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Mission Statement

The mission of the Housing Opportunities Commission (HOC) is to provide affordable housing and supportive services that enhance the lives of low- and moderate-income families and individuals throughout Montgomery County, Maryland so that:

- No one in Montgomery County is living in substandard housing;
- We strengthen families and communities as good neighbors;
- We establish an efficient and productive environment that fosters trust, open communication and mutual respect; and
- Work with advocates and providers to maintain support for all the work of the Commission.

To achieve this mission, HOC operates as a public housing agency, a housing finance agency and a housing developer.

The Montgomery County government provides funding for the Commission to manage the following service programs:

- Affordable Housing Development: acquires Moderately Priced Dwelling Units (MPDUs) for rental to lower-income families;
- Public Housing Management: maintains community norms and relationships between homeowner associations and public housing residents;
- Services to Residents in Assisted Housing: provides counseling and support services to low-income individuals and families in assisted housing; and
- Housing Resource Service: provides up-to-date information on available housing programs.

Revised February 2020
Introduction to the Housing Choice Voucher Resource Manual for Landlords

The Housing Choice Voucher (HCV) Resource Manual is designed to inform landlords about the HCV program and the policies implemented by both the U.S. Department of Housing and Urban Development (HUD) and the Housing Opportunities Commission of Montgomery County (HOC) to govern the program.

The HCV Resource Manual is a source for HOC landlords to learn and understand more about HOC and the role a landlord plays in the HCV program. If you have questions about the information in this manual, please visit HOC’s website or contact (240) 627-9565.

What is HUD?

The Department of Housing and Urban Development (HUD) is the Federal agency responsible for national policy and programs that address America's housing needs that improve and develop the Nation's communities, and enforce fair housing laws. HUD’s business is helping create a decent home and suitable living environment for all Americans, and it has given America's communities a strong national voice at the Cabinet level. HUD plays a major role in supporting homeownership by underwriting homeownership for lower- and moderate-income families through its mortgage insurance programs.

HUD’s mission is to create strong, sustainable, inclusive communities and quality affordable homes for all. HUD is working to strengthen the housing market to bolster the economy and protect consumers; meet the need for quality affordable rental homes; utilize housing as a platform for improving quality of life; build inclusive and sustainable communities free from discrimination; and transform the way HUD does business.

What is HOC?

The Housing Opportunities Commission of Montgomery County, Maryland (HOC) is the housing authority for Montgomery County (except for Rockville Housing Enterprises). HOC is not a department of the Montgomery County government. It is a full-service housing agency chartered by the state of Maryland. HOC administers a variety of housing programs to provide subsidized housing to low and moderate income individuals and families throughout Montgomery County. The largest program is the Housing Choice Voucher Program, formerly known as Section 8. HOC is also a developer of and a lender to affordable and market housing projects.
What does it mean to be a Landlord?

Serving as an HOC landlord requires commitment and dedication. It is a hands-on job and it necessitates your immediate attention to emergencies and tenant concerns.

Being a landlord takes patience and fairness. It may take time to screen tenants, but doing so is worth it to avoid problems. However, in screening applicants, you must abide by the Fair Housing laws.

Being a landlord takes knowledge and clarity. You do not need to be an expert accountant or lawyer to be a successful landlord, but having some knowledge about Montgomery County laws and some basic accounting skills can be helpful. If you understand your rights as a landlord and your tenant’s rights, you will be able to clearly communicate what is expected of your tenant from the start and avoid miscommunication.

Many people become landlords because they want to invest in real estate. Others simply acquire a property and take over the responsibilities. Some landlords hire management companies that help them manage the property and details of keeping up with maintenance, tenants, and all that goes along with being a landlord. Others do the work all by themselves. Whether you are new to the title by choice or not, have been a landlord for years, and whether you are keeping up with everything independently or have support, being a landlord can be hard work. HOC is here to support you throughout the process. This guide has been put together to help you.

Advantages of Renting to a Voucher Family

Thousands of rental property owners in Montgomery County team with HOC to provide quality, yet affordable housing for individuals, families, the elderly, and people with disabilities. The following are some reasons why landlords rent to voucher families.

- Monthly subsidy payment from HOC – guaranteed and on-time
- The right and responsibility to screen and select the tenant
- An annual inspection of the unit (provided by HOC) to ensure your property is well-maintained
- Protection from financial loss if the tenant suffers from unexpected financial hardship (subsidy payment may be increased to compensate for tenant's lower income)
- HOC can help to make sure your vacant unit does not stay vacant for long (we often have many prospective, qualified tenants in need of housing)
- You will be helping a low-income individual/family, senior, or person with a disability find a suitable home in your community
- Landlord forums, advice and frequent updates on best practices, new rules and regulations, as well as, networking opportunities
What is the Housing Choice Voucher Program?

The Housing Choice Voucher Program (HCV) is a tenant-based housing assistance program. It provides financial assistance so that extremely low and very low income households (single or family), the elderly, and persons with disabilities can afford decent, safe, and sanitary housing in the private rental market.

HOC administers the vouchers allocated to Montgomery County (with the exception of Rockville). HOC ensures all governing policies are adhered to by both the voucher holder and landlord.

Participants who receive vouchers search for and select their own housing, which may include single-family homes, mobile homes, townhouses and apartments, or even the family's present residence. Housing Choice Voucher assistance is portable anywhere in the United States, including the U.S. territories: Guam, Puerto Rico and the Virgin Islands.

Participants must receive authorization from HOC prior to taking possession of a unit. The unit must meet the requirements of the program including a reasonable rent and a Housing Quality Standards (HQS) inspection. Participants pay no more than 40% of their income, and Housing Assistance Payments (HAP) are paid directly to the landlord by HOC on behalf of the family.

The Housing Choice Voucher Program is a three-way partnership between HOC, the tenant and you (the landlord). Without all three parts of the partnership, the program does not work.

