



Legislation Text

File #: O-11-24, Version: 1

Tenant Displacement Fund - For the purpose of establishing a fund for providing assistance to tenants who are displaced when rental units are deemed unfit for human habitation by the City; basing funding for tenants on specific criteria; and generally related to emergency housing needs in the City of Annapolis.

**CITY COUNCIL OF THE
City of Annapolis**

Ordinance 11-24

Introduced by: Alderman Gay

Referred to:

Finance Committee
Housing and Human Welfare Committee

AN ORDINANCE concerning

Tenant Displacement Fund

FOR the purpose of establishing a fund for providing assistance to tenants who are displaced when rental units are deemed unfit for human habitation by the City; basing funding for tenants on specific criteria; and generally related to emergency housing needs in the City of Annapolis.

BY creating with amendments the following portion of the Code of the City of Annapolis, 2024 Edition:

6.30
6.30.010
18.12

SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that the Code of the City of Annapolis shall be amended to read as follows:

Title 6- REVENUE & FINANCE

Chapter 6.30 - Special Funds

Section 6.30.010 - Tenant Displacement Fund.

- A. Established.** There is a special fund designated as the Tenant Displacement Fund (hereinafter "fund").
- B. Purpose.** The fund shall be used to fund programs that provide relocation assistance and alternate housing for individuals displaced as a result of the enforcement of § 17.40.850 and to offset the costs to the city incurred in connection therewith, including the administration of the fund.
- C. Financing.**

The fund shall be financed from:

- a. City budget allocations as available; and
- b. Any contributions, donations, grants, or other appropriations by federal, state, and private entities.

D. Implementation and Required Reports.

The Finance Director shall:

- a. Administer the fund and keep the fund in an interest-bearing account with interest accruing to the benefit of and to become part of the fund;
- b. Keep detailed and accurate records in the administration of the fund; and
- c. Provide annual reports to the City Manager and City Council, giving a complete and detailed written accounting of all revenues in the fund and any expenditures made therefrom.

Title 18 - LANDLORD AND TENANT RELATIONS

Chapter 18.12 - Tenant Displacement.

Section 18.12.010 - Definitions.

1. "Tenant" means any person who occupies a rental unit or rental facility as a residence with the consent of the landlord and has an obligation to pay rent or provide other consideration to the landlord for such accommodations. "Tenant" means the same as "lessee."
2. "Owner," applied to a building or land, includes any part owner, joint owner, tenant in common, tenant by the entirety, tenant in partnership or joint tenant of the whole or a part of such building or land.
3. "Property" includes real and personal property.

Section 18.12.030 - Tenant Displacement Program.

A. Fund Qualification.

1. Participation in the Tenant Displacement Fund (hereinafter "fund") as set in § 6.30.010 shall be limited to tenants whose rental unit has been ordered condemned pursuant to § 17.40.850.
2. Receipt of a grant from the fund shall be a privilege and not a right and will be subject to funds availability and such other eligibility criteria as the City may impose.
3. The Office of Community Services shall promulgate and publish eligibility requirements for a tenant to receive tenant relocation in addition to the criteria in this section.

B. Tenant Eligibility.

1. Tenants.

- a. The Office of Community Services shall administer the fund and accept applications.

- b. At a minimum, the eligibility requirements shall require that a tenant:
 - i. have a household income at or below 70% of the area median income; and
 - ii. submit a claim form documenting income eligibility no later than the deadline established by the Office of Community Services.
- 2. **Landlord Responsibility.** Tenants shall be allowed to participate in the fund if and only if the landlord has verified to the satisfaction of the Office of Community Services that they are financially unable to provide relocation assistance or provide suitable replacement housing.

C. Legal rights.

- 1. The payment of grants from the fund to subsidize alternate housing for tenants displaced due to a lessor's failure to comply with the minimal rental standards shall give rise to a legal obligation on the part of the lessor in favor of the City.
- 2. The foregoing obligation must be satisfied, in full and with interest at the judicial rate, before a lessor may secure or renew a certificate of compliance.
- 3. This program's benefit payments will not be processed until the tenants execute an agreement with the City indemnifying the City and its officials from any and all claims associated with the recipients rental housing situation, whether occurring prior to or after the submittal of the application for benefits under this program.

SECTION II: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that this ordinance shall take effect upon passage.