CITY COUNCIL WORK SESSION AGENDA

Public Hearing/Work Session - Eviction (include Rental/Late Fees) Ordinance
COUNCIL MEETING WILL BE ONLINE ONLY
Due to the COVID-19 precautions, the Council Meeting will be held online and is planned to be cablecast on Verizon 21, Comcast 71 and 996 and streamed to www.greenbeltmd.gov/municipaltv.

Resident participation:
Join Zoom Meeting
https://us02web.zoom.us/j/85643014408?pwd=ZkFLRW13dXY4YkRXeXNSUDdZM1dsUT09
Passcode: 355413

OR

Join By phone: (301) 715-8592
Meeting ID: 856 4301 4408
Passcode: 355413

Thursday, November 5, 2020
7:30 PM

Work Session Packet

Proposed Eviction Related Ordinances (Including Rent and Late Fee Freezes)
Suggested Action:

Agenda
- Introductions
- Public Hearing
- Council Discussion
- Questions and Answers

- Other Items

Eviction_Ordinance.pdf
Rent Increase Freeze Ordinance.pdf
Late Fee Freeze Ordinance.pdf
CB-16-2020-Website-Text---FINAL.pdf
Evictions-Repossessions-Foreclosures-2d-AMENDED-10.16.20.pdf
Email.J._Davis.10.20.2020.pdf

Agenda Item No:

City Council Work Session Agenda Item Report

Meeting Date: November 5, 2020
Submitted by: Shaniya Lashley-Mullen
Submitting Department: Administration
Item Type: Public Hearing
Agenda Section: Work Session Packet

Subject:

Proposed Eviction Related Ordinances (Including Rent and Late Fee Freezes)

Suggested Action:

Agenda
• Introductions
• Public Hearing
• Council Discussion
• Questions and Answers
• Other Items

Attachments:

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Email.J._Davis.10.20.2020.pdf

Introduced: Mayor Byrd
1st Reading: October 26, 2020
Passed:
Posted:
Effective:

ORDINANCE NUMBER XXXX

CITY OF GREENBELT EVICTION FREEZE ORDINANCE

WHEREAS, the spread of COVID-19 is likely to result in loss of work and loss of income for some residents of Greenbelt, which may impact their ability to pay for rental housing, potentially resulting in loss of housing due to eviction; and

WHEREAS, as result of the tremendous hardship which many residents of Greenbelt have suffered as a result of the recent health and economic events; and

WHEREAS, the City of Greenbelt adopts this temporary Ordinance to assist those residents of Greenbelt with their rental issues, on a temporally basis. NOW, THEREFORE,

BE IT ORDAINED the City Council of Greenbelt adopts this Eviction Freeze to provide that between the date of this adoption and February 27, 2021, that there shall be an Eviction Freeze during this time which landlords are prohibited from filing for Evictions for failure to pay rent only. This Ordinance does not apply to any other potential cause of action other than failure to pay rent. As indicated, this Ordinance shall last for a period as stated herein to assist tenants and shall automatically expire as of the date indicated herein. Waivers of this Ordinance may be reviewed by the City Council.

BE IT FURTHER ORDAINED by the Council of the City of Greenbelt that this ordinance shall become effective immediately upon its passage.

PASSED by the Council of the City of Greenbelt, Maryland, at its regular meeting of November 9, 2020.

____
Colin A. Byrd, Mayor

ATTEST:

____
Bonita Anderson, City Clerk

As result of the tremendous hardship which many residents of Greenbelt have suffered as result of the recent health and economic events, the City of Greenbelt adopts this temporary Ordinance to assist those residents of Greenbelt with their rental issues, on a temporally basis. Therefore, the City Council of Greenbelt adopts this Rent Increase Freeze to provide that between the date of this adoption and February 27, 2021, (six months) that there shall be a Rent Increase Freeze during this time which landlords are prohibited from increasing the rent on tenants within the City limits of Greenbelt. As indicated, this Ordinance shall last for a period of approximately six (6) months to assist tenants and shall automatically expire as of the date indicated herein. Waivers of this Ordinance may be reviewed by the City Council.