Eligibility Criteria for the Housing Choice Voucher Program

✓ Interested applicants (prospective tenants) in need of housing assistance must complete an application for the Housing Choice Voucher Program.
✓ Applications are available online at https://wl.hochousingpath.com. Please be aware that HOC is only able to assist families depending on available funding.
✓ To be considered eligible for the program, a family's gross income may not exceed 50% of the local median family income. The local median family income for a family of four in the Washington, D.C. Metropolitan Statistical Area is $121,300 (April 2019).
✓ All applicants must meet other specific requirements. This includes at least one adult member of the family (at least 18 years of age), Social Security numbers and cards for all family members, U.S. Citizenship or a Non-Citizen with Eligible Immigration status, income verifications for all family members, and a clean criminal background within the past three years for each family member. All qualified families must live or work in Montgomery County, and meet specific income limits according to the number of household occupants.
   ○ Any family whose members include those with citizenship or eligible immigration
status AND those without citizenship or eligible immigration is considered a "Mixed Household." A mixed household is only eligible for pro-rated (reduced) assistance.

**Housing Choice Voucher Program Waiting List Process**

The Housing Choice Voucher Program Wait List is open year round. Applicants may ONLY apply for the HCV program on-line. If you do not have access to a computer, telephone, or tablet, you may apply for the HCV Program at any HOC location. Kiosks are also available in Montgomery County libraries. Applications submitted to HOC are placed into a "pool" of applicants, and names will be drawn at random by lottery as vouchers become available.

A selected household will be asked to complete a certification packet in order to determine their eligibility. If the applicant does not speak English, they must notify HOC in order to provide a translator. If the applicant is determined **eligible** for HOC voucher assistance, the applicant will receive a letter notifying them of their eligibility. That letter will also schedule them to attend an appointment at HOC to receive their voucher. Once they receive their voucher, the family will be given detailed instructions on how to obtain affordable housing in Montgomery County.

If the family is determined **ineligible** for HOC voucher assistance, they will receive a letter explaining why they were denied housing assistance and how to contest the decision.

**Step-by-Step Process of Being an HOC Landlord**

Prospective landlords interested in renting their property have a number of tasks to complete before becoming an official HOC landlord. The tasks are as follows:

1. The first step is to get a **Montgomery County Rental License**. The application can be found on the Montgomery County Department of Housing and Community Affairs (DHCA) website or by calling (240) 777-0311.

2. Once you receive your license, you can select a tenant to rent your property. You may market your property to prospective HCV clients using the following websites: [http://www.mdhousingsearch.org/](http://www.mdhousingsearch.org/) and GoSection8.com. You can also market your property through HOC, newspapers, the internet and other traditional methods. To market your property through HOC please call (240) 627-9761. Once you find a tenant, the tenant will need to show the actual voucher. The voucher is proof that the tenant participates in the Housing Choice Voucher Program. The voucher will also include an attachment that indicates how much rent the tenant can afford to pay.

You may click [here](http://www.mdhousingsearch.org/) to see what an actual Housing Choice Voucher (HCV) looks like or see the appendix section of this document. The voucher will indicate the housing authority jurisdiction, how large a unit HOC will subsidize (by bedroom size), the

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expiration date of the voucher, the date when a Request for Tenancy Approval RFTA form must be turned into HOC (Step 4 discusses the RFTA in detail.), the name and signature of the voucher holder and other helpful information. HUD also includes pertinent program information as well as the responsibilities of the tenant, landlord and HOC on the voucher. For example, the voucher details the process HOC uses to approve a unit for the program. The voucher is only valid when used by the voucher holder within the jurisdiction indicated, within the time frame indicated.

3. After meeting the tenant and seeing the voucher, it is recommended that you prepare for the tenant just like any other tenant. Voucher holders have already passed eligibility and background checks, so it is not required, but it is recommended that you screen applicants. You should screen the tenant by checking rental references with previous landlords.

Montgomery County has a service that can help with running background checks, specifically comprehensive reports regarding an applicant’s credit and rental history. It enables the landlord to review an applicant’s rental history before signing a lease. Landlords of single-family, condominium, licensed accessory units, and small multifamily units (10 or less) who are currently licensed by the Department’s Licensing and Registration Unit should call (240) 777-0311 to arrange for background checks; room rentals are not eligible. For more information about this service, call (240) 777-0311. The rental application can be accessed by clicking here.

The 30/40 Sheet includes additional information useful to a landlord making a decision about an application. This sheet details how much rent the applicant family can afford using a voucher. Typically, a voucher family spends between 30% and 40% of its income on rent and utilities. The first column shows what rent a family can afford if it were to spend 30%, which is the total tenant payment (TTP). A family can pay up to 40% of its income on rent and utilities. The maximum affordable gross rent (including utilities) is shown in the second column.

4. Once the tenant passes the screening process, the RFTA needs to be filled out. The RFTA, another HUD form, is what the applicant uses to request HOC approval to rent the apartment. The RFTA includes information about the unit that you provide, such as number of bedrooms, utilities, proposed rent, amount of any security deposit and proposed lease start date. HOC uses much of this information to determine the eligibility of the unit and whether or not the rent is affordable to our client. The owner provides a date on which the unit can be inspected, a requirement of the program. The inspection also helps HOC determine if the proposed rent is reasonable. Both you and the applicant fill out separate sections of the RFTA and sign it and return it to HOC.

The completed RFTA indicates to HOC that you are seriously interested in renting your unit to the family. When the RFTA document is approved by HOC, the next step is to
have the unit inspected. After the approval of the RFTA, HOC staff will contact the landlord to set up an inspection date. HOC will also perform a rent survey to determine if the rent is reasonable.

A sample RFTA form can be found by clicking here or in the appendix of this guide.

5. Once the unit passes inspection and all the previous steps are approved by HOC, the tenant and family are nearly ready to move into the unit. HOC will notify both you and the tenant that all is set for the move in to occur. You and the tenant should review and sign the lease. You will collect the security deposit and the tenant’s share of the first month’s rent.

