

CITY OF SALISBURY SPECIAL MEETING AGENDA

May 22, 2020

ZOOM SPECIAL MEETING

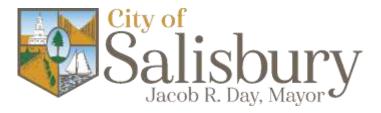
6:00 p.m.

Times shown for agenda items are estimates only.

- 6:00 p.m. CALL TO ORDER
- 6:01 p.m. WELCOME/ANNOUNCEMENTS
- 6:02 p.m. SILENT MEDITATION
- 6:03 p.m. ADOPTION OF SPECIAL MEETING AGENDA
- 6:04 p.m. ORDINANCE- City Attorney Mark Tilghman
 - Ordinance No. 2599 to amend Chapter 15.26 Rental Of Residential Premises of the Salisbury City Code by adding Subsection 15.26.035 Rent Increases Barred During States Of Emergency and authorizing the Mayor to issue such executive orders as are necessary to protect tenants from abuse
- 6:10 p.m. COUNCIL COMMENTS
- 6:15 p.m. ADJOURNMENT

Copies of the agenda items are available for review in the City Clerk's Office, Room 305 – City/County Government Office Building, 410-548-3140 or on the City's website at www.salisbury.md. City Council meetings are conducted in Open session unless otherwise indicated. All or part of the Council's meetings can be held in Closed Session under the authority of the Maryland Open Meetings Law, Annotated Code of Maryland General Provisions Article § 3-305(b), by vote of the City Council.

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To: City Council From: Julia Glanz, City Administrator Subject: COVID-19 Rent Control Date: May 14, 2020

On March 5, 2020, Governor Larry Hogan declared a state of emergency due to COVID-19. To date, 36.5 million Americans have filed for unemployment which directly impacts the ability of many residents in the City of Salisbury to pay many bills, including rent. Many of the industries hardest hit by COVID-19 include transportation, professional services, retail, health care and education, and arts and entertainment. In Salisbury, those industries make up approximately 69 percent of the work force. It is safe to say our community is being hit hard by the impacts of COVID-19 and we need to act in any and all ways we can.

The ordinance attached will bar rental increases during the State of Emergency, and for 90 days after. Physiological and safety needs are the foundation of Maslow's Hierarchy of needs. If members of our communities are worrying about where they lay their head at night, their physiological needs are in jeopardy. We know there is an imminent mental health crisis. Ultimately, we want to keep families in their homes and stable.

This ordinance will require landlords to notify tenants to disregard a previous notice of rent increase during the stated time frame. Late fees are also prohibited if the tenant makes a nonpayment or late payment. Finally, landlords shall offer payment plans to tenants for the payment of rental fees for no less than one year after the expiration of the Emergency.

*Public Housing Authorities are not impacted by this legislation since they must comply with federal laws and regulations.

1	ORDINANCE NO. 2599		
2			
3	AN ORDINANCE OF THE CITY OF SALISBURY TO AMEND CHAPTER 15.26 RENTAL OF		
4	RESIDENTIAL PREMISES OF THE SALISBURY CITY CODE BY ADDING SUBSECTION 15.26.035		
5	RENT INCREASES BARRED DURING STATES OF EMERGENCY AND AUTHORIZING THE		
6	MAYOR TO ISSUE SUCH EXECUTIVE ORDERS AS ARE NECESSARY TO PROTECT TENANTS		
7	FROM ABUSE.		
8			
9	WHEREAS, the Mayor and Council of the City of Salisbury desire to update the Salisbury		
10	Municipal Code; and		
11			
12	WHEREAS, a State of Emergency was declared by Governor Hogan on March 5, 2020 due to the		
13	pandemic known as COVID-19; and		
14			
15	WHEREAS, Governor Hogan has issued multiple executive orders in an attempt to reduce the		
16	spread of COVID-19, resulting in the shut-down or slow-down of multiple businesses in the State of		
17	Maryland; and		
18 10	WHEREAS and effect of the COVID 10 merclamic is record high supervision and		
19 20	WHEREAS, one effect of the COVID-19 pandemic is record high unemployment rates; and		
20 21	WHEREAS, it has come to the attention of the City that some landlords have terminated leases,		
21	advised tenants to vacate rental premises, and engaged in campaigns to mislead tenants into leaving their		
22	homes or agreeing to the payment of higher rental fees; and		
24	nomes of agreening to the payment of higher rental rees, and		
25	WHEREAS, the Salisbury City Council has concluded that it is in the best interest of the City to		
26	prevent the dissemination of misleading information and to amend the City Code to freeze increases in		
27	rent and rental fees during a State of Emergency to maintain the <i>status quo</i> .		
28			
29	NOW, THEREFORE, be it enacted and ordained by the City of Salisbury, that Chapter 15.26 of		
30	the City of Salisbury Municipal Code be amended by adding the following subsection to Chapter 15.26:		
31			
32	Chapter 15.26.035 – Rent Increases Barred During States of Emergency.		
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34	A. "Emergency" defined.		
35	In this section, "Emergency" means the catastrophic health emergency declared by the		
36	Governor of Maryland on March 5, 2020, as amended or extended by the Governor,		
37	under State Public Safety Article, §14-3A-02, and such other emergencies as are declared		
38	by the Governor or the Mayor pursuant to SC17-4 of the City Charter and sections		
39	2.08.020 and 9.08.220 of the Salisbury Municipal Code.		
40 41	R Scope		
41 42	B. Scope. This section only applies to rental fee increases on existing tenants during an Emergency.		
42 43	Nothing in this section may be construed as applying to leases for new tenants. Further,		
43 44	nothing in this section with respect to an increase in the tenant's portion of a rental fee		

45 46	applies to any public housing authority who must comply with federal laws, regulations, or other federal requirements to determine a tenant's rental fee.
47	C In Concernal
48	C. In General.
49	A Landlord may not increase a tenant's rental fee if:
50	1. The increase would take effect during an Emergency; or
51	2. Notice of the increase is not incompliance with subsection (D) of this section.
52	
53	D. Notice of Rent Adjustment.
54	1. During an Emergency and within 90 days after the expiration of an
55	Emergency, a landlord may not increase or notify a tenant of an increase in
56	rent or a rental fee. Rental fees shall include any fee for service, a product or
57	commodity provided by the landlord or by a third-party to a tenant prior to the
58	declaration of an Emergency.
59	2. Pre-Emergency rent increase notices.
60	A landlord must inform a tenant in writing to disregard any notice of a rental
61	fee increase if:
62	i. The landlord provided the notice to the tenant prior to an
63	Emergency; and
64	ii. The effective date of the increase would occur on or after the date
65	the Emergency began.
66	
67	E. Late fees prohibited.
68	1. "Late Fee" defined.
69	i. In this subsection, "Late Fee" means any additional charge or fee
70	imposed because a rental fee is not made when the rental fee is due
71	under the terms of a lease.
72	ii. "Late Fee" includes a fee imposed:
73	a. As a flat rate;
74	b. As a percentage of the rental fee due; or
75	c. In any other terms.
76	
77	2. In general.
78	A landlord may not charge, assess, or otherwise seek to collect a late fee from
79	a tenant for nonpayment or the late payment of a rental fee that comes due
80	during an Emergency.
81	
82	F. Payment Plans.
83	1. Landlords shall offer payment plans to tenants for the payment of rent and
84	rental fees to be in effect for no less than one year after the expiration of the
85	Emergency.
86	2. Upon request of the tenant, landlords shall work with tenants, on an individual
87	basis, to arrange payment plans for the payment of rent and rental fees in
88	installments which will continue for no less than one year after the expiration
89	of the Emergency.
90	3. All payment plans shall be in writing and signed by the landlord and tenant.
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92	G.	Notice to and Protection of Tenants.
93		1. The Housing and Community Development Department must post on its
94		website information regarding the requirements of this section, including the
95		date that an Emergency expires and the date that is 90 days after the expiration
96		of the Emergency.
97		2. During an Emergency, the Mayor is hereby authorized to issue any and all
98		executive orders necessary to protect tenants from being victimized or misled
99		by the actions of unscrupulous landlords. Violations of such executive orders
100		will constitute violations under this chapter and be subject to arrest and
101		misdemeanor charge under 9.08.220 of the Municipal Code of Salisbury.
102		
103	Н.	Landlord's right of review.
104		The provisions of this subsection do not limit a landlord's right, under the applicable
105		provisions of the Salisbury Municipal Code, to an administrative review of a violation
106		notice.
107		
108	I.	Enforcement by tenant.
109		In addition to enforcement action by city officials, tenants may seek relief from an
110		appropriate court to restrain or enjoin any violation of 15.26.035 of this subsection in
111		accordance with State Law.
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113		
114		
115		AND BE IT FURTHER ENACTED AND ORDAINED BY THE CITY OF
116	SALIS	SBURY, MARYLAND, that the Ordinance shall take effect upon final passage.
117		THE OPDIMANCE inter less less less time time of the Committee of the City of California
118	1 1 1	THIS ORDINANCE was introduced and read at a meeting of the Council of the City of Salisbury
119		the day of, 2020 and thereafter, a statement of the substance of the
120		nce having been published as required by law, in the meantime, was finally passed by the Council
121	on the	day of, 2020.
122		
123	ATTES	81:
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126		L D Ni L L O'te Chat
127 128	Kimbe	rly R. Nichols, City Clerk John R. Heath, City Council President
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130	Annroy	ved by me, this day of, 2020.
131	¹ thhio	, 2020.
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132		
133	Jacob I	R. Day, Mayor