

Introduced by: Councilmember Grimes

First Reading: July 8, 2013
Second Reading: July 22, 2013
Effective Date: August 11, 2013

CITY OF TAKOMA PARK, MARYLAND

ORDINANCE NO. 2013-25

(Amending the Takoma Park Code Title 6 Housing)

WHEREAS, the City Council of the City of Takoma Park Maryland places a priority on the provision of equitable, safe, decent and affordable housing opportunities for its residents; and

WHEREAS, the last comprehensive review of Title 6, Housing of the Takoma Park City Code (the "Housing Code") occurred in 2003; and

WHEREAS, the Council, having completed a thorough review of the Housing Code, soliciting comment from community and holding two public hearings on proposed revisions, supports the revision of the Housing Code for the purpose of clarifying the intent of the Council, increasing participation of local tenants in the electoral process, addressing issues that have arisen since the Code was last amended, and to comply with changing State legislation.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TAKOMA PARK, MARYLAND.

SECTION 1. Title 6, Housing of the Takoma Park Code is amended as follows:

**Chapter 6.04
GENERAL PROVISIONS AND DEFINITIONS**

Sections:

- 6.04.010 Conflict of laws.
- 6.04.020 Exemption from County Codes.
- 6.04.030 Definitions.
- 6.04.040 Access to multi-unit residential facilities.

6.04.010 Conflict of laws.

In case of conflict between any provisions of this title and any other title of this Code, or an enactment by the County in which the premises are located, the provision which establishes the higher standard for the promotion and protection of the health and safety of the people shall prevail, and the provision containing the lower standard, if contained in this Code, is repealed to

the extent of the conflict.

6.04.020 Exemption from County Codes.

Pursuant to the authority conferred by Article 23A, Section 2B of the Annotated Code of Maryland and by Section 1-203 of the Montgomery County Code, the City of Takoma Park, Maryland, specifically exempts itself from the provisions of Chapter 29, Landlord-Tenant Relations, ~~except for the provisions of Chapter 29 relating to common ownership communities registration and the appeal of rental housing license denials, revocations, or suspensions, of the Montgomery County Code. of the Montgomery County Code, except as expressly provided herein.~~

6.04.030 Definitions.

For the purposes of this title, the following words and phrases shall have the following meanings:

“

~~Accessory apartment” means an apartment~~Apartment: A completely independent living unit with separate cooking, eating, sanitation and sleeping facilities that is part of an existing one either within an owner occupied single family detached dwelling; or is located in a separate existing accessory structure on the same lot as the main dwelling, with provision within the accessory apartment for cooking, eating, sanitation and sleeping. Such an accessory apartment is subordinate to the main dwelling and has been granted a special exception by the Montgomery County Board of Appeals or is registered with the Montgomery County Department of Housing and Community Affairs in accordance with Montgomery County Code Chapter 59 Zoning Section 59-A-6 and 59-G-2.

~~“Affected tenant” means any~~Tenant: Any tenant whose health, safety and welfare is or reasonably may be impaired by a violation of this title. For purposes of filing a Commission complaint, an “affected tenant” includes a bona fide prospective tenant and a former tenant.

~~“Anniversary date” means the date established for a rent increase on a rental unit. This date shall be at least 12 full months from the date of the last rent increase for the rental unit.~~

~~“Apartment” means any:~~ Any room or group of rooms located within a dwelling forming a single habitable unit and including cooking facilities.

~~“Building” means any building or:~~ Any structure ~~of any kind and shall used or intended to be used for supporting or sheltering any use or occupancy. Building may include units in and parts of any building or structure and~~ any premises and grounds appurtenant to the ~~building or~~ structure.

~~“Business” means any person or entity with a fixed location in nonresidential premises in the City, which operates or conducts a trade, business, commercial activity, occupation or profession.~~

~~“Business premises” means any building or structure or portion of a building or structure which is used for any type of business or commercial activity, industrial activity, trade or commerce, manufacturing or repairing of any item or thing or the storage of any part of thing used or to be used in any of the activities described above. Business premises include any parking area and grounds appurtenant to the building or structure or portion of a building or structure.~~

~~“City” means the:~~ The City of Takoma Park, Maryland.

~~“Commission” or “COLTA” means the:~~ The City of Takoma Park Commission on Landlord-Tenant Affairs. The term “Commission” or “COLTA” shall include the Commission members, the Commission’s Executive Director, and the Commission’s Rents Analyst.

~~“City Manager” means the:~~ The City Manager of the City of Takoma Park, Maryland, or his or her designee.

~~“Code Official” or “Code Enforcement Officer” includes Code:~~ Includes code enforcement officers, inspectors, employees, and City contractors or agents charged with the responsibility of inspecting buildings and property in the City for purposes of determining compliance with the Property Maintenance Code~~property maintenance code and other applicable codes~~, issuing rental housing ~~and commercial occupancy~~ licenses, determining whether any condition exists that renders a building an unsafe building, and investigating complaints filed by any person to the effect that a building or property is or may be in violation of the terms of this title.

~~“Consumer Price Index” means the or CPI-U:~~ The Consumer Price Index, All Urban Consumers, DC-MD-VA-WV, All Items, November 1996 = 100 (“CPI-U”) or any replacement or successor index.

~~“Defective tenancy” means any~~ Tenancy: Any condition in a rental facility that constitutes a violation of the terms of the lease, ~~the~~City Code Chapter 6.16 Landlord-Tenant Relations ~~Law~~, or ~~the~~City Code Chapter 6.12 Property Maintenance Code.

~~“Department” means the:~~ The City of Takoma Park, Maryland’s Department of Housing and Community ~~Affairs of the City of Takoma Park.~~Development.

~~“Domestic partners” means persons~~ Partners: Persons who are registered as domestic partners ~~underwith the~~ City law.

~~“Family Member of an Owner: A family member of an owner” means~~ includes any of the following:

1. - An owner’s spouse or domestic partner;
2. - An owner’s former spouse or former domestic partner;

3. — An owner’s parents, grandparents, children, grandchildren, siblings, aunts, uncles, nieces and nephews;
4. — An owner’s spouse or domestic partner’s parents, grandparents, children, grandchildren, siblings, aunts, uncles, nieces and nephews.

~~“Judgment rateRate of interest” means theInterest: The~~ interest rate set forth in accordance with Section 11-107(a) and (b) of the Courts and Judicial Proceedings Article of the Annotated Code of Maryland, as amended.

~~“Landlord” means any: Any~~ person who is the owner, the owner’s agent, or a lessor or a ~~sublessorsub lessor~~ of the rental unit or rental facility and, in addition, shall mean any person authorized to exercise any aspect of the management of the rental facility, except those persons engaged solely in custodial and maintenance functions.

~~“Lease” means any: Any~~ agreement, whether written or oral, that establishes or modifies the terms, conditions, rules, regulations or any other provisions concerning the use and occupancy of a rental unit or a rental facility.

~~“Limited equity housing cooperative” means aEquity Housing Cooperative: A~~ cooperative housing corporation, either domestic or foreign, qualified in the State of Maryland, either stock or nonstock, in which each shareholder or member has a cooperative interest in the corporation and in which the appreciation of share values or membership interests is limited to the annual rate of inflation or other comparable index.

~~“Maximum allowable rent” means the highest lawful rent amount that can be charged for a rental unit subject to rent stabilization.~~

~~“Nonresidential structure” means anyStructure: Any~~ structure or portion of a building, structure, or premises not ~~usedintended for~~ use for residential purposes ~~such as a commercial business, garage or shed.~~

~~“Occupant” means any: Any~~ person who, lawfully or unlawfully, is living, sleeping, cooking, eating in or in actual possession of a building. An “occupant” shall include a tenant, ~~an owner and a family member of an owner.~~

~~“Owner” means any: Any~~ person ~~who, alone, agent, operator, firm~~ or ~~jointly or severally with others:~~

1. — ~~Hascorporation having~~ a legal or equitable ~~ownership~~ interest in a ~~rental facility;~~
2. — ~~Has a legal, equitableproperty; or recorded in the official records of the state or beneficial interest in a corporation, limited liability company, partnership, limited partnership, limited liability partnership, trustcounty as holding title to a property; or other entity that has a legal or equitable ownership interest in a rental facility; or~~
3. — ~~Hasotherwise having~~ charge, care or control of ~~a rental facility asthe property, including the guardian, executor or administrator of the estate of any such person, and the of the estate of such~~

person if ordered to take possession of real property by a court personal representative, executor, administrator, trustee, guardian, or conservator of the estate of the owner.

~~“Owner-occupied group house” means a house that is~~Group House: A single family dwelling occupied by the owner as the his or her principal residence of the owner or a family member of the owner and by one or more other non-related individuals who have an obligation to pay rent, utilities or provide other consideration to the owner for such accommodations. Occupants share cooking and sanitation facilities and common living areas. Occupants of Owner Occupied Group Houses are not considered Tenants for purposes of this Chapter.

~~“Party” means the:~~ The landlord, tenant or tenant association in a Commission complaint or the landlord filing a petition, and any tenant whose rent is proposed to be increased in a rent increase petition.

~~“Person” means an:~~ An individual, corporation, limited liability company, partnership, limited partnership, limited liability partnership, trust, association, organization, or any other legal entity acting as a unit.

~~“Petition” means a:~~ A request by a landlord for a fair return rent ~~increases~~increase above the rent stabilization allowance.

Premises: A lot, plot or parcel of land, easement or public right of way, including capital improvement petitions any buildings and hardship petitions structures thereon.

~~“Rental facility” or “residential rental structure” means any~~Rent: The consideration, including any bonus, benefit, or gratuity, demanded or received per day, week, month, year, or other period of time as the case may be, for the use or occupancy of housing accommodations or the transfer of a lease for such accommodations. Rent includes any charge to a tenant under a rent-to-own agreement if the tenant’s acceptance of the agreement is mandatory or if the tenant is not entitled to a refund of the charge if the tenant does not purchase the unit.

Rental Facility or Residential Rental Structure: Any building or group of buildings operated as one entity in which the landlord provides one or more rental units to a tenant ~~for~~for rent or other ~~consideration~~compensation. A rental facility does not include the following:

- 1.— Hospitals, nursing homes, convalescent homes, hospices, and other health care facilities;
2. — Religious facilities such as churches, synagogues, parsonages, rectories, convents and parish homes;
3. — Transient facilities such as hotels, motels, tourist homes, bed and breakfast facilities;
- 4.— School dormitories; and
5. — Owner occupied group houses.

~~“Rental unit” means either an~~ Unit: An apartment, single-family house, accessory apartment or rooming condominium unit ~~that~~which is occupied or is intended to be occupied by one or more tenants.

~~“Rents Analyst” means the:~~ The Rents Analyst for the Commission, whose duties include reviewing ~~rent increase~~Fair Return petitions and issuing preliminary administrative decisions.

~~“Rent stabilization allowance” means the~~Rent Stabilization Allowance: The percentage by which the rent for a rental unit may be increased on or after 12 full months from the effective date of the last rent increase for that rental unit.

~~“Rent stabilization report” means the report of rents submitted by a landlord to the Department.~~

~~“Rooming unit” means a rental unit comprised of any room or group of rooms located within a dwelling and forming a single habitable unit used or intended to be used for living and sleeping, but not for cooking.~~

~~“Sale” means the:~~ The transfer of a legal or equitable ownership interest in a rental facility. Sale does not include a transfer of the a rental facility by will, trust, intestate succession, gift, or deed in lieu of foreclosure, or a trade of the rental facility for other real or personal property. ~~Consideration may include money, transfer~~Sale does not include a transfer of title to a rental facility to a trust, limited liability Company, or other entity of which the transferor is a primary beneficiary. Sale also does not include a transfer of a rental facility to a subsidiary, affiliate or related entity provided the owner, general partner or managing member of the transferor retains a controlling interest in the transferee entity. Consideration for a sale may include money, transfers of other valuable assets, and the giving or assuming a promissory note or other financial obligation. For rental facilities owned by a corporation, the term “sale” includes the transfer, within a 12-month period, of a majority of the outstanding shares of stock in the corporation. For rental facilities owned by any other business entity, the term “sale” means the transfer, within a 12-month period, of a majority interest in the business entity. The term “sale” also means the leasing of the entire rental facility for a period of more than 7 years to one lessee, which includes a person or business entity such as a corporation, limited liability company, limited partnership, or joint venture that has a legal or equitable interest in the rental facility.

~~“Security deposit” means any payment~~Deposit: Payment of money, including a pet deposit and payment of the last month’s rent in advance of the time it is due, given to a landlord by a tenant in order to protect the landlord against nonpayment of rent, damage due to breach of lease, or damage to the leased premises, common areas, major appliances, and furnishings.

~~“Serious violation” means any violation of the Property Maintenance Code that poses an imminent danger to health, safety or welfare or a substantial hardship to the tenant.~~

~~“Single family rental facility” means a dwelling containing not more than one rental unit plus an accessory apartment. “Single family rental facility” includes attached rental units, where the units are under separate ownership such as cooperative and condominium units.~~

~~“Tenant” means any: Any person who occupies a rental unit or dwelling rental facility as a residence with the consent of the landlord and has an obligation to pay rent, utilities or provide other consideration to the landlord for such accommodations. A tenant does not include an occupant of an owner-occupied group house, or an employee of the landlord (such as a resident or property manager, nanny, babysitter, au pair or maid).~~

~~“Tenant association” means an Association: An organization whose members represent of tenants in of at least 1/3 one third of the occupied rental units in thea specific rental facility thatand is registered with the City.~~

~~“Workmanlike” means executed: Executed in a skilled professional manner with materials applied or equipment installed in accordance with manufacturer’s specifications and generally accepted standards of craftsmanship.~~

6.04.040 Access to multi-unit residential facilities.

A. Definitions. For the purposes of this section, the following words will have the following meanings.

“City employee” means a City employee or an independent contractor acting on behalf of the City. Elected City officials are not City employees for the purposes of this section.

“Controlled access multi-unit residential facility” means a multi-unit residential facility, the common entrances to which are locked, monitored by the owner or manager of the property, or posted, to prohibit entry into the common areas of the facility by persons other than residents and their guests.

“Multi-unit residential facility” means an apartment or condominium building or complex of apartment or condominium buildings.

“Qualified candidate” means a candidate for a City, county, state, or federal elected office that is seeking election to an office that represents the residents of the facility to which the candidate seeks access, and:

1. _____ is seeking election to such office at the next general or special election for that office; and
2. _____ for a candidate for City office, has been nominated in accordance with section 604 of the Takoma Park City Charter; or
3. _____ for a candidate for Montgomery County, Maryland state, or federal office, has filed a Certificate of Candidacy accepted by the applicable Board of Elections.

B. It is unlawful for a person, either directly or indirectly, to deny access to a multi-unit residential facility to the following individuals:

1. A qualified candidate;
2. Campaign volunteers accompanying a qualified candidate into a building when the candidate is present in the building; and
3. City employees.

C. For qualified candidates and accompanying campaign volunteers, access to a facility under this section is required only for the purposes of campaigning for the candidate or registering voters and only during the 90-day period preceding the next primary, special, or general election for the office sought by the candidate.

D. For City employees, access to a facility under this section is only required for the purposes of collecting information to facilitate the enforcement of City laws, notifying residents of their rights and duties with respect to housing and landlord-matters under City, county, and state law, or promoting the formation of tenant associations in accordance with section 6.16.030 of the Takoma Park Code.

E. Candidates to provide notice to residents. Before entering a controlled-access multi-unit residential facility pursuant to this section, candidates must provide 24 hours' notice to the residents, unless the owner, manager, or tenant association of the building elects to post the required notice on behalf of the candidate. Such notice shall be provided by posting, on each exterior entrance to any multi-unit building, a written notice on a form provided by the City that includes the following information:

1. the name of the candidate;
2. the elective office for which the candidate is running; and
3. the date and hours that the candidate will be present at the facility.

F. Distribution of materials. Qualified candidates and their accompanying campaign volunteers must be permitted to leave campaign materials, and City employees must be permitted to leave notices, surveys, correspondence, and other materials at the doors to residents' units. Materials must be left in an orderly fashion.

G. Attempting to make personal contact with residents. Individuals accessing a facility pursuant to this section may seek to make personal contact with residents by speaking with residents in a common area of the facility or, unless excluded by a resident under paragraph (3) of this subsection, by knocking on the door or ringing the doorbell of the residents' units.

1. When a resident contacted in a common area indicates that he or she does not wish to speak with the individual, the individual immediately must cease attempting to speak with the resident.

2. Exclusion of candidates by residents. Residents of multi-unit residential facilities shall have the right to post a sign provided by the Department on the door to their units that shall prohibit candidates and their campaign volunteers from attempting to make personal contact with them at their units.

a. No person other than a resident of the unit or, if the unit is unoccupied, the owner or manager of the facility, may remove or damage such signs.

b. Landlords shall be responsible for removing such signs between tenancies.

H. Candidate access to facilities with multiple buildings. For multi-unit residential facilities with multiple buildings, a qualified candidate and accompanying volunteers must be permitted to access as many buildings as is practicable on a single visit, but access is limited to only one building at a time. If multiple qualified candidates are traveling together, each qualified candidate and that candidate's accompanying volunteers are limited to one building at a time, but all of the candidates and accompanying volunteers traveling together must not be restricted to accessing the same building at the same time.

I. Hours of Access. Persons accessing a multi-unit residential building pursuant to this section may do so only between the hours of 9:00 a.m. and 9:00 p.m.

J. Exceptions. This section does not prohibit:

1. A resident from denying the admittance of any person into their unit;

2. Requiring reasonable and proper identification as a necessary prerequisite to admission to a multi-unit residential building;

3. Denial of permission to visit a resident's unit for valid health reasons;

4. A property owner or manager from limiting visits to a reasonable number of persons and reasonable hours;

5. Requiring a prior appointment to grant a qualified candidate and his or her campaign volunteers access to a controlled access multi-unit residential facility, provided that appointments be scheduled with reasonable promptness and at times when most residents are reasonably likely to be home; or

6. Denial of admittance to an individual qualified candidate and that candidates' volunteers or expulsion of an individual qualified candidate and that candidates' volunteers from a multi-unit residential facility for good cause based on the conduct of the candidate or his or her volunteers, including, but not limited to, unreasonable disturbance of residents, engaging in activities that do not further the permissible purposes set forth in subsection (C) of this section, failure to distribute materials in an orderly fashion, criminal conduct, failure to provide proof of identification upon request by an agent of the property owner or manager or a resident, failure to make or adhere to an appointment, and entering or remaining in a building between the hours of 9:00 p.m. and 9:00 a.m.

K. The Department shall have the authority to promulgate regulations implementing the

provisions of this section.

L. A qualified candidate or a resident, owner, or manager of a multi-unit residential facility aggrieved by a violation of this section may file a civil action in a court of competent jurisdiction seeking temporary and permanent injunctive relief and any other available legal or equitable remedy.

Chapter 6.08

RENTAL HOUSING LICENSES AND ~~COMMERCIAL OCCUPANCY LICENSES*~~ OWNER OCCUPIED GROUP HOUSE REGISTRATIONS

Sections:

- 6.08.010 Purpose and policy.
- 6.08.020 License required.
- 6.08.030 License fees.
- 6.08.040 License applications—~~Renewal.~~
- 6.08.050 License information changes—Transferability of license.
- 6.08.060 Display of license.
- 6.08.070 Inspections.
- 6.08.080 License denial, suspension or revocation.
- 6.08.090 Appeals from license denial, suspension or revocation.
- 6.08.100 Reinstatement of license.
- ~~6.08.110 Sunset date.~~

~~*—Legislative History: M.C. 1961, Art. 14, §§ 2—7; Ord. No. 1985-48, 9/9/1985; Ord. No. 1986-45, 11/10/1986; Ord. No. 1987-59, 11/16/1987; Ord. No. 1990-30, 6/11/1990; Ord. No. 1992-23, 6/14/1993; Ord. No. 1994-35, 12/12/1994; Ord. No. 1995-43, 12/11/1995; Ord. No. 1999-41, 1/1/2000; Ord. No. 2002-26, 7/29/2002.~~

6.08.110 Owner Occupied Group House application and registration

6.08.010 Purpose and policy.

There are numerous dwelling units in the City ~~that~~which are rented, leased, or otherwise let to persons other than the owners of the dwelling unit. ~~There also are numerous business (commercial) premises within the City.~~ The City Council has the gravest responsibility for the protection of the health, safety, and welfare of all of the citizens of the City and of the occupants of these premises. It is declared to be the policy of the City that rental housing facilities and ~~business (commercial)~~ premises in the City shall be licensed and regulated in such a manner as to ensure the protection of the health, welfare, and safety of those persons residing in, ~~operating a business,~~ or visiting such premises, and that such licensing and regulation shall be as set forth in this chapter. ~~(Ord. 2006-50 § 1 (part), 2006: Ord. 2003-7 § 1 (part), 2003: prior code § 6-200)~~

6.08.020 License required.

A. Rental Housing License. The legal owner of record of a rental facility shall obtain a rental housing license before operating a building or dwelling as rental housing.

1. The rental housing license shall contain the name, street address, ~~and email address,~~ telephone number ~~of the property owner~~ and emergency contact information for the property owner ~~or~~ and property manager or agent authorized to act for the owner on all matters relating to the rental housing facility. The rental housing license also shall specify the exact location of the rental housing facility for which the license is issued. If the property owner is a corporation, limited liability company, or other entity, the entity must be properly qualified to do business in Maryland under state law. All corporate, limited liability company, or other entity property owners and all non-Maryland resident property owners shall certify to the City the name, street address, email address and telephone number of an agent who resides in Maryland and is qualified to accept notices and service of process on behalf of the property owner and must keep such information current. ~~All~~ Property owners ~~or~~ and all property managers or agents who are authorized to act ~~for~~ on behalf of the property owner on emergency matters relating to the rental housing facility shall provide the City with emergency contact information and shall keep such information current.

2. The following types of rental housing licenses shall be issued:

a. ~~Regular Annual~~ Annual Rental Housing Licenses. ~~Regular rental housing licenses~~ Annual Rental Housing Licenses shall be issued for a term of one calendar year: ~~expiring on December 31 of the calendar year.~~

b. Biennial Rental Housing Licenses. If the rental facility is well-maintained ~~and qualifies for the~~ a Biennial ~~Residential Rental Inspection Program, then a rental housing license shall~~ Rental Housing License may be issued for a term of ~~two~~ two calendar years: ~~expiring on December 31 of the second calendar year.~~

i. To be eligible for ~~the~~ a Biennial ~~Residential Rental Inspection Program, a rental facility may have~~ Rental Housing License, no more than ~~five~~ five minor violations of ~~the Property Maintenance Takoma Park City Code, Chapter 6.12 - Property Maintenance Code may exist in the rental facility~~ at the time of the licensing inspection and all violations identified by the code official must be corrected by the ~~reinspection established abatement date set by the code official.~~ Examples of minor violations include, but are not limited to, small wall cracks, slow faucet leaks, and defective bathtub caulking. ~~The City Manager may remove a rental facility from the~~

ii. A Biennial ~~Residential Rental Inspection Program~~ Housing License shall not be issued if: ~~(i) 3~~ three or more valid complaints ~~are received~~

about the condition of the rental facility or any rental unit are filed with the City during the prior license term; ~~(ii) serious Property Maintenance Code violations occur of Takoma Park City Code, Chapter 6.12 - Property Maintenance Code are identified by the code official~~ in the rental facility or any rental unit during ~~the prior~~ license term; ~~(iii) the property owner or property manager of the rental facility fails to respond to City or valid tenant maintenance requests in a timely manner; or (iv) the City Manager, in his or her discretion, the code official~~ determines that there is other good cause for ~~removing the rental facility from the biennial inspection program and placing the rental facility on an annual inspection schedule declaring a rental facility to be ineligible for a regular rental housing license or issuing a temporary rental housing license.~~ Biennial Rental Housing License.

c. Temporary Rental Housing Licenses.

i. A temporary rental housing license may be issued for the following:

~~(A) That part of~~ a newly constructed or partially renovated rental facility that ~~has been completely constructed or renovated provided is to be occupied and the property~~ owner has obtained a temporary certificate of occupancy or certification from Montgomery County Department of Housing and Community Affairs confirming that the individual rental units meet all life safety codes and complied with all other applicable laws.

~~(B) A rental facility or unit that is temporarily vacant because the facility or unit is undergoing repairs or renovations.~~

~~(C) A rental facility or unit that is vacant, but the owner intends to rent or re-rent the facility or unit within a 6-month period.~~

~~ii. A temporary rental license shall be issued for a 6-six month term. The license fee for a temporary rental license shall be one half of the regular rental housing license fee, as set forth in Section 6.08.030. A temporary rental license shall expire at the earlier of the end of the license term or when a regular or biennial rental housing license to operate the entire rental facility or the rental unit is issued, expiring on June 30 and December 31 of the calendar year.~~

ii. iii. _____ A temporary rental license may be renewed for up to 2 additional terms if:

~~(A) The if the property owner has shown good cause why the construction, repairs or renovations to the rental housing facility or unit have not been completed; or~~

~~(B) The rental facility or unit remains vacant, but the owner desires to maintain the rental use of the rental facility or unit; provided, however, that such a vacant rental unit or facility must apply for a regular or biennial rental housing license for the vacant rental facility or unit within 15 business days of the rental of any such vacant rental facility or unit.~~

~~iv.~~

iii. _____ All requirements of this chapter for issuance of a regular or

~~biennial rental housing license~~ Annual or Biennial Rental Housing License shall apply to the issuance of a temporary rental license except that the rental facility ~~or unit~~ shall not be required to have passed a licensing inspection for compliance with ~~the Takoma Park City Code, Chapter 6.12 - Property Maintenance Code.~~

~~B. Commercial Occupancy License. The owner of business premises shall obtain a commercial occupancy license.~~

~~1. The commercial occupancy license shall contain the name of the property owner and the owner's street address and phone number. The commercial occupancy license also shall specify the exact location of the business premises and the number of square feet of enclosed area of the business premises. If the property owner is a corporation, limited liability company, or other entity, the entity must be properly qualified to do business in Maryland under state law. All corporate, limited liability company, or other entity property owners and all non-Maryland resident property owners shall certify to the City the name, street address, and telephone number of an agent who resides in Maryland and is qualified to accept notices and service of process on behalf of the owner and must keep such information current. All owners or property managers or agents who are authorized to act for the owner on matters relating to the business premises shall provide the City with emergency contact information and shall keep such information current.~~

~~2. For each business occupying the business premises, the owner shall provide the City with the name of each business, the type or nature of each business, the owner of each business, the exact location of each business, and the number of square feet of space occupied by each business in the business premises.~~

~~3. Commercial occupancy licenses shall be issued to the owner of the business premises and shall be issued for a period of one year from the date of issuance.~~

~~C.~~

~~B. Exemptions. The following shall not require either a rental housing license or a commercial occupancy license:~~

- ~~1. Government buildings (for example, City, County, M-NCPPC, school, State, Federal, or post office);~~
- ~~2. Hospitals, nursing homes, convalescent homes, hospices, and other health care facilities and residences;~~
- ~~3. Churches, synagogues, parsonages, rectories, convent and parish houses, and other religious facilities;~~
- ~~4. Portions of residential buildings used for home occupations or home day care;~~
- ~~5. Hotels, motels, tourist homes, and bed and breakfast facilities;~~
- ~~6. Private schools and colleges and school dormitories. (Ord. 2006-50 § 1 (part), 2006: Ord. 2003-7 § 1 (part), 2003: prior code § 6-201)~~

6.08.030 License fees.

~~A. Rental Housing License. Each owner of a rental facility shall pay an annual rental housing license fee of \$84101.00 per rental unit in the rental facility; for a regular rental housing license, and an Annual Rental Housing License, a biennial rental housing license fee of~~

~~\$84101.00 for 2 years~~ per rental unit in the rental facility for a ~~biennial~~Biennial Rental Housing License or a six-month rental housing license fee of ~~\$51.00 per rental housing license unit for a Temporary Rental Housing License.~~

B. Rental housing license fees shall be due and payable 30 calendar days after billing. License fees are nonrefundable and are not prorated in the event that a license is issued after January ~~1st~~1 of a calendar year or the number of rental units in a rental facility decreases during a calendar year.

~~B. Commercial Occupancy License. Each owner of business premises subject to licensing shall pay the following annual license fees for the business premises:~~

~~1. \$75.00 for business premises containing up to 15,000 square feet of enclosed area; \$150.00 for business premises containing between 15,001 and 45,000 square feet of enclosed area; and \$225.00 for business premises containing more than 45,001 square feet of enclosed area.~~

~~2. Commercial occupancy license fees shall be due and payable 30 days after billing. License fees are nonrefundable and are not prorated for licenses issued after January 1st of a calendar year.~~

~~C. License Fee Increases.~~

~~1.~~

C. License fee increases.

1. Effective on January ~~1st of 1 of~~1 of each year, ~~beginning with January 1, 2003 when the annual rental housing license fee was \$74.00 per rental unit,~~ all license fees shall increase by an amount equal to the percent change in the Consumer Price Index, ~~All Urban Consumers, DC MD VA WV, All Items, November 1996 = 100~~ (“CPI-U”), or any successor or replacement to this CPI, rounded to the nearest dollar. All annual computations shall be based on the prior non-rounded figures; only the fee charged shall be rounded. The percent change in the CPI-U shall be computed for the 12-month period ending in September of each year from the average CPI-U for the 12-month period ending in September of the previous year. If there is no increase in the CPI-U, then the license fee shall remain the same.

~~2.~~

2. Fees shall not be increased for the holder of a license during the time that license is valid, but nothing contained herein shall be construed to limit the amount of any fee due and payable at the time of renewal or reinstatement. If the number of rental units in a rental facility ~~or the square footage of space in the business premises~~ increases during the license term over the number specified in the application, then, within 15 ~~business~~calendar days of such increase, the license application shall be amended and any additional amount of license ~~and inspection~~ fee required by reason of such increase shall be paid.

D. Penalty for ~~Late Payment~~late payment of ~~Fees~~fees. The license fee shall be subject to a 2% penalty per month, or any portion thereof, beyond the date the fee is due and payable. ~~(Ord. 2006-50 § 1 (part), 2006: Ord. 2003-7 § 1 (part), 2003: prior code § 6-202)~~

6.08.040 License applications—Renewal.

A. ~~Application for a new rental housing license or commercial occupancy~~ the renewal of an existing rental housing license shall be made by or on behalf of the property owner on a form provided by the City containing such information as necessary to administer and enforce the provisions of this chapter. ~~Each license application shall be accompanied by the required license fee.~~

B. ~~Before a~~ Applications for rental housing licenses for previously unlicensed rental housing facilities shall be submitted prior to an announcement of the availability of the rental facility or occupancy of the rental facility.

C. Applications for the renewal of an existing rental housing license is shall be submitted prior to the expiration of the existing rental housing license issued for the rental facility.

6.08.050 License requirements.

A. Prior to the issuance of a new rental housing license or the renewal of an existing rental housing license, the following criteria shall have been met:

1. ~~For a~~

1. License application form must be completed in its entirety and submitted to the City by the established deadline.

2. All rental housing license, the fees, fines and late payment charges related to the rental housing license and due to the City must be paid in full.

3. The property owner or the management agent must have a valid Takoma Park Landlord Certification. Certification must be renewed every 3three years or upon a change in the ownership or management of the rental housing, whichever occurs earlier.

2. ~~For a rental housing license, the~~

4. The license applicant has complied with all applicable provisions of Annotated Code of Maryland, Title 6, Subtitle 8, Reduction of Lead Risk in Housing, as amended, or has submitted evidence that the rental facility is not subject to the provisions of that subtitle.

C.

5. Licensing ~~inspections~~ inspections.

1.

a) Currently Licensed Rental Facilities and Business Premises licensed rental facilities. Before the expiration of the license term, all interior and exterior areas of the rental facility and each rental unit of the rental facility ~~and all exterior areas of the business premises, as applicable,~~ shall be inspected by the City or its agent for compliance with the Takoma Park City Code, Chapter 6.12 - Property Maintenance Code (“licensing inspection”) and there must be no uncorrected

violations of the ~~Property Maintenance~~ Code.

~~2.~~

b) ~~New Rental Facilities~~ rental facilities. Before a rental housing license shall be issued for the initial rental of a rental facility or any rental unit, all interior and exterior areas of the rental facility and each rental unit of the rental facility shall be inspected by the City or its agent for compliance with ~~the Takoma Park City Code, Chapter 6.12 -~~ Property Maintenance Code and there must be no uncorrected violations of the ~~Property Maintenance~~ Code.

~~D. — Renewal. All rental housing licenses and commercial occupancy licenses shall be renewable upon payment of the appropriate fees and compliance with the provisions of this chapter. (Ord. 2006-50 § 1 (part), 2006: Ord. 2003-7 § 1 (part), 2003: prior code § 6-203)~~

6.08.050060 License ~~information~~ changes — ~~-~~ Transferability of license.

A. ~~If an~~ The applicant for or the holder of a rental housing license ~~changes address, changes emergency contact information, changes the management or resident agent for the licensed rental facility or the licensed business premises, or transfers ownership, the applicant or the licensee~~ shall notify the City in writing within 15 businesscalendar days of any transfer of ownership of the rental facility or change in the street address, telephone number and email address of the property owner and any change in assigned property manager or agent or designated emergency contact authorized to act for the owner on matters relating to the rental facility. The City may reject an application or suspend or revoke a license if the applicant or licensee does not notify the City as required by this section.

B. ~~Any person who takes over the ownership or operation of a licensed rental facility or licensed business premises~~ may transfer the license for the unexpired portion of the term for which the license was issued by applying to the City within 15 businesscalendar days after taking ~~over~~ ownership of the rental facility or ~~operations~~ assuming responsibility for the management or operation of the rental facility and paying a license transfer fee of \$75.00.

C. ~~Whenever the ownership of a rental facility or of business premises is transferred, the transferee shall promptly notify all tenants of the rental facility or the business premises of the name, street address, email address and telephone number of the transferee and of any property manager or agent or emergency contact authorized to act for the transferee on matters relating to the rental housing. The transferee also shall provide emergency contact information for the transferee and for any property manager or agent authorized to act for the transferee on matters relating to the rental housing. (Ord. 2006-50 § 1 (part), 2006: Ord. 2003-7 § 1 (part), 2003: prior code § 6-204)~~ facility.

6.08.060070 Display of license.

The owner of a rental facility ~~and of business premises~~ shall display the rental housing license in ~~the lobby, vestibule, a common area in each rental or management office, or other prominent public place on the premises~~ facility during the entire period the rental housing license is

effective. If the rental facility ~~or the business premises~~ does not have ~~a lobby or other~~an appropriate public place on the premises for display of the rental housing license, then a copy of the rental housing license shall be available from the owner or the owner's agent upon request. (~~Ord. 2006-50 § 1 (part), 2006: Ord. 2003-7 § 1 (part), 2003: prior code § 6-205~~)

6.08.070080 Inspections.

A.— In addition to the licensing inspection required pursuant to Section 6.08.040050 – License requirement, the City or its agent may inspect a rental housing facility or ~~business premises~~rental unit at any time or times if the City or its agent receives a complaint or has reasonable grounds to believe that the rental housing facility or ~~the business premises~~rental unit does not comply with ~~the~~Takoma Park City Code, Chapter 6.12 - Property Maintenance Code and all applicable laws (“complaint inspection”).

B. ___As a condition of receiving and maintaining a rental housing license under this chapter, a property owner must agree to:

~~1.~~

1. ___ Allow access to the City or its agent for any inspections required under this chapter or the Property Maintenance Code Chapter; and

~~2. ___ Notify any affected tenant of the rental housing whose unit requires inspection.~~

2. ___ Provide written notice of the intent of the City or its agent to inspect the rental unit in accordance with the provisions of Takoma Park City Code, Chapter 6.16.110+0 – Entry to any affected tenant of the rental facility of the intent of the City or its agent to inspect the rental unit.

C. - ___If an inspection indicates that any rental housing facility or ~~business premises~~rental unit does not comply with ~~the~~Takoma Park City Code, Chapter 6.12 - Property Maintenance Code and all applicable laws, the City may deny, suspend or revoke the license or proceed with enforcement under applicable provisions of law. (~~Ord. 2006-50 § 1 (part), 2006: Ord. 2003-7 § 1 (part), 2003: prior code § 6-206~~)

6.08.080090 License denial, suspension or revocation.

A.— The City Manager may deny, suspend or revoke a rental housing license ~~or commercial occupancy license~~ for all or any unit or part of any rental facility ~~or for business premises~~ at any time if the property owner or agent of the property, after 15 calendar days written notice, does not eliminate or initiate bona fide efforts to eliminate violations of Takoma Park City Code Title 6, Housing, or other applicable laws. Revocation, denial or suspension of a license is in addition to, and not a substitute for, any other penalties provided for the violations.

B.— Upon making a determination that a license should be denied, suspended or revoked, or that any application, including an application for license issuance or license renewal, should be denied, the City Manager shall issue a written notice of the action setting forth the specific

reasons for the action and serve the notice on the property owner or agent of the property as provided in Takoma Park-City Code Sections 1.04.120(C) and (D).

C.— A license may be suspended immediately upon written notice to the property owner or agent of the property if the City Manager determines that there are violations of ~~the~~ Takoma Park City Code, Chapter 6.12 - Property Maintenance Code or other applicable law in the rental facility or in any rental unit ~~or business premises~~ which pose a serious threat to the life, safety, property, or health of the tenants of the rental facility ~~or any rental unit or of the tenants or occupants of the business premises~~ (“serious violations”).

D.— When a rental housing license has been suspended or revoked or an application for a rental housing license has been denied, it shall be unlawful for the property owner of the rental facility ~~or the business premises~~ to rent, lease, let for occupancy, or use any rental unit or space in the premises then vacant or becoming vacant until a rental housing license has been issued, reissued or reinstated.

E.— Upon the denial, suspension, revocation or expiration of a rental housing license, notice, provided by the City, shall be posted and prominently displayed in the rental or management office of the rental facility, on the door of the affected rental unit or units, or in a public place on the premises, as the City Manager determines. The notice shall state substantially as follows:

RENTAL OR OCCUPANCY OF ANY UNIT IN THIS BUILDING NOW VACANT OR BECOMING VACANT AFTER THE DATE OF THIS NOTICE IS UNLAWFUL UNTIL A RENTAL HOUSING LICENSE HAS BEEN OBTAINED FROM THE CITY OF TAKOMA PARK AND IS DISPLAYED ON THE PREMISES. _____

Date _____ of _____ Notice:
_____: _____:

It is unlawful for any person to remove such notice until a license has been obtained or reinstated.

F.— If a rental housing license is denied, revoked or suspended and the City Manager determines that there are serious violations of ~~the~~ Takoma Park-City Code, Chapter 6.12 - Property Maintenance Code or other applicable law in the rental facility or in any rental unit, then the City Manager shall require the property owner, property manager or agent ~~of the property~~ to give any tenants occupying the affected rental facility or the affected rental unit or units two months written notice to vacate. The ~~2-~~two month notice must begin on the first day of the month after service of the notice on the tenant. In addition, a copy of the notice must be delivered to the City Manager. It is unlawful for any property owner, property manager or agent ~~or the property~~ to penalize any tenant who vacates a rental unit under this provision prior to the expiration of the two months written notice to vacate by charging the tenant rent for any period after the tenant vacates the rental unit or by other fees, penalties, or deductions from the tenant’s

security deposit. (~~Ord. 2006-50 § 1 (part), 2006: Ord. 2003-24 § 2 (part), 2003/Ord. 2003-7 § 1 (part), 2003: prior code § 6-207)~~)

6.08.~~090~~100 Appeals from license denial, suspension or revocation.

A. ___ Any owner or agent of a rental facility ~~or business premises~~ aggrieved by an action of the City Manager under the provisions of Section 6.08.~~080090~~ herein may, within 15 calendar days after service of the written notice of the action, appeal the action to the Commission on Landlord-Tenant Affairs by filing a written notice of appeal with the Commission. An appeal does not stay the City Manager's action unless the Commission stays the action for good cause.

B. ___ Within 30 calendar days after a notice of appeal is filed, the Commission shall conduct a hearing, at which the owner or agent aggrieved shall have an opportunity to be heard. The Commission may summon all witness it deems necessary and/or require the production of relevant documents and records. Failure to comply with the summons is a violation of this chapter.

C. ___ Commission hearings shall be conducted in accordance with the procedures set forth in Chapter 6.24, Commission on Landlord-Tenant Affairs, and the Commission's regulations and rules of procedure, as applicable.

D. ___ Within 30 calendar days after the hearing, the Commission shall reverse, modify or affirm the action appealed. The Commission shall issue its opinion and order in writing and provide a copy to the owner or agent aggrieved. The Commission may extend the time for any hearing and the issuance of its opinion and order.

E. ___ Any person aggrieved by the opinion and order of the Commission may appeal to the Circuit Court for Montgomery County within 30 days from the date of the Commission's opinion and order. The procedures for an appeal of a Commission opinion and order shall be governed by Title 7, Chapter 200 (Judicial Review of Administrative Agency Decisions), of the Maryland Rules, as amended. An appeal does not stay enforcement of the Commission's opinion and order unless the court grants a stay. (~~Ord. 2006-50 § 1 (part), 2006: Ord. 2003-24 § 2 (part), 2003: prior code § 6-208)~~)

6.08.~~100~~110 Reinstatement of license.

A

A rental housing license ~~that~~which has been denied, suspended or revoked shall be issued or reinstated upon a showing that the conditions and violations which led to the denial, suspension or revocation have been corrected and upon the payment of any license or other fees then due. In the case of a license suspension or revocation, a reinstatement fee of \$250.00 also shall be paid. (~~Ord. 2006-50 § 1 (part), 2006: Ord. 2003-24 § 2 (part), 2003/Ord. 2003-7 § 1 (part), 2003: prior code § 6-209)~~)

6.08.~~110~~ Sunset120 Owner Occupied Group House - Application and registration.

A. Owner Occupied Group Houses must be registered with the City on or before June 30, 2014 or within 30 calendar days of operating the facility as a group house.

B. Application for a new Certificate of Registration or the renewal of an existing registration shall be made by the owner occupant on a form provided by the City containing such information as necessary to administer and enforce the provisions of this chapter.

C. Upon receipt of an application for registration and a \$50 registration fee, the City shall inspect the property to verify that no serious life safety code violations exist prior to the issuance of a Certificate of Registration. Examples of serious life safety violations include, but are not limited to, lack of egress from sleeping rooms, inoperative smoke detectors, and the lack of essential utilities such as heat, water and operable sanitary facilities. The owner occupant will be given a reasonable opportunity to make required corrections. All identified life safety code violations must be corrected by the established reinspection date set by the code official.

D. A Certificate of Registration will be issued to the owner occupant upon verification that identified life safety code violations have been corrected.

E. The Certificate of Registration shall remain valid for a term of three calendar years, expiring on December 31 of the third calendar year.

F. All provisions contained in this chapter applying to Commercial Occupancy Licenses section shall expire on June 30, 2007/2016, and shall be of no effect thereafter. (Ord. 2006-50 § 1 (part), 2006: Ord. 2003-24 § 2 (part), 2003/Ord. 2003-7 § 1 (part), 2003: prior code § 6-210)

Chapter 6.12 PROPERTY MAINTENANCE CODE*

Sections:

- 6.12.010 _Property Maintenance Code—Administration.
- 6.12.020 _Adoption of Property Maintenance Code.
- 6.12.030 _Property Maintenance Code—Amendments to Chapter 26, Housing and Building Standards, of the Montgomery County Code.
- 6.12.040 _Property Maintenance Code—Deletions from Chapter 26, Housing and Building Standards, of the Montgomery County Code.
- 6.12.050 _Property Maintenance Code—Motor vehicles.
- 6.12.060 _Property Maintenance Code—Premises identification.
- 6.12.070 _Property Maintenance Code—Graffiti.

*—Legislative History: M.C. 1961, Art. 15; Ord. No. 2073; Ord. No. 2555, 3/23/81; Ord. No.

