

Testimony in favor of HB 807, 800, and 791 regarding the Housing Opportunities Commission
Environment & Transportation Committee

March 10, 2020

My name is Tim Willard and I am here to testify in favor of HB 807, 800 and 791 regarding the Housing Opportunities Commission. The HOC has had a troubling history in recent years which I believe require closer overview over the agency's operations.

An audit done of the HOC by the Department of Housing and Urban Development in 2016 inspected 75 program units and found that 56 did not meet HUD's housing quality standards. That's a 75% failure rate. Further 15 units were in material noncompliance with housing quality standards.

The 56 units that failed to meet standards had 405 housing quality standards violations. 89 violations needed to be corrected within 24 hours because they posed a serious threat to the safety of the tenants. The 15 units that were in material non compliance had 108 violations that predated the HOC's previous inspection.

Some of the violations included electric cords wrapped around shower heads, exposed wiring, missing toilets and open sewer pipes, and temperature and pressure relief valves that could not be opened, which could have resulted in an explosion. All of these units had allegedly been inspected by HOC earlier in the same year but none of these violations had been noted.

HUD concluded that HOC's inspectors did not thoroughly inspect units and did not properly administer its quality control program. As a result HOC's program participants were subjected to housing quality standards violations that created unsafe living conditions during their tenancy.

Other complaints investigated by the Montgomery County's Office of Inspector General found serious problems. One investigated a claim that two private parties colluded to create a phony \$3.5 million contract for an apartment building in Bethesda to be purchased by HOC. While the OIG could

find no conclusive evidence of collusion, the facts showed that HOC bought the property at a price that was twice its assessed value without having the property appraised.

In 2015 the OIG received a complaint from a housing choice voucher recipient who claimed that a HOC inspector improperly deleted documents from her file and improperly removed her account status. Ultimately HOC admitted that the complainant had been notified in error but by this time the complainant had been forced to vacate the apartment due to financial reasons.

A December 2014 complaint claimed that two individuals serving as HOC commissioners during 2013 had a conflict of interest. One commissioner's firm was part of the development team included in a proposal for the redevelopment of an HOC property. The other commissioner's issues were related to actions he took that benefitted people with whom he had business and personal relationships. The OIG found that HOC lacked written policies and procedures on ethics and confidentiality. Both commissioners voluntarily resigned while the OIG was looking into these matters.

Sen. Ben Kramer introduced a bill in the Maryland legislature after receiving complaints from constituents and HOC employees alleging waste, fraud and mismanagement in the department, commenting, "There tends to be a sentiment that HOC rides roughshod over the community. And I have heard with enough frequency that this was something we should take a closer look at."

Some employees, Kramer said, were worried about speaking out publicly for fear of retribution.

Kramer cited the total lack of transparency at HOC, saying "what I have heard repeatedly with HOC and a lack of concern from their executive director with regard to the public,"

Employee relations are typified by one former employee who wrote "Company morale is at an all time low. People at this point are just there for a paycheck. Management is the worst out

the bunch. If their not getting rid of people left and right. People are quitting. Majority of people I work with including myself are gone. The Executive Director messed everything up when he got there.”

Reviews from HOC’s Westwood Towers complained that; “the company running it is a JOKE.” No maintenance what so ever, no investment in anything. The building is old and it's starting to show. Appliances are old and they will not change anything unless it literally breaks down completely. One Tennant commented that “you learn quickly NOT to say anything, which makes things worse of course and that turnover in personnel is tornado like.... apparently no one wants to work there too long either. “ “They have virtually NO respect for tenants or tenants rights,” according to one Tennant,”They will walk in your place unannounced whenever they feel like it whether you're there or not. I have said many times that since I work from home that's a major deal but hey who cares...”

The Housing Opportunities Commission has become a rogue agency that is answerable to no one. The reforms offered by these three bill will help to rectify this situation and I urge the committee to approve them.