

Work Session

Ordinance Amending Chapter 6.16 (Landlord-Tenant Relations relating to Tenant Displacement) and Chapter 6.36 (Unsafe Buildings-Public Nuisance Abatement)

Recommended Council Action

Approve the proposed changes to City Code Chapters 6.16 and 6.36 to better outline City requirements when rental units are condemned.

Context with Key Issues

In February 2023, there was a fire in a 6-unit apartment complex located at 8306 Roanoke Avenue. Three units had to be condemned, and there was some debate of who was responsible for ensuring tenants had shelter. Previously, there was a fire at 7710 Maple Avenue in January 2022 which had 9 units condemned. The City had to pay for housing for residents for several weeks while repairs were made at a cost of \$28,000. Staff identified language that aimed to prevent displacement but recognized the language did not provide enough clarity. After the fire, staff began reviewing ordinances that safeguard tenants from becoming homeless through no fault of their own when the units they live in are condemned. In conversations with legal aid organizations and reviewing County ordinances, staff believe that the current language was not sufficient to safeguard tenants and did not provide clear expectations for landlords.

The proposed amendment builds off the County's Landlord-Tenant Relations Code (Section 29-35B) to strengthen the City's current language and also align with County procedures when possible for consistency across jurisdictions. Some changes were made to recognize that many properties in the City fall under Rent Stabilization and to provide timelines which are feasible for landlords.

The ordinance adds language to Chapter 6.16 (Landlord-Tenant Relations) and removes the language that currently exists in Chapter 6.36 (Unsafe Buildings-Public Nuisance Abatement). The ordinance defines two types of displaced tenants, temporarily displaced tenants (those who will be able to move back into the unit within 30 days), and permanently displaced tenants (those who will not be able to return to the unit within 30 days). The new language sets out requirements of property owners in providing displaced tenants with assistance or housing in the event that they are displaced due to the condemnation of the building.

The ordinance requires landlords to provide housing for displaced tenants in the immediate aftermath of a condemnation, up until the time that the landlord makes a relocation payment to the tenant. A relocation payment must be made within a week of the condemnation, but the amount or type of compensation would depend whether the tenant would be identified as temporarily displaced or permanently displaced.

For temporarily displaced tenants, landlords are required to provide alternative housing while the tenant is displaced and make provisions for the tenant's belongings. They must also pay the costs the tenant incurs to move back into the unit and ensure the lease in effect at the time of displacement is either the same or is similar to the original lease signed (without significant new requirements).

Permanently displaced tenants have separate requirements. Within 7 calendar days of the condemnation, the property owner must return the tenant's security deposit, and 2 months of rent if the tenant has been permanently displaced. This is a relaxation from the County requirements, which require the greater of 3 month's rent or the fair market rent as set by HUD. This requirement was relaxed with the understanding that rent stabilized properties and low-income housing have lower rents than market rate apartments.

The ordinance does allow for an alternative arrangement to be reached, provided the agreement meets certain requirements and is detailed in a written agreement between the landlord and the tenant.

The ordinance also includes a first right to reoccupy, where tenants must be notified that they have the first right to sign a lease for the unit once the unit is declared livable. The code requires that landlords submit proof of compliance with the law within 10 days of the unit being condemned. There is the ability for a waiver to be granted from these requirements by the City Manager and there is language that allows the City to step in and aid the tenant, then recoup the cost from the landlord.

Council Priority

Advancing a Community of Belonging, Community Development for an Improved and Equitable Quality of Life

Environmental Considerations

The ordinance addresses existing buildings which have been condemned or deemed unlivable, therefore, there are no environmental considerations.

Fiscal Considerations

This ordinance has no direct impact on the FY24 budget. However, it is anticipated that in the event of a condemnation the City could use Emergency Assistance Funds (if available) to provide initial housing and recoup the cost after.

Racial Equity Considerations

The ordinance will affect renter households in the City by providing them with greater protections in the event of an event which renders their apartment uninhabitable. According to the 2021 American Community Survey 5-year estimates for the City; 83% of renter householders are Non-White, while owner households are 76% White. Renter households also have fewer financial resources. The median renter household income is \$46,000 compared to \$170,000 for an owner-occupied household.