~~2589, 10/13/81; Ord. No. 1987-59, 11/16/87; Ord. No. 1993-5, 4/12/1993; Ord. No. 1994-11, 2/25/1994; Ord. No. 1994-24, 10/10/1994; Ord. No. 1995-43, 12/11/1995; Ord. No. 2002-26, 7/29/2002.~~

6.12.010 Property Maintenance Code— Administration.

A.— Title. This chapter shall be known as the Property Maintenance Code of the City of Takoma Park, hereinafter referred to as “this code” or as “Property Maintenance Code.”

B.— Scope. The provisions of the Property Maintenance Code shall apply to the exterior of all existing residential and nonresidential structures, to all premises and appurtenances of such residential and nonresidential structures, and to vacant land. The provisions of this code shall also apply to the interior and exterior of all residential rental structures and all nonresidential structures which are required to be licensed and inspected by the City; and all existing premises and to all premises and appurtenances of such residential structures. These code provisions constitute minimum requirements and standards for premises, structures, equipment, and facilities for light, ventilation, space, heating, sanitation, protection from the elements, life safety, safety from fire and other hazards, and for safe and sanitary maintenance; the responsibility of owners, operators and occupants; the occupancy of existing structures and premises, and for administration, enforcement, and penalties.

C.— Code Enforcement Officers~~enforcement officers~~. The City Manager is authorized to designate employees, contractors or agents of the City to administer and enforce the provisions of the Property Maintenance Code. The persons so authorized shall be known as Code Officials or Code Enforcement Officers.

D.— Restriction of Employees~~employees~~. An employee, contractor or agent of the City who is responsible for the enforcement of any provision of the Property Maintenance Code shall not own or manage rental residential property or nonresidential property within the City and shall not be engaged in, or directly or indirectly connected with, the furnishing of labor, materials or appliances for the construction, alteration or maintenance of a building within the City, or in the preparation of construction documents thereof. No employee, contractor or agent of the City shall engage in any work that conflicts with his or her enforcement of any provision of the Property Maintenance Code. ~~(Ord. 2003-24 § 4 (part), 2003/Ord. 2003-7 § 1 (part), 2003: prior code § 6-300)~~

6.12.020 Adoption of Property Maintenance Code.

The provisions of Chapter 26, Housing and Building Maintenance Standards, of the Montgomery County Code, as amended from time to time, are adopted as the Property Maintenance Code of the City of Takoma Park, Maryland. ~~(Ord. 2003-24 § 4 (part), 2003: Ord. 2003-7 § 1 (part), 2003: prior code § 6-301)~~

6.12.030 Property Maintenance Code— Amendments to Chapter 26, Housing and

Building Standards, of the Montgomery County Code.

A. ___ The word “County” in Section 26-1, Purpose, is amended to read “City.”

B. ___ The definitions set forth in Section 26-2, Definitions, are amended as follows:

Chief Administrative Officer or CAO: The Chief Administrative Officer or the CAO’s designee and the City Manager of the City of Takoma Park or the City Manager’s designee.

Director: The Director of the Department of Housing and Community Affairs, or the Director’s designee and the City Manager of the City of Takoma Park or the City Manager’s designee.

Enforcing ~~agency~~Agency:

- (a) ___ the Department of Housing and Community Affairs;
- (b) ___ any other agency of County government which the Chief Administrative Officer assigns to enforce this Chapter;
- (c) ___ the City of Takoma Park; or
- (d) ___ any employee, agency or department of the City government or any City contractor or agent which the City Manager assigns to enforce the Property Maintenance Code or any provision thereof.

~~(Ord. 2003-24 § 4 (part), 2003: prior code § 6-302)~~

6.12.040 Property Maintenance Code— - Deletions from Chapter 26, Housing and Building Standards, of the Montgomery County Code.

The following sections of Chapter 26, Housing and Building Standards, of the Montgomery County Code, are hereby deleted:

Section 26-3. Applicability; exemptions.

Section 26-4. Compliance with other laws, subsection (a);) Other County laws apply.

~~Section 26-13. Designation of unfit dwellings and unsafe residential structures; condemnation.~~

~~Section 26-14. Repair or removal of condemned buildings or structures.~~

Section 26-16. _____ Penalty for violation of Chapter. (Ord. 2003-24 § 4 (part), 2003: prior code § 6-303)

6.12.050 Property Maintenance Code— - Motor vehicles.

A. — No inoperative, immobile, or severely damaged or unlicensed motor vehicle or transport vehicle designed to be towed such as a utility or boat trailer shall be parked, kept or stored on any premises, and no vehicle shall at any time be in a state of major disassembly, disrepair, or in

the process of being stripped or dismantled. A license plate with current expiration tags or a temporary registration placard must be displayed on the motor vehicle at all times.

~~Exception: This provision shall not prevent the performance of vehicle repair work or body overhaul by a licensed commercial vehicle repair facility, body shop or garage, provided that such work is performed inside a structure or similarly enclosed area designed and approved for such purposes. Painting of vehicles is prohibited unless conducted inside an approved spray booth.~~

B. Parking of motor vehicles and transport vehicles shall be limited to surfaced parking areas, driveways, and designated parking structures such as garages and carports. Parking of vehicles on green space, yards, and sidewalks is prohibited. (Ord. 2003-24 § 4 (part), 2003: prior code § 6-304)A surfaced area is land where the natural surface has been altered by gravel, stone, brick, concrete, asphalt, or any other material that facilitates the parking of a motor vehicle.

6.12.060 Property Maintenance Code— Premises identification.

~~Buildings shall have approved address numbers placed in a position to be plainly legible and visible from the street fronting the property. These numbers shall contrast with their background. Address numbers shall be Arabic numerals or alphabet letters. Numbers shall be a minimum of 4" high with a minimum stroke width of 1/2". (Ord. 2003-24 § 4 (part), 2003: prior code § 6-305)~~

Buildings shall display Arabic numbers designating assigned street address. Address displays must be posted on a contrasting background and displayed in a conspicuous place that is unobstructed and clearly readable from the street.

6.12.070 Property Maintenance Code—Graffiti.

~~A.~~

A. Purpose and ~~Intent~~intent. Graffiti on public and private property is a public nuisance and a blighting factor which deteriorates property and depreciates the value of the affected property, as well as the adjacent and surrounding properties. The Council intends, through adoption of this section, to help prevent the spread of graffiti vandalism, to require the removal of graffiti, and to provide additional enforcement tools to protect public and private property from acts of graffiti vandalism and defacement.

~~B.~~

B. Graffiti ~~Defined~~defined. “Graffiti” means any ~~unauthorized~~ inscription, mark, word, figure, painting or other defacement that is written, marked, etched, scratched, sprayed, drawn, painted, or engraved on or otherwise applied to any surface of public or private property ~~to without~~ the ~~extent that the graffiti was not authorized in advance by~~authorization of the owner ~~or occupant~~ of the property.

C. Prohibition of ~~Graffiti~~graffiti. It is unlawful for any person to apply graffiti to any natural or manmade surface on any public property or, without the permission of the owner ~~or occupant~~, on any private property.

D. Removal of ~~Graffiti~~graffiti by ~~Perpetrator~~perpetrator. Any person applying graffiti on public

or private property shall remove or effectively obscure the graffiti within 24 hours after notice by the City or private owner of the property involved. Any person applying graffiti shall be responsible for the removal or for payment of cost of removal of the graffiti. Failure of any person to remove graffiti or pay for the removal shall be a violation of this section. Where graffiti is applied by a minor, the minor's parents or legal guardian shall also be responsible for the removal of the graffiti or for payment of the cost of the removal.

E. Removal of ~~Grffiti~~graffiti by ~~Property Owner~~property owner or City. If the graffiti is not removed or effectively obscured by the perpetrator according to subsection (D) of this section, the graffiti shall be removed pursuant to the following provisions:

~~1.~~

1. ~~Property Owner Responsibility~~owner responsibility. It is unlawful for any person owning property, acting as manager or agent for the owner of property, or in possession or control of property (hereinafter "responsible party") to fail to remove or effectively obscure any graffiti upon such property.

2. Notice. Whenever the City becomes aware of the existence of graffiti on any property, the City shall give written notice to the property owner or responsible party to remove or effectively obscure such graffiti within ~~one week~~seven calendar days from the date of service of the written notice. The form and method of service of the notice of violation shall be as set forth in the Property Maintenance Code, Section 26-12 (Notice of violation; order to comply) of the Montgomery County Code.

3. Right of City to Remove~~remove~~.

~~a.~~

a. Right of ~~Entry~~entry on ~~Private Property~~private property. Prior to entering upon private property or property owned by a public entity other than the City for the purpose of graffiti removal, the City shall attempt to secure the consent of the property owner or responsible party and a release of the City from liability for property damage or personal injury. If the graffiti is not removed within the time specified in subsection (E)(2) of this section or any extension of time granted by the City for good cause shown, or if the City has requested consent to remove or effectively obscure the graffiti and the property owner or responsible party has refused consent for entry on terms acceptable to the City or has failed to respond to the request for entry, then the City shall commence proceedings for the graffiti removal according to the provisions specified below.

~~b.~~

b. The City Manager, or the designee of the City Manager, serving as the Hearing Officer, shall provide the property owner whose name appears in the tax records and the responsible party, if a person different from the owner, not less than 48 ~~hour~~hour notice of the City's intent to hold a due process hearing at which the property owner or responsible party shall be entitled to present evidence and argue that the property does not constitute a public nuisance. Notice of the due process hearing shall be served as set forth in the Property Maintenance

Code, Section 26-12 (Notice of violation; order to comply), subsection (d), of the Montgomery County Code.

e-

~~c.~~ c. Determination of ~~Hearing Officer~~hearing officer. The determination of the Hearing Officer after the due process hearing shall be final and not appealable. If, after the due process hearing, regardless of the attendance of the property owner or responsible party, the Hearing Officer determines that the property contains graffiti viewable from a public or quasi-public place, the Hearing Officer shall give written notice that, unless the graffiti is removed within one week, the City shall enter upon the property and remove or cause the graffiti to be removed or effectively obscured and charge the property owner or responsible party for the expenses incurred by the City in such graffiti removal.

d. - Payment of ~~Removal Costs~~removal costs—Lien. The City shall send a bill for the cost of the graffiti removal to property owner or responsible party. If all or any portion of the bill remains unpaid after 30 calendar days, then the cost shall be a lien against the property which may be collected and enforced in the same manner as are taxes, special assessments and other liens on real property or collected as provided for in Section 6.40.020.

F. Exemption. This section shall not be construed to prohibit temporary, easily removable chalk or other water soluble markings on public or private sidewalks, streets or other paved surfaces which are used in connection with traditional children's activities, such as hopscotch and the like, nor temporary, easily removable chalk or water soluble markings used in connection with any lawful business or public purpose or any City-approved public art project or activity. (~~Ord. 2003-24 § 4 (part), 2003: prior code § 6-306~~)

Chapter 6.16 LANDLORD-TENANT RELATIONS*

Sections:

- 6.16.010— Legislative findings.
- 6.16.020 — Applicability.
- 6.16.030 — Tenant rights of association.
- 6.16.040 — Obligations of tenants.
- 6.16.050 — Obligations of landlords.
- 6.16.060 — Lease requirements.
- 6.16.070 — Lease term and renewal requirements.
- 6.16.080— ~~Leasing fees~~ Rent Increases - Frequency and notification requirements.
- 6.16.090— ~~Late Fees - General provision, permitted fees, optional fees-, prohibited fees.~~
- ~~6.16.100— Pet fees.~~
- 6.16.100 Utilities - Charges to tenant and transfer of utility payments.
- 6.16.110— ~~Other fees~~ Entry.

- 6.16.120— Notice to vacate.
- 6.16.130 Security deposits.
- ~~6.16.130—Utilities transfer.~~
- 6.16.140 —~~Entry.~~
- ~~6.16.150—Notice to vacate.~~
- ~~6.16.160—Illegal rent or fee.~~
- ~~6.16.170—~~ Defective tenancy.
- ~~6.16.180—~~ 150 Retaliatory practices.
- ~~6.16.190—~~ 160 Department investigation and conciliation.
- ~~6.16.200—~~ 170 Landlord-tenant complaints.

~~*—Legislative History: Ord. No. 2700, 11/14/1983; Ord. No. 1991-34; Ord. No. 1992-2, 1/27/1992; Ord. No. 1992-9, 6/22/1992; Ord. No. 1992-26, 6/22/1992; 1992-38, Ord. No. 10/26/1992; Ord. No. 1992-43, 12/14/1992; Ord. No. 1995-43, 12/11/1995; Ord. No. 1997-9, 3/10/1997; Ord. No. 1999-38, 9/27/1999.~~

6.16.010 Legislative findings.

The Council of the City finds that there is often unequal bargaining power between landlords and tenants, that the common law principles pursuant to which leases are interpreted as grants of right or possession rather than mutual and dependent covenants evolved in an agricultural setting and are ill-suited to the modern residential setting of this urban City, and that in order to facilitate fair and equitable arrangements to foster the development and preservation of housing ~~which~~that will meet the necessary minimum standards of the present day and promote the health, safety and welfare of the people ~~as set forth in the Property Maintenance Code of the Charter and Code of the City of Takoma Park,~~ it is necessary and appropriate that the City define minimum respective rights and duties of landlords and tenants and provide mechanisms for the resolution of disputes between landlords and tenants. ~~(Ord. 2003-7 § 1 (part), 2003: prior code § 6-400)~~

6.16.020 Applicability.

To the maximum extent permissible by the Constitution and laws of the United States and the Constitution and laws of the State of Maryland, this chapter shall determine and regulate legal rights, remedies and obligations of the parties and beneficiaries of any lease concerning any rental unit within this City, wherever executed. Any lease shall be unenforceable to the extent that it conflicts with any provision of this chapter. Such unenforceability shall not affect other provisions of the lease ~~which~~that can be given effect without such unenforceable provision. ~~(Ord. 2003-7 § 1 (part), 2003: prior code § 6-401)~~

6.16.030 Tenant rights of association.

A. Tenants shall have the right to self-organization; to form, join, meet or assist one another within or without tenant organizations; to meet and confer, by themselves and through representatives of their own choosing, with landlords; and to engage in other activities for the purpose of mutual aid and protection; and further, tenants shall have the right to refrain from any

and all such activities.

B. ___ Tenants and tenant associations shall have the right of assembly in ~~the~~ meeting rooms and other areas suitable for meetings within a rental facility during reasonable hours and upon reasonable notice to the landlord for the purpose of conducting tenant organization meetings. The landlord may impose reasonable terms and conditions upon the use of such meeting rooms or common areas.

C. ___ Tenants and tenant associations shall have the right to distribute freely and post in centrally located areas of a rental facility, literature concerning landlord-tenant issues, provided that the literature is properly identified as to its origin.

D.— ___ Tenant associations that have registered with the City in accordance with established Administrative Regulation shall have standing to file complaints under any provision of this chapter in a representative capacity on behalf of those tenants who have authorized such representation. Nothing herein shall be construed to permit any tenant's organization to represent any tenant or class of tenants unless specifically authorized in writing to do so. (~~Ord. 2003-7 § 1 (part), 2003: prior code § 6-402~~)

6.16.040 Obligations of tenants.

All tenants, members of the tenant's household, housemates, and any ~~other~~ person(s) on the premises with ~~thea~~ tenant's permission shall:

A. ___ Comply with all lawful terms and conditions of the lease and all written rules established by the landlord; and provided to the tenant;

B. ___ Keep that part of the rental facility ~~which~~that the tenant occupies and uses as clean, sanitary and safe as conditions permit;

C. ___ Dispose of all rubbish, garbage, recyclables as required and other organic and flammable waste from the rental unit in a clean and sanitary manner;

D. ___ Use and operate all gas, electrical and plumbing equipment, appliances and fixtures properly;

~~E. ___~~ Keep all gas, electrical, and plumbing equipment, appliances, and fixtures as clean and sanitary as their condition permits;

~~E. ___~~
~~Use and operate all gas, electrical and plumbing equipment, appliances and fixtures properly;~~

F.— ___ Not destroy, deface, damage, impair, change or remove any part of the rental unit, rental facility, or its facilities, grounds, equipment or appurtenances;

G.— ___ Pay for damages to the rental unit or facility caused by ~~the tenant's~~ negligence or willful

misconduct;

~~H.—Provide~~ Obtain written permission from the landlord ~~with keys prior to the installation of any lock that the tenant installs new or allows replacement locking mechanism to be installed which controls access to any part of~~ the rental unit or to any other part of the rental facility over which the tenant has exclusive possession. Provide landlord with keys to the new or replacement lock(s) within seven calendar days of its installation;

~~I.~~

~~I. Permit any lawful inspection. (Ord. 2003-7 § 1 (part), 2003: prior code § entry into the rental unit in accordance with Section 6-403), 16.110; and~~

~~J. Prepare rental unit in accordance with written instructions provided by the landlord for extermination services, scheduled painting, planned or requested repairs and other maintenance.~~

6.16.050 Obligations of landlords.

All landlords shall:

A.— Keep all areas of the rental facility, grounds, facilities, equipment and appurtenances in a clean, sanitary and safe condition;

~~B.—Make~~ Supply water, hot water and ~~bear~~heat as required by the ~~costs of all repairs and arrangements necessary to keep the rental unit in compliance with the standards prescribed in Takoma Park City Code, Chapter 6.12 - Property Maintenance Code;~~

~~C.—Maintain~~ Provide and maintain all gas, electrical, plumbing, and other facilities and conveniences supplied ~~in to the rental facility and rental unit in~~ good working order;

D.— Provide and maintain appropriate and sufficient receptacles and conveniences for the removal of, rubbish, garbage, and recyclables and arrange for the frequent removal of such materials from the rental facility;

~~E.—Supply water, hot water and heat as required by the standards prescribed in the Property Maintenance Code of the City as amended;~~

~~F.—Paint all rental units in their entirety at least once every 5 years. Repainting is not required between tenancies, however all painted surfaces must be in clean condition and free of any peeling or chipping paint at the commencement of a tenancy;~~

~~G.—Pay for all repairs and maintenance to the rental unit and rental facility;~~

~~H.—Maintain sufficient keys to provide access to every rental unit; require access to master and duplicate keys be restricted; and keep a log book of all assignments, temporary loans or other possessions of any master or duplicate keys. Master and duplicate keys must be kept in a locked cabinet or safe;~~

~~I.—Rekey every lock on each door which provides access to the rental unit between tenancies.~~

E. Post a durable notice of current emergency contact information in an accessible place in a common area in each multi-family rental facility. Notice must include the name(s) and

telephone numbers (day 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 web site 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.

The packet shall include the following:

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;

2. Other material designated by the City regarding public services available to residents, existing laws, rules, and regulations, and the City electoral process.

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 ~~which is~~ maintained by the landlord;

~~J. Post a durable notice containing current emergency contact information including the name(s) and telephone numbers (day and evening) of the landlord or agent who can be reached in emergency situations. Such notice shall be posted in an accessible and conspicuous place in a common area in each rental facility and distributed to all tenants at the commencement of the tenancy and whenever there is a change in the emergency contact information;~~

~~K. Provide, under the same terms and conditions, air conditioning in rental units where tenants have previously been provided air conditioning;~~

~~L. Allow tenants to install and use air conditioning units in rental units where the lease is silent regarding the installation, provision, or use of air conditioning or the lease expressly authorizes tenants to install and use air conditioning units. (Ord. 2004-36 § 1 (part) 2004/Ord. 2003-7 § 1 (part), 2003: prior code § 6-404)~~

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

3. 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;

I. Make and bear the costs of all repairs and arrangements necessary to keep the rental unit in compliance with Takoma Park City Code, Chapter 6.12 - Property Maintenance Code; and

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 incurred by landlord and photographs of damages and completed repairs. Documentation shall be provided prior to the assessment of the cost of the repairs.

6.16.060 Lease requirements.

All leases shall:

~~A.~~

~~State the monthly rent charged for the rental unit. The rent for rental units subject to rent stabilization shall not exceed the maximum allowable rent for the rental unit;~~

~~B. Comply with the lease term amount of any fees for optional services and renewal requirements of this chapter;~~

~~C. Acknowledge the landlord's responsibility to maintain the premises and incorporates by reference the standards of the Takoma Park Property Maintenance Code as amended, as a warranty of habitability;~~

~~A. D. Indicate amenities that the security deposit will may be deposited and returned charged to the tenant in accordance with the provisions of this chapter Section 6.16.090 - Fees, and of the Real Property Article of date the Annotated Code of Maryland, as amended; rent is due ("rent due date");~~

~~E.~~

~~B. Require the landlord to provide a written receipt if to the tenant for all cash payments and when the tenant requests a receipt or if the tenant makes any rent payment or other payment in cash to the landlord. If a tenant requests a written receipt from the landlord for any payment sent by mail, the tenant shall provide a stamped, self-addressed envelope to the landlord;~~

~~F. Entitle~~

~~State the tenant to possession of the leased premises until the lease is terminated by action of the parties or by operation of law;~~

~~G. Permit the lease to be terminated by the tenant upon one month's written notice to the landlord prior to the frequency of permitted rent due date due to an involuntary change of employment requiring relocation from the Washington, D.C., Standard Metropolitan Statistical Area (as defined by the United States Census Bureau), death of a or involuntary unemployment of a major wage earner, or for any other reasonable cause beyond the tenant's control. The lease may require the tenant to specify the cause(s) in writing to the landlord and include appropriate evidence thereof. In the event of a termination of the lease for reasonable cause beyond the tenant's control, the lease may provide that the tenant shall pay a reasonable termination charge not to exceed one month's increases, rent or the actual monetary damages sustained by the~~

~~landlord as a result of the termination, whichever is the lesser amount, in addition to rent due and owing through the termination date and during the notice period;~~

~~H.—Provide for the reimbursement to the tenant for damage to the tenant’s tangible personal property as a result of the landlord’s negligence;~~

~~C. I.—Inform the tenant in rental units subject to increase notification requirements and rent stabilization: status of the rental unit.~~

~~1.—Of~~

~~For rental units exempted from the existence of rent stabilization restrictions set forth in the Takoma Park City; and~~

~~2.—Of the tenant’s right to examine the rent reports maintained by the Department of Housing and Community Development;~~

~~1. J.—Include a rent escalator clause, in accordance with Section Code, Chapter 6.20.010, if the landlord intends to increase the rent prior to the end of — Rent Stabilization under Sections 6.20.020(A)(8)-(10) and 6.20.030, the lease term; shall state that:~~

~~K.—Inform the tenant in rental units not subject to rent stabilization:~~

~~1.~~

~~a. That the tenant’s rent may be increased only once within a 12-month period; and~~

~~2.~~

~~b. That the landlord shall give the tenant 2-two-months’ written notice prior to the effective date of a rent increase, which shall coincide with the rent due date in accordance with Section 6.16.080(B) – Notice of Annual Rent Increases.~~

~~2. For rental units subject to the restrictions set forth in Takoma Park City Code, Chapter 6.20 – Rent Stabilization, the lease shall state that:~~

~~a. The tenant has the right to examine the rental facility’s annual rent stabilization rent reports maintained by the Department;~~

~~b. The tenant’s rent may be increased only once within a 12-month period except as permitted by Takoma Park City Code, Section 6.20.080 - Rent increases pursuant to a fair return petition;~~

~~c. Rent increases are limited to the Annual Rent Stabilization Allowance as set forth in Takoma Park City Code, Section 6.20.050(A) – Annual Rent Stabilization Allowance except as permitted by Takoma Park City Code, Section 6.20.080 - Rent increases pursuant to a fair return petition; and~~

~~d. The landlord shall give the tenant two-months’ written notice prior to the effective date of a rent increase, which shall coincide with the rent due date; in accordance with Takoma Park City Code, Section 6.20.050(C) – Notice of Annual Rent Increases.~~

- ~~L.— Stipulates the notice to vacate requirements as stated in Section 6.16.150;~~
- ~~M.— Provide notice of any late rent payment fee, return check fee, or any other fees that may be charged in addition to the rent;~~
- ~~N.— Establish the~~
- D. Prohibit the transfer of financial responsibility for any utility or the assignment of any utility cost to the tenant without written notice to the tenant and a corresponding reduction in the tenant's monthly rent charge in accordance with 6.16.100 Utilities – Charges to tenant and transfer of utility payments;
- E. Indicate that the security deposit will be deposited and returned in accordance with the provisions of Section 6.16.130 - Security deposits;
- F. Acknowledge the landlord's responsibility to maintain the premises and incorporate by reference the standards of ~~the~~ Takoma Park ~~City~~ Code, Chapter 6.12 - Property Maintenance Code, as a warranty of habitability;
- G. Establish responsibility for maintenance of the grounds for a single-family rental facility;
- ~~O.— Give notice to the tenant of~~
- H. Provide for reimbursement to the tenant for damage to the tenant's tangible personal property caused by the negligence of the landlord or the landlord's agents;
- I. Stipulate to written notice of entry requirements set forth in Section 6.16.110 – Entry;
- J. Inform the tenant of the right to ~~havethe use and/or installation of window~~ air conditioning ~~if air conditioning was previously available to tenants of the rental unit under unit(s) under~~ the same terms and conditions ~~afforded prior tenants of the rental unit~~, except for a reasonable increase in fees consistent with ~~department regulations, as the previous tenants;~~
- ~~P.— State whether air conditioning is available for the rental unit and, if air conditioning is available for the rental unit, state whether the landlord or tenant will provide and maintain the air conditioning unit(s), the number and location of permitted air conditioning units, and the fees, if any, associated with the provision of air conditioning established Administrative Regulations. If a lease does not include the information required by this subsection, then the tenant shall have the right to install a window air-conditioning unit in each sleeping room unless such installation would constitute a violation of any other law, and the landlord shall be responsible for the cost of installing any electrical upgrades necessary to allow use of such air-conditioning units in a manner that is in compliance with ~~the~~ Takoma Park ~~City~~ Code, Chapter 6.12 - Property Maintenance Code. (Ord. 2004-36 § 1 (part), 2004/Ord. 2003-7 § 1 (part), 2003: prior code § 6-405)~~
- K. Entitle the tenant to possession of the leased premises until the lease is terminated by action of the parties in accordance with the provisions set forth in Section 6.16.120 – Notice to vacate or by operation of law;
- L. Stipulate to the notice to vacate requirements set forth in Section 6.16.120 – Notice to

vacate; and

M. Permit the tenant to terminate the lease upon one month's written notice to the landlord due to an involuntary change of employment requiring relocation from the Washington, D.C., Standard Metropolitan Statistical Area (as defined by the United States Census Bureau), death or involuntary unemployment of a major wage earner, or for any other reasonable cause beyond the tenant's control. Notice to terminate the lease must be submitted to the landlord prior to the rent due date not less than one month from the date the lease is to be terminated.

1. The lease may require the tenant to specify in writing, the cause(s) for the termination and include appropriate evidence thereof.

2. The tenant may be required to pay a reasonable termination charge not to exceed the lesser of one month's rent or the actual monetary damages sustained by the landlord as a result of the termination in addition to rent due and owing through the termination date and during the notice period.

6.16.070 Lease term and renewal requirements.

A. Initial leases. All leases shall be offered for an initial one-year term unless reasonable cause exists for ~~offering~~entering into a lease term of less than one year.

~~B. A tenant may reject an offer of a one-year lease and agree to a term of other than one-year.~~

~~C.~~

1. If an initial lease is for a term of other than one year, the lease or an addendum to the lease ~~must show either~~ shall clearly state that an offer of a one-year lease was made to the prospective tenant and the tenant requested a different term or ~~state~~ the landlord's reasonable cause for offering a lease term of other less than one year. This lease provision shall be separately initialed or signed by the landlord and the tenant.

~~D.~~

2. The initial lease shall be signed by both the landlord ~~shall offer~~ and the tenant ~~the~~ and a copy of the executed lease shall be provided to all parties within 14 calendar days of the effective date of the lease.

B. Lease renewals.

1. The landlord shall provide a written notice to the tenant offering an opportunity to renew ~~a lease of the initial~~ one-year ~~or more~~ lease for an additional term of one year. Notice shall be given at least ~~two~~ months prior to the end of ~~each~~ the initial lease term unless:

1.

a. The ~~landlord~~tenant has given the ~~tenant-landlord~~ a written notice of intent to vacate, ~~except that~~ the rental unit;

~~b. The landlord shall not give~~ has given the tenant a ~~2~~one-month ~~new~~written notice to vacate the rental unit in accordance with the provisions of Section 6.16.120(A) 1 - Notice to vacate for cause;

~~c. The landlord has given the tenant a two-month written notice to vacate the rental unit in accordance with the provisions of Section 6.16.120(A)2 - No fault notice to vacate;~~ or

~~d. The landlord has provided the tenant with written notice at least two-months prior to the expiration of the initial one-year lease term;~~ or

~~2. The tenant has given the landlord notice of intent to vacate;~~ or

~~3. At least 2 months before the end of the lease term, the landlord has provided the tenant with a written statement of detailing the landlord's reasonable cause for offering a lease term of less than one year.~~

~~E. If a landlord fails to offer the tenant a one-year lease renewal without stating in writing the landlord's reasonable cause for offering a term of less than one year, as required by subsections (C) or (D)(3) of this section, then, at the sole option of the tenant, the tenant shall be presumed to have a one-year lease.~~

~~F.~~

~~"Reasonable cause" shall include those situations in which:~~

~~1. It~~

~~i. it would create a hardship for a landlord to enter into or renew a one-year lease;~~

~~2. The~~

~~ii. the landlord is selling the rental facility and settlement on the sale is to occur within a one-year period;~~

~~3. The~~

~~iii. the landlord intends to occupy the rental unit or make it available for use by a family member. Any landlord utilizing this provision shall discontinue or modify the rental facility's rental license and not lease the rental unit during the 12-month period beginning on the date of recovery of possession; or~~

~~4. The~~

~~iv. the landlord is making alterations or renovations or is conducting substantial rehabilitation to a rental unit or rental facility ~~which~~that cannot safely or reasonably be accomplished while the rental unit or rental facility is occupied. Any displaced tenant shall have a right to lease the rental unit upon completion of such work. (Ord. 2003-7 § 1 (part), 2003: prior code § 6-406)~~

~~2. If a landlord fails to offer the tenant a one-year renewal of the initial lease without stating in writing reasonable cause for offering a term of less than one year, the tenant may extend the term of the initial lease for an additional one year from the end of the initial term by providing written notice to the landlord informing them of their intent to~~

exercise their right to do so. Such notification must be provided to the landlord within two-months of the expiration of the initial lease term.

6.16.080 Leasing Rent increases – Frequency and notification requirements

A. The rent for an occupied rental unit may be increased only once within a 12-month period except as permitted by Takoma Park City Code Section 6.20.080 - Rent increases pursuant to a fair return petition.

B. A landlord shall not increase or attempt to increase the rent for any occupied rental unit without having first given the tenant two -months’ written notice prior to the effective date of a rent increase. Notice of a rent increase shall be in the form and manner prescribed by Administrative Regulation.

6.2016.090 Fees – General provision, permitted fees., optional fees, prohibited fees.

Leasing fees

A. General provisions - Restrictions and disclosure requirements.

1. The provisions of this section apply to all fees assessed to a tenant in addition to the monthly rental charge.

2. Lawful fees shall not be considered a part of the monthly rental charge for the rental unit.

3. Fees shall not be charged for services and amenities previously included in the rent for the rental unit or provided to prior tenants at no cost.

4. Fees shall not be charged for improvements to the rental unit or rental facility or for additional operating expenses incurred by the landlord.

5. Fees may be assessed to the tenant for optional services and amenities such as furnishings, garage parking, off-street parking, internet access, storage, and pets. Tenants shall have the right to refuse optional amenities and services.

a. Prior to the provision of any optional service or amenity by the landlord and the assessment of any fee to the tenant, the tenant must provide written confirmation that they understand that they have the right to decline the optional service or amenity and that they voluntarily accept the optional service or amenity.

b. Fees for optional services and amenities shall not be assessed to tenants who have refused said services and amenities or provided the landlord with written notice of their intent to discontinue such service or amenity.

c. Tenants may terminate access to accepted services or amenities by the giving a one-month written notice to the landlord.

d. Landlords may terminate a tenant's access to optional services or amenities by giving a one-month written notice to the tenant prior to the termination date.

6. Fees shall be assessed on a uniform basis and shall not exceed the maximum fees established by Department regulations or the actual costs incurred by the landlord, whichever is the lesser amount Administrative Regulations.

7. Fees shall be disclosed by the landlord prior to the commencement of the tenant's tenancy. Landlords may increase fees by giving two months' written notice to the tenant prior to the expiration of the tenant's lease term, or, for month-to-month tenants, by giving two months' written notice.

B. Permitted Fees - Leasing fees, late fees and short term lease fees.

1. Leasing fees. Leasing fees shall include, but not be limited to: application fees, key fees, document preparation fees, and credit check fees. ~~(Ord. 2003-7 § 1 (part), 2003: prior code § 6-407)~~

6.16.090

Late fees.

2. Late fees shall not be charged if the rent is received within ~~10~~ten calendar days of the rent due date. A late fee shall not exceed 5% of the amount of rent due for the rental period. (Ord. 2003-7 § 1 (part), 2003: prior code § 6-408)

6.16.100

3. Short term lease fees. A short term lease fee may be assessed to a tenant who has requested an initial lease of less than twelve months in accordance with the provisions set forth in Section 6.16.070(A) – Initial leases.

a. A short term lease ~~Pet fees.~~

A. If a pet fee is charged, the pet fee shall not exceed the maximum pet fees established by the Department regulations. All pet be assessed to a tenant when the landlord has offered the tenant an initial lease term of less than twelve months.

b. Short term lease fees shall not be reasonable and assessed on a uniform basis and disclosed at beyond the beginning initial term of the lease.

C. Optional Fees – Pet fees, air conditioning fees.

~~Pet fees term. In the~~ A pet fee may be assessed to the tenant upon the initial occupancy of the rental unit or in the event a pet is obtained following ~~the execution commencement~~ of the tenancy, when the pet begins to reside in the unit. ~~initial lease or lease renewal, a pet fee may be assessed to the tenant.~~

1. ~~B. of the lease.~~ Nothing in this section shall be construed as requiring landlords to allow pets. ~~(Ord. 2003-7 § 1 (part), 2003: prior code § 6-409)~~

6.16.110 Other

2. Air conditioning fees.

a. The landlord may assess a fee for the rental of an individual window air conditioning unit or units, for the installation or removal of the air conditioning units, and for additional utility consumption. The tenant shall have the option of providing an air conditioning unit upon written approval of the landlord. ~~A. Fees may~~ Such approval shall not be ~~charged for items and services that were previously included in withheld if the rent for the rental unit.~~

~~B. Fees charged tenant provided unit is equivalent in size, configuration and energy efficiency standards to the unit offered for rent by the landlord.~~

b. Fees for additional utility consumption and use of landlord-provided air conditioning units shall only be assessed during the months of May through September.

D. Prohibited Fees – Extermination services. Fees for routine and emergency extermination services are prohibited at all multi-family rental facilities.

6.16.100 Utilities – Charges to any tenant in accordance with the lease and transfer of utility payments

A. Charges to tenants for basic utilities and services, including but not limited to fees for, The cost of basic electricity, gas, and water, utilities and trash collection, services for a rental facility that is not separately metered or sub-metered or billed by the utility or service provider may not be assessed to a tenant except as provided herein.

1. The cost of a basic utility or service may be assessed to a tenant if the utility or service were assessed to prior tenants and charged in addition to the monthly rent for the rental unit.

2. The cost assessed to a tenant shall be for the actual amount cost of the utility or service. At the request of the tenant, the landlord shall provide the tenant with copies of the applicable bills, invoices or other documentation from the utility or service provider and an explanation of how the fee to the tenant was computed. If the tenant has requested verification of a utility or service fee, the tenant shall not be obligated to pay such fee until the verification is provided to the tenant.

C. ~~If a fee for the rental of an individual window air conditioning unit is charged, the fee shall not exceed the maximum fee established by the Department regulations.~~

1. ~~The tenant shall have the option of providing an air conditioning unit upon written approval of the landlord. Such approval shall not be withheld if the tenant provided air conditioner is equivalent in size, configuration and energy efficiency standards to the air conditioner being offered for rent by the landlord.~~

2. ~~Fees assessed by the landlord for installation or removal of the air conditioning unit shall reflect the actual cost of installing or removing such unit.~~

3. ~~Fees for use of landlord provided air conditioning units shall only be assessed during the months of May through September.~~

D. ~~Fees for optional services or amenities, such~~

B. Transfer of utility payments to tenant.

1. Definitions. "Utility transfer" means the reallocation of financial responsibility for the payment of utility costs from a landlord to the current tenants and, for units subject to rent stabilization, future tenants of a rental facility for which the landlord previously was responsible for the payment of utilities.

2. Utility transfers are prohibited except as furnishings, garage parking or storage permitted by this section.

3. Utility transfers are permitted only for rental facilities in which all of the rental units are separately metered or sub metered to measure the actual utility consumption in each unit.

4. Landlords must be assessed on a uniform basis reduce the rent for a rental unit to offset the cost of utilities allocated to the current tenants and disclosed, for units subject to rent stabilization, future tenants, as a result of a utility transfer for:

a. all rental units subject to rent stabilization, regardless of whether they are occupied at the beginning time of the tenancy or utility transfer; and

b. all rental units that are occupied at the time of the utility transfer.

5. Rent reductions to offset the cost of utilities.

a. If prior to the utility transfer, the rental units in the rental facility were individually metered, the monthly rent reduction in rent for each unit shall be calculated by multiplying the actual average monthly utility consumption of the unit for the previous 24 months by giving a 2-month the actual utility rate at the time of conversion.

b. If, prior to the transfer, the rental units in the rental facility were not individually metered, the reduction in monthly rent per unit shall equal the

average utility consumption of the rental facility for the previous 24 months, less common area utility expenses, divided by the number of rental units.

c. If a landlord determines that the allocation of rent reductions between rental units in accordance with subsection 5(b) of this section would be unreasonable, the rent reductions may be allocated based upon the size of each unit, the number of bedrooms in each unit, and other relevant characteristics of the unit, provided, however, that the total rent reduction must equal the total rent reduction required under subsection 5(b) of this section.

d. The landlord must submit the proposed rent reduction allocation, a written explanation of the proposed allocation, and supporting documentation to the Department, and the Department must approve the proposed rent reduction and allocation prior to the utility transfer.

