



10400 Detrick Avenue  
 Kensington, MD 20895-2484  
 (240) 627-9425



## ADMINISTRATIVE AND REGULATORY COMMITTEE

**June 20, 2023**

**HOC's offices are now open to the public. The public is invited to attend HOC's June 20, 2023 monthly Commission meeting in-person. HOC's Board of Commissioners and staff will continue to participate through a hybrid model (a combination of in-person online participation).**

### Opening Remarks:

Title
1. Opening Remarks by Administrative and Regulatory Committee Chair, Frances Kelleher

### Approval of Minutes:

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### Action Items:

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# Minutes

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY**

10400 Detrick Avenue  
Kensington, Maryland 20895  
(240) 627-9425

**Administrative and Regulatory Committee Minutes**

**May 22, 2023**

For the official record of the Housing Opportunities Commission of Montgomery County, an open meeting of the Administrative and Regulatory Committee was conducted via a hybrid model on Monday, May 22, 2023, with some participating by online platform/teleconference and others participating in-person at 10400 Detrick Avenue, Kensington, Maryland beginning at 4:03 p.m. There was a livestream of the meeting held on YouTube, available for viewing [here](#). Those in attendance were:

**Present**

Frances Kelleher, Chair – Administrative and Regulatory Committee  
Pamela Byrd – Commissioner

**Absent**

Linda Croom - Commissioner

**Also Attending**

Chelsea Andrews, Executive Director  
Paige Gentry  
Ken Silverman

Aisha Memon, General Counsel  
Darcel Cox

**Also Attending Via Zoom**

-  
Elliot Rule  
Lynn Hayes  
Sean Asberry

Mehar Cheema  
Rita Harris

**IT Support**

Aries Cruz, IT Support

**Commission Support**

Jocelyn Koon, Senior Executive Assistant

**APPROVAL OF MINUTES**

The minutes of the March 20, 2023 Administrative and Regulatory Committee meeting were approved upon a motion by Commissioner Byrd and seconded by Commissioner Kelleher. Affirmative votes were cast by Commissioners Kelleher and Byrd. Commissioner Croom was necessarily absent and did not participate in the vote.

## **DISCUSSION/ACTION ITEMS**

### **1. Overview of the Waitlist and Update on Migration Plans**

Chelsea Andrews, Executive Director, provided an overview and introduced Darcel Cox, Chief Compliance Officer, Richard Congo, Chief Technology Officer, and Kenneth Silverman, Director of Government Affairs who provided the presentation.

Commissioner Kelleher and Commissioner Byrd addressed staff with questions regarding the Waitlist and Migration Plans. Staff addressed Commissioners questions. After deliberation, Commissioner Kelleher asked staff to discuss the topic further in a later discussion.

With no further items on the agenda, Commissioner Kelleher adjourned the meeting. The meeting adjourned at 4:55 p.m.

Respectfully submitted,

Chelsea Andrews  
Secretary-Treasurer

/pmb

# Discussion Items

**MEMORANDUM**

**TO:** Housing Opportunities Commission of Montgomery County  
Administrative and Regulatory Committee

**VIA:** Chelsea J. Andrews, Executive Director

**FROM:** Darcel Cox, Chief Compliance Officer  
Division: Executive/Compliance

Elliot Rule, Management and Compliance Analyst  
Division: Executive/Compliance

Mehar Cheema, Management and Compliance Analyst  
Division: Executive/Compliance

**RE:** Authorization to Submit HOC’s Fiscal Year 2023 Section Eight Management Assessment Program (“SEMAP”) Certification to HUD

**DATE:** June 20, 2023

**STATUS:** Consent  Deliberation  Status Report  Future Action

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**OVERALL GOAL & OBJECTIVE:**

To authorize the Executive Director of the Housing Opportunities Commission of Montgomery County (“HOC” or the “Commission”), or their designee, to submit HOC’s Fiscal Year (“FY”) 2023 Section Eight Management Assessment Program certification to the U.S. Department of Housing and Urban Development (“HUD”).

