CITY OF BALTIMORE ORDINANCE ______ Council Bill 21-0097

Introduced by: Councilmembers Middleton, Schleifer, Conway, Torrence, Ramos, Glover,
Cohen, Dorsey, Porter, Bullock, Stokes
Introduced and read first time: June 8, 2021

Assigned to: Economic and Community Development Committee
Committee Report: Favorable, with amendments
Council action: Adopted
Read second time: September 20, 2021

AN ORDINANCE CONCERNING

1	Emergency Security Deposit Relief Act
2	FOR the purpose of establishing the Emergency Security Deposit Voucher Grant Program;
3	placing a cap on the amount of money the Emergency Security Deposit Voucher Grant
4	Program can give each family landlord on behalf of a family for a security deposit; providing
5	for certain funding for the Emergency Security Deposit Voucher Program; setting forth the
6	eligibility requirements for the Emergency Security Deposit Voucher Grant Program;
7	requiring that the Department of Housing and Mayor's Office of Children and Family
8	Success Community Development adopt rules and regulations to administer the Emergency
9	Security Deposit Voucher Grant Program; establishing procedures on a family's admission
10	into admission procedures for the Emergency Security Deposit Voucher Grant Program;
11	putting certain priorities in place for distribution of security deposit vouchers grants;
12	requiring the security deposit voucher to be used within a certain time frame; making a family
13	liable for the cost of the security deposit voucher upon a Departmental finding that the family
14	has used the security deposit voucher improperly; providing for an appeals process in case of
15	a finding of improper use of the security deposit voucher or denial of a security deposit
16	voucher grant; defining certain terms; and providing for termination of this subtitle on a
17	certain date.
18	By adding
19	Article 13 - Housing and Urban Renewal
20	Sections 6B-1 through 6B-13 <u>6B-10</u> , to be under the new subtitle
21	"Security Deposit Vouchers Grants"
22	Baltimore City Code
23	(Edition 2000)
24	SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE, That the
25	Laws of Baltimore City read as follows:
26	Baltimore City Code
27	Article 4. Housing and Urban Renewal

EXPLANATION: CAPITALS indicate matter added to existing law.

[Brackets] indicate matter deleted from existing law.

Underlining indicates matter added to the bill by amendment.

Strike out indicates matter stricken from the bill by amendment or deleted from existing law by amendment.

1	SUBTITLE 6B. SECURITY DEPOSIT VOUCHERS <u>GRANTS</u>
2	§ 6B-1. DEFINITIONS.
3	(A) IN GENERAL.
4	IN THIS SUBTITLE, THE FOLLOWING TERMS HAVE THE MEANINGS INDICATED.
5	(B) DIRECTOR.
6 7	"DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF THE MAYOR'S OFFICE OF CHILDREN AND FAMILY SUCCESS.
8	(B) COMMISSIONER.
9 10	"Commissioner" means the Commissioner of the Department of Housing and Community Development or the Commissioner's designee.
11	(C) DEPARTMENT.
12	"DEPARTMENT" MEANS THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
13	(D) LOW-INCOME-HOUSEHOLD.
14 15 16	"Low-income household" means a family whose aggregate gross income does not exceed 60% of the Area Median Income, as adjusted for the size of the family.
17	(C)(E) FAMILY.
18	"FAMILY" MEANS 1 OR MORE INDIVIDUALS WHO RESIDE TOGETHER AS A HOUSEHOLD.
19	(F) FUND.
20 21	"Fund" means the continuing, nonlapsing fund established by City Charter Article I, § 14 {"Affordable housing trust fund"}.
22	(D) MAYOR'S OFFICE.
23	"MAYOR'S OFFICE" MEANS THE MAYOR'S OFFICE OF CHILDREN AND FAMILY SUCCESS.
24	(E)(G) PROGRAM.
25 26	"Program" means the Baltimore City Emergency Security Deposit Voucher Grant Program.