6. Notice requirements.

a. Written notice at the beginning of each lease term:

~~E.—Additional fees may not be charged to the tenant for capital improvements or additional operating expenses to the rental facility. (Ord. 2003-7 § 1 (part), 2003: prior code § 6-410)~~

6.16.120 Security deposits:

~~A.—The provisions of Sections 8-203 and 8-203.1 of the Real Property Article of the Annotated Code of Maryland, as amended, are incorporated by reference as follows:~~

~~Section 8-203. Amount of security deposits:~~

~~(a) (1) In this section the following words have the meanings indicated:~~

~~(2) “Landlord” means a landlord or a prospective landlord.~~

~~(3) “Security deposit” means any payment of money, including payment of the last month’s rent in advance of the time it is due, given to a landlord by a tenant in order to protect the landlord against nonpayment of rent, damage due to breach of lease, or damage to the leased premises, common areas, major appliances, and furnishings.~~

~~(4) “Tenant” means a tenant or a prospective tenant.~~

~~(b) (1) A landlord may not impose a security deposit in excess of the equivalent of two months’ rent per dwelling unit, regardless of the number of tenants.~~

~~(2) If a landlord charges more than the equivalent of two months’ rent per dwelling unit as a security deposit, the tenant may recover up to threefold the extra amount charged, plus reasonable attorney’s fees.~~

~~(3) An action under this section may be brought at any time during the tenancy or within two years after its termination.~~

~~(c) The landlord shall give the tenant a receipt for the security deposit as specified in Section 8-203.1 of this subtitle. The receipt may be included in a written lease.~~

~~(d) (1) (i) The landlord shall maintain all security deposits in federally insured~~

~~financial institutions, as defined in Section 1-101 of the Financial Institutions Article, which do business in the State.~~

~~(ii) Security deposit accounts shall be maintained in branches of the financial institutions which are located within the State and the accounts shall be devoted exclusively to security deposits and bear interest.~~

~~(iii) Security deposit shall be deposited in an account within 30 days after the landlord receives it.~~

~~(iv) The aggregate amount of the accounts shall be sufficient in amount to equal all security deposits for which the landlord is liable.~~

~~(2) (i) In lieu of the accounts described in paragraph (1) of this subsection, the landlord may hold the security deposits in insured certificates of deposit at branches of federally insured financial institutions, as defined in Section 1-101 of the Financial Institutions Article, located in the State or in securities issued by the federal government or the State of Maryland.~~

~~(ii) In the aggregate certificates of deposit or securities shall be sufficient in amount to equal all security deposits for which the landlord is liable.~~

~~(3) (i) In the event of sale or transfer of the landlord's interest in the leased premises, including receivership or bankruptcy, the landlord or the landlord's estate, but not the managing agent or court appointed receiver, shall remain liable to the tenant and the transferee for maintenance of the security deposit as required by law, and the withholding and return of the security deposit plus interest as required by law, as to all or any portion of the security deposit that the landlord fails to deliver to the transferee together with an accounting showing the amount and date of the original deposit, the records of the interest rates applicable to the security deposit, if any, and the name and last known address of the tenant from whom, or on whose behalf, the deposit was received.~~

~~(ii) A security deposit under this section may not be attached by creditors of the landlord or of the tenant.~~

~~(4) Any successor in interest is liable to the tenant for failure to return the security deposit, together with interest, as provided in this section.~~

~~(e) (1) Within 45 days after the end of the tenancy, the landlord shall return the security deposit to the tenant together with simple interest which has accrued in the amount of 3 percent per annum, less any damages rightfully withheld.~~

~~(2) Interest shall accrue at six month intervals from the day the tenant gives the landlord the security deposit. Interest is not compounded.~~

~~(3) Interest shall be payable only on security deposits of \$50 or more.~~

~~(4) If the landlord, without a reasonable basis, fails to return any part of the security deposit, plus accrued interest, within 45 days after the termination of the tenancy, the tenant has an action of up to threefold of the withheld amount, plus reasonable attorney's fees.~~

~~(f) (1) (i) The security deposit, or any portion thereof, may be withheld for unpaid rent, damage due to breach of lease or for damage by the tenant or the~~

~~tenant's family, agents, employees, guests or invitees in excess of ordinary wear and tear to the leased premises, common areas, major appliances, and furnishings owned by the landlord.~~

~~(ii) The tenant has the right to be present when the landlord or the landlord's agent inspects the premises in order to determine if any damage was done to the premises, if the tenant notifies the landlord by certified mail of the tenant's intention to move, the date of moving, and the tenant's new address.~~

~~(iii) The notice to be furnished by the tenant to the landlord shall be mailed at least 15 days prior to the date of moving.~~

~~(iv) Upon receipt of the notice, the landlord shall notify the tenant by certified mail of the time and date when the premises are to be inspected.~~

~~(v) The date of inspection shall occur within five days before or five days after the date of moving as designated in the tenant's notice.~~

~~(vi) The tenant shall be advised of the tenant's rights under this subsection in writing at the time of the tenant's payment of the security deposit.~~

~~(vii) Failure by the landlord to comply with this requirement forfeits the right of the landlord to withhold any part of the security deposit for damages.~~

~~(2) The security deposit is not liquidated damages and may not be forfeited to the landlord for breach of the rental agreement, except in the amount that the landlord is actually damaged by the breach.~~

~~(3) In calculating damages for lost future rents any amount of rents received by the landlord for the premises during the remainder if any, of the tenant's term, shall reduce the damages by a like amount.~~

~~(g) (1) If any portion of the security deposit is withheld, the landlord shall present by first class mail directed to the last known address of the tenant, within 45 days after the termination of the tenancy, a written list of the damages claimed under subsection (f)(1) of this section together with a statement of the cost actually incurred.~~

~~(2) If the landlord fails to comply with this requirement, the landlord forfeits the right to withhold any part of the security deposit for damages.~~

~~(h) (1) The provisions of subsections (e)(1) and (4) and (g)(1) and (2) of this section are inapplicable to a tenant who has been evicted or ejected for breach of a condition or covenant of a lease prior to the termination of the tenancy or who has abandoned the premises prior to the termination of the tenancy.~~

~~(2) (i) A tenant specified in paragraph (1) of this subsection may demand return of the security deposit by giving written notice by first class mail to the landlord within 45 days of being evicted or ejected or of abandoning the premises.~~

~~(ii) The notice shall specify the tenant's new address.~~

~~(iii) The landlord, within 45 days of receipt of such notice, shall present, by first class mail to the tenant, a written list of the damages claimed under subsection (f)(1) of this section together with a statement of the costs actually incurred and shall return to the tenant the security deposit together with simple interest which has accrued in the amount of 3 percent per annum, less any~~

~~damages rightfully withheld.~~

~~(3) (i) If a landlord fails to send the list of damages required by paragraph (2) of this subsection, the right to withhold any part of the security deposit for damages is forfeited.~~

~~(ii) If a landlord fails to return the security deposit as required by paragraph (2) of this subsection, the tenant has an action of up to threefold of the withheld amount, plus reasonable attorney's fees.~~

~~(4) Except to the extent specified, this subsection may not be interpreted to alter the landlord's duties under subsections (e) and (g) of this section.~~

~~(i) (1) Under this subsection, a landlord:~~

~~(i) May not require the tenant to purchase a surety bond; and~~

~~(ii) Is not required to consent to the tenant's purchase of a surety bond.~~

~~(2) (i) Instead of paying all or part of a security deposit to a landlord under this section, a tenant may purchase a surety bond to protect the landlord against:~~

~~1. Nonpayment of rent;~~

~~2. Damage due to breach of lease; or~~

~~3. Damage caused by the tenant or the tenant's family, agents, employees, guests or invitees in excess of ordinary wear and tear to the leased premises, common areas, major appliances, or furnishings owned by the landlord.~~

~~(ii) A surety shall refund to a tenant any premium or other charge paid by the tenant in connection with a surety bond if, after the tenant purchases a surety bond, the landlord refuses to accept the surety bond or the tenant does not enter into a lease with the landlord.~~

~~(3) (i) The amount of a surety bond purchased instead of a security deposit may not exceed two months' rent per dwelling unit.~~

~~(ii) If a tenant purchases a surety bond and provides a security deposit in accordance with this section, the aggregate amount of both the surety bond and security deposit may not exceed two months' rent per dwelling unit.~~

~~(iii) 1. If a landlord consents to a surety bond but requires the surety bond to be in an amount in excess of two months' rent, the tenant may recover up to three times the extra amount charged for the surety bond, plus reasonable attorney's fees.~~

~~2. If a landlord consents to both a surety bond and a security deposit but requires the surety bond and the security deposit to be in an aggregate amount in excess of two months' rent, the tenant may recover up to three times the extra amount charged for the surety bond, plus reasonable attorney's fees.~~

~~(4) Before a tenant purchases a surety bond instead of paying all or part of a security deposit, a surety shall disclose in writing to the tenant that:~~

~~(i) Payment for a surety bond is nonrefundable;~~

~~(ii) The surety bond is not insurance for the tenant;~~

~~(iii) The surety bond is being purchased to protect the landlord against loss due to nonpayment of rent, breach of lease, or damages caused by the tenant;~~

~~(iv) The tenant may be required to reimburse the surety for amounts the surety~~

paid to the landlord;

~~(v) Even after a tenant purchases a surety bond, the tenant is responsible for payment of:~~

~~1. All unpaid rent;~~

~~2. Damage due to breach of lease; and~~

~~3. Damage by the tenant or the tenant's family, agents, employees, guests, or invitees in excess of ordinary wear and tear to the leased premises, common areas, major appliances, or furnishings owned by the landlord;~~

~~(vi) The tenant has the right to pay the damages directly to the landlord or require the landlord to use the tenant's security deposit, if any, before the landlord makes a claim against the surety bond; and~~

~~(vii) If the surety fails to comply with the requirements of this paragraph, the surety forfeits the right to make any claim against the tenant under the surety bond.~~

~~(5) (i) A tenant who purchases a surety bond in accordance with this subsection has the right to have the dwelling unit inspected by the landlord in the tenant's presence for the purpose of making a written list of the damages that exist at the commencement of the tenancy, if the tenant requests an inspection by certified mail within 15 days of the tenant's occupancy.~~

~~(ii) A tenant who provides a surety bond under this subsection shall have all the rights provided under subsection (f)(1)(ii) through (v) of this section.~~

~~(iii) The surety or landlord shall deliver to a tenant a copy of any agreements or documents signed by the tenant at the time of the tenant's purchase of the surety bond.~~

~~(iv) A tenant shall be advised in writing of all of the tenant's rights under this subsection prior to the purchase of a surety bond.~~

~~(6) (i) A surety bond may be used to pay claims by a landlord for:~~

~~1. Unpaid rent;~~

~~2. Damage due to breach of lease; or~~

~~3. Damage by the tenant or the tenant's family, agents, employees, guests, or invitees in excess of ordinary wear and tear to the leased premises, common areas, major appliances, or furnishings owned by the landlord.~~

~~(ii) A surety bond does not represent liquidated damages and may not be used as payment to a landlord for breach of the rental agreement, except in the amount that the landlord is actually damaged by the breach.~~

~~(iii) Except as provided in subparagraphs (i) and (ii) of this paragraph, a surety may not, directly or indirectly, make any other payment to a landlord.~~

~~(7) At least 10 days before a landlord makes a claim against a surety bond subject to this subsection, the landlord shall send to the tenant by first-class mail directed to the last known address of the tenant, a written list of the damages to be claimed and a statement of the costs actually incurred by the landlord.~~

~~(8) (i) A tenant shall have the right to pay any damages directly to the landlord or require the landlord to use the tenant's security deposit, if any, before the~~

~~landlord makes a claim against the surety bond.~~

~~(ii) If a tenant pays any damages directly to the landlord or requires the landlord to use the tenant's security deposit under subparagraph (i) of this paragraph and the payment fully satisfies the claim, the landlord shall forfeit the right to make a claim under the surety bond for any damages covered by the tenant's payment or the amount deducted from the tenant's security deposit in accordance with subparagraph (i) of this paragraph.~~

~~(9) (i) The tenant may dispute the landlord's claim to the surety by sending a written response by first-class mail to the surety within 10 days after receiving the landlord's claim on the surety.~~

~~(ii) If the tenant disputes the claim, the surety may not report the claim to a credit reporting agency prior to obtaining a judgment for the claim against the tenant.~~

~~(10) In any proceeding brought by the surety against the tenant on a surety bond under this subsection:~~

~~(i) The tenant shall retain all rights and defenses otherwise available in a proceeding between a tenant and a landlord under this section; and~~

~~(ii) Damages may only be awarded to the surety to the extent that the tenant would have been liable to the landlord under this section.~~

~~(11) (i) If a landlord's interest in the leased premises is sold or transferred, the new landlord shall accept the tenant's surety bond and may not require:~~

~~1. During the current lease term, an additional security deposit from the tenant; or~~

~~2. At any lease renewal, a surety bond or a security deposit from the tenant that, in addition to any existing surety bond or security deposit, is in an aggregate amount in excess of two months' rent per dwelling unit.~~

~~(ii) If the aggregate amount described in subparagraph (i)2 of this paragraph is in excess of two months' rent, the tenant may recover up to three times the extra amount charged, plus reasonable attorney's fees.~~

~~(12) (i) If a landlord fails to comply with the requirements of this subsection, the landlord forfeits the right to make any claim against the surety bond.~~

~~(ii) If a surety fails to comply with the requirements of this subsection, the surety forfeits the right to make any claim against a tenant under the surety bond.~~

~~(13) If a surety, in an action against the tenant, asserts a claim under the surety bond without having a reasonable basis to assert the claim, the court may grant the tenant damages of up to three times the amount claimed plus reasonable attorney's fees.~~

~~(14) A surety bond issued under this subsection may only be issued by an admitted carrier licensed by the Maryland Insurance Administration.~~

~~(j) No provision of this section may be waived in any lease.~~

~~Section 8-203.1. Receipt for security deposit.~~

~~(a) A receipt for a security deposit shall notify the tenant of the following:~~

~~(1) The right to have the dwelling unit inspected by the landlord in the~~

~~tenant's presence for the purpose of making a written list of damages that exist at the commencement of the tenancy if the tenant so requests by certified mail within 15 days of the tenant's occupancy;~~

~~(2) The right to be present when the landlord inspects the premises at the end of the tenancy in order to determine if any damage was done to the premises if the tenant notifies the landlord by certified mail at least 15 days prior to the date of the tenant's intended move, of the tenant's intention to move, the date of moving, and the tenant's new address;~~

~~(3) The landlord's obligation to conduct the inspection within 5 days before or after the tenant's stated date of intended moving;~~

~~(4) The landlord's obligation to notify the tenant in writing of the date of the inspection;~~

~~(5) The tenant's right to receive, by first class mail, delivered to the last known address of the tenant, a written list of the charges against the security deposit claimed by the landlord and the actual costs, within 45 days after the termination of the tenancy;~~

~~(6) The obligation of the landlord to return any unused portion of the security deposit, by first class mail, addressed to the tenant's last known address within 45 days after the termination of the tenancy; and~~

~~(7) A statement that failure of the landlord to comply with the security deposit law may result in the landlord being liable to the tenant for a penalty of up to 3 times the security deposit withheld, plus reasonable attorney's fees.~~

~~(b) The landlord shall retain a copy of the receipt for a period of 2 years after the termination of the tenancy, abandonment of the premises, or eviction of the tenant, as the case may be.~~

~~(c) The landlord shall be liable to the tenant in the sum of \$25 if the landlord fails to provide a written receipt for the security deposit.~~

~~(Ord. 2003-7 § 1 (part), 2003: prior code § 6-411)~~

6.16.130 Utilities transfer.

~~The following provisions apply to any transfer or conversion of responsibility for utility payments from the landlord to the tenant, including submetering systems:~~

~~A.— No landlord may intend to transfer responsibility for utility payments to an existing tenant unless shall be provided to the tenant ~~receives written notice~~ at least three months prior to the effective date of the transfer. Written notice may be delivered to the tenant by any reasonable means, including mailing by U.S. Postal Service, email, or personal delivery. The landlord shall certify in writing to the ~~Department~~City, the date and to whom the notice was mailed or delivered, and the names and apartment numbers of each tenant who was given the notice. ~~In addition, the landlord shall provide copies of the utility transfer notices to the Department.~~~~

~~B~~

~~b. The notice of the utility transfer must contain notify the ~~notice~~tenant of the corresponding rent reduction in the affected tenant's rent in an amount commensurate with the average monthly utility consumption for the rentaltheir~~

~~unit during the previous 24 months at the utility rate in effect at the time of the conversion.~~

~~1.—If prior to the transfer rental units were metered individually, the reduction in rent shall be commensurate with the actual utility consumption of the unit for the previous 24 months at the utility rate at the time of conversion.~~

~~2.—If prior to the transfer rental units were not individually metered, the reduction in rent shall be commensurate with the average actual utility consumption per unit for the previous 24 months, less common area utility expenses, or shall be based upon reasonable factors such as unit size, unit location and other relevant physical characteristics of the unit, at the reasonable determination of the landlord.~~

~~3.—The reduction shall be in the form of a monthly reduction in rent at the beginning of the first rental payment period following the effective date of the transfer.~~

~~C~~

~~c. Leases negotiated during the 3three-month notice period in subsection (Aa) of this section shall include a written disclosure of the landlord's intent to transfer ~~or convert~~ responsibility for utility payments to the tenant during the term of the lease:~~

~~1.—, the earliest possible effective date of the transfer, and the rent reduction to which the tenant will be entitled to offset the cost of utilities. Failure to make this disclosure shall be grounds for termination of the lease by the tenant:~~

~~2.—For the purpose of this section, the term “intent” shall be construed without further liability for rent or utilities after providing written notice to mean having entered into a contract for the installation of submeters or individual meters or having applied for electrical permits for such installationthe landlord and vacating the property.~~

~~3~~

~~d. At least 2 weeks14 calendar days prior to the effective date of the transfer, the landlord shall notify the tenant of the effective date of the transfer and provide the tenant with necessary information to establish an individual utility account.~~

~~D:~~

~~7. The date of transfer of financial responsibility for utilities shall be at the beginning of a rent payment period, unless otherwise agreed upon by; the landlord and the tenant.~~

~~E:~~

~~8. This section shall not be construed to provide a remedy for temporary interruption of service or equipment otherwise maintained by the landlord. (~~Ord. 2003-7 § 1 (part), 2003: prior code § 6-412~~)~~

~~9. The rent reduction resulting from a utility transfer shall be permanent and shall apply to subsequent tenants and shall reduce the banked rent for rent-stabilized units.~~

6.16.140110 Entry.

~~A. Routine Entry and Entry for City Property Maintenance Code Inspections:~~

~~1.—48 Hours' Written Notice Required.~~

~~a.— Except as provided in subsection (A)(2), below, the landlord must provide the tenant with at least 48 hours' written notification of the intent of the landlord or authorized person to enter the rental unit.~~

~~b.— The notice shall contain the date, approximate time frame, and purpose of the intended entry, and the telephone number, address, and e-mail address, if available, of the landlord or managing agent.~~

~~c.— The affirmative consent of the tenant is not required when the landlord has provided 48 hours' written notice, but the landlord shall not enter the rental unit if the tenant contacts the landlord and objects to the entry. The tenant shall not unreasonably withhold consent to entry.~~

~~2.— Entry with less than 48 Hours' Notice Permitted with the Written Consent of the Tenant.~~

~~a.— The landlord or authorized person may enter the rental unit at any time after providing the tenant with written notice containing the information required in subsection (A)(1)(b), above, and obtaining the written consent of the tenant.~~

~~b.— When the landlord has provided the tenant with less than 48 hours' written notice of intent to enter the rental unit, the tenant's refusal to consent to entry shall be reasonable as a matter of law.~~

~~B.— Types of Entryentry.~~

~~1.~~

~~1. Emergency Entryentry. In the case of an emergency, the landlord or other person authorized by the landlord has a right to enter the rental unit without giving prior notice of intent to enter. The landlord shall make a reasonable effort to contact the tenant regarding the emergency and of the intent to enter the rental unit to address the emergency.~~

~~2.— Routine Entryentry. In cases other than emergencies, the landlord shall only enter the rental unit to inspect the premises, to perform routine maintenance, to make necessary or agreed upon repairs, decorations, alterations or improvements, supply necessary or agreed upon services, or to show the rental unit to prospective or actual purchasers, tenants, mortgagees, real estate agents, workers or contractors.~~

~~3.— Entry for City Property Maintenance Code Inspectionsproperty maintenance code inspections. The City shall have the right to conduct property maintenance inspections in accordance with ~~the~~ Takoma Park City Code, Chapter 6.12 - Property Maintenance Code.~~

~~B. Routine entry and entry for property maintenance code inspections.~~

~~1. 48 hour written notice required.~~

~~a. Except as provided in subsection (B)(2) herein and subsection A(1), above, the landlord must provide the tenant with written notification of the intent of the landlord or authorized person to enter the rental unit at least 48 hours prior to planned entry.~~

b. The notice shall contain the date, approximate time frame, and purpose of the intended entry, and the telephone number, address, and e-mail address, if available, of the landlord or managing agent.

c. The affirmative consent of the tenant is not required when the landlord has provided written notice at least 48 hours prior to planned entry, but the landlord shall not enter the rental unit if the tenant contacts the landlord and objects to the entry. **The tenant shall not unreasonably withhold consent to entry.**

2. Entry with less than 48 hours' notice permitted with the written consent of the tenant.

a. The landlord or authorized person may enter the rental unit at any time after providing the tenant with written notice containing the information required in subsection (B)(1)(b), above, and obtaining the written consent of the tenant.

b. When the landlord has provided the tenant with written notice of intent to enter the rental unit less than 48 hours prior to planned entry, the tenant's refusal to consent to entry shall be reasonable as a matter of law.

c. Written notice of the landlord's intent to enter a rental unit and the tenant's consent or objection to such entry may be delivered to the other party by any reasonable means, including mailing by U.S. Postal Service, personal delivery or email. The landlord or tenant shall, upon request by the City, certify in writing to the City; the date the notice of entry was mailed, delivered or emailed and to whom.

C.— Report of ~~Entry~~entry. If the tenant is not present at the time of entry into the rental unit, the landlord shall leave a written report in plain view in the rental unit. Such report shall contain the following information:

- 1.— The ~~the~~ the names of all individuals who entered the premises;
- 2.— The ~~the~~ the date and time of such entry;
- 3.— The ~~the~~ the reason for entry and work performed, if any;
- 4.— The ~~the~~ the time of departure; and
- 5.— The ~~the~~ the address and telephone number of the landlord.

D. Lock ~~Boxes~~boxes. No lock ~~boxes are~~box is permitted ~~which provides~~that provides access to any individual rental unit. (~~Ord. 2010-16 § 1 (part), 2010/Ord. 2003-7 § 1 (part), 2003: prior code § 6-413~~)

6.16.150

6.16.120 Notice to vacate.

~~A.~~

A. Landlord ~~Rights~~rights and ~~Responsibilities~~responsibilities. Under the circumstances specified below, the landlord has the right to give a tenant a written notice to vacate. The date the notice is received shall be considered part of the required time period for the notice. The tenant shall vacate the premises no later than the date specified in the notice to vacate.

1. — Notice to ~~Vacate~~vacate for ~~Cause~~cause.

a. A landlord wishing to terminate a tenancy and repossess a rental unit because the tenant materially breaches the lease shall give the tenant prior to the rent due date one month's written notice to vacate. The written notice to vacate must clearly specify the material breach for which the tenancy is being terminated.

b. Whenever the tenant fails to pay the rent when due and payable, it shall be lawful for the landlord to repossess the rental unit, in accordance with the applicable provisions and procedures of Maryland law, and the one month's written notice required hereunder does not apply.

2. — No ~~Fault Notice~~fault notice to ~~Vacate~~vacate.

a. A landlord wishing to terminate a tenancy ~~without stating a reason or a cause~~ and to repossess a rental unit in the case of a month-to-month tenancy ~~or any tenancy for a term of less than one year~~ shall give the tenant, prior to the rent due date, two months' written notice to vacate. A landlord's statement of a reason for terminating the tenancy in a two months' written notice to vacate issued pursuant to this subsection shall not render the notice, a notice to vacate for cause, and the landlord shall not be required to prove the reason in an action for possession of the unit.

~~3. — Notice to Vacate at End of Lease.~~

b. A landlord wishing to terminate a tenancy and repossess a rental unit in the case of a year-to-year tenancy or any tenancy for a fixed term ~~of one year or more~~ shall give the tenant, prior to the rent due date ~~2 months, two months'~~ written notice before the expiration of the term or the current year of the tenancy. The notice must specify that the tenancy will terminate at the end of the lease term or current year.

B.

B. Tenant ~~Rights~~rights and ~~Responsibilities~~responsibilities. Under the circumstances specified below, a tenant has the right to give a landlord a one-month written notice that the tenant intends to vacate the rental unit. ~~Such notice must be in writing.~~ The date of receipt shall be considered part of the required time~~notice~~ period ~~for the notice~~. The tenant shall vacate the premises no later than the date specified in the notice of intent to vacate.

1. — Notice to ~~Vacate~~vacate at ~~End~~end of ~~Term~~term of ~~Tenancy~~tenancy. A tenant wishing to vacate a rental unit at the end of the lease term shall give a landlord prior to

the last month's rent due date, a ~~one-month~~ written notice of intent to vacate. Any lease provision that requires more than a one-month notice is invalid.

2.— ~~Notice to Vacate~~ vacate for ~~Reasonable Cause Beyond~~ reasonable cause beyond the ~~Tenant's Control~~ tenant's control. A tenant wishing to vacate pursuant to Section 6.16.070(G) (~~Lease~~ 060(M) - Lease requirements) shall give the landlord prior to the last month's rent due date, a one-month written notice of intent to vacate. (~~Ord. 2003-7 § 1 (part), 2003: prior code § 6-414~~)

6.16.160 ~~Illegal rent or fee~~ 130 Security deposits.

~~No landlord shall impose or attempt to impose an illegal rent or fee. (Ord. 2003-7 § 1 (part), 2003: prior code § 6-415)~~

The security deposit provisions of Sections 8-203 and 8-203.1 of the Real Property Article of the Annotated Code of Maryland, as amended from time to time, are adopted and incorporated herein by reference.

6.16.170 ~~140~~ Defective tenancy.

A. No landlord or tenant shall create or maintain a defective tenancy.

~~A.~~

B. Tenant ~~Complaints~~ complaints. If any affected tenant has reason to believe that a defective tenancy exists or has existed in his or her rental unit or in the common areas of the rental facility in which the rental unit is located, after he or she has given the landlord written notice of the defect and the landlord has not rectified the defect or made good-faith efforts to do so within ~~one week~~ seven calendar days after the notice was given, the affected tenant may file a Commission complaint. If the tenant can prove by competent testimony or other evidence that the landlord had actual notice of the defect, it shall not be necessary for the tenant to provide a written notice to the landlord.

~~B.~~

C. Landlord ~~Complaints~~ complaints. If any landlord has reason to believe that a defective tenancy has been created or permitted to exist by a tenant, has given the tenant written notice complaining of the defect in the tenant's unit or in the common area(s) of the rental facility in which the rental unit is located and the tenant has not rectified the defect or made good-faith efforts to do so within ~~one week~~ seven calendar days after the notice was given, the landlord may file a Commission complaint. (~~Ord. 2003-7 § 1 (part), 2003: prior code § 6-416~~)

6.16.180 ~~150~~ Retaliatory practices.

A. The provisions of Section 8-208.1, Retaliatory Eviction, of the Real Property Article of the Annotated Code of Maryland, as amended, are hereby incorporated by reference ~~as follows:~~

B. The provisions of Section 29-32, Prohibited retaliatory practices, of the Montgomery County Code, are hereby incorporated by reference.

C. When the provisions of Section 8-208.1, Retaliatory evictions,

(a) Prohibited evictions. No landlord shall evict of the Real Property Article of the Annotated Code of Maryland and Section 29-32 of the Montgomery County Code conflict, the provision that provides more protection to a tenant of any residential property or arbitrarily increase the rent or decrease the services to which the tenant has been entitled for any of the following reasons:

(1) Solely because the tenant or the tenant's agent has filed a good faith written complaint, or complaints, with the landlord or with any public agency or agencies against the landlord;

(2) Solely because the tenant or the tenant's agent has filed a lawsuit, or lawsuits, against the landlord; or

(3) Solely because the tenant is a member or organizer of any tenants' organization.

(b) "Retaliatory evictions" defined. Evictions described in subsection (a) of this section shall be called "retaliatory evictions."

(c) Attorney's fees and costs:

(1) If in any eviction proceeding the judgment be in favor of the tenant for any of the aforementioned defenses, the court may enter judgment for reasonable attorney fees and court costs against the landlord.

(2) If in any eviction proceeding the court finds that a tenant's assertion of a retaliatory eviction defense was in bad faith or without substantial justification, the court may enter judgment for reasonable attorney fees and court costs against the tenant.

(d) Conditions for relief. The relief provided under this section is conditioned upon:

(1) In the case of tenancies measured by a period of one month or more, the court having not entered against the tenant more than 3 judgments of possession for rent due and unpaid in the 12-month period immediately prior to the initiation of the action by the tenant or by the landlord.

(2) In the case of tenancies requiring the weekly payment of rent, the court having not entered against the tenant more than 5 judgments of possession for rent due and unpaid in the 12-month period immediately prior to the initiation of the action by the tenant or by the landlord, or, if the tenant has lived on the premises 6 months or less, the court having not entered against the tenant 3 judgments of possession for rent due and unpaid.

(e) Evictions not deemed "retaliatory evictions." No eviction shall be deemed to be a "retaliatory eviction" for purposes of this section upon the expiration of a period of 6 months following the determination of the merits of the initial case by a court (or administrative agency) of competent jurisdiction.

(f) Rights not affected. Nothing in this section may be interpreted to alter the landlord's or the tenant's rights to terminate or not renew a tenancy governed

~~by a written lease for a stated term of greater than 1 month at the expiration of the term or at any other time as the parties may specifically agree.~~

~~(g) In the event any county or Baltimore City shall have enacted an ordinance comparable in subject matter to this section, that ordinance shall supersede the provisions of this section provision that provides less protection to a tenant. (Ord. 2003-7 § 1 (part), 2003: prior code § 6-417)~~

6.16.190160 Department investigation and conciliation.

The Department is authorized to investigate and conciliate any alleged or apparent violation of this chapter or any complaints filed under this chapter. The Department shall, whenever possible, offer to facilitate with resolution of landlord tenant disputes. In connection with this authority, all landlords and tenants shall be required to make available to the Department for inspection, at reasonable times, all rental facilities and records necessary for enforcement of this chapter. ~~(Ord. 2003-7 § 1 (part), 2003: prior code § 6-418)~~

6.16.200170 Landlord-tenant complaints.

A complaint alleging a violation of this chapter may be filed with the Commission on Landlord Tenant Affairs in accordance with Takoma Park City Code Section 6.24.060 - Commission on Landlord-Tenant Affairs, as amended. ~~(Ord. 2003-7 § 1 (part), 2003: prior code § 6-419)~~

Chapter 6.20 RENT STABILIZATION*

Sections:

6.20.010 — Application of rent stabilization—Scope, rent increases, notification requirements, annual reporting.

6.20.020 — Buildings ~~exempted~~ exempt from rent stabilization ~~without application for exemption.~~

~~6.20.030 — Rental facilities granted partial exemption from rent stabilization without application for exemption.~~

~~6.20.040 — Rental facilities and rental units ~~exempt~~ eligible for exemption from rent stabilization pursuant to an application for a grant of exemption.~~

~~6.20.050 — 040 Establishment of base rent for certain units.~~

~~6.20.060 — 050 Annual rent increases, frequency of rent increases and notification.~~

~~6.20.070 — 060 Banking of authorized annual rent stabilization increases.~~

~~6.20.080 — 070 Annual reporting requirements.~~

~~6.20.090 — 080 Rent increases pursuant to a fair return petition.~~

~~* — Prior history: Prior code §§ 6-500—6-505 as amended by Ords. 2700, 2716, 2732, 1985-49, 1986-43, 1986-44, 1987-27A, 1987-33, 1987-45, 1988-9, 1989-51, 1990-40, 1992-2, 1992-9, 1992-26, 1995-43, 1997-9, 1999-38, 1999-40, 2003-7, 2006-31 and 2007-28.~~

6.20.010 Application of rent stabilization—Scope, rent increases, notification requirements,

annual reporting.

A.— Application of ~~Rent Stabilization~~rent stabilization. The provisions of this chapter shall apply to all residential rental units except as provided in Sections 6.20.020 through 6.20.~~040~~030.

B.— Rents—Rent ~~Increases,~~—~~Frequency~~increases, frequency and ~~Notification Requirements~~notification requirements.

1. Rent ~~Increases~~increases. Rent increases shall be limited to the rent increase amounts authorized by this chapter for regulated rental units.
2. Frequency of ~~Rent~~rent Increases. Rents for any individual rental unit may not be increased more often than permitted by this chapter.
3. Notice of ~~Rent Increases~~rent increases. Notification of any rent increase authorized by this chapter shall be provided in writing to the tenant at least two months prior to the date the rent increase is to take effect.

C. Reporting of ~~Rents~~rents. Landlords must file an annual rent report with the Department on a form prescribed by the Department in accordance with Section 6.20.~~080. (Ord. 2007-40 § 1 (part), 2007)~~070.

6.20.020 Buildings ~~exempted~~exempt from rent stabilization—~~without application for exemption.~~

A. Scope of ~~Exemption~~exemptions. The provisions of this chapter shall not be applicable to the following:

1. Any unit in a licensed facility, the primary purpose of which is the diagnosis, cure, mitigation and treatment of illnesses;
2. Any unit in a facility owned or leased by an organization exempt from federal income taxes pursuant to Section 501(c)(3) of the Internal Revenue Code, the primary purpose of which is to provide temporary sanctuary or shelter for qualified clients, provided that the organization has notified the clients residing in the facility of the temporary nature of their housing at the inception of their residence;
3. Any owner-occupied group house;
4. Religious facilities such as churches, synagogues, parsonages, rectories, convents and parish homes;
5. Transient facilities such as ~~hotels,~~ motels, tourist homes, and bed and breakfast facilities; ~~and~~

6. ~~___ School dormitories. (Ord. 2007-40 § 1 (part), 2007);~~
7. Licensed assisted living facilities and nursing homes;
8. Single family residences;
9. Any building originally designed and constructed to contain only two dwelling units one of which the owner currently occupies as his or her principal residence; and
10. Any accessory apartment.

6.20.030 Rental facilities ~~granted partial exemption from rent stabilization without application for exemption.~~

~~A.—Scope of Exemptions. The provisions of this chapter shall not be applicable to the following rental facilities except as provided in subsections (B) and (C) of this section:~~

1. ~~Any building on a lot that contains only one dwelling unit; and~~
2. ~~Any accessory apartment for which the Montgomery County Planning Board has granted a special exception.~~

~~B.—Frequency of Rent Increases. The rents for rental facilities and rental units described in subsection (A) of this section may be increased only once within a 12-month period.~~

~~C.—Notification Requirements. Notification of any rent increase for rental units described in subsection (A) of this section shall be provided in writing to the tenant at least 2 months prior to the date the rent increase is to take effect. (Ord. 2007-40 § 1 (part), 2007)~~

~~6.20.040 Rental facilities and rental units exempteligible for exemption from rent stabilization pursuant to an application for exemption.~~

~~A. a grantGrant of exemption.~~

~~A.—Grant of Exemption. The Department shall, upon application of the owner, grant an exemption from the provisions of this chapter ~~for~~to the following rental units and rental facilities:~~

~~1. Individual rental units and rental facilities:~~

~~1.—Rental units leased to tenants assisted under Federal Tenant Based Assistance Programs under 42 U.S.C. Sections 1437f and 11403 et seq. federal tenant based assistance programs or similar federally funded rent subsidy program. However, this exemption shall apply only for so long as the rent demanded does not exceed the authorized Payment Standard, which, for purposes of this subsection, is the maximum monthly rental assistance potentially available to an assisted household before deducting the household share of income paid for rent and utilities as established by the Montgomery County Housing Opportunities Commission or successor agency.~~

~~2. ~~Any rental facility that is~~Rental facilities subject to a regulatory agreement with a governmental agency that controls the rent levels of ~~one or more~~ not less than one half of the rental units in the rental facility and restricts the occupancy of those rental units so~~

~~that they are available only~~ to low and moderate income tenants.

3. Newly Constructed Rental ~~Units~~Facilities. For a period of ~~5~~five years after the issuance of a rental license, any newly constructed rental ~~units first offered for rent after July 1, 2006.~~

~~a.— Newly constructed rental unit shall mean any rental unit constructed that results in a net gain in the number of facility with two or more dwelling units. Renovated or reconfigured rental facilities or combined rental units at a property over the number of rental units at the property as of July 1, 2006, plus any rental units already added to the property, provided that the size of an existing rental unit or the indoor common areas of the rental facility is not reduced. The reconfiguration, renovation, change in description, or change in identification of a rental unit shall not result in a newly constructed rental unit are not eligible for an exemption from rent stabilization.~~

~~b.— Replacement rental units not exempt.~~

~~i.— The maximum allowable rents applicable to pre-existing rental units shall be applicable to rental units that replace those units.~~

~~ii.— A rental unit is a replacement rental unit unless the unit is a newly constructed rental unit as defined in subsection (A)(3)(a) of this section.~~

~~iii.— If a replacement rental unit is smaller than the unit it replaces, the maximum allowable rent for the replacement unit shall be reduced by a percentage equal to the reduction in size of the unit.~~

~~4.— All rental units in a building with 2 dwelling units in which the owner occupies one or more of the units as his or her principal residence, provided that the owner occupancy by the current owner or successive owners has been continuous and bona fide for a period of at least 24 months at the time a petition for an exemption is filed.~~

B. Termination of Exemption~~exemption~~.

1.— Exemptions granted pursuant to subsection (A)(1) and (A)(4) of this section shall expire after one year or when the conditions entitling the facility rental unit to an exemption cease to exist, whichever shall first occur. The exemptions are renewable annually upon re-application. Upon the termination of an exemption, the rental unit shall be subject to all of the provisions of this chapter.

2.— Exemptions granted pursuant to subsection (A)(2) of this section shall expire upon the termination of the agreement with the governmental agency entitling the rental facility to the exemption or when the conditions entitling the rental facility to an exemption cease to exist, whichever shall first occur.

3.— Exemptions granted pursuant to subsection (A)(3) of this section shall expire on the fifth anniversary date of the issuance of the rental facilities initial rental housing license, regardless of when the application for an exemption was made by the owner.

C. Rents upon Termination~~termination~~ of Exemption~~exemption~~.

1. ~~For rental facilities and rental units receiving an exemption pursuant to subsections (A)(1) and (A)(2) of this section, upon the termination of the exemption, the base rent for the units and the reference point from which the rent ceiling shall be adjusted increased in accordance with this chapter shall be the allowable rent as reported in the annual rent report for each unit at the time the exemption commenced plus the annual rent stabilization allowance for each year that the unit was exempt.~~

2. ~~For rental facilities and rental units receiving an exemption pursuant to subsections subsection (A)(3) and (A)(4) of this section, upon the termination of the exemption, the base rent for the units and the reference point from which the rent ceiling shall be adjusted increased in accordance with this chapter shall be the rent charged for each unit set forth in at the most recent annual rent report preceding time of the expiration of the exemption. For any units not rented when the exemption period terminates, the base rent shall be the rent charged when the unit is first rented to a tenant. If the actual rent paid by a tenant differs from the rent stated in the report or the lease, then the actual rent shall be the base rent.~~

6.20.040 D. — Frequency of Rent Increases. The rents of Establishment of base rent for certain units.

A. Definitions.

“Discontinued rental unit” means a rental unit in a rental facility or previously licensed rental facility that is not occupied rental units exempt by tenants and for which the Department has approved an application for discontinuation.

“Existing rental unit” means a rental unit or a discontinued rental unit.

B. Rents for Discontinued Rental Units.

1. Except as provided in paragraph (2), the base rent for discontinued rental units, and the reference point from which the rent shall be increased in accordance with this chapter, shall be the banked rent reported in the annual rent report at the time the rental unit was discontinued plus the annual rent stabilization under this section may be increased once within any 12 month allowance for each year that the rental unit was discontinued.

2. If a rental unit remains discontinued for an uninterrupted period of five years, the owner may charge market rent for the unit when it is first newly rented to a tenant. The rent the owner charges the tenant shall establish the base rent for the unit and the reference point from which the rent shall be increased in accordance with this chapter. If the actual rent paid by the tenant differs from the rent stated in the lease, then the actual rent paid by the tenant shall be the base rent.

E. — Notice

C. Rents following renovation, reconfiguration or consolidation of Rent Increases. For existing rental units receiving an exemption pursuant,

1. This subsection applies to subsections (A)(2), (A)(3) renovation, reconfiguration, and (A)(4) of this section, a landlord shall not increase or attempt to increase the rent for any consolidation projects performed in vacant existing rental units.

2. If the renovation or reconfiguration of an existing rental unit without having first given does not result in a 10% or greater change in the tenant living therein at least 2 months' written notice floor area of the increase unit, then the banked rent reported for the unit in the annual rent report at the time the rental unit became vacant plus the annual rent stabilization allowance for each year that the rental unit remained vacant shall be the maximum rent that the owner may charge for the unit when it is first rented to a tenant.

F. Annual Rent Reports. Landlords must file annual rent reports for all rental units that are exempt from rent control under this section. (Ord. 2007-40 § 1 (part), 2007)

6.20.050 Establishment of base rent for certain units.

A.

3. If the floor area of a renovated or reconfigured unit is more than 10% smaller or larger than the unit it replaces, then the banked rent reported for the unit in the annual rent report at the time the rental unit became vacant plus the annual rent stabilization allowance for each year that the rental unit remained vacant, reduced or increased by a percentage equal to the reduction or increase in the floor area of the unit prior to its renovation or reconfiguration, shall be the maximum rent that the owner may charge for the unit when it is first rented to a tenant.

4. When two or more rental units are consolidated to create a single rental unit, the base rent for the new unit, and the maximum rent that the owner may charge when the unit is first rented to a tenant, shall be the base rent of the largest unit increased by the percentage increase in the floor area from the largest unit to the resulting unit.

5. Application for rent adjustments. Before an owner may increase the rent for a unit in accordance with paragraphs (3) or (4) above, the owner must first obtain approval from the Department. The owner must submit a completed application form and documentation demonstrating the appropriate adjustment to the base rents (which may include, but shall not limited to, construction plans, photographs and video recordings of the original and reconfigured units), and may be required to undergo an inspection of the property.

D. Rents following purchase of an owner occupied condominium unit. The new owner of a previously owner occupied condominium unit, purchased in a bona fide arm's length transaction, may charge market rent for the unit. The rent the owner charges his or her initial tenant shall establish the base rent for the unit and the reference point from which the rent shall be increased in accordance with this chapter.

~~E. Reset of Base Rent for Owner-Occupied Condominiums.owner-occupied condominium units. When the owner ~~or successive owners~~ of a previously rented condominium unit occupies the unit for at least 24~~12~~ consecutive months as his or her principal residence, ~~then~~ the owner may charge market rent for the unit when the owner next rents the unit to a tenant. The rent the owner charges the tenant shall establish the base rent for the unit until the owner again occupies the unit for at least 24~~consecutive months~~. ~~If the actual rent paid by the tenant differs from the rent stated in the lease, then the actual rent paid by the tenant shall be the base rent.~~12 consecutive months.~~

~~B. Rents Following Sale of a Condominium Unit. The owner of a condominium unit that purchases a condominium unit in a bona fide arms-length transaction may charge market rent for the unit when the owner first rents the unit to a tenant after purchasing the unit. The rent the owner charges the tenant shall establish the base rent for the unit until the owner occupies the unit for at least 24 consecutive months. If the actual rent paid by the tenant differs from the rent stated in the lease, then the actual rent paid by the tenant shall be the base rent.~~

~~C. Establishment of Base Rent for Rental Units Not Subject to Rent Stabilization on July 1, 2007. For rental units that were not subject to rent stabilization on July 1, 2007, that become subject to rent stabilization pursuant to Ordinance No. 2007-40, the base rent shall be the rent charged for the unit when the unit is first rented to a tenant after July 1, 2007. If the actual rent paid by the tenant differs from the rent stated in the lease, then the actual rent paid by the tenant shall be the base rent. (Ord. 2007-40 § 1 (part), 2007)~~

6.20.06050 Annual rent increases, frequency of rent increases and notification.

A. Annual Rent Stabilization Allowance~~rent stabilization allowance.~~

1. The Department shall calculate an annual rent stabilization allowance and provide notice of the allowance to all landlords. The rent stabilization allowance shall equal to the percentage increase in the Consumer Price Index—All Urban Consumers—All Items, Washington-Baltimore (Series ID: CUURA3HSA0 (CPI) from March in the preceding year to March in the current year. The CPI~~Notice of the allowance shall be the CPI published as of March in each year~~in the May edition of the Takoma Park Newsletter and on the City website.

~~2. At any point during any 12-~~

2. The annual rent stabilization allowance shall remain in effect for a 12 month period, commencing on beginning July 1st~~1 of each year and ending on June 30 of the following year, the rent of a unit.~~

3. Rent increases for rent-stabilized rental units may be increased over the rent charged as of June 30th by an amount not to exceed the annual rent stabilization allowance in effect at the time of the rent increase.

~~3. Annual rent stabilization allowances that a landlord does not assess to the current tenant may be set aside and implemented~~

4. Rent increases less than permitted in subsection (A)(3) of this section may be banked in accordance with Section 6.20.070 when the unit becomes vacant~~060.~~

~~B.~~

B. Frequency of ~~Rent Increases for rent increases.~~

1. Occupied ~~Rental Units.~~

~~1.—rental units.~~ Only one rent stabilization increase pursuant to subsection (A)(~~4~~3) of this section shall be permitted within a 12-month period.

~~2.—During the pendency of a fair ___ Fair return petition to increase rents above the rent stabilization allowance, rent increases up to the rent stabilization allowance may be taken in accordance with subsection (B)(1) of this section. If a rent increases. An~~ additional rent increase pursuant to a Fair Return Rent increase petition ~~is~~ subsequently approved by the Commission, ~~the rent increase in accordance with Section 6.20.080~~ may be taken pursuant to the terms and the conditions of the Commission's administrative decision and final order.

~~C.—Frequency of Rent Increases for~~

3. Vacant ~~Rental Units~~rental units. The rent for vacant rental units may be increased ~~by up to the banked rent and~~ the annual rent stabilization allowance may be applied prior to the leasing of the rental unit in accordance with ~~subsection (A) of this section~~Section 6.20.060.

~~D.~~

C. Notice of ~~Annual Rent Increases~~annual rent increases.

1.— A landlord shall not increase or attempt to increase the rent for any occupied rental unit without having first given the tenant living therein at least two months' written notice of the increase.

2.— Notice of a rent increase shall be in the form and manner prescribed by Department regulations. (~~Ord. 2007-40 § 1 (part), 2007~~)

6.20.070060 Banking of authorized annual rent stabilization increases.

~~A.—Banking of Unused Rent Stabilization Allowances Authorized After 1992. Notwithstanding the provisions of Section 6.20.060, a~~A landlord may increase the rent for a vacant rental unit by the actual dollar amount of any annual rent stabilization allowances ~~that~~which were not charged to the tenant vacating the rental unit (~~hereinafter “unused rent stabilization increases”~~). Such increase may be taken if the rental unit became vacant as a result of a voluntary termination of the tenancy by the tenant or a termination of the tenancy by the landlord for cause. This rent increase may be in addition to any rent stabilization allowance increase that the landlord may impose on or after 12 months from the date of the last rent stabilization allowance increase for that rental unit.

~~B.—Banking of Unused Rent Stabilization Allowances Authorized Prior to 1992.~~

~~1.—Before a landlord may increase the rent for a vacant rental unit by the amount of any unused rent stabilization increases for any year or years prior to February 1, 1992, the landlord must submit verifiable documentation to the Department showing that the unused rent stabilization increases were not previously charged to the rental unit. Examples of verifiable~~

documentation are rent ledgers, copies of leases, and rent reports.

2.— ~~The Department must approve such documentation in writing before the landlord may increase the rent for a vacant rental unit by the amount of any unused rent stabilization increases for any year or years prior to February 1, 1992. The required documentation must be submitted 60 days in advance of the date of the proposed rent increase and must include the name and contact information of the tenant vacating the affected unit. (Ord. 2007-40 § 1 (part), 2007)~~

6.20.080070 Annual reporting requirements.

A.— Reporting Requirements. On or before September ~~30th~~30 of each year, each landlord shall complete and submit to the Department a rent report for the 12-month period beginning July 1 and ending on the preceding June ~~30th~~30 on a form provided by and in the manner prescribed by Department regulations.

B.— Penalty for Failure to Comply with Reporting Requirements. Failure to file a complete or accurate rent report by September ~~30th~~30 of each year shall constitute a Class A violation of this chapter unless an extension of time for good cause is granted by the Department. ~~(Ord. 2007-40 § 1 (part), 2007) prior to the due date.~~

6.20.090080 Rent increases pursuant to a fair return petition.

A.— Fair ~~Return Rent Increase~~rent return increase. Landlords have a right to petition for a rent increase in order to obtain a fair return. A fair return rent increase is intended to protect tenants from unwarranted rent increases, while allowing rent levels ~~that~~which provide landlords with a fair return.

