

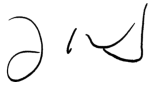
Robin Carter
Chairperson, Board of Commissioners

Janet Abrahams
President | Chief Executive Officer



Memorandum

To: The Honorable President and Members of the City Council
C/o Natawna Austin, Executive Secretary

From: Janet Abrahams, President & Chief Executive Officer 

Date: July 7, 2023

Subject: City Council Bill 22-0250 - The Councilmember Mary Pat Clarke Opportunity to Purchase Act

The Housing Authority of Baltimore City (HABC) has reviewed City Council Bill 22-0250 for the purpose of repealing City Code, Article 13, Subtitle 6 {"Tenant's Right of First Refusal"} as obsolete and replacing it with a subtitle establishing a tenant's opportunity to purchase certain rental facilities; establishing certain exemptions from the subtitle; providing for certain rules of interpretation; authorizing the Commissioner of the Department of Housing and Community Development to adopt rules and regulations to carry out the subtitle and requiring that a landlord provide a notice of offer of sale to certain persons on deciding to sell a rental facility.

The proposed legislation would require HABC to take an unfavorable position and request an exemption as it conflicts with federal law. HABC's properties are subject to a Declaration of Trust in favor of HUD, and HABC must comply with HUD regulations regarding the sale of HABC property.

In order to sell any property, HABC must obtain HUD approval in accordance with the regulations of 24 CFR Part 970. This regulation does not allow HABC to provide the tenant an opportunity to purchase the property. Instead, per the regulation, HABC is required to send an offer of sale to affected resident organizations, which can submit a letter of interest and obtain financing in order to purchase the property.

For renters of HABC properties, HABC has a homeownership program that must conform with 24 CFR Part 906 in order to sell the property to the renter.

HABC would like to suggest the following amendment to § 6-2. **Scope of subtitle.**

The following transfers of title are exempt from the requirements of this subtitle:

ADD: (11) a transfer of title by the Housing Authority of Baltimore City.

For the reason stated above, HABC requests an exemption to City Council Bill 22-0250.