1	(F)(H) SECURITY DEPOSIT.
2 3 4	"SECURITY DEPOSIT" MEANS AN AMOUNT OF MONEY THAT A TENANT PAYS TO A LANDLORD THAT THE LANDLORD MUST RETURN TO THE TENANT AT THE END OF THE LEAS MINUS ANY AMOUNT THE LANDLORD USED FOR THE TENANT'S:
5	(1) NON-PAYMENT OF RENT;
6	(2) BREACH OF THE LEASE; OR
7	(3) DAMAGE TO PROPERTY.
8	(G)(1) SECURITY DEPOSIT VOUCHER <u>GRANT</u> ; VOUCHER <u>GRANT</u> .
9 10 11 12	"SECURITY DEPOSIT VOUCHER <u>GRANT</u> " OR " VOUCHER <u>GRANT</u> " MEANS A ONE-TIME PAYMENT BY THE PROGRAM OF UP TO \$2,000 TOWARD A SECURITY DEPOSIT <u>AND SHALL</u> NOT BE CONSIDERED INCOME FOR THE TENANT, SUBJECT TO ANY STATE OR FEDERAL LAW <u>GOVERNING THE SOURCE OF FUNDS FOR THIS VOUCHER</u> .
13	§ 6B-2. PROGRAM ESTABLISHED.
14	(A) IN GENERAL.
15 16	There is an Emergency Security Deposit $\frac{Voucher}{City}$ Program in Baltimore City.
17	(B) PURPOSE.
18 19 20	The purpose of the Program is to provide families who are in need of permanen housing and who have low incomes with security deposit vouchers <u>grants</u> for permanent housing.
21	(C) ADMINISTRATION.
22	THE PROGRAM SHALL BE ADMINISTERED BY THE DEPARTMENT MAYOR'S OFFICE.
23	§ 6B-3. Program funding.
24	(A) IN GENERAL.
25	(1) THE PROGRAM MAY BE FUNDED BY AN ANNUAL DISBURSEMENT FROM THE FUND.
26 27	(2) Any unused or unobligated Fund disbursements shall revert back to the Fund on an annual basis.
28	(B)-SUPPLEMENTAL FUNDING.
29 30	IN ADDITION TO THE FUNDING DESCRIBED IN SUBSECTION (A), THE PROGRAM MAY BE FURTHER FUNDED BY AN APPROPRIATION IN THE ANNUAL ORDINANCE OF ESTIMATES.
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1	§ 6B-3. 6B-4. RULES AND REGULATIONS.
2	(A) IN GENERAL.
3 4 5 6	SUBJECT TO THE REQUIREMENTS IN THIS SECTION AND SUBJECT TO TITLE 4 {"ADMINISTRATIVE PROCEDURE ACT - REGULATIONS"} OF THE CITY GENERAL PROVISIONS ARTICLE, THE DEPARTMENT MAYOR'S OFFICE SHALL ADOPT RULES AND REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS PART.
7	(B) COLLABORATION:
8 9 10 11	IN DEVELOPING THE RULES AND REGULATIONS REQUIRED BY THIS SECTION AND ANY SUBSEQUENT AMENDMENTS, THE DEPARTMENT SHALL COLLABORATE WITH THE AFFORDABLE HOUSING TRUST FUND COMMISSION ESTABLISHED BY CITY CHARTER ARTICLE I, § 14 AND THE BALTIMORE CITY CONTINUUM OF CARE TO ENSURE CONSISTENCY OF POLICY AND PROCEDURE.
13	(B) (C) HEARING PERIOD.
14 15 16	In addition to the requirements set forth in the Title 4 ("Administrative Procedure Act - Regulations") of the City General Provisions Article, the Department Mayor's Office must hold a public hearing prior to:
17	(1) ADOPTING ANY RULES AND REGULATIONS REQUIRED BY THIS SECTION; OR
18 19	(2) AMENDING OR REPEALING ANY RULES AND REGULATIONS ADOPTED UNDER THIS SUBTITLE.
20	§ <u>6B-4.</u> 6B-5. Program eligibility.
21	(A) APPLICATION REQUIRED.
22 23 24	Families seeking to participate in the Program shall submit an application to the $\frac{1}{2}$ Department $\frac{1}{2}$ Mayor's Office in the form the $\frac{1}{2}$ Requires.
25	(B) ELIGIBILITY.
26	A FAMILY IS ELIGIBLE TO PARTICIPATE IN THE PROGRAM IF THE FAMILY:
27	(1) RESIDES IN BALTIMORE CITY AT THE TIME OF APPLICATION; AND
28	(2) IS A LOW-INCOME HOUSEHOLD MEETS THE INCOME REQUIREMENTS FOR A GRANT
29	§ <u>6B-5.</u> 6B-6. PROGRAM ADMISSION.
30	(A) IN GENERAL.
31 32	SUBJECT TO THE PROVISIONS OF THIS SECTION, ELIGIBLE FAMILIES SHALL BE ADMITTED INTO THE PROGRAM.

