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, Chief Executive Officer

Date: February 27, 2024

Subject: City Council Bill 24-0485 - Tenant Opportunity to Purchase - Corrective Bill

The Housing Authority of Baltimore City (HABC) has reviewed City Council Bill 24-0485 for the purpose of clarifying a definition under Article 13, Subtitle 6 "Opportunity to Purchase"; and providing for a special effective date.

HABC would like to ensure that when the corrections are made under CB 24-0485, an exemption for its properties is honored, as this legislation 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 request an exemption to City Council Bill 24-0485.