As result of the tremendous hardship which many residents of Greenbelt have suffered as result of the recent health and economic events, the City of Greenbelt adopts this temporary Ordinance to assist those residents of Greenbelt with their rental issues, on a temporally basis. Therefore the City Council of Greenbelt adopts this Late Fee Freeze to provide that between the date of this adoption and February 27, 2021, (six months) that there shall be a Late Fee Freeze during this time which landlords are prohibited from collecting, and must waive, any late fees from tenants within the City limits of Greenbelt. Thus, landlords are prohibited from making a claim for late fees. As indicated, this Ordinance shall last for a period of approximately six (6) months to assist tenants and shall automatically expire as of the date indicated herein. Waivers of this Ordinance may be reviewed by the City Council.

Prince George's County
Department of Housing
& COMMUNITY DEVELOPMENT
Estella Alexander, Director

Angela D. Alsobrooks
County Executive

Landlord-Tenant Code – Prohibition of Rent Increases, Rental Terminations and Late Fees During the COVID-19 Public Health Crisis

<u>Legislative Proceedings Overview</u>:

On June 9, 2020, the Prince George's County Council enacted CB-16-2020 and amended the Prince George's County Landlord-Tenant Code to prohibit rent increases and rental terminations; provide payment plans with certain tenants; and prohibit late fees or penalties from being charged during the COVID-19 state-wide emergency and within 90 days after the expiration of an emergency.

Subsequently on July 21, 2020 curative legislation was passed. CR-60-2020 was passed to clarify the that prior definition of tenant, i.e. a person who occupies a rental dwelling unit for living or dwelling purposes, was not stricken from the County's Landlord-Tenant Code.

In addition, CB-52-2020 was adopted to reinstate the prior definition of tenant (referenced above) and the definition of tenant included in CB-16-2020 has been renamed "tenant with substantial loss of income".

<u>Substantive Provisions of New Regulations</u>:

During the COVID-19 health emergency as declared by the Governor of the Maryland, a landlord may not increase the rent for a tenant with a substantial loss of income if the rent increase would take effect during the health emergency and within 90 days after expiration of the emergency.

Additionally, landlords may not impose late fees or penalties for **any** tenant. Landlords shall not issue notices of rent increase, late fees or penalties that apply to payments required during the emergency and within 90 days after expiration of the emergency.

Landlords must inform a tenant with a substantial loss of income in writing to disregard any notice of a rent increase if: (1) the landlord provided the notice to the tenant prior to the emergency; and (2) if the effective date of the increase would occur on or after the date the emergency began. Landlords may offer a written rent payment plan to a tenant with a substantial loss of income.

Additionally, landlords are prohibited from evicting a tenant for non-payment of rent for any eviction proceedings not initiated before the COVID-19 emergency. This prohibition is effective for the duration of the emergency. Moreover, any new complaints filed against tenants for failure to pay rent shall be prohibited during the duration of the emergency.

This new provision regarding evictions applies from the date of the Governor of the State of Maryland's Executive Order Number 20-04-03-01 on April 3, 2020 until August 31, 2020.

Tenants with substantial loss of income means tenants that can demonstrate proof through documentation or other objectively verifiable means, that the tenant suffered a Substantial Loss of Income and are therefore unable to make rent payments because of the emergency, as defined by the Governor of the State of Maryland's Executive Order Number 20-04-03-01. For more information regarding the Governor's Order, please visit: Governor Order Evictions.

For more information regarding this legislation, please visit the County Legislative/Zoning Information System.

The State of Maryland

Executive Department

ORDER
OF THE
GOVERNOR OF THE STATE OF MARYLAND

NUMBER 20-10-16-01

AMENDING AND RESTATING THE ORDER DATED APRIL 3, 2020, TEMPORARILY PROHIBITING EVICTIONS OF TENANTS SUFFERING SUBSTANTIAL LOSS OF INCOME DUE TO COVID-19, AND ADDITIONALLY PROHIBITING CERTAIN REPOSSESSIONS, RESTRICTING INITIATION OF RESIDENTIAL MORTGAGE FORECLOSURES, AND PROHIBITNG COMMERCIAL EVICTIONS

WHEREAS, A state of emergency and catastrophic health emergency was proclaimed on March 5, 2020, and renewed on March 17, April 10, May 6, June 3, July 1, July 31, August 10, September 8, and October 6, 2020, to control and prevent the spread of COVID-19 within the state, and the state of emergency and catastrophic health emergency still exists;