1	(B) FUNDING AVAILABILITY.
2 3	ADMISSION INTO THE PROGRAM IS SUBJECT TO THE AVAILABILITY OF FUNDS AND IS NOT AN ENTITLEMENT.
4	§ <u>6B-6.</u> 6B-7. {RESERVED}
5	§ 6B-7. 6B-8. VOUCHER GRANT PAYMENT.
6	(A) MANNER OF PAYMENT.
7 8	A SECURITY DEPOSIT VOUCHER <u>GRANT</u> MADE UNDER THIS SECTION SHALL BE GIVEN DIRECTLY TO THE TENANT TO PAY THE LANDLORD <u>ON BEHALF OF THE FAMILY</u> .
9	(B) AUDITS.
10 11 12	THE DEPARTMENT MAYOR'S OFFICE SHALL CONDUCT AUDITS AT LEAST ANNUALLY TO ENSURE THAT FAMILIES RECEIVING SECURITY DEPOSIT VOUCHERS GRANTS ARE ELIGIBLE FOR ASSISTANCE:
13	(1) ELIGIBLE FOR ASSISTANCE; AND
14 15	(2)-APPROPRIATELY USING THE VOUCHERS TO PAY FOR SECURITY DEPOSITS FOR PERMANENT HOUSING.
16	§ 6B-9. ROOMING UNITS.
17	(A) "ROOMING UNIT" DEFINED.
18 19	In this section, "rooming unit" has the definition stated in § 202.2 of the Baltimore City Property Maintenance Code.
20	(B) ASSISTANCE ALLOWED.
21 22	A SECURITY DEPOSIT PAYMENT MADE UNDER THE PROGRAM MAY BE PROVIDED FOR A ROOMING-UNIT.
23	§ 6B-8. 6B-10. VOUCHER GRANT PRIORITY; EQUITY.
24 25	TO ENSURE THAT VOUCHERS <u>GRANTS</u> ARE DISBURSED IN AN EQUITABLE MANNER, THE <u>DEPARTMENT</u> <u>MAYOR'S OFFICE</u> SHALL PRIORITIZE VOUCHER <u>GRANT</u> RECIPIENTS BASED ON:
26 27 28	(1) MEDIAN HOUSEHOLD INCOME IN THE VICINITY OF A FAMILY'S DESIRED PERMANENT HOUSING, WITH AREAS WITH THE LOWEST MEDIAN INCOME RECEIVING HIGHEST PRIORITY; AND
29 30	(2) WHETHER THE FAMILY HAS RECEIVED A SECURITY DEPOSIT VOUCHER <u>GRANT</u> FROM THE <u>DEPARTMENT</u> <u>MAYOR'S OFFICE</u> IN A PRIOR YEAR.

1	3-6B-F1. HIME LIMITATIONS FOR USE OF VOUCHER.
2	(A) IN GENERAL.
3 4	A FAMILY HAS 180 DAYS TO USE THE SECURITY DEPOSIT VOUCHER TOWARD PAYMENT OF A SECURITY DEPOSIT FOR PERMANENT HOUSING.
5	(B) EXTENSION.
6 7 8	IF A FAMILY NEEDS MORE TIME TO USE THE SECURITY DEPOSIT VOUCHER TOWARD PAYMENT OF A SECURITY DEPOSIT, THE FAMILY MUST MAKE A WRITTEN REQUEST FOR ADDITIONAL TIME TO THE DEPARTMENT.
9	(C)-DEPARTMENTAL DISCRETION.
10 11	On a finding of good cause, the Department may grant the family's written request for additional time to use the voucher.
12	§ 6B-12. MISUSE OF VOUCHER.
13	(A) IN GENERAL.
14	IF THE DEPARTMENT FINDS THAT A FAMILY IS USING THE VOUCHER FOR PURPOSES OTHER
15	THAN PAYMENT OF A SECURITY DEPOSIT FOR PERMANENT HOUSING, THE FAMILY IS LIABLE
16	FOR THE AMOUNT OF THE VOUCHER, PAYABLE AS PROVIDED IN THE RULES AND
17	REGULATIONS ADOPTED UNDER THIS SUBTITLE.
18	(B)-Written notice of finding.
19	IF THE DEPARTMENT FINDS THAT THE FAMILY IS USING THE VOUCHER FOR PURPOSES
20	OTHER THAN PAYMENT OF A SECURITY DEPOSIT FOR PERMANENT HOUSING, THE
21	DEPARTMENT MUST PROVIDE THE FAMILY WITH A WRITTEN NOTICE OF THE FINDING AND
22	THE FAMILY'S SUBSEQUENT LIABILITY, INCLUDING THE REASONS FOR THE FINDING, WITHIN
23	15 BUSINESS DAYS OF THE FINDING.
24	(C) APPEAL:
25	(1) In General.
26	THE FAMILY MAY APPEAL THE DEPARTMENTAL FINDING TO THE COMMISSIONER OF
27	THE DEPARTMENT.