Attachments and Links

Draft Ordinance Presentation <u>Montgomery County Code</u>

1 2 3	Introduced by:	Councilmember XXXXX	First Reading: MONTH XX, 202X Second Reading: MONTH XX, 202X Effective Date: MONTH XX, 202X		
4 5					
6		CITY OF TAKOMA PARK,	MARYLAND		
7 8		ORDINANCE 202X	X-XX		
9		Ordinanaa Amandina Titla	6 Housing		
10		Ordinance Amending Title	e o, nousing		
11	WHEREAS,	the Maryland Code, Local Government	t Article. Section 5–202. as amended.		
12	····,	authorizes the legislative body of each municipal corporation in the State of			
13		Maryland to pass ordinances that such leg	1 I		
14		the good government of the municipality, to protect and preserve the municipality' rights, property and privileges, to preserve peace and good order, to secure person			
15					
16		and property from danger and destruction, and to protect the health, co			
17 18		convenience of the citizens of the municipality; and	pality; and		
19					
20	WHEREAS,	Section 401 of the City Charter states that the Council has the power to such ordinances not contrary to the Constitution and laws of the State of M	1 I		
21		as it may deem necessary for the good go	•		
22		and preservation of the City's property, ri	• • •		
23		of peace and good order, for securing per			
24		or destruction, and for the protection and			
25		convenience, welfare, and happiness of the			
26					
27	WHEREAS,	the Council wishes to amend Title 6, House			
28		and strengthen the protections for tenants displaced through fire and other stru	lisplaced through fire and other structural		
29 30		failures.			
31	NOW THED				
32	NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TAKOMA PARK, MARYLAND, THAT:				
33	I AKK, MAK				
34	SECTION 1	Chapter 6.16, Landlord-Tenant Relation	s, of the Takoma Park Code is hereby		
35	amended as follows:				
36					

1 2		Chapter 6.16 LANDLORD-TENANT RELATIONS	
3		LANDLORD-TENANT RELATIONS	
4	Sections:		
5	6.16.010	Legislative findings.	
6	6.16.020	Applicability	
7	6.16.030	Tenant rights of association	
8	6.16.040	Obligations of tenants.	
9	6.16.050	Obligations of landlords.	
10	6.16.060	Lease requirements.	
11	6.16.070	Lease term and renewal requirements.	
12	6.16.080	Rent increasesFrequency and notification requirements.	
13	6.16.090	Fees—General provision, permitted fees, optional fees, prohibited fees.	
14	6.16.100	Utilities—Charges to tenant and transfer of utility payments.	
15	6.16.110	Entry.	
16	6.16.120	Notice to vacate.	
17	6.16.130	Security deposits.	
18	6.16.140	Defective tenancy.	
19	6.16.150	Retaliatory practices.	
20	6.16.155	Window Guards.	
21	6.16.160	Department investigation and conciliation.	
22	6.16.170	Landlord-tenant complaints	
23	6.16.180	Tenant displacement and relocation expenses.	
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25 26		* * *	
27	6.16.050 C	Obligations of landlords.	
28	01200000		
29	All landlords	s shall:	
30 31	A 17		
32	1	all areas of the rental facility, grounds, facilities, equipment and appurtenances in a	
33	clean, sanitai	ry and safe condition;	
34	B. Supp	ly water, hot water and heat as required by the standards prescribed in Chapter 6.12,	
35	11	intenance Code;	
36	Troporty Mu		
37	C. Provi	de and maintain all gas, electrical, plumbing, and other facilities and conveniences	
38		he rental facility and rental unit in good working order;	
39			
40		de and maintain appropriate and sufficient receptacles and conveniences for the	
41	removal of rubbish, garbage, and recyclables and arrange for the frequent removal of such		
42	materials fro	m the rental facility;	
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44 45		a durable notice of current emergency contact information in an accessible place in a	
45 46		a in each multifamily rental facility. Notice must include the name(s) and telephone	
46	numbers (da	y and evening) of the landlord or agent who should be contacted in an emergency	

situation. Such notice shall be distributed to all tenants, including tenants in a single-family rental
 facility, at the commencement of their tenancy and whenever there is a change in the emergency
 contact information;

- F. Within seven calendar days of the commencement of a new tenancy, distribute to the new tenants a City supplied electoral and civic information packet, offering a packet to each tenant of voting age residing in the rental unit. The Department shall make the packet available on the City's website for download and printing by landlords. In addition, landlords may obtain copies of the packet at the City of Takoma Park Community Center—Sam Abbott Citizen Center.
- ¹¹ The packet shall include the following:
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 1. One City voter-registration form and one State voter-registration form and information on online voter registration and how to obtain additional voter registration forms;
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- Other material designated by the City regarding public services available to residents, existing laws, rules, and regulations, and the City electoral process;
- 20 G. Rekey locks on all doors to the rental unit between tenancies;
 - 1. No key shall provide access to multiple rental units in the same rental facility except the master key maintained by the landlord;

