



We Are

HOUSERS

STRATEGIC PLAN 2018-22

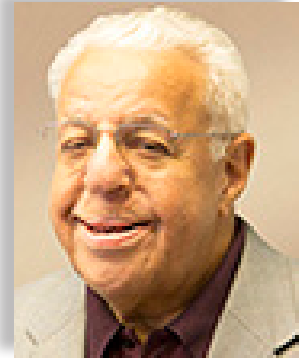




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Five years ago, the Housing Opportunities Commission of Montgomery County looked across the landscape of affordable housing needs and set a path forward. We set out to innovate, deeply invest in our communities, and reinvent our approach to housing and service delivery. The strategic priorities we set for the agency proved both beneficial and prescient.

Because of our work, HOC is more resilient as the agency continues to confront uncertain federal budgets and increasing housing needs. We leveraged every opportunity and resource to improve housing quality and create desirable, amenity rich, mixed-income communities at a range of affordability levels. At every turn, serving Montgomery County's most vulnerable residents remains at the center of our work.

Being clear about our mission, as an agency knowing who we are at our core, enables HOC to measure success. By the end of 2018, Montgomery County will realize net-new, community-connected, amenity rich, transit oriented, inclusive, affordable housing in Chevy Chase. By 2020 HOC, in partnership with Montgomery County Recreation Department, will deliver 267 new affordable senior units and premier community resources as part of Elizabeth Square's Phase II redevelopment, including a world-class regional aquatic and recreation center in Silver Spring, Maryland. These communities are at the vanguard of what it means to create inclusive, community-connected housing that fosters interaction and brings people together.



Over the last five years, HOC has invested over \$170MM million dollars toward repositioning its real estate assets in service to our customers. In doing so, the agency increased the supply of affordable housing in Montgomery County and reduced the average age of our multifamily housing portfolio from 27 to 16 years and our scattered site portfolio from 31 to 19 years – enhancing quality and preserving affordability for many years to come. As a result, we made Montgomery County's affordable housing infrastructure more durable as we also moved toward more stable federal funding streams. At the same time, HOC preserved our ability to provide deeply affordable housing at levels that can only be achieved through federal subsidies.

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HOC found innovative ways to invest in our housing portfolio, create real jobs in the county, enhance the quality of affordable housing and won national recognition for having done so. At the culmination of our 2013 – 2017 Strategic plan, the National Association of Local Housing Finance Agencies (NALHFA) presented HOC with its Innovation in Multi-Family Finance Award. Receiving NALHFA's award as we create a vision for the future affirms two things. First, the strategies laid out in HOC's 2013 – 2017 Strategic Plan successfully moved HOC's mission forward and should be continued. Second, as we continue to innovate we must remain clear about our organization's mission.

HOC's pace and entrepreneurial spirit over the past 5 years, at times, challenged perceptions of what type of organization HOC is becoming. As an agency, we entered new Public/Private partnerships, reinforced our relationships with key stakeholders including the County Executive, the County Council and the Department of Housing and Community Affairs (DHCA). As an agency, HOC pushed the boundaries of affordable housing development, and aggressively pursued efforts to expand the affordable supply in Montgomery County.

HOC intends to be nothing less than transformational in the affordable housing space – always keeping customers at the center of the result. As we renew our strategic vision, we are clear about our mission and our core identity. At HOC, We Are HOUSERS. Everything we do and every person in this agency is focused on just three things:

- **Getting People Housed**
- **Keeping People Housed, and**
- **Helping Customers Reach Their Fullest Potential**

At HOC we are creating a performance measurement culture and will track our progress towards achieving our goals, and when necessary, fine-tune our approach. Our vision is to ensure amenity rich, community-connected housing for all of Montgomery County's residents. As we update our Strategic Plan, what remains true is that no matter how we innovate, our identity as Housers remains constant.

Bold and deliberate action is necessary to reach HOC's vision and to preserve affordable housing in one of the nation's most desirable communities. With steady and strong Commission leadership; committed staff; the help of our partners; and a mission-driven, entrepreneurial spirit we look forward to providing the highest quality service to Montgomery County for many years to come.