WHEREAS, COVID-19, a respiratory disease that spreads easily from person to person and may result in serious illness or death, is a public health catastrophe and has been confirmed throughout Maryland;

WHEREAS, The spread of COVID-19 is likely to result in loss of work and loss of income for some residents of Maryland, which may impact their ability to pay for rental housing or repay mortgages, potentially resulting in loss of housing due to eviction or foreclosure;

WHEREAS, The spread of COVID-19 is likely to result in loss of business and income for some businesses in Maryland, which may impact their ability to pay for rental real estate, potentially resulting in eviction;

WHEREAS, To treat, prevent, or reduce the spread of COVID-19 caused by the transmission of the novel coronavirus, it may become medically necessary and reasonable to require individuals to remain in isolation or quarantine at their homes or to remain indoors;

WHEREAS, To protect the public health, welfare, and safety, it is necessary to suspend the effect of certain states, rules, or regulations of agencies of the State or political subdivisions relating to real property and breach of leases;

WHEREAS, To protect life and property, and control the public health catastrophe in Maryland, it is necessary to control the occupancy and use of buildings; and

WHEREAS, To avoid the serious health, welfare, and safety consequences that may result if Marylanders lose their housing as a result of COVID-19, it is necessary and reasonable to restrict certain evictions and residential foreclosures;

NOW, THEREFORE, I, LAWRENCE J. HOGAN, JR., GOVERNOR OF THE STATE OF MARYLAND, BY VIRTUE OF THE AUTHORITY VESTED IN ME BY THE CONSTITUTION AND LAWS OF MARYLAND, INCLUDING BUT NOT LIMITED TO TITLE 14 OF THE PUBLIC SAFETY ARTICLE, AND IN AN EFFORT TO PROTECT THE PUBLIC HEALTH, WELFARE, AND SAFETY, DO HEREBY ORDER:

I. The Order of the Governor of the State of Maryland, dated March 16, 2020, entitled "Temporarily Prohibiting Evictions of Tenants Suffering Substantial Loss of Income Due to COVID-19", as amended and restated by Order of the Governor of the State of Maryland Number 20-04-03-01, dated April 3, 2020, is further amended and restated in its entirety as set forth herein.

II. <u>Definitions</u>. As used herein, the following terms have the following meaning:

a. "Borrower" means, with respect to a mortgage or deed of trust, the mortgagor or grantor.

b. "CARES Act" means the CARES Act, Pub. L. 116-136, as it may be amended from time to time.

c. "Chattel Home" means personal property used as a person's residence, including without limitation, mobile homes, trailers, and live-aboard boats.

d. "CL" means the Commercial Law Article of the Maryland Code.

e. "Commissioner" means the Commissioner of Financial Regulation of the State of Maryland.

f. "Creditor" means a lender, credit grantor, lessor, or secured party.

g. "Federal Mortgage Loan" means a loan secured by a mortgage or deed of trust that is a "federally backed mortgage loan", as defined in Section 4022(a)(2) of the CARES Act.

h. "Mortgage Loan" means, interchangeably and collectively, a Federal Mortgage Loan or a Non-Federal Mortgage Loan.

i. "Non-Federal Mortgage Loan" means a loan secured by a mortgage or deed of trust that is not a Federal Mortgage Loan.

j. "RP" means the Real Property Article of the Maryland Code.

k. "Servicer" means the person responsible for the servicing of a Mortgage Loan (including the person who makes or holds such loan if such person also services the loan).

l. "Substantial Loss of Income" means (i) with respect to an individual, a substantial loss of income resulting from COVID-19 or the related proclamation of a state of emergency and catastrophic health emergency, including, without limitation, due to job loss, reduction in compensated hours of work, closure of place of employment, or the need to miss work to care for a home-bound school-age child; and (ii) with respect to an entity, a substantial loss of income resulting from COVID-19 or the related proclamation of a state of emergency and catastrophic health emergency, including, without limitation, due to lost or reduced business, required closure, or temporary or permanent loss of employees.

III. Prohibition on Certain Repossessions. To the extent any statute, rule or regulation of the State of Maryland or any political subdivision would permit a Creditor to repossess any Chattel Home by self-help (including, without limitation, CL §§ 9-609, 12-115, 12-624, 12-1021, or 14-2008), such statute, rule, or regulation is hereby suspended until the state of emergency is terminated and the catastrophic health emergency is rescinded.

