



**BALTIMORE CITY COUNCIL
ECONOMIC AND COMMUNITY DEVELOPMENT
COMMITTEE**

Mission Statement

On behalf of the Citizens of Baltimore City, the Committee on Economic and Community Development (ECD) is responsible for supporting strong thriving communities. ECD will review proposed zoning and land use changes, tackle issues related to economic development, oversee housing policy, and promote equitable economic opportunity for all Baltimore residents.

The Honorable Sharon Green Middleton

PUBLIC HEARING

February 27, 2024

2:00 PM

CLARENCE "DU" BURNS COUNCIL CHAMBERS

24-0484

Tenant Opportunity to Purchase Act - Corrective Bill

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BILL SYNOPSIS

Committee: Economic and Community Development

Bill: 24-0485

Title: Tenant Opportunity to Purchase Act - Corrective Bill

Sponsor: Council Member Odette Ramos

Introduced: January 22nd, 2024

Purpose: For the purpose of clarifying a definition under Article 13, Subtitle 6 “Opportunity to Purchase”; and providing for a special effective date.

Effective: Would be effective when 23-275 The Councilmember Mary Pat Clarke Tenant Opportunity to Purchase Act takes effect.

Agency Reports

City Solicitor	Approve for Form and Sufficiency
Dept of Finance	No Opposition
Dept of Housing & Community Development	Favorable
Housing Authority	

Analysis

Background

If enacted this bill would clarify the definition of Single-Family Dwelling Unit in the Councilmember Mary Pat Clarke Tenant Opportunity to Purchase Act (CCB 22-0250). The definition would be the same as the City Building Code – ““1-family dwelling” or “single family dwelling unit” means a building that contains only 1 dwelling unit and is used only for that purpose.”

Additional Information

Fiscal Note: Not Available

Information Source(s): Agency Reports, 24-0485 1st reader, Baltimore City Building Code 202.2.22.4

Analysis by: Anthony Leva

Direct Inquiries to: 410-396-1091

Analysis Date: February 27, 2024

**CITY OF BALTIMORE
COUNCIL BILL 24-0485
(First Reader)**

Introduced by: Councilmember Ramos

Introduced and read first time: January 22, 2024

Assigned to: Economic and Community Development Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Finance, Department of Housing and Community Development, Housing Authority of Baltimore City

A BILL ENTITLED

1 AN ORDINANCE concerning

2 **Tenant Opportunity to Purchase – Corrective Bill**

3 FOR the purpose of clarifying a definition under Article 13, Subtitle 6 “Opportunity to Purchase”;
4 and providing for a special effective date.

5 BY repealing and re-ordaining with amendments

6 Article 13 - Housing and Urban Renewal
7 Sections 6-2, 6-4(b), 6-7, 6-8, 6-16(d), and 6-17(a)
8 Baltimore City Code
9 (Edition 2000)

10 **SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE,** That the
11 Laws of Baltimore City read as follows:

12 **Baltimore City Code**

13 **Article 13. Housing and Urban Renewal**

14 **Subtitle 6. Opportunity to Purchase**

15 *Part 1. Definitions; General Provisions.*

16 **§ 6-2. Definitions.**

17 (a) *In general.*

18 In this subtitle, the following terms have the meanings stated.

19 (b) *Commissioner.*

20 “Commissioner” means the Commissioner of the Department of Housing and Community
21 Development, or the Commissioner’s designee.

EXPLANATION: CAPITALS indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.

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1 [(c) *Dwelling unit.*]

2 ["Dwelling unit" has the meaning stated in § 202.2.22.24 of the Baltimore City Building
3 Code.]

4 (C) [(d)] *Landlord.*

5 (1) *In general.*

6 "Landlord" means any person who is the owner of a rental SINGLE-FAMILY dwelling
7 unit.

8 (2) *Inclusion.*

9 "Landlord" includes any person authorized to exercise any aspect of the management
10 of the rental SINGLE-FAMILY dwelling unit, except those persons engaged solely in
11 custodial and maintenance functions.

12 (D) [(e)] *Owner.*

13 "Owner" means any person recorded in the official records of the State or City as holding
14 title to a rental SINGLE-FAMILY dwelling unit.

15 (E) [(f)] *Rent.*

16 (1) *In general.*

17 "Rent" means the consideration, including any bonus, benefit, or gratuity, demanded
18 or received per day, week, month, year, or other period of time, as the case may be,
19 for the use or occupancy of housing accommodations or the transfer of a lease for
20 those accommodations.

21 (2) *Inclusion.*

22 "Rent" includes any charge to a tenant under a rent-to-own agreement if the tenant's
23 acceptance of the agreement is mandatory or if the tenant is not entitled to a refund of
24 the charge if the tenant does not purchase the unit.

25 (F) *SINGLE-FAMILY DWELLING UNIT.*

26 "SINGLE-FAMILY DWELLING UNIT" HAS THE MEANING STATED IN § 202.2.22.4 OF THE
27 BALTIMORE CITY BUILDING CODE.

