LEGISLATIVE SUMMARY
O-11-24
Tenant Displacement Fund

This summary was prepared by the City of Annapolis Office of Law for use by members of the Annapolis City Council during consideration of the legislation.

BILL SUMMARY

O-11-24:

1) creates a new fund in the Annapolis City Code to receive money to help tenants who are displaced from rental units that the City has condemned as unfit, and

2) establishes a Tenant Displacement program that's subject to funding.

The Tenant Displacement program is intended as a last resort if property owners cannot cover the relocation costs as required by state and city law.

Renters must meet the criteria established by the City to qualify for the money.

The fund is subject to City Council appropriations. The City may also accept money from other sources, such as contributions, donations, grants, and appropriations by federal, state, and private entities.

However, it's important to note that the fund will only have money if the City Council appropriates it or other funding sources provide money.

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DETAILS

1. **Chapter 6.30 --** This is a new chapter in the City Code for funds set up for specific purposes with criteria established by the City Council.

2. **Section 6.30.010—**This new section creates the "Tenant Displacement Fund" and sets the initial criteria for using the money from the fund.

   B. **The Purpose** is a place to save money for providing relocation assistance and alternative housing for renters when the City declares a property unfit for human habitation per § 17.40.850 of the City Code.

   C. **Financing** criteria will depend on the availability of money in the fund. It's based on "City budget allocations as available." However, the fund can accept federal and state government grants, private sector grants and donations.

   D. **Implementation and Reports**
      - The Finance Director must keep the funds in an interest-bearing account.
      - The Finance Department must keep records of how the funds are received and spent.
      - Reports are required annually for City Council oversight of the fund and its implementation.

3. **Chapter 18.12**—This new chapter in the City Code establishes the Tenant Displacement program.

4. **Section 18.12.030** - The Tenant Displacement Program section sets the City Council's criteria for the new program, but the Office of Community Services, which will administer the program, may implement additional regulations as needed.

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A. Fund Qualification

- ✓ Only tenants whose rental unit has been condemned per § 17.40.850 are eligible for the program.
- ✓ Financial assistance is based on the amount of money in the Tenant Displacement and Residential Housing Rehabilitation Fund.
- ✓ The Office of Community Services will run the program and create additional rules to implement it.

B. Tenant Eligibility

- ✓ Tenants must have a household income at or below 70% of the median family income.
- ✓ They must submit a claim with the Office of Community Services and fill out any forms the office requires.
- ✓ The landlord must demonstrate their inability to cover tenant relocation costs.

C. Legal Rights

- ✓ Establishes the City's legal rights in the landlord-tenant displacement and return process.
- ✓ The City must be indemnified from claims before either side can receive funds under this program.