

Chapter 115

SEAT PLEASANT HOUSING TRUST FUND AND REVOLVING LOAN FUND

[HISTORY: Adopted by the Mayor and Council of the City of Seat Pleasant 1-17-2017 by Ord. No. O-17-13. Amendments noted where applicable.]

§ 115-1. Definitions.

As used in this chapter, the following terms have the meanings stated:

AFFORDABLE HOUSING — Housing, either owner-occupied or rental, for which the household spends no more than 30% of its gross income on housing-related expenses; provided, however, that any housing program or project that receives federal or state funds and complies with regulations applicable to such funding source(s) regarding the percentage of household income to be spent on housing shall be considered "affordable housing" for purposes of this definition or as decided upon by an oversight board.

§ 115-2. Establishment and administration of Trust Fund and Revolving Loan Fund.

- A. The Seat Pleasant Housing Trust Fund and Revolving Loan Fund (the "Trust Fund" and "Revolving Loan Fund") shall be created by the Director of Economic Development as a separate, segregated account in the name of "The Seat Pleasant Housing Trust Fund" and the "Revolving Loan Fund," held by "The City of Seat Pleasant, a Maryland municipal corporation," into which shall be deposited funds collected pursuant to § 115-3A of this chapter.
- B. The Trust Fund and Revolving Loan Fund shall be administered by the Economic Development Department and managed by an executive director appointed by the Mayor, who shall account for the Trust Fund and the Revolving Loan Fund. An oversight board comprised of the City Administrator, Director of Economic Development, and City Treasurer shall have oversight and final authority over all matters relating to the Trust Fund and Revolving Loan Fund, including approval of all decisions regarding the Trust Fund monies, subject to consideration of the executive director's recommendations and except as otherwise stated in this chapter. The Revolving Loan Fund projects shall be recommended by the executive director and decided by the oversight board.
- C. The executive director, subject to the oversight board's approval, may utilize a separate, independent entity to invest the proceeds of the Housing Trust and Revolving Loan Fund in furtherance of the purposes of this chapter and subject to the City's investment policies and procedures.
- D. In addition to the other duties specified herein, the executive director shall:
 - (1) Develop an annual plan for using the Trust Fund and the Revolving Loan Fund's assets in furtherance of the purposes of this chapter, which shall be approved by the

oversight board for submission to the City Council, which may then approve the plan by resolution;

- (2) Disburse funds from the Trust Fund and the Revolving Loan Fund in accordance with a duly-approved annual plan as specified in § 115-2D(1) of this chapter; and
 - (3) Recommend to the oversight board qualified, independent entities for receiving and processing applications for funding on the executive director's behalf, to assist with formulation of the annual plan, or to otherwise assist in the administration and management of the Housing Trust; and
 - (4) Perform such other duties as the City Council may direct by resolution.
- E. It is the intention of the City Council that the Trust Fund and the Revolving Loan Fund be a dedicated funding source used for the purpose of this chapter and in accordance with all applicable federal, state, and local laws and regulations. Accordingly, any assets remaining in the Trust Fund at the end of any fiscal year shall be carried into the next fiscal year, including all interest and income earned, as well as any repayments or forfeitures of loans and/or grants.

§ 115-3. Creation, distribution, and use of the Trust Fund's and Revolving Loan Fund's assets.

- A. The Trust Fund and the Revolving Loan Fund will be funded through the following sources:
- (1) Grants and/or loans from Prince George's County, the State of Maryland, and/or the federal government; and
 - (2) Repayment of funds loaned from the Trust Fund;
 - (3) Interest earned by the Trust Fund and Revolving Loan Fund;
 - (4) Appropriations from the City's general fund or other City funds;
 - (5) Other gifts, donations, or grants; or
 - (6) Other sources of funding as the City Council may from time to time specify by ordinance.
- B. Funds appropriated from the Trust Fund and the Revolving Loan Fund shall be used to fund programs and projects for the benefit of affordable housing and development within the corporate limits of the City for persons whose annual income is low to moderate income, as determined by the oversight board, that:
- (1) Increase production of affordable housing for sale or rent;
 - (2) Increase the accessibility of new and existing affordable housing to citizens and residents, both existing and potential, and increase the supply of urban development;
 - (3) Preserve affordable housing, including but not limited to grants or loans for basic repair, rehabilitation, or improvement of affordable housing, adaptive modification, or the targeted improvement of facades;

- (4) Sponsor programs to prevent homelessness;
 - (5) Provide funds to match other local, state, or federal housing assistance programs;
 - (6) Provide settlement costs, down payment, and loan assistance for qualified homeowners within the City;
 - (7) Provide counseling and education as to affordable housing options for City residents; and
 - (8) Pay the actual staffing and operation costs associated with the administrative costs of the Trust Fund and the Revolving Loan Fund as set forth in § 115-3C of this chapter.
- C. Administrative costs of the Trust Fund and Revolving Loan Fund associated with funding and administering the programs and projects specified in this chapter may be paid from the Trust Fund's and the Revolving Loan Fund's assets or from other revenue sources as designated by the City Council as part of the City's annual budget process.
- D. On an annual basis, a percentage of the Trust Fund and Revolving Loan Fund monies that are used for purposes other than to pay for administrative costs shall be used to fund programs and projects specified by this chapter for the benefit of households with low to moderate incomes.
- E. On an annual basis, a percentage of such funds that are used for purposes other than to pay for administrative costs shall be used to fund programs and projects specified by this chapter intended to increase production of affordable housing for sale or rental units.