Jackie Simon 

VISION

It is our vision that everyone should live in quality housing that is affordable, with dignity and respect. At HOC we believe this vision can be achieved by ensuring amenity rich, community-connected housing for all of Montgomery County's residents where all people can reach their fullest potential. We believe supportive programs, delivered through mission-aligned partnerships, help our customers improve their economic status, remain stably housed and reach the goals they hold for themselves and their families.

MISSION

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

- No one in Montgomery County lives 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
- We work with advocates, providers and community members to maintain support for all of the work of the Commission.

WHAT IS COMMUNITY CONNECTED HOUSING?

As the county's largest affordable housing developer and provider, HOC has an obligation to incorporate best practices into our work. We support our customers best by creating mixed-income Community-connected Housing.

Community-connected Housing exists in "healthy" neighborhoods with strong employment, educational and recreational access as well as environmental amenities. An essential feature of best-in-class community planning and mixed-income development includes creating neighborhoods and services that encourage and cultivate social interaction between neighbors rather than isolating vulnerable households within pockets of poverty.



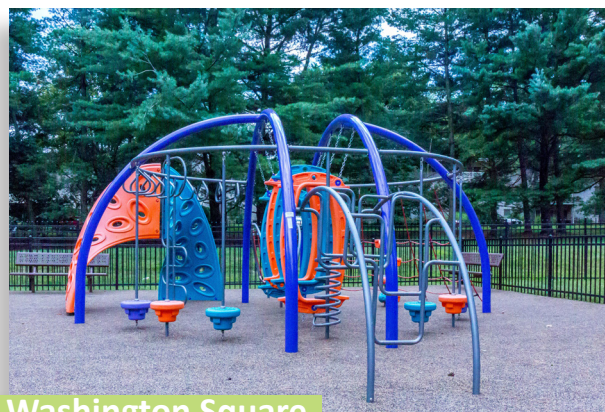
This is one of the philosophies that guides HOC's real estate investment strategy. When deciding where to place affordable housing, HOC looks to neighborhoods that have as many essential assets as possible, namely:

- **Strong Schools and Education**
- **Employment Access**
- **Transportation**
- **Recreation**
- **Diverse Housing Options**
- **Social Supports**
- **Food Access**
- **Community Organizations**
- **Green Spaces**
- **Commercial Spaces for Local and Small Businesses**

In order to achieve the goals for one's family, it is critical to live in places with easy access to transportation, great schools, good jobs, friendly neighbors and recreation opportunities – parks for kids, trails and bike paths that encourage healthy lifestyles. While we understand that not every neighborhood can have every resource, HOC relies on partnerships with organizations that are willing and able to align with HOC's vision.



Alexander House



Washington Square

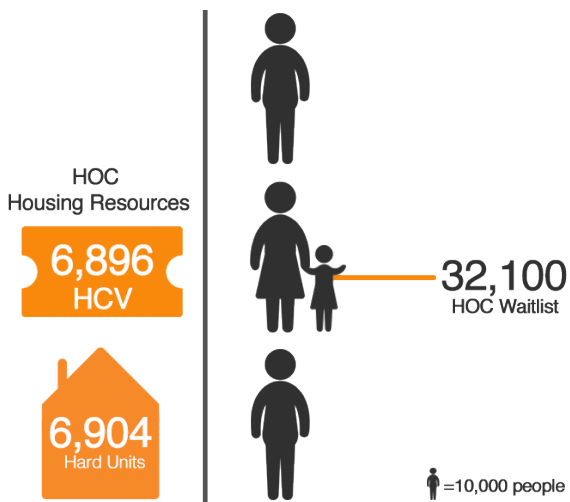
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Over the last five years, HOC’s affordable housing development and investment activity has been aggressive. However, we know that more is required if Montgomery County is going to meet a greater share of need for the nearly 32,100 low-income households on HOC’s active wait list. These households are vying for access to HOC’s 13,800 HOC housing opportunities.

We know these numbers reflect the affordable housing gap because everyone on the list confirms their continued need every year. Unlike communities across the country that close their wait list, HOC believes the risk of not keeping the information current is too great. Without real time information about affordability gaps, HOC could fail to accurately assess current housing needs.

Allowing the data to become outdated also creates avoidable inefficiencies in getting people housed. After only one year, HOC has seen its lease call-up success rate increase from 35% to 67% since implementation of the new HousingPath wait list.