6. State law limits the maximum security deposit to two times the full monthly (contract) rent. If you have a security deposit, at the end of tenancy you can deduct any documented amount owed for unpaid rent and any monies required to repair tenant caused damage. It is permissible for the owner to accept a “down payment” on the security deposit at the start of the lease, and enter an agreement with the family for installment payments on the balance.

You should also put the security deposit into an interest bearing account so that when the tenant leaves, he or she can get the deposit back with the accrued interest (as long as there is no damage or unpaid rent to cover).

Security deposits began earning interest effective July 1, 1972. All security deposits received between July 1, 1972, and June 30, 1980, accrued interest at a rate of 3% per year. All security deposits received between July 1, 1980 and September 30, 2004, accrue interest at a rate of 4% simple interest per year. Effective October 1, 2004, all security deposits received or held on or after that date will accrue interest at a rate of 3% simple interest per year.

Interest on a security deposit:
- Is only required on deposits of $50 or more.
- As of October 1, 2004, is 3% simple interest per year, which accrues in six month intervals as follows:

<table>
<thead>
<tr>
<th>Time Period</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 5 months</td>
<td>0%</td>
</tr>
<tr>
<td>6 - 11 months</td>
<td>1.5%</td>
</tr>
<tr>
<td>12 - 17 months</td>
<td>3%</td>
</tr>
<tr>
<td>18 - 23 months</td>
<td>4.5%</td>
</tr>
<tr>
<td>24 - 29 months</td>
<td>6%</td>
</tr>
<tr>
<td>30 - 35 months</td>
<td>7.5%, etc.</td>
</tr>
</tbody>
</table>

Example:
A $500.00 security deposit held for 24 months (after 10/01/04) accrues 6% interest: $500 x .06 = $30, so therefore the total security deposit plus interest = $530.00.
Sample leases can be found on the Montgomery County Department of Housing and Community Affairs Website to give you an idea of what to put in your own lease.

7. On the date HOC has communicated to you, the tenant can begin to move in to the unit. HOC will execute a Housing Assistance Payment (HAP) contract for your signature (you need to sign it and return the contract to HOC within 10 days). HOC will not remit payment until we receive a signed copy of the executed HAP contract and tenant lease.

8. Landlords are required to have direct deposit since HOC remits all HAP payments electronically. You must complete the Direct Deposit form and return it to HOC by the designated deadline. A copy of the form can be found in the Resource Manual’s appendix.

The first payment should arrive within 60 days of fulfilling all requirements in steps one through eight. The payment will be made via direct deposit (technically known as Electronic Funds Transfers) and appear electronically in the bank account you set up.

Step-by-Step Checklist for Becoming an HOC Landlord

The major steps to becoming a HOC landlord are as follows:

- Obtain a Montgomery County Rental License
- Find a prospective tenant with a HCV and conduct a screening
- Screen the family to be sure that they will be good renters. You should look at their rental and credit history
- Complete and submit the RFTA, W-9 Form and Direct Deposit Form
- Coordinate and pass HQS inspection
- Sign lease and submit a copy to HOC
- Receive security deposit and first month’s rent
- Sign HAP contract with HOC
- Gain access to the Landlord Portal
Rent Reasonableness

HOC is required by the Department of Housing and Urban Development (HUD), to conduct a “rent reasonableness” test whenever a Housing Choice Voucher (HCV) client moves into a new unit or when a landlord requests a rent increase for an existing client. Rent reasonableness testing for new tenants will be conducted upon completion of the Housing Quality Standards Inspection (HQS).

HOC must compare the proposed rent to the rents of other comparable, unassisted units nearby. The square footage, bedroom size, number of bathrooms, proximity to public transportation and the median income for the census tract are significant factors when determining rent reasonableness.

If HOC determines that the rent is reasonable, the family and owner will be notified of an approved move-in date. If the rent is not considered reasonable, HOC will advise the owner of the “reasonable rent” amount and the owner will determine if he is willing to accept the amount approved by HOC. The client may not take possession of the unit until HOC’s Rent Market Analyst has approved the rent and notified the client and landlord of approval, in writing.

A rent reasonableness test will be done for all rent increases. HOC will conduct rent reasonableness testing and notify the landlord and tenant of approval or denial. If the requested amount is approved HOC will process the rent increase. If the request is denied HOC will notify the landlord and if possible advise the owner of the reasonable amount. The owner will notify HOC if they are willing to accept the proposed rent amount.

Rent Increase Request Process

Rent increase requests must be submitted in writing to HOC and the tenant a minimum of 60 days prior to the effective date of the request. Rent increase requests may be emailed to hcvprogram@hocmc.org.

Upon receipt of the rent increase request, HOC will determine if the rent requested is reasonable by comparing the proposed rent to the rents of other comparable unassisted units in the same geographical area. The rent reasonableness system utilized by HOC produces an unbiased result based on actual real estate data.

If it is determined that the rent increase request is not reasonable, the property owner/manager and client will be notified by HOC that the rent increase request has been denied a minimum of thirty days prior to the effective date of the request. If HOC is able to approve an increase lower than the amount requested the Landlord/Property Manager will be contacted by HOC in writing informing them of the amount that HOC is able to approve.
Landlord/Property Manager must notify HOC in writing if they are willing to accept the new proposed rent amount. The resident must relocate if no agreement is reached between HOC and the landlord.

If the new rent is determined reasonable, the Landlord/Property Manager and tenant will receive notification of the approval via a contract amendment letter thirty days prior to the effective date of the request.

All rent increase requests must receive HOC approval, the tenant is not allowed to pay the rent increase without approval from HOC.

