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Subject:	Residential Rental Facilities—Fees	
Effective Date:	1/15/2025	

**RESIDENTIAL RENTAL FACILITIES—FEES
ADMINISTRATIVE REGULATIONS**

Pursuant to *Takoma Park Code* Chapter 6.16, Landlord Tenant Relations, the following Administrative Regulations are hereby promulgated and are to be used in coordination with § 6.16.090, Fees.

Section 1. General Provisions.

- A. Fees shall not be charged for services and amenities previously included in the rent for the rental unit or provided to current or prior tenants at no cost.
- B. Except as provided in paragraph D of this section, landlords may not charge any fee other than fees specified in these Regulations.
- C. Except as provided in paragraph D of this section, fees may not exceed the maximum amount established in these Regulations.
- D. Previously existing fees
 - 1. Landlords that have charged fees for optional services and amenities that are not specified in these Regulations prior to the effective date of these Regulations and have reported the fees on their Annual Rent Reports approved by the Department may continue to charge such fees but may not increase such fees.
 - 2. Landlords that have charged fees for optional services and amenities that are higher than the maximum fees established in this prior to the effective date of these Regulations and have reported such fees on their Annual Rent Report approved by the Department may continue to charge such fees but may not increase them.

Section 2. New Tenant Fees.

Landlords may not charge prospective tenants any fee in connection with the commencement of a new tenancy except a one-time leasing fee, which shall not exceed \$ 35.00. Landlords must pay any brokerage fee associated with a tenant’s lease.

Section 3. Lease Option Agreements.

Landlords must refund any lease option agreement fees paid by a tenant if the tenant does not exercise the option to purchase the leased premises for any reason. Landlords must maintain lease option agreement fees in an escrow account. The landlord must return the lease option agreement fees to the tenant within thirty days of the termination of the tenant’s tenancy or within thirty days

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of receiving notice from the tenant that the tenant declines to exercise the option, whichever shall first occur. Lease option agreements shall include the statements required under section 8-202 of the Real Property Article of the Maryland Code.

Section 4. Optional Services and Amenities.

- A. Fees may be assessed to tenants for new services and amenities.
- B. Fees may not be assessed for services and amenities that were previously provided to tenants of the rental unit at no cost or included in the rent.
- C. Tenants must acknowledge in writing that they understand that they have the right to decline a service or amenity and that they voluntarily accept the service or amenity before a landlord can begin charging the tenant a fee.
- D. Landlords must assess fees on a uniform basis throughout a rental facility to all tenants that voluntarily accept a service or amenity subject to an optional fee.
- E. 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.
- F. Air Conditioning Fees.
 - 1. The landlord may assess a fee for:
 - a. The rental of an individual window air conditioning unit or units supplied by the landlord; or
 - b. The installation or removal of the air conditioning units supplied by the tenant; and
 - c. The tenant shall have the option of providing an air condition 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 offered for rent by the landlord.
 - 2. Fees for additional utility consumption due to the use of landlord-provided air conditioning units where the landlord pays for the utility shall only be assessed during the months of May through September. The fee shall be assessed monthly and calculated by taking the actual cost of the utility for the month and subtracting it from the average monthly cost of the utility between the months of October through July of the year prior.

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3. If a new unit is added for a building that charges Air Conditioning Fees, the first year the landlord must submit an *Application for Waiver of Fee Restriction* to adjust the calculation to account for the new unit.

Section 5. Fee Schedule.

See Table 1. May be updated annually.

Section 6. Application for Implementation of New Fee.

A. A landlord who wishes to assess a new fee for a new service or amenity to a tenant, including those listed herein that was not previously assessed to such tenant, must submit an *Application for Implementation of a New Fee* and all supporting documentation to the City of Takoma Park’s Housing & Community Development Department (the “Department”) for review prior to the establishment of the new fee. A sample application is included as Exhibit A.