B.— Standards for ~~Rent Increases Pursuant~~rent increases pursuant to a fair return petition.

1. Fair ~~Return Petition~~.

1.— Fair Return~~return~~. Fair return is defined as base year net operating income adjusted by 70% of the percentage increase in the Consumer Price Index (CPI) from the base year until 2007, and 100% of the percentage increase in the CPI since 2007.

2.— Base ~~Year~~year. The landlord may select any of the following as the base year when petitioning for a fair return rent increase:

- a.— 1979, unless the property contains 4 or fewer dwelling units;
- b.— 1987, if the property contains 4 or fewer rental units;
- c.— 1990;
- d.— 2000.

3.— Current ~~Year~~year. The current year shall be either ~~be~~ the calendar year or the fiscal year (July ~~1st~~1 to June ~~30th~~30) immediately preceding the date that the application

is filed.

4.— Current ~~Year~~year CPI. If the current year is a calendar year, the current year CPI shall be the annual CPI for that year. If the current year is a fiscal year, the current year CPI shall be the CPI for December ~~within the 12-month period including the fiscal~~ during the current year.

5.— Net ~~Operating Income~~operating income. Net operating income equals gross income minus operating expenses.

~~6.— Base Year Net Operating Income. The base year net operating income may be calculated, at the landlord's option, to equal 40% of the gross income of the rental facility in 1990.~~

~~6. Imputed base year net operating income. If the base year is 1990, at the landlord's option, the 1990 net operating income shall be imputed based on estimated base year operating expenses. In estimating the base year operating expenses, it shall be presumed that each operating expense increased by the same percentage as the CPI since the base year. However, if data, rate information, or other sources of cost information indicate that particular operating expenses increased at a different ~~rate~~percentage than the percentage increase in the CPI, the estimate of the percentage increase in that expense shall be based on the best available data on increases in that type of expense. Information on the rate of increases and/or other relevant data on trends in increases in particular types of expenses between the base year and the current year may be introduced by the landlord, affected tenants, the Department, and the Rents Analyst.~~

7.— Gross ~~Income~~income. Gross income is the annual scheduled rental income for the property based on the rents and fees (other than fees that are reimbursed ~~by~~to the tenants) the landlord was permitted to charge at the time of the application.

8.— Operating ~~Expenses~~expenses. Operating expenses means all reasonable operating and maintenance expenses.

a. Operating expenses shall include, but not be limited to, the following:

i.— Utilities paid by the landlord, unless these costs are passed through to the tenants;

ii.— Administrative expenses, such as advertising, legal fees, accounting fees, etc.;

iii.— Management fees, whether performed by the landlord or a property management firm;

It shall be presumed that management fees increased by the percentage increase in the CPI between the base year and the current year, unless the

level of management services either increased or decreased during this period. Management fees shall not exceed 6% of gross income unless the landlord demonstrates by a preponderance of the evidence that a higher percentage is reasonable.

iv. — Payroll;

v. — Amortized cost of capital improvements;

 An interest allowance shall be allowed on the cost of amortized capital expenses; the allowance shall be equal to the interest the landlord would have incurred had the landlord financed the capital improvement with a loan for the amortization period of the improvement, making uniform monthly payments, at an interest rate equal to the Federal Reserve Board bank prime loan rate as of the date of the initial submission of the petition plus 2% per annum.

vi. — Maintenance related material and labor costs, including self-labor costs computed in accordance with the regulations adopted pursuant to this section;

vii. — Property taxes;

viii. — Licenses, government fees and other assessments; and

ix. — Insurance costs.

b. Reasonable operating and maintenance expenses do not include the following:

i. — Expenses for which the landlord has been or will be reimbursed by any security deposit, insurance settlement, judgment for damages, agreed-upon payments or any other method;

ii. - Payments made for mortgage expenses, either principal or interest;

iii. — Judicial and administrative fines and penalties;

iv. — Damages paid to tenants as ordered by COLTA or the courts;

v. - Depreciation;

vi. - Late fees or service penalties imposed by utility companies, lenders or other entities providing goods or services to the landlord or the rental facility;

vii. — Membership fees in organizations established to influence legislation and regulations;

viii. — Contributions to lobbying efforts;

ix. — Contributions for legal fees in the prosecution of class-action cases;

x. — Political contributions for candidates for office;

xi. — Any expense for which the tenant has lawfully paid directly or indirectly;

xii. — Attorney's fees charged for services connected with counseling or litigation related to actions brought by the City under City regulations or this title, as amended. This provision shall apply unless the landlord has prevailed in such an action brought by the City;

xiii. — Additional, expenses incurred as a result of unreasonably deferred maintenance; and

xiv. — Any expense incurred in conjunction with the purchase, sale, or financing of the rental facility, including, but not limited to, loan fees, payments to real estate agents or brokers, appraisals, legal fees, accounting fees, etc.

c. When an expense amount for an item during a particular year is ~~not determined not to be~~ a reasonable projection of ongoing or future expenditures for that item, said expense shall be averaged with other expense levels for other years or amortized or adjusted by the CPI or may otherwise be adjusted, in order to establish an expense amount for that item ~~that~~which most reasonably serves the objectives of obtaining a reasonable comparison of base year and current year expenses.

C. Rent ~~Increase Petition Based~~increase petition based on ~~Fair Return Standard~~fair return standard.

1. — Form of ~~Petition~~petition. Whenever a landlord proposes a rent increase of more than the amount permitted by Section 6.20.060050 of this chapter, the landlord shall file a petition with the Commission on a form provided by the Department.

2. — Required ~~Submissions~~submission of ~~Income~~income and ~~Expense Information~~expense information. The landlord shall be required to submit income and

expense information for the ~~2~~two years prior to the current year with the petition.

3.— Petition ~~Restrictions~~restrictions. Petitions filed pursuant to this section must address an entire rental facility. The landlord filing a petition must own the rental facility for the entire current year.

4.— Adjustments to ~~Petition~~petition—Base ~~Year Net Operating Income~~year net operating income.

a. Adjustment of ~~Base Year Net Operating Income~~base year net operating income by Commission. It may be determined that the base year net operating income yielded other than a fair return, in which case the base year net operating income may be adjusted. In order to adjust the base year net operating income, the Commission must make at least one of the following findings:

i. Base year net operating income was abnormally low due to one of the following factors:

⊖

A) ~~—~~ The landlord made substantial capital improvements ~~that~~which were not reflected in the base year rents and the landlord did not obtain a rent adjustment for these capital improvements;

⊖

B) ~~—~~ Substantial repairs were made due to exceptional circumstances; or

⊖

C) ~~—~~ Other expenses were unreasonably high, notwithstanding prudent business practice.

ii.— Base year rents did not reflect market transaction(s), due to one or more of the following types of circumstances:

⊖

A) ~~—~~ There was a special relationship between the landlord and tenant resulting in abnormally low rent charges (such as a family relationship);

⊖

B) ~~—~~ The rents had not been increased for the 5 years preceding the base year;

⊖

C) ~~—~~ The tenant lawfully assumed maintenance responsibilities in exchange for low rent increases or no rent increases; or

⊖

D) ~~—~~ Other special circumstances ~~that~~which establish that the rent was not set as the result of an arms-length transaction.

b. ___ Establishment of a ~~New Base Year Net Operating Income~~new base year net operating income—Prior ~~Year Petitions~~year petitions. The net operating income, income, and expenses, determined to be fair and reasonable pursuant to a prior petition for a fair return rent increase, shall constitute the base year income, expenses, and net operating income in the new petition.

5.— ___ Consideration of ~~Fair Return Petition~~fair return petition by Commission.

a.— ___ Issuance of a Decision by the Commission. The Commission shall, in good faith, endeavor to issue its preliminary administrative decision ruling on the request within 90 days of the review or hearing on the petition. Upon its determination of the rent increase to be granted to the landlord, the Commission shall issue a decision in accordance with Section 6.24.~~120110~~ of this chapter and furnish a copy of the decision to the landlord.

b.— ___ Rejection of Petition.

i. ___ The Commission shall not consider the landlord's fair return petition:

⌘

A) ~~—~~ ___ Until the properly completed petition form, including required supporting documentation, has been submitted to the Commission;

⌘

B) ~~—~~ ___ When the landlord has not properly registered the rental property with the City and/or when the landlord has outstanding fees or fines with the Department;

⌘

C) ~~—~~ ___ When the landlord has not filed required rent reports for each of the 3 years prior to the filing date of the petition, provided that the Commission may, at its discretion, waive the above requirement for good cause shown; or

⌘

D) ~~—~~ ___ When the landlord has failed to comply with a final order of the Commission concerning any rental unit owned by the landlord in the City. However, the failure to comply with an order of the Commission shall not constitute a basis to decline to consider the landlord's request if the order has been appealed to the Circuit Court and no decision has been rendered on appeal.

ii. If the Commission declines to consider the landlord's request, it shall provide a written explanation for its action.

6. ___ Ceiling on fair return adjustments.

a. ~~Fair Return Adjustments.~~

a. ~~Fair Return Rent Increases on Occupied Rental Units.~~ return rent increases on occupied rental units. Fair return rent increases shall not exceed 15% in any 12-month period. If the Commission awards a fair return rent increase greater than 15%, then the landlord may impose the remainder of the increase in subsequent years in increments not to exceed 15%.

b. ~~Fair Return Rent Increases~~ return rent increases on ~~Vacant Rental Units~~ vacant rental units. If the Commission determines that a rental unit requiring an increase of more than 15% is vacant or if the unit becomes vacant before the required rent increase has been taken in full, the Commission shall allow the required increase for that unit to be taken in one year or upon the vacancy of that unit, provided the unit became vacant as a result of a voluntary termination by the tenant or a termination of the tenancy by the landlord for cause.

7. ~~Notification Requirements~~ requirements.

a. ~~Notice of Petition~~ petition for a ~~Rent Increase~~ rent increase. The ~~Department~~ landlord shall provide written notification to each tenant affected by a proposed rent increase within one week after the filing date of the petition. Such notification shall include a copy of the petition form and a listing of all requested rent increases.

b. ~~Notice of a Rent Increase Granted Pursuant~~ rent increase granted pursuant to a ~~Rent Increase Petition~~ rent increase petition. The landlord shall provide written notice to each affected tenant of the rent increase ~~that which~~ has been authorized by the Commission, no less than two months prior to the date the proposed increase is to take effect. Said increase shall be contingent on the decision of the Commission becoming final in accordance with Sections 6.24.~~120110~~ and 6.24.130 of this chapter.

8. ~~Rollbacks—Bad Faith Fair Return Petitions~~ faith fair return petitions.

a. ~~Authority to Require Rollback~~ require rollback. If, upon consideration of a fair return petition, the Commission finds that the adjusted base year net operating income included in the petition is less than the landlord's actual petition year net operating income and the fair return petition was filed in bad faith, the Commission may require the landlord to roll back the rents charged on the rental units covered by the petition to result in a net operating income equal to the adjusted base year net operating income.

b. ~~Purpose of Rollbacks~~ rollbacks. The purpose of the rollback provision in this subsection is to ensure that fair return petitions are filed in good faith, that the

landlord reviews the records of the rental property for which rent increases are sought to ensure that a rent increase is justified under this section and to balance both the tenant and the landlord interests in each petition to increase rents above the rent stabilization allowance.

c. Definition of ~~Bad Faith~~bad faith.

i.— Bad faith can be found, but is not limited to, instances in which the landlord:

~~(A)~~

A. Listed expenses for repairs or services never performed;

B. ~~(B)~~—Materially misrepresented expenses claimed;

C. ~~(C)~~—Knowingly filed a false rent report, in whole or in part; or

D. ~~(D)~~—Acted in some manner which is a clear abuse of the petition process.

ii.— The following shall not constitute bad faith under this provision:

~~(A)~~

A. Miscalculations and simple mathematical errors; or

B. ~~(B)~~—Claims for expenses or other items thatwhich are not specifically addressed in this section and thatwhich the Commission disallowed, but thatwhich could plausibly have fallen within this section.

d.— Determination of ~~Bad Faith~~bad faith by Commission. The Commission shall verify the information upon which it makes its findings of bad faith and shall issue a decision clearly stating the basis for its finding. The landlords shall be required to notify all tenants affected by the rent rollback, and, if the landlord was permitted to increase rents by the rent stabilization allowance pending a decision on the fair return petition, all rent increases so collected shall be refunded to the affected tenants within 30 days. If the landlord fails to roll back the rents or fails to refund the rent increases collected, the affected tenants may begin paying the rolled-back rent or may deduct any rent refunds or rollbacks owed the tenants in accordance with subsection (C)(8)(a) of this section.

9.— Scope of Commission ~~Authority~~authority in ~~Setting Rents~~setting rents. Notwithstanding any other provision of this chapter or regulations instituted pursuant to this chapter, the Commission shall be authorized to take into account any factors thatwhich it is required to consider by law and grant whatever rent increase is constitutionally required ~~in order~~ to yield a fair return.

10.— Burden of ~~Proof~~proof. The landlord shall have the burden of proof in demonstrating that a rent increase should be authorized pursuant to this section. ~~(Ord.~~

Chapter 6.24
COMMISSION ON LANDLORD-TENANT AFFAIRS

Sections:

- 6.24.010— Establishment.
- 6.24.020— Jurisdiction.
- 6.24.030— Membership.
- 6.24.040— Administration.
- 6.24.050 — Commission rules of procedure.
- 6.24.060— Time limits and standing to file Commission complaints.
- 6.24.070— Investigation and conciliation of Commission complaints.
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- 6.24.100— Interim orders.
- 6.24.110— Final opinions and orders.
- 6.24.120— Full Commission consideration.
- 6.24.130— Reconsideration and appeals.

6.24.010 - Establishment.

The City of Takoma Park Commission on Landlord-Tenant Affairs is established. The Commission shall consist of at least seven, but no more than 12 members appointed by the Council. The Council shall make every effort to ensure that the Commission has representation from landlords, tenants and homeowners.

6.24.020 - Jurisdiction.

The Commission is empowered to adjudicate complaints for violations of Chapter 6.16, Landlord-Tenant Relations, to rule on petitions for rent increases above the rent stabilization allowance in accordance with Chapter 6.20, Rent Stabilization, and to decide appeals from the City Manager's decision to deny, suspend or revoke a license under City Code Chapter 6.08, Rental Housing Licenses, ~~of the Takoma Park Code.~~

6.24.030 - Membership.

~~1.~~ A. Qualifications. All Commission members shall be residents of the City except that there may be a maximum of four members who are not residents of the City if such members own or manage rental housing in the City.

~~2.~~ B. Appointments and ~~Term~~terms of ~~Office~~office. Each member of the Commission

shall be appointed for a term of three years, which shall begin on July 1st.

1. The initial term of a Commissioner who is appointed to replace a member who cannot complete his or her term shall be for the remainder of the term of the member being replaced.

2. A Commission member who resigns, whose term expires or who ceases to reside in Takoma Park, may, at the discretion of the Commission chairperson, continue as aan inactive member of the Commission to complete work on cases on which he or she participated as aan active member of the Commission. This participation may include the approval and signing of Commission opinions and orders.

C. Removal. The Council may, by resolution, remove a Commissioner before the Commissioner's term has expired; if the Council determines that the Commissioner has become incapacitated or has failed satisfactorily to perform his or her duties as a Commissioner, or has violated Takoma Park Code, Chapter 3.04; ~~_- Ethics, of the Takoma Park Code._~~

D. Reappointment. The Council, at its discretion, may re-appoint a Commissioner prior to the expiration of the Commissioner's term. There is no limit to the number of terms that an individual may serve on the Commission.

6.24.040 - Administration.

A. The Commission shall elect a chairperson and a vice chairperson for a one-year term or until a successor is elected.

B. A Commissioner may serve a maximum of three consecutive terms in any one office.

C. At least ~~one-half~~ $\frac{1}{2}$ of the Commissioners shall constitute a quorum for the transaction of business. A majority vote of those present shall be sufficient for any official action taken by the Commission.

D. The Commission shall meet at least once a year and as often as required to perform its duties.

E. At the request of a majority of the Commissioners or the Executive Director or his or her designee, a regular or emergency meeting of the Commission shall be convened.

F. Written notice shall be given to all Commissioners at least five calendar days prior to any regular meeting, and notice of the meeting shall be published in accordance with the Maryland Open Meetings Act.

G. Notice of an emergency meeting shall be given in writing or orally to all Commissioners at least 24 hours prior to an emergency meeting.

6.24.050 - Commission rules of procedure.

The Commission shall promulgate Rules of Procedure that further regulate the operations of the Commission in accordance with Takoma Park Code, Chapter 2.12; - Administrative Regulations, of the Takoma Park Code.

6.24.060 - Time limits and standing to file Commission complaints.

A.- Any Commission complaint of an illegal rent or fee shall be filed within one year of the date the complainant knew or should have known of the alleged violation.

~~A.~~ B. Any other Commission complaint shall be filed within one year of the date of the occurrence.

C. The following parties shall have standing to file a Commission complaint alleging a violation of Chapter 6.16, Landlord-Tenant Relations:

1. Anyany affected tenant or tenants;
2. Anyany affected landlord; or
3. Anyany registered tenant association on behalf of those affected tenants who have authorized the tenant association to represent them.

6.24.070 - Investigation and conciliation of Commission complaints.

~~I.~~ A. Department ~~Investigation~~investigation. Upon the filing of any Commission complaint, the Department shall make such investigations as it deems appropriate to determine whether the complainant states a claim over which the Commission has jurisdiction. The investigation may include interviews of witnesses, affected parties, review of Department records and other available documents, and a physical inspection of the property.
available documents and a physical inspection of the property.

B. Department ~~Actions~~actions on ~~Complaints~~complaints. The Department shall, upon completion of its investigation:

1. Schedule a hearing on the complaint: or
2. Dismiss the complaint for failure to prosecute if the complainant has failed to respond to Department requests for information in a timely manner;
3. Dismiss the complaint if it appears that the complainant has failed to state a claim upon which relief can be granted.

C. Commission Responsibilities~~responsibilities~~.

- a) 1. The complainant shall have 10 calendar days following the issuance of the

Department's dismissal of a complaint to show cause in writing why the complaint should not be dismissed.

2.- Upon receipt of the party's written explanation, the Commission may affirm the Department's original decision or may reinstate the complaint.

3. If the Commission affirms the Department's dismissal, or if no written explanation is received from the complainant, the dismissal of the case shall be final.

D. Emergency ~~Action~~action. If at any time after a Commission complaint is filed, the Department believes the health, safety or welfare of a tenant is placed in immediate and present danger, the Department shall be authorized to take action to provide appropriate relief. This relief may include relocating the tenant to temporary housing when a pending eviction or constructive eviction has occurred or is likely to occur before the Commission can act. The Executive Director shall determine whether an emergency fact finding hearing by the Commission is necessary.

E. Conciliation. The Department shall offer to facilitate resolution of disputes between parties, either before or after a Commission complaint is filed. When appropriate, the parties shall be referred to mediation. If the parties are unable to resolve the dispute and the complainant wishes to proceed, the Department shall schedule the complaint for a hearing or dismiss the complaint, as appropriate.

6.24.080 - Hearings on complaints and objections to ~~Decisions~~decisions on Fair Return Rent Increase Petitions.

~~1.~~ A. Hearings on complaints and objections to Decisions on Fair Return Rent Increase Petitions shall be held before a panel of three Commission members. One panel member shall be designated as the presiding Commissioner. Hearings shall be open to the public.

B. With the consent of all ~~the~~ parties present at a scheduled hearing, the hearing may proceed before a panel of two Commissioners.

C. Notice of the hearing, including the date, time and place of the hearing shall be provided to the parties and the public in the manner prescribed by the Commission regulations.

D. The panel shall have the power to subpoena witnesses and to subpoena the production of relevant documents and records. Any party to the case may request the issuance of a subpoena, which shall be on a form prescribed by the Commission regulations, must state the reasons why the party is seeking the subpoena. The Commission has discretion whether to issue a requested subpoena. If any person refuses to comply with a subpoena, and the Commission determines that compliance with the subpoena is necessary for a fair hearing and would not be unduly oppressive to the person subpoenaed, the City, on behalf of the Commission, may initiate a suit in equity in the Circuit Court to enforce compliance with the subpoena.

E. All parties must appear for the hearing. A complainant's² failure to appear shall result in dismissal of the complaint. A party~~The petitioner~~'s failure to appear in a hearing on its objections to a ~~d~~Decision in a Fair Return Rent Increase Petition proceeding shall result in the dismissal of the party's objections.

F. Any party may represent himself or herself at a hearing or may be represented by an attorney or other authorized representative as provided in the Commission regulations.

G. All testimony shall be given under oath or affirmation.

H. Parties shall have the right to call witnesses and present testimony and evidence to substantiate any material point. Each party shall have the right to cross-examine opposing witnesses, to submit rebuttal evidence, and to present summation and argument.

I. The Commission panel may admit and consider evidence that would be commonly accepted by reasonable and prudent people as having a causal relationship to the matters before the Commission panel. It shall give effect to the rules of privilege recognized by law. It may exclude irrelevant and repetitious testimony and documents from evidence.

J. The party filing the complaint or the petitioner in a rent increase petition case shall have the burden of proof, which shall be met by a preponderance of the evidence.

K. The Commission panel may take notice of judicially cognizable facts and, in addition, may take notice of relevant general, technical or scientific facts.

L. The Commission shall make an audio recording of the hearing. The official record of the case shall include the audio recording, any documentary evidence entered in the record, any reports prepared by the Department, any pleadings, motions, and responses filed by the parties, and any written Orders issued by the Commission. The official record of the case shall be open to inspection by any person. Upon request by any person, the Commission shall furnish to such person a copy of the official record of the hearing at the cost of supplying the record.

6.24.090 – Remedies.

The Commission shall be empowered to remedy violations of Chapter 6.16, Landlord-Tenant Relations, including alleged defective tenancies resulting from breach of lease, by any appropriate means, including but not limited to the following general and specific remedies.

A. General ~~Remedies~~remedies. The Commission may remedy violations of the landlord-tenant law by one or more of the following:

1. Awarding actual monetary damages;

2. Awarding statutory monetary damages and attorney's fees in regard to violations of the security deposit provisions of Sections 8-203 and 8-203.1 of the Real Property Article of the Annotated Code of Maryland, as amended from time to time.
3. Requiring the performance of certain acts;
4. Requiring a party or parties to cease and desist from unlawful conduct;
5. Ordering the payment of interest upon any award of monetary damages, calculated at the judgment rate of interest, from the date payment of the award is due until payment is made in full; _____
6. Granting such other relief as the Commission deems necessary.

B. Specific ~~Remedies~~remedies.

~~1.~~ 1. Defective ~~Tenancy~~tenancy.

a. Where the Commission finds that a landlord has caused a defective tenancy, the complainant tenant may be entitled to one or more of the following:

- i. An award of monetary damages to be paid as a result of the defective tenancy;
- ii. An order awarding a reasonable amount to be paid by the landlord for the tenant to obtain comparable temporary housing in the area;
- iii. Correction of the defective tenancy by the landlord;
- iv. An order permitting the tenant to correct or remedy the condition that constitutes the defective tenancy and abating the tenant's rent in an amount equal to the reasonable cost incurred by the tenant;
- v. An order requiring the landlord to perform such other remedial action as the Commission deems appropriate.

b. Where the Commission finds that a tenant has caused a defective tenancy, the Commission may award the complainant landlord one or more of the following remedies:

- i. An award of monetary damages to be paid as a result of the defective tenancy;
- ii. An order requiring the tenant to correct the defective tenancy;

iii. Where the Commission finds that a tenant has caused a defective tenancy that has resulted in a substantial breach of the lease, the Commission may authorize the termination of the lease and authorize the complainant landlord to repossess the premises in accordance with the applicable provisions of the Real Property Article of the Annotated Code of Maryland, as amended;

iv. An order requiring the tenant to perform such other remedial action as the Commission deems appropriate.

b) 2. Illegal Rentrent or Feefee. Where the Commission finds that the landlord has imposed or attempted to impose an illegal rent or fee, the tenant may be entitled to one or more of the following:

~~A.~~ a. An order authorizing the tenant to begin paying the lawful rent or fee and a rollback of the rent or fee by the landlord to the lawful amount;

b. An order directing the landlord to refund excess moneys paid by the tenant for the illegal rent or fee;

c. An order authorizing the tenant to withhold from the next months' rent payments, an amount equal to the illegal rent or fee imposed by the landlord;

d. An award of damages to be paid by the landlord in the amount of the actual damage or loss sustained as a result of the imposition or attempt to impose an illegal rent or fee;

e. An order requiring the landlord to perform such other remedial action as the Commission deems appropriate.

3. Entry Violationsviolations

a. Improper Entryentry. Where the Commission finds that a landlord has improperly entered into a tenant's rental unit or failed to provide a report of entry in violation of ~~section~~Section 6.16.~~140,110~~ - Entry, it may grant the tenant injunctive relief to prevent the reoccurrence of the conduct, authorize the tenant to terminate the tenancy for cause, and award the tenant actual damages.

b. Unreasonable Refusalrefusal of Entryentry. Where the Commission finds that a tenant unreasonably has withheld their consent to entry by a landlord in violation of ~~section~~Section 6.16.~~140,110~~ - Entry, it may order the tenant to grant the landlord access, authorize the landlord to terminate the tenancy for cause, and award the landlord actual damages.

4. Retaliatory actions and practices. If the Commission finds in favor of the tenant because the landlord engaged in a retaliatory action or practice, the Commission may order the landlord to pay the tenant damages not to exceed the equivalent of 3 months' rent and reasonable attorney fees. If in any proceeding the Commission finds that a tenant's assertion of a retaliatory action or practice was in bad faith or without substantial justification, the Commission may order the tenant to pay the landlord damages not to exceed the equivalent of 3 months' rent and reasonable attorney fees.

C. Enforcement of Commission ~~Decisions~~decisions. In addition to the enforcement provisions set forth in Chapter 6.40, any award of damages not paid when due may be enforced by the party to whom the award was granted in a court of competent jurisdiction, and the court is authorized to grant judgment for such damages plus interest from the date payment was due.

6.24.100 Interim orders.

A. In cases where the Commission finds that actual or constructive eviction would likely occur before the issuance of a final opinion and order, the Commission may issue an interim order requiring or prohibiting specific action by one or more of the parties, so as to prevent such actual or constructive eviction.

B. Interim order shall require the assent of a majority of the panel members assigned to hear the complaint and shall be in writing.

C. Subsequent to the issuance of an interim order, a final opinion and order of the Commission will be issued. A final opinion and order may affirm, modify or reverse the interim order.

6.24.110 - Final opinions and orders.

A. After the hearing on a complaint, the Commission panel shall state its findings of fact and conclusions of law in a written opinion and issue it with a written order, which shall constitute the final opinion and order of the Commission.

B. The Decision on a Fair Return Rent Increase Petition and the Commission's rulings on any objections to the Decision shall constitute the final opinion and order of the Commission.

C. The decision of the Commission panel may be made by a majority of the panel. If no two members of the panel agree on a decision, the complaint or petition shall be decided in accordance with Section 6.24.120 herein.

6.24.120 - Full Commission consideration.

If a Commission panel is unable to reach a decision concerning a complaint or Petition as

a result of no two panel members joining in a decision, such complaint or Petition shall be referred to the full Commission. The Commission shall convene and decide the matter based upon the record before the Commission panel. The Commission shall state its findings of fact and conclusions of law in a written opinion and issue it with a written order, which shall constitute the final opinion and order of the Commission. The full Commission decision shall be made by a majority vote of those present at any meeting at which there is a quorum.

6.24.130 - Reconsideration and appeals.

A. Reconsideration.

1. Motion to ~~Clarify, Reconsider~~clarify, reconsider or ~~Amend~~amend an Opinion and Order. On motion of any party filed within 14 calendar days of the date of an opinion and order of the Commission, or at any time for a compelling reason at the request of a governmental agency or court of competent jurisdiction, the Commission may reopen the case to receive additional evidence, may amend its findings or its statement of reasons for the decision, may set forth additional findings or reasons, may enter new findings or new reasons, may amend the order or may enter a new order. A motion to alter or amend an opinion and order shall stay the time for filing an appeal until the Commission rules on the motion.

2. Newly ~~Discovered Evidence~~discovered evidence. On motion of any party filed within 30 calendar days after the date of an opinion and order of the Commission, the Commission may grant a new hearing or issue a new administrative decision on the ground of newly discovered evidence that could not have been discovered by due diligence before the hearing or administrative decision.

3. Fraud—~~Mistake—Irregularity~~mistake—irregularity. On motion of any party filed at any time, the Commission may take any action that it could have taken under subsection (A)(1) of this section in case of fraud, mistake or irregularity.

4. Clerical ~~Mistakes~~mistakes. Clerical mistakes in the opinion and order or other parts of the record may be corrected by the Commission at any time on its own initiative or on motion of any party. During the pendency of an appeal, such mistakes may be corrected only with leave of the court.

B. Appeals. Any person aggrieved by a final opinion and order of the Commission on a complaint or on objections to a Decision regarding a Fair Return Rent Increase Petition may file a petition for judicial review with the Clerk of the Circuit Court of Montgomery County. The procedures for an appeal from the opinion and order of the Commission shall be governed by Title 7, Chapter 200 (Judicial Review of Administrative Agency Decisions) of the Maryland Rules, as amended.

1. Time for ~~Filing~~filing. A petition for judicial review shall be filed within 30

calendar days from the date of the opinion and order.

2. Service on the Commission. A copy of the petition for judicial review shall be served on the Commission.

Chapter 6.28

SALE OF RENTAL FACILITIES— NOTICE, AND DISCLOSURE ~~AND INSPECTION~~ REQUIREMENTS*

Sections:

6.28.010 Contract of sale requirements.

6.28.020 ~~Point of sale reinspection requirement.~~

~~6.28.030—Compliance documents.~~

~~6.28.040—Reliance on City or point of sale inspection reports and compliance documents.~~

~~6.28.050—Transfer of rental license.~~

* ~~Legislative History: Ord. No. 1999-41, 1/1/2000.~~

~~—Editor's Note: The title of Ch. 6.28 was amended by Ord. 2007-8.~~

6.28.010 Contract of sale requirements.

A. On or before entering into a contract for the sale of a rental facility, the owner or agent of the rental facility shall provide the prospective purchaser with the following:

1.— A Notice of City of Takoma Park rental housing laws (“Notice”) in accordance with subsection (H)”, a form of which shall be provided by the City and containing such information as necessary to administer and enforce the provisions of this section chapter shall be included in or attached to all contracts of sale for a rental facility;

2.— Copies of the annual rent stabilization reports for the rental facility for the previous two years (see Section 6.20.050) unless the rental facility is exempt from rent stabilization in accordance with Takoma Park City Code, Chapter 6.20 – Rent Stabilization and a Certificate of Exemption is attached to the contract of sale in accordance with paragraph F of this section; and

3.— Copies of all rental available licensing inspection reports of the rental facility (“inspection reports”) for the previous two years.

B.— At the time the Notice and documents listed in subsection (A) of this section are delivered, each purchaser shall sign and date a written acknowledgment of receipt of the Notice and shall initial each rent stabilization report and licensing inspection report ~~and annual rent report~~. The Notice shall be included in or attached to the contract of sale for the rental facility and the reports shall be attached to the contract of sale.

C.— A purchaser of a rental facility has the right, upon written Notice to the seller or seller’s agent:

~~1.~~

1. To rescind the contract of sale at any time before the receipt of the Notice, rent reports, and inspection reports or within five calendar days following receipt of the Notice, rent stabilization reports, and licensing inspection reports of the rental facility; and

~~2.~~

2. To the immediate return of any deposits made on account of the contract of sale.

D. Unavailability of ~~Rent~~ rent stabilization or ~~Inspection Reports~~ licensing inspection reports— Failure to ~~Provide Reports~~ provide reports.

~~1.~~

1. If the owner or agent of the rental facility has not filed all required rent stabilization reports with the City, or has filed rent stabilization reports with inaccurate or incomplete information, or a ~~rental housing~~ licensing inspection has not been completed, ~~then~~ the owner or agent of the rental facility shall promptly file or correct ~~all~~ required rent reports and/or provide the purchaser with access to the rental facility for purposes of performing a ~~rental licensing inspection or reinspection~~. ~~In such event, the owner or agent of the rental facility shall notify the purchaser of the nonavailability or inaccuracy of the rent report(s) and/or rental licensing pre-purchase inspection reports for the rental facility and shall provide copies.~~ Copies of such reports or corrected reports shall be provided to the purchaser as soon as the rent stabilization reports are prepared and filed with the City.

2. The purchaser’s right to rescind the contract shall continue until the owner or agent of the rental facility has provided the required Notice and complete and accurate rent stabilization reports ~~and rental licensing inspection reports for the rental facility~~ to the purchaser. In the event that settlement on the transfer of title to the rental facility has occurred, then the purchaser may seek an order from a court of competent jurisdiction declaring any transfer in which the owner or agent has not complied with all requirements of this chapter void and the transfer documents set aside.

E. Waiver of ~~Purchaser’s Rights~~ purchaser’s rights.

~~1.~~

1. The rights of a purchaser under this section may not be waived in the contract of sale and any attempted waiver is void.

2. Except as stated in subsection (D) of this section, any rights of a purchaser who has received the Notice and complete and accurate ~~annual~~ rent stabilization reports and ~~rental housing~~ available licensing inspection reports for the two years immediately preceding the sale to terminate the contract of sale for the rental facility are waived conclusively if not exercised before settlement on the transfer of title to the purchaser.

F. If a rental facility is exempt from rent stabilization, then a certification of exemption from the City of Takoma Park shall be attached to the contract of sale. The owner or agent shall not be required to provide copies of the ~~annual-rent stabilization~~ reports for a rental facility that is not subject to rent stabilization and the purchaser shall not have the right to terminate the contract of sale for failure to receive copies of the annual rent reports for the previous ~~two~~ years.

G. The Notice, ~~and~~ disclosure, ~~and inspection~~ requirements established by this chapter do not apply to:

~~1.~~

~~1.~~ A sheriff's sale, tax sale, deed in lieu of foreclosure, or sale by foreclosure, partition, or by court-appointed trustee;

~~2.~~

~~2.~~ A transfer of the rental facility by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship or trust;

~~3.~~

~~3.~~ A transfer of the rental facility or any interest therein, to a spouse, former spouse, domestic partner, former domestic partner, parent, sibling, child or grandchild; or

~~4.~~

~~4.~~ A transfer of a single-family rental facility to a purchaser who stipulates in the contract of sale that the property will not be used for rental purposes. It will be the responsibility of the purchaser of the single-family rental facility to notify the City, within 15 ~~workingbusiness~~ days after transfer of title to the property, of the discontinuance of use of the property as a rental facility.

~~H. Except as provided in subsection (G) of this section, the following Notice shall be included in or attached to all contracts of sale for a rental facility:~~

~~CITY OF TAKOMA PARK, MARYLAND~~

~~NOTICE OF RENTAL HOUSING LAWS~~

~~This Notice is attached to and made a part the Contract dated _____, between the undersigned Seller and Purchaser for the sale and purchase of residential rental property located at _____, Takoma Park, Maryland. The City of Takoma Park strongly encourages prospective purchasers to familiarize themselves with the City laws and regulations regarding rental housing before purchasing any property that is used as residential rental housing. These laws include the following:~~

~~1. Tenant Opportunity to Purchase (Takoma Park Code, Chapter 6.32). Before a Seller may go to settlement on the sale of a rental facility, the Seller must give the tenants an opportunity to purchase the rental facility. All contracts for the sale of the rental facility are subject to the rights of the tenant(s) or tenant association to purchase the rental facility in accordance with Chapter 6.32.~~

~~2. Rent Stabilization (Takoma Park Code, Chapter 6.20). The rent stabilization law restricts rent increases for residential rental units. The Seller is required to provide the Purchaser with copies of the two most recent annual Rent Reports for the rental facility, which must be initialed by the Purchaser and attached to the Contract of Sale. City law does not permit a landlord to increase the rents~~

~~for the rental facility above the annual rent stabilization allowance without an order from the Commission on Landlord-Tenant Affairs. Neither the price paid for the rental facility, nor the financing terms, are considered in a landlord's petition to increase the rents for the rental facility above the annual rent stabilization allowance.~~

~~3. Rental Housing Licenses (Takoma Park Code, Chapter 6.08). All rental facilities must be inspected for compliance with the Property Maintenance Code and licensed. The Seller is required to provide the Purchaser with copies of the two most recent Rental Housing Licensing Inspection Reports for the rental facility, which must be initialed by the Purchaser and attached to the Contract of Sale.~~

~~4. Landlord-Tenant Relations (Takoma Park Code, Chapter 6.16). In addition to the applicable state landlord-tenant laws, the City of Takoma Park has supplemental laws regulating the landlord-tenant relation, including minimum lease term and lease renewal requirements, restrictions on allowable pet and other fees that may be charged to a tenant, and a Commission on Landlord-Tenant Relations, which hears complaints of landlord-tenant violations and appeals from rent increase petition decisions.~~

~~Additional information is available upon request from the City of Takoma Park Department of Housing and Community Development at (301) 891-7119 or at www.takomaparkmd.gov.~~

~~A Purchaser has the unconditional right, upon written notice to the Seller or Seller's agent, to rescind the contract of sale and to the immediate return of any deposit at any time within five (5) days following receipt of this Notice and receipt of copies of the annual Rent Reports* and Rental Housing Licensing Inspection Reports for the rental facility for the two years immediately preceding the sale. The right of a Purchaser, who has received this Notice and complete and accurate Rent Reports* and Inspection Reports, to rescind the contract of sale terminates if not exercised before settlement on the transfer of title to the rental facility.~~

~~* If the rental facility is exempt from rent stabilization, then a Certificate of Exemption from the City of Takoma Park must be attached to the contract of sale and copies of the annual Rent Reports do not need to be provided to the Purchaser.~~

~~THIS NOTICE IS REQUIRED BY THE CITY OF TAKOMA PARK TO PROVIDE GENERAL INFORMATION ABOUT THE CITY'S RENTAL HOUSING LAWS AND REQUIREMENTS AND IS NOT INTENDED TO PROVIDE SPECIFIC LEGAL OR INVESTMENT ADVICE.~~

~~Seller: _____~~

~~Date: _____~~

~~Print Name: _____~~

Seller: _____

Date: _____

Print Name: _____

PURCHASER ACKNOWLEDGES RECEIPT OF THIS NOTICE, COPIES OF RENTAL HOUSING LICENSING INSPECTION REPORTS FOR YEARS _____ AND _____, AND COPIES OF THE ANNUAL RENT REPORTS* FOR YEARS _____ AND _____ FOR THE PROPERTY LOCATED AT _____, TAKOMA PARK, MARYLAND.

Purchaser: _____

Date: _____

Print Name: _____

Purchaser: _____

Date: _____

Print Name: _____

~~(Ord. 2007-8, 2007: Ord. 2003-7 § 1 (part), 2003: prior code § 6-700)~~

6.28.020 Point of sale reinspection requirement.

~~A.—In the event that settlement on the transfer of the title to the rental facility has not occurred within 6 months after the date of the last City inspection report for rental facilities on the annual inspection program, or within 18 months after the date of the last City inspection report for rental facilities on the biennial inspection program, then the owner or agent shall obtain a point of sale inspection of the rental facility. The point of sale inspection report shall be delivered to the prospective purchaser before title to the rental facility is transferred to the purchaser. Application for a point of sale inspection of the rental facility shall be made by the owner, or an agent for the owner, to the City’s code enforcement office.~~

~~B.—The fee for a point of sale inspection under this chapter shall be the same as the rental license and inspection fee established by Section 6.08.030. The fee shall be paid at the time the application for a point of sale inspection of the rental facility is filed with the City.~~

~~C.—The following schedule for issuing a point of sale inspection report shall be followed, except where a longer period is required because of the number of rental units in the rental facility or other causes beyond the reasonable control of the City.~~

~~1.—Within 15 working days after receipt of the completed application form and required inspection fee, a point of sale inspection of the rental facility and premises and all rental units therein shall be made and an inspection report issued. If entry to the rental facility is denied or access to interior non-public interior areas is restricted so as to limit or impair an inspection, then the time for issuing the point of sale inspection report shall be extended by such reasonable time as is needed in order for permission for entry to be obtained or a warrant authorizing entry to be procured.~~

~~2.—The point of sale inspection report shall include the name and address of the property~~

owner, the license number for the rental facility, the street address or other description of the rental facility sufficient for identification, and shall list all known violations of the Property Maintenance Code (Chapter 6.12 of this Code, as amended from time to time) based on the code enforcement officer's visual inspection of the rental facility and premises and all rental units in the facility. The point of sale inspection report also shall include a correction order allowing a reasonable time for the performance of repairs and improvements necessary to bring the rental facility into compliance with the provisions of the Property Maintenance Code. The provisions of the City's Property Maintenance Code, including the violations and penalties provision thereof, as amended from time to time, shall apply to point of sale inspections under this chapter.

D.—If the property owner does not correct all Property Maintenance Code violations listed on the point of sale inspection report prior to the time title to the rental facility is transferred to the purchaser, then the purchaser of the rental facility shall be required to correct the violations contained in the inspection report within the time given in the correction order on the inspection report given to the prior owner as that time may be extended by the City's code enforcement office for good cause shown.

E.—Nothing in this chapter shall be construed as limiting or restricting the City, at any time, from proceeding against the owner of the rental facility to require the correction of Property Maintenance Code and any other violations existing at the rental facility or to issue and enforce citations for violations of City and any other applicable laws and regulations. (Ord. 2003-7 § 1 (part), 2003; prior code § 6-701)

6.28.030 Compliance documents.

A.—At the request of the owner or agent of a rental facility, the City may issue a letter or other written document stating that the violations listed on a specific City or point of sale inspection report have been corrected to the City's satisfaction, when, in fact, all such violations have been corrected.

B.—At the request of the owner or agent of a rental facility, the City may issue a letter or other written document stating that some, but not all, of the violations listed on a specific City or point of sale inspection report have been corrected to the City's satisfaction. (Ord. 2003-7 § 1 (part), 2003; prior code § 6-702)

6.28.040 Reliance on City or point of sale inspection reports and compliance documents.

A.—City and point of sale inspections are visual checks of the rental facility based on the City's Property Maintenance Code. In issuing a City or point of sale inspection report, the City does not represent, insure, warrant, or guarantee to the owner or agent of the rental facility, or to any purchaser, agent, attorney, lender, title or property insurer of the facility, or to any of the respective heirs, successors or assigns, that such inspection report includes all of the violations of the City's Property Maintenance Code existing in the rental facility at the time of inspection. The City's failure to list a violation on an inspection report is not a warranty or guaranty that the violation does not or did not exist at the rental facility.

B.—In issuing a compliance letter or document under the provisions of this chapter, the City does not thereby insure, warrant or guarantee the quality of the repair or the standard of the work completed in the correction of any violations listed on a City or point of sale inspection report. Such compliance letter or document should be construed only as a statement by the City that some or all of the violations listed on the City or point of sale inspection report have been corrected to the City's satisfaction as of the date of the compliance letter or document. (Ord.

~~2003-7 § 1 (part), 2003- prior code § 6-703)~~

~~6.28.050~~ **Transfer of rental license.**

A purchaser, transferee or owner of a rental facility shall apply to the City for a rental housing license, or for the transfer of the existing rental housing license, for the rental facility within 15 workingcalendar days after acquiring title to the rental facility. The procedures and requirements for rental licenses are set forth in Chapter 6.08 of this Code, as amended from time-to-time. ~~(Ord. 2003-7 § 1 (part), 2003- prior code § 6-704)~~

Chapter 6.32

TENANT OPPORTUNITY TO PURCHASE*

Sections:

~~6.32.010—Legislative findings.~~

~~6.32.020—Applicability.~~

~~6.32.030—Tenant opportunity to purchase.~~

~~6.32.040—Offer of sale.~~

~~6.32.050—Contract negotiation.~~

~~6.32.060—Earnest money deposits.~~

~~6.32.070—Exercise or assignment of rights.~~

~~6.32.080—Waiver of rights.~~

~~6.32.090—Single-family rental facilities.~~

~~6.32.100—Rental facilities with 2 through 6 rental units.~~

~~6.32.110—Rental facilities with 7 or more rental units.~~

~~6.32.120—Computation of time.~~

~~6.32.130—Obligations upon foreclosure.~~

~~6.32.140—Enforcement of tenant opportunity to purchase rights.~~

~~6.32.150—Statutory construction.~~

*~~6.32.010~~ Legislative findings.

