

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

| Subject: Rental Assistance – Regulations – Requirements for the Rental Assistance Program | Number: 10-21   |
|---|-----------------|
| Originating Department:   | Effective Date: |
| Office of Health and Human Services   |                 |

Office of Health and Human Services Montgomery County Regulation on:

RENTAL ASSISTANCE – REGULATIONS - REQUIREMENTS FOR THE RENTAL ASSISTANCE PROGRAM

Issued by: County Executive COMCOR 41A.05.01

Authority: Code Section 2-42A(e) Supersedes: Executive Regulation 18-20AM Corrected, in part

Council Review Method (3) Under Code Section 2A-15

Register Vol. 38, No. 6
Comment Deadline: June 30, 2021
Effective Date:

Sunset Date: None

SUMMARY: This regulation amends Section 41A.05.01.04 of the Code of Montgomery County

Regulations to update the minimum and maximum benefit amount for the Rental

Assistance Program.

ADDRESS: Office of Health and Human Services

401 Hungerford Drive Rockville, Maryland 20850

STAFF CONTACT: Leslie Frey, 240-372-7441, or Leslie.Frey@montgomerycountymd.gov

BACKGROUND: Chapter 41A-05 of the Montgomery County Code stipulates that the specific

minimum and maximum benefit that may be paid to an eligible household participating in the Rental Assistance Program must be determined annually by

Method 3 regulation. This regulation determines the benefit amount.

#### 41A.05.01.04 Amount of Rental Assistance Benefit

4.1 <u>Benefit Calculations for the Rental Assistance Program</u>

The amount of monthly benefits that may be granted for Rental Assistance recipients is that amount by which the monthly rent exceeds, less any other housing subsidizes, including any payments made by sublessors, or payments made on the household's behalf directly to the property:



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- a. 40 percent of the combined monthly gross income of a household of no more than three members; or
- b. 35 percent of the combined monthly gross income of a household with four or more members.

### 4.2 Method of Benefit Payment

- a. Benefit payments must be made by monthly checks payable jointly to the head of household and either the:
  - 1. owner of the rental unit;
  - 2. rental agent or management authority for the rental unit;
  - 3. rental facility; or[;]
  - 4. primary leaseholder from whom the household is a sublessee.
- b. Benefit payments may be paid as a single payee check to the owner of the rental unit, rental agent or management authority or primary leaseholder, at the request of and with the written permission of the recipient.

#### 4.3 Rental Cost Limitations

The monthly rental cost used to calculate benefits or determine eligibility is subject to the following limitations.

- a. Garage, pet, pool, housekeeping, food, health aide services or other such fees must not be included in the rental cost.
- b. The actual rent paid for a rental unit, including any allowance for utilities paid by the tenant, must not exceed 120 percent of the average cost for a suitable size rental unit. The average Montgomery County rental costs must be determined periodically by the Department as most recently published by the Montgomery County Department of Housing and Community Affairs.
- c. Utilities (lights, cooking fuel, water/sewer, and heating fuel) not included in the rent and paid for by the tenant must be included in the actual rental cost whenever



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the program manager determines that the cost of the utilities will have an effect on the provision of benefits. Utility allowances must be determined periodically by the Department as most recently published by the Housing Opportunities Commission. Department of Housing and Urban Development Rental Assistance (Section 8) and Public Housing utility allowance chart.

- d. If the rental unit occupied by the household is larger than that required for the household, the average cost for a suitably sized unit must be used. The suitable size is determined by the number and composition of the household as follows:
  - 1. One or two persons one-bedroom unit.
  - 2. Three or four persons two-bedroom unit.
  - 3. Five or six persons three-bedroom unit.
  - 4. Seven persons or more four-bedroom unit or larger, depending on the number of additional household members.

#### 4.4 <u>Limitations on Benefit Payment Amounts</u>

The following limitations on the amount of the benefit are hereby adopted pursuant to the authority contained in Section 41A-5 of the Montgomery County Code, as amended, and in accordance with method (3) of Section 2A-15 of the Montgomery County Code.

The limitations on benefits are as follows:

- a. The maximum benefit authorized pursuant to Section 41A-5 is \$[200.00]400 a month.
- b. Benefit payments less than \$[50]100 a month must not be paid.
- c. Only one household per eligible rental unit may receive benefits.

#### 4.5 Payment Upon Death or Institutionalization of the Recipient

If a recipient of benefits dies or becomes institutionalized during the eligibility period for which benefits have been approved:



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- a. Benefit payments may be paid until the expiration of the eligibility period, upon written request, to:
  - 1. the spouse, as long as the spouse continues to reside in the rental unit; and
  - 2. another surviving member of the household who continues to reside in the rental unit.
- b. At the end of the approval period, the household must reapply to determine if the remaining household members continue to be eligible for benefits.

### 4.6 Availability of Benefits

- a. Benefits for this program are subject to the availability of funds appropriated and any limitations set on the number of recipients of the program by the County Executive.
- b. At any time that the Director estimates that the amount of money needed for benefit payments for new and renewal applicants to the Rental Assistance Program, when added to the projections of benefit expenditures required for those households already in the Rental Assistance Program, is likely to exceed the amount of unexpended appropriated funds for the remainder of the fiscal year, the Director may order the program administrator to defer commencement of payments of benefits to new or renewal applicants, and to place those newly approved eligible applicants onto a waiting list. When the Director determines that one or more additional households may be put into the program without causing the total expenditures to exceed the amount of appropriated funds, eligible applicants, to the extent funding permits, must be processed to receive benefits.

| Approved:                     |      |
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| Marc Elrich, County Executive | Date |
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| Originating Department: Office of Health and Human Services                    |                | Effective Date:  |
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| Approved as to form and legality:  |                |                  |
| any Jaike  | 5/25/21        |                  |
| Office of the County Attorney  | Date           |                  |
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