developing a plan to create affordable housing in the area.

Needs of the Homeless in Anne Arundel County

The City of Annapolis' homeless population is included in the Anne Arundel County's estimates. The homeless service program of the Maryland Department of Human Resources reported that there were 1,139 individuals seeking shelter through certified providers in Anne Arundel County in 1989. The demographic profile of these individuals seems to be shifting from older single males to younger women with children. Surveys taken also show the increase in younger individuals and healthier individuals with jobs. These facts show the need for smaller affordable units and single room occupancy dwellings which include studio and efficiency apartments as well as boarding houses or guest houses.

Barriers to Affordable Housing and Fair Housing Choice

There is a very interesting trend that has developed in the housing market for low income families in Annapolis. While the median household income has risen almost 30% since 1990, the average price for a single family home has risen by approximately 10%. This should be a good situation for low income families in Annapolis, but it is not. The shift to build smaller, more luxurious homes to suit professional couples has cut into the available housing stock affordable to low income families.

Housing Authority of the City of Annapolis

Resident Demographics

Category	AMP 2 EP.HH	AMP 4 RW	AMP 5 NT	AMP 6 MHB	AMP 7 BS	TOTAL
Average						
Age (HH)	43	42	44	65	59	50.6
Family Size	2	3	3	1	2	2.2
Income	13,456	17,171	14,079	13,870	21,809	16,077
Rent	193	238	284	283	311	261.8
Income Source						
Employment	146	77	25	21	23	
TANF	32	17	6	2	0	
SSI	85	31	18	54	9	
Pension	12	5	1	23	8	
SS	83	30	15	98	28	
General Assistance	225	92	38	60	16	
No. of HH by BR Size						
1				85		
2	88			55	14	
3	221			6	18	
4	27	122	58		19	
5	9	21				
TOTAL	345	147	58	146	51	

Housing Authority of the City of Annapolis Applicant Demographics

HOUSING NEEDS OF FAMILIES ON THE WAITING LIST			
Waiting List type: (select one) ☐ Section 8 tenant-based assistance ☒ Public Housing (Family) ☐ Combined Section 8 and Public Housing ☐ Public Housing Site-Based or sub-jurisdictional waiting list (optional) If used, identify which development/subjurisdiction:			
	# of families	% of total families	Annual Turnover
Waiting List total	1051		
Extremely low income <=30% AMI	634	60.3%	
Very low income (>30% but <=50% AMI)	104	9.9%	
Low income (>50% but <80% AMI	18	1.7%	
Families with children	574*	54.6%	
Elderly Families	0	0.0%	
Families with Disabilities	109*	10.4%	
Black	911*	86.7%	
White	82*	7.8%	
Hispanic	21*	2.0%	
American Indian	6**	0.6%	
Asian	0**	0.0%	
Characteristics by Bedroom Size (Public Housing Only)			
0 BR	810	77%	
1 BR	56	5%	
2 BR	103	10%	
3 BR	70	1.0%	
4 BR	12	7%	
5+ BR	0	0.0%	

Is the waiting list closed? ____ No _X__ Yes
If yes:
How long has it been closed (# of months)? ___
Does the PHA expect to reopen the list in the PHA Plan year? ___ No ___ Yes
Does the PHA permit specific categories of families onto the waiting list, even if generally closed? ___No ___ Yes

Annual Turnover represents the number of vacancies per year.

* Some families may be disabled families (e.g. disabled head of household) AND families with children

** Individuals may self-identify more than one race and/or ethnicity

HOUSING NEEDS OF FAMILIES ON THE WAITING LIST			
Waiting List type: (select one) ☒ Section 8 tenant-based assistance ☐ Public Housing ☐ Combined Section 8 and Public Housing ☐ Public Housing Site-Based or sub-jurisdictional waiting list (optional) If used, identify which development/sub jurisdiction:			
	# of families	% of total families	Annual Turnover
Waiting List total	686		
Extremely low income <=30% AMI	490	71.4%	
Very low income (>30% but <=50% AMI)	100	14.6%	
Low income (>50% but <80% AMI	23	3.4%	
Families with children	463*	67.5%	
Elderly Families	0	0.0%	
Families with Disabilities	61*	8.9%	
Black	615**	89.7%	
White	26	3.8%	
Hispanic	8**	1.2%	
American Indian	3**	0.4%	
Asian	0**	0.0%	
Characteristics by Bedroom Size (Public Housing Only)			
0 BR	524		
1 BR	23		
2 BR	75		
3 BR	52		
4 BR	10		
5+ BR	2		

Is the waiting list closed? ____ No _X_ Yes
If yes:
How long has it been closed (# of months)? ___
Does the PHA expect to reopen the list in the PHA Plan year? ___ No ___ Yes
Does the PHA permit specific categories of families onto the waiting list, even if generally closed? _X_No ___ Yes

* Some families may be disabled families (e.g. disabled head of household) AND families with children
** Individuals may self-identify more than one race and/or ethnicity

The table below represents housing needs of family types in the left-hand column. The impact factors across the top of the graph state how severe that factor is on the housing needs of the particular family type. For example, the affordability factor for a family with an income of 30% or lower of AMI would rate at "4" or "5" due to the family's inability to pay for other housing in the area. The impact for a family with an income between 50%-80% of AMI will be "2" or "3" due to the flexibility the higher income family has in choosing other affordable housing in the area. The rating factors are described below the chart.

Family Type	Over All	Affordability	Supply	Quality	Accessibility	Size	Location
Income <= 30% of AMI	3,361	5	5	2	2	3	2
Income >30% but <=50% of AMI	3,494	4	3	3	3	4	3
Income >50% but <80% of AMI	5,096	2	3	3	2	2	3
Elderly	2,329	3	3	3	4	3	4
Families with Disabilities	NA	NA	NA	NA	NA	NA	NA
Black	NA	NA	NA	NA	NA	NA	NA
White	NA	NA	NA	NA	NA	NA	NA
Hispanic	NA	NA	NA	NA	NA	NA	NA
Other	NA	NA	NA	NA	NA	NA	NA

Impact factor: 1 (no impact) to 5 (severe impact)
N/A indicates information is unavailable
"Overall" Needs column provides the estimated number of renter families that have housing needs.

