

CEZOA

**FALL MEETING/TRAINING
SALISBURY, MD
NOVEMBER 15, 2024**



Today's Agenda

- 8:30-9:00 Coffee, Breakfast available.
- 9:00 Welcome
- 9:05 Business Meeting
- 9:50 Break
- 10:00 – Jordan Gilmore, Senior Policy Analyst – DHCD
- 10:30 – CEZOA Website – Muir Boda – Director of HCDD, Salisbury, MD
- 11:00 – General Discussion.
- 11:30 - Lunch

Business Meeting

Call to Order

- Secretary's Report – CJ Reading – Hyattsville, Maryland
- Treasurer's Report – Alice Legare- Martinek – Bowie, Maryland
- AACE Conference Report – Darryl Green - New Carrollton, MD
- Education Committee
- Website Committee – Robert Redman & Muir Boda (Agenda item scheduled later for a broader discussion).
- Nominating Committee
- Membership Committee

Business Meeting

- Growth & Enhancement Committee
- Expenditure Committee – Budget & Finance
- Hometown Community Preparedness Committee
- Host Cities for next meetings:
 - Winter – Morningside, Maryland
 - Spring 2025 – Hyattsville, Maryland
 - Summer 2025 – Bladensburg - Maryland

Speaker Introduction

**Jordan Gilmore – Senior Policy Analyst
Maryland Department of Housing & Community Development**

- University of Baltimore – School of Law
- Had a significant part in crafting Governor Moore's 2024 Housing package passed by the Maryland General Assembly this year.



Governor Wes Moore's 2024 Housing Package

HB 538: Housing Expansion and Affordability Act
HB 693: Renters' Rights and Stabilization Act

November 15, 2024

The Housing Expansion and Affordability Act of 2024

(Effective 1/1/2025)

- Creates regulatory incentives and density bonuses for qualified projects containing affordable housing in certain locations
- Pre-empts local prohibitions on manufactured and modular homes in single-family zones

Regulatory Incentives and Density Bonuses for Qualified Projects

“Qualified projects” are projects that:

- Consist of new construction or substantial renovation
- Are deed-restricted to include 15-25% affordable dwelling units for at least 40 years
- Are located:
 - On a historic former state- or federal-owned campus;
 - On property owned by a nonprofit organization; or
 - Within 0.75 miles of a current or planned passenger rail station

Regulatory incentives include:

- “Density bonuses” allowing higher housing unit density than otherwise allowed;
- Prohibiting “unreasonable limitations” on qualified projects
- Limiting number of public hearings on qualified projects to two at each step

Manufactured and Modular Homes

- Under the HEAA, local jurisdictions may not prohibit the placement of a new manufactured home or modular dwelling in a zone that allows single-family residential uses.
- Jurisdictions may still apply any other local requirements to these manufactured or modular homes, including building codes, zoning codes, historic district standards, etc.

For more information on the HEAA:

<https://dhcd.Maryland.gov/TurningTheKey/Documents/HB538-FAQ.pdf>

The Renters' Rights and Stabilization Act of 2024 (effective 10/1/24) will...

Increase housing stability by increasing eviction protections

Increase housing access by reducing security deposit maximums & closing loopholes

Increase neighborhood stability by providing a new path to homeownership for tenants

Increase connection to resources through the creation of a new statewide Office of Tenant and Landlord Affairs

The Renter's Rights and Stabilization Act raises the failure to pay rent eviction filing fee surcharge from \$8 to \$43

Filing Fee	Where the new surcharge goes
\$15 -> \$50 <i>(\$25 -> \$60 Baltimore City)</i>	\$8 -> \$19 Maryland Legal Services Fund \$0 -> \$19 State Housing Voucher Program \$0 -> \$4 Rental Assistance for Community Schools \$3 Circuit Court Real Property Records \$4 General Fund <i>\$10 Baltimore City sheriff charge</i>

Pass Through Prohibition

Previously, many landlords used Maryland's eviction (summary ejectment) statute as a status quo method to collect late rent. This increased the housing costs of the average tenant facing an eviction by **6-8%**.