We are HOUSERS

Closing the affordability gap for low- and moderate-income renters in the county is becoming more urgent as the county tries to preserve and expand its supply of affordable units. In order to afford a modest 2-bedroom unit in Montgomery County, a household has to earn \$33.58 an hour or nearly \$70,000 a year! By comparison, HOC's Housing Choice Voucher program serves households with an average annual income of nearly \$19,000 - that's around full-time minimum wage earnings. It should be noted that this average includes customers who may be disabled or elderly and served by the program.



Affordable housing helps close the gap for low-wage earners, elderly and disabled county residents. HOC works to meet their housing needs using every tool we have at our disposal. That means building units at a range of affordability, using federal programs to provide deep rental subsidy, helping families increase their employment prospects through training and education, and helping those who are able become homeowners.

HOC also issues bonds to help other non-profit and other developers expand affordable housing opportunities in the county. By being adaptable, HOC meets county citizens where they are along the spectrum of affordable housing needs. As Maryland's largest population center and one of its strongest economic engines, Montgomery County is a community with low unemployment and strong public schools – both indicators of greater housing demand in the future. HOC plans to be ready for the challenges ahead.



Montgomery County Facts	
Minimum Wage	\$10.75
Average Renter Wage	\$20.06
2-Bedroom Housing Wage at FMR	\$33.58
Number of Rental Households	123,581
Percent Total Household Rentals	34%

Getting People Housed means...



...Remaining diversified in our strategies to meet the range of affordable housing needs that exist within Montgomery County. HOC does not just build mixed-income housing; we build communities. As an agency, we work to expand and preserve the affordable housing supply through our own development activity as well as by providing financing vehicles to support mixed-income affordable housing development by other non-profit organizations and private developers.

HOC will increase the supply of affordable units in Montgomery County through development, financing, maximizing federal resources and advocacy at the Federal, state and local level.

HOC also provides both federally subsidized and unsubsidized affordable housing units in our properties. As an agency, we work closely with our partners at the DHCA to maximize Montgomery County's affordable housing resources. In addition, HOC supports home-

ownership with its mortgage and down payment assistance programs for moderate-income households who are ready to make the leap into the American Dream of ownership – many, but not all, of whom “graduate” from HOC's rental assistance housing programs.

Keeping People Housed means...

...Not only ensuring HOC units are maintained to the highest standards and that customers are able to navigate our programs and service offerings successfully, but that people remain connected to their homes. Once an HOC customer is housed, keeping them connected to their home and the community

becomes our priority. Some of HOC's most vulnerable customers, many of whom may be disabled or elderly, require additional resources to remain in their housing in a community as expensive as Montgomery County.

HOC will provide every high-risk customer with assessment and service coordination in an attempt to stem housing loss and keep our most vulnerable customers connected to housing and their community.

HOC must quickly identify customer risk factors and work to disrupt patterns and behaviors that could jeopardize continued housing stability. HOC accomplishes this through: **1)** case management, **2)** facilitating appropriate service connections, and **3)** providing financial literacy and budget counseling. HOC recognizes that we cannot always resolve every situation that our customers face. However, we will make every effort to connect vulnerable citizens to available community services and resources.

Renting in Montgomery County

Two bedroom FMR	\$1,746
Rent Affordable at AMI	\$2,758
Rent affordable with fulltime job at mean renter wage	\$1,043
Rent affordable at 30% AMI	\$827
Rent affordable with fulltime job at minimum wage	\$559

*Source: National Low Income Housing Coalition Out of Reach Report 2017



Helping Customers Reach Their Fullest Potential means...

...**Providing robust workforce and education enrichment programming for adults and youth, supporting their movement along the self-sufficiency continuum.** While HOC targets much of its case management resources to the benefit of our most vulnerable customers, the agency also creates strategic partnerships with Montgomery College, workforce development programs and local non-profit service providers. Several of our vendor partners go a step further to align their resources to support HOC's mission such as vendors who regularly conduct construction training courses for HOC customers looking to enhance their job skills. In 2017, HOC created a strategic partnership in order to start a summer internship opportunity for HOC college students seeking real world business experience.

We don't intend to stop here. To expand our reach to low- and moderate-income customers, HOC will no longer wait to offer enrichment or supportive services. Going forward, HOC will provide online training access to people on our wait list as well as other training opportunities where funding permits.