Simply form a statement with the corresponding choices:

The Housing Authority of the City of Annapolis came to this conclusion by the use of:

- Consolidated Plan of the Jurisdiction. Indicate year: Fiscal Years 1996 to 2001
- U.S. Census data: the Comprehensive Housing Affordability Strategy ("CHAS") dataset
- Other sources: Annapolis and Anne Arundel County Chamber of Commerce - 1999

Assessment of Housing Needs Conclusions

Assessment	High	Medium	Low
What level of need is there for Affordable Housing?		X	
How would you rate the quality of the available rental housing stock in the PHA jurisdiction?		X	
How great is the need for marketing efforts to remove impediments to fair housing?		X	
What is the need for Deconcentration of incomes in the PHA jurisdiction?	X		
How well is the PHA meeting the needs of the following income groups? **1** 30%AMI; 2 50%AMI; 3 80%AMI		1	2, 3
What level of need is there for Elderly/Disabled housing?		X	
What level of the need is there for a Homeless Shelter?		X	
How great is the need for other Specialty Housing?			X
Is there a need for reconfiguration of bedroom sizes for affordable housing in PHA jurisdiction?		X	

Strategy for Addressing Needs

In order to maximize the number of affordable units available to the PHA within its current resources, the Housing Authority of the City of Annapolis will:

- 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 Section 8 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 Section 8 lease-up rates by marketing the program to owners, particularly those outside of areas of minority and poverty concentration.
- Participate in the Consolidated Plan development process to ensure coordination with broader community strategies, if requested.

In order to increase the number of affordable housing units the Housing Authority of the City of Annapolis will:

- Apply for additional Section 8 units should they become available.
- Pursue housing resources other than Public Housing or Section 8 tenant-based assistance.

So that the Housing Authority of the City of Annapolis will address the needs of family types at or below 30% of area median income, the Authority will:

- Strive to meet targeting goals established by HUD.

So that the Housing Authority of the City of Annapolis will address the needs of family types at or below 50% of area median income, the Authority will:

- Strive to meet targeting goals established by HUD.

The Housing Authority of the City of Annapolis will target the needs of the elderly through:

- Monitoring the demand for elderly housing (waiting list).
- The needs of families with disabilities will be addressed by:
- Monitoring the Waiting List of handicapped/disabled families.

The Housing Authority of the City of Annapolis will conduct activities to affirmatively further fair housing by:

- Counseling Section 8 participants as to location of units outside of areas of poverty or minority concentration and assist them to locate those units
- Marketing the Section 8 program to owners outside of areas of poverty /minority concentrations

The Authority selected these strategies due to:

- Funding constraints.
- Staffing constraints.
- Evidence of housing needs as demonstrated in the Consolidated Plan and other information available to the PHA.
- Results of consultation with residents and the Resident Advisory Board.

HOUSING AUTHORITY of the City of Annapolis

We Are Going Somewhere

TAB 19

Memorandum of Agreement with HUD

2015 - 2019

HACA
1217 Madison Street
Annapolis MD 21403

January 31, 2015

EQUAL HOUSING OPPORTUNITY

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

October 15, 2014

Board of Commissioners
Atten: Carl Snowden, Chairman
Housing Authority of the City of Annapolis
1217 Madison Street
Annapolis, MD 21403

SUBJECT: Action Plan Close-out

Dear Commissioners:

Based on your most recent report, the Housing Authority of the City of Annapolis (HACA) has completed the requirements of the Action Plan dated April 25, 2012, including its recovery from a Substandard Physical PHAS designation.

Thank you for your efforts and cooperation in this achievement. HUD expects the Housing Authority of the City of Annapolis to sustain its recovery and continue to improve its performance. Please be aware that HUD may seek to develop a new Action Plan or enter into a Recovery Agreement should the agency fail to sustain its recovery or is at risk of receiving a new substandard or troubled designation.

Should you have any questions, please contact me at Carolyn.L.Salters@hud.gov or 410-209-6583.

Sincerely,

Russell De Souza
Division Director
Baltimore Office of Public Housing

Enclosure

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0237
Expires 2/28/2011

Public reporting and recordkeeping burden for the collection of information is estimated to average 30.13 hours depending on the size of Public Housing Agency (PHA). This includes the time for collecting, reviewing, and reporting the data. In order for HUD to monitor the progress of a troubled PHA, they are required to submit periodic MOA performance progress reports. This information is required to obtain benefits. No assurance of confidentiality is needed. The information will be used for monitoring PHA progress in bringing performance up to standard levels. Response to this request for information is required in order to receive the benefits to be derived, including eligibility to apply for funding. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number.

PHA Name: Housing Authority of the City of Annapolis PHA FYE: 6/30 **MOA Term: 11/1/2009-10/31/2010**

Progress Report

For

Reporting period ending

7/31/11

I certify that all of the information in this report is true and accurate, to the best of my knowledge; this information has been/will be shared with the Board of Commissioners.

Typed name/title: Vincent O. Leggett, Executive Director — Date: 8/25/11

Typed name/title: Sharon Land, Director for Finance and Administration — Date: 8/25/11

Typed name/title: Miranda Wingate, Director of Operations — Date: 8/25/11

Operational Area: **2. ORGANIZATION AND STAFFING**

Targets and Strategies	Final Performance Target	Estimated & Actual Completion Dates	Comments
2.1 Establish a training plan for the staff.	Comprehensive training plan in place	6/30/10	Closed, HUD confirmation date 6.29.10.
a. Identify required program-specific or skill training for each position.		12/31/09	Closed, HUD confirmation date 6.29.10.
b. Perform a comprehensive training needs assessment for the entire staff to identify and quantify training needs.		12/31/09	Closed, HUD confirmation date 6.29.10.
c. Use the information collected to develop an overall training plan for the short and long term that incorporates both general training (sexual harassment, EAP) and program/skill specific training.		12/31/09	Closed, HUD confirmation date 6.29.10.
d. Incorporate the result into the budget development process.		12/31/09	Closed, HUD confirmation date 6.29.10.
e. Execute training plan		6/30/10	Closed, HUD confirmation date 6.29.10.
2.2 Make final decisions on staffing for asset management. If the decision is to assign maintenance staff directly to the properties:	Transition complete	1/31/10	Closed, HUD confirmation date 6.29.10.
a. Modify position descriptions and performance standards as necessary.		11/31/09	Closed, HUD confirmation date 6.29.10.
b. Provide training to property managers in managing maintenance.		12/21/09	Closed, HUD confirmation date 6.29.10.
c. Develop and implement a transition plan.		1/31/10	Closed, HUD confirmation date 6.29.10. Training Update serves as Attachment 1.