- 6.32.020 Applicability.
- 6.32.030 Tenant opportunity to purchase.
- 6.32.040 Offer of sale.
- 6.32.050 Contract negotiation.
- 6.32.060 Earnest money deposits.
- 6.32.070 Exercise or assignment of rights.
- 6.32.080 Waiver of rights.
- 6.32.090 Single-family rental facilities.
- 6.32.100 Rental facilities with two to six rental units.
- 6.32.110 Rental facilities with seven or more rental units.
- 6.32.120 Computation of time.
- 6.32.130 Obligations upon foreclosure.
- 6.32.140 Enforcement of tenant opportunity to purchase rights.
- 6.32.150 Statutory construction.

6.32.010 Legislative History: Ord. No. 1986-45, 11/10/1986; Ord. No. 1992-36, 11/23/1992.
~~6.32.010 Legislative findings.~~

The Council of the City finds that, in the interests of providing home ownership opportunities to City residents and to promote the conversion of rental facilities to owner-occupied housing, including condominiums and housing cooperatives, it is necessary and appropriate to require that the owners of rental facilities in the City offer the tenants ~~and~~, tenant association ~~of, and~~ the ~~rental facility~~ City an opportunity to purchase the rental facility before the rental facility may be sold to a third-party purchaser. (~~Ord. 2003-7 § 1 (part), 2003: prior code § 6-800~~)

6.32.020 6.32.020 Applicability.

A.— All sales of rental facilities in the City are covered by this chapter except that this chapter does not apply those as follows:

1. to a sale:
 - ~~1. To a~~ family member;
 2. ~~Made under~~ limited by the terms of a bona fide mortgage or deed of trust;
 3. ~~To~~ to a mortgagee in lieu of foreclosure;
 4. ~~Under~~ under a court order;
 5. ~~From~~ from one co-tenant to another by operation of law;
 6. ~~Under a will, living trust, or intestate distribution;~~

7.—~~To~~ to the State or a local government;

8.—~~Of~~ 7. of a minority title interest; or

9.—~~Of~~ 8. of an accessory apartment.

B.—__ This law is in addition to and is not intended to abrogate any other right of first refusal to buy rental housing provided by Montgomery County or other applicable law, except to the extent that those provisions conflict with the provisions of this law. If the provisions of this chapter conflict with another provision of applicable law, the provisions of this chapter control. (~~Ord. 2003-7 § 1 (part), 2003: prior code § 6-801~~)

6.32.0306.32.030 Tenant opportunity to purchase.

A.—__ Before an owner may settle on the sale of a rental facility, the owner shall give all tenants an opportunity to purchase the rental facility at a price and ~~on~~ under terms which constitute an offer of sale in accordance with the requirements of Section 6.32.040 and shall comply with the time periods set forth in Sections 6.32.090, 6.32.100 and 6.32.110 herein, as applicable.

B.—__ All contracts with third parties shall be subject to the rights of the tenant(s) ~~or~~, a tenant association or the City to purchase the rental facility under this chapter. The time periods for negotiation of a contract of sale and for settlement under this chapter are minimum periods. The owner may give the tenant(s) ~~or~~, the tenant association or the City a reasonable extension of time to purchase the rental facility, without liability under a third-party contract. Third-party purchasers are presumed to act with full knowledge of tenant rights under this chapter. (~~Ord. 2003-7 § 1 (part), 2003: prior code § 6-802~~) and the requirements in Takoma Park-City Code, Chapter 6.28, Sale of Rental Facilities – Notice and Disclosure Requirements.

~~6.32.040~~

6.32.040 Offer of sale.

A.—__ The owner shall provide a written offer of sale to the following before going to settlement on the sale of the rental facility to another party:

1.—~~To~~ to each tenant in the rental facility;

2. to any registered tenant association within the rental facility; and

3. to the City of Takoma Park Maryland.

~~2.—To the City Manager with a complete copy of any third-party contract to purchase the rental facility and a list identifying each tenant and the tenant's address.~~

B.—__ An offer of sale must:

1.—__ State the asking price and material terms of the sale. If a third-party contract for

the sale of the rental facility exists at the time the offer of sale is made, then such offer shall state that the tenant ~~has~~(s), registered tenant association and the City have the right to purchase the rental facility under this chapter at the same price and on substantially the same terms and conditions as the third-party contract of sale for the rental facility;

2.— State that the owner shall make available to the tenant~~or~~(s), registered tenant association and the City, within 7seven calendar days of receiving a written request for the information~~;~~;

a. For multi-family rental facilities: A complete copy of any third-party contract to purchase the rental facility, a floor plan or other architectural and engineering plans and/or specifications of the rental facility, all documents required under Takoma Park-City Code, Chapter 6.28 Sale of Rental Facilities – Notice and Disclosure Requirements and an itemized listing of monthly operating expenses and capital expenditures for each of the 2two preceding years. The owner shall, at the same time, provide the tenant or tenant association with the most recent annual rent stabilization report filed with the City, a rent roll, a list of tenants, and a list of vacant apartments.

b. For single-family rental facilities,~~the owner only has to provide the tenant with;~~ a complete copy of any third-party contract to purchase the ~~single-family~~ rental facility~~— and all documents required under Takoma Park-City Code, Chapter 6.28, Sale of Rental Facilities-Notice and Disclosure Requirements.~~

3. For every day of delay by the owner in providing this information, the time period for the tenant or tenant association or the City to express interest in purchasing the rental facility or to negotiate a contract with the owner for purchase of the rental facility, as applicable, shall be~~be~~ extended by one day.

C.— An offer of sale shall be sent by first-class mail or personally delivered to each tenant~~in,~~ registered tenant association and to the rental facility-City Manager. The offer of sale shall also be posted in a conspicuous place in the common area or on the entry doors of the rental facility except for single-family rental facilities.

D.— An offer of sale must allow the tenant~~or~~(s), registered tenant association or the City to purchase only the rental facility~~in which the tenant resides~~ even if the third-party contract to purchase the rental facility includes other real or personal property.

E. Change in the sales price or contract entered into after offering.

1. — If there is a subsequent third-party contract after the initial offer of sale that results in a material change, or if the terms of a third-party contract to purchase the rental facility materially change between the time an offer of sale is made ~~to~~and the ~~tenant or tenant association and settlement on the sale of the rental facility,~~ then the owner shall

give each tenant(s), tenant association, and the City a new offer of sale.

~~2. or~~ The tenant(s), registered tenant association and the City ~~Manager a new offer of sale. In that event, the tenant or tenant association~~ shall have all rights provided under this chapter except that the period to express an interest in purchasing the rental facility on the revised terms of sale shall not exceed ~~7 days from the date of receipt of the new offer of sale and, for rental facilities with 9 or more rental units, a tenant association's prior registration shall continue in effect. A material change shall include, but is not limited to, a reduction in the sales price of the rental facility of 10% or more. An owner shall not be required to give a new offer of sale if the only material change is an increase in the sales price of the rental facility. (Ord. 2003-7 § 1 (part), 2003: prior code § 6-803)~~ seven calendar days from the date of receipt of the new offer of sale, provided that the initial time period to express interest has expired.

~~6.32.0503.~~ For rental facilities with seven or more rental units, a tenant association's prior registration shall continue in effect.

4. A material change shall include, but is not limited to, a change in the purchaser or a reduction in the sales price of 10% or more.

5. An owner shall not be required to give a new offer of sale if there is an increase in the sales price.

6.32.050 Contract negotiation.

A.— The tenant-or(s), tenant association and ~~owner~~the City shall bargain in good faith for the sale of the rental facility.

B.— The owner may not require the tenant-or(s), tenant association or the City to prove financial ability to perform, as a prerequisite to entering into a contract. ~~(Ord. 2003-7 § 1 (part), 2003: prior code § 6-804)~~

6.32.060 ~~6.32.060~~ Earnest money deposits.

~~In order to make~~To execute a contract, the owner may require the tenant(s)-or), tenant association or the City to pay an earnest money deposit of up to 1% of the contract sales price for a single-family rental facility and for rental facilities with ~~2 through 8~~two to six rental units. For rental facilities with ~~9~~seven or more rental units, an owner may require an earnest money deposit of up to ~~1/2%~~1/2% of the contract sales price. The earnest-money deposit shall be refundable within 30 calendar days in the event of failure of the tenant(s)-or), tenant association or the City to perform under the contract despite good-faith efforts. ~~(Ord. 2003-7 § 1 (part), 2003: prior code § 6-805)~~

6.32.070 ~~6.32.070~~ Exercise or assignment of rights.

The tenant ~~or (s)~~, tenant association or the City may exercise rights under this chapter in conjunction with a third party or by assigning or selling those rights to any party, whether private or governmental. The exercise, assignment or sale of ~~tenant~~ rights ~~may be for any consideration which the tenant, in the tenant's sole discretion, finds acceptable. Such an exercise, assignment or sale of purchase~~ may occur at any time in the process provided in this chapter and may be ~~structured in for~~ any ~~way~~ consideration which the tenant, ~~in the tenant's sole discretion,~~ tenant association or City finds acceptable. (~~Ord. 2003-7 § 1 (part), 2003: prior code § 6-806~~)

6.32.0806.32.080 Waiver of rights.

An owner shall not request, and a tenant ~~or (s)~~, tenant association or the City may not grant, a waiver of the right to receive an offer of sale or any other right under this chapter. ~~An owner shall not ask for a waiver of any other right under this chapter~~ except in exchange for consideration which the tenant, tenant association or City, in the ~~tenant's~~ sole discretion, finds acceptable. (~~Ord. 2003-7 § 1 (part), 2003: prior code § 6-807~~)

6.32.0906.32.090 Single-family rental facilities.

The following provisions apply to single-family rental facilities:

A.— Upon receipt of a written offer of sale from the owner, the tenant shall have 7seven calendar days to deliver a written statement of interest to the owner and to the City Manager. The written ~~Following that time period, if the tenant has not submitted a~~ statement of interest, the City shall be have seven additional calendar days to personally delivereddeliver or sentsend by first-class mail: a written statement of interest to the owner. The statement of interest must be a clear expression of interest on the part of the tenant or the City to exercise the right to purchase the rental facility as specified in this chapter.

B.— The tenant or the City may accept the offer of sale by submitting a written contract within 14 calendar days after the date the ~~tenant delivered the~~ written statement of interest. The ~~tenant's~~ contract must include substantially the same terms and conditions contained in the ~~owner'sowner's~~ third-party contract of sale, if any, including any contract term that provides for a reasonable real estate commission.

C.— Any contract of sale shall provide a reasonable period between the execution of the contract of sale and settlement for the tenant to secure financing. This period shall be at leastnot less than 30 calendar days. If the tenant is obtaining financing through a government or other loan program for low or moderate income persons or for first-time homebuyers and the government agency or lender estimates in writing that a decision with respect to financing will be made within 60 calendar days after the date of the contract, then the owner shall afford an extension of time consistent with that written estimate.

D.— If 6 months elapse from the date an owner has given notice of an offer of sale to a tenant

and the City under this chapter and the owner has not gone to settlement on the sale of the rental facility, the owner shall comply anew with the provisions of this chapter before selling the property. (~~Ord. 2003-7 § 1 (part), 2003: prior code § 6-808~~)

6.32.1006.32.100 Rental facilities with 2 through 6two to six rental units.

The following provisions apply to rental facilities with ~~2 through 6~~two to six rental units:

~~A.~~ A.—The tenants may respond to an ~~owner's~~owner's offer of sale first jointly, then individually. Upon receipt of a written offer of sale from the owner, a group of tenants acting jointly shall have 14 days to provide the owner and the City Manager with a written statement of interest. The written statement of interest shall be personally delivered or sent by first class mail. Following that time period, if the tenants acting jointly have failed to submit a written statement of interest, then any individual tenant of the rental facility shall have ~~7~~seven additional calendar days to personally deliver or to send by first class mail a written statement of interest to the owner and the City Manager. ~~Following that time period, if no individual tenant has submitted a statement of interest, the City shall have seven additional calendar days to personally deliver or to send by first class mail a written statement of interest to the owner.~~ Each statement of interest must be a clear expression of interest on the part of the ~~tenant group or the tenant~~submitter to exercise the right to purchase the rental facility as specified in this chapter.

B.— Contract Negotiation Period.

1.— A tenant group ~~or, tenant,~~ or the City may accept the offer of sale by submitting a contract within 30 calendar days after the date the ~~tenant group or tenant delivered the~~ written statement of interest: is delivered. The ~~tenant group or tenant's~~ contract must include substantially the same terms and conditions contained in the ~~owner's~~owner's third party contract of sale, if any, including any contract term that provides for a reasonable real estate commission. If more than one individual tenant submits a written statement of interest, the owner shall negotiate with each tenant separately; or jointly if the tenants agree to negotiate jointly.

2.— If, at the end of the 30 calendar day contract negotiation period and any extensions thereof, the tenant group has not jointly contracted with the owner for purchase of the rental facility, the owner shall provide an additional 30 calendar day period, during which any one of the individual tenants of the rental facility may contract with the owner for the purchase of the rental facility. If, at the end of the additional 30 calendar day contract negotiation period and any extensions thereof, no individual tenant has contracted for the purchase of the rental facility, the owner shall provide an additional 30 calendar day period, during which the City may contract with the owner for the purchase of the rental facility.

3.— If the owner is required to negotiate with more than one tenant group or tenant pursuant to this section, the owner may decide which contract to accept without liability

to ~~the~~any other tenant group or tenant.

C.— Any contract of sale shall provide a reasonable period between the execution of the contract of sale and settlement for the ~~tenant group or tenant~~buyer to secure financing or financial assistance. This time period shall be at least 90 calendar days.

D.— If eight months elapse from the date an owner has given notice of an offer of sale to tenants or the City under this section and the owner has not gone to settlement on the sale of the rental facility, the owner shall comply anew with the provisions of this chapter before selling the property. (~~Ord. 2003-7 § 1 (part), 2003: prior code § 6-809~~)

6.32.110.32.110 Rental facilities with seven or more rental units.

The following provisions apply to rental facilities with seven or more rental units.

A.— The tenants may respond to an ~~owner's~~owner's offer of sale only through a registered tenant association ~~which~~that represents at ~~least~~least 1/3 of the occupied rental units ~~of~~in the rental facility.

B. — Upon receipt of an ~~owner's~~owner's offer of sale, the tenant association and the City shall have 45 calendar days to:

1.— Mail or personally deliver to the owner and the City Manager a written statement of interest. The statement of interest must be a ~~clear~~clear expression of interest on the part of the tenant association or the City to exercise the right to purchase the rental facility as specified in this chapter.

~~2.— Mail~~2. The tenant association shall mail or personally deliver to the owner and to the City Manager a registration statement listing the names, addresses and telephone numbers of all member tenants, officers, legal counsel and/or other ~~representatives of the tenant association, documentation~~confirmation that the tenant association represents at least 1/3 of the occupied rental units ~~as of~~at the time of registration ~~and such other information as the City Manager shall require.~~

~~C.— The City shall issue a registration certificate within 10 days after receipt of a completed registration statement unless the owner or the City raises credible objections to information in the tenant association's registration statement. If credible objections are raised, the tenant association may respond to the objections and re-submit the registration statement, but such resubmission shall not extend the time period for the tenant association to deliver a written statement of interest. If more than one tenant association files a registration statement, then the first tenant association to register becomes the sole representative of the tenants of the rental facility.~~

D.— A registered tenant association or the City may accept the offer of sale by submitting a contract within 120 calendar days after the date the tenant association or the City delivered the

written statement of interest to the owner. The ~~tenant association's~~ contract must include substantially the same terms and conditions contained in the ~~owner's~~ owner's third party contract of sale, if any, including any contract term that provides for a reasonable real estate commission.

~~E.—D.~~ Any contract of sale shall provide a reasonable period, considering current market conditions, between the execution of the contract of sale and settlement for the tenant association ~~or the City~~ to secure financing. This time period shall be at least 120 calendar days, ~~except as provided in subsection (F) of this section.~~ If a lending institution or agency estimates in writing that a decision with respect to financing will be made within 240 calendar days after the date of the contract, the owner shall afford an extension of time consistent with that written estimate.

~~F.—E.~~ Conversion to ~~Limited Equity Housing Cooperative~~ limited equity housing cooperative.

1.— If the tenant association, by its articles of incorporation, bylaws or resolution adopted by the Board of Directors, or by ~~its articles of limited partnership or by its limited partnership or partnership agreement or its operating agreement,~~ other agreement which provides that the purpose of the tenant association is to convert the rental facility to a limited equity housing cooperative, then the owner shall afford the tenant association not less than 180 calendar days after the date of the contract in order to secure financing for the purchase of the rental facility.

2.— If the purpose of the tenant association is to convert the rental facility to a limited equity housing cooperative pursuant to subsection (~~FE~~) (1) above, the owner shall assist the tenant association in converting the rental facility to a limited equity housing cooperative: by executing a contract of sale with the tenant association. Toward this end, at any time after execution of a contract of sale and at the written request of the tenant association, the owner shall execute and deliver any and all notices required under the Maryland Cooperative Housing Corporation Act, under Chapter 11C, Cooperative Housing, of the Montgomery County Code and under any other applicable or successor provisions of State and County law to all tenants at the rental facility and to all applicable government agencies. Such notices and any related documentation or offers of sale shall be prepared solely by the tenant association, and all reasonable costs associated with the publication and distribution of such notices shall be the sole responsibility of the tenant association. The tenant association shall indemnify and hold harmless the owner from the liability for any loss or damage suffered as a direct result of the giving of such notices.

~~G.—F.~~ If one year elapses from the date an owner has given notice of an offer of sale ~~to the tenants~~ under this chapter and the owner has not gone to settlement on the sale of the rental facility, the owner shall comply anew with the provisions of this chapter before selling the property. (~~Ord. 2003-7 § 1 (part), 2003: prior code § 6-810~~)

~~6.32.120~~ Computation of time.

~~A.—~~ If a time period under this chapter ends on a Saturday, Sunday or legal holiday, for the State

~~of Maryland, the time period is extended until the next day which is not a Saturday, Sunday or legal holiday.~~

~~B.—Whenever a person has the right or is required to do some act within a prescribed time period after delivery or service of a notice or other paper and service or delivery of the notice or other paper is made by mail, 3 days shall be added to the prescribed period. (Ord. 2003-7 § 1 (part), 2003: prior code § 6-811)~~

6.32.1306.32.120 Obligations upon foreclosure.

A ~~lender's~~lender's trustees or the ~~lender's~~lender's attorney who are foreclosing on a rental facility shall give notice of the time, place, and terms of sale to the tenants in the rental facility by mailing such notice to the tenants by first-class mail or by posting the notice in a prominent place in the common area or on the entry doors of the rental facility. Notice also shall be provided to the City Manager and to any registered tenant association by mailing or personally delivering the notice to the president of such tenant association and to the City Manager. This notice shall be given within the time frame currently applicable under State law or court rules for giving notice of the time, place, and terms of sale to the record owner of the property. (~~Ord. 2003-7 § 1 (part), 2003: prior code § 6-812~~)

6.32.1406.32.140 Enforcement of tenant opportunity to purchase rights.

A.—__ An owner, tenant or tenant association may seek enforcement of any right or provision under this chapter through a civil action filed with a court of competent jurisdiction and, upon prevailing, shall be entitled to an award of reasonable ~~attorney's~~attorney's fees and costs.

B.—__ In addition to the above, the City may take all appropriate action, including but not limited to the actions specified in Subsections (A) and (C) of this section, to enforce the provisions of this chapter.

C.—__ In addition to any other remedy or enforcement measure, a tenant, tenant association, or third party or public agency working with the tenant or tenant association may seek and any court of competent jurisdiction may: (1) issue restraining orders and/or temporary or permanent injunctions if the plaintiff is found likely to succeed on the merits of a complaint against an owner for violation of the provisions of this chapter; and/or (2) declare any transfer in which an owner has not complied with all requirements of this chapter void and the transfer documents set aside. (~~Ord. 2003-7 § 1 (part), 2003: prior code § 6-813~~)

6.32.1506.32.150 Statutory construction.

The purpose of this chapter is to provide an opportunity for tenants to become owners of the rental facility in which the tenants reside or to allow tenants to exercise or assign their rights for their benefit, as provided in this chapter. If a Court finds ambiguity and there is any reasonable interpretation of this chapter that favors the rights of the tenant or tenant organization, then the

court should resolve such ambiguity toward the end of strengthening the legal rights of the tenant or tenant organization to the maximum extent permissible under law. (~~Ord. 2003-7 § 1 (part), 2003: prior code § 6-814~~)

Chapter 6.36 UNSAFE BUILDINGS—PUBLIC NUISANCE ABATEMENT*

Sections:

- 6.36.010 — Unsafe buildings—Public nuisance declared.
- 6.36.020 — ~~Right of entry~~ Adoption of Montgomery County Code.
- ~~6.36.030—Emergencies.~~
- ~~6.36.040—Notice of violation and correction order—Service of notice and order.~~
- ~~6.36.050—Reinspection—Report~~ Amendments to City Manager.
- ~~6.36.060—Chapter 26, Housing and Building Standards for repair, vacation or demolition, 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—Extensions of Time—~~ Tenant Displacement.
- ~~6.36.080—Appeals.~~

~~6.36.090—Recordation—Liability of transferee.~~

* ~~Legislative History: M.C. 1961, Arts. 13 & 15; Ord. No. 2561, 4/13/1981; Ord. No. 1987-59, 11/16/1987; Ord. No. 1993-2, 1/25/1993; Ord. No. 1993-5, 4/12/1993; Ord. No. 2002-26, 7/29/2002.~~

6.36.010 Unsafe buildings— Public nuisance declared.

~~A.~~

Any building or structure or part thereof ~~that~~which ~~may have any or all of the following defects may be deemed an unsafe building and condemned as unsafe for occupancy or use:~~

- ~~1. Those which have been damaged by fire, wind, storm or other causes so as is determined to have become dangerous a hazard to the life, health, safety, or the general health and welfare well-being of the occupants or the public;~~
- ~~2. Those which have become or are so dilapidated, decayed, damaged, unsanitary, unsafe or vermin or rodent infested that they create a hazard to the health, safety or general welfare of the occupants or the~~ may be deemed an unsafe building or public; nuisance.

6.36.020 Adoption of Montgomery County Code.

The provisions of the following sections of Chapter 26, Housing and Building Maintenance Standards, of the Montgomery County Code, as amended from time to time, are incorporated herein Chapter 6.36 adopted as the Unsafe Buildings – Public Nuisance Abatement Code.

A. Section 26-13. Designation of unfit dwellings and unsafe nonresidential structures;

condemnation.

B. Section 26-14. Repair or removal of condemned buildings or structures.

C. Section 26-15. Severe conditions and corrective actions.

D. Section 26-15. Severe conditions and corrective actions.

6.12.030 Amendments to Chapter 26, Housing and Building Standards, of the Montgomery County Code.

A. The word “County” in Sections 26-13, 26-14 and 26-15 is amended to read “City.”

B. The phrase “Enforcing Agency” is defined as:

1. the Department of Housing and Community Affairs;

2. the City of Takoma Park; or

3. any employee, agency or department of the City government or any City contractor or agent ~~that~~which the City Manager assigns to enforce the Property Maintenance Code or any provision thereof.

~~6.36.3. Those having light, air, sanitary, plumbing or heating facilities or other essential equipment which are inadequate to protect the health, safety or general welfare of the occupants or the public;~~

~~4. Those having inadequate facilities for egress in case of fire or panic or which are dangerous to life, health, property or the safety of its occupants by not providing minimum protection from fire;~~

~~5. Those which contain unsafe equipment, including any boiler, heating equipment, elevator, electrical wiring or device, flammable liquid containers or other equipment, on the premises or in the building or structure which is in such disrepair or condition that it is a hazard to the life, health, property or safety of the occupants or the public;~~

~~6. Those which are structurally unsound, dangerous or of such faulty construction or unstable foundation that they are likely to partially or completely collapse or which have parts thereof which are so attached that they may fall and injure the occupants or the public or damage property;~~

~~7. Those which are abandoned or are blighting or deteriorating factors in the neighborhood or which because of their general condition are unsafe, unsanitary or otherwise dangerous to the health, safety or general welfare of the occupants or the public.~~

~~B. All unsafe buildings are hereby declared to be public nuisances and shall be repaired or demolished as provided in this chapter. (Ord. 2003-7 § 1 (part), 2003: prior code § 6-900)040~~

~~6.36.020~~ **Right of entry.**

A.— The City Manager, Code Official, and police, or their designated representatives, upon exhibiting the proper credentials or proof of identity on request, shall have the right to enter any building in the City at any reasonable hour or at such other times as may be necessary in an emergency that endangers life, property or public safety for the purpose of performing duties under this chapter or enforcing the provisions thereof.

B.— ~~Police, fire, health and other departments having authority in the City shall render necessary assistance in the enforcement of this chapter when requested to do so by the City Manager. (Ord. 2003-7 § 1 (part), 2003: prior code § 6-901)~~

~~6.36.030 Emergencies.~~

~~A.— In cases where it reasonably appears that there is actual and immediate danger to the life, health or safety of any person resulting from a violation of this chapter, of the Property Maintenance Code, or of other provisions of the Charter and Code of the City of Takoma Park or applicable law, the Code Official may, without notice, conference or hearing, order the owner, agent or operator of the building to take action to correct or abate the emergency. The Code Official shall notify the owner, agent or operator of the building of the emergency order. The order must be served on the owner, agent or operator, as set forth in Section 6.36.040(D)(1); provided, however, that if the Code Official determines that the emergency does not permit sufficient time for the order to be personally served, then notice to the owner, agent or operator of the building of the emergency order may be made by telephone or any other reasonable means under the circumstances. If the owner, agent or operator does not abate or correct the emergency within the time stated in the emergency order, or within 24 hours if the order does not specify a correction time, then the Code Official, after determining that an emergency still exists which endangers the life, health, or safety of the occupants or the public, may take any action reasonably necessary to abate or correct the emergency.~~

~~B.— For purposes of this section, the Code Official shall employ the necessary labor and secure the necessary materials to abate or correct the emergency as expeditiously as possible.~~

~~C.— All reasonable and necessary costs incurred by the City as a result of an emergency action taken under subsections (A) and (B) of this section shall be paid by the owner of the real property upon which the building stands or did stand. The City shall send the owner a bill for the costs of such emergency repair, vacation or demolition by certified mail, return receipt requested, and by regular mail to the owner's last known address or by any other means reasonably calculated to bring the bill to the owner's attention. If the owner does not pay the bill within one month after it is presented, the cost shall be a lien against the real property which may be collected and enforced in the same manner as are taxes, special assessments and other liens on real property or collected as provided for in Section 6.40.020(C). (Ord. 2003-7 § 1 (part), 2003: prior code § 6-902)~~

~~6.36.040 Notice of violation and correction order— Service of notice and order.~~

~~A.— Whenever the Code Official determines that there has been a violation of this chapter, the Code Official shall give written notice and a correction order to the owner and/or the agent or operator of any building found by the Code Official to be an unsafe building.~~

~~B.— The notice and correction order provided for in subsection (A) of this section shall:~~

- ~~1.— Specify the particulars which make the building or part of it an unsafe building;~~
- ~~2.— Describe with reasonable accuracy the unsafe building and its location;~~
- ~~3.— Describe in general terms the corrective action which, if taken, will effect compliance with this chapter;~~
- ~~4.— Establish a reasonable time to do or have done the work or act required by the notice and correction order.~~

~~C.— An owner, agent or operator served with a notice and correction order shall correct the~~

violation of this chapter within the time specified in the notice and correction order.

D.—Any notices or orders provided for in this chapter shall be in writing and served upon the owner, agent, operator, or occupant of the building as the case may require. Unless a different manner of service is specified in this chapter, a notice or order is properly served if:

1.—A copy is personally delivered, which shall mean delivering a copy to the individual personally or leaving a copy at the individual's residence or usual place of abode with some individual of suitable age and discretion then residing therein or, in the case of a corporation, limited liability company, or a partnership or other unincorporated association, by delivering a copy to an officer, member, managing or general partner, or to any agent authorized by appointment or by law to receive service;

2.—A copy is sent by certified mail, return receipt requested, to the last known address of the owner, agent, operator, or occupant of the building, as the case may require;

3.—A copy is posted on the building or premises in a conspicuous location and is either mailed to the last known address or delivered to the residence or place of business of the owner, agent, operator, or occupant of the building, as the case may require; or

4.—The owner, agent, operator, or occupant of the building, as the case may require, is served by any other method authorized by State law. (Ord. 2003-7 § 1 (part), 2003: prior code § 6-903)

6.36.050 Reinspection—Report to City Manager.

A.—Following the expiration of the period of time provided in Section 6.36.040(B)(4), the Code Official shall reinspect the unsafe building described in the notice and correction order.

B.—When, after a reinspection, the Code Official determines that the violation specified in the notice and correction order has not been corrected or has only been partially corrected, the Code Official shall report such noncompliance to the City Manager and take any other action authorized by this chapter to ensure compliance with or prevent violation of its provisions. (Ord. 2003-7 § 1 (part), 2003: prior code § 6-904)

6.36.060 Standards for repair, vacation or demolition.

The following standards shall be followed in substance in ordering the repair, demolition, vacating and placarding and securing of any unsafe building:

A.—Repair.

1.—If the unsafe building can be reasonably repaired so that it will no longer be in violation of the terms of this chapter, it shall be ordered to be repaired.

2.—The owner of an unsafe building that has been ordered to be repaired shall be given notice of the required repairs and a reasonable time to make the repairs.

B.—Demolition.

1.—In any case where an unsafe building is substantially damaged or decayed or deteriorated from its current tax assessed value or from its original structure and the building cannot reasonably be repaired or reconstructed so that it will no longer be in violation of the terms of this chapter, it shall be ordered to be demolished. If a building is damaged, decayed or deteriorated by more than 50% from its current tax assessed value or from its original structure, then the building shall be considered not reasonable to repair or to reconstruct and it shall be demolished in order to remove the public nuisance.

2.—In all cases where an unsafe building is a fire hazard and the fire hazard cannot be

~~abated by any reasonable means other than demolition, then the building shall be ordered to be demolished.~~

~~3.—The owner of an unsafe building that has been ordered to be demolished shall be given notice of this determination and a reasonable time to remove the building.~~

~~4.—Whenever the owner fails, neglects or refuses to remedy the conditions which led to the condemnation of the building as unsafe by causing the building to be put in full compliance with this chapter or to demolish and remove the unsafe building within the specified time, the City may, after 30 days' written notice to the owner, order the demolition of the building, the filling of any excavation and the clearing of the property so that it will be in safe condition. After the expiration of the notice period, the City Manager shall cause the unsafe building to be demolished as soon as practicable.~~

~~5.—The costs of the demolition work, if performed by the City or by a person awarded a contract for the work in accordance with the laws of the City, shall be paid by the owner of the real property upon which the building stands or did stand. The City shall send the owner a bill for the costs of such demolition by certified mail, return receipt requested, and by regular mail to the owner's last known address or by any other means reasonably calculated to bring the bill to the owner's attention. If the owner does not pay the bill within one month after it is presented, the cost shall be a lien against the real property which may be collected and enforced in the same manner as are taxes, special assessments and other liens on real property or collected as provided for in Section 6.40.020(C).~~

~~6.—Demolition, whether carried out by the owner, by the City, or by a person awarded a contract for the work, shall include the removal of the debris resulting from the demolition and the filling in of the excavation remaining on the property on which the demolished building was located in a manner so as to eliminate potential danger to the public health, safety or welfare arising from the excavation.~~

C.— Vacating and ~~Placarding~~ placarding.

~~1.~~

A. If an unsafe building or part of it is in such condition as to make it dangerous to life, property or public safety, the building or part of it shall be ordered to be placarded and vacated.

~~2.~~

B. The owner and any occupants of an unsafe building that has been ordered to be vacated shall be given notice to vacate the building immediately or within a specified time, and a warning placard shall be posted at each entrance to such a building.

~~a.~~

1. The warning placard shall include language similar to the following:
“THIS BUILDING IS UNSAFE AND ITS USE OR OCCUPANCY HAS BEEN PROHIBITED BY THE ~~City~~CITY OF TAKOMA PARK.”

The warning placard shall remain posted until the required repairs are made or demolition is completed.

~~b.~~

2. No person shall deface or remove any warning placard after it has been posted until the required ~~repairs~~repair or demolition ~~have~~has been completed.

~~c.~~

3. No person shall remain in or enter any building ~~that~~which has been condemned as

unsafe for occupancy or use and posted with a warning placard except for the purpose of making the required repairs or of demolishing the same.

6.36.060~~D.~~— Vacating and ~~Securing~~securing** of ~~Premises~~**premises**.**

~~1.~~

~~A.~~ Any person occupying an unsafe building or part of it ~~that~~**which** has been ordered to be vacated shall vacate the building or part of it in accordance with the terms of the order to vacate.

~~2.~~

~~B.~~ A person shall not occupy and an owner shall not permit a person to occupy an unsafe building or part of it which has been posted with a warning placard and ordered to be vacated until the Code Official approves the ~~reoccupancy~~**re-occupancy** and removes the warning placard.

~~3.~~

~~C.~~ Once the unsafe building is vacant, the owner shall secure and board all windows and doors that are accessible from the ground, from an adjacent structure or by the reasonably foreseeable use of a ladder, table or other device and must keep them secured against unauthorized entry. All exterior boards must be completely painted in accordance with the predominant tone of the building. The boards shall not extend beyond the perimeter of the openings and shall cover the entire opening. Door openings shall be secured by having the doors locked and inaccessible.

~~4.~~

~~D.~~ Upon the failure of an owner or occupant of an unsafe building which has been ordered to be vacated to vacate the building or part of it or the failure of an owner to properly secure the dangerous building, the City may cause the building to be vacated or secured. The costs thereof, including reasonable attorney's fees, shall be paid by the owner. The City shall send the owner a bill for the costs by certified mail, return receipt requested, and by regular mail to the owner's last known address or by any other means reasonably calculated to bring the bill to the owner's attention. If the owner does not pay the bill within one month after it is presented, the costs shall be a lien against the real property which may be collected and enforced in the same manner as are taxes, special assessments and other liens on real property or collected as provided for in Section 6.40.020(C).

6.36.070~~E.~~— Tenant Displacement.

A tenant of an unsafe building who is required to leave the building or part of it as a result of an order to vacate issued under this chapter is displaced.

~~1.~~

~~A.~~ The owner is not required to locate alternative housing if the tenant's displacement was the result of an 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.

~~2.~~

~~B.~~ Except as provided in subsection ~~(E)(1) above~~**(A) of this section**, the owner is required to locate alternative housing for a displaced tenant until such time as the ~~Code Official~~**City** authorizes reoccupation of the unsafe building or approves any repairs made in accordance with this chapter or until the lease term of the tenant expires, whichever occurs first. The lease term of

the tenant shall be deemed to include any notice period required by applicable law for the landlord to terminate the tenancy of the tenant. Any displaced tenant shall continue to be responsible for payment of the rent in the same amount as paid to the owner immediately preceding the displacement, which rent may be paid either to the owner or to the provider of the alternative housing pursuant to the conditions herein described. The owner shall be responsible for the difference between the rent as paid prior to the displacement and the rent required for the alternative housing, except that the owner is not responsible for such difference beyond the lease term of the tenant.

~~3.~~

~~C.~~ Any costs, including reasonable attorney's fees, incurred by the City in the relocation of any displaced tenants shall be paid by the owner. The City shall send the owner a bill for the costs of such relocation by certified mail, return receipt requested, and by regular mail to the owner's last known address or by any other means reasonably calculated to bring the bill to the owner's attention. If the owner does not pay the bill within one month after it is presented, the cost shall be a lien against the real property which may be collected and enforced in the same manner as are taxes, special assessments and other liens on real property or collected as provided for in Section 6.40.020(C). ~~(Ord. 2003-7 § 1 (part), 2003: prior code § 6-905)~~

~~6.36.070 Extensions of time.~~

~~A.~~ The City, in its discretion, may grant an extension of time within which to complete the repair, demolition, vacating or securing of the unsafe building, if:

~~1.~~ No violation presents an immediate danger to the health, safety or welfare of the occupants of the unsafe building or the public; and

~~2.~~ a. The owner is experiencing extreme financial hardship, has insufficient resources and cannot obtain financing to rehabilitate the unsafe building to comply with this chapter;

~~b.~~ Physical conditions of the site or other conditions beyond the control of the owner make it impossible or impracticable to bring the unsafe building into compliance with this chapter; or

~~c.~~ Legal or other unusual constraints, such as unclear title or probate proceedings, prevent or delay the owner from bringing the unsafe building into compliance with this chapter.

~~B.~~ The City, in its sole discretion, may revoke an extension of time at any time.

~~C.~~ Nothing in this section prevents the reasonable enforcement of this chapter or alleviates the requirement to keep buildings and premises in as sanitary, safe, and healthful condition as circumstances permit. ~~(Ord. 2003-7 § 1 (part), 2003: prior code § 6-906)~~

~~6.36.080 Appeals.~~

~~A.~~ A person aggrieved by a notice or order issued in connection with an alleged violation of this chapter or by a notice and correction order requiring the repair, demolition, vacating, placarding or securing of an unsafe building issued under Section 6.36.040 may file with the City Manager a written notice of appeal specifying the reasons for contesting the notice or order.

~~B.~~ The notice of appeal shall be filed within the earlier of either 30 days after the notice or order has been served on the person or within the time specified for correction of the violation in a notice and correction order issued under Section 6.36.040.

~~C.~~ Upon receipt of a properly filed notice of appeal or a report of noncompliance with a notice and correction order from the Code Official pursuant to Section 6.36.050(B), the City Manager shall give written notice to the owner, agent, operator, and/or occupant of the building,

~~as the case may require, in the manner provided by Section 6.36.040, to appear before the City Manager on a date and at a time and place specified to show cause why the unsafe building should not be repaired, demolished, vacated or secured in accordance with the statement of particulars set forth in the notice and correction order or in such other notice or order which is being appealed.~~

~~D.—The City Manager shall hold a hearing within 30 days of the date of receipt of the notice of appeal or report of noncompliance and hear such testimony as the Code Official, owner, agent, operator, occupant, and any other person having an interest in the property shall offer relative to the unsafe building.~~

~~E.—Within 30 days after the date of the hearing, the City Manager shall:~~

~~1.—Make written findings of fact as to whether or not the building in question is an unsafe building;~~

~~2.—Issue a final order based upon the findings of fact affirming, modifying or revoking the notice and correction order or such other notice or order which is the subject of the appeal and, if applicable, commanding the owner, agent, operator, occupant, and all other persons having an interest in the property, as the case may require, to repair, demolish, vacate or secure any building found to be an unsafe building.~~

~~F.—If the City Manager fails to hold a hearing within 30 days of the date of receipt of the notice of appeal or report of noncompliance or to make written findings of fact and issue a final order within 30 days after the date of the hearing, then the original notice or order shall be treated as a final order of the City Manager for the purposes of subsection (G) of this section, provided that, with the written consent of the person who filed the notice of appeal, the time period for the City Manager to hold a hearing or to make findings of fact and issue a final order may be extended for up to 60 additional days.~~

~~G.—Any person aggrieved by a final order of the City Manager issued under this section may file an order for appeal with the Clerk of the Circuit Court of the County in which the building is located. The procedures for an appeal from a final order of the City Manager shall be governed by Title 7, Chapter 200 (Judicial Review of Administrative Agency Decisions), of the Maryland Rules, as amended:~~

~~1.—An order for appeal shall be filed within 30 calendar days from the date of the final order of the City Manager.~~

~~2.—The filing of an order for appeal shall not act as a stay of the action appealed from or any action under this chapter, except that the Circuit Court, after notice to the City and a hearing, may grant a stay upon such condition or such security or bond as it deems proper. (Ord. 2003-7 § 1 (part), 2003: prior code § 6-907)~~

~~6.36.090 Recordation—Liability of transferee.~~

~~A.—The City Manager may cause a final order issued under Section 6.36.080(E) or (F) to be recorded in the Montgomery County Land Records.~~

~~B.—A transferee, successor or assignee of the unsafe building described in a recorded final order shall be considered to have notice of the continuing existence of the violations and is subject to the penalties and procedures provided by this chapter to the same degree as was the transferor, predecessor or assignor.~~

~~C.—On determining that there has been compliance with a recorded final order issued under this chapter, the City Manager shall cause a notice of compliance to be recorded among the~~

~~Montgomery County Land Records. The notice of compliance shall recite the liber and folio land record reference of the recorded final order. (Ord. 2003-7 § 1 (part), 2003: prior code § 6-908)~~

Chapter 6.40 VIOLATIONS AND ENFORCEMENT

Sections:

- 6.40.010 ___ Violations and penalties.
- 6.40.020 ___ Enforcement.

6.40.010 Violations and penalties.

A.—___ Any violation of this title shall be a Class C municipal infraction except as otherwise specifically provided.

B.—___ Operating or permitting the operation or occupancy of a rental facility ~~or business premises~~ without having applied for and obtained a rental housing license ~~or a commercial occupancy license, as applicable,~~ or after a license has expired or been suspended, revoked or denied shall be a Class AA municipal infraction violation.

C.—___ The following shall be Class A municipal infraction violations:

- 1.—~~Any~~ Any violation of Chapter 6.12 Property Maintenance Code violation which poses an imminent danger to health, safety, or welfare or a substantial hardship to the occupant;
2. —___ Failure to obey an order of the Commission;
- 3.—___ Failure to file a rent ~~stabilization~~ report or submission of a false, incomplete or inaccurate rent ~~stabilization~~ report;
- 4.—___ Charging or attempting to charge an illegal rent or fee;
- 5.—___ Any violation of SectionChapter 6.16.100 Utilities - Charges to tenant and transfer of utility payments;
6. Submitting false information or making false statements to the Department or to the Commission;
- 6.—~~7.~~ Any violation of Chapter 6.32; Tenant Opportunity to Purchase; and
- 7.—~~8.~~ Failure of an owner, agent or operator of any unsafe building to comply with any notice or order issued under Chapter 6.36 Unsafe Buildings – Public Nuisance.

D. ___ The failure of any occupant of an unsafe building to comply with any posted warning placard or notice or order to vacate shall be a Class D misdemeanor violation.

E. ~~Each~~Except as provided in subsection (F), below, each day a violation continues shall be considered a separate violation.~~The imposition of an illegal rent or fee shall be a separate violation for each affected rental unit.~~

F. Each month that a landlord charges an illegal rent or fee for an individual rental unit shall constitute a separate violation. For example, the charging of an illegal rent or fee for four rental units for three months constitutes twelve violations.

6.40.020 Enforcement.

A.—__ The City may take any appropriate action to enforce or correct violations of this title.

B.—__ In addition to any other penalties and remedies provided for in this title or by applicable law, the City may apply to a court of competent jurisdiction for abatement orders, restraining orders, temporary or permanent injunctions, or any other appropriate form of remedy or relief to correct, restrain, or enjoin violations of this title.

C.—__ The City may bring suit to collect all costs, assessments, liens or charges imposed or incurred by the City in taking any action authorized by this title.

D.—__ In the event that a landlord brings an action against a tenant that is contrary to a Commission order, the court shall dismiss the action against the tenant and may award the tenant attorney's fees and costs incurred in defending against the landlord's action.