**Voucher Payment Standards and Fair Market Rent Limits**

There are no maximum rent limits under the Housing Choice Voucher Program, but the owner is expected to charge a reasonable market rent for the unit based upon its size, location and amenities. HOC will review the reasonableness of the proposed rent with comparable, unassisted units. The Voucher Payment Standard (VPS) should be used as a gross rent guideline. The VPS is used for all new contracts which include moves by participants. Voucher Payment Standards are based on HUD’s Fair Market Rent (FMR) for the area and market. The standards are set at a percentage of the Fair Market Rent.

Each year HUD issues a schedule of FMRs. They are used to determine VPS amounts. VPS amounts include the shelter rent plus the cost of tenant-paid utilities, not including telephone, cable or satellite television service, and internet service. HUD sets FMRs to assure that a sufficient supply of rental housing is available to program participants.

Click here to view the most current FMRs by unit bedrooms for Montgomery County, Maryland.

**Fair Housing**

Fair Housing Laws in Montgomery County were designed to provide equal opportunity to all persons to purchase, rent, sell, or lease any property in this County. Chapter 27, Article I of the Montgomery County Code prohibits discrimination in both residential and commercial real estate on the bases of race, color, religious creed, ancestry, national origin, sex, marital status, physical or mental disability, presence of children, sexual orientation, age, source of income and family responsibilities.

As a landlord in Montgomery County, you have certain responsibilities under the law. You cannot discriminate illegally on any basis covered by law. It is illegal for you to deny an applicant based upon any of the aforementioned conditions. You are subject to the same requirements by law when you advertise your rental property.

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More information about Fair Housing can be found on the Montgomery County Government website or by clicking here.

**Source of Income Discrimination**

In searching for a dwelling, many households face discrimination by landlords who are unwilling to rent to voucher holders. As a result, several states and municipalities have adopted laws prohibiting housing discrimination based on source of income. Click here to see the Montgomery County Source of Income Guidelines when considering a Housing Choice Voucher applicant for a rental unit.

**Housing Choice Voucher Inspections**

[Housing Quality Standards](#) (HQS) are established by HUD to guarantee a basic level of health and safety for all units leased under the Housing Choice Voucher Program. HQS are the minimum quality standards for tenant-based programs. The standards are required at initial occupancy and during the term of the lease. HQS standards apply to the unit, the building and the premises. Newly leased units must pass the HQS inspection before the beginning date of the lease and HAP contract.

An HQS inspector will walk through each room and verify that the unit is decent, safe and sanitary. *Each unit must pass a HQS inspection at least annually.*

**Initial Inspection**

An [initial inspection](#) of the rental unit will be conducted within 7 days of receipt of the RFTA if the unit is available.

If the unit fails the initial inspection, the owner will be advised to notify HOC once repairs are completed. The owner will be given up to thirty (30) days to correct the items noted as Fail, at the Inspector’s discretion, depending on the amount and complexity of work to be done. The owner will be allowed up to one (1) re-inspection for repair work to be completed. HOC may accept owner certification that the repairs were completed as detailed in the initial inspection. If the time period given by the Inspector to correct the repairs has elapsed, or the maximum number of failed re-inspections has occurred, the family must select another unit.
**Annual Inspection**

Annual inspections are conducted for participants remaining in the rental unit beyond the initial first year. This free inspection allows the owner to know how well the tenant is caring for the unit. Both the landlord and the tenant benefit from maintaining the dwelling in a decent, safe, and sanitary condition.

At the annual inspection the inspector will determine if repairs are the responsibility of either the landlord or of the tenant.

The family is responsible for correcting failures caused by the following:

- Non-payment of utilities for which the family is responsible for paying;
- For failure to provide and maintain appliances the owner does not provide under the lease; and
- For damages beyond normal wear and tear caused by household members or guests.

The owner is responsible for failure or damage caused by normal wear and tear.

The landlord and tenant will be provided with a list of required repairs. Each party has 24 hours for emergency repairs and 30 days to complete non-emergency repairs. If the re-inspection does not pass within the stipulated time period, the following action(s) will be taken:

- For tenant related failures – HOC will terminate the participant’s rental assistance. This places responsibility on residents to minimize and repair damages above normal wear and tear that they cause to the rental unit in order to maintain their rental assistance.

- For landlord related failures – HOC will abatement the rental assistance until either the unit passes re-inspection or the Housing Assistance Payments Contract is terminated. Abatement means HOC’s share of the rent is not paid to the owner at all since the unit does not meet minimum housing quality standards as required by the contract. The tenant is not responsible for paying that portion of the rent and may not be evicted for nonpayment of HOC’s share.

- For landlord and tenant related failures – HOC will abatement the rental assistance payment to the owner and terminate the participant’s rental assistance if both parties are responsible for the failed item(s).

**Special Inspections**
Special inspections may also be conducted during the year in response to complaints. A supervisory quality control inspection may be done in order to ensure inspections are performed accurately and consistently among inspectors. If at any time the family or owner notifies HOC that the unit does not meet Housing Quality Standards, HOC will conduct an inspection. HOC may also conduct a special inspection based on information from third parties such as neighbors or public officials.

### Quality Control Inspections

Quality control inspections are inspections conducted on a designated number of units by HOC annually to insure accuracy, uniformity and consistency of the inspections staff.

### Frequently Failed Items

Owners are strongly encouraged to repair items before scheduling an inspection so that the unit passes the first time. Special attention should be given to the following frequently failed items.