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**BACKGROUND:**

SEMAP is designed to measure whether the Section Eight tenant-based programs operate to help eligible families afford decent rental units at the correct subsidy cost. SEMAP also establishes an objective system for HUD to measure Public Housing Authority (“PHA”) performance in key Section Eight program areas so as to enable program integrity and accountability.

HUD published a Final Rule in the Federal Register on June 20, 2000. This rule mandates that the PHA administering the Section Eight tenant-based rental assistance program must submit the HUD Form 52648, SEMAP Certification, to HUD annually. The certification, which measures the status of HOC’s administration of the Section Eight program for the prior fiscal year, is submitted to HUD annually within 60 days after the end of the given fiscal year. For HOC, this date is August 29, 2023. Once approved, the contents of the attached HUD Form 52648 and corresponding indicator scores are transmitted electronically using HUD’s Public and Indian Housing Certification (PIC) system.

This SEMAP certification includes HOC’s assessment of program administration in 14 areas. The HOC Compliance Division performs quality control reviews (“QCs”) for all areas.

The chart below identifies the individual indicator areas, the maximum points possible, the points HOC received for FY 2022, and what HOC will certify in its FY 2023 submission.

Indicator	Indicator Title	Maximum Possible Points	2022 Rating	2023 Certification
1	Wait List Selection	15	15	15
2	Reasonable Rent	20	15	15
3	Determination of Adjusted Income	20	15	20
4	Utility Allowance	5	5	5
5	HQS Quality Control	5	5	5
6	HQS Enforcement	10	0	0
7	Expanding Housing Opportunities	5	5	5
8	Payment Standards	5	5	5
9	Timely Annual Recertification	10	10	10
10	Correct Tenant Rent	5	5	5
11	Pre-Contract HQS Inspection	5	5	5
12	Annual HQS Inspection	10	10	10
13	Lease Up	20	20	20
14	Family Self-Sufficiency (FSS)	10	10	10
	Program Points	145	125	130
Bonus	Deconcentration Bonus	5	5	5
	Total Points	-	<b>130</b>	<b>135</b>
	Overall Percentage	-	<b>90%</b>	<b>93%</b>

There are three possible categories for the final SEMAP score and overall performance rating as described at 24 CFR 985.103. They are as follows:

1. **High Performer rating:** PHAs with a SEMAP score of at least 90 percent are rated high performers. High performers may receive national recognition by HUD and may be given competitive advantage under HUD Notices of Fund Availability (“NOFA”).
2. **Standard rating:** PHAs with a SEMAP score of 60-89 percent are rated standard.
3. **Troubled rating:** PHAs with a SEMAP score of less than 60 percent are rated troubled.

HOC’s FY 2023 SEMAP Certification submission equals **135** points, or **93%** percent of the overall total program points. HOC’s program profile status is **High Performer**. HOC’s score increased five points from the FY 2022 submission.

Discussion:

The indicators outlined below received partial or zero points:

Indicator Two: Reasonable Rent (15 out of 20 points)

- **Explanation:** Quality control reviews related to determination of reasonable rent for customers moving to new units and owners of current customers requesting annual rent increases resulted in a 92% pass rate, however, the SEMAP standard for receiving full points is 98%.
- **Corrective Action:** The Housing Resources Division (HRD) will continue to place emphasis on monitoring and training staff in the processing of rent reasonableness timely and accurately in relation to customers moving into new units and owner-requested annual rent increases.

The Compliance Division will continue to place an emphasis on conducting quality control reviews for actions related to rent reasonableness determination. These actions include initial rent reasonableness processing when customers first move into a unit, as well as annual rent increase requests submitted by current owners. Compliance will meet with HRD after all QC review periods to discuss any deficiencies discovered, and to provide training recommendations.

Indicator Six: HQS Enforcement (zero out of 10 points)

- **Explanation:** Quality control reviews of HQS-related QCs revealed three 24-hour emergency issues that were not addressed within the required timeframe. SEMAP regulations state that all 24-hour emergency issues must be addressed within the required timeframe to receive points.

