

Sayers, Margery

From: Lisa May <lisavm78@vt.edu>
Sent: Friday, April 13, 2018 11:06 AM
To: CouncilMail
Subject: HCAR Comments on CB 20-2018, Landlord Tenant
Attachments: HCAR Comments on CB 20 4-18.pdf

Chairperson Sigaty and Members of the Council,

Please find attached HCAR's comments on CB 20-2018, regarding Landlord Tenant relations.

HCAR will meet with representatives from the County later today to discuss the issues we have identified in our comments. We sincerely thank the staff and the Chairperson for their willingness to have this discussion and seek compromises which protect both tenants and individual landlords. We will keep you informed of our progress.

If we can provide any additional information to you, please do not hesitate to contact us.

Thank you for your consideration of our comments, and have a wonderful weekend.

Best,

Lisa May
HCAR Government Affairs Director



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Main 410-715-1437
Fax 410-715-1489
Web www.hcar.org

April 12, 2018

The Honorable Mary Kay Sigaty
Chairperson, Howard County Council
George Howard Building
3430 Courthouse Drive
Ellicott City, MD 21043

Re: CB 20-2018, AN ACT to regulate specified matters between certain landlords and tenants

Dear Chairperson Sigaty,

On behalf of the Howard County Association of REALTORS® (HCAR), I am writing to offer comments on CB 20-2018, which will be heard before the Council next Monday, April 16.

HCAR has reviewed CB 20, as introduced, and identified several areas for clarification or possible amendment. HCAR will be meeting with representatives from Chairperson Sigaty's office and the County Offices of Consumer Protection and Community Resources prior to the public hearing to discuss the following items:

17.907. LEASE APPLICATION REQUIREMENTS, (D). FEES

Page 6, Lines 5-17

The draft ordinance instructs landlords to retain only the "portion of fees actually expended" to process the application when such fees exceed \$25. While processing fees charged by third parties, such as a credit report, are easy to verify, there are other services performed by landlord or property managers themselves. This can include verification of income, employment, previous addresses and tenancies, and character references, all of which are uses of the landlord's time and for which a fee is not easily determined. Landlords should be able to recover reasonable expenses for the above actions.

17.908. REQUIRED INFORMATION. (A) IN GENERAL

Page 6, Lines 22-29 and Page 7, Lines 5-7

Item (1) requires landlords to provide the tenant a proposed lease. Because landlords and tenants may negotiate the terms of a lease and several revisions may take place during this

process, HCAR wants to confirm that this refers to a copy of a standard lease agreement without negotiated terms included.

Item (2) requires that landlords provide copies of Common Ownership Community rules impacting common areas. These rules are subject to change, and at times the most current documents available to the landlord may lag behind the votes of the association. We want to avoid situations where landlords acting in good faith inadvertently violate this clause. For instance, the landlord could provide the documents, noting that they are current as of the date the landlord obtained them from the association.

Item (3) requires a walk-through inspection of the property prior to executing the lease. Currently, landlords will show the tenant the property, then conduct the walk-through prior to the tenant taking possession. While we agree that the tenant should be informed of the property's condition, it is unreasonable to ask a landlord to conduct an in-depth walk through with every prospective tenant that may wish to view a property without any indication that they may ultimately rent it.

Item (5) requires the landlord to provide the Office's publication in the language of the tenant's choice at the time the application is received, but that if the language requested is not available it will be provided at a later time. HCAR would like clarification on how this process would work and how a landlord could show compliance in situations where the preferred language is not available. One suggestion would be to provide the publication in the same language as the lease at the time of application along with information on obtaining other translations from the Office.

17.909. REQUIRED LEASE PROVISIONS. (B) RENTAL HOUSING LICENSE.

Page 7, Lines 30-31 and Page 8, Lines 1-7

While HCAR agrees that landlords should maintain their licenses and abate violations, the language included in the legislation does not provide any grace period to account for conditions that are outside of the landlord's control, extensions granted by the regulatory body, or delays in receiving paperwork or other certifications which show landlord compliance. Without these, allowing a tenant to terminate the lease without penalty is too onerous on landlords acting in good faith. Paying rent into an escrow account until compliance is shown is a more reasonable solution than outright lease cancellation.

17.909. REQUIRED LEASE PROVISIONS. (C) CONDITION OF UNIT.

Page 8, Lines 9-21

Section (3) requires incorporation of the Howard County Building, Fire Prevention, Property Maintenance and Zoning Codes into residential leases. This is an enormous amount of information for both a tenant and a landlord to digest and it is unrealistic to hold either party liable for full compliance as an express warranty and covenant to repair. Most residential leases already incorporate the Howard County New Rental Housing Inspection Checklist, which is sufficient to ensure dwelling habitability.

17.909. REQUIRED LEASE PROVISIONS. (G) LANDLORD ACCESS TO DWELLING UNIT.

Page 9, Lines 22-26 and Page 10, Lines 1-4

Most current lease provisions state that a landlord shall give the tenant "reasonable" notice before entering the dwelling. This section proposes a minimum of 24 hours' notice. This requirement may delay needed repairs to a unit should a contractor be available the same day. A shorter time-period may also be more convenient for the tenant; for instance, if he or she will be out of the unit during that time. Tenants and landlords should be able to waive this requirement if mutually agreed.

17.909. REQUIRED LEASE PROVISIONS. (H) TERMINATION.

Page 10, Lines 10-26

This section allows tenants to cancel a lease on 30 days' notice to the landlord for several situations "beyond the tenant's control." However, many of these situations are beyond the landlord's control as well, and similar relief is not provided to landlords who experience unexpected hardships. Those landlords are still required to honor the terms of the lease even if it is not in their financial interest to do so. Further, the change of employment clause for 25 miles from the place of employment is an unrealistic standard, particularly in an area where residents commute between their homes and two major metropolitan areas. As written, tenant may be reassigned to a work location that is *closer* to the rental dwelling and still be able to cancel a lease with minimal penalty.

While large, multi-unit apartment complexes may be able to handle an unexpected vacancy of this type, landlords of one or a handful of properties may not. This type of relief should be left to the discretion of the landlord based upon individual circumstances, not mandated by law.

Again, HCAR thanks Chairperson Sigaty for her dialogue with the Association on this matter, as well as the Council for considering our comments. We look forward to working with you to develop appropriate amendments to the bill which are agreeable to and provide adequate protection for both tenants and landlords.

Sincerely,



JoAnn Alexander

President

Howard County Association of REALTORS®