1	(2) FORMAT OF APPEAL.
2	IN APPEALING THE DEPARTMENTAL FINDING, THE FAMILY MUST:
3	(I) PUT THE APPEAL IN WRITING;
4	(II) STATE THE REASONS WHY THE DEPARTMENTAL FINDING IS INCORRECT; AND
5 6	(III) SEND THE APPEAL TO THE COMMISSIONER WITHIN 10 BUSINESS DAYS OF RECEIPT OF THE DEPARTMENTAL FINDING.
7	(3) DECISION.
8 9	THE COMMISSIONER MUST ISSUE A WRITTEN DECISION WITHIN 15 BUSINESS DAYS OF RECEIPT OF THE FAMILY'S APPEAL.
10	\S <u>6B-9.</u> <u>6B-13.</u> Denial of voucieer <u>grant</u> by the <u>Department Mayor's Office</u> .
l 1	(A) IN GENERAL.
12 13	The Department <u>Mayor's Office</u> may deny a voucher <u>grant</u> to a family if the Department <u>Mayor's Office</u> finds that the family:
14 15 16	(1) FAILED TO SUPPLY THE INFORMATION TO THE DEPARTMENT MAYOR'S OFFICE REQUIRED BY THIS SUBTITLE OR THE RULES AND REGULATIONS ADOPTED UNDER THIS SUBTITLE;
17	(2) DOES NOT RESIDE IN BALTIMORE CITY AT THE TIME OF APPLICATION; OR
18 19	(3) IS NOT LOW-INCOME HOUSEHOLD DOES NOT MEET THE INCOME REQUIREMENTS FOR A GRANT.
20	(B) WRITTEN NOTICE OF DENIAL.
21 22 23	If the Department <u>Mayor's Office</u> denies a family's application for a voucher <u>Grant</u> , it must provide the family with a written notice of the denial, including the reasons for the denial, within 15 business days of the denial.
24	(C) APPEAL.
25	(1) IN GENERAL.
26 27	THE FAMILY MAY APPEAL THE DEPARTMENT'S <u>MAYOR'S OFFICE'S</u> DENIAL TO THE COMMISSIONER <u>DIRECTOR</u> OF THE DEPARTMENT <u>MAYOR'S OFFICE</u> .

1	(2) FORMAT OF APPEAL.
2	In appealing the Department's <u>Mayor's Office's</u> denial, the family must:
3	(I) PUT THE APPEAL IN WRITING;
4 5	(II) STATE THE REASONS WHY THE DEPARTMENT <u>MAYOR'S OFFICE</u> SHOULD HAVE GRANTED THE VOUCHER GRANT; AND
6 7 8	(III) SEND THE APPEAL TO THE COMMISSIONER DIRECTOR WITHIN 15 BUSINESS DAYS OF RECEIPT OF THE DEPARTMENT'S MAYOR'S OFFICE'S WRITTEN DENIAL.
9	(3) DECISION.
10 11	The Commissioner Director must issue a written decision within business 15 days of receipt of the family's appeal.
12	§ 6B-10. COMPLIANCE.
13 14	TENANTS AND LANDLORDS INVOLVED IN THE PROGRAM MUST COMPLY WITH ALL STATE AND LOCAL LAWS REGARDING SECURITY DEPOSITS.
15 16 17	SECTION 2. AND BE IT FURTHER ORDAINED , That the catchlines contained in this Ordinance are not law and may not be considered to have been enacted as a part of this or any prior Ordinance.
18 19 20 21	SECTION 3. AND BE IT FURTHER ORDAINED, That this Ordinance takes effect on the 30 th day after the date it is enacted. It will remain effective through October 31, 2023 September 30, 2022 and, immediately after that date, with no further action by the Mayor and the City Council, this Ordinance will be abrogated and of no further effect.

Certified as duly passed this 20 day of September, 2021
President, Baltimore City Council
Certified as duly delivered to His Honor, the Mayor,
this 20 day of September, 2021
Chief Clerk
Ciliei Cieik
Approved this 23 day of Sertenber, 2021 Mayor, Baltimore City

Approved for Form and Legal Sufficiency This 21st Day of September, 2021.

Elena R SiPietro

Chief Solicitor