

**Councilmembers should bring their packet from the June 27 PHED
Committee Worksession.**

MEMORANDUM

July 28, 2016

TO: Planning, Housing, and Economic Development Committee

FROM: Josh Hamlin, Legislative Attorney 

SUBJECT: **Worksession 3: Bill 19-15, Landlord –Tenant Relations – Licensing of Rental Housing – Landlord-Tenant Obligations**

Expected Attendees:

- **Clarence Snuggs**, Director, Department of Housing and Community Affairs
- **Stacy Spann**, Executive Director, Housing Opportunities Commission
- **Robert Goldman**, Executive Director, Montgomery Housing Partnership
- **David Hillman**, Chief Executive Officer, Southern Management Corporation
- **Madiaw Diop**, Tenant/Montgomery Housing Partnership Board Member
- **Matt Losak**, Executive Director, Montgomery County Renters Alliance

Bill 19-15, Landlord –Tenant Relations – Licensing of Rental Housing – Landlord-Tenant Obligations, sponsored by Lead Sponsor Councilmember Elrich and Co-Sponsor Councilmember Navarro, was introduced on April 21, 2015. A public hearing on the Bill was held on June 18, 2015 and Planning, Housing and Economic Development (PHED) Committee worksessions were held on April 11, 2016 and June 27, 2016.

Bill 19-15, as introduced, would:

- (1) provide for annual inspection of certain residential rental properties;
- (2) require the use of a standard form lease and applicable optional provisions for certain residential rental properties;
- (3) require the publication of certain information related to rental housing;

- (4) require the Department of Housing and Community Affairs to review certain rent increases;
- (5) provide for certain remedies to be awarded by the Commission on Landlord-Tenant Affairs;
- (6) provide certain rights to tenants facing rent increases; and
- (7) generally amend the law related to landlord-tenant relations.

Continuation of Discussion from June 27 PHED Committee Worksession

The PHED Committee has held worksessions on Bill 19-15 on April 11 and June 27. Both worksessions included discussion of specific provisions of the Bill with a panel of stakeholders. Based on these discussions, the Committee reached tentative decisions on these provisions.

There are several remaining issues to be discussed with stakeholders. At this worksession, the Committee will complete its discussion with panelists of these provisions, which are described beginning on page 11 of the packet from the June 27 worksession.¹ Discussion will include provisions related to the voluntary rent guidelines and the publication of information collected through the rental housing survey. By email dated June 24 (which was not included in the June 27 packet, which had already gone to print), the Bill’s sponsor suggested certain changes to these provisions. This email is at ©1; the relevant suggestions are items numbered (5) and (6) in the email.

Certain other provisions in the Bill (and requested revisions from the sponsor) also remain to be discussed. These include: (1) the prohibition on rent “surcharges” for tenants going month-to-month at the conclusion of a lease term; (2) required disclosure of certain utility billing information by landlords; and (3) required provision of free meeting space for certain tenant organizations.

Upon completion of the discussion of these outstanding issues, staff anticipates preparing a series of amendments, or a substitute Bill that will reflect tentative decisions made by the Committee during its three worksessions on the Bill. The amendments or substitute Bill can then be considered and acted upon by the Committee at a future worksession.

This packet contains:

Circle #

Email to PHED Committee from Dale Tibbitts (6/24/16)

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¹ http://www.montgomerycountymd.gov/COUNCIL/Resources/Files/agenda/cm/2016/160627/20160627_PHED3.pdf

Hamlin, Joseph

From: Tibbitts, Dale
Sent: Friday, June 24, 2016 6:05 PM
To: Hamlin, Joseph; McMillan, Linda; Floreen's Office, Councilmember; Leventhal's Office, Councilmember; Riemer's Office, Councilmember
Cc: Snuggs, Clarence J.; Osias, Tedi; Vitale, Patricia; Silverman, Ken; Mitchell, Kathleen; Spielberg, Debbie; Kirkland, Bonnie; Elrich, Marc; Fogel, Adam; Kunes, Dave; Tibbitts, Dale
Subject: RE: Bill 19-15 Tenant

Josh, Linda, and the PHED Committee,

Upon consultation with stakeholders, we propose a few more changes to Bill 19-15.

Changes from the April 11 version:

1. Keep the requirement of a standard lease, but strike the requirement that the standard form lease be established by Method 2 regs (Line 7). By Method 2 is too cumbersome.
2. Strike the requirement that optional provisions be made available in all the different languages. This is just technical since the optional provisions requirement was struck. (Line 15)
3. Change the ambiguous word "biannually" to "biennially" in line 24 – technical. Every 2 years.
4. Strike lines 106-108, (2) allow a prospective tenant at least 48 hours to consider executing the lease at the rent amount offered before offering the dwelling unit to any other prospective tenants. The next prospective tenant is just as worthy as the tenant for which the unit is being held. A copy of the standard lease is available to be taken for review before signing.
5. Delete lines 243-246, "The Department must review all rent increases that are more than 100 percent of the applicable rent increase guideline issued under subsection (a) to [[recognize]] determine patterns of increases that [[particularly]] harm tenants." Because the Dept will have collected the unit level data, the County government, housing advocates and academics will have the raw data to process to identify patterns of rent increases.
6. Lines 215-216. Individual unit rents should not be published on the County's website (even though it might be legal without the identifying unit number), but lowest level aggregate data should be. For example, average and median rent by building by bedroom count.

Building	Building name, address, ZIPcode	Bedrooms	Avg. Rent	Median Rent	Structure	Age	N_Units
49049		1	\$1,092	\$1,193	Garden	12	24
49049		2	\$1,565	\$1,563	Garden	12	56
83113		1	\$1,484	\$1,465	Mid-rise	3	185
83113		2	\$1,824	\$1,781	Mid-rise	3	196
17593		1	\$1,981	\$1,983	High-rise	28	50
63144		0	\$1,398	\$1,152	High-rise	7	22
63144		1	\$2,552	\$2,528	High-rise	7	232
63144		2	\$3,791	\$3,712	High-rise	7	158
63144		3	\$4,702	\$5,300	High-rise	7	7
17158		1	\$1,128	\$1,128	High-rise	46	140
70364		0	\$1,427	\$1,052	High-rise	6	8
70364		1	\$1,121	\$1,132	High-rise	6	40

70364	2	\$1,371	\$1,342	High-rise	6	45
17448	1	\$1,126	\$1,108	Garden	37	161
17448	2	\$1,346	\$1,333	Garden	37	273
17448	3	\$1,606	\$1,589	Garden	37	72

-Dale

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