28 (g) *Statement of interest.*

29 "Statement of interest" means a written and clear expression of interest to a landlord that
30 the person writing the statement is interested in purchasing the landlord's rental SINGLE-
31 FAMILY dwelling unit.

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1 (h) *Tenant.*

2 “Tenant” means any person who:

3 (i) occupies a rental SINGLE-FAMILY dwelling unit as a residence with the consent of
4 the landlord; and

5 (ii) has an obligation to pay rent or provide other consideration to the landlord for
6 those accommodations.

7 **§ 6-4. Rules of interpretation.**

8 (b) *Time limits.*

9 The time periods specified in this subtitle are minimum periods. A landlord may provide
10 a tenant with reasonable extensions of time to purchase the rental SINGLE-FAMILY
11 dwelling unit.

12 *Part 2. Opportunity to Purchase – Procedures and Requirements*

13 **§ 6-7. Opportunity to purchase – generally.**

14 Before a landlord may settle on the sale of a rental SINGLE-FAMILY dwelling unit, the landlord
15 shall give the tenant an opportunity to purchase the rental SINGLE-FAMILY dwelling unit at a
16 price and under terms that constitute an offer of sale in accordance with the requirements of
17 this subtitle.

18 **§ 6-8. Offer of sale.**

19 (a) *In general.*

20 Prior to offer the rental SINGLE-FAMILY dwelling unit for sale to another party, a landlord
21 shall provide a written offer of sale to:

22 (1) the tenant within the rental dwelling unit; and

23 (2) the Commissioner, on behalf of the Mayor and City Council.

24 (b) *Contents of offer of sale.*

25 (1) *In general.*

26 The offer of sale required by this section shall include:

27 (i) the asking price and the material terms of sale; and

28 (ii) a statement that the landlord shall provide the tenant, within 7 calendar days of
29 a request, the following:

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- 1 1. a complete copy of any third-party contact to purchase the rental
2 SINGLE-FAMILY dwelling unit, with the purchaser name redacted; and
- 3 2. copies of available licensing inspection reports of the rental SINGLE-
4 FAMILY dwelling unit for the previous 2 years.

5 (2) *Delay.*

6 For each calendar day of delay by the landlord to provide the information required by
7 subsection (b)(1)(ii) of this section, the time period for the tenant to express interest in
8 purchasing the rental SINGLE-FAMILY dwelling unit or to negotiate a contract with the
9 landlord for the purchase of the rental SINGLE-FAMILY dwelling unit, as the case may
10 be, shall be extended by 1 day.

11 (c) *Additional information.*

12 The landlord shall share the fact sheet regarding tenant rights under this section, which
13 can be obtained from the Department of Housing and Community Development’s office
14 or website.

15 (d) *Changes after notice of sale.*

16 (1) *“Material change” defined.*

17 In this subsection, “material change” means:

- 18 (i) a change in the purchaser under a third-party contact; or
- 19 (ii) a reduction in the sales price of 10% or more.

20 (2) *In general.*

- 21 (i) If there is a subsequent third-party contract after the initial offer of sale was
22 transmitted that results in a material change or if the terms of a third-party
23 contract to purchase the rental dwelling unit materially change between the time
24 an offer of sale is made and the settlement, the landlord shall provide the tenant
25 with a new offer of sale reflecting the new terms.
- 26 (ii) If the initial time period to indicate interest has expired, the tenant shall have all
27 rights preserved under this subtitle except that the period to indicate interest in
28 purchasing the rental SINGLE-FAMILY dwelling unit under the revised terms of sale
29 may not exceed 7 calendar days from the date of receipt of the new offer of sale.

30 (3) *Sale price increase.*

31 A landlord is not required to provide a new offer of sale if there is an increase in the
32 sale price.

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Part 3. Miscellaneous provisions

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§ 6-16. Affidavit on transfers to third parties.

(d) *Corporate owner.*

Where a rental SINGLE-FAMILY dwelling unit subject to this section is owned by a corporation, LLC, or other business organization, the affidavit required by subsection (a) of this section shall be made by a duly authorized officer of the organization or duly authorized representative of the ownership entity.

§ 6-17. Reporting.

(a) *Landlord’s duty to report.*

- (1) A landlord shall report each rental SINGLE-FAMILY dwelling unit transfer subject to this subtitle to the Commissioner within 30 days of the transfer in the manner required by the Commissioner.
- (2) The duty to report under this subsection shall include transfers to a party other than the tenant.

SECTION 2. AND BE IT FURTHER ORDAINED, That this Ordinance takes effect on the same date that Ordinance 23-275 takes effect.