Operational Area: **3. FINANCE AND PROCUREMENT**

PHAS Performance Targets Indicator #:	Name:	Previous Quarter Actual	Current quarter target	1st period (mm/yy) Actual	2nd period (mm/yy) Actual	3rd period (mm/yy) Actual
2-1	Current ratio					
2-2	Expendable Fund Balance					
2-3	Tenant Receivable/Outstanding					
2-5	Expense Management/Utilities					
2-6	Net Income/Loss Divided by the Expendable Fund Balance					

Targets and Strategies	Final Performance Target	Estimated & Actual Completion Dates	Comments
3.1 Increase the Expendable Fund Balance (Expendable fund balance divided by monthly operating expenses.)	Fund balance should be sufficient to cover at least 2 months of expenses	10/31/10	Closed, HUD confirmation date 6.29.10.
A. Develop tracking method for expendable fund balance.		11/30/09	Closed, HUD confirmation date 6.29.10
B. Report monthly with progress report to Board/HUD.		Monthly, starting 11/30/09	Closed, HUD confirmation date 6.29.10. HACA has provided sufficient data to REAC to acquire a passing FASS score of 18.
C. Develop and routinely analyze program and department budgets, to achieve projected goals		Quarterly, starting 12/31/09	Closed, HUD confirmation date 8.6.10.
D. Review other sources of income, i.e., investments, waiver of PILOT, CGP use for operations, local funding, expand other HUD programs, increase occupancy, reduce accounts receivables.		Quarterly, starting 12/31/09	Closed, HUD confirmation date 6.29.10
E. Review expenses and reduce/eliminate where appropriate.			Closed, HUD confirmation date 6.29.10.
3.2 Reduce Tenant Receivables Outstanding (Average number of days tenant receivable are outstanding. The gross tenant accounts receivable at year end divided by the total tenant revenue/365).	Less than 10 days of rental revenue	6/30/10	Closed, HUD confirmation date 6.29.10.

A. Develop tracking method for tenant receivables.		11/30/09	Closed, HUD confirmation date 6.29.10
B. Report monthly with progress report to Board/HUD.		Monthly starting 11/30/09	Closed, HUD confirmation date 6.29.10. The MOA progress report is included as part of the standard monthly reporting to the Board of Commissioners and serves as Attachment 1 under this report.
C. Assure the rent collection policies include the following and are uniformly applied.		Quarterly, starting 12/31/09	Closed, HUD confirmation date 6.29.10.
1) Timely evictions			Closed, HUD confirmation date 6.29.10. There were zero evictions for June 2011. Total evictions for the fiscal year are 15.
2) Effective write-off policies			Closed, HUD confirmation date 6.29.10.
3) Use of Collection Agency			Closed, HUD confirmation date 6.29.10.
4) Home visits			Closed, HUD confirmation date 8.6.10.
5) Repayment Agreements			Closed, HUD confirmation date 6.29.10.
3.3 Obtain a copy of the Declaration of Trust and submit a copy to HUD.	Documentation of DT	Interim report 1/31/10; Final report 3/31/10	Closed, HUD confirmation date 6.29.10.
3.4 Review Financial Policies and revise as necessary; have the Board formally adopt them.	HACA board resolution reflecting the policies had been adopted by the board.	1/31/10	Closed, HUD confirmation date 6.29.10.
a. Update the Internal Control Policy to identify the responsibilities of the staff to manage the assets and cash flow of the Authority.			Closed, HUD confirmation date 6.29.10.
b. The Petty Cash policy should identify the maximum amount of cash the cashier is responsible for monitoring.			Closed, HUD confirmation date 6.29.10.
3.5 Review the Procurement Policy and related procedures to ensure they reflect current regulatory and policy guidance. Use 24 CFR 85.36 and HUD Procurement Handbook 7460.8 REV-2 as well as Recovery and Re-investment Act Stimulus Grant	Current Procurement Policy	11/30/09	Closed, HUD confirmation date 3.2.11

provisions. Update the Policy if necessary.			
3.6 Perform a cost or price analysis for every procurement action including contract modifications. Maintain written records as required by 24 CFR § 85.36 (b) (9), sufficient to detail the significant history of a procurement transaction. The records must include, but are not necessarily limited to, the rationale for using the method of procurement, selection of the contract type, contractor selection or rejection, and the basis for the contract price. Require that both the contract award decision and reasonableness of price are justified in writing by staff for all procurement transactions in accordance with 24 CFR 85.36 (f) (1).	Adhere to all parts of policy	11/31/09	Closed, HUD confirmation 4.14.11.
3.7 Provide the Board refresher training on the Procurement Policy so that they are more aware of its provisions and can better monitor the Authority's procurements.	Knowledgeable and informed Board	1/31/10	Closed, HUD confirmation date 9.23.10.
3.8 Provide procurement training for all staff that is involved with procurement activities on a regular basis.	Knowledgeable and informed staff	1/31/10	Closed, HUD confirmation date 6.29.10.
3.9 Initiate procurement actions for banking and legal services	Contracts current	11/31/09	Closed, HUD confirmation date 6.29.10.