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<tr>
<th>Item</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ceiling</td>
<td>Repair any cracked plaster, nail pops or holes. Repair water damage and correct the source of leakage.</td>
</tr>
<tr>
<td>Doors/Cabinets</td>
<td>Missing doors, knobs, locks, stops, and loose or missing thresholds must be repaired or replaced. Sliding closet doors must have guides.</td>
</tr>
<tr>
<td>Electric</td>
<td>A 100 amp meter panel is required - 70 amps in integrated panels. Fixtures that are present must work. Broken outlet cover plates must be replaced and exposed wire must be covered. Hood fan wiring and wiring below 8 feet must be guarded or enclosed. Light fixtures must have bulbs and covers. There must be a working exhaust fan in a bathroom without a window. The unit must have a cooling system and heater.</td>
</tr>
<tr>
<td>Floors</td>
<td>Torn, damaged, cracked, or missing tiles/linoleum must be repaired/replaced. Carpeting should be clean. Torn, damaged, or severely worn carpeting must be replaced.</td>
</tr>
<tr>
<td>Garage</td>
<td>The garage door must open and close properly.</td>
</tr>
<tr>
<td>Garbage/Debris/Vegetation</td>
<td>The unit and yard must be free of heavy accumulation of debris and garbage such as piles of trash, discarded furniture, etc. The unit must contain adequate facilities for disposal of food waste (covered trash cans, dumpsters, etc.) Trees and grass must not have contact with the unit.</td>
</tr>
<tr>
<td>Handrails</td>
<td>Handrails are required for flights of four or more stairs and must not be broken or cracked.</td>
</tr>
<tr>
<td>Locks</td>
<td>As required by Maryland law, each entrance door (other than a sliding glass door) must be equipped with a deadbolt lock. Interior doors may only have privacy locks.</td>
</tr>
<tr>
<td>-------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Plumbing and Fixtures</td>
<td>Repair leaking faucets and clogged drains. Repair/seal chipped porcelain on sinks, basins, and tubs. Install tub and basin stoppers.</td>
</tr>
<tr>
<td>Refrigerator</td>
<td>If the owner provides the refrigerator, it must be clean, with no missing or broken shelves or kick plate, and it must be in operating condition.</td>
</tr>
<tr>
<td>Screens</td>
<td>Screens must be present on all windows and be in good condition.</td>
</tr>
<tr>
<td>Smoke Detector</td>
<td>There must be at least one working smoke detector for each living level.</td>
</tr>
<tr>
<td>Stoves</td>
<td>Oven doors and stove burners must operate properly and the stove knobs must be in place. Gas stoves must be connected with a flex hose. A hand controlled gas cut off valve must be provided. An overhead exhaust fan is required.</td>
</tr>
<tr>
<td>Storage</td>
<td>The landlord must not store any of his/her personal items at the unit.</td>
</tr>
<tr>
<td>Utilities</td>
<td>The utilities must be on so the inspector can determine whether the appliances and electrical components are functioning properly.</td>
</tr>
<tr>
<td>Walls</td>
<td>Repair holes and peeling, cracking, or blistering paint on both the interior and exterior of the unit. Repair or install baseboard molding when there are gaps between the wall and the floor.</td>
</tr>
<tr>
<td>Water Heater</td>
<td>The water heater must have a pressure relief valve, an extension to within 6&quot; of the floor, and a hand controlled gas cut off valve. Ventilation must be provided. All combustibles must be removed to at least 7 feet away from the water heater.</td>
</tr>
<tr>
<td>Windows</td>
<td>Repair/replace cracked, broken, missing and boarded up windows. Windows must operate properly and be able to be locked.</td>
</tr>
</tbody>
</table>

Click [here](#) to learn more details on what the inspector will be checking. You may also click [here](#) to see the exact checklist an inspector will use to conduct inspections.

**Lead Hazard Control**

The [Office of Healthy Homes and Lead Hazard Control](#) (OHHLHC) is unique among federal agencies. The OHHLHC was established to eliminate lead-based paint hazards in America's privately-owned and low-income housing and to lead the nation in addressing other housing-related health hazards that threaten vulnerable residents.
The OHHLHC office enforces HUD's lead-based paint regulations, provides public outreach and technical assistance, and conducts technical studies to help protect children and their families from health and safety hazards in the home. Contact information is provided below for lead based questions, comments or concerns.

Lead Paint Compliance Center
Office of Healthy Homes and Lead Hazard Control
Department of Housing and Urban Development
451 7th Street, SW Room P3206
Washington, DC 20410-0500
Toll-Free Number: 1-866-HUD-1012 or
Contact the Environmental Protection Agency or HUD


The notice provides guidance to PHAs and Housing Choice Voucher property owners and summarizes the regulations pertaining to lead-based paint under the EPA's Renovation, Repair and Painting Rule and HUD’s Lead Safe Housing Rule and the Lead Disclosure Rule. It also includes a description of EPA enforcement and fines, and provides examples of possible compliance issues that PHAs and owners should work to avoid. A copy of the notice is available by clicking here.

Top

Lease/Contract Termination

The owner may only terminate the tenancy in accordance with the lease and HUD requirements.

During the term of the lease (the initial term of the lease or any extension term), the owner may only terminate the tenancy because of:

- Serious or repeated violations of the lease.
- Violations of Federal, State, or local law that imposes obligations on the tenant in connection with the occupancy or use of the unit and the premises.
- The owner may terminate the tenancy during the term of the lease if any member of the household, a guest or another person under a resident’s control commits any of the following types of criminal activity:
  - Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of the premises by, other residents (including property management staff residing on the premises);
Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises;
- Any violent criminal activity on or near the premises; or
- Any drug-related criminal activity on or near the premises.

- The owner may terminate the tenancy during the term of the lease if any member of the household is:
  - Fleeing to avoid prosecution, or custody or confinement after conviction, of a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees; or
  - Violating a condition of probation or parole under Federal or State law.

- The owner may terminate the tenancy during the term of the lease if any member of the household has engaged in abuse of alcohol that threatens the health, safety or right to peaceful enjoyment of the premises by other residents.

- Other good cause (as provided below)
  - During the initial lease term, other good cause for termination of tenancy must be something the family did or failed to do.
  - During the initial lease term or during any extension term, other good cause includes:
    - Disturbance of neighbors;
    - Destruction of property; or
    - Living or housekeeping habits that cause damage to the unit or premises.