IV. Residential Foreclosures.

a. Until the state of emergency is terminated and the catastrophic health emergency is rescinded, the effect of RP § 7-105(c) is hereby suspended as follows: A sale of Residential Property (as defined in RP § 7-105.1(a)(12)) made pursuant to RP § 7-105, RP §§ 7-105.1 through 7-105.10, or the Maryland Rules, shall not have the effects described in RP § 7-105(c) unless:

i. with respect to a property securing a Federal Mortgage Loan:

1. at least 30 days prior to sending a notice of intent to foreclose pursuant to RP § 7-105.1(c), the Servicer has sent a written notice to the Borrower stating the Borrower's right to request a forbearance on the Federal Mortgage Loan under Section 4022(b) of the CARES Act; and

2. the Servicer has complied with all of its obligations with respect to the Federal Mortgage Loan (A) owed to the Borrower under the CARES Act, or (B) otherwise imposed by the federal government or a government sponsored enterprise; and

ii. with respect to a property securing a Non-Federal Mortgage Loan:

1. the Servicer has notified the Borrower, in writing, that if the Borrower is experiencing a financial hardship due, directly or indirectly, to the COVID-19 emergency, the Borrower may request a forbearance on the Non-Federal Mortgage Loan, regardless of delinquency status, for a period up to 180 days, which may be extended for an additional period up to 180 days at the request of the Borrower (if such request is made during the initial 180 day forbearance period); *provided*, that, at the Borrower's request, either the initial or extended period of forbearance

may be shortened;

2. if the Borrower requests a forbearance on the Non-Federal Mortgage Loan as described in paragraph IV.a.ii.1, the Servicer has provided such forbearance without requiring the Borrower to provide additional documentation other than the Borrower's attestation to a financial hardship caused by COVID-19 and without requiring any fees, penalties, or interest (beyond the amounts scheduled or calculated as if the Borrower made all contractual payments on time and in full under the terms of the Non-Federal Mortgage Loan); and

3. during a forbearance period described in paragraph IV.a.ii.1, the Servicer has not accrued on the Borrower's account any fees, penalties, or interest beyond the amounts scheduled or calculated as if the Borrower made all contractual payments on time and in full under the terms of the Non-Federal Mortgage Loan.

b. The Commissioner is hereby ordered to:

i. until January 4, 2021, suspend the operation of the Commissioner's Notice of Intent to Foreclose Electronic System, and to discontinue acceptance of Notices of Intent to Foreclose; and

ii. effective January 4, 2021, until the state of emergency is terminated and the catastrophic health emergency is rescinded, with each submission of a Notice of Foreclosure (as defined in RP § 7-105.2(a)(4)), obtain a certification from the Servicer or secured party to the effect that the Servicer has complied with paragraph IV.a with respect to a Mortgage Loan secured by the property subject to foreclosure.

V. Prohibition on Residential and Commercial Evictions.

a. Until the state of emergency is terminated and the catastrophic health emergency is rescinded, the effect of RP § 8-401 is hereby suspended as follows:

i. No court shall give any judgment for possession or repossession, or warrant for restitution of possession or repossession of residential, commercial, or industrial real property, if the tenant can demonstrate to the court, through documentation or other objectively verifiable means, that the tenant suffered a Substantial Loss of Income.

b. Until the state of emergency is terminated and the catastrophic health emergency is rescinded, the effect of RP § 8-402.1 is hereby suspended as follows:

i. No court shall give any judgment for possession or repossession, or warrant for restitution of possession or repossession of residential, commercial, or industrial real property, if the tenant can demonstrate to the court, through documentation or other objectively verifiable means, that the tenant suffered a Substantial Loss of Income.

ii. The fact that the tenant, or any person permissibly cohabiting with the tenant in accordance with the terms of the lease, has a confirmed diagnosis of COVID-19 or is under investigation for COVID-19, shall not constitute a "clear and imminent danger" for purposes of RP § 8-402.1(a)(1)(i)2.B.

c. Except as specifically suspended in paragraph V.a above, RP § 8-401 remains in effect in accordance with its terms. Except as specifically suspended in paragraph V.b above, RP § 8-402.1 remains in effect in accordance with its terms.