Operational Area: **4. HOUSING MANAGEMENT**

PHAS Performance Targets Indicator #:	Name:	Previous Quarter Actual	Current quarter target	1st period (mm/yy) Actual	2nd period (mm/yy) Actual	3rd period (mm/yy) Actual
3-1	Vacant Unit Turnaround Time					
2-4	Occupancy Loss					

Targets and Strategies	Final Performance Target	Estimated & Actual Completion Dates	Comments
4.1 Revise and update the ACOP to include the issues addressed in the Assessment report.	Revised and Adopted ACOP in Compliance with HUD Regulations	**5/31/10**	Closed, HUD confirmation date 1.14.11.
a. Incorporate the relevant provisions of the Violence Against Women Act (VAWA). Add the definitions of the Violence Against Women and Justice Department Reauthorization Act of 2005 and Form HUD-50066. Incorporate procedures for implementing VAWA - Certification of Domestic Violence - Dating Violence - Stalking		2/28/10	Closed, HUD confirmation date12.27.10.
b. Update wording for "Flat Rents" insuring that it is in compliance with HUD Guidelines		2/28/10	Closed, HUD confirmation date 12.27.10.
c. Include Security Deposit Amount;		2/28/10	Closed HUD confirmation date 1.14.11.
d. Include Grievance Procedures		2/28/10	Closed, HUD confirmation date 1.14.11.
e. Include policies on tracking & reporting crime.		2/28/10	Closed, HUD confirmation date 1.14.11.
f. Formally adopt the revised ACOP and retain a copy of the signed Board Resolution on file.		4/30/10	Closed, HUD confirmation date 1.14.11.

g. Train staff on the revisions to the ACOP.		5/31/10	Closed, HUD confirmation date 1.14.11
4.2 Convert to site-based waiting lists.	Site based waiting list is Board approved and implemented	**12/31/09**	Closed, HUD confirmation date 6.29.10.
a. Develop a transition plan and submit to HUD for review.		11/30/09	Closed, HUD confirmation date 6.29.10
b. Brief applicants and residents.		12/31/09	Closed, HUD confirmation date 6.29.10.
c. Train staff on the new waiting list procedures.		12/31/09	Closed, HUD confirmation date 6.29.10.
4.3 Revise and update the Lease to conform to the revised ACOP and current HUD guidance (24 CFR 966.4), including VAWA provisions and requirements.	Updated Lease adopted & implemented	**4/30/09**	Closed HUD confirmation date 1.14.11
a. Formally adopt new lease by Board Resolution prior to implementation. Retain a copy of the signed Board Resolution on file			Closed, HUD confirmations date 1.14.11.
b. Include Fair Housing logo, TDD Line information, and revised date on the dwelling lease first page.			Closed, HUD confirmation date 6.29.10.
c. Develop a tenant certification form to ensure that the tenant has received a copy of the new dwelling lease, and VAWA provisions. Retain signed certification form in participant file, and give a copy to the tenant.			Closed, HUD confirmation date 1.14.11.
4.4 Update forms and form letters to include the Fair Housing logo, TDD line information, and a form revision date.	Forms updated & include all necessary info.	**2/28/10**	Closed, HUD confirmation date 6.29.10.
4.5 Improve implementation of the Community Service Requirement.	Audit trail clear and complete	**11/31/09**	Closed, HUD confirmation date 6.29.10.
a. Document which family members are required to perform community service.			Closed, HUD confirmation date 6.29.10.
b. Maintain an adequate audit trail of Community Service performance.			Closed, HUD confirmation date 6.29.10.

4.6 Update utility allowances and document analysis.	UA current	**2/28/10**	Closed, pending HUD approval. Final Report submitted 6.22.11.
4.7 Reduce average vacant unit turnaround time to less than 30 days	<30 days Average	**1/31/10**	**Open.** Monthly Average Turnaround Days for the period of July 1-31 2011 is as follows: HACA-Wide – 49 Number of Unit - 9 AMP 2 (Eastport)-7 AMP 2 (Harbour House) – 55 Days AMP 4 – (Robinwood) 67 Days AMP 5 – (Newtowne-Twenty) 0 Days AMP 6 –(Morris H. Blum) 24 Days AMP 7 (Bloomsbury Square) – 0 Days Monthly Average Turnaround Days for the period of July 1-31 2010is as follows; HACA-Wide- 109 Number of Units - 25 AMP 2 (Eastport) – 117 AMP2 (Harbour House)- 47 AMP 4 (Robinwood) – 133 AMP 5 (Newtowne-Twenty)-211 AMP 6 (Morris H. Blum)-113 AMP 7 (Bloomsbury Square)-0 July 2010-July2011 Improvement Comparison Summary: Agency-Wide- 60 Days Number of Units – (16) AMP 2 (Eastport) – 100 AMP 2 (Harbour House) – (8) AMP 4 (Robinwood) – 66 Days AMP 5 (Newtowne-Twenty) – N/A AMP 6 (Morris H. Blum) – 89 AMP 7 (Bloomsbury Square) – N/A

			Corrective Action has been implemented. The
a. Maintain vacancy log (by development) so that status of each unit is readily available; submit a copy to HUD monthly.		Monthly, starting 11/30/09	Closed, HUD confirmation date, 6.29.10.
b. Conduct an assessment of all vacancies (by development) and prioritize those vacancies based on maintenance capabilities, contractor availability, funding, and waiting list needs. Include identifying any marketing issues affecting leasing success.		Initial report 12/31/09; Final format 1/31/10	Closed, HUD confirmation date, 6.29.10.
c. Establish & implement a plan to reduce turnaround time to an average of less than 30 days. Identify resources needed and strategies appropriate to each development, based on the results of the assessment.		1/31/10	Closed, pending HUD confirmation. HACA has submitted its strategy and has taken progressive action to improving its unit turnaround. HACA has improved unit turnaround by 60 days Agency-Wide.