- After the initial lease term, such good cause includes:
  - The tenant’s failure to accept the owner’s offer of a new lease or revision;
  - The owner’s desire to use the unit for personal or family use or for a purpose other than use as a residential rental unit; or
  - A business or economic reason for termination of tenancy (such as sale of the property, renovation of the unit, the owner’s desire to rent the unit for a higher rent).

Things to Remember
1. The owner may only evict the tenant by a court action.
2. The family can terminate the lease by giving a written notice to both HOC DCA and the landlord after the first year of the lease term.
3. If the lease is terminated by either the landlord or family, the HAP Contract is automatically terminated. However, if HOC terminates the HAP Contract, the family may remain in the unit if the family and landlord agree and the family assumes full responsibility for the rent.

Click [here](#) to view additional HUD’s guidelines for PHA, owner, and family responsibilities in terminations of tenancy, terminations of assistance, and terminations of the HAP contract under the housing choice voucher program.
Eviction Procedures

If the landlord wishes to evict a tenant because of a lease violation, the landlord must follow standard procedures required by state and local law. A copy of the written notice of eviction must be sent to HOC.

Direct Deposit

HOC now requires you to receive the monthly Housing Assistance Payment (HAP) by direct deposit. To sign up for direct deposit, please visit the landlord portal and complete the form for direct deposit. Direct deposit helps keep you organized, reduces paper clutter, and is easy to use. It is a fast and convenient way to work more efficiently and smoothly with HOC. Click here for additional details on arranging direct deposit with HOC and your financial institution.

The Landlord Portal

The Landlord Portal will allow you access to vital information, including:

- **Profile** - Contains your contact information on file with HOC
  - Name, Address, E-mail, Phone, and Tax Information
- **Ledger** - Will allow you to view your financial transactions with HOC
  - Ledger contains - Date Posted, Unit Information, Tenant Name, EFT\Check No. and Amount
  - The Ledger is exportable to Excel
- **Case Worker Data** - Contact information for tenant's caseworker, status and re-exam date
  - The Case Worker Data is exportable to Excel
- **Unit Abatements** - Shows reason and dates for abatements
  - The Unit Abatement data is exportable to Excel
- **Unit Inspections** - Contains information for all past, present and future inspections
  - The Unit Inspection data is exportable to Excel
- **Online Forms** - Links to various useful HOC forms
- **Contact Us** - Information on various ways to contact HOC for any question regarding account set-up, ledger, payments, and client activity

Landlords/Owners wishing to gain access to the Portal must be an active participant in the HCV program. Also, you must have a valid e-mail address on file with HOC and have an HOC vendor ID number. For questions regarding account set-up, contact (240) 627-9565.
Landlord/Owner Responsibilities

- Obtain a Montgomery County Rental License.
- Screen the family to be sure that they will be good renters. You should look at their rental and credit history.
- Abide by your lease obligations to the family, and your contractual obligations to HOC. This includes disclosing certain information to HOC.
- Maintain the unit up to the HQS.
- Follow fair housing and equal opportunity requirements.
- Collect from the family any security deposit, the family’s portion of the rent, and any charge to repair damage that the family caused.
- Follow Montgomery County law on security deposits, including interest payments and refunds when the tenant moves out.
- Enforce the family’s responsibilities under the lease.
- Notify HOC of court documented lease violations, any changes of family composition, if there is any problem with the family, or if you take legal action against the family.
- Treat a subsidized tenant the same you would treat a non-subsidized tenant.
- Communicate with the Housing Specialist or Counselor if there are any concerns regarding the tenant.

Tenant Responsibilities

HCV tenants are already aware of the following responsibilities. The following is an outline of tenant responsibilities:

- Provide HOC with accurate information about their family and its income.
- Cooperate during their annual reexaminations with HOC.
- Notify HOC in writing, within ten days of the change, if their household income has changed.
- Live in the unit. Tenants may not sublet the unit or permit persons not authorized by HOC to reside in the unit. Tenants may operate a legal business in the unit if the lease allows it, however the tenants must use the unit mainly as their home.
- Allow HOC representatives access to inspect the unit annually, and at other times if HOC has reason to think that the unit is damaged.
- Notify HOC in writing if:
• Tenants are away from home for more than a month;
• Tenants move out or end your lease;
• Tenants receive an eviction notice;
• Tenants fail to abide by Tenancy Addendum;
• Any member of the family moves out; or
• If the tenants add any children to the family by birth, adoption, or legal custody.

✓ Pay client portion of the rent and utilities on time.
✓ Abide by the lease. Tenant and their family MUST NOT get involved with crime, drugs, or violence.
✓ Take care of the unit. Do not let anyone in the family or guests damage it.

HOC’s Responsibilities

✓ Help families succeed in the program through prevention, intervention, and enforcement of the rules.
✓ Actively assist clients, including families, elderly and disabled people, and landlords participate in the program.
✓ Follow fair housing and equal opportunity requirements.
✓ Administer the HCV program.
✓ Request and collect information that is critical to all stakeholders.
✓ Confirm the collected information is accurate and secured in a confidential manner.
✓ Conduct at least one inspection annually to ensure the unit is in a safe and decent condition.
✓ Ensure the rental amount charged by the landlord is reasonable and affordable.
✓ Determine how much rent HOC will pay to the landlord.
✓ Make housing assistance payments on time.
✓ Determine the utility allowance for the unit.
✓ Provide crisis intervention services for tenants.
✓ Provide counseling services.
✓ Offer a Family Self-Sufficiency (FSS) Program and other services that will help families succeed.

Side Agreements

HOC works successfully and cooperatively with private landlord partners to house deserving families throughout the county in many beautiful properties. These landlords perform a great service to those housed and to society in general.

HCV landlords occasionally obtain “side payments” from tenants. These side payments are in addition to the normal rent from the tenants, combined with the HAP that comes from HOC. This practice is considered fraud—and it is directed at the very tenants who least can afford it.
On July 10, 2008, HUD issued a warning to such landlords accepting side payments or excess rent: “Improperly requiring tenants to pay rent in excess of what is authorized by the applicable HAP contract (the contract between the landlord and Housing Authority) represents both an actionable offense under the False Claims Act and deplorable behavior directed towards the very persons whom the HCV program was designed to serve.”