VI. General Provisions.

a. No provision of this Order shall be construed as relieving any person or entity of any obligation to make payments or to comply with any other obligation that such person or entity may have pursuant to a note, loan agreement, or lease.

b. This Order remains effective until the state of emergency is terminated and the proclamation of the catastrophic health emergency is rescinded, or until rescinded, superseded, amended, or revised by any subsequent order(s).

c. The effect of any statute, rule, or regulation of an agency of the State or a political subdivision inconsistent with this Order is hereby suspended to the extent of such inconsistency.

d. The underlined headings in this Order are for convenience of reference only and shall not affect the interpretation of this Order.

e. If any provision of this Order or its application to any person, entity, or circumstance is held invalid by any court of competent jurisdiction, all other provisions or applications of the Order shall remain in effect to the extent possible without the invalid provision or application. To achieve this purpose, the provisions of this Order are severable.

ISSUED UNDER MY HAND THIS 16TH DAY OF OCTOBER, 2020, AND EFFECTIVE IMMEDIATELY.

Lawrence J. Hogan, Jr.
Governor

Bonita Anderson

Subject: FW: Eviction Info

From: JUDITH DAVIS
Sent: Tuesday, October 20, 2020 3:40 PM
To: Nicole Ard; David Moran; Council; Bonita Anderson; Shaniya Lashley-Mullen
Subject: Fwd: Eviction Info

Please add this info to the background material for Mayor Byrd's agenda item. Thank you. J

Sent from my iPad

Begin forwarded message:

> **From:** Robert Goldberg-Strassler
> **Sent:** Monday, October 19, 2020 3:00 PM
> **To:** Lois Rosado; Carolyn Lambright-Davis; carol drees; Rene Sewell-Raysor; Ric Gordon; Bob Rand
> **Subject:** Eviction Info
>
> Please share this info with your communities...thanks
>
> robert goldberg-strassler
>
> Although Maryland courts are at Phase 5 reopening and are hearing all types of eviction cases, there are 3 orders that may prevent an eviction in MD and in PG County.
>
> First, the **CDC moratorium** bans eviction for renters nationwide until 12/31. Please see its listing in ICarol to learn more. Callers should give a copy to their landlord and keep a copy for themselves. They can send this document through email or certified mail, or give them a copy in person. However, landlords can still bring tenants to court. If a caller is summoned to court, they should definitely come. If the caller gave their landlord a copy of the CDC moratorium, they should state that.
>
> Second, **Governor Hogan has extended the eviction moratorium for those affected by COVID-19**. There can be no:
>
> - repossession of a mobile home, trailer, or houseboat during the state of emergency (which is still in force!)
> - Must tell borrowers with a federally-backed mortgage that they can request forbearance at least 30 days before sending a notice of intent to foreclose.
> - Must tell borrowers with a non-federally-back mortgage that they can request a forbearance of up to 1 year if their financial problems were a result of COVID-19. They cannot ask for additional paperwork or additional fees, penalties, or interest.

- Until 1/4/2021, the Commissioner must suspend the operations of the Notice of Intent to Foreclose Electronic System and stop taking notices of intent to foreclose.

- Starting 1/4/2021 until the end of the State of Emergency, with every submission of Notice, there must be a certification of compliance with the mortgage-related items in the declaration.

- Cannot evict folks from their business or residence if they can demonstrate major loss of income.

Please read this order in its entirety at https://governor.maryland.gov/wp-content/uploads/2020/10/Evictions-Repossessions-Foreclosures-2d-AMENDED-10.16.20.pdf.

Third, PG County has amended **CB-16-2020**, which mainly prohibits rent increases during the state of emergency for certain tenants, but has some other prohibitions of use to our callers:

- There can be no late fees or penalties for anyone. There can also be no notices of late fees, penalties, or an increase in rent for rent payments made during the state of emergency or 90 after it ends.

- Please see the order in full at https://www.princegeorgescountymd.gov/DocumentCenter/View/31333/CB-16-2020-Website-Text---FINAL.

If a caller is facing eviction, please let them know about these resources in addition to rent assistance. Please also consider offering legal aid as well, so callers with questions about these documents and their situation can receive guidance.

Greenbelt Intergenerational
Volunteer Exchange Service - GIVES
15 Crescent Road
Greenbelt, MD 20770