25 2. Master and duplicate keys must be kept in a locked cabinet or safe with restricted access and a log book of all key assignments and temporary loans of any master key and all duplicate keys maintained; and

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 ³¹
 32. The cost of rekeying the rental unit or rental facility at the beginning of a tenancy shall be the sole responsibility of the landlord;

H. Paint all rental units in their entirety at least once every five years. All painted surfaces
 must be in clean condition and free of any peeling or chipping paint at the beginning of a new tenancy. Repainting is not required between tenancies;

- ³⁶ I. Make and bear the costs of all repairs and arrangements necessary to keep the rental unit
 ³⁷ in compliance with Chapter 6.12, Property Maintenance Code;
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J. Provide written documentation of the cost of all repairs made to a rental unit to correct
 damages caused by the tenant during their tenancy and proof of the completion of such repairs.
 Documentation may include receipts for required services or materials, time sheets noting labor

	red by landlord and photographs of damages and completed repairs. Documentation shall be ded prior to the assessment of the cost of the repairs; and
K.	Install and maintain window guards if required under Section 6.16.155.
<u>L.</u>	Provide payment or alternative housing when required under Section 6.16.180.

<u>6.16.</u>	180 Tenant displacement and relocation expenses.
A.	Definitions. As used in this Section:
	1. <u>Permanently displaced tenant means a tenant that is required to vacate rental housing for 30 days or more because the rental housing is condemned as unfit for human habitation under Chapter 6.12 (Property Maintenance Code) and/or Chapter 6.36 (Unsafe Buildings – Public Nuisance Abatement).</u>
	2. <u>Temporarily displaced tenant means a tenant that is required to vacate rental housing for less than 30 days because the rental housing is condemned as unfit for human habitation under Chapter 6.12 (Property Maintenance Code) and/or Chapter 6.36(Unsafe Buildings – Public Nuisance Abatement).</u>
-	Immediate Housing. Within 24 hours of the posting of a condemnation, the landlord must de alternative, safe, legal, and comparable housing, as determined by the Department, until a ation payment is made.
	Relocation Payment Required. Except as provided in subsection 6.16.180(F), a landlord pay a relocation payment to a permanently or temporarily displaced tenant within 7 calendar of the condemnation.
D.	Relocation amount.
1	. Permanently displaced tenants. For a permanently displaced tenant, the landlord must:
	 a. <u>Return to the permanently displaced tenant the tenant's security deposit with required interest;</u> b. <u>Pay to the permanently displaced tenant 2 months of the tenant's rent under the lease at the time of relocation.</u>
2	. <u>Temporarily displaced tenants.</u>
	a. For a temporarily displaced tenant, the landlord must:
	i. <u>Provide alternative, safe, legal, and comparable housing, as determined by the</u> Department, for the temporarily displaced tenant and the tenant's belongings for

1 2 3			 the duration of the displacement period; and ii. Pay for the costs of the immediate relocation of the temporarily displaced tenant and the tenant's belongings.
4 5 6 7		b.	At the end of the displacement period, the landlord must pay the costs to move the tenant and the tenant's belongings back to the tenant's original rental housing.
8 9 10 11 12		c.	A landlord must ensure that the lease in effect at the time of a temporarily displaced tenant's return to the tenant's original rental housing contains lease provisions substantially similar to the lease in effect at the time of displacement, including provisions regarding the length of the lease term and the amount of rent due.
13 14	3.	Al	ternative payment.
15 16 17		a.	Notwithstanding the relocation payment required under this Section, a landlord and tenant may agree to an alternative arrangement if the alternative arrangement:
18 19 20 21			 i. <u>Is of equal benefit to the tenant; and</u> ii. <u>Is evidenced by a written agreement between the tenant and the landlord that meets</u> the criteria set forth by the Department.
22 23 24	E. <u>landlor</u>		bof of Compliance. Within 10 calendar days after the posting of the condemnation, a nust provide the Department with proof of compliance as set forth by the Department.
25 26 27	F. <u>first ri</u> g		est right to reoccupy. A landlord must provide a permanently displaced tenant with the to reoccupy rental housing on the site once the rental housing becomes habitable.
28 29 30	1.		e landlord shall notify the tenant of their right to reoccupy a rental unit in accordance th any applicable regulations promulgated by the Department.
31 32 33	2.		permanently displaced tenant may waive the right to reoccupy the rental housing at any ne after displacement.
34 35 36 37	G. <u>under</u> waived	this	aivers. The City Manager may issue a waiver waiving some or all of the requirements Section. Such a waiver must be in writing and state which requirements are being
38 39 40	H. <u>this Se</u>		gulations. The City Manager may adopt regulations to implement the requirements of on in accordance with Chapter 2.12.
41 42 43 44 45 46	of such last kn attentio	spla n re owi on.	by costs, including reasonable attorney's fees, incurred by the City in the relocation of ced tenants shall be paid by the owner. The City shall send the owner a bill for the costs location by certified mail, return receipt requested, and by regular mail to the owner's n address or by any other means reasonably calculated to bring the bill to the owner's If the owner does not pay the bill within one month after it is presented, the cost shall be inst the real property which may be collected and enforced in the same manner as are