In almost all instances, the Renters' Rights and Stabilization Act **prohibits the pass-through** of the eviction filing fee to tenants to reduce costs for those facing housing instability and incentivize landlords to pursue late rent collection methods outside the court system.

The landlord may deduct the increased \$43 filing surcharge from the tenant's security deposit if:

1. The court allows it
2. A judgment for possession is granted in favor of the landlord
3. The tenant's lease agreement allows that the surcharge can be deducted

Additional Eviction Protections

Eviction Stays in Extreme Weather Conditions

This section builds upon existing authority for administrative judges to stay an eviction in extreme weather conditions by expanding the stay from 3 to 5 days and making the stay a requirement in instances of:

- Temperatures below 32 degrees;
- Winter storm or blizzard;
- Hurricane or tropical storm; and
- Excessive heat warning issued by the national weather service.

More time to redeem or find alternative housing

Extends from 4 to 7 days the amount of time that must pass before a warrant to remove a tenant from their property may be issued

Improved eviction data collection (effective 10/1/25)

Expands the data required for the Judiciary to submit to DHCD to include:

- Street address and city;
- Dates related to the eviction filing process
- Name of property owner;
- Amount of rent and fees owed at time of possession judgment;
- Whether the renter exercised the right to redemption;
- Outcome of warrant (tenant paid to stay, tenant moved, sheriff executed eviction, etc);
- Whether tenant had legal representation at hearing; and
- Whether the tenant appeared at the hearing.

The Renter's Rights and Stabilization Act reduces the maximum allowable security deposit from two months' rent to one month's rent, and closes the “first and last month” rent loophole

- Previously, to start a tenancy, tenants could be required to pay the equivalent of 3 month's+ rent. The median cost of a 2-bedroom rental in Maryland is \$1,732. This means that to enter the property a tenant would need to provide nearly **\$5,200**;
- According to the Federal Reserve's most recent Survey of Consumer Finances, the median savings account balance for all families was just **\$8,000** and for renter households just **\$2,000** in 2022;

Narrow exemption: A landlord may impose a security deposit up to 2 months' rent if:

1. The tenant is receiving energy assistance through DHS;
2. The lease agreement requires the tenant to make utility payments; and
3. The tenant and landlord agree to a higher deposit

Office of Tenant and Landlord Affairs

- Housed within DHCD, the purpose of the Office is to coordinate:
 - Access to resources to help tenants and landlords understand and exercise their rights under Maryland law;
 - The ability to report violations of rights;
 - Access to resources to obtain financial counseling; and
 - Freedom from discrimination or other unfair or illegal housing practices.
- OTLA will create a **Tenants' Bill of Rights** summarizing existing laws and tenant protections which, after publication, must be provided to all residential tenants in the state as an attachment to their lease
- OTLA is authorized to implement fair housing testing to ensure compliance with fair housing laws

Statewide Tenant Opportunity to Purchase

Applies generally to properties with 3 or fewer units and tenants who have resided in the unit for 6 months or longer (note: some transfers are exempt)

Right of First Offer

1. Before a landlord puts the house on the market, they must solicit an offer from their tenant
2. Within 30 days of the notice, a tenant must respond with an offer to purchase or waiver of right
3. Within 5 days an owner shall either accept or counteroffer. If the price of the initial solicitation is met, the landlord must accept
4. The tenant has 5 days to review and respond to a counteroffer

Right of First Refusal

1. Triggers if a landlord receives an offer without being on the market OR intends to accept an offer for a sales price 10%+ less than the price offered to the tenant
2. Before accepting an offer of sale, a landlord must provide a right of first refusal with the same sales price to a tenant
3. The tenant has 30 days to match the offer to purchase or waive their right
4. If the tenant's offer meets the sale price of the third party offer, the owner shall accept. Otherwise, right is waived.

CEZOA Website Discussion

CEZOA Website

- Share your legislative initiatives
- Share your effective processes, municipal code sections
- What issues are you facing that you need help with or ideas about?
 - We will put together forms for responses and then create articles to share from the different towns and cities on what you are doing that is effective.
- Pictures of your team, events you participate in with the community

CEZOA Website

Thoughts?

Contact for Website
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