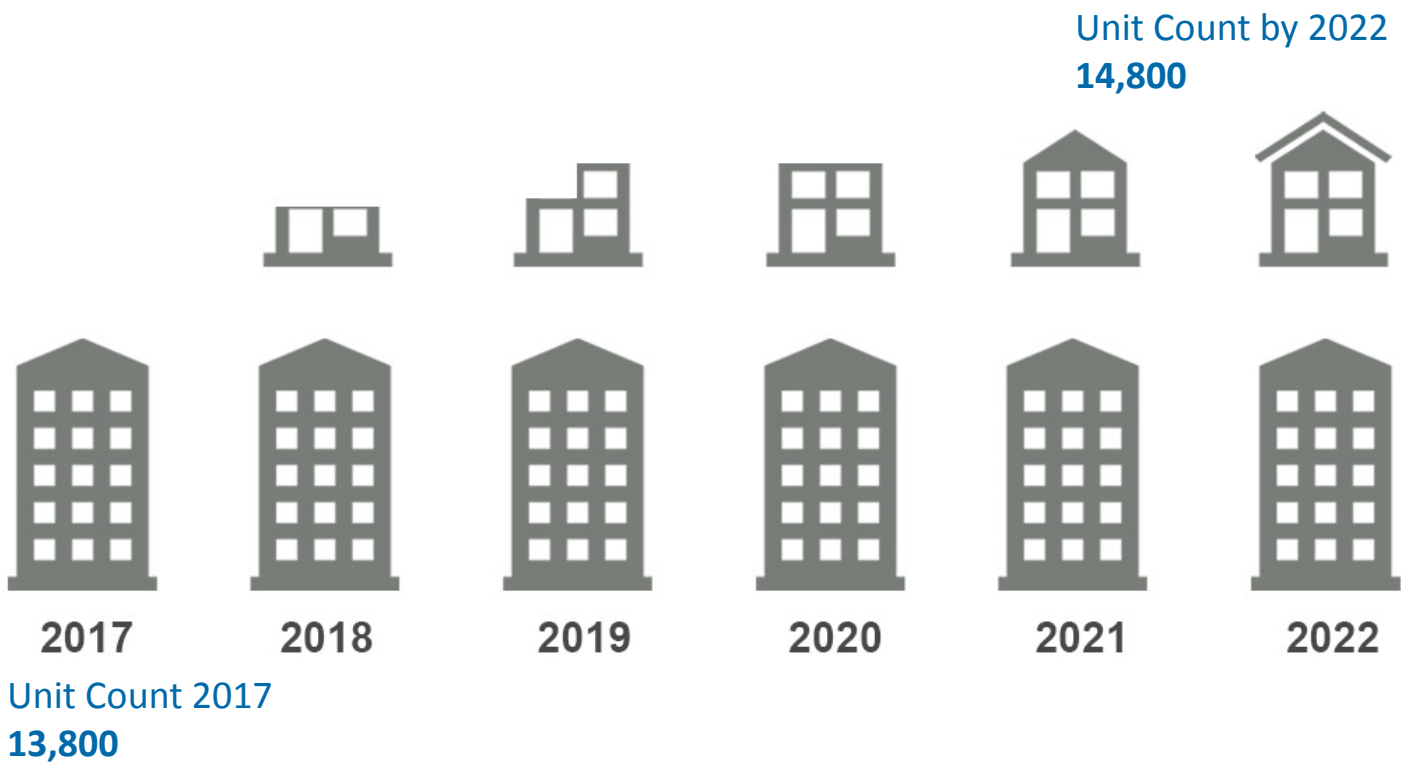


HOC will extend **enrichment and supportive services** beyond the **13,800 households** served by our current housing programs to some of the nearly **32,100 households** on our HousingPath wait list by **making training available online.**

Getting People Housed

- Maximize the number of households served by the Housing Choice Voucher program
- Expand the supply of affordable housing by developing Community-connected Housing
- Increase the number of affordable units in HOC’s portfolio through development, redevelopment and acquisition
- Preserve the current supply of affordable housing units through acquisition as well as investing in HOCs current portfolio to ensure units are not lost to obsolescence or disrepair
- Increase the number of affordable units developed in the county by supporting the development of non-HOC owned affordable units through bond-issuances
- Increase the number of mortgages provided to Montgomery County residents
- Advocate for additional housing resources and supportive policies sent within the county through Housing Choice Vouchers, Tax Credits and other affordable housing tools

