



MEMORANDUM

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

From: Alice Kennedy, Acting Housing Commissioner

Date: February 3, 2021

Re: City Council Bill 21-0022 – Security Deposit Alternatives

The Department of Housing and Community Development (DHCD) has reviewed City Council Bill 21-0022 for the purpose of requiring certain lease provisions to create alternatives besides the traditional security deposit for residential leases under certain circumstances; defining certain terms; and prohibiting this subsection from limiting a landlord's ability to require certain qualifications on a residential tenant's application for a new residential lease.

If enacted, this bill would amend Article 13 – Housing and Urban Renewal, Section 7-3(d) of the Baltimore City Code to require that landlords with 10 or more units in Baltimore City will provide alternative security deposits, such as rental security insurance provided by an approved and licensed carrier or 3 equal monthly installment payments.

Many Baltimore renters and owners struggle to pay for housing, leaving their families at risk of instability and even homelessness. Baltimore's renters—are housing cost-burdened, meaning they spend more than 30 percent of their income on housing. City Council Bill 21-0022 has no impact on DHCD's operations; however, it may provide additional housing stability for Baltimore's renters.

DHCD **does not object** to the passage of City Council Bill 21-0022.

AK/sm

cc: Themelis, Nina, *Mayor's Office of Government Relations*

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

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