

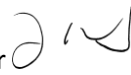
# MEMORANDUM



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

## MEMORANDUM

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

From:   Janet Abrahams, President and Chief Executive Officer 

Date:    October 26, 2020

Re:     City Council Bill 20-0558 City Officers and Employees - Commuting Benefits

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The Housing Authority of Baltimore City (HABC) was referred City Council Bill 20-0558 City Officers and Employees - Commuting Benefits. The bill would require that the Baltimore City Department of Human Resources have a written policy regarding certain parking benefits; offer a public mass transit subsidy to every officer and employee of the City; offer a cash equivalent alternative to any City officer or employee entitled or eligible to receive a parking benefit; define certain terms; and generally encourage the use of public mass transit by City officers and employees.

The bill expressly includes HABC in the definition of the term “agency” under an addition to the Baltimore City Code, Article 1, § 7-12(B)(2)(II) and requires each agency to provide parking benefits to its employees. Below are reasons that the Bill should not apply to HABC.

HABC is created under Title 12 of the Md. Ann. Code, Housing and Community Development Article (formerly Article 44A) as a public body corporate and politic. Primarily federally funded, HABC is party to an Annual Contributions Contract (“ACC”) and Moving to Work Agreement (“MTW Agreement”) with the U.S. Department of Housing and Urban Development (“HUD”). The ACC and MTW Agreement establish the requirements for HABC’s accountability and management of its housing programs in accordance with federal laws and regulations. HABC is granted federal funds from HUD to operate and administer its public housing and voucher programs, which provide housing and housing subsidies to low-income families in Baltimore City.

The use of HABC’s federal funds is governed by 2 CFR Part 200, and 24 CFR § 200.400(b) provides that HABC is responsible for “administering Federal funds in a manner consistent with underlying agreements, program objectives, and the terms and conditions of the Federal award.”

HABC does not receive any funds from the City to operate or administer HABC’s housing programs. Although HABC provides benefits to its employees, HABC budgets the grant of federal funds in manner that furthers HABC’s mission to create and provide quality affordable housing opportunities in sustainable neighborhoods for the people we serve, who are low-income families in Baltimore City. Since HABC does not receive operational funds from the City, it is not appropriate for the Bill to determine how HABC should use the federal funds it receives from HUD.

Housing Authority of Baltimore City | 417 East Fayette Street, Baltimore, MD 21202

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The federal regulation at 2 CFR §200.431 governs the use of federal funds for HABC employees. Accordingly, HABC operates under its own human resources policies, as approved by the HABC Board of Commissioners. HABC is not subject to the policies or oversight of the Baltimore City Department of Human Resources. For these reasons, it is inappropriate to include HABC in programs, policies, or funding from the Baltimore City Department of Human Resources – including the additions proposed in this bill to the Baltimore City Code, Article 1, § 7-12(C); § 7-12(D); and § 7-12(E).

**HABC recommends that those sections referring to HABC be amended, striking them from this bill.**