taxes, special 6.40.020(C).	assessments and other liens on real property or collected as provided for in Section
<u>0.10.020(0).</u>	
J. <u>A viol</u>	lation of this section is a Class A municipal infraction.

SECTION 2 as follows:	Title 6, Landlord-Tenant Relations, of the Takoma Park Code is hereby amended
	Chapter 6.36
	UNSAFE BUILDINGS – PUBLIC NUISANCE ABATEMENT
Sections:	
6.36.010	Unsafe buildings—Public nuisance declared.
6.36.020	Adoption of Montgomery County Code.
6.36.030	Amendments to Chapter 26, Housing and Building Standards, of the Montgomery
	County Code.
6.36.040	Right of entry.
6.36.050	Vacating and placarding.
6.36.060	Vacating and securing of premises.
6.36.070	Tenant displacement.

6.36.070 Te	nant displacement and relocation expenses.
A tenant of ar	unsafe building who is required to leave the building or part of it as a result of an
	e issued under this chapter is displaced.
A. The o	wner is not required to locate alternative housing if the tenant's displacement was
the result of a	n act of God or other conditions beyond the control of the property owner or was
caused by the	tenant's negligent, wrongful or malicious acts or omissions.
R Even	t as provided in subsection (A) of this section, the owner is required to locate
alternative ho	using for a displaced tenant until such time as the City authorizes reoccupation of
	ilding or approves any repairs made in accordance with this chapter or until the
	the tenant expires, whichever occurs first. The lease term of the tenant shall be
	clude any notice period required by applicable law for the landlord to terminate the
tenancy of the	e tenant. Any displaced tenant shall continue to be responsible for payment of the
	ne amount as paid to the owner immediately preceding the displacement, which
	aid either to the owner or to the provider of the alternative housing pursuant to the
	rein described. The owner shall be responsible for the difference between the rent
	to the displacement and the rent required for the alternative housing, except that the
	responsible for such difference beyond the lease term of the tenant.
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2	C Anv c	osts ind	cluding reasonable attorney's fees, incurred by the City in the relocation of		
3	any displaced tenants shall be paid by the owner. The City shall send the owner a bill for the				
4	costs of such relocation by certified mail, return receipt requested, and by regular mail to the				
5	owner's last known address or by any other means reasonably calculated to bring the bill to the				
6	owner's attention. If the owner does not pay the bill within one month after it is presented, the				
7	cost shall be a lien against the real property which may be collected and enforced in the same				
8	manner as are taxes, special assessments and other liens on real property or collected as provided				
9	for in Section 6.40.020(C).				
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12			***		
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14					
15	SECTION 3	-	rovisions of this ordinance are severable. If any part of this act is declared		
16	invalid or unc	constitut	tional, that declaration shall not affect any part which remains.		
17					
18 19	SECTION 4	This C	Ordinance shall become effective on MONTH XX, 202X.		
20 21	Adopted this	XXth da	ay of MONTH, 202X, by roll-call vote as follows:		
22		NT			
23	AYE: NAY:	None None			
24	ABSENT:	None			
25	ABSENT: ABSTAIN:	None			
26	ADSTAIN:	none			
27	Explanatory N	Note	New text is indicated with underlining and deleted text is indicated with		
28	Explanatory Note:		strikethrough.		
29			Sunounough.		