



April 27, 2021

The Honorable Madam Chair Middleton
Baltimore City Council
Economic and Community Development Committee

RE: **City Council Bill 21-0031 – Landlord-Tenant - Lease Renewals**
Position: OPPOSE

Dear Madam Chair Middleton, and esteemed Members of the Economic and Community Development Committee,

The Greater Baltimore Board of Realtors® (GBBR) is an association of Realtors®, brokers, and property managers advocating for property rights in the greater Baltimore area. On behalf of GBBR, we write in opposition to City Council bill 21-0031 – Landlord-Tenant – Lease Renewals.

Pursuant to City Council bill 21-0031, a landlord would essentially be forced to remain in a lease unless an exception outlined in the bill would apply. If passed, this law would negate a notice of termination clause on an existing contract/lease because it would mandate that a landlord offer a tenant the opportunity to renew a lease at least 75 days prior to the end of the term. This policy is antithetical to a landlord's right to freedom of association, and to the Contract Clause of the United States constitution, which prohibits the state from impairing the obligations of a contract. A lease signed by two consenting parties (landlord and tenant) is a contract. Landlords and tenants should be allowed to negotiate and/or terminate a lease without government interference.

The legislation also fails to account for potential unforeseen circumstances that may occur after the 75 days requirement to offer to renew the lease. This mandate would require a landlord to offer a tenant, in a month-to-month lease, at least 75 days prior to the end of the lease, the opportunity to renew. This is simply not feasible.

We also oppose this proposed bill because it contains several vague terms. For example, the bill contains a few exceptions that would prevent the landlord from being required to "offer the tenant a *reasonable* opportunity to renew the lease subject to a *reasonable* increase in rent or change in lease terms." The term "reasonable" is not defined in the law. What is a "reasonable" increase in rent or change in lease terms? Additionally, one exception included in the bill is

whether the tenant has caused a “substantial breach” to the lease. What constitutes a substantial breach? These terms are undefined, and it would be difficult for our members to comply.

GBBR understands that many Baltimore City tenants have been affected by the financial hardship due to the pandemic. In fact, many landlords throughout Baltimore City have also been struggling because of the pandemic. However, there is no sunset nor language that states that the bill’s intent is to provide relief only during the emergency. This law would remain in place indefinitely.

In conclusion, we commend Councilman Glover for his efforts, due diligence, and well-intentions in constructing this bill. However, we believe that the best course of action would be for all stakeholders to convene and discuss how to create good policy that benefits all parties. We would like to work with the committee and Councilman Glover to draft a strong piece of legislation that helps those in need while not curbing the real estate industry.

Thank you for your time and we respectfully request an unfavorable report on 21-0031.



Ari M. Plaut, Esq.
On Behalf of GBBR