

Sayers, Margery

From: Alison Hickman <alisonhickman@gmail.com>
Sent: Tuesday, April 17, 2018 5:55 PM
To: CouncilMail; Kittleman, Allan
Subject: Feedback on Landlord Regulations

Dear County Council and County Executive Kittleman,

I saw the article on landlord tenant notice, and wanted to share some feedback.

While there are I'm sure landlords that abuse the relationship, there are also smaller landlords such as me and my husband who are renting a property that we used to live in. I know of several other families that had to do the same thing to have the option to move to a different home during the serious change in the real estate market a few years back. I am balancing a small rental with two kids in daycare and two full-time jobs. These changes would have serious economic consequences to me potentially that would impact my ability to meet my obligations.

The early termination clause would present a significant economic hardship to me. It would also induce me to charge a much higher rent to tenants. I am leasing a unit under a 2 year lease, at a lower rent to the tenant in exchange for their long-term commitment; if the tenant is able to unilaterally cancel their contract without economic consequence, there is not incentive for me to permit a longer lease. There is a provision in there for Active Military tenants, but **I do not feel there should be a provision for general job changes**. If a tenant commits to a lease for a period of time, and receives a rent predicated on that period of time, it is a commitment they should abide by OR request a month to month lease at the appropriate price. It is my general practice to work with tenants who want to move out as I do not want a tenant who does not want to be in my unit, but to have that forced upon me through law feels heavy handed.

In addition, I am actually having some tenant challenges right now, and while the 24 hour notice seems nice in theory, it has a lot of practical challenges. I regularly communicate with my tenant through text, and get her agreement that at some point during the week I will come to the property. However, I have a tenant who has unauthorized occupants now living in my units and has caused **\$6,000** of damages due to long-term guests (not approved on my lease) clogging a third floor toilet. At this time, I really need to be able to go the property with less than 24 hours notice so I can accurately assess if my lease is being followed. My goal is not to intrude on my tenant's life, but to ensure our written agreement is being adhered to, modify it if necessary, and create a safe, habitable living environment for her and her children.

Please consider the unintended consequences that these changes would have on small landlords such as myself, particularly in situations where the tenant is not meeting their end of the lease. Many landlords are people just like me, and not the large landlords that you regularly think of. There is a reason that there is a pricing difference for month to month, yearly and multi year leases. The early termination clause is solving a problem that these leases already can address.

Thank you
Alison Hickman
6454 Red Keel
Columbia, MD 21044

Sayers, Margery

From: Lisa May <lisavm78@vt.edu>
Sent: Monday, April 16, 2018 12:59 PM
To: CouncilMail
Cc: Kittleman, Allan
Subject: Updated HCAR Comments on CB 20
Attachments: Updated HCAR Comments on CB 20 4-16-18.pdf

Chairperson Sigaty and Members of the Council,

Following our conversation with the Chairperson's Office and County Staff on Friday, we wanted to provide you with updated comments on CB 20 which reflect the outcome of our meeting. We will also provide copies of these comments along with our testimony at tonight's hearing.

We thank you for considering our feedback and look forward to continuing the discussion this evening.

Sincerely,

Lisa May
HCAR Government Affairs Director



Virus-free. www.avast.com



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

April 16, 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 update members of the Council on the progress made between HCAR, the Office of Consumer Protection and the Chairperson's office since our last communication.

HCAR had a very productive discussion with the above parties last week. We received clarification on several items, and possible agreement on minor amendments which may resolve others. They include:

17.907. LEASE APPLICATION REQUIREMENTS, (D). FEES

HCAR received assurances that landlords would be able to recover costs for actual time spent on administrative tasks related to a tenant application, including verification of income, employment, previous addresses and tenancies, and character references. If questions about these charges arise, the landlord would be able to show compliance with this section by stating the tasks completed and the time spent conducting each, multiplied by the landlord's hourly labor rate.