B. Upon receipt of the application form, the Director of Housing & Community Development or their designee shall:

1. Confirm completeness of the application and docket complete applications or promptly notify the Applicant of the deficiencies in the application.
2. Distribute the application to the appropriate City department(s) for review.
3. Consult with the Applicant regarding City concerns and explore changes and conditions that are acceptable to the City and the Applicant that will allow for the granting of a New Fee.
4. Notify the Applicant of the decision and any additional required submissions.

C. A complete application shall be approved or denied within twenty-two (22) business days of receipt of the application unless the proposed fee requires extensive review because of safety, traffic, or logistical concerns.

D. The application shall be approved if it meets one of the following conditions:

1. The fee relates to a new optional amenity or service;
2. The fee is for a new amenity or service that is not optional but is demonstrated to be desired by the majority of residents (through documentation of an ask from residents or documented support). Support from residents shall be demonstrated through a letter from the president of a Tenant Association or a signed request from the majority of the tenants (with relevant contact information).
3. The fee is for an existing amenity but a desire for the fee is demonstrated by the residents, the fee is for the management of an existing issue, and there is documentation that the assessed fee is proportional to its cost. Support from residents shall be

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demonstrated through a letter from the president of a Tenant Association or a signed request from the majority of the tenants (with relevant contact information).

E. Upon notification that the application has been approved and prior to the issuance of a fee, the Applicant must provide the following:

1. Records of a two month notice of a new fee to all of the tenants in the building(s).
2. If the fee is optional a list of units who have signed up for the fee.

F. The Application will be denied in the event the Applicant fails to complete the application or provide the required supplemental information after being requested to do, or the information contained in the application is found to be false in any material detail.

G. The Director of Housing & Community Development may impose conditions rather than deny the Application.

H. Notice of the permit decision may be provided to the Applicant by mail, email or facsimile.

Section 8. Application for Waiver of Fee Restriction.

A. If a Landlord has imposed a fee that they believe they should be exempt from the established fee schedule in this section, Landlord may apply for a waiver of the fee restriction provided in the established fee schedule in accordance with this Section.

B. Landlords who wish to apply for a waiver from the established fee schedule must submit an *Application for Waiver of Fee Restriction* and all supporting documentation to the City of Takoma Park’s Housing & Community Development Department (the “Department”) for review prior to the establishment of the new fee. A sample application is included as Exhibit B.

C. Upon receipt of the application form, the Director of Housing & Community Development or their designee shall:

1. Confirm completeness of the application and docket complete applications or promptly notify the Applicant of the deficiencies in their application.
2. Distribute the application to the appropriate City department(s) for review.
3. Consult with the Applicant regarding the City’s concerns and explore changes and conditions the City deems to be reasonably necessary to accomplish the intent of this Chapter while allowing granting Applicant the ability to assess a New Fee.
4. Notify the Applicant of the decision and additional required submissions for the issuance of the Permit.

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Section 9. Application for Waiver of Fee Restriction Decisions.

A. A complete application shall be approved or denied within twenty-two (22) business days of receipt of the application unless the proposed fee requires extensive review because of safety, traffic, or logistical concerns.

B. The application shall be approved if the cost of the existing amenity or service is above the fee amount allowed under the fee schedule.

C. Upon notification that the application has been approved and prior to the issuance of a fee, the Applicant must provide the following:

1. Records of a two-month notice of the updated fee to all of the tenants in the building(s).
2. If the fee is optional, list of units who have signed up for the fee.

D. The Application will be denied in the event the Applicant fails to complete the application or provide the required supplemental information after being requested to do, or the information contained in the application is found to be false in any material detail.

E. The Director of Housing & Community Development or their designee may impose conditions, rather than deny an application. If the Director of Housing and Community Development imposes additional conditions, they shall only be conditions deemed reasonably necessary to accomplish the intent of this Chapter.

F. Notice of the permit decision may be provided to the Applicant by mail, email or facsimile.

Section 10. Appeals.

A. The Decision to deny the establishment of a new fee or to waive a fee restriction may be appealed by the landlord.

B. Appeal