Operational Area: **5. PROPERTY MAINTENANCE**

PHAS Performance Targets Indicator #:	Name:	Previous Quarter Actual	Current quarter target	1st period (mm/yy) Actual	2nd period (mm/yy) Actual	3rd period (mm/yy) Actual
1	Physical Conditions					
3-3a	Emergency WOs					
3-3b	Non-emergency WOs					
3-4a	Unit inspections					
3-4b	System inspections					

Targets and Strategies	Final Performance Target	Estimated & Actual Completion Dates	Comments
5.1 Improve Physical Condition score. REAC and PHA generated deficiencies (UPCS) standards corrected to improve physical condition of buildings and sites	Maintain updated log of completion of deficiencies, leading to a passing score	Draft plan 12/31/09; Final plan 1/31/10	Open. HACA is working diligently to complete the REAC and UPCS work orders. All major capital fund items are addressed in the Annual and Five Year Plan. Staff is concentrating on data entry of completed work orders. The summary report serves as Attachment 2.
a. Update plans to address making viable units market ready. Develop and update plans that involve units slated for demolition and/or mixed financing. For properties that will remain in the inventory, include repairs and upgrades needed to meet current market standards including UPCS requirements. Include the results of all annual inspections and the annual REAC inspection results in the updated plan.	Updated Plan		Open. Out of its public housing inventory of 790 units, 744 were occupied July 31 2011. There are 31 units under modernization, 12 Make Ready units, 1 fire unit pending insurance payment, 1 unit in litigation and 1 unit is used as a management office at Robinwood. The annual and five year plan addresses units slated and approved for demolition (Obery 6 and College Creek Terrace 108 for a total of 114 units). Demolition is projected to be

			completed on/or before September 30 2011. Under the Landex project, 150 units have been rehabilitated and re-occupied. Under the Pennrose project 50 units have been rehabilitated and reoccupied under Phase I. Phase II is currently preparing for closing projected for August 30 2011 for 53 units' project-based units and 10 tax credit units. Phase III is scheduled for 2012-61 units for a total of 164 rehabilitated units. HACA has identified needed upgrades and repairs, also under the annual and five year plan. HACA will ensure that UPCS (July 2011) and REAC (August 2011) inspection results are incorporated into the Annual Plan and Work Order System.
5.2 Establish and implement egress violation policy & procedures	Policy in place & implemented	**Policy in place – 11/30/09**	Closed, pending HUD confirmation. HACA has a Board Approved (8.15.10) Egress Violation policy and procedures. Additionally, the Board of Commissioners approved an Egress Management Plan, May 12 2011 that serves as Attachment 11 under this report.
a. Brief Residents on policy & possible consequences; provide reminder prior to summer season		**11/30/09 4/30/10**	Closed, HUD confirmation date 3.2.11.
b. Train staff on enforcement procedures; provide reminder prior to summer season		**11/30/09 4/30/10**	Closed, HUD confirmation date 3.2.11.
c. Implement & enforce policy; monitor effectiveness		**5/31/10**	Closed, pending HUD confirmation.
5.3 Incorporate results of energy audit and physical needs assessment in Annual & 5-Year Plans		**4/30/10**	**Open,** HACA is in the process of developing a procurement package for a Physical Needs Assessment, Energy Audit/Assessment and a Viability Study for Newtowne-Twenty. The

			last assessments were conducted in 2006.
a. Update the Physical Needs Assessment. Incorporate results of the energy audit & recent Annual Inspections. Prioritize the results, based on urgency, and incorporate them into the Annual Plan or Work Orders. A majority of the work should be completed before the next REAC inspection.	Incorporated or deferred to other sources of funds		**Open.** HACA will engage a vendor to conduct physical needs assessment and/or viability study, the last assessment was conducted in 2006.
5.4 Update Maintenance Manual & Plan Incorporate Lead Based Paint protocols & policies necessary to clear OIG finding. Ensure Manual & Plan are based on asset management.	Maintenance Plan reflects current policies & is project based	**LBP protocols 11/31/09; Draft Plan 12/31/09**	Closed, HUD confirmation date, 6.29.10.
5.5 Train staff on UPCS inspection requirements Provide a certification of training to HUD for review	Staff trained on UPCS	**11/31/09**	Closed, HUD confirmation date. 6.29.10.
5.6 Optimize maintenance staffing	Sufficient resources – in-house & contractor – to meet needs	**1/31/10**	Closed, HUD confirmation date, 6.29.10.
a. Identify possible contracting options to reduce in-house staffing needs			Closed, HUD confirmation date, 6.29.10
b. Determine appropriate allocation of staff among elderly and family projects.			Closed, HUD confirmation date, 6.29.10.

Operational Area: **7. CAPITAL FUNDS**

PHAS Performance Targets Indicator #:	Name:	Previous Quarter Actual	Current quarter target	1st period (mm/yy) Actual	2nd period (mm/yy) Actual	3rd period (mm/yy) Actual
3-2a	Funds unexpended					
3-2b	Funds unobligated					
3-2c	Quality of work					
3-2d	Contract administration					
3-2e	Budget controls					

Targets and Strategies	Final Performance Target	Estimated & Actual Completion Dates	Comments
7.1 Reduce the soft cost expenditures in the Capital Fund grants in order to maximize the funds available for necessary major repairs.	Improved physical condition	**4/30/10**	Closed Pending HUD confirmation.
7.2 Formally close out grants that are fully expended.	Grants Formally closed	**3/31/10**	Closed, HUD confirmation date, 6.29.10.
a. Submit Actual Modernization Cost Certificate (AMCC) to the Field Office		11/31/09	Closed, HUD confirmation date, 6.29.10
b. Include the grants in the next scheduled Independent audit		3/31/10	Closed, HUD confirmation date, 6.29.10.

