Joseph L. Smith Chairman, Board of Commissioners Janet Abrahams President / Chief Executive Officer



MEMORANDUM

The Honorable President and Members of the Baltimore City Council To:

c/o Natawna Austin, Executive Secretary

From: Janet Abrahams, President and Chief Executive Officer

Date: May 5, 2020

Re: City Council Bill 20-0526 Baltimore City COVID-19 Renter Relief Act

The Housing Authority of Baltimore City (HABC) has received the referral for comment on City Council Bill 20-0526, the Baltimore City COVID-19 Renter Relief Act. HABC provides federally funded housing programs and related services for Baltimore's low-income households. Through our Public Housing and Housing Choice Voucher (HCV) programs, HABC serves approximately 43,000 City residents.

The proposed bill would prohibit any increase in rent during the time of the declared catastrophic health emergency declared by the Governor of Maryland on March 5, 2020, as amended or extended by the Governor, under State Public Safety Article, § 14-3A-02, plus 90 days. HABC supports the intent of the proposed relief - to mitigate negative impacts to renters based on the economic effects of the Coronavirus disease (COVID-19) and the associated state of emergency. However, the bill, as drafted conflicts with federal law, which requires public housing authorities to determine rent based on household income and to adjust the tenant portion of rent owed based on corresponding reductions or increases of said income.

Therefore, we recommend amending the bill to exempt HABC from the proposed provisions. HABC proposes the following language to be inserted into the bill to avoid any conflict between the City Council bill and federal law:

Section 8-4 (B) SCOPE

Further, nothing in this section 8-4 applies to any landlord who must comply with federal laws, regulations or other federal requirements in determining the amount of a tenant's rental fee.

HABC is regulated and funded by the United States Department of Housing and Urban Development (HUD). Our agency has and will continue to implement adjustments to our standard operations, as

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authorized by HUD, to minimize any adverse effects that COVID-19 has on the housing stability of our residents. To date, HUD has not issued any guidance to housing authorities regarding the prohibition of rent increases. However, under the Coronavirus Aid, Relief and Economic Security (CARES) Act, which was signed into federal law on March 27, 2020, HABC is prohibited from evicting tenants for nonpayment for rent owed from the date of the Act's enactment until July 24,2020. The CARES Act further prohibits housing authorities from charging any new fees for nonpayment of rent from March 27, 2020 through July 24, 2020. In addition to adhering to these federal requirements, HABC has been expeditiously processing tenant requests for rent reexaminations due to loss of, or reductions, in household income. We will continue to work with our residents to mitigate the impact of COVID-19 in accordance with federal requirements.

Thank you for your consideration of our request to amend the language of City Council Bill 20-0526 to ensure that the well-intended bill does not conflict with federal law.