

The Baltimore City Department of
**HOUSING & COMMUNITY
DEVELOPMENT**

MEMORANDUM

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

From: Michael Braverman, Housing Commissioner



Date: February 13, 2018

Re: **City Council Bill 18-0185 – Non-Owner-Occupied Dwelling Units, Rooming Houses,
and Vacant Structures – Rental Dwellings – Registration and Licensing**

The Department of Housing and Community Development (HCD) has reviewed City Council Bill 18-0185, for the purpose of adding certain non-owner-occupied 1- and 2-family dwellings to the licensing, inspection, and related requirements for multi-family dwellings and rooming houses (collectively, “rental dwellings”); modifying the procedures and prerequisites for the registration of certain non-owner-occupied dwellings, rooming houses, and vacant structures; modifying the procedures and prerequisites for the licensing of rental dwellings; providing for the denial, suspension, or revocation of a rental dwelling license under certain circumstances; providing for judicial and appellate review of administrative decisions relating to the registration or the licensing of these structures; amending the underlying definition of “rooming house” to clarify its applicability to a bed and breakfast facility; defining and redefining certain other terms; imposing certain penalties; correcting, clarifying, and conforming related language; providing certain transition rules for pre-existing licenses; providing for a special effective date; and generally relating to the registration of non-owner occupied dwelling.

If enacted, this bill would improve the overall quality of rental housing in the City by expanding HCD’s current rental inspection program to require all rental properties in the City to be registered, inspected and licensed. The current law requires all non-owner occupied dwelling units to be registered but the inspection and licensing requirements only apply to properties with either two dwelling units and some other additional use or more than two dwelling units.

The new requirements, which would go into effect in January 2019, would still require registration of all non-owner occupied dwelling units but it would also add a new inspection and licensing requirement for one and two family dwelling rental units. These unit types account for a significant portion of the 43% of all rental units in Baltimore City that rent for less than \$750 a month. These units also contribute substantially to the city’s affordable housing inventory. The new requirements will largely eliminate substandard conditions in the one segment of the affordable housing market where such conditions are prevalent. This will improve the living standards of the many thousands of households that depend on

the private market for affordable housing, and will also extend the amount of time that these units will remain part of the affordable housing inventory.

This bill would also require the property owners to hire a state licensed home inspector that is registered with the City to complete an inspection prior to receiving a license from HCD. The inspector would obtain a City approved inspection form that would be signed by the inspector once the property has passed the inspection.

The current licenses that are issued by HCD are only valid for one year but this bill would establish a three tiered renewal system that would have a one, two or three year term for the license. The initial term of the license would be for two years and depending on the property owner's performance with abating any violation notices or orders issued during the prior licensing period the renewal license would be issued for a one, two or three year period.

HCD would like to request two amendments to this bill and they are included in the attached document prepared by Legislative Reference.

The first amendment is to strengthen the language in Section 5-7(b)(4) concerning requirements for the Inspectors report. It would require that the report and the certification be "signed by the home inspector, under oath and under the home inspector's seal." This would allow for appropriate legal action against the inspector for submitting any false reports.

The second amendment is to clarify the language in Section 5-15(a), the definition of "Nuisance Property". The new language makes it clear that "Nuisance Property" means any property that is maintained or operated to cause or allow a nuisance as describes in State Code Real Property Article 14 and City Code Article 19, which pertain to a public nuisance, neighborhood nuisance and/or an unruly social event.

The Department of Housing and Community Development supports the bill with the requested amendments and strongly encourages the passage of City Council Bill 18-0185.

MB:sd

cc: Ms. Karen Stokes, *Mayor's Office of Government Relations*
Mr. Kyron Banks, *Mayor's Office of Government Relations*

**AMENDMENTS TO COUNCIL BILL 18-185
(1st Reader Copy)**

Proposed by: Dep't of Housing and Community Development
{For consideration by the Judiciary and Legislative Investigations Committee}

Amendment No. 1 [Proposed Art. 13, § 5-7(b)(4) {"Inspector's report and certification"}]

On page 12, strike lines 5 and 6, in their entireties, and substitute:

"(II) THE REPORT AND THE CERTIFICATION MUST BE:

(A) IN THE FORM REQUIRED BY THE COMMISSIONER; AND

(B) SIGNED BY THE HOME INSPECTOR, UNDER OATH AND
UNDER THE HOME INSPECTOR'S SEAL."

Amendment No. 2 [Proposed Art. 13, § 5-15(a) {"Nuisance property" defined}]

On page 15, strike lines 10 through 21, in their entireties, and substitute:

"IN THIS SECTION, "NUISANCE PROPERTY" MEANS ANY PROPERTY THAT IS MAINTAINED
OR OPERATED SO AS TO CAUSE OR ALLOW A NUISANCE OF THE SORT DESCRIBED IN ANY 1
OR ANOTHER OF THE FOLLOWING DEFINITIONS:

(1) STATE CODE REAL PROPERTY ARTICLE § 14-120(A)(5) {DEFINING "NUISANCE"};

(2) CITY CODE ARTICLE 19, § 43-1(L) {DEFINING "PUBLIC NUISANCE"};

(3) CITY CODE ARTICLE 19, § 43B-1(B) {DEFINING "NEIGHBORHOOD NUISANCE"};
AND

(4) CITY CODE ARTICLE 19, § 43B-1(O) {DEFINING "UNRULY SOCIAL EVENT"}."