**ECONOMIC AND COMMUNITY
DEVELOPMENT COMMITTEE**

**24-0485
AGENCY REPORTS**

**TENANT OPPORTUNITY TO
PURCHASE ACT –
CORRECTIVE BILL**

CITY OF BALTIMORE

BRANDON M. SCOTT
Mayor



DEPARTMENT OF LAW
EBONY M. THOMPSON, CITY SOLICITOR
100 N. HOLLIDAY STREET
SUITE 101, CITY HALL
BALTIMORE, MD 21202

January 29, 2024

The Honorable President and Members
of the Baltimore City Council
Attn: Executive Secretary
Room 409, City Hall
100 N. Holliday Street
Baltimore, Maryland 21202

Re: City Council Bill 24-0485 – Tenant Opportunity to Purchase – Corrective
Bill

Dear President and City Council Members:

The Law Department has reviewed City Council Bill 24-0485 for form and legal sufficiency. The bill would clarify a definition in the recently passed Tenant Opportunity to Purchase ordinance.

The Law Department can approve the bill for form and legal sufficiency.

Very truly yours,

Hilary Ruley
Chief Solicitor

cc: Ebony M. Thompson, City Solicitor
Nina Themelis, Mayor's Office of Government Relations
Elena DiPietro, Chief Solicitor, General Counsel Division
Ashlea Brown, Chief Solicitor
Jeffery Hochstetler, Chief Solicitor
Teresa Cummings, Assistant Solicitor
Michelle Toth, Assistant Solicitor



MEMORANDUM

To: The Honorable President and Members of the Baltimore City Council
c/o Natawna Austin, Executive Secretary

From: Alice Kennedy, Housing Commissioner

Date: February 20th, 2024

Re: Council Bill 24-0485 Tenant Opportunity to Purchase – Corrective Bill

Introduction

The Department of Housing and Community Development (DHCD) has reviewed City Council Bill 24-0485 for the purpose of clarifying a definition under Article 13, Subtitle 6 “Opportunity to Purchase”; and providing for a special effective date.

If approved by the City Council, this ordinance would delete the definition of “dwelling unit” and replace it with “single-family dwelling unit” and add the words “single-family dwelling unit” throughout the Bill, for the purpose of clarification. If enacted, this ordinance would take effect on the same date that Ordinance 23-275 *The Councilmember Mary Pat Clarke Opportunity to Purchase Act*, takes effect.

DHCD Analysis

The original Ordinance was intended to apply to all single-family dwelling units. The BFRC defines single-family dwelling units to mean a building that contains only 1 dwelling unit and is used only for that purpose. This amendment would clarify that a dwelling unit does not apply to a unit in a Multiple-family dwelling, thereby eliminating any confusion or ambiguities.

The Councilmember Mary Pat Clarke Opportunity to Purchase Act, as amended, may offer a pathway for additional housing stability for Baltimore’s renters, by allowing the renter currently residing in the property the right to buy it on market terms. The enhanced rights of first refusal for tenants may encourage increased homeownership throughout Baltimore.

Conclusion


DHCD respectfully requests a **favorable** report on City Council Bill 24-0485.

AK/sm

cc: Ms. Nina Themelis, Mayor’s Office of Government Relations

Brandon M. Scott, Mayor • Alice Kennedy, Housing Commissioner

417 East Fayette Street • Baltimore, MD 21202 • 443-984-5757 • dhcd.baltimorecity.gov

FROM	NAME & TITLE	Robert Cename, Deputy Finance Director <i>RC</i>	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Department of Finance Room 454, City Hall		
	SUBJECT	24-0485 Tenant Opportunity to Purchase - Corrective Bill		

DATE:

TO

The Honorable President and
Members of the City Council
City Hall, Room 400

February 1, 2024

Position: Does Not Oppose

The Department of Finance is herein reporting on City Council Bill 24-0485, Tenant Opportunity to Purchase - Corrective Bill, the purpose of purpose of clarifying a definition under Article 13, Subtitle 6 “Opportunity to Purchase”; and providing for a special effective date.

Background

This is a corrective bill that seeks to clarify the definitions of the recently amended subtitle of City Code, Tenant’s Right of First Refusal, which was amended by Council Bill 22-0250. That bill updated subtitle language and required landlords seeking to voluntarily transfer their single-family residential rental property to first offer the current tenant the opportunity to purchase the property. The subtitle details definitions, exemptions, and scope of the policy, as well as required conditions of offers and contracts related to transfer of the property. There were several minor drafting errors that required correction, specifically to differentiate the process for a single-family building and a multifamily building.

Fiscal Impact

This legislation clarifies definitions in the recently amended subtitle of City Code, Tenant’s Right of First Refusal. The Department of Finance anticipates minimal fiscal impact for the City from this legislation.

Conclusion

This legislation intends to clarify definitions in the recently amended subtitle of City Code, Tenant’s Right of First Refusal, The Department of Finance anticipates minimal fiscal impact for the City from this legislation.

For the reasons stated above, the Department of Finance does not oppose City Council Bill 24-0485.

cc: Michael Mocksten
Nina Themelis