SECTION 2. This Ordinance shall be effective 20 days following its adoption.

ADOPTED BY THE COUNCIL OF THE CITY OF TAKOMA PARK, MARYLAND,
THIS 22ND DAY OF JULY, 2013 BY ROLL-CALL VOTE AS FOLLOWS:

AYE: Williams, Grimes, Male, Daniels-Cohen, Seamens, Smith, Schultz

NAY: None

ABSENT: None

ABSTAIN: None

EXPLANATORY NOTE

Additions to the existing language of the Takoma Park Code are in **Red** and underlined.

Additions made following the July 8, 2013 first reading are in **Blue** and underlined.

Deletions to the existing language of the Takoma Park Code are shown by ~~strikeout~~.

Introduced by: Councilmember Grimes

First Reading: July 8, 2013

Second Reading: July 22, 2013

Effective Date: August 11, 2013

CITY OF TAKOMA PARK, MARYLAND

ORDINANCE NO. 2013-25

(Amending the Takoma Park Code Title 6 Housing)

WHEREAS, the City Council of the City of Takoma Park Maryland places a priority on the provision of equitable, safe, decent and affordable housing opportunities for its residents; and

WHEREAS, the last comprehensive review of Title 6, Housing of the Takoma Park City Code (the “Housing Code”) occurred in 2003; and

WHEREAS, the Council, having completed a thorough review of the Housing Code, soliciting comment from community and holding two public hearings on proposed revisions, supports the revision of the Housing Code for the purpose of clarifying the intent of the Council, increasing participation of local tenants in the electoral process, addressing issues that have arisen since the Code was last amended, and to comply with changing State legislation.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TAKOMA PARK, MARYLAND.

SECTION 1. Title 6, Housing of the Takoma Park Code is amended as follows:

**Chapter 6.04
GENERAL PROVISIONS AND DEFINITIONS**

Sections:

- 6.04.010 Conflict of laws.
- 6.04.020 Exemption from County Codes.
- 6.04.030 Definitions.
- 6.04.040 Access to multi-unit residential facilities.

6.04.010 Conflict of laws.

In case of conflict between any provisions of this title and any other title of this Code, or an enactment by the County in which the premises are located, the provision which establishes the higher standard for the promotion and protection of the health and safety of the people shall prevail, and the provision containing the lower standard, if contained in this Code, is repealed to

the extent of the conflict.

6.04.020 Exemption from County Codes.

Pursuant to the authority conferred by Article 23A, Section 2B of the Annotated Code of Maryland and by Section 1-203 of the Montgomery County Code, the City of Takoma Park, Maryland, specifically exempts itself from the provisions of Chapter 29, Landlord-Tenant Relations, of the Montgomery County Code, except as expressly provided herein.

6.04.030 Definitions.

For the purposes of this title, the following words and phrases shall have the following meanings:

Accessory Apartment: A completely independent living unit with separate cooking, eating, sanitation and sleeping facilities that is either within an owner occupied single family detached dwelling or located in a separate accessory structure on the same lot as the main dwelling. Such an accessory apartment is subordinate to the main dwelling and has been granted a special exception by the Montgomery County Board of Appeals or is registered with the Montgomery County Department of Housing and Community Affairs in accordance with Montgomery County Code Chapter 59 Zoning Section 59-A-6 and 59-G-2.

Affected Tenant: Any tenant whose health, safety and welfare is or reasonably may be impaired by a violation of this title. For purposes of filing a Commission complaint, an “affected tenant” includes a bona fide prospective tenant and a former tenant.

Apartment: Any room or group of rooms located within a dwelling forming a single habitable unit and including cooking facilities.

Building: Any structure used or intended to be used for supporting or sheltering any use or occupancy. Building may include any premises and grounds appurtenant to the structure.

City: The City of Takoma Park, Maryland.

Commission or COLTA: The City of Takoma Park Commission on Landlord-Tenant Affairs. The term “Commission” or “COLTA” shall include the Commission members, the Commission’s Executive Director, and the Commission’s Rents Analyst.

City Manager: The City Manager of the City of Takoma Park, Maryland, or his or her designee.

Code Official or Code Enforcement Officer: Includes code enforcement officers, inspectors, employees, and City contractors or agents charged with the responsibility of inspecting buildings and property in the City for purposes of determining compliance with the property maintenance code and other applicable codes, issuing rental housing licenses, determining whether any condition exists that renders a building an unsafe building, and investigating complaints filed by

any person to the effect that a building or property is or may be in violation of the terms of this title.

Consumer Price Index or CPI-U: The Consumer Price Index, All Urban Consumers, DC-MD-VA-WV, All Items, November 1996 = 100 (“CPI-U”) or any replacement or successor index.

Defective Tenancy: Any condition in a rental facility that constitutes a violation of the terms of the lease, City Code Chapter 6.16 Landlord-Tenant Relations, or City Code Chapter 6.12 Property Maintenance Code.

Department: The City of Takoma Park, Maryland’s Department of Housing and Community Development.

Domestic Partners: Persons who are registered as domestic partners with the City.

Family Member of an Owner: A family member of an owner includes any of the following:

1. An owner’s spouse or domestic partner;
2. An owner’s former spouse or former domestic partner;
3. An owner’s parents, grandparents, children, grandchildren, siblings, aunts, uncles, nieces and nephews;
4. An owner’s spouse or domestic partner’s parents, grandparents, children, grandchildren, siblings, aunts, uncles, nieces and nephews.

Judgment Rate of Interest: The interest rate set forth in accordance with Section 11-107(a) and (b) of the Courts and Judicial Proceedings Article of the Annotated Code of Maryland, as amended.

Landlord: Any person who is the owner, the owner’s agent, or a lessor or a sub lessor of the rental unit or rental facility and, in addition, shall mean any person authorized to exercise any aspect of the management of the rental facility, except those persons engaged solely in custodial and maintenance functions.

Lease: Any agreement, whether written or oral, that establishes or modifies the terms, conditions, rules, regulations or any other provisions concerning the use and occupancy of a rental unit or a rental facility.

Limited Equity Housing Cooperative: A cooperative housing corporation, either domestic or foreign, qualified in the State of Maryland, either stock or nonstock, in which each shareholder or member has a cooperative interest in the corporation and in which the appreciation of share values or membership interests is limited to the annual rate of inflation or other comparable index.

Nonresidential Structure: Any structure or portion of a building, structure, or premises not

intended for use for residential purposes such as a commercial business, garage or shed.

Occupant: Any person who, lawfully or unlawfully, is living, sleeping, cooking, eating in or in actual possession of a building. An occupant shall include a tenant, an owner and a family member of an owner.

Owner: Any person, agent, operator, firm or corporation having a legal or equitable interest in a property; or recorded in the official records of the state or county as holding title to a property; or otherwise having charge, care or control of the property, including the guardian, executor or administrator of the estate of any such person, and the trustee of the estate of such person if ordered to take possession of real property by a court personal representative, executor, administrator, trustee, guardian, or conservator of the estate of the owner.

Owner-occupied Group House: A single family dwelling occupied by the owner as his or her principal residence or a family member of the owner and by one or more other non-related individuals who have an obligation to pay rent, utilities or provide other consideration to the owner for such accommodations. Occupants share cooking and sanitation facilities and common living areas. Occupants of Owner Occupied Group Houses are not considered Tenants for purposes of this Chapter.

Party: The landlord, tenant or tenant association in a Commission complaint or the landlord filing a petition, and any tenant whose rent is proposed to be increased in a rent increase petition.

Person: An individual, corporation, limited liability company, partnership, limited partnership, limited liability partnership, trust, association, organization, or any other legal entity acting as a unit.

Petition: A request by a landlord for a fair return rent increase above the rent stabilization allowance.

Premises: A lot, plot or parcel of land, easement or public right of way, including any buildings and structures thereon.

Rent: The consideration, including any bonus, benefit, or gratuity, demanded or received per day, week, month, year, or other period of time as the case may be, for the use or occupancy of housing accommodations or the transfer of a lease for such accommodations. Rent includes any charge to a tenant under a rent-to-own agreement if the tenant's acceptance of the agreement is mandatory or if the tenant is not entitled to a refund of the charge if the tenant does not purchase the unit.

Rental Facility or Residential Rental Structure: Any building or group of buildings operated as one entity in which the landlord provides one or more rental units to a tenant for rent or other compensation. A rental facility does not include the following:

1. Hospitals, nursing homes, convalescent homes, hospices, and other health care facilities;
2. Religious facilities such as churches, synagogues, parsonages, rectories, convents and parish homes;
3. Transient facilities such as hotels, motels, tourist homes, bed and breakfast facilities;
4. School dormitories; and
5. Owner occupied group houses.

Rental Unit: An apartment, single-family house, accessory apartment or condominium unit that is occupied or is intended to be occupied by one or more tenants.

Rents Analyst: The Rents Analyst for the Commission, whose duties include reviewing Fair Return petitions and issuing preliminary administrative decisions.

Rent Stabilization Allowance: The percentage by which the rent for a rental unit may be increased on or after 12 full months from the effective date of the last rent increase for that rental unit.

Sale: The transfer of a legal or equitable ownership interest in a rental facility. Sale does not include a transfer of the a rental facility by will, trust, intestate succession, gift, or deed in lieu of foreclosure, or a trade of the rental facility for other real or personal property. Sale does not include a transfer of title to a rental facility to a trust, limited liability Company, or other entity of which the transferor is a primary beneficiary. Sale also does not include a transfer of a rental facility to a subsidiary, affiliate or related entity provided the owner, general partner or managing member of the transferor retains a controlling interest in the transferee entity. Consideration for a sale may include money, transfers of other valuable assets, and the giving or assuming a promissory note or other financial obligation. For rental facilities owned by a corporation, the term "sale" includes the transfer, within a 12-month period, of a majority of the outstanding shares of stock in the corporation. For rental facilities owned by any other business entity, the term "sale" means the transfer, within a 12-month period, of a majority interest in the business entity. The term "sale" also means the leasing of the entire rental facility for a period of more than 7 years to one lessee, which includes a person or business entity such as a corporation, limited liability company, limited partnership, or joint venture that has a legal or equitable interest in the rental facility.

Security Deposit: Payment of money, including a pet deposit and payment of the last month's rent in advance of the time it is due, given to a landlord by a tenant in order to protect the landlord against nonpayment of rent, damage due to breach of lease, or damage to the leased premises, common areas, major appliances, and furnishings.

Tenant: Any person who occupies a rental unit or rental facility as a residence with the consent of the landlord and has an obligation to pay rent or provide other consideration to the landlord for such accommodations. A tenant does not include an occupant of an owner-occupied group

house, or an employee of the landlord (such as a resident or property manager, nanny, babysitter, au pair or maid).

Tenant Association: An organization of tenants in a specific rental facility that is registered with the City.

6.04.040 Access to multi-unit residential facilities.

A. Definitions. For the purposes of this section, the following words will have the following meanings.

“City employee” means a City employee or an independent contractor acting on behalf of the City. Elected City officials are not City employees for the purposes of this section.

“Controlled access multi-unit residential facility” means a multi-unit residential facility, the common entrances to which are locked, monitored by the owner or manager of the property, or posted, to prohibit entry into the common areas of the facility by persons other than residents and their guests.

“Multi-unit residential facility” means an apartment or condominium building or complex of apartment or condominium buildings.

“Qualified candidate” means a candidate for a City, county, state, or federal elected office that is seeking election to an office that represents the residents of the facility to which the candidate seeks access, and:

1. is seeking election to such office at the next general or special election for that office; and
2. for a candidate for City office, has been nominated in accordance with section 604 of the Takoma Park City Charter; or
3. for a candidate for Montgomery County, Maryland state, or federal office, has filed a Certificate of Candidacy accepted by the applicable Board of Elections.

B. It is unlawful for a person, either directly or indirectly, to deny access to a multi-unit residential facility to the following individuals:

1. A qualified candidate;
2. Campaign volunteers accompanying a qualified candidate into a building when the candidate is present in the building; and
3. City employees.

C. For qualified candidates and accompanying campaign volunteers, access to a facility under this section is required only for the purposes of campaigning for the candidate or

registering voters and only during the 90-day period preceding the next primary, special, or general election for the office sought by the candidate.

D. For City employees, access to a facility under this section is only required for the purposes of collecting information to facilitate the enforcement of City laws, notifying residents of their rights and duties with respect to housing and landlord-matters under City, county, and state law, or promoting the formation of tenant associations in accordance with section 6.16.030 of the Takoma Park Code.

E. Candidates to provide notice to residents. Before entering a controlled-access multi-unit residential facility pursuant to this section, candidates must provide 24 hours' notice to the residents, unless the owner, manager, or tenant association of the building elects to post the required notice on behalf of the candidate. Such notice shall be provided by posting, on each exterior entrance to any multi-unit building, a written notice on a form provided by the City that includes the following information:

1. the name of the candidate;
2. the elective office for which the candidate is running; and
3. the date and hours that the candidate will be present at the facility.

F. Distribution of materials. Qualified candidates and their accompanying campaign volunteers must be permitted to leave campaign materials, and City employees must be permitted to leave notices, surveys, correspondence, and other materials at the doors to residents' units. Materials must be left in an orderly fashion.

G. Attempting to make personal contact with residents. Individuals accessing a facility pursuant to this section may seek to make personal contact with residents by speaking with residents in a common area of the facility or, unless excluded by a resident under paragraph (3) of this subsection, by knocking on the door or ringing the doorbell of the residents' units.

1. When a resident contacted in a common area indicates that he or she does not wish to speak with the individual, the individual immediately must cease attempting to speak with the resident.
2. Exclusion of candidates by residents. Residents of multi-unit residential facilities shall have the right to post a sign provided by the Department on the door to their units that shall prohibit candidates and their campaign volunteers from attempting to make personal contact with them at their units.
 - a. No person other than a resident of the unit or, if the unit is unoccupied, the owner or manager of the facility, may remove or damage such signs.
 - b. Landlords shall be responsible for removing such signs between tenancies.

H. Candidate access to facilities with multiple buildings. For multi-unit residential facilities with multiple buildings, a qualified candidate and accompanying volunteers must be permitted

to access as many buildings as is practicable on a single visit, but access is limited to only one building at a time. If multiple qualified candidates are traveling together, each qualified candidate and that candidate's accompanying volunteers are limited to one building at a time, but all of the candidates and accompanying volunteers traveling together must not be restricted to accessing the same building at the same time.

I. Hours of Access. Persons accessing a multi-unit residential building pursuant to this section may do so only between the hours of 9:00 a.m. and 9:00 p.m.

J. Exceptions. This section does not prohibit:

1. A resident from denying the admittance of any person into their unit;
2. Requiring reasonable and proper identification as a necessary prerequisite to admission to a multi-unit residential building;
3. Denial of permission to visit a resident's unit for valid health reasons;
4. A property owner or manager from limiting visits to a reasonable number of persons and reasonable hours;
5. Requiring a prior appointment to grant a qualified candidate and his or her campaign volunteers access to a controlled access multi-unit residential facility, provided that appointments be scheduled with reasonable promptness and at times when most residents are reasonably likely to be home; or
6. Denial of admittance to an individual qualified candidate and that candidate's volunteers or expulsion of an individual qualified candidate and that candidate's volunteers from a multi-unit residential facility for good cause based on the conduct of the candidate or his or her volunteers, including, but not limited to, unreasonable disturbance of residents, engaging in activities that do not further the permissible purposes set forth in subsection (C) of this section, failure to distribute materials in an orderly fashion, criminal conduct, failure to provide proof of identification upon request by an agent of the property owner or manager or a resident, failure to make or adhere to an appointment, and entering or remaining in a building between the hours of 9:00 p.m. and 9:00 a.m.

K. The Department shall have the authority to promulgate regulations implementing the provisions of this section.

L. A qualified candidate or a resident, owner, or manager of a multi-unit residential facility aggrieved by a violation of this section may file a civil action in a court of competent jurisdiction seeking temporary and permanent injunctive relief and any other available legal or equitable remedy.

Chapter 6.08
RENTAL HOUSING LICENSES
AND OWNER OCCUPIED GROUP HOUSE REGISTRATIONS

Sections:

- 6.08.010 Purpose and policy.
- 6.08.020 License required.
- 6.08.030 License fees.
- 6.08.040 License applications
- 6.08.050 License information changes—Transferability of license.
- 6.08.060 Display of license.
- 6.08.070 Inspections.
- 6.08.080 License denial, suspension or revocation.
- 6.08.090 Appeals from license denial, suspension or revocation.
- 6.08.100 Reinstatement of license.
- 6.08.110 Owner Occupied Group House application and registration

6.08.010 Purpose and policy.

There are numerous dwelling units in the City that are rented, leased, or otherwise let to persons other than the owners of the dwelling unit. The City Council has the gravest responsibility for the protection of the health, safety, and welfare of all of the citizens of the City and of the occupants of these premises. It is declared to be the policy of the City that rental facilities and premises in the City shall be licensed and regulated in such a manner as to ensure the protection of the health, welfare, and safety of those persons residing in or visiting such premises, and that such licensing and regulation shall be as set forth in this chapter.

6.08.020 License required.

A. Rental Housing License. The legal owner of record of a rental facility shall obtain a rental housing license before operating a building or dwelling as rental housing.

1. The rental housing license shall contain the name, street address, email address, telephone number and emergency contact information for the property owner and property manager or agent authorized to act for the owner on all matters relating to the rental facility. The rental housing license also shall specify the exact location of the rental facility for which the license is issued. If the property owner is a corporation, limited liability company, or other entity, the entity must be properly qualified to do business in Maryland under state law. All corporate, limited liability company, or other entity property owners and all non-Maryland resident property owners shall certify to the City the name, street address, email address and telephone number of an agent who resides in Maryland and is qualified to accept notices and service of process on behalf of the property owner and must keep such information current. Property owners and all property

managers or agents who are authorized to act on behalf of the property owner on emergency matters relating to the rental facility shall provide the City with emergency contact information and shall keep such information current.

2. The following types of rental housing licenses shall be issued:

a. Annual Rental Housing Licenses. Annual Rental Housing Licenses shall be issued for a term of one calendar year expiring on December 31 of the calendar year.

b. Biennial Rental Housing Licenses. If the rental facility is well-maintained a Biennial Rental Housing License may be issued for a term of two calendar years, expiring on December 31 of the second calendar year.

i. To be eligible for a Biennial Rental Housing License, no more than five minor violations of Takoma Park Code, Chapter 6.12 - Property Maintenance Code may exist in the rental facility at the time of the licensing inspection and all violations identified by the code official must be corrected by the established abatement date. Examples of minor violations include, but are not limited to, small wall cracks, slow faucet leaks, and defective bathtub caulking.

ii. A Biennial Rental Housing License shall not be issued if three or more valid complaints about the condition of the rental facility or any rental unit are filed with the City during the prior license term; serious violations of Takoma Park Code, Chapter 6.12 - Property Maintenance Code are identified by the code official in the rental facility or any rental unit during prior license term; the property owner or property manager of the rental facility fails to respond to valid maintenance requests in a timely manner; or the code official determines that there is other good cause for declaring a rental facility to be ineligible for a Biennial Rental Housing License.

c. Temporary Rental Housing Licenses.

i. A temporary rental housing license may be issued for a newly constructed or partially renovated rental facility that is to be occupied and the property owner has obtained a certificate of occupancy or certification from Montgomery County Department of Housing and Community Affairs confirming that the individual rental units meet all life safety codes and complied with all other applicable laws. A temporary rental license shall be issued for a six month term, expiring on June 30 and December 31 of the calendar year.

ii. A temporary rental license may be renewed if the property owner has shown good cause why the construction, repairs or renovations to the rental housing facility have not been completed.

iii. All requirements of this chapter for issuance of an Annual or Biennial Rental Housing License shall apply to the issuance of a temporary rental license except that the rental facility shall not be required to have passed a licensing inspection for compliance with Takoma Park Code, Chapter 6.12 - Property Maintenance Code.

B. Exemptions. The following shall not require a rental housing license:

1. Government buildings (for example, City, County, M-NC PPC, school, State, Federal, or post office);
2. Hospitals, nursing homes, convalescent homes, hospices, and other health care facilities and residences;
3. Churches, synagogues, parsonages, rectories, convent and parish houses, and other religious facilities;
4. Portions of residential buildings used for home occupations or home day care;
5. Hotels, motels, tourist homes, and bed and breakfast facilities;
6. Private schools and colleges and school dormitories.

6.08.030 License fees.

A. Each owner of a rental facility shall pay an annual rental housing license fee per rental unit in the rental facility for an Annual Rental Housing License, a biennial rental housing license fee per rental unit in the rental facility for a Biennial Rental Housing License or a six-month rental housing license fee per rental unit for a Temporary Rental Housing License.

B. Rental housing license fees shall be due and payable 30 calendar days after billing. License fees are nonrefundable and are not prorated in the event that a license is issued after January 1 of a calendar year or the number of rental units in a rental facility decreases during a calendar year.

C. License fee increases.

1. Effective on January 1 of each year all license fees shall increase by an amount equal to the percent change in the Consumer Price Index ("CPI-U"), or any successor or replacement to this CPI, rounded to the nearest dollar. All annual computations shall be based on the prior non-rounded figures; only the fee charged shall be rounded. The percent change in the CPI-U shall be computed for the 12-month period ending in September of each year from the average CPI-U for the 12-month period ending in September of the previous year. If there is no increase in the CPI-U, then the license fee shall remain the same.

2. Fees shall not be increased for the holder of a license during the time that license is valid, but nothing contained herein shall be construed to limit the amount of any fee due and payable at the time of renewal or reinstatement. If the number of rental units in a rental facility increases during the license term over the number specified in the application, then, within 15 calendar days of such increase, the license application shall be amended and any additional amount of license fee required by reason of such increase shall be paid.

D. Penalty for late payment of fees. The license fee shall be subject to a 2% penalty per month, or any portion thereof, beyond the date the fee is due and payable.

6.08.040 License applications.

A. Application for a new rental housing license or the renewal of an existing rental housing license shall be made by or on behalf of the property owner on a form provided by the City containing such information as necessary to administer and enforce the provisions of this chapter.

B. Applications for rental housing licenses for previously unlicensed rental housing facilities shall be submitted prior to an announcement of the availability of the rental facility or occupancy of the rental facility.

C. Applications for the renewal of an existing rental housing license shall be submitted prior to the expiration of the existing rental housing license issued for the rental facility.

6.08.050 License requirements.

A. Prior to the issuance of a new rental housing license or the renewal of an existing rental housing license, the following criteria shall have been met:

1. License application form must be completed in its entirety and submitted to the City by the established deadline.

2. All rental housing license fees, fines and late payment charges related to the rental housing license and due to the City must be paid in full.

3. The property owner or the management agent must have a valid Takoma Park Landlord Certification. Certification must be renewed every three years or upon a change in the ownership or management of the rental housing, whichever occurs earlier.

4. The license applicant has complied with all applicable provisions of Annotated Code of Maryland, Title 6, Subtitle 8, Reduction of Lead Risk in Housing, as amended, or has submitted evidence that the rental facility is not subject to the provisions of that

subtitle.

5. Licensing inspections.

a) Currently licensed rental facilities. Before the expiration of the license term, all interior and exterior areas of the rental facility and each rental unit of the rental facility shall be inspected by the City or its agent for compliance with Takoma Park Code, Chapter 6.12 - Property Maintenance Code (“licensing inspection”) and there must be no uncorrected violations of the Code.

b) New rental facilities. Before a rental housing license shall be issued for the initial rental of a rental facility or any rental unit, all interior and exterior areas of the rental facility and each rental unit of the rental facility shall be inspected by the City or its agent for compliance with Takoma Park Code, Chapter 6.12 - Property Maintenance Code and there must be no uncorrected violations of the Code.

6.08.060 License changes - Transferability of license.

A. The applicant for or the holder of a rental housing license shall notify the City in writing within 15 calendar days of any transfer of ownership of the rental facility or change in the street address, telephone number and email address of the property owner and any change in assigned property manager or agent or designated emergency contact authorized to act for the owner on matters relating to the rental facility. The City may reject an application or suspend or revoke a license if the applicant or licensee does not notify the City as required by this section.

B. Any person who takes over the ownership or operation of a licensed rental facility or may transfer the license for the unexpired portion of the term for which the license was issued by applying to the City within 15 calendar days after taking ownership of the rental facility or assuming responsibility for the management or operation of the rental facility and paying a license transfer fee of \$75.00.

C. Whenever the ownership of a rental facility is transferred, the transferee shall promptly notify all tenants of the rental facility of the name, street address, email address and telephone number of the transferee and of any property manager, agent or emergency contact authorized to act for the transferee on matters relating to the rental facility.

6.08.070 Display of license.

The owner of a rental facility shall display the rental housing license in a common area in each rental facility during the entire period the rental housing license is effective. If the rental facility does not have an appropriate public place on the premises for display of the rental housing license, then a copy of the rental housing license shall be available from the owner or the owner’s agent upon request.

6.08.080 Inspections.

A. In addition to the licensing inspection required pursuant to Section 6.08.050 – License requirement, the City or its agent may inspect a rental facility or rental unit at any time or times if the City or its agent receives a complaint or has reasonable grounds to believe that the rental facility or rental unit does not comply with Takoma Park Code, Chapter 6.12 - Property Maintenance Code and all applicable laws (“complaint inspection”).

B. As a condition of receiving and maintaining a rental housing license under this chapter, a property owner must agree to:

1. Allow access to the City or its agent for any inspections required under this Chapter; and

2. Provide written notice of the intent of the City or its agent to inspect the rental unit in accordance with the provisions of Takoma Park Code, Chapter 6.16.110 – Entry to any affected tenant of the rental facility of the intent of the City or its agent to inspect the rental unit.

C. If an inspection indicates that any rental facility or rental unit does not comply with Takoma Park Code, Chapter 6.12 - Property Maintenance Code and all applicable laws, the City may deny, suspend or revoke the license or proceed with enforcement under applicable provisions of law.

6.08.090 License denial, suspension or revocation.

A. The City Manager may deny, suspend or revoke a rental housing license for all or any unit or part of any rental facility at any time if the property owner or agent of the property, after 15 calendar days written notice, does not eliminate or initiate bona fide efforts to eliminate violations of Takoma Park Code Title 6, Housing, or other applicable laws. Revocation, denial or suspension of a license is in addition to, and not a substitute for, any other penalties provided for the violations.

B. Upon making a determination that a license should be denied, suspended or revoked, or that any application, including an application for license issuance or license renewal, should be denied, the City Manager shall issue a written notice of the action setting forth the specific reasons for the action and serve the notice on the property owner or agent of the property as provided in Takoma Park Code Sections 1.04.120(C) and (D).

C. A license may be suspended immediately upon written notice to the property owner or agent of the property if the City Manager determines that there are violations of Takoma Park Code, Chapter 6.12 - Property Maintenance Code or other applicable law in the rental facility or in any rental unit which pose a serious threat to the life, safety, property, or health of the tenants

of the rental facility (“serious violations”).

D. When a rental housing license has been suspended or revoked or an application for a rental housing license has been denied, it shall be unlawful for the property owner of the rental facility to rent, lease, let for occupancy, or use any rental unit or space in the premises then vacant or becoming vacant until a rental housing license has been issued, reissued or reinstated.

E. Upon the denial, suspension, revocation or expiration of a rental housing license, notice, provided by the City, shall be posted and prominently displayed in the rental or management office of the rental facility, on the door of the affected rental unit or units, or in a public place on the premises, as the City Manager determines. The notice shall state substantially as follows:

RENTAL OR OCCUPANCY OF ANY UNIT IN THIS BUILDING NOW
VACANT OR BECOMING VACANT AFTER THE DATE OF THIS NOTICE
IS UNLAWFUL UNTIL A RENTAL HOUSING LICENSE HAS BEEN
OBTAINED FROM THE CITY OF TAKOMA PARK AND IS DISPLAYED
ON THE PREMISES.

Date of Notice: _____.

It is unlawful for any person to remove such notice until a license has been obtained or reinstated.

F. If a rental housing license is denied, revoked or suspended and the City Manager determines that there are serious violations of Takoma Park Code, Chapter 6.12 - Property Maintenance Code or other applicable law in the rental facility or in any rental unit, then the City Manager shall require the property owner, property manager or agent to give any tenants occupying the affected rental facility or the affected rental unit or units two months written notice to vacate. The two month notice must begin on the first day of the month after service of the notice on the tenant. In addition, a copy of the notice must be delivered to the City Manager. It is unlawful for any property owner, property manager or agent to penalize any tenant who vacates a rental unit under this provision prior to the expiration of the two months written notice to vacate by charging the tenant rent for any period after the tenant vacates the rental unit or by other fees, penalties, or deductions from the tenant’s security deposit.

6.08.100 Appeals from license denial, suspension or revocation.

A. Any owner or agent of a rental facility aggrieved by an action of the City Manager under the provisions of Section 6.08.090 herein may, within 15 calendar days after service of the written notice of the action, appeal the action to the Commission on Landlord-Tenant Affairs by filing a written notice of appeal with the Commission. An appeal does not stay the City Manager’s action unless the Commission stays the action for good cause.

B. Within 30 calendar days after a notice of appeal is filed, the Commission shall conduct a

hearing, at which the owner or agent aggrieved shall have an opportunity to be heard. The Commission may summon all witness it deems necessary and/or require the production of relevant documents and records. Failure to comply with the summons is a violation of this chapter.

C. Commission hearings shall be conducted in accordance with the procedures set forth in Chapter 6.24, Commission on Landlord-Tenant Affairs, and the Commission's regulations and rules of procedure, as applicable.

D. Within 30 calendar days after the hearing, the Commission shall reverse, modify or affirm the action appealed. The Commission shall issue its opinion and order in writing and provide a copy to the owner or agent aggrieved. The Commission may extend the time for any hearing and the issuance of its opinion and order.

E. Any person aggrieved by the opinion and order of the Commission may appeal to the Circuit Court for Montgomery County within 30 days from the date of the Commission's opinion and order. The procedures for an appeal of a Commission opinion and order shall be governed by Title 7, Chapter 200 (Judicial Review of Administrative Agency Decisions), of the Maryland Rules, as amended. An appeal does not stay enforcement of the Commission's opinion and order unless the court grants a stay.

6.08.110 Reinstatement of license.

A rental housing license that has been denied, suspended or revoked shall be issued or reinstated upon a showing that the conditions and violations which led to the denial, suspension or revocation have been corrected and upon the payment of any license or other fees then due. In the case of a license suspension or revocation, a reinstatement fee of \$250.00 also shall be paid.

6.08.120 Owner Occupied Group House - Application and registration.

A. Owner Occupied Group Houses must be registered with the City on or before June 30, 2014 or within 30 calendar days of operating the facility as a group house.

B. Application for a new Certificate of Registration or the renewal of an existing registration shall be made by the owner occupant on a form provided by the City containing such information as necessary to administer and enforce the provisions of this chapter.

C. Upon receipt of an application for registration and a \$50 registration fee, the City shall inspect the property to verify that no serious life safety code violations exist prior to the issuance of a Certificate of Registration. Examples of serious life safety violations include, but are not limited to, lack of egress from sleeping rooms, inoperative smoke detectors, and the lack of essential utilities such as heat, water and operable sanitary facilities. The owner

occupant will be given a reasonable opportunity to make required corrections. All identified life safety code violations must be corrected by the established reinspection date set by the code official.

D. A Certificate of Registration will be issued to the owner occupant upon verification that identified life safety code violations have been corrected.

E. The Certificate of Registration shall remain valid for a term of three calendar years, expiring on December 31 of the third calendar year.

F. All provisions contained in this section shall expire on June 30, 2016, and shall be of no effect thereafter.

Chapter 6.12 PROPERTY MAINTENANCE CODE

Sections:

- 6.12.010 Property Maintenance Code—Administration.
- 6.12.020 Adoption of Property Maintenance Code.
- 6.12.030 Property Maintenance Code—Amendments to Chapter 26, Housing and Building Standards, of the Montgomery County Code.
- 6.12.040 Property Maintenance Code—Deletions from Chapter 26, Housing and Building Standards, of the Montgomery County Code.
- 6.12.050 Property Maintenance Code—Motor vehicles.
- 6.12.060 Property Maintenance Code—Premises identification.
- 6.12.070 Property Maintenance Code—Graffiti.

6.12.010 Property Maintenance Code - Administration.

A. Title. This chapter shall be known as the Property Maintenance Code of the City of Takoma Park, hereinafter referred to as “this code” or as “Property Maintenance Code.”

B. Scope. The provisions of the Property Maintenance Code shall apply to the exterior of all existing residential and nonresidential structures, to all premises and appurtenances of such residential and nonresidential structures, and to vacant land. The provisions of this code shall also apply to the interior and exterior of all residential rental structures and all nonresidential structures which are required to be licensed and inspected by the City and all existing premises and to all premises and appurtenances of such residential structures. These code provisions constitute minimum requirements and standards for premises, structures, equipment, and facilities for light, ventilation, space, heating, sanitation, protection from the elements, life safety, safety from fire and other hazards, and for safe and sanitary maintenance; the

responsibility of owners, operators and occupants; the occupancy of existing structures and premises, and for administration, enforcement, and penalties.

C. Code enforcement officers. The City Manager is authorized to designate employees, contractors or agents of the City to administer and enforce the provisions of the Property Maintenance Code. The persons so authorized shall be known as Code Officials or Code Enforcement Officers.

D. Restriction of employees. An employee, contractor or agent of the City who is responsible for the enforcement of any provision of the Property Maintenance Code shall not own or manage rental residential property or nonresidential property within the City and shall not be engaged in, or directly or indirectly connected with, the furnishing of labor, materials or appliances for the construction, alteration or maintenance of a building within the City, or in the preparation of construction documents thereof. No employee, contractor or agent of the City shall engage in any work that conflicts with his or her enforcement of any provision of the Property Maintenance Code.

6.12.020 Adoption of Property Maintenance Code.

The provisions of Chapter 26, Housing and Building Maintenance Standards, of the Montgomery County Code, as amended from time to time, are adopted as the Property Maintenance Code of the City of Takoma Park, Maryland.

6.12.030 Property Maintenance Code - Amendments to Chapter 26, Housing and Building Standards, of the Montgomery County Code.

A. The word "County" in Section 26-1, Purpose, is amended to read "City."

B. The definitions set forth in Section 26-2, Definitions, are amended as follows:

Chief Administrative Officer or CAO: The Chief Administrative Officer or the CAO's designee and the City Manager of the City of Takoma Park or the City Manager's designee.

Director: The Director of the Department of Housing and Community Affairs, or the Director's designee and the City Manager of the City of Takoma Park or the City Manager's designee.

Enforcing Agency:

- (a) the Department of Housing and Community Affairs;
- (b) any other agency of County government which the Chief Administrative Officer assigns to enforce this Chapter;
- (c) the City of Takoma Park; or

(d) any employee, agency or department of the City government or any City contractor or agent which the City Manager assigns to enforce the Property Maintenance Code or any provision thereof.

6.12.040 Property Maintenance Code - Deletions from Chapter 26, Housing and Building Standards, of the Montgomery County Code.

The following sections of Chapter 26, Housing and Building Standards, of the Montgomery County Code, are hereby deleted:

Section 26-3. Applicability; exemptions.

Section 26-4. Compliance with other laws, subsection (a) Other County laws apply.

Section 26-16. Penalty for violation of Chapter.

6.12.050 Property Maintenance Code - Motor vehicles.

A. No inoperative, immobile, or severely damaged or unlicensed motor vehicle or transport vehicle designed to be towed such as a utility or boat trailer shall be parked, kept or stored on any premises, and no vehicle shall at any time be in a state of major disassembly, disrepair, or in the process of being stripped or dismantled. A license plate with current expiration tags or a temporary registration placard must be displayed on the motor vehicle at all times.

B. Parking of motor vehicles and transport vehicles shall be limited to surfaced parking areas, driveways, and designated parking structures such as garages and carports. A surfaced area is land where the natural surface has been altered by gravel, stone, brick, concrete, asphalt, or any other material that facilitates the parking of a motor vehicle.

6.12.060 Property Maintenance Code - Premises identification.

Buildings shall display Arabic numbers designating assigned street address. Address displays must be posted on a contrasting background and displayed in a conspicuous place that is unobstructed and clearly readable from the street.

6.12.070 Property Maintenance Code—Graffiti.

A. Purpose and intent. Graffiti on public and private property is a public nuisance and a blighting factor which deteriorates property and depreciates the value of the affected property, as well as the adjacent and surrounding properties. The Council intends, through adoption of this section, to help prevent the spread of graffiti vandalism, to require the removal of graffiti, and to provide additional enforcement tools to protect public and private property from acts of graffiti vandalism and defacement.

B. Graffiti defined. "Graffiti" means any inscription, mark, word, figure, painting or other defacement that is written, marked, etched, scratched, sprayed, drawn, painted, or engraved on or

otherwise applied to any surface of public or private property without the authorization of the owner of the property.

C. Prohibition of graffiti. It is unlawful for any person to apply graffiti to any natural or manmade surface on any public property or, without the permission of the owner, on any private property.

D. Removal of graffiti by perpetrator. Any person applying graffiti on public or private property shall remove or effectively obscure the graffiti within 24 hours after notice by the City or private owner of the property involved. Any person applying graffiti shall be responsible for the removal or for payment of cost of removal of the graffiti. Failure of any person to remove graffiti or pay for the removal shall be a violation of this section. Where graffiti is applied by a minor, the minor's parents or legal guardian shall also be responsible for the removal of the graffiti or for payment of the cost of the removal.

E. Removal of graffiti by property owner or City. If the graffiti is not removed or effectively obscured by the perpetrator according to subsection (D) of this section, the graffiti shall be removed pursuant to the following provisions:

1. Property owner responsibility. It is unlawful for any person owning property, acting as manager or agent for the owner of property, or in possession or control of property (hereinafter "responsible party") to fail to remove or effectively obscure any graffiti upon such property.

2. Notice. Whenever the City becomes aware of the existence of graffiti on any property, the City shall give written notice to the property owner or responsible party to remove or effectively obscure such graffiti within seven calendar days from the date of service of the written notice. The form and method of service of the notice of violation shall be as set forth in the Property Maintenance Code, Section 26-12 (Notice of violation; order to comply) of the Montgomery County Code.

3. Right of City to remove.

- a. Right of entry on private property. Prior to entering upon private property or property owned by a public entity other than the City for the purpose of graffiti removal, the City shall attempt to secure the consent of the property owner or responsible party and a release of the City from liability for property damage or personal injury. If the graffiti is not removed within the time specified in subsection (E)(2) of this section or any extension of time granted by the City for good cause shown, or if the City has requested consent to remove or effectively obscure the graffiti and the property owner or responsible party has refused consent for entry on terms acceptable to the City or has failed to respond to the request for entry, then the City shall commence proceedings for the graffiti removal according to the provisions specified below.

b. The City Manager, or the designee of the City Manager, serving as the Hearing Officer, shall provide the property owner whose name appears in the tax records and the responsible party, if a person different from the owner, not less than 48 hour notice of the City's intent to hold a due process hearing at which the property owner or responsible party shall be entitled to present evidence and argue that the property does not constitute a public nuisance. Notice of the due process hearing shall be served as set forth in the Property Maintenance Code, Section 26-12 (Notice of violation; order to comply), subsection (d), of the Montgomery County Code.

c. Determination of hearing officer. The determination of the Hearing Officer after the due process hearing shall be final and not appealable. If, after the due process hearing, regardless of the attendance of the property owner or responsible party, the Hearing Officer determines that the property contains graffiti viewable from a public or quasi-public place, the Hearing Officer shall give written notice that, unless the graffiti is removed within one week, the City shall enter upon the property and remove or cause the graffiti to be removed or effectively obscured and charge the property owner or responsible party for the expenses incurred by the City in such graffiti removal.

d. Payment of removal costs—Lien. The City shall send a bill for the cost of the graffiti removal to property owner or responsible party. If all or any portion of the bill remains unpaid after 30 calendar days, then the cost shall be a lien against the property which may be collected and enforced in the same manner as are taxes, special assessments and other liens on real property or collected as provided for in Section 6.40.020.

F. Exemption. This section shall not be construed to prohibit temporary, easily removable chalk or other water soluble markings on public or private sidewalks, streets or other paved surfaces which are used in connection with traditional children's activities, such as hopscotch and the like, nor temporary, easily removable chalk or water soluble markings used in connection with any lawful business or public purpose or any City-approved public art project or activity.

Chapter 6.16 LANDLORD-TENANT RELATIONS

Sections:

- 6.16.010 Legislative findings.
- 6.16.020 Applicability.
- 6.16.030 Tenant rights of association.
- 6.16.040 Obligations of tenants.
- 6.16.050 Obligations of landlords.

- 6.16.060 Lease requirements.
- 6.16.070 Lease term and renewal requirements.
- 6.16.080 Rent Increases - Frequency and notification requirements.
- 6.16.090 Fees - General provision, permitted fees, optional fees, prohibited fees.
- 6.16.100 Utilities - Charges to tenant and transfer of utility payments.
- 6.16.110 Entry.
- 6.16.120 Notice to vacate.
- 6.16.130 Security deposits.
- 6.16.140 Defective tenancy.
- 6.16.150 Retaliatory practices.
- 6.16.160 Department investigation and conciliation.
- 6.16.170 Landlord-tenant complaints.

6.16.010 Legislative findings.

The Council of the City finds that there is often unequal bargaining power between landlords and tenants, that the common law principles pursuant to which leases are interpreted as grants of right or possession rather than mutual and dependent covenants evolved in an agricultural setting and are ill-suited to the modern residential setting of this urban City, and that in order to facilitate fair and equitable arrangements to foster the development and preservation of housing that will meet the necessary minimum standards of the present day and promote the health, safety and welfare of the people, it is necessary and appropriate that the City define minimum respective rights and duties of landlords and tenants and provide mechanisms for the resolution of disputes between landlords and tenants.

6.16.020 Applicability.

To the maximum extent permissible by the Constitution and laws of the United States and the Constitution and laws of the State of Maryland, this chapter shall determine and regulate legal rights, remedies and obligations of the parties and beneficiaries of any lease concerning any rental unit within this City, wherever executed. Any lease shall be unenforceable to the extent that it conflicts with any provision of this chapter. Such unenforceability shall not affect other provisions of the lease that can be given effect without such unenforceable provision.

6.16.030 Tenant rights of association.

A. Tenants shall have the right to self-organization; to form, join, meet or assist one another within or without tenant organizations; to meet and confer, by themselves and through representatives of their own choosing, with landlords; and to engage in other activities for the purpose of mutual aid and protection; and further, tenants shall have the right to refrain from any and all such activities.

B. Tenants and tenant associations shall have the right of assembly in meeting rooms and other areas suitable for meetings within a rental facility during reasonable hours and upon

reasonable notice to the landlord for the purpose of conducting tenant organization meetings. The landlord may impose reasonable terms and conditions upon the use of such meeting rooms or common areas.

C. Tenants and tenant associations shall have the right to distribute freely and post in centrally located areas of a rental facility, literature concerning landlord-tenant issues, provided that the literature is properly identified as to its origin.

D. Tenant associations that have registered with the City in accordance with established Administrative Regulation shall have standing to file complaints under any provision of this chapter in a representative capacity on behalf of those tenants who have authorized such representation. Nothing herein shall be construed to permit any tenant's organization to represent any tenant or class of tenants unless specifically authorized in writing to do so.