17.908. REQUIRED INFORMATION. (A) IN GENERAL

HCAR received clarification on the following:

- **Item (1)**, which requires landlords to provide the tenant a proposed lease, refers to a blank standard lease agreement prior to any negotiated terms between the landlord and tenant. The landlord may also provide the lease to the tenant using electronic means.

- **Item (2)** requires that landlords provide copies of Common Ownership Community rules impacting tenant usage of the property and common areas. The landlord will show a good faith effort to provide the most recent version of the Community documents to the tenant after their application has been accepted. The landlord will also provide rule updates to the tenant as they are made available by the Association.
- **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. It was clarified that compliance with this section may be satisfied by the landlord referring the tenant to the Office of Consumer Protection to obtain a new translation and retaining documentation of that referral.

Item (3) generated much discussion among the parties as to the difference between a rental viewing or showing and a walk-through inspection of a property, as well as the typical timing of these activities as they relate to lease signing. HCAR believes that tenants should have full information on the unit they will ultimately rent, but that delaying lease signing until this process is completed complicates the rental process for both tenants and landlords. HCAR would be supportive of technical amendments which would establish the following process:

1. The tenant may request to view the actual rental unit prior to lease signing.
2. Following lease signing but prior to possession of the unit, the landlord will conduct a walk-through inspection to note dwelling condition. The tenant may be present for the walk-through inspection.
3. Following the walk-through inspection, the tenant agrees to accept the unit in its present condition, unless otherwise agreed to by the tenant and landlord in writing.

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

HCAR expressed concern that this provision did not allow a grace period for processing delays or extensions granted by regulatory bodies. We received assurances that the County would follow established DILP procedures and that landlords may document their compliance activities to the Office of Consumer Protection to satisfy this section.

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

HCAR received clarification that these existing code sections are incorporated into a lease by reference only and do not constitute new requirements on landlords.

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

HCAR and the County agreed that a technical amendment to allow mutually-agreed waiving of the 24-hour requirement could be beneficial to both tenants and landlords, resulting in more timely repairs to the dwelling unit than would otherwise be allowed.

One provision of CB 20 where agreement has not yet been reached concerns the tenant termination provisions under 17.909 (H). HCAR certainly sympathizes with tenants who face unexpected hardships, like involuntary changes in employment location or the financial impacts created due to the death of a household income-earner. In our view, most responsible landlords are also sympathetic to tenants in these circumstances and would do what they could to minimize further impacts these individuals.

However, there are landlords, particularly those of a single property, who themselves would face hardship if a tenant were to unexpectedly vacate a property. During the last real estate downturn, many turned to renting dwellings rather than lose them to short sale or foreclosure. They may even be renting those units for less than the cost of that property's current mortgage payment. We do not want the termination provisions in this bill to result in undue financial harm to landlords such as these. If it does, the County may experience additional property foreclosures, a reduction in rental housing, or more rigorous screening requirements for tenants who may be likely to exercise the termination provisions.

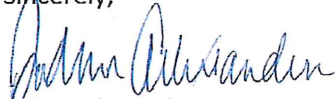
It is our hope that we may continue to work toward an agreement on this issue. HCAR is continuing its internal discussions on possible amendments to 17.909 (H), which may include:

1. Raising the minimum distance from 25 miles for involuntary change of employment location;
2. Measuring that distance from the location of the rental unit, rather than the current place of employment;
3. Allowing lease termination only for permanent involuntary changes in employment location
4. Narrowing the scope of eligible causes under which a tenant may terminate;
5. Increasing the maximum termination charge from the proposed 30 days rent; and,
6. Including an express assurance that a landlord may require verification or documentation for the cause of tenancy termination.

We likewise hope that the Council will consider the above revisions as a reasonable compromise which protects the financial interest of both the tenant and a landlord during a difficult situation.

HCAR once again thanks Chairperson Sigaty and the Office of Consumer Protection for considering our comments and willingness consider revisions to CB 20 as introduced. We look forward to working with the Council over the next few weeks as these amendments are developed.

Sincerely,



JoAnn Alexander

President

Howard County Association of REALTORS®