HOUSING AUTHORITY
of the City of Annapolis

We Are Going Somewhere

TAB 20

Other Required Submission for HUD Field Office Review

2015 - 2019

HACA
1217 Madison Street
Annapolis MD 21403

January 31, 2015

EQUAL HOUSING OPPORTUNITY

PHA Certifications of Compliance with PHA Plans and Related Regulations	U.S. Department of Housing and Urban Development Office of Public and Indian Housing Expires 4/30/2011

PHA Certifications of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the PHA 5-*Year and Annual* PHA Plan

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the___ 5-Year and/or___ Annual PHA Plan for the PHA fiscal year beginning 2015*, hereinafter referred to as" the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) 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.
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 to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
3. The PHA certifies that there has been no change, significant or otherwise, to the Capital Fund Program (and Capital Fund Program/Replacement Housing Factor) Annual Statement(s), since submission of its last approved Annual Plan. The Capital Fund Program Annual Statement/Annual Statement/Performance and Evaluation Report must be submitted annually even if there is no change.
4. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Board or Boards in developing the Plan, and considered the recommendations of the Board or Boards (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.
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 Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
7. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
8. For PHA Plan that includes 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 2006-24);
   - 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 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 waiting list is consistent with affirmatively furthering fair housing;
   - 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 part 903.7(c)(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. 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.
11. 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.

12. 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.
13. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
14. 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.
15. 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.
16. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
17. 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.
18. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments), 2 CFR Part 225, and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
19. 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.
20. 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.
21. 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.
22. The PHA certifies that it is in compliance with all applicable Federal statutory and regulatory requirements.

Housing Authority of the City of Annapolis
PHA Name

MD001
PHA Number/HA Code

x 5-Year PHA Plan for Fiscal Years 2015 - 2019

x Annual PHA Plan for Fiscal Years 2015 - 2019

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	Title
Vincent O. Leggett	Executive Director
Signature	Date
Vincent O. Leggett	2/2/2015

Certification for a Drug-Free Workplace

U.S. Department of Housing and Urban Development

Applicant Name

Housing Authority of the City of Annapolis

Program/Activity Receiving Federal Grant Funding

Acting on behalf of the above named Applicant as its Authorized Official, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the sites listed below:

I certify that the above named Applicant will or will continue to provide a drug-free workplace by:

a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employees for violation of such prohibition.

b. Establishing an on-going drug-free awareness program to inform employees ---

(1) The dangers of drug abuse in the workplace;

(2) The Applicant's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph a.;

d. Notifying the employee in the statement required by paragraph a. that, as a condition of employment under the grant, the employee will ---

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

e. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph d.(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federalagency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph d.(2), with respect to any employee who is so convicted ---

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a. thru f.

2. Sites for Work Performance. The Applicant shall list (on separate pages) the site(s) for the performance of work done in connection with the HUD funding of the program/activity shown above: Place of Performance shall include the street address, city, county, State, and zip code. Identify each sheet with the Applicant name and address and the program/activity receiving grant funding.)

Check here ☐ if there are workplaces on file that are not identified on the attached sheets.

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	Title
Lynn Happel, SPHR, SHRM-SCP	Director of Human Resources
Signature	**Date**
x Lynn Happel	February 2, 2015

form **HUD-50070** (3/98)
ref. Handbooks 7417.1, 7475.13, 7485.1 & .3

DISCLOSURE OF LOBBYING ACTIVITIES

Approved by OMB
0348-0046

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure.)

1. Type of Federal Action:	2. Status of Federal Action:	3. Report Type:
☐ a. contract b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	☐ a. bid/offer/application b. initial award c. post-award	☐ a. initial filing b. material change **For Material Change Only:** year _____ quarter _____ date of last report _____

4. Name and Address of Reporting Entity: ☐ Prime ☐ Subawardee Tier _____, *if known*: **Congressional District**, *if known*: 4c	**5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime:** **Congressional District**, *if known*:
6. Federal Department/Agency:	**7. Federal Program Name/Description:** CFDA Number, *if applicable*: _____
8. Federal Action Number, *if known*:	**9. Award Amount**, *if known*: $
10. a. Name and Address of Lobbying Registrant (*if individual, last name, first name, MI*):	**b. Individuals Performing Services** (*including address if different from No. 10a*) (*last name, first name, MI*):

11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Signature: Vincent O. Leggett
Print Name: Vincent O. Leggett
Title: Executive Director
Telephone No.: 410-267-8000 x 8201 Date: 7/2/2015

Federal Use Only:

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Standard Form LLL (Rev. 7-97)

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.

2. Identify the status of the covered Federal action.

3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.

4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.

5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.

6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.

7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.

8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."

9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.

10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.

    (b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).

11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503.

OMB Approval No. 2577-0157 (Exp. 3/31/2010)

Certification of Payments to Influence Federal Transactions

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

Applicant Name

Housing Authority of the City of Annapolis

Program/Activity Receiving Federal Grant Funding

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

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	Title
Vincent O. Leggett	Executive Director

Signature	Date (mm/dd/yyyy)
Vincent O. Leggett	2/2/2015

Certification by State or Local Official of PHA Plans Consistency with the Consolidated Plan

I, Michael Pantelides the Mayor certify that the Five Year and Annual PHA Plan of the Housing Authority City of Annapolis is consistent with the Consolidated Plan of City of Annapolis prepared pursuant to 24 CFR Part 91.

_____

Signed / Dated by Appropriate State or Local Official

HOUSING AUTHORITY of the City of Annapolis

We Are Going Somewhere

TAB 21

Resident & Public Comments

2015 - 2019

HACA
1217 Madison Street
Annapolis MD 21403

January 31, 2015

EQUAL HOUSING OPPORTUNITY

Legal Aid Bureau, Incorporated

Anne Arundel County Office
P.O. Box 907
229 Hanover Street
Annapolis, Maryland21404

(410) 972-2700
(800) 666-8330
(410) 269-8916 FAX

www.mdlab.org

Warren S. Oliveri, Jr., President
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Anita M. Bailey, Chief Attorney
Lisa Marie Sarro, Supervising Attorney

Housing Law Unit
Margaret M. Leonard
Amy B. Siegel
Kathleen M. Hughes
Lisa Marie Sarro

March 23, 2015

Submitted to:
Housing Authority of the City of Annapolis
Attn.: Vincent O. Leggett, Executive Director
1217 Madison Street
Annapolis, MD 21403

COMMENTS ON THE HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS ("HACA") ANNUAL & FIVE-YEAR PLAN 2015 – 2019

SUBMITTED ON BEHALF OF THE HACA RESIDENT ADVISORY BOARD ("RAB")

The following Comments to HACA's Annual and Five-Year Plan 2015–2019 are submitted on behalf of HACA's Resident Advisory Board (RAB). The RAB asks that these Comments be attached to HACA's Annual and Five-Year Plan 2015– 2019 ("The Plan"). The RAB further requests that Legal Aid be promptly provided with a copy of HUD's response to HACA's submission, including any changes HUD may suggest or conditions HUD may require for approval of The Plan.