This warning, written into the Federal Register, goes on to say that the Office of Inspector General “…will not tolerate such conduct, and…will cooperate with efforts to bring offending landlords to justice and to remedy their wrongs…[and]...depending on the intent, such an action may qualify as a criminal offense.…”

The notice says that these practices of charging more rent than the HAP contract allows constitute false claims by the landlords against the U.S. government and therefore qualifies for triple damages plus penalties under the “False Claims Act.”

Please – collect only rent as outlined in your Housing Assistance Payment (HAP) contract or you may go to jail or be severely penalized.

Please see Federal Register Vol. 73, No. 133 for more detail.

Fraud/Criminal Activity

HOC has a zero tolerance policy when it comes to criminal activity and/or fraud by staff, owners or families participating in the program. HOC will not hesitate to file civil and/or criminal charges as appropriate, up to and including seeking a ban from participation in any Federal program, monetary award, and where appropriate, an appropriate jail sentence.

HOC Customer Service Centers

HOC has one office in Kensington, two in Gaithersburg, and one in Silver Spring, as well as many individual property management offices located around the County. Questions, comments and concerns regarding your tenant or account should be directed to the Customer Service Center closest to your unit.
Gaithersburg Customer Service Center
101 Lakeforest Boulevard, #200
Gaithersburg, Maryland 20877
(240) 627-9792

Hours of Operation:
Weekdays, M-F, 8 a.m. to 5 p.m.
Wednesdays 8 a.m to 6 p.m.

Silver Spring Customer Service Center
880 Bonifant Street
Silver Spring, Maryland 20910
(240) 627-9793

Hours of Operation:
Weekdays, M-F, 8 a.m. to 5 p.m.
Wednesdays 8 a.m to 6 p.m.

HCV Contact Information for HOC

Visit HOC’s website or call (240) 627-9565 for forms and additional information pertaining to serving as an HOC landlord.

You may also call (240) 777-0311 or visit Montgomery County’s Office of Landlord and Tenant Affairs website for additional information. Click here to view a copy of the Montgomery County Landlord-Tenant Handbook.
Frequently Asked Questions

What is a Housing Choice Voucher (HCV)?
The housing choice voucher program is the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments.

The participant is free to choose any housing that meets the requirements of the program and is not limited to units located in subsidized housing projects.

Housing choice vouchers are administered locally by public housing agencies (PHAs) such as HOC. The PHAs receive federal funds from the U.S. Department of Housing and Urban Development (HUD) to administer the voucher program.

The voucher holder is responsible for locating a safe and decent housing unit where the owner agrees to rent under the program. This unit may include the family's present residence. Rental units must meet minimum standards of health and safety, as determined by the PHA.

A housing subsidy is paid to the landlord directly by the PHA on behalf of the participating family. The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program. Under certain circumstances, if authorized by the PHA, a family may use its voucher to purchase a modest home.

What happens during an inspection?
HOC inspects the unit pursuant to HUD-established Housing Quality Standards and identify any deficiencies that require correction. Tenant and landlords are encouraged to be present during inspections.

How is the monthly assistance payment actually delivered to me?
HOC pays on the first of the month to landlords. HAP payments are only paid by direct deposit. HOC will make the payment to the account of your choice.

Who pays the security deposit?
The tenant is responsible for deposits. You cannot charge amounts in excess of what you charge for unassisted tenants.

What if a tenant violates the terms of the lease?
You can terminate tenancy in accordance with the lease and HUD requirements. For example, you can terminate tenancy for serious or repeated violations of the lease or other good cause. The contract addresses this in detail. You may only evict the tenant by a court action.
Who is responsible for maintenance?
The owner must maintain the unit and premises in accordance with Housing Quality Standards as established by HUD. The tenant is responsible for repairing damages above normal wear and tear that they caused to the rental unit.

How often does HOC see the family?
At least annually HOC inspects the unit and certifies the family’s continued eligibility.

What if the tenant moves?
The contract automatically terminates when a tenant moves or dies.

What about damages or unpaid rent?
Neither the owner nor HOC is liable for tenant damages. You should handle this situation in the same manner as you would with an unassisted renter. The family is responsible for their portion of the monthly rent amount. If a tenant breaks the contract and does not pay rent, you have the right to evict the tenant in accordance with Maryland Law. See the Landlord-Tenant Handbook for more information about taking the tenant to court and the eviction process. You must send appropriate written notices with a copy to HOC. HOC will give you 30 days notice that the rent will no longer be paid on behalf of the ex-tenant.

What if the tenant pays rent late?
If the tenant pays the rent late, he or she is subject to the stipulations outlined in the lease. If three judgments for late rent have been entered against a tenant in the 12 months prior to the initiation of a Failure to Pay Rent action, on the fourth filing, the landlord can request a Judgment Absolute, With No Right of Redemption. If a Judgment Absolute is entered, the tenant will be evicted, whether or not he/she pays the past due rent.
Glossary of Terms

Abatement – HOC’s share of the rent is not paid to the owner at all since the unit does not meet minimum housing quality standards as required by the contract. The tenant is not responsible for paying that portion of the rent and may not be evicted for non-payment of HOC’s share. Once the repairs are made, HOC will not remit retroactive payment during the abatement period.

Affordable Housing – The generally accepted definition of affordability is for a household to pay no more than 30 percent of its annual income on housing. Families who pay more than 30 percent of their income for housing are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation and medical care.

Electronic Funds Transfers – The payment from HOC comes to the landlord via direct deposit. It is the electronic / direct deposit version of the Housing Assistance Payments (HAP) payment.