Additionally, 90% of other SEMAP related inspection items received a pass rating, however, the SEMAP standard for receiving the points for this indicator is 98%. There is no opportunity for receiving partial points for this indicator.

- **Corrective Action:** HRD continues to address the issues that contributed to the loss of points. Efforts require coordination between HOC Inspection Services staff and Inspection Experts, Inc. (IEI), the third party company HOC uses to conduct the HQS inspections for our voucher participants. HRD staff will place an emphasis on monitoring failed inspections and the corrective time periods (24-hours for emergency repairs and 30 days for other deficiencies), as well as timely and accurate abatement of Housing Assistance Payments resulting from failed inspections.

The Compliance Division will continue to place an emphasis on conducting quality control reviews for actions related to HQS enforcement, specifically for failed inspections, re-inspections, and abatements. Compliance will meet with HRD after all QC review periods to discuss any deficiencies discovered, and to provide training recommendations.



HOC is consistently rated as a High Performer under the SEMAP program and continues to work diligently to improve the accuracy of all HCV program activities. Specific attention is placed on quality control reviews for the items outlined above, specifically, inspection related items and rent reasonableness activity.

Federal regulations require HUD to issue its final ratings to HOC within 120 days of HOC's Fiscal Year end. The notification letter from HUD will require HOC to respond within 45 days if there are any corrective actions for any SEMAP deficiencies. HOC staff will promptly address and correct any issues that HUD identifies.

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**ISSUES FOR CONSIDERATION:**

Does the Administrative and Regulatory Committee wish to join staff's recommendation to the Commission to authorize the Executive Director, or her designee, to submit the FY 2023 SEMAP Certification to HUD on or before August 29, 2023?

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**TIME FRAME:**

For discussion by the Administrative and Regulatory Committee at its meeting on June 20, 2023. For formal Commission action on July 12, 2023.

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**STAFF RECOMMENDATION & COMMISSION ACTION NEEDED:**

Staff recommends that the Administrative and Regulatory Committee join staff's recommendation to the Commission to authorize the Executive Director, or her designee, to submit the FY 2023 SEMAP Certification to HUD on or before August 29, 2023.

# 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. 02/29/2020)

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)
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**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 \_\_\_\_\_ 1-BR FMR \_\_\_\_\_ 2-BR FMR \_\_\_\_\_ 3-BR FMR \_\_\_\_\_ 4-BR FMR \_\_\_\_\_  
PS \_\_\_\_\_ PS \_\_\_\_\_ PS \_\_\_\_\_ PS \_\_\_\_\_ PS \_\_\_\_\_

**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

Chairperson, Board of Commissioners, signature

Chelsea J. Andrews

Roy O. Priest

Date (mm/dd/yyyy) \_\_\_\_\_

Date (mm/dd/yyyy) \_\_\_\_\_

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.**



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

December 14, 2022

Ms. Lynn Hayes  
Director of Housing Resources  
Housing Opportunities Commission  
10400 Detrick Avenue  
Kensington, MD 20895

Dear Ms. Hayes:

The Department of Housing and Urban Development (HUD) reviewed the Housing Opportunities Commission (HOC) request submitted pursuant to **Notice PIH 2022-30, “Extension of Certain Regulatory Waivers for the Housing Choice Voucher (including Mainstream and Mod Rehab) Program and Streamlined Review Process.”** The Notice provided instructions on the streamlined processing of public housing authority (PHA) requests to use specific regulatory waivers for the Housing Choice Voucher (HCV) (including Mainstream) program. The waivers you requested are marked “Yes” in column one on the table below.