6.16.040 Obligations of tenants.

All tenants, members of the tenant's household, housemates, and any person on the premises with a tenant's permission shall:

A. Comply with all lawful terms and conditions of the lease and all written rules established by the landlord and provided to the tenant;

B. Keep that part of the rental facility that the tenant occupies and uses as clean, sanitary and safe as conditions permit;

C. Dispose of all rubbish, garbage, recyclables as required and other organic and flammable waste from the rental unit in a clean and sanitary manner;

D. Use and operate all gas, electrical and plumbing equipment, appliances and fixtures properly;

E. Keep all gas, electrical, and plumbing equipment, appliances and fixtures as clean and sanitary as their condition permits;

F. Not destroy, deface, damage, impair, change or remove any part of the rental unit, rental facility, or its facilities, grounds, equipment or appurtenances;

G. Pay for damages to the rental unit or facility caused by negligence or willful misconduct;

H. Obtain written permission from the landlord prior to the installation of any new or replacement locking mechanism to the rental unit or to any other part of the rental facility over which the tenant has exclusive possession. Provide landlord with keys to the new or replacement lock(s) within seven calendar days of its installation;

- I. Permit any lawful entry into the rental unit in accordance with Section 6.16.110; and
- J. Prepare rental unit in accordance with written instructions provided by the landlord for extermination services, scheduled painting, planned or requested repairs and other maintenance.

6.16.050 Obligations of landlords.

All landlords shall:

- A. Keep all areas of the rental facility, grounds, facilities, equipment and appurtenances in a clean, sanitary and safe condition;
- B. Supply water, hot water and heat as required by the standards prescribed in Takoma Park Code, Chapter 6.12 - Property Maintenance Code;
- C. Provide and maintain all gas, electrical, plumbing, and other facilities and conveniences supplied to the rental facility and rental unit in good working order;
- D. Provide and maintain appropriate and sufficient receptacles and conveniences for the removal of rubbish, garbage, and recyclables and arrange for the frequent removal of such materials from the rental facility;
- E. Post a durable notice of current emergency contact information in an accessible place in a common area in each multi-family rental facility. Notice must include the name(s) and telephone numbers (day 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 web site 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.

The packet shall include the following:

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;
2. Other material designated by the City regarding public services available to residents, existing laws, rules, and regulations, and the City electoral process.

- 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;
 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
 3. 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;
- I. Make and bear the costs of all repairs and arrangements necessary to keep the rental unit in compliance with Takoma Park Code, Chapter 6.12 - Property Maintenance Code; and
- 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 incurred by landlord and photographs of damages and completed repairs. Documentation shall be provided prior to the assessment of the cost of the repairs.

6.16.060 Lease requirements.

All leases shall:

- A. State the monthly rent charged for the rental unit, the amount of any fees for optional services and amenities that may be charged to the tenant in accordance with the provisions of Section 6.16.090 - Fees, and the date the rent is due (“rent due date”);
- B. Require the landlord to provide a written receipt to the tenant for all cash payments and when the tenant requests a receipt or any rent payment or other payment to the landlord. If a tenant requests a written receipt for any payment sent by mail, the tenant shall provide a stamped, self-addressed envelope to the landlord;
- C. State the frequency of permitted rent increases, rent increase notification requirements and rent stabilization status of the rental unit.
 1. For rental units exempted from the restrictions set forth in Takoma Park Code, Chapter 6.20 – Rent Stabilization under Sections 6.20.020(A)(8)-(10) and 6.20.030, the lease shall state that:

- a. That the tenant's rent may be increased only once within a 12-month period; and
 - b. That the landlord shall give the tenant two-months' written notice prior to the effective date of a rent increase, which shall coincide with the rent due date in accordance with Section 6.16.080(B) – Notice of Annual Rent Increases.
2. For rental units subject to the restrictions set forth in Takoma Park Code, Chapter 6.20 – Rent Stabilization, the lease shall state that:
- a. The tenant has the right to examine the rental facility's annual rent stabilization rent reports maintained by the Department;
 - b. The tenant's rent may be increased only once within a 12-month period except as permitted by Takoma Park Code, Section 6.20.080 - Rent increases pursuant to a fair return petition;
 - c. Rent increases are limited to the Annual Rent Stabilization Allowance as set forth in Takoma Park Code, Section 6.20.050(A) – Annual Rent Stabilization Allowance except as permitted by Takoma Park Code, Section 6.20.080 - Rent increases pursuant to a fair return petition; and
 - d. The landlord shall give the tenant two-months' written notice prior to the effective date of a rent increase, which shall coincide with the rent due date, in accordance with Takoma Park Code, Section 6.20.050(C) – Notice of Annual Rent Increases.
- D. Prohibit the transfer of financial responsibility for any utility or the assignment of any utility cost to the tenant without written notice to the tenant and a corresponding reduction in the tenant's monthly rent charge in accordance with 6.16.100 Utilities – Charges to tenant and transfer of utility payments;
- E. Indicate that the security deposit will be deposited and returned in accordance with the provisions of Section 6.16.130 - Security deposits;
- F. Acknowledge the landlord's responsibility to maintain the premises and incorporate by reference the standards of Takoma Park Code, Chapter 6.12 - Property Maintenance Code, as a warranty of habitability;
- G. Establish responsibility for maintenance of the grounds for a single-family rental facility;
- H. Provide for reimbursement to the tenant for damage to the tenant's tangible personal

property caused by the negligence of the landlord or the landlord's agents;

I. Stipulate to written notice of entry requirements set forth in Section 6.16.110 – Entry;

J. Inform the tenant of the right to the use and/or installation of window air conditioning unit(s) under the same terms and conditions afforded prior tenants of the rental unit, except for a reasonable increase in fees consistent with established Administrative Regulations. If a lease does not include the information required by this subsection, then the tenant shall have the right to install a window air-conditioning unit in each sleeping room unless such installation would constitute a violation of any other law, and the landlord shall be responsible for the cost of installing any electrical upgrades necessary to allow use of such air-conditioning units in a manner that is in compliance with Takoma Park Code, Chapter 6.12 - Property Maintenance Code.

K. Entitle the tenant to possession of the leased premises until the lease is terminated by action of the parties in accordance with the provisions set forth in Section 6.16.120 – Notice to vacate or by operation of law;

L. Stipulate to the notice to vacate requirements set forth in Section 6.16.120 – Notice to vacate; and

M. Permit the tenant to terminate the lease upon one month's written notice to the landlord due to an involuntary change of employment requiring relocation from the Washington, D.C., Standard Metropolitan Statistical Area (as defined by the United States Census Bureau), death or involuntary unemployment of a major wage earner, or for any other reasonable cause beyond the tenant's control. Notice to terminate the lease must be submitted to the landlord prior to the rent due date not less than one month from the date the lease is to be terminated.

1. The lease may require the tenant to specify in writing, the cause(s) for the termination and include appropriate evidence thereof.

2. The tenant may be required to pay a reasonable termination charge not to exceed the lesser of one month's rent or the actual monetary damages sustained by the landlord as a result of the termination in addition to rent due and owing through the termination date and during the notice period.

6.16.070 Lease term and renewal requirements.

A. Initial leases. All leases shall be offered for an initial one-year term unless reasonable cause exists for entering into a lease term of less than one year.

1. If an initial lease is for a term of other than one year, the lease or an addendum to the lease shall clearly state that an offer of a one-year lease was made to the prospective tenant and the tenant requested a different term or the landlord's reasonable cause for

offering a lease term of other than one year . This lease provision shall be separately initialed or signed by the landlord and the tenant.

2. The initial lease shall be signed by both the landlord and the tenant and a copy of the executed lease shall be provided to all parties within 14 calendar days of the effective date of the lease.

B. Lease renewals.

1. The landlord shall provide a written notice to the tenant offering an opportunity to renew the initial one-year lease for an additional term of one year. Notice shall be given at least two months prior to the end of the initial lease term unless:

a. The tenant has given the landlord a written notice of intent to vacate the rental unit;

b. The landlord has given the tenant a one-month written notice to vacate the rental unit in accordance with the provisions of Section 6.16.120(A) 1 - Notice to vacate for cause;

c. The landlord has given the tenant a two-month written notice to vacate the rental unit in accordance with the provisions of Section 6.16.120(A)2 - No fault notice to vacate; or

d. The landlord has provided the tenant with written notice at least two months prior to the expiration of the initial lease detailing the landlord's reasonable cause for offering a lease term of less than one year.

“Reasonable cause” shall include those situations in which:

i. it would create a hardship for a landlord to enter in to or renew a one-year lease;

ii. the landlord is selling the rental facility and settlement on the sale is to occur within a one-year period;

iii. the landlord intends to occupy the rental unit or make it available for use by a family member. Any landlord utilizing this provision shall discontinue or modify the rental facility's rental license and not lease the rental unit during the 12-month period beginning on the date of recovery of possession; or

iv. the landlord is making alterations or renovations or is conducting substantial rehabilitation to a rental unit or rental facility that cannot safely

or reasonably be accomplished while the rental unit or rental facility is occupied. Any displaced tenant shall have a right to lease the rental unit upon completion of such work.

2. If a landlord fails to offer the tenant a one-year renewal of the initial lease without stating in writing reasonable cause for offering a term of less than one year, the tenant may extend the term of the initial lease for an additional one year from the end of the initial term by providing written notice to the landlord informing them of their intent to exercise their right to do so. Such notification must be provided to the landlord within two-months of the expiration of the initial lease term.

6.16.080 Rent increases – Frequency and notification requirements

A. The rent for an occupied rental unit may be increased only once within a 12-month period except as permitted by Takoma Park Code Section 6.20.080 - Rent increases pursuant to a fair return petition.

B. A landlord shall not increase or attempt to increase the rent for any occupied rental unit without having first given the tenant two months' written notice prior to the effective date of a rent increase. Notice of a rent increase shall be in the form and manner prescribed by Administrative Regulation.

6.16.090 Fees – General provision, permitted fees, optional fees, prohibited fees.

A. General provisions - Restrictions and disclosure requirements.

1. The provisions of this section apply to all fees assessed to a tenant in addition to the monthly rental charge.

2. Lawful fees shall not be considered a part of the monthly rental charge for the rental unit.

3. Fees shall not be charged for services and amenities previously included in the rent for the rental unit or provided to prior tenants at no cost.

4. Fees shall not be charged for improvements to the rental unit or rental facility or for additional operating expenses incurred by the landlord.

5. Fees may be assessed to the tenant for optional services and amenities such as furnishings, garage parking, off-street parking, internet access, storage, and pets. Tenants shall have the right to refuse optional amenities and services.

a. Prior to the provision of any optional service or amenity by the landlord and the assessment of any fee to the tenant, the tenant must provide written

confirmation that they understand that they have the right to decline the optional service or amenity and that they voluntarily accept the optional service or amenity.

b. Fees for optional services and amenities shall not be assessed to tenants who have refused said services and amenities or provided the landlord with written notice of their intent to discontinue such service or amenity.

c. Tenants may terminate access to accepted services or amenities by the giving a one-month written notice to the landlord.

d. Landlords may terminate a tenant's access to optional services or amenities by giving a one-month written notice to the tenant prior to the termination date.

6. Fees shall be assessed on a uniform basis and shall not exceed maximum fees established by Administrative Regulations.

7. Fees shall be disclosed by the landlord prior to the commencement of the tenant's tenancy. Landlords may increase fees by giving two months' written notice to the tenant prior to the expiration of the tenant's lease term, or, for month-to-month tenants, by giving two months' written notice.

B. Permitted Fees - Leasing fees, late fees and short term lease fees.

1. Leasing fees. Leasing fees shall include, but not be limited to: application fees, key fees, document preparation fees, and credit check fees.

2. Late fees. Late fees shall not be charged if the rent is received within ten calendar days of the rent due date. A late fee shall not exceed 5% of the amount of rent due for the rental period.

3. Short term lease fees. A short term lease fee may be assessed to a tenant who has requested an initial lease of less than twelve months in accordance with the provisions set forth in Section 6.16.070(A) – Initial leases.

a. A short term lease fee shall not be assessed to a tenant when the landlord has offered the tenant an initial lease term of less than twelve months.

b. Short term lease fees shall not be assessed beyond the initial term of the lease.

C. Optional Fees – Pet fees, air conditioning fees.

1. Pet fees. A pet fee may be assessed to the tenant upon the initial occupancy of the rental unit or in the event a pet is obtained following the commencement of the tenancy, when the pet begins to reside in the unit. Nothing in this section shall be construed as requiring landlords to allow pets.

2. Air conditioning fees.

a. The landlord may assess a fee for the rental of an individual window air conditioning unit or units, for the installation or removal of the air conditioning units, and for additional utility consumption. The tenant shall have the option of providing an air conditioning unit upon written approval of the landlord. Such approval shall not be withheld if the tenant provided unit is equivalent in size, configuration and energy efficiency standards to the unit offered for rent by the landlord.

b. Fees for additional utility consumption and use of landlord-provided air conditioning units shall only be assessed during the months of May through September.

D. Prohibited Fees – Extermination services. Fees for routine and emergency extermination services are prohibited at all multi-family rental facilities.

6.16.100 Utilities – Charges to tenant and transfer of utility payments

A. Charges to tenants for basic utilities and services. The cost of basic electricity, gas and water utilities and trash collection services for a rental facility that is not separately metered or sub-metered or billed by the utility or service provider may not be assessed to a tenant except as provided herein.

1. The cost of a basic utility or service may be assessed to a tenant if the utility or service were assessed to prior tenants and charged in addition to the monthly rent for the rental unit.

2. The cost assessed to a tenant shall be for the actual cost of the utility or service. At the request of the tenant, the landlord shall provide the tenant with copies of the applicable bills, invoices or other documentation from the utility or service provider and an explanation of how the fee to the tenant was computed.

B. Transfer of utility payments to tenant.

1. Definitions. "Utility transfer" means the reallocation of financial responsibility for the payment of utility costs from a landlord to the current tenants and, for units subject to rent stabilization, future tenants of a rental facility for which the landlord previously was responsible for the payment of utilities.
2. Utility transfers are prohibited except as permitted by this section.
3. Utility transfers are permitted only for rental facilities in which all of the rental units are separately metered or sub metered to measure the actual utility consumption in each unit.
4. Landlords must reduce the rent for a rental unit to offset the cost of utilities allocated to the current tenants and, for units subject to rent stabilization, future tenants, as a result of a utility transfer for:
 - a. all rental units subject to rent stabilization, regardless of whether they are occupied at the time of the utility transfer; and
 - b. all rental units that are occupied at the time of the utility transfer.
5. Rent reductions to offset the cost of utilities.
 - a. If prior to the utility transfer, the rental units in the rental facility were individually metered, the monthly rent reduction in rent for each unit shall be calculated by multiplying the actual average monthly utility consumption of the unit for the previous 24 months by the actual utility rate at the time of conversion.
 - b. If, prior to the transfer, the rental units in the rental facility were not individually metered, the reduction in monthly rent per unit shall equal the average utility consumption of the rental facility for the previous 24 months, less common area utility expenses, divided by the number of rental units.
 - c. If a landlord determines that the allocation of rent reductions between rental units in accordance with subsection 5(b) of this section would be unreasonable, the rent reductions may be allocated based upon the size of each unit, the number of bedrooms in each unit, and other relevant characteristics of the unit, provided, however, that the total rent reduction must equal the total rent reduction required under subsection 5(b) of this section.
 - d. The landlord must submit the proposed rent reduction allocation, a written explanation of the proposed allocation, and supporting documentation to the Department, and the Department must approve the proposed rent reduction and allocation prior to the utility transfer.

6. Notice requirements.

a. Written notice of the landlord's intent to transfer responsibility for utility payments to an existing tenant shall be provided to the tenant at least three months prior to the effective date of the transfer. Written notice may be delivered to the tenant by any reasonable means, including mailing by U.S. Postal Service, email, or personal delivery. The landlord shall certify in writing to the City, the date and to whom the notice was mailed or delivered, and the names and apartment numbers of each tenant who was given the notice.

b. The notice of the utility transfer must notify the tenant of the corresponding rent reduction for their unit.

c. Leases negotiated during the three-month notice period in subsection (a) of this section shall include a written disclosure of the landlord's intent to transfer responsibility for utility payments to the tenant during the term of the lease, the earliest possible effective date of the transfer, and the rent reduction to which the tenant will be entitled to offset the cost of utilities. Failure to make this disclosure shall be grounds for termination of the lease by the tenant without further liability for rent or utilities after providing written notice to the landlord and vacating the property.

d. At least 14 calendar days prior to the effective date of the transfer, the landlord shall notify the tenant of the effective date of the transfer and provide the tenant with necessary information to establish an individual utility account.

7. The date of transfer of financial responsibility for utilities shall be at the beginning of a rent payment period, unless otherwise agreed upon by the landlord and the tenant.

8. This section shall not be construed to provide a remedy for temporary interruption of service or equipment otherwise maintained by the landlord.

9. The rent reduction resulting from a utility transfer shall be permanent and shall apply to subsequent tenants and shall reduce the banked rent for rent-stabilized units.

6.16.110 Entry.

A. Types of entry.

1. Emergency entry. In the case of an emergency, the landlord or other person authorized by the landlord has a right to enter the rental unit without giving prior notice of intent to enter. The landlord shall make a reasonable effort to contact the tenant

regarding the emergency and of the intent to enter the rental unit to address the emergency.

2. Routine entry. In cases other than emergencies, the landlord shall only enter the rental unit to inspect the premises, to perform routine maintenance, to make necessary or agreed upon repairs, decorations, alterations or improvements, supply necessary or agreed upon services, or to show the rental unit to prospective or actual purchasers, tenants, mortgagees, real estate agents, workers or contractors.

3. Entry for property maintenance code inspections. The City shall have the right to conduct property maintenance inspections in accordance with Takoma Park Code, Chapter 6.12 - Property Maintenance Code.

B. Routine entry and entry for property maintenance code inspections.

1. 48 hour written notice required.

a. Except as provided in subsection (B)(2) herein and subsection A(1), above, the landlord must provide the tenant with written notification of the intent of the landlord or authorized person to enter the rental unit at least 48 hours prior to planned entry.

b. The notice shall contain the date, approximate time frame, and purpose of the intended entry, and the telephone number, address, and e-mail address, if available, of the landlord or managing agent.

c. The affirmative consent of the tenant is not required when the landlord has provided written notice at least 48 hours prior to planned entry, but the landlord shall not enter the rental unit if the tenant contacts the landlord and objects to the entry. The tenant shall not unreasonably withhold consent to entry.

2. Entry with less than 48 hours' notice permitted with the written consent of the tenant.

a. The landlord or authorized person may enter the rental unit at any time after providing the tenant with written notice containing the information required in subsection (B)(1)(b), above, and obtaining the written consent of the tenant.

b. When the landlord has provided the tenant with written notice of intent to enter the rental unit less than 48 hours prior to planned entry, the tenant's refusal to consent to entry shall be reasonable as a matter of law.

c. Written notice of the landlord's intent to enter a rental unit and the tenant's consent or objection to such entry may be delivered to the other party by

any reasonable means, including mailing by U.S. Postal Service, personal delivery or email. The landlord or tenant shall, upon request by the City, certify in writing to the City the date the notice of entry was mailed, delivered or emailed and to whom.

C. Report of entry. If the tenant is not present at the time of entry into the rental unit, the landlord shall leave a written report in plain view in the rental unit. Such report shall contain the following information:

1. the names of all individuals who entered the premises;
2. the date and time of such entry;
3. the reason for entry and work performed, if any;
4. the time of departure; and
5. the address and telephone number of the landlord.

D. Lock boxes. No lock box is permitted that provides access to any individual rental unit.

6.16.120 Notice to vacate.

A. Landlord rights and responsibilities. Under the circumstances specified below, the landlord has the right to give a tenant a written notice to vacate. The date the notice is received shall be considered part of the required time period for the notice. The tenant shall vacate the premises no later than the date specified in the notice to vacate.

1. Notice to vacate for cause.

a. A landlord wishing to terminate a tenancy and repossess a rental unit because the tenant materially breaches the lease shall give the tenant prior to the rent due date one month's written notice to vacate. The written notice to vacate must clearly specify the material breach for which the tenancy is being terminated.

b. Whenever the tenant fails to pay the rent when due and payable, it shall be lawful for the landlord to repossess the rental unit, in accordance with the applicable provisions and procedures of Maryland law, and the one month's written notice required hereunder does not apply.

2. No fault notice to vacate.

a. A landlord wishing to terminate a tenancy and to repossess a rental unit in the case of a month-to-month tenancy shall give the tenant, prior to the rent due date, two months' written notice to vacate. A landlord's statement of a reason for terminating the tenancy in a two months' written notice to vacate issued pursuant to this subsection shall not render the notice, a notice to vacate for cause, and the

landlord shall not be required to prove the reason in an action for possession of the unit.

b. A landlord wishing to terminate a tenancy and repossess a rental unit in the case of a year-to-year tenancy or any tenancy for a fixed term shall give the tenant, prior to the rent due date, two months' written notice before the expiration of the term or the current year of the tenancy. The notice must specify that the tenancy will terminate at the end of the lease term or current year.

B. Tenant rights and responsibilities. Under the circumstances specified below, a tenant has the right to give a landlord a one-month written notice that the tenant intends to vacate the rental unit. The date of receipt shall be considered part of the required notice period. The tenant shall vacate the premises no later than the date specified in the notice of intent to vacate.

1. Notice to vacate at end of term of tenancy. A tenant wishing to vacate a rental unit at the end of the lease term shall give a landlord prior to the last month's rent due date, a written notice of intent to vacate. Any lease provision that requires more than a one-month notice is invalid.

2. Notice to vacate for reasonable cause beyond the tenant's control. A tenant wishing to vacate pursuant to Section 6.16.060(M) - Lease requirements shall give the landlord prior to the last month's rent due date, a one-month written notice of intent to vacate.

6.16.130 Security deposits.

The security deposit provisions of Sections 8-203 and 8-203.1 of the Real Property Article of the Annotated Code of Maryland, as amended from time to time, are adopted and incorporated herein by reference.

6.16.140 Defective tenancy.

A. No landlord or tenant shall create or maintain a defective tenancy.

B. Tenant complaints. If any affected tenant has reason to believe that a defective tenancy exists or has existed in his or her rental unit or in the common areas of the rental facility in which the rental unit is located, after he or she has given the landlord written notice of the defect and the landlord has not rectified the defect or made good-faith efforts to do so within seven calendar days after the notice was given, the affected tenant may file a Commission complaint. If the tenant can prove by competent testimony or other evidence that the landlord had actual notice of the defect, it shall not be necessary for the tenant to provide a written notice to the landlord.

C. Landlord complaints. If any landlord has reason to believe that a defective tenancy has been created or permitted to exist by a tenant, has given the tenant written notice complaining of

the defect in the tenant's unit or in the common area(s) of the rental facility in which the rental unit is located and the tenant has not rectified the defect or made good-faith efforts to do so within seven calendar days after the notice was given, the landlord may file a Commission complaint.

6.16.150 Retaliatory practices.

A. The provisions of Section 8-208.1, Retaliatory Eviction, of the Real Property Article of the Annotated Code of Maryland, as amended, are hereby incorporated by reference.

B. The provisions of Section 29-32, Prohibited retaliatory practices, of the Montgomery County Code, are hereby incorporated by reference.

C. When the provisions of Section 8-208.1 of the Real Property Article of the Annotated Code of Maryland and Section 29-32 of the Montgomery County Code conflict, the provision that provides more protection to a tenant shall supersede the provision that provides less protection to a tenant.

6.16.160 Department investigation and conciliation.

The Department is authorized to investigate and conciliate any alleged or apparent violation of this chapter or any complaints filed under this chapter. The Department shall, whenever possible, offer to facilitate with resolution of landlord tenant disputes. In connection with this authority, all landlords and tenants shall be required to make available to the Department for inspection, at reasonable times, all rental facilities and records necessary for enforcement of this chapter.

6.16.170 Landlord-tenant complaints.

A complaint alleging a violation of this chapter may be filed with the Commission on Landlord Tenant Affairs in accordance with Takoma Park Code Section 6.24.060 - Commission on Landlord-Tenant Affairs, as amended.

Chapter 6.20 RENT STABILIZATION

Sections:

- 6.20.010 Application of rent stabilization—Scope, rent increases, notification requirements, annual reporting.
- 6.20.020 Buildings exempt from rent stabilization
- 6.20.030 Rental facilities and rental units eligible for exemption from rent stabilization pursuant to an application for exemption.

- 6.20.040 Establishment of base rent for certain units.
- 6.20.050 Annual rent increases, frequency of rent increases and notification.
- 6.20.060 Banking of authorized annual rent stabilization increases.
- 6.20.070 Annual reporting requirements.
- 6.20.080 Rent increases pursuant to a fair return petition.

6.20.010 Application of rent stabilization—Scope, rent increases, notification requirements, annual reporting.

- A. Application of rent stabilization. The provisions of this chapter shall apply to all residential rental units except as provided in Sections 6.20.020 through 6.20.030.
- B. Rents—Rent increases, frequency and notification requirements.
 - 1. Rent increases. Rent increases shall be limited to the rent increase amounts authorized by this chapter for regulated rental units.
 - 2. Frequency of rent Increases. Rents for any individual rental unit may not be increased more often than permitted by this chapter.
 - 3. Notice of rent increases. Notification of any rent increase authorized by this chapter shall be provided in writing to the tenant at least two months prior to the date the rent increase is to take effect.
- C. Reporting of rents. Landlords must file an annual rent report with the Department on a form prescribed by the Department in accordance with Section 6.20.070.

6.20.020 Buildings exempt from rent stabilization.

- A. Scope of exemptions. The provisions of this chapter shall not be applicable to the following:
 - 1. Any unit in a licensed facility, the primary purpose of which is the diagnosis, cure, mitigation and treatment of illnesses;
 - 2. Any unit in a facility owned or leased by an organization exempt from federal income taxes pursuant to Section 501(c)(3) of the Internal Revenue Code, the primary purpose of which is to provide temporary sanctuary or shelter for qualified clients, provided that the organization has notified the clients residing in the facility of the temporary nature of their housing at the inception of their residence;
 - 3. Any owner-occupied group house;
 - 4. Religious facilities such as churches, synagogues, parsonages, rectories, convents and parish homes;

5. Transient facilities such as motels, tourist homes, and bed and breakfast facilities;
6. School dormitories;
7. Licensed assisted living facilities and nursing homes;
8. Single family residences;
9. Any building originally designed and constructed to contain only two dwelling units one of which the owner currently occupies as his or her principal residence; and
10. Any accessory apartment.

6.20.030 Rental facilities and rental units eligible for exemption from rent stabilization pursuant to an application for exemption.

A. Grant of exemption. The Department shall, upon application of the owner, grant an exemption from the provisions of this chapter to the following rental units and rental facilities:

1. Individual rental units leased to tenants assisted under federal tenant based assistance programs or similar federally funded rent subsidy program.
2. Rental facilities subject to a regulatory agreement with a governmental agency that controls the rent levels of not less than one half of the rental units in the rental facility and restricts the occupancy of those rental units to low and moderate income tenants.
3. Newly Constructed Rental Facilities. For a period of five years after the issuance of a rental license, any newly constructed rental facility with two or more dwelling units. Renovated or reconfigured rental facilities or combined rental units are not eligible for an exemption from rent stabilization.

B. Termination of exemption.

1. Exemptions granted pursuant to subsection (A)(1)) of this section shall expire after one year or when the conditions entitling the rental unit to an exemption cease to exist, whichever shall first occur. The exemptions are renewable annually upon re-application.
2. Exemptions granted pursuant to subsection (A)(2) of this section shall expire upon the termination of the agreement with the governmental agency entitling the rental facility to the exemption or when the conditions entitling the rental facility to an exemption cease to exist, whichever shall first occur.

3. Exemptions granted pursuant to subsection (A)(3) of this section shall expire on the fifth anniversary date of the issuance of the rental facilities initial rental housing license, regardless of when the application for an exemption was made by the owner.

C. Rents upon termination of exemption.

1. For rental facilities and rental units receiving an exemption pursuant to subsections (A)(1) and (A)(2) of this section, upon the termination of the exemption, the base rent for the units and the reference point from which the rent shall be increased in accordance with this chapter shall be the allowable rent as reported in the annual rent report for each unit at the time the exemption commenced plus the annual rent stabilization allowance for each year that the unit was exempt.

2. For rental facilities receiving an exemption pursuant to subsection (A)(3) of this section, upon the termination of the exemption, the base rent for the units and the reference point from which the rent shall be increased in accordance with this chapter shall be the rent charged for each unit at the time of the expiration of the exemption. For any units not rented when the exemption period terminates, the base rent shall be the rent charged when the unit is first rented to a tenant. If the actual rent paid by a tenant differs from the rent stated in the report or the lease, then the actual rent shall be the base rent.

6.20.040 Establishment of base rent for certain units.

A. Definitions.

“Discontinued rental unit” means a rental unit in a rental facility or previously licensed rental facility that is not occupied by tenants and for which the Department has approved an application for discontinuation.

“Existing rental unit” means a rental unit or a discontinued rental unit.

B. Rents for Discontinued Rental Units.

1. Except as provided in paragraph (2), the base rent for discontinued rental units, and the reference point from which the rent shall be increased in accordance with this chapter, shall be the banked rent reported in the annual rent report at the time the rental unit was discontinued plus the annual rent stabilization allowance for each year that the rental unit was discontinued.

2. If a rental unit remains discontinued for an uninterrupted period of five years, the owner may charge market rent for the unit when it is first newly rented to a tenant. The rent the owner charges the tenant shall establish the base rent for the unit and the reference point from which the rent shall be increased in accordance with this chapter.

C. Rents following renovation, reconfiguration or consolidation of existing rental units.

1. This subsection applies to renovation, reconfiguration, and consolidation projects performed in vacant existing rental units.

2. If the renovation or reconfiguration of an existing rental unit does not result in a 10% or greater change in the floor area of the unit, then the banked rent reported for the unit in the annual rent report at the time the rental unit became vacant plus the annual rent stabilization allowance for each year that the rental unit remained vacant shall be the maximum rent that the owner may charge for the unit when it is first rented to a tenant.

3. If the floor area of a renovated or reconfigured unit is more than 10% smaller or larger than the unit it replaces, then the banked rent reported for the unit in the annual rent report at the time the rental unit became vacant plus the annual rent stabilization allowance for each year that the rental unit remained vacant, reduced or increased by a percentage equal to the reduction or increase in the floor area of the unit prior to its renovation or reconfiguration, shall be the maximum rent that the owner may charge for the unit when it is first rented to a tenant.

4. When two or more rental units are consolidated to create a single rental unit, the base rent for the new unit, and the maximum rent that the owner may charge when the unit is first rented to a tenant, shall be the base rent of the largest unit increased by the percentage increase in the floor area from the largest unit to the resulting unit.

5. Application for rent adjustments. Before an owner may increase the rent for a unit in accordance with paragraphs (3) or (4) above, the owner must first obtain approval from the Department. The owner must submit a completed application form and documentation demonstrating the appropriate adjustment to the base rents (which may include, but shall not be limited to, construction plans, photographs and video recordings of the original and reconfigured units), and may be required to undergo an inspection of the property.

D. Rents following purchase of an owner occupied condominium unit. The new owner of a previously owner occupied condominium unit, purchased in a bona fide arm's length transaction, may charge market rent for the unit. The rent the owner charges his or her initial tenant shall establish the base rent for the unit and the reference point from which the rent shall be increased in accordance with this chapter.

E. Reset of base rent for owner-occupied condominium units. When the owner of a previously rented condominium unit occupies the unit for at least 12 consecutive months as his or her principal residence, the owner may charge market rent for the unit when the owner next rents the unit to a tenant. The rent the owner charges the tenant shall establish the base rent for the unit until the owner again occupies the unit for at least 12 consecutive months.

6.20.050 Annual rent increases, frequency of rent increases and notification.

A. Annual rent stabilization allowance.

1. The Department shall calculate an annual rent stabilization allowance equal to the percentage increase in the Consumer Price Index (CPI) from March in the preceding year to March in the current year. Notice of the allowance shall be published in the May edition of the Takoma Park Newsletter and on the City website.
2. The annual rent stabilization allowance shall remain in effect for a 12 month period beginning July 1 of each year and ending on June 30 of the following year.
3. Rent increases for rent-stabilized rental units may be increased by an amount not to exceed the annual rent stabilization allowance in effect at the time of the rent increase.
4. Rent increases less than permitted in subsection (A)(3) of this section may be banked in accordance with Section 6.20.060.

B. Frequency of rent increases.

1. Occupied rental units. Only one rent stabilization increase pursuant to subsection (A)(3) of this section shall be permitted within a 12-month period.
2. Fair return rent increases. An additional rent increase pursuant to a Fair Return Rent increase petition subsequently approved by the Commission in accordance with Section 6.20.080 may be taken pursuant to the terms and the conditions of the Commission's administrative decision and final order.
3. Vacant rental units. The rent for vacant rental units may be increased up to the banked rent and the annual rent stabilization allowance may be applied prior to the leasing of the rental unit in accordance with Section 6.20.060.

C. Notice of annual rent increases.

1. A landlord shall not increase or attempt to increase the rent for any occupied rental unit without having first given the tenant living therein at least two months' written notice of the increase.
2. Notice of a rent increase shall be in the form and manner prescribed by Department regulations.

6.20.060 Banking of authorized annual rent stabilization increases.

A landlord may increase the rent for a vacant rental unit by the actual dollar amount of any annual rent stabilization allowances that were not charged to the tenant vacating the rental unit. Such increase may be taken if the rental unit became vacant as a result of a voluntary termination of the tenancy by the tenant or a termination of the tenancy by the landlord for cause. This rent increase may be in addition to any rent stabilization allowance increase that the landlord may impose on or after 12 months from the date of the last rent stabilization allowance increase for that rental unit.

6.20.070 Annual reporting requirements.

A. Reporting Requirements. On or before September 30 of each year, each landlord shall complete and submit to the Department a rent report for the 12-month period beginning July 1 and ending on the preceding June 30 on a form provided by and in the manner prescribed by Department regulations.

B. Penalty for Failure to Comply with Reporting Requirements. Failure to file a complete or accurate rent report by September 30 of each year shall constitute a Class A violation of this chapter unless an extension of time for good cause is granted by the Department prior to the due date.

6.20.080 Rent increases pursuant to a fair return petition.

A. Fair return rent increase. Landlords have a right to petition for a rent increase in order to obtain a fair return. A fair return rent increase is intended to protect tenants from unwarranted rent increases, while allowing rent levels that provide landlords with a fair return.

B. Standards for rent increases pursuant to a fair return petition.

1. Fair return. Fair return is defined as base year net operating income adjusted by 70% of the percentage increase in the Consumer Price Index (CPI) from the base year until 2007, and 100% of the percentage increase in the CPI since 2007.
2. Base year. The landlord may select any of the following as the base year when petitioning for a fair return rent increase:
 - a. 1979, unless the property contains 4 or fewer dwelling units;
 - b. 1987, if the property contains 4 or fewer rental units;
 - c. 1990;
 - d. 2000.
3. Current year. The current year shall be either the calendar year or the fiscal year (July 1 to June 30) immediately preceding the date that the application is filed.
4. Current year CPI. If the current year is a calendar year, the current year CPI shall

be the annual CPI for that year. If the current year is a fiscal year, the current year CPI shall be the CPI for December during the current year.

5. Net operating income. Net operating income equals gross income minus operating expenses.

6. Imputed base year net operating income. If the base year is 1990, at the landlord's option, the 1990 net operating income shall be imputed based on estimated base year operating expenses. In estimating the base year operating expenses, it shall be presumed that each operating expense increased by the same percentage as the CPI since the base year. However, if data, rate information, or other sources of cost information indicate that particular operating expenses increased at a different rate than the percentage increase in the CPI, the estimate of the percentage increase in that expense shall be based on the best available data on increases in that type of expense. Information on the rate of increases and/or other relevant data on trends in increases in particular types of expenses between the base year and the current year may be introduced by the landlord, affected tenants, the Department, and the Rents Analyst.

7. Gross income. Gross income is the annual scheduled rental income for the property based on the rents and fees (other than fees that are reimbursed to the tenants) the landlord was permitted to charge at the time of the application.

8. Operating expenses. Operating expenses means all reasonable operating and maintenance expenses.

a. Operating expenses shall include, but not be limited to, the following:

i. Utilities paid by the landlord, unless these costs are passed through to the tenants;

ii. Administrative expenses, such as advertising, legal fees, accounting fees, etc;

iii. Management fees, whether performed by the landlord or a property management firm; it shall be presumed that management fees increased by the percentage increase in the CPI between the base year and the current year, unless the level of management services either increased or decreased during this period. Management fees shall not exceed 6% of gross income unless the landlord demonstrates by a preponderance of the evidence that a higher percentage is reasonable.

iv. Payroll;

v. Amortized cost of capital improvements; An interest allowance

shall be allowed on the cost of amortized capital expenses; the allowance shall be equal to the interest the landlord would have incurred had the landlord financed the capital improvement with a loan for the amortization period of the improvement, making uniform monthly payments, at an interest rate equal to the Federal Reserve Board bank prime loan rate as of the date of the initial submission of the petition plus 2% per annum.

vi. Maintenance related material and labor costs, including self-labor costs computed in accordance with the regulations adopted pursuant to this section;

vii. Property taxes;

viii. Licenses, government fees and other assessments; and

ix. Insurance costs.

b. Reasonable operating and maintenance expenses do not include the following:

i. Expenses for which the landlord has been or will be reimbursed by any security deposit, insurance settlement, judgment for damages, agreed-upon payments or any other method;

ii. Payments made for mortgage expenses, either principal or interest;

iii. Judicial and administrative fines and penalties;

iv. Damages paid to tenants as ordered by COLTA or the courts;

v. Depreciation;

vi. Late fees or service penalties imposed by utility companies, lenders or other entities providing goods or services to the landlord or the rental facility;

vii. Membership fees in organizations established to influence legislation and regulations;

viii. Contributions to lobbying efforts;

ix. Contributions for legal fees in the prosecution of class-action cases;

- x. Political contributions for candidates for office;
- xi. Any expense for which the tenant has lawfully paid directly or indirectly;
- xii. Attorney's fees charged for services connected with counseling or litigation related to actions brought by the City under City regulations or this title, as amended. This provision shall apply unless the landlord has prevailed in such an action brought by the City;
- xiii. Additional, expenses incurred as a result of unreasonably deferred maintenance; and
- xiv. Any expense incurred in conjunction with the purchase, sale, or financing of the rental facility, including, but not limited to, loan fees, payments to real estate agents or brokers, appraisals, legal fees, accounting fees, etc.

c. When an expense amount for an item during a particular year is determined not to be a reasonable projection of ongoing or future expenditures for that item, said expense shall be averaged with other expense levels for other years or amortized or adjusted by the CPI or may otherwise be adjusted, in order to establish an expense amount for that item that most reasonably serves the objectives of obtaining a reasonable comparison of base year and current year expenses.

C. Rent increase petition based on fair return standard.

1. Form of petition. Whenever a landlord proposes a rent increase of more than the amount permitted by Section 6.20.050 of this chapter, the landlord shall file a petition with the Commission on a form provided by the Department.
2. Required submission of income and expense information. The landlord shall be required to submit income and expense information for the two years prior to the current year with the petition.
3. Petition restrictions. Petitions filed pursuant to this section must address an entire rental facility. The landlord filing a petition must own the rental facility for the entire current year.
4. Adjustments to petition—Base year net operating income.
 - a. Adjustment of base year net operating income by Commission. It may be determined that the base year net operating income yielded other than a fair

return, in which case the base year net operating income may be adjusted. In order to adjust the base year net operating income, the Commission must make at least one of the following findings:

i. Base year net operating income was abnormally low due to one of the following factors:

A. The landlord made substantial capital improvements that were not reflected in the base year rents and the landlord did not obtain a rent adjustment for these capital improvements;

B. Substantial repairs were made due to exceptional circumstances; or

C. Other expenses were unreasonably high, notwithstanding prudent business practice.

ii. Base year rents did not reflect market transaction(s), due to one or more of the following types of circumstances:

A. There was a special relationship between the landlord and tenant resulting in abnormally low rent charges (such as a family relationship);

B. The rents had not been increased for the 5 years preceding the base year;

C. The tenant lawfully assumed maintenance responsibilities in exchange for low rent increases or no rent increases; or

D. Other special circumstances that establish that the rent was not set as the result of an arms-length transaction.

b. Establishment of a new base year net operating income—Prior year petitions. The net operating income, income, and expenses, determined to be fair and reasonable pursuant to a prior petition for a fair return rent increase, shall constitute the base year income, expenses, and net operating income in the new petition.

5. Consideration of fair return petition by Commission.

a. Issuance of a Decision by the Commission. The Commission shall, in good faith, endeavor to issue its preliminary administrative decision ruling on the request within 90 days of the review or hearing on the petition. Upon its

determination of the rent increase to be granted to the landlord, the Commission shall issue a decision in accordance with Section 6.24.110 of this chapter and furnish a copy of the decision to the landlord.

b. Rejection of Petition.

i. The Commission shall not consider the landlord's fair return petition:

A. Until the properly completed petition form, including required supporting documentation, has been submitted to the Commission;

B. When the landlord has not properly registered the rental property with the City and/or when the landlord has outstanding fees or fines with the Department;

C. When the landlord has not filed required rent reports for each of the 3 years prior to the filing date of the petition, provided that the Commission may, at its discretion, waive the above requirement for good cause shown; or

D. When the landlord has failed to comply with a final order of the Commission concerning any rental unit owned by the landlord in the City. However, the failure to comply with an order of the Commission shall not constitute a basis to decline to consider the landlord's request if the order has been appealed to the Circuit Court and no decision has been rendered on appeal.

ii. If the Commission declines to consider the landlord's request, it shall provide a written explanation for its action.

6. Ceiling on fair return adjustments.

a. Fair return rent increases on occupied rental units. Fair return rent increases shall not exceed 15% in any 12-month period. If the Commission awards a fair return rent increase greater than 15%, then the landlord may impose the remainder of the increase in subsequent years in increments not to exceed 15%.

b. Fair return rent increases on vacant rental units. If the Commission determines that a rental unit requiring an increase of more than 15% is vacant or if the unit becomes vacant before the required rent increase has been taken in full, the Commission shall allow the required increase for that unit to be taken in one

year or upon the vacancy of that unit, provided the unit became vacant as a result of a voluntary termination by the tenant or a termination of the tenancy by the landlord for cause.

7. Notification requirements.

a. Notice of petition for a rent increase. The Department shall provide written notification to each tenant affected by a proposed rent increase within one week after the filing date of the petition. Such notification shall include a copy of the petition form and a listing of all requested rent increases.

b. Notice of a rent increase granted pursuant to a rent increase petition. The landlord shall provide written notice to each affected tenant of the rent increase that has been authorized by the Commission, no less than two months prior to the date the proposed increase is to take effect. Said increase shall be contingent on the decision of the Commission becoming final in accordance with Sections 6.24.110 and 6.24.130 of this chapter.

8. Rollbacks—Bad faith fair return petitions.

a. Authority to require rollback. If, upon consideration of a fair return petition, the Commission finds that the adjusted base year net operating income included in the petition is less than the landlord's actual petition year net operating income and the fair return petition was filed in bad faith, the Commission may require the landlord to roll back the rents charged on the rental units covered by the petition to result in a net operating income equal to the adjusted base year net operating income.

b. Purpose of rollbacks. The purpose of the rollback provision in this subsection is to ensure that fair return petitions are filed in good faith, that the landlord reviews the records of the rental property for which rent increases are sought to ensure that a rent increase is justified under this section and to balance both the tenant and the landlord interests in each petition to increase rents above the rent stabilization allowance.

c. Definition of bad faith.

i. Bad faith can be found, but is not limited to, instances in which the landlord:

- A. Listed expenses for repairs or services never performed;
- B. Materially misrepresented expenses claimed;
- C. Knowingly filed a false rent report, in whole or in part; or
- D. Acted in some manner which is a clear abuse of the petition

process.

ii. The following shall not constitute bad faith under this provision:

- A. Miscalculations and simple mathematical errors; or
- B. Claims for expenses or other items that are not specifically addressed in this section and that the Commission disallowed, but that could plausibly have fallen within this section.

d. Determination of bad faith by Commission. The Commission shall verify the information upon which it makes its findings of bad faith and shall issue a decision clearly stating the basis for its finding. The landlord shall be required to notify all tenants affected by the rent rollback, and, if the landlord was permitted to increase rents by the rent stabilization allowance pending a decision on the fair return petition, all rent increases so collected shall be refunded to the affected tenants within 30 days. If the landlord fails to roll back the rents or fails to refund the rent increases collected, the affected tenants may begin paying the rolled-back rent or may deduct any rent refunds or rollbacks owed the tenants in accordance with subsection (C)(8)(a) of this section.