For reasons noted below, Legal Aid's comments on behalf of the RAB are substantially limited this year in comparison to comments provided in recent past years. However, please note *that the absence of comments as to any specific provisions of the Plan is not intended to express an approval or endorsement of those provisions.* Moreover, to the extent HACA submits its Plan to HUD without modification in response to comments made herein regarding specific provisions of the Plan, please consider such provisions to be Challenged Elements, thus requiring submission to HUD for HUD's review. (42 USC § 1437C–1.)

Background and History Regarding Legal Aid/RAB Comments

For the past several years, on the RAB's behalf, Legal Aid has worked extensively with HACA in an effort to help develop and make modifications to HACA's Annual and Five Year Plans. In particular, Legal Aid has worked with HACA on its Administrative Plan, Admissions and Continued Occupancy Policy, Public Housing Lease, and Grievance Policy. Despite reaching agreements with HACA in prior years regarding proposed modifications to these parts of its prior Plans, Legal Aid and the RAB have been dismayed that agreed upon modifications were not ultimately included in prior Plans which were submitted. (It appears that technical and/or logistical difficulties with making the revisions may have been the culprit.) Therefore, Legal Aid and the RAB were very pleased to find that this year's Plan appears to have captured many of the suggestions, comments and concerns raised in prior years, and the Administrative Plan, Admissions and Continued Occupancy Policy, Public Housing Lease, and Grievance Policy appear to reflect those concerns.

Because many of the RAB's prior concerns and suggestions have been addressed and incorporated with this year's Plan, Legal Aid's comments on behalf of the RAB are somewhat limited this year. While the RAB does have some comments pertaining to this Plan, rather than suggest substantial modifications, Legal Aid will offer to continue working with HACA over the next year in anticipation of HACA's preparation of the next Annual and Five Year Plan (2016-2021). In particular, as discussed below, Legal Aid suggests that HACA focus on improving its Notices to tenants, and is willing to work with HACA staff in this regard. With this background and history in mind, Legal Aid's comments regarding the current Plan are below.

COMMENTS

Implement the Current Administrative Plan, Admissions and Continued Occupancy Policy, Public Housing Lease, and Grievance Policy

The current Plan indicates that it is essentially unchanged from last year's submission with regard to the Administrative Plan, Admissions and Continued Occupancy Plan, Public Housing Lease, and Grievance Policy. This would imply that HACA has been operating pursuant to the Administrative Plan, Admissions and Continued Occupancy Plan, Public Housing Lease, and Grievance Policy described in the currently proposed Plan for at least the past year. Indeed, it should be noted that HACA put the current versions of these policies and documents out for notice and public comment roughly one-year ago, and the Board did approve them. However, it is unclear that these policies, procedures and documents are in use uniformly by all HACA staff and throughout HACA's properties.

HACA should ensure that all properties are using the Board-approved lease (included in the Plan), and that all staff are implementing the policies and procedures described in

HACA's current Administrative Plan, Admissions and Continued Occupancy Policy, Public Housing Lease, and Grievance Policy as included in this year's Plan.

Develop Standard Notices to Residents, Applicants and Participants

Legal Aid has notified HACA staff repeatedly that many of its notices to residents, applicants and participants do not comply with relevant law and regulations, HACA's lease, ACOP and Administrative Plan. Legal Aid has begun working with HACA on the development of standardized notices to residents, applicants and participants so that such notices comply with all applicable laws and regulations, HACA's lease, ACOP and Administrative Plan. Legal Aid is willing to continue to work with HACA in this regard, and further recommends that, to the extent feasible, HACA involve its own legal counsel in the development of these documents as well.

Redevelopment Plans and Preservation of Public Housing Rights

HACA is in the process of redevelopment of Newtowne Twenty and Morris H. Blum Senior Apartments, and it is likely that redevelopment will occur in the future. The RAB reiterates that it is extremely concerned that HACA's continued redevelopment efforts will result in the replacement of Public Housing units with units that are subsidized in other manners. The RAB continues to seek assurances from HACA that the rights afforded to Public Housing residents will not be diminished as a result of redevelopment through use of different subsidies. We renew our concern for maintenance of Tenants' rights as Public Housing residents through such conversions and again ask HACA to provide written assurances to residents of such redeveloped properties that such Tenants' Public Housing rights will be preserved.

To the extent that HACA collaborates with private developers and others to develop and manage redeveloped properties, the RAB requests written assurances that HACA will take affirmative steps to ensure that the due process and other rights afforded to Public Housing residents are preserved for Tenants, regardless of the type of funding utilized for the redevelopment. This would include requiring that all transactional documents and agreements for the redevelopment, including but not limited to deeds, deeds of trust, purchase contracts, memoranda of understanding, ground leases, corporate leases, and resident leases incorporate such protections, and would also include requiring that such private companies memorialize that they must adhere to the rules and regulations designed to ensure that Tenants are afforded all due process and other rights to which Public Housing residents are entitled.

The RAB requests that the RAB and Resident Councils at affected properties be made an integral part of the decision-making process to the extent HACA proposes redevelopment of HACA properties and/or acts on plans for modifications to common areas at HACA properties. For example, should HACA explore possibilities of bringing service providers onsite(s), the RAB should be included for consideration of what types of services are needed and would be useful, as well as how those services can be incorporated into

existing spaces without unduly taking away from other spaces or programs. The RAB should be notified of HACA's intentions, planning meetings, site visits, etc., far enough in advance for the RAB and its legal counsel to provide meaningful input and significant participation in whatever project is being considered or undertaken.