**Background:**

*In the context of the public health emergency, the CARES Act provided HUD with authority to waive statutes and regulations (except for requirements related to fair housing, non-discrimination, labor standards, and the environment) for the Housing Choice Voucher (HCV) and Public Housing programs. These waivers provided PHAs with the flexibility to adjust program practices where necessary so that they could prioritize mission critical functions. Most CARES Act waivers and alternative requirements contained in Notice [PIH 2021-14](#) (published May 5, 2021) expired on December 31, 2021; specific previously exercised HCV waiver approvals extended into 2022.*

*Through subsequent PIH notices, and now through PIH Notice 2022-30, HUD provides a streamlined process for PHAs requesting certain regulatory waivers in order to provide continued flexibility to PHAs to respond to the pandemic, especially fluctuating rental markets. Using regulatory waiver authority provided in 24 CFR 5.110, HUD will consider requests to approve regulatory waivers listed in Table 1 below based on a PHA’s statement of good cause.*

**Table 1. List of streamlined regulatory waivers.**

Item	Waiver Name	Regulation	Summary of relief from HUD requirements
(1)	Increase in Payment Standard During HAP Contract Term	982.505(c)(4)	PHAs have the option to increase the payment standard for the family at any time after the effective date of the increase, rather than waiting for the next regular reexamination.

(2)	Voucher Tenancy: New Payment Standard Amount	982.503(b)	PHAs may establish payment standards from 111 to 120 percent of the applicable FMR.
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HOC's application was submitted by an authorized official and included HOC's justifications for the waiver(s) to be granted. Notice PIH 2022-30 specifies that good cause justification must include: (a) why a PHA needs the waiver; (b) the impact on PHA operations or applicants if the waiver is not provided; and (c) the proposed waiver duration is limited to only the time necessary for a PHA to resume normal operations and not to exceed December 31, 2023.

Additionally, if requesting a waiver of Regulation 24 CFR § 982.503(b) Voucher Tenancy: New Payment Standard Amount, a PHA must certify that it meets one of the following good cause reasons (explained in further detail in Notice PIH 2022-30): (1) The PHA's jurisdiction is in a Fair Market Rent (FMR) area identified by HUD to have significant rental market fluctuations, where an increase in the PHA's payment standards up to 120 percent of the FMR may help the PHA more quickly respond to local circumstances (a list of these FMR areas is attached to Notice PIH 2022-30); (2) Utilization Rate is lower than 98 percent for the current year-to-date or more than a 5 percent reduction between years 2019 and 2021; or (3) less than 85 percent of the PHA's vouchers issued in the last six months have leased. If your PHA adopts this waiver, please notify [PIH\\_Expedited\\_Waivers@hud.gov](mailto:PIH_Expedited_Waivers@hud.gov) if it elects to change its payment standards back to the basic range between 90 and 110 percent based on the FY 2023 FMR.

After reviewing the waiver request(s) and considering HOC's stated justification(s) of good cause, HUD: (1) finds there is good cause to waive, and hereby waives, the regulations and/or requirements marked "APPROVED" in the "Waiver Status" column and/or (2) finds there is not good cause to waive, and therefore does not waive, the regulations and/or requirements marked "NOT APPROVED" in the "Waiver Status" column.

#### List of streamlined regulatory waivers

Waiver Requested	Waiver Status/Term Expiration	Waiver Name	Regulation	Summary of relief from HUD Requirements
		Increase in Payment Standard During Housing Assistance Payment (HAP) Contract Term	24 CFR § 982.505(c)(4)	PHAs have the option to increase the payment standard for the family at any time after the effective date of the increase, rather than waiting for the next regular reexamination.
Yes	APPROVED: Expiration 12/31/2023	Voucher Tenancy: New Payment Standard Amount	24 CFR § 982.503(b)	PHAs may establish payment standards from 111 to 120 percent of the FMR.

All waiver approvals are set to expire at the end of the term requested or December 31, 2023, whichever is earliest, unless an alternative limit is provided by HUD. If any provision of these waivers or their application to any HUD requirement is made invalid by PHA omission or is no longer needed due to changing circumstances, HUD reserves the right to revoke all or a portion of these waivers at any time.

Should you have any questions, please contact the Waiver Processing Team at ***PIH\_Expedited\_Waivers@hud.gov***.

Sincerely,

 for

Dominique Blom  
General Deputy Assistant Secretary





# Adjourn