9. Scope of Commission authority in setting rents. Notwithstanding any other provision of this chapter or regulations instituted pursuant to this chapter, the Commission shall be authorized to take into account any factors that it is required to consider by law and grant whatever rent increase is constitutionally required to yield a fair return.

10. Burden of proof. The landlord shall have the burden of proof in demonstrating that a rent increase should be authorized pursuant to this section.

Chapter 6.24 COMMISSION ON LANDLORD-TENANT AFFAIRS

Sections:

- 6.24.010 Establishment.
- 6.24.020 Jurisdiction.
- 6.24.030 Membership.
- 6.24.040 Administration.
- 6.24.050 Commission rules of procedure.
- 6.24.060 Time limits and standing to file Commission complaints.
- 6.24.070 Investigation and conciliation of Commission complaints.
- 6.24.080 Hearings on complaints and objections to preliminary administrative decisions.
- 6.24.090 Remedies.
- 6.24.100 Interim orders.

- 6.24.110 Final opinions and orders.
- 6.24.120 Full Commission consideration.
- 6.24.130 Reconsideration and appeals.

6.24.010 Establishment.

The City of Takoma Park Commission on Landlord-Tenant Affairs is established. The Commission shall consist of at least seven, but no more than 12 members appointed by the Council. The Council shall make every effort to ensure that the Commission has representation from landlords, tenants and homeowners.

6.24.020 Jurisdiction.

The Commission is empowered to adjudicate complaints for violations of Chapter 6.16, Landlord-Tenant Relations, to rule on petitions for rent increases above the rent stabilization allowance in accordance with Chapter 6.20, Rent Stabilization, and to decide appeals from the City Manager's decision to deny, suspend or revoke a license under City Code Chapter 6.08, Rental Housing Licenses.

6.24.030 Membership.

A. Qualifications. All Commission members shall be residents of the City except that there may be a maximum of four members who are not residents of the City if such members own or manage rental housing in the City.

B. Appointments and terms of office. Each member of the Commission shall be appointed for a term of three years, which shall begin on July 1st.

1. The initial term of a Commissioner who is appointed to replace a member who cannot complete his or her term shall be for the remainder of the term of the member being replaced.

2. A Commission member who resigns, whose term expires or who ceases to reside in Takoma Park, may, at the discretion of the Commission chairperson, continue as an inactive member of the Commission to complete work on cases on which he or she participated as an active member of the Commission. This participation may include the approval and signing of Commission opinions and orders.

C. Removal. The Council may, by resolution, remove a Commissioner before the Commissioner's term has expired if the Council determines that the Commissioner has become incapacitated or has failed satisfactorily to perform his or her duties as a Commissioner, or has violated Takoma Park Code, Chapter 3.04 - Ethics.

D. Reappointment. The Council, at its discretion, may re-appoint a Commissioner prior to

the expiration of the Commissioner's term. There is no limit to the number of terms that an individual may serve on the Commission.

6.24.040 Administration.

- A. The Commission shall elect a chairperson and a vice chairperson for a one-year term or until a successor is elected.
- B. A Commissioner may serve a maximum of three consecutive terms in any one office.
- C. At least ½ of the Commissioners shall constitute a quorum for the transaction of business. A majority vote of those present shall be sufficient for any official action taken by the Commission.
- D. The Commission shall meet at least once a year and as often as required to perform its duties.
- E. At the request of a majority of the Commissioners or the Executive Director or his or her designee, a regular or emergency meeting of the Commission shall be convened.
- F. Written notice shall be given to all Commissioners at least five calendar days prior to any regular meeting, and notice of the meeting shall be published in accordance with the Maryland Open Meetings Act.
- G. Notice of an emergency meeting shall be given in writing or orally to all Commissioners at least 24 hours prior to an emergency meeting.

6.24.050 Commission rules of procedure.

The Commission shall promulgate Rules of Procedure that further regulate the operations of the Commission in accordance with Takoma Park Code, Chapter 2.12 - Administrative Regulations.

6.24.060 Time limits and standing to file Commission complaints.

- A. Any Commission complaint of an illegal rent or fee shall be filed within one year of the date the complainant knew or should have known of the alleged violation.
- B. Any other Commission complaint shall be filed within one year of the date of the occurrence.
- C. The following parties shall have standing to file a Commission complaint alleging a violation of Chapter 6.16, Landlord-Tenant Relations:

1. any affected tenant or tenants;
2. any affected landlord; or
3. any registered tenant association on behalf of those affected tenants who have authorized the tenant association to represent them.

6.24.070 Investigation and conciliation of Commission complaints.

A. Department investigation. Upon the filing of any Commission complaint, the Department shall make such investigations as it deems appropriate to determine whether the complainant states a claim over which the Commission has jurisdiction. The investigation may include interviews of witnesses, affected parties, review of Department records and other available documents and a physical inspection of the property.

B. Department actions on complaints. The Department shall, upon completion of its investigation:

1. Schedule a hearing on the complaint; or
2. Dismiss the complaint for failure to prosecute if the complainant has failed to respond to Department requests for information in a timely manner;
3. Dismiss the complaint if it appears that the complainant has failed to state a claim upon which relief can be granted.

C. Commission responsibilities.

1. The complainant shall have 10 calendar days following the issuance of the Department's dismissal of a complaint to show cause in writing why the complaint should not be dismissed.
2. Upon receipt of the party's written explanation, the Commission may affirm the Department's original decision or may reinstate the complaint.
3. If the Commission affirms the Department's dismissal, or if no written explanation is received from the complainant, the dismissal of the case shall be final.

D. Emergency action. If at any time after a Commission complaint is filed, the Department believes the health, safety or welfare of a tenant is placed in immediate and present danger, the Department shall be authorized to take action to provide appropriate relief. This relief may include relocating the tenant to temporary housing when a pending eviction or constructive eviction has occurred or is likely to occur before the Commission can act. The Executive Director shall determine whether an emergency fact finding hearing by the Commission is necessary.

E. Conciliation. The Department shall offer to facilitate resolution of disputes between parties, either before or after a Commission complaint is filed. When appropriate, the parties

shall be referred to mediation. If the parties are unable to resolve the dispute and the complainant wishes to proceed, the Department shall schedule the complaint for a hearing or dismiss the complaint, as appropriate.

6.24.080 Hearings on complaints and objections to decisions on Fair Return Rent Increase Petitions.

- A. Hearings on complaints and objections to Decisions on Fair Return Rent Increase Petitions shall be held before a panel of three Commission members. One panel member shall be designated as the presiding Commissioner. Hearings shall be open to the public.
- B. With the consent of all parties present at a scheduled hearing, the hearing may proceed before a panel of two Commissioners.
- C. Notice of the hearing, including the date, time and place of the hearing shall be provided to the parties and the public in the manner prescribed by the Commission regulations.
- D. The panel shall have the power to subpoena witnesses and to subpoena the production of relevant documents and records. Any party to the case may request the issuance of a subpoena, which shall be on a form prescribed by the Commission regulations, must state the reasons why the party is seeking the subpoena. The Commission has discretion whether to issue a requested subpoena. If any person refuses to comply with a subpoena, and the Commission determines that compliance with the subpoena is necessary for a fair hearing and would not be unduly oppressive to the person subpoenaed, the City, on behalf of the Commission, may initiate a suit in equity in the Circuit Court to enforce compliance with the subpoena.
- E. All parties must appear for the hearing. A complainant's failure to appear shall result in dismissal of the complaint. A party's failure to appear in a hearing on its objections to a decision in a Fair Return Rent Increase Petition proceeding shall result in the dismissal of the party's objections.
- F. Any party may represent himself or herself at a hearing or may be represented by an attorney or other authorized representative as provided in the Commission regulations.
- G. All testimony shall be given under oath or affirmation.
- H. Parties shall have the right to call witnesses and present testimony and evidence to substantiate any material point. Each party shall have the right to cross-examine opposing witnesses, to submit rebuttal evidence, and to present summation and argument.
- I. The Commission panel may admit and consider evidence that would be commonly accepted by reasonable and prudent people as having a causal relationship to the matters before the Commission panel. It shall give effect to the rules of privilege recognized by law. It may exclude irrelevant and repetitious testimony and documents from evidence.

J. The party filing the complaint or the petitioner in a rent increase petition case shall have the burden of proof, which shall be met by a preponderance of the evidence.

K. The Commission panel may take notice of judicially cognizable facts and, in addition, may take notice of relevant general, technical or scientific facts.

L. The Commission shall make an audio recording of the hearing. The official record of the case shall include the audio recording, any documentary evidence entered in the record, any reports prepared by the Department, any pleadings, motions, and responses filed by the parties, and any written Orders issued by the Commission. The official record of the case shall be open to inspection by any person. Upon request by any person, the Commission shall furnish to such person a copy of the official record of the hearing at the cost of supplying the record.

6.24.090 Remedies.

The Commission shall be empowered to remedy violations of Chapter 6.16, Landlord-Tenant Relations, including alleged defective tenancies resulting from breach of lease, by any appropriate means, including but not limited to the following general and specific remedies.

A. General remedies. The Commission may remedy violations of the landlord-tenant law by one or more of the following:

1. Awarding actual monetary damages;
2. Awarding statutory monetary damages and attorney's fees in regard to violations of the security deposit provisions of Sections 8-203 and 8-203.1 of the Real Property Article of the Annotated Code of Maryland, as amended from time to time.
3. Requiring the performance of certain acts;
4. Requiring a party or parties to cease and desist from unlawful conduct;
5. Ordering the payment of interest upon any award of monetary damages, calculated at the judgment rate of interest, from the date payment of the award is due until payment is made in full;
6. Granting such other relief as the Commission deems necessary.

B. Specific remedies.

1. Defective tenancy.
 - a. Where the Commission finds that a landlord has caused a defective tenancy, the complainant tenant may be entitled to one or more of the following:
 - i. An award of monetary damages to be paid as a result of the defective tenancy;

- ii. An order awarding a reasonable amount to be paid by the landlord for the tenant to obtain comparable temporary housing in the area;
 - iii. Correction of the defective tenancy by the landlord;
 - iv. An order permitting the tenant to correct or remedy the condition that constitutes the defective tenancy and abating the tenant's rent in an amount equal to the reasonable cost incurred by the tenant;
 - v. An order requiring the landlord to perform such other remedial action as the Commission deems appropriate.
- b. Where the Commission finds that a tenant has caused a defective tenancy, the Commission may award the complainant landlord one or more of the following remedies:
- i. An award of monetary damages to be paid as a result of the defective tenancy;
 - ii. An order requiring the tenant to correct the defective tenancy;
 - iii. Where the Commission finds that a tenant has caused a defective tenancy that has resulted in a substantial breach of the lease, the Commission may authorize the termination of the lease and authorize the complainant landlord to repossess the premises in accordance with the applicable provisions of the Real Property Article of the Annotated Code of Maryland, as amended;
 - iv. An order requiring the tenant to perform such other remedial action as the Commission deems appropriate.

2. Illegal rent or fee. Where the Commission finds that the landlord has imposed or attempted to impose an illegal rent or fee, the tenant may be entitled to one or more of the following:

- a. An order authorizing the tenant to begin paying the lawful rent or fee and a rollback of the rent or fee by the landlord to the lawful amount;
- b. An order directing the landlord to refund excess moneys paid by the tenant for the illegal rent or fee;
- c. An order authorizing the tenant to withhold from the next months' rent payments, an amount equal to the illegal rent or fee imposed by the landlord;
- d. An award of damages to be paid by the landlord in the amount of the

actual damage or loss sustained as a result of the imposition or attempt to impose an illegal rent or fee;

e. An order requiring the landlord to perform such other remedial action as the Commission deems appropriate.

3. Entry violations

a. **Improper entry.** Where the Commission finds that a landlord has improperly entered into a tenant's rental unit or failed to provide a report of entry in violation of Section 6.16.110 - Entry, it may grant the tenant injunctive relief to prevent the reoccurrence of the conduct, authorize the tenant to terminate the tenancy for cause, and award the tenant actual damages.

b. **Unreasonable refusal of entry.** Where the Commission finds that a tenant unreasonably has withheld their consent to entry by a landlord in violation of Section 6.16.110 - Entry, it may order the tenant to grant the landlord access, authorize the landlord to terminate the tenancy for cause, and award the landlord actual damages.

4. **Retaliatory actions and practices.** If the Commission finds in favor of the tenant because the landlord engaged in a retaliatory action or practice, the Commission may order the landlord to pay the tenant damages not to exceed the equivalent of 3 months' rent and reasonable attorney fees. If in any proceeding the Commission finds that a tenant's assertion of a retaliatory action or practice was in bad faith or without substantial justification, the Commission may order the tenant to pay the landlord damages not to exceed the equivalent of 3 months' rent and reasonable attorney fees.

C. **Enforcement of Commission decisions.** In addition to the enforcement provisions set forth in Chapter 6.40, any award of damages not paid when due may be enforced by the party to whom the award was granted in a court of competent jurisdiction, and the court is authorized to grant judgment for such damages plus interest from the date payment was due.

6.24.100 Interim orders.

A. In cases where the Commission finds that actual or constructive eviction would likely occur before the issuance of a final opinion and order, the Commission may issue an interim order requiring or prohibiting specific action by one or more of the parties, so as to prevent such actual or constructive eviction.

B. Interim order shall require the assent of a majority of the panel members assigned to hear the complaint and shall be in writing.

C. Subsequent to the issuance of an interim order, a final opinion and order of the

Commission will be issued. A final opinion and order may affirm, modify or reverse the interim order.

6.24.110 Final opinions and orders.

A. After the hearing on a complaint, the Commission panel shall state its findings of fact and conclusions of law in a written opinion and issue it with a written order, which shall constitute the final opinion and order of the Commission.

B. The Decision on a Fair Return Rent Increase Petition and the Commission's rulings on any objections to the Decision shall constitute the final opinion and order of the Commission.

C. The decision of the Commission panel may be made by a majority of the panel. If no two members of the panel agree on a decision, the complaint or petition shall be decided in accordance with Section 6.24.120 herein.

6.24.120 Full Commission consideration.

If a Commission panel is unable to reach a decision concerning a complaint or Petition as a result of no two panel members joining in a decision, such complaint or Petition shall be referred to the full Commission. The Commission shall convene and decide the matter based upon the record before the Commission panel. The Commission shall state its findings of fact and conclusions of law in a written opinion and issue it with a written order, which shall constitute the final opinion and order of the Commission. The full Commission decision shall be made by a majority vote of those present at any meeting at which there is a quorum.

6.24.130 Reconsideration and appeals.

A. Reconsideration.

1. Motion to clarify, reconsider or amend an Opinion and Order. On motion of any party filed within 14 calendar days of the date of an opinion and order of the Commission, or at any time for a compelling reason at the request of a governmental agency or court of competent jurisdiction, the Commission may reopen the case to receive additional evidence, may amend its findings or its statement of reasons for the decision, may set forth additional findings or reasons, may enter new findings or new reasons, may amend the order or may enter a new order. A motion to alter or amend an opinion and order shall stay the time for filing an appeal until the Commission rules on the motion.

2. Newly discovered evidence. On motion of any party filed within 30 calendar days after the date of an opinion and order of the Commission, the Commission may grant a new hearing or issue a new administrative decision on the ground of newly discovered evidence that could not have been discovered by due diligence before the hearing or

administrative decision.

3. Fraud—mistake—irregularity. On motion of any party filed at any time, the Commission may take any action that it could have taken under subsection (A)(1) of this section in case of fraud, mistake or irregularity.

4. Clerical mistakes. Clerical mistakes in the opinion and order or other parts of the record may be corrected by the Commission at any time on its own initiative or on motion of any party. During the pendency of an appeal, such mistakes may be corrected only with leave of the court.

B. Appeals. Any person aggrieved by a final opinion and order of the Commission on a complaint or on objections to a Decision regarding a Fair Return Rent Increase Petition may file a petition for judicial review with the Clerk of the Circuit Court of Montgomery County. The procedures for an appeal from the opinion and order of the Commission shall be governed by Title 7, Chapter 200 (Judicial Review of Administrative Agency Decisions) of the Maryland Rules, as amended.

1. Time for filing. A petition for judicial review shall be filed within 30 calendar days from the date of the opinion and order.

2. Service on the Commission. A copy of the petition for judicial review shall be served on the Commission.

Chapter 6.28
SALE OF RENTAL FACILITIES
NOTICE AND DISCLOSURE REQUIREMENTS

Sections:

- 6.28.010 Contract of sale requirements.
- 6.28.020 Transfer of rental license.

6.28.010 Contract of sale requirements.

A. On or before entering into a contract for the sale of a rental facility, the owner or agent of the rental facility shall provide the prospective purchaser with the following:

1. A Notice of City of Takoma Park rental housing laws (“Notice”), a form of which shall be provided by the City and containing such information as necessary to administer and enforce the provisions of this chapter shall be included in or attached to all contracts of sale for a rental facility;
2. Copies of the annual rent stabilization reports for the rental facility for the

previous two years unless the rental facility is exempt from rent stabilization in accordance with Takoma Park Code, Chapter 6.20 – Rent Stabilization and a Certificate of Exemption is attached to the contract of sale in accordance with paragraph F of this section; and

3. Copies of available licensing inspection reports of the rental facility for the previous two years.

B. At the time the Notice and documents listed in subsection (A) of this section are delivered, each purchaser shall sign and date a written acknowledgment of receipt of the Notice and shall initial each rent stabilization report and licensing inspection report. The Notice shall be included in or attached to the contract of sale for the rental facility and the reports shall be attached to the contract of sale.

C. A purchaser of a rental facility has the right, upon written Notice to the seller or seller's agent:

1. To rescind the contract of sale at any time before the receipt of the Notice, rent reports, and inspection reports or within five calendar days following receipt of the Notice, rent stabilization reports, and licensing inspection reports of the rental facility; and

2. To the immediate return of any deposits made on account of the contract of sale.

D. Unavailability of rent stabilization or licensing inspection reports—Failure to provide reports.

1. If the owner or agent of the rental facility has not filed all required rent stabilization reports with the City, or has filed rent stabilization reports with inaccurate or incomplete information, or a licensing inspection has not been completed, the owner or agent of the rental facility shall promptly file or correct required rent reports and/or provide the purchaser with access to the rental facility for purposes of performing a pre-purchase inspection. Copies of such reports or corrected reports shall be provided to the purchaser as soon as the rent stabilization reports are prepared and filed with the City.

2. The purchaser's right to rescind the contract shall continue until the owner or agent of the rental facility has provided the required Notice and complete and accurate rent stabilization reports to the purchaser. In the event that settlement on the transfer of title to the rental facility has occurred, then the purchaser may seek an order from a court of competent jurisdiction declaring any transfer in which the owner or agent has not complied with all requirements of this chapter void and the transfer documents set aside.

E. Waiver of purchaser's rights.

1. The rights of a purchaser under this section may not be waived in the contract of sale and any attempted waiver is void.

2. Except as stated in subsection (D) of this section, any rights of a purchaser who has received the Notice and complete and accurate rent stabilization reports and available licensing inspection reports for the two years immediately preceding the sale to terminate the contract of sale for the rental facility are waived conclusively if not exercised before settlement on the transfer of title to the purchaser.

F. If a rental facility is exempt from rent stabilization, then a certification of exemption from the City of Takoma Park shall be attached to the contract of sale. The owner or agent shall not be required to provide copies of the rent stabilization reports for a rental facility that is not subject to rent stabilization and the purchaser shall not have the right to terminate the contract of sale for failure to receive copies of the annual rent reports for the previous two years.

G. The Notice and disclosure requirements established by this chapter do not apply to:

1. A sheriff's sale, tax sale, deed in lieu of foreclosure, or sale by foreclosure, partition, or by court-appointed trustee;

2. A transfer of the rental facility by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship or trust;

3. A transfer of the rental facility or any interest therein, to a spouse, former spouse, domestic partner, former domestic partner, parent, sibling, child or grandchild; or

4. A transfer of a single-family rental facility to a purchaser who stipulates in the contract of sale that the property will not be used for rental purposes. It will be the responsibility of the purchaser of the single-family rental facility to notify the City, within 15 business days after transfer of title to the property, of the discontinuance of use of the property as a rental facility.

6.28.020 Transfer of rental license.

A purchaser, transferee or owner of a rental facility shall apply to the City for a rental housing license, or for the transfer of the existing rental housing license, for the rental facility within 15 calendar days after acquiring title to the rental facility. The procedures and requirements for rental licenses are set forth in Chapter 6.08 of this Code, as amended from time-to-time.

Chapter 6.32 TENANT OPPORTUNITY TO PURCHASE

Sections:

6.32.010	Legislative findings.
6.32.020	Applicability.
6.32.030	Tenant opportunity to purchase.
6.32.040	Offer of sale.
6.32.050	Contract negotiation.
6.32.060	Earnest money deposits.
6.32.070	Exercise or assignment of rights.
6.32.080	Waiver of rights.
6.32.090	Single-family rental facilities.
6.32.100	Rental facilities with two to six rental units.
6.32.110	Rental facilities with seven or more rental units.
6.32.120	Computation of time.
6.32.130	Obligations upon foreclosure.
6.32.140	Enforcement of tenant opportunity to purchase rights.
6.32.150	Statutory construction.

6.32.010 Legislative findings.

The Council of the City finds that, in the interest of providing home ownership opportunities to City residents and to promote the conversion of rental facilities to owner-occupied housing, including condominiums and housing cooperatives, it is necessary and appropriate to require that the owners of rental facilities in the City offer the tenants, tenant association, and the City an opportunity to purchase the rental facility before the rental facility may be sold to a third-party purchaser.

6.32.020 Applicability.

A. All sales of rental facilities in the City are covered except those as follows:

1. to a family member;
2. limited by the terms of a bona fide mortgage or deed of trust;
3. to a mortgagee in lieu of foreclosure;
4. under a court order;
5. from one co-tenant to another by operation of law;
6. to the State or a local government;
7. of a minority title interest; or
8. of an accessory apartment.

B. This law is in addition to and is not intended to abrogate any other right of first refusal to buy rental housing provided by Montgomery County or other applicable law, except to the extent that those provisions conflict with the provisions of this law. If the provisions of this chapter

conflict with another provision of applicable law, the provisions of this chapter control.

6.32.030 Tenant opportunity to purchase.

A. Before an owner may settle on the sale of a rental facility, the owner shall give all tenants an opportunity to purchase the rental facility at a price and under terms which constitute an offer of sale in accordance with the requirements of Section 6.32.040 and shall comply with the time periods set forth in Sections 6.32.090, 6.32.100 and 6.32.110 herein, as applicable.

B. All contracts with third parties shall be subject to the rights of the tenant(s), a tenant association or the City to purchase the rental facility under this chapter. The time periods for negotiation of a contract of sale and for settlement under this chapter are minimum periods. The owner may give the tenant(s), the tenant association or the City a reasonable extension of time to purchase the rental facility, without liability under a third-party contract. Third-party purchasers are presumed to act with full knowledge of tenant rights under this chapter and the requirements in Takoma Park Code, Chapter 6.28, Sale of Rental Facilities – Notice and Disclosure Requirements.

6.32.040 Offer of sale.

A. The owner shall provide a written offer of sale to the following before going to settlement on the sale of the rental facility to another party:

1. to each tenant in the rental facility;
2. to any registered tenant association within the rental facility; and
3. to the City of Takoma Park Maryland.

B. An offer of sale must:

1. State the asking price and material terms of the sale. If a third-party contract for the sale of the rental facility exists at the time the offer of sale is made, then such offer shall state that the tenant(s), registered tenant association and the City have the right to purchase the rental facility under this chapter at the same price and on substantially the same terms and conditions as the third-party contract of sale for the rental facility;

2. State that the owner shall make available to the tenant(s), registered tenant association and the City, within seven calendar days of receiving a written request for the information:

- a. For multi-family rental facilities: A complete copy of any third-party contract to purchase the rental facility, a floor plan or other architectural and engineering plans or specifications of the rental facility, all documents required under Takoma Park Code, Chapter 6.28 Sale of Rental Facilities – Notice and Disclosure Requirements and an itemized listing of monthly operating expenses

and capital expenditures for each of the two preceding years. The owner shall, at the same time, provide the tenant or tenant association with the most recent annual rent stabilization report filed with the City, a rent roll, a list of tenants, and a list of vacant apartments.

b. For single-family rental facilities: a complete copy of any third-party contract to purchase the rental facility and all documents required under Takoma Park Code, Chapter 6.28, Sale of Rental Facilities-Notice and Disclosure Requirements.

3. For every day of delay by the owner in providing this information, the time period for the tenant or tenant association or the City to express interest in purchasing the rental facility or to negotiate a contract with the owner for purchase of the rental facility, as applicable, shall be extended by one day.

C. An offer of sale shall be sent by first-class mail or personally delivered to each tenant, registered tenant association and to the City Manager. The offer of sale shall also be posted in a conspicuous place in the common area or on the entry doors of the rental facility except for single-family rental facilities.

D. An offer of sale must allow the tenant(s), registered tenant association or the City to purchase only the rental facility even if the third-party contract to purchase the rental facility includes other real or personal property.

E. Change in the sales price or contract entered into after offering.

1. If there is a subsequent third-party contract after the initial offer of sale that results in a material change, or if the terms of a third party contract to purchase the rental facility materially change between the time an offer of sale is made and the settlement, then the owner shall give each tenant(s), tenant association, and the City a new offer of sale.

2. The tenant(s), registered tenant association and the City shall have all rights provided under this chapter except that the period to express an interest in purchasing the rental facility on the revised terms of sale shall not exceed seven calendar days from the date of receipt of the new offer of sale, provided that the initial time period to express interest has expired.

3. For rental facilities with seven or more rental units, a tenant association's prior registration shall continue in effect.

4. A material change shall include, but is not limited to, a change in the purchaser or a reduction in the sales price of 10% or more.

5. An owner shall not be required to give a new offer of sale if there is an increase in the sales price.

6.32.050 Contract negotiation.

A. The tenant(s), tenant association and the City shall bargain in good faith for the sale of the rental facility.

B. The owner may not require the tenant(s), tenant association or the City to prove financial ability to perform, as a prerequisite to entering into a contract.

6.32.060 Earnest money deposits.

To execute a contract, the owner may require the tenant(s), tenant association or the City to pay an earnest money deposit of up to 1% of the contract sales price for a single-family rental facility and for rental facilities with two to six rental units. For rental facilities with seven or more rental units, an owner may require an earnest money deposit of up to ½% of the contract sales price. The earnest-money deposit shall be refundable within 30 calendar days in the event of failure of the tenant(s), tenant association or the City to perform under the contract despite good-faith efforts.

6.32.070 Exercise or assignment of rights.

The tenant(s), tenant association or the City may exercise rights under this chapter in conjunction with a third party or by assigning or selling those rights to any party, whether private or governmental. The exercise, assignment or sale of rights of purchase may occur at any time in the process provided in this chapter and may be for any consideration which the tenant, tenant association or City finds acceptable.

6.32.080 Waiver of rights.

An owner shall not request, and a tenant(s), tenant association or the City may not grant, a waiver of the right to receive an offer of sale or any other right under this chapter except in exchange for consideration which the tenant, tenant association or City, in the sole discretion, finds acceptable.

6.32.090 Single-family rental facilities.

The following provisions apply to single-family rental facilities:

A. Upon receipt of a written offer of sale from the owner, the tenant shall have seven calendar days to deliver a written statement of interest to the owner and to the City Manager. Following that time period, if the tenant has not submitted a statement of interest, the City shall have seven additional calendar days to personally deliver or send by first-class mail a written

statement of interest to the owner. The statement of interest must be a clear expression of interest on the part of the tenant or the City to exercise the right to purchase the rental facility as specified in this chapter.

B. The tenant or the City may accept the offer of sale by submitting a written contract within 14 calendar days after the date the written statement of interest. The contract must include substantially the same terms and conditions contained in the owner's third-party contract of sale, if any, including any contract term that provides for a reasonable real estate commission.

C. Any contract of sale shall provide a reasonable period between the execution of the contract of sale and settlement for the tenant to secure financing. This period shall be at not less than 30 calendar days. If the tenant is obtaining financing through a government or other loan program for low or moderate income persons or for first-time homebuyers and the government agency or lender estimates in writing that a decision with respect to financing will be made within 60 calendar days after the date of the contract, then the owner shall afford an extension of time consistent with that written estimate.

D. If 6 months elapse from the date an owner has given notice of an offer of sale to a tenant and the City under this chapter and the owner has not gone to settlement on the sale of the rental facility, the owner shall comply anew with the provisions of this chapter before selling the property.

6.32.100 Rental facilities with two to six rental units.

The following provisions apply to rental facilities with two to six rental units:

A. The tenants may respond to an owner's offer of sale first jointly, then individually. Upon receipt of a written offer of sale from the owner, a group of tenants acting jointly shall have 14 days to provide the owner and the City Manager with a written statement of interest. The written statement of interest shall be personally delivered or sent by first class mail. Following that time period, if the tenants acting jointly have failed to submit a written statement of interest, then any individual tenant of the rental facility shall have seven additional calendar days to personally deliver or to send by first class mail a written statement of interest to the owner and the City Manager. Following that time period, if no individual tenant has submitted a statement of interest, the City shall have seven additional calendar days to personally deliver or to send by first class mail a written statement of interest to the owner. Each statement of interest must be a clear expression of interest on the part of the submitter to exercise the right to purchase the rental facility as specified in this chapter.

B. Contract Negotiation Period.

1. A tenant group, tenant, or the City may accept the offer of sale by submitting a contract within 30 calendar days after the date the written statement of interest is delivered. The contract must include substantially the same terms and conditions

contained in the owner's third party contract of sale, if any, including any contract term that provides for a reasonable real estate commission. If more than one individual tenant submits a written statement of interest, the owner shall negotiate with each tenant separately or jointly if the tenants agree to negotiate jointly.

2. If, at the end of the 30 calendar day contract negotiation period and any extensions thereof, the tenant group has not jointly contracted with the owner for purchase of the rental facility, the owner shall provide an additional 30 calendar day period, during which any one of the individual tenants of the rental facility may contract with the owner for the purchase of the rental facility. If, at the end of the additional 30 calendar day contract negotiation period and any extensions thereof, no individual tenant has contracted for the purchase of the rental facility, the owner shall provide an additional 30 calendar day period, during which the City may contract with the owner for the purchase of the rental facility.

3. If the owner is required to negotiate with more than one tenant group or tenant pursuant to this section, the owner may decide which contract to accept without liability to any other tenant group or tenant.

C. Any contract of sale shall provide a reasonable period between the execution of the contract of sale and settlement for the buyer to secure financing or financial assistance. This time period shall be at least 90 calendar days.

D. If eight months elapse from the date an owner has given notice of an offer of sale to tenants or the City under this section and the owner has not gone to settlement on the sale of the rental facility, the owner shall comply anew with the provisions of this chapter before selling the property.

6.32.110 Rental facilities with seven or more rental units.

The following provisions apply to rental facilities with seven or more rental units.

A. The tenants may respond to an owner's offer of sale only through a registered tenant association that represents at least 1/3 of the occupied rental units in the rental facility.

B. Upon receipt of an owner's offer of sale, the tenant association and the City shall have 45 calendar days to:

1. Mail or personally deliver to the owner and the City Manager a written statement of interest. The statement of interest must be an expression of interest on the part of the tenant association or the City to exercise the right to purchase the rental facility as specified in this chapter.

2. The tenant association shall mail or personally deliver to the owner and to the

City Manager a registration statement listing the names, addresses and teleph one numbers of all m ember tenants, officers, le gal counsel and other confirmation that the tenant association represents at least 1/3 of the occupied rental units at the tim e of registration.

C. A registered tenant association or the City may accept the offer of sale by subm itting a contract within 120 calendar days after the date the tenant associ ation or the City delivered the written statement of interest to the owner. The contract must include substantially the same terms and conditions contained in the owner's third party contract of sale, if any, including any contract term that provides for a reasonable real estate commission.

D. Any contract of sale shall provide a reasonable period, consid ering current m arket conditions, between the execution of the contract of sale and settlement for the tenant association or the City to secure financing. This time period shall be at least 120 calendar days. If a lending institution or agency estimates in writing that a decision with respect to financing will be made within 240 calendar days af ter the date of the contract, the ow ner shall afford an extension of time consistent with that written estimate.

E. Conversion to limited equity housing cooperative.

1. If the tenant association, by its articles of incorporation, bylaws or resolution adopted by the Board of Directors, or by other agreement which provides that the purpose of the tenant association is to convert the rental facility to a lim ited equity housing cooperative, then the owner shall afford the tenant association not less than 180 calendar days after the date of the contract in orde r to secure financing for the purchase of the rental facility.

2. If the purpose of the tenant association is to convert the rental facility to a limited equity housing cooperative pursuant to subsection (E)(1) above, the owner shall assist the tenant association in converting the rental facility to a limited equity housing cooperative by executing a contract of sale with the tenant association. Toward this end, at any tim e after execution of a contract of sale and at the written request of the tenant association, the owner shall execute and deliver any and all notices required under the Maryland Cooperative Housing Corporation Act, under Chapter 11C, Cooperative Housing, of the Montgomery County Code and under any other applicable or successor provisions of State and County law to all tenants at the rental facility and to all applicable government agencies. Such notices and any related docum entation or offers of sale shall be prepared solely by the tenant association, and all reas onable costs associated with the publication and distribution of such notices shall be the sole responsibil ity of the tenant association. The tenant association shall indemnify and hold harmless the owner from the liability for any loss or damage suffered as a direct result of the giving of such notices.

F. If one year elapses from the date an owner has given notice of an offer of sale under this chapter and the owner has not gone to settlement on the sale of the rental facility, the owner shall

comply anew with the provisions of this chapter before selling the property.

6.32.120 Obligations upon foreclosure.

A lender's trustees or the lender's attorney who are foreclosing on a rental facility shall give notice of the time, place, and terms of sale to the tenants in the rental facility by mailing such notice to the tenants by first-class mail or by posting the notice in a prominent place in the common area or on the entry doors of the rental facility. Notice also shall be provided to the City Manager and to any registered tenant association by mailing or personally delivering the notice to the president of such tenant association and to the City Manager. This notice shall be given within the time frame currently applicable under State law or court rules for giving notice of the time, place, and terms of sale to the record owner of the property.

6.32.140 Enforcement of tenant opportunity to purchase rights.

A. An owner, tenant or tenant association may seek enforcement of any right or provision under this chapter through a civil action filed with a court of competent jurisdiction and, upon prevailing, shall be entitled to an award of reasonable attorney's fees and costs.

B. In addition to the above, the City may take all appropriate action, including but not limited to the actions specified in Subsections (A) and (C) of this section, to enforce the provisions of this chapter.

C. In addition to any other remedy or enforcement measure, a tenant, tenant association or third party or public agency working with the tenant or tenant association may seek and any court of competent jurisdiction may: (1) issue restraining orders and/or temporary or permanent injunctions if the plaintiff is found likely to succeed on the merits of a complaint against an owner for violation of the provisions of this chapter; and/or (2) declare any transfer in which an owner has not complied with all requirements of this chapter void and the transfer documents set aside.

6.32.150 Statutory construction.

The purpose of this chapter is to provide an opportunity for tenants to become owners of the rental facility in which the tenants reside or to allow tenants to exercise or assign their rights for their benefit, as provided in this chapter. If a Court finds ambiguity and there is any reasonable interpretation of this chapter that favors the rights of the tenant or tenant organization, then the court should resolve such ambiguity toward the end of strengthening the legal rights of the tenant or tenant organization to the maximum extent permissible under law.

**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.
- 6.12.030 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.

6.36.010 Unsafe buildings - Public nuisance declared.

Any building or structure or part thereof that is determined to have become a hazard to the life, health, safety, or general well-being of the occupants or the public may be deemed an unsafe building or public nuisance.

6.36.020 Adoption of Montgomery County Code.

The provisions of the following sections of Chapter 26, Housing and Building Maintenance Standards, of the Montgomery County Code, as amended from time to time, are incorporated herein Chapter 6.36 adopted as the Unsafe Buildings – Public Nuisance Abatement Code.

- A. Section 26-13. Designation of unfit dwellings and unsafe nonresidential structures; condemnation.
- B. Section 26-14. Repair or removal of condemned buildings or structures.
- C. Section 26-15. Severe conditions and corrective actions.
- D. Section 26-15. Severe conditions and corrective actions.

6.12.030 Amendments to Chapter 26, Housing and Building Standards, of the Montgomery County Code.

- A. The word “County” in Sections 26-13, 26-14 and 26-15 is amended to read “City.”
- B. The phrase “Enforcing Agency” is defined as:
 - 1. the Department of Housing and Community Affairs;
 - 2. the City of Takoma Park; or
 - 3. any employee, agency or department of the City government or any City contractor or agent that the City Manager assigns to enforce the Property Maintenance Code or any provision thereof.

6.36.040 Right of entry.

A. The City Manager, Code Official, and police, or their designated representatives, upon exhibiting the proper credentials or proof of identity on request, shall have the right to enter any building in the City at any reasonable hour or at such other times as may be necessary in an emergency that endangers life, property or public safety for the purpose of performing duties under this chapter or enforcing the provisions thereof.

B. Police, fire, health and other departments having authority in the City shall render necessary assistance in the enforcement of this chapter when requested to do so by the City Manager.

6.36.050 Vacating and placarding.

A. If an unsafe building or part of it is in such condition as to make it dangerous to life, property or public safety, the building or part of it shall be ordered to be placarded and vacated.

B. The owner and any occupants of an unsafe building that has been ordered to be vacated shall be given notice to vacate the building immediately or within a specified time, and a warning placard shall be posted at each entrance to such a building.

1. The warning placard shall include language similar to the following: "THIS BUILDING IS UNSAFE AND ITS USE OR OCCUPANCY HAS BEEN PROHIBITED BY THE CITY OF TAKOMA PARK." The warning placard shall remain posted until the required repairs are made or demolition is completed.

2. No person shall deface or remove any warning placard after it has been posted until the required repair or demolition has been completed.

3. No person shall remain in or enter any building that has been condemned as unsafe for occupancy or use and posted with a warning placard except for the purpose of making the required repairs or of demolishing the same.

6.36.060 Vacating and securing of premises.

A. Any person occupying an unsafe building or part of it that has been ordered to be vacated shall vacate the building or part of it in accordance with the terms of the order to vacate.

B. A person shall not occupy and an owner shall not permit a person to occupy an unsafe building or part of it which has been posted with a warning placard and ordered to be vacated until the Code Official approves the re-occupancy and removes the warning placard.

C. Once the unsafe building is vacant, the owner shall secure and board all windows and doors that are accessible from the ground, from an adjacent structure or by the reasonably foreseeable use of a ladder, table or other device and must keep them secured against

unauthorized entry. All exterior boards must be completely painted in accordance with the predominant tone of the building. The boards shall not extend beyond the perimeter of the openings and shall cover the entire opening. Door openings shall be secured by having the doors locked and inaccessible.

D. Upon the failure of an owner or occupant of an unsafe building which has been ordered to be vacated to vacate the building or part of it or the failure of an owner to properly secure the dangerous building, the City may cause the building to be vacated or secured. The costs thereof, including reasonable attorney's fees, shall be paid by the owner. The City shall send the owner a bill for the costs by certified mail, return receipt requested, and by regular mail to the owner's last known address or by any other means reasonably calculated to bring the bill to the owner's attention. If the owner does not pay the bill within one month after it is presented, the costs shall be a lien against the real property which may be collected and enforced in the same manner as are taxes, special assessments and other liens on real property or collected as provided for in Section 6.40.020(C).

6.36.070 Tenant Displacement.

A tenant of an unsafe building who is required to leave the building or part of it as a result of an order to vacate issued under this chapter is displaced.

A. The owner is not required to locate alternative housing if the tenant's displacement was the result of an 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.

B. Except as provided in subsection (A) of this section, the owner is required to locate alternative housing for a displaced tenant until such time as the City authorizes reoccupation of the unsafe building or approves any repairs made in accordance with this chapter or until the lease term of the tenant expires, whichever occurs first. The lease term of the tenant shall be deemed to include any notice period required by applicable law for the landlord to terminate the tenancy of the tenant. Any displaced tenant shall continue to be responsible for payment of the rent in the same amount as paid to the owner immediately preceding the displacement, which rent may be paid either to the owner or to the provider of the alternative housing pursuant to the conditions herein described. The owner shall be responsible for the difference between the rent as paid prior to the displacement and the rent required for the alternative housing, except that the owner is not responsible for such difference beyond the lease term of the tenant.

C. Any costs, including reasonable attorney's fees, incurred by the City in the relocation of any displaced tenants shall be paid by the owner. The City shall send the owner a bill for the costs of such relocation by certified mail, return receipt requested, and by regular mail to the owner's last known address or by any other means reasonably calculated to bring the bill to the owner's attention. If the owner does not pay the bill within one month after it is presented, the cost shall be a lien against the real property which may be collected and enforced in the same manner as are taxes, special assessments and other liens on real property or collected as provided

for in Section 6.40.020(C).

Chapter 6.40 VIOLATIONS AND ENFORCEMENT

Sections:

- 6.40.010 Violations and penalties.
- 6.40.020 Enforcement.

6.40.010 Violations and penalties.

- A. Any violation of this title shall be a Class C municipal infraction except as otherwise specifically provided.
- B. Operating or permitting the operation or occupancy of a rental facility without having applied for and obtained a rental housing license or after a license has expired or been suspended, revoked or denied shall be a Class AA municipal infraction violation.
- C. The following shall be Class A municipal infraction violations:
 - 1. Any violation of Chapter 6.12 Property Maintenance Code;
 - 2. Failure to obey an order of the Commission;
 - 3. Failure to file a rent report or submission of a false, incomplete or inaccurate rent report;
 - 4. Charging or attempting to charge an illegal rent or fee;
 - 5. Any violation of Section 6.16.100 Utilities - Charges to tenant and transfer of utility payments;
 - 6. Submitting false information or making false statements to the Department or to the Commission;
 - 7. Any violation of Chapter 6.32 Tenant Opportunity to Purchase; and
 - 8. Failure of an owner, agent or operator of any unsafe building to comply with any notice or order issued under Chapter 6.36 Unsafe Buildings – Public Nuisance.
- D. The failure of any occupant of an unsafe building to comply with any posted warning placard or notice or order to vacate shall be a Class D misdemeanor violation.

E. Except as provided in subsection (F), below, each day a violation continues shall be considered a separate violation.

F. Each month that a landlord charges an illegal rent or fee for an individual rental unit shall constitute a separate violation. For example, the charging of an illegal rent or fee for four rental units for three months constitutes twelve violations.

6.40.020 Enforcement.

A. The City may take any appropriate action to enforce or correct violations of this title.

B. In addition to any other penalties and remedies provided for in this title or by applicable law, the City may apply to a court of competent jurisdiction for abatement orders, restraining orders, temporary or permanent injunctions, or any other appropriate form of remedy or relief to correct, restrain, or enjoin violations of this title.

C. The City may bring suit to collect all costs, assessments, liens or charges imposed or incurred by the City in taking any action authorized by this title.

D. In the event that a landlord brings an action against a tenant that is contrary to a Commission order, the court shall dismiss the action against the tenant and may award the tenant attorney's fees and costs incurred in defending against the landlord's action.

SECTION 2. This Ordinance shall be effective 20 days following its adoption.

ADOPTED BY THE COUNCIL OF THE CITY OF TAKOMA PARK, MARYLAND,
THIS 22ND DAY OF JULY, 2013 BY ROLL-CALL VOTE AS FOLLOWS:

AYE: Williams, Grimes, Male, Daniels-Cohen, Seamens, Smith, Schultz
NAY: None
ABSENT: None
ABSTAIN: None