Specific Request Related to Redevelopment Issues Raised in Proposed Plan:

Section 5.2: The Plan reflects that an "Accomplished Goal" for FY 2014 is/was to "Prepare Demolition and Disposition Application for Newtowne-Twenty." If this Application has been completed, then the RAB requests that a copy be provided to Legal Aid; if it has not yet been completed, then the RAB requests that a copy be provided to Legal Aid when completed.

Section 5.2: The Plan reflects that a Goal for FY 2015 includes "Disposition Plan for the Morris H. Blum Senior Apartments." If this plan has been completed, then the RAB requests that a copy be provided to Legal Aid; if it has not yet been completed, then the RAB requests that a copy be provided to Legal Aid when completed.

Section 5.2: The Plan reflects that a Goal for FY 2015 includes that HACA will "Implement Renters Insurance Policy for All Public Housing Communities." The RAB wishes to confirm the discussions which occurred during the Public Comment period last year: that HACA will offer or suggest the purchase of renters insurance to residents (rather than require the purchase of renters insurance). If a written Policy regarding renters insurance now exists, the RAB requests that a copy be provided to Legal Aid.

Specific Objection to Revised Provision in HACA's Administrative Plan, 14.2, Interim Reexaminations

The proposed revision states:

> Families will report all decreases in earned income and are required to provide third-party written verification in order to receive an adjustment to rent. Rent reduction will take place the first day of the month from the date of that the written verification of income reduction is received by HACA. All verifications must be submitted within 10-Business Days after the reported decrease in income.

Tab 4, page 86. This paragraph should be deleted or rewritten to comply with federal regulations and HUD policy.

It is correct that all families in the Housing Choice Voucher program have the responsibility to report changes in their income. However, it is the responsibility of the Public Housing Agency (PHA), not the tenant, to obtain third-party verification of the information reported by the tenant. HUD's Housing Choice Voucher Guidebook states:

> The PHA must obtain and document in the tenant file third party verification of the following specific items:
>
> > Reported family annual income;
> >
> > The cash value of assets and income derived from assets;
> >
> > Expenses related to deductions from annual income; and
> >
> > Any other factors that affect the calculation of adjusted income.
>
> If third party verification is not received in a timely fashion, the PHA should choose an acceptable alternate form of verification and document the effort made by the PHA to obtain third party verification.

(Housing Choice Voucher Program Guidebook, Chapter 12, Reexamination Procedures, page 12-4, Third Party Verifications.) This section also contains a chart enumerating acceptable verification methods to be used by the PHA in verifying information reported by the tenant.

Furthermore, the effective date of any reduction in rent must be calculated based on the date the tenant reported the information or within a reasonable time thereafter, not based on the date of the PHA's receipt of third-party verification, which is often delayed and is beyond the tenant's control. HUD requires that PHAs use the EIV system as a third-party source to verify tenant employment and income information for all reexaminations, including interim reexaminations. See Notice PIH 2010-19 (HA) (extended).

Funding for Resident Advisory Board Matters

The HACA RAB operates as a jurisdiction-wide Resident Council, and as such routinely incurs operating expenses associated with conducting business as it works on behalf of and with all the HACA Resident Councils. The RAB has spoken with HACA regarding the allocation of funds by HACA to be made available to the RAB for operating expenses to enable the RAB to effectively conduct RAB business. It is the RAB understanding that HACA is willing to allocate such funds for the RAB's exclusive of any funding available for the individual Resident Councils. The RAB requests that the Annual and Five Year Plan be modified to memorialize such intention.

RAB/Legal Aid/HACA Collaboration Moving Forward – Work Sessions

While the substance of the proposed Plan represents a solid base from which to work, there remains substantial work to be done. HACA has expressed a willingness to work collaboratively with the RAB and Legal Aid as it continues to make improvements to its

policies, procedures and practices, and both the RAB and Legal Aid are committed to being active, contributing participants in the process. While the list below is by no means exhaustive, the following subject areas represent the most pressing areas of concern at present:

- **Standardization of notices to residents**, including but not limited to statements of rent due, notice of intention to file a failure to pay rent claim, claims for damages or other charges, 14-day and 30-day notices for breach of lease, etc.

- Development/Modification of **Policy Regarding Resident Transfers**, in particular in relation to priorities and transfers for health and disabilities, including whether and how such Resident Transfer Requests affect or are affected by the waiting list for new admissions.

- **Policy/Maintenance Practice for Dealing with Bedbugs**, including development of a HACA-wide policy regarding the scope of bedbug remediation efforts.

- Development of a standard **Policy Regarding Move Out Inspections** and HACA's policy/practice regarding **Charges Assessed to Residents Upon Move Out**. In particular, it has been stated that HACA's current policy provides that all charges to be assessed against a moving tenant will be identified and charged at the time of the move out inspection, and such policy should be reduced to writing to ensure it is followed uniformly by all staff at all properties.

- Reconsideration of HACA's **Policies Regarding Housing Standards with Regard to Children Sharing (or Not Sharing) Bedrooms**.

- Consideration of HACA's current practices regarding removal of an adult child or other household member from a lease at the request of the Head of Household, in particular, HACA's "requirement" that such individuals provide proof of other living arrangements before HACA will remove them from a lease. Development of written **Policy Regarding Removal of Adult Child or Other Household Member From a Lease at the Request of the Head of Household**.

Legal Aid and the RAB wish to express their appreciation of the Housing Authority of the City of Annapolis's significant efforts in preparation of the content and organization of their Annual and Five-Year Plan for 2015-2019, and congratulate HACA on their hard and successful work. Both the RAB and Legal Aid look forward to carrying this momentum forward through ongoing efforts to improve HACA's practices and policies, which in turn will enhance the living circumstances of HACA residents and clients, as well as the entire Annapolis community.

Respectfully submitted on behalf of the Housing Authority of the City of Annapolis Resident Advisory Board, by:

LEGAL AID BUREAU, INC.

Lisa Marie Sarro

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Margaret M. Leonard

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