Expand the supply of affordable housing within the county by 1,000 units by 2022



Keeping People Housed

- Conduct assessments for every HOC customer identified as “at-risk” for termination to assess supportive service needs and appropriate intervention alternatives
- Develop and implement an early intervention system that identifies and offers services to all elderly and disabled residents who are at-risk for eviction and/or termination
- Implement new initiatives that expand housing assistance for vulnerable populations
- Strengthen our partnership with Montgomery County Department of Health and Human Services (DHHS)
- Explore data sharing agreement with key service providers, including DHHS, to facilitate access to physical and mental health services and intervention among shared clients



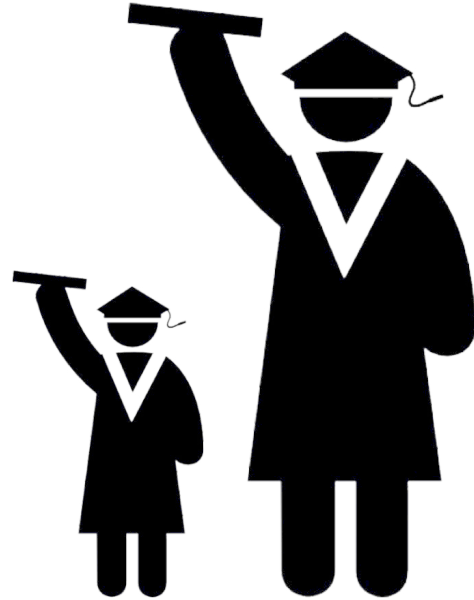
Increase housing stability for vulnerable populations by offering service **connections** and **counseling** services for **100%** of vulnerable households identified as “**at risk**” of losing their housing



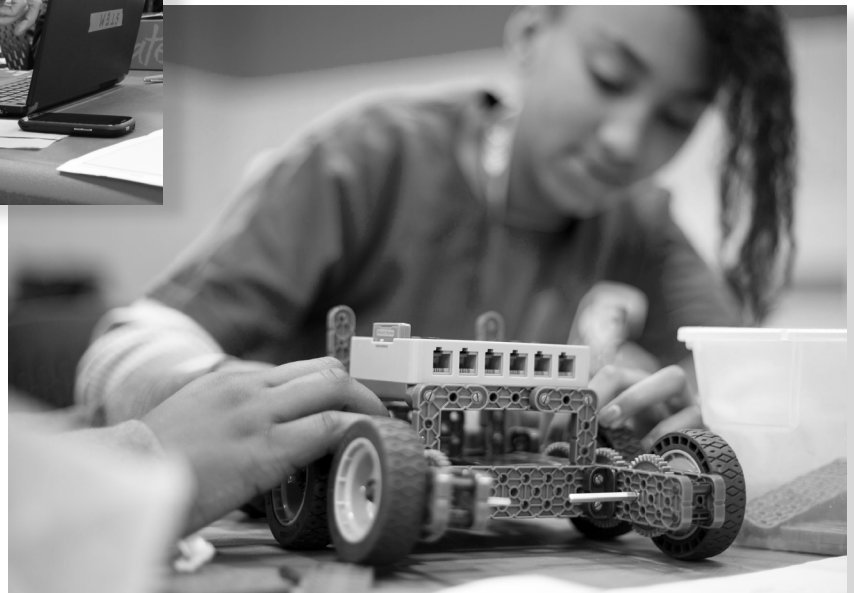
Metro Pointe

Helping Customers Reach Their Fullest Potential

- Expand participation in the Family Self Sufficiency Program among HCV customers
- Develop strategic partnerships with employers to create a Job Pipeline for HOC customers who successfully complete employment and other education based training programs
- Expand the number of internet based training programs available to persons on the HOC HousingPath wait list
- Extend recruitment for Workforce Development, Adult Education and youth education enrichment services to customers on the HOC HousingPath wait list where appropriate and resources are available



Increase participation in Adult Education, Workforce Development and Youth Education and Enrichment programs by 30%, touching 1,300 households annually





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