Eviction – The dispossession of the tenant from the leased unit as a result of the termination of tenancy, including a termination prior to the end of a lease term.

Fair Housing Act – Title VIII of the Civil Rights Act, 42 U.S.C. 3601. The Fair Housing Act is a broad statute that prohibits discrimination based upon race, color, religion, sex, national origin, disability, or familial status in most housing and housing-related transactions.

Chapter 27, Article I of the Montgomery County code prohibits discrimination in both residential and commercial real estate on the bases of race, color, religious creed, ancestry, national origin, sex, marital status, physical or mental disability, presence of children, sexual orientation, age, source of income and family responsibilities.

Fair Market Rent (FMR) – The amount that must be paid in a given area to rent existing, privately owned housing of a modest nature, with suitable amenities, and in decent, safe, and sanitary condition. FMR’s are established by HUD. They vary by unit size as well as by the housing market area and include the cost of all utilities except phone.

Housing Opportunities Commission of Montgomery County, Maryland (HOC) – The housing authority for Montgomery County (except the City of Rockville). HOC is not a department of the Montgomery County government. It is a full-service housing agency chartered by the state of Maryland. HOC administers a variety of housing programs to provide subsidized housing to low and moderate income individuals and families throughout Montgomery County.

Housing Assistance Payments (HAP) – The monthly assistance payment made by HOC to the owner of an assisted unit as provided in the contract.
**Housing Authority** – Housing authorities are public corporations with boards appointed by the local government. Their mission is to provide affordable housing to low- and moderate-income people. In addition to public housing, housing authorities also provide other types of subsidized housing. Most housing authorities provide low-income housing through several programs including public housing subsidized by HUD, Tax Credit properties, and the federal HUD-subsidized Housing Choice Voucher program.

**Housing Choice Voucher Program (HCV)** – HCV is a tenant-based housing assistance program. It provides assistance so that very low and low-income households (single or family), the elderly, and persons with disabilities can afford decent, safe, and sanitary housing in the private rental market.

**Housing Counselor** – The counselor coordinates services for families, assists with employment-related support, and provides assessment, counseling, goal setting, and ongoing case management for clients.

**Housing Specialist** – The Housing Specialist is responsible for determining eligibility of applicants and participants for placement and continuation in the Housing Choice Voucher Program.

**Housing Quality Standards (HQS)** – The HUD minimum quality standards for housing assisted under the Public Housing & Housing Choice Voucher Programs.

**Income Limit** – HUD establishes income limits that are used to determine whether housing applicants qualify for admission to HUD-subsidized properties. These income limits are based on HUD estimates for area median family income with certain statutorily permissible adjustments. Different programs use different income limits.

**Judgment Absolute** – A Judgment is a decision by a court of law that may include ordering someone to pay a certain amount of money. When it is absolute, that means this is the fourth time the tenant has had this happen and this is the last time permissible before he or she will be evicted.

**Landlord** – The legal owner of the property or a representative or managing agent, as designated by the owner.

**Market Rate Rent** – The prevailing monthly cost for rental housing. It is set by the landlord without restrictions.

**Median Income** – This is a statistical number set at the level where half of all households have incomes above it and half below it. HUD calculates and publishes the median income data annually for a certain statistical area. To be considered eligible for the program, a family's
gross income may not exceed 50% of the local median family income. The local median family income for a family of four in Montgomery County is $110,300 as of April 2017.

Mixed Household – A family whose members include those with citizenship or eligible immigration status and those without citizenship or eligible immigration status.

Request for Tenancy Approval (RFTA) – The RFTA is what the applicant uses to request HOC approval to rent the apartment. The RFTA includes information about the unit that you provide, such as number of bedrooms, utilities, proposed rent, amount of any security deposit and proposed lease start date. This form needs to be filled out once the tenant passes the screening process. You and the tenant each fills out separate sections of this document sign and return it to HOC. The form is located here, at any HOC office location, or by calling (240) 627-9565.

Screening – A review of an applicant's history to identify patterns of behavior that, if exhibited at the assisted housing development, would make the applicant an unsuitable tenant. Screening criteria may include consideration of drug-related or criminal activity, tenancy, credit and rent payment history, or other behaviors that may affect the rights of other residents and management.

Section 8 Vouchers – The former name of the Housing Choice Voucher Program.

Security Deposit – A payment required by an owner to be held during the term of the lease (or the time period the tenant occupies the unit) to offset damages incurred due to the actions of the tenant. Such damages may include physical damage to the property, theft of property, and failure to pay back rent. Forfeiture of the deposit does not absolve the tenant of further financial liability.

Special Inspections – Inspections that are done at the request of the tenant, landlord or a community member, and may be used to document lease or code violations.

Tenant Rent – The amount payable monthly by the family as rent to the owner.

United States Department of Housing and Urban Development (HUD) – HUD was established in 1965 to develop national policies and programs to address housing needs in the US. One of HUD's primary missions is to create a suitable living environment for all Americans by developing and improving the country's communities and enforcing fair housing laws. HUD helps people by administering a variety of programs that develop and support affordable housing. Specifically, HUD plays a large role in homeownership by making loans available for lower- and moderate-income families.

Voucher Payment Standard (VPS) – The maximum subsidy payment for a family under the Housing Choice Voucher Program. The PHA establishes the payment standard between 90% -
110% of the current HUD published FMR. The VPS should be used as a gross rent guideline. The VPS is used for all new contracts which include moves by participants.

Waiting List – Due to a shortage of funding for vouchers, HOC maintains a waiting list for individuals and families who want a voucher.
Appendices

Visit the following links for Landlord forms and documents.

Appendix A:  Montgomery County Rental License Application
Appendix B:  Housing Choice Voucher
Appendix C:  Request for Tenancy Approval (RFTA)
Appendix D:  Housing Quality Standards Checklist
Appendix E:  Direct Deposit Application Form
Appendix F:  Landlord-Tenant Handbook
Appendix G  30/40 Sheet