

Testimony before the Maryland House of Delegates Environment and Transportation Committee

Regarding Landlord and Tenant - Residential Leases and Holdover Tenancies - Local Just Cause
Termination Provisions
February 13, 2024

Position: Favorable

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Good afternoon:

My name is Sheila Somashekhar, and I am the director of the <u>Purple Line Corridor Coalition</u> (PLCC); my testimony is submitted on behalf of the coalition.

As you may know, the PLCC is a collaborative working on equitable development along the Purple Line transit route. With its home at the University of Maryland's National Center for Smart Growth, PLCC has developed a number of research-supported plans and policy priorities that address issues such as housing stability and affordability in gentrifying communities along the Purple Line.

PLCC has a stated goal in its <u>2023-2027 Housing Action Plan</u> to make sure residents have the choice to continue to live near the Purple Line. Along the Purple Line, 60 percent of households are renters, a share that has remained unchanged in the last two decades. Renting is more common among households in communities of color, and in these places, many tenants pay 30 percent or more of their income on housing costs. For many, renting is a long-term housing situation. While long-term rentership is increasingly common, renters often face precarious circumstances, many of which are outside of their direct control, and can be forced to move out of their existing homes with limited recourse.

The challenges for renters along the Purple Line are only growing. The Purple Line corridor has historically held some of the most affordable unsubsidized rental housing stock in the otherwise high-cost Washington metropolitan region. However, researchers have shown that residential rents within a half mile of the Purple Line are now <u>rising at a disproportionately rapid rate</u> even

before rail service begins, likely due to anticipation of the future value of the land on which these homes sit.

Rising property values and new rent stabilization policies create incentives for landlords to maximize profits through tenant turnover. And this turnover is an invisible source of housing instability for tenants along the Purple Line and across the state. The impacts of this instability on families and communities is significant. Research suggests that individual households face impacts on their mental and physical health, jobs, finances and education. However, at the community level, this type of instability impacts community power, classroom stability and neighborhood networks.

States and jurisdictions across the country are implementing just cause protections as a best practice tool to prevent unnecessary evictions through lease non-renewals, especially in gentrifying areas. We believe that just cause protections will be a crucial tool to address growing rental housing pressures in the Purple Line corridor. With just three years remaining before the Purple Line is complete and families already facing displacement, we urge action now.

We urge the Maryland General Assembly to support HB477, which will offer our Purple Line jurisdictions the power to design and implement ordinances that help address the critical and time-sensitive issue of displacement. Thank you, and please contact me at ssomashe@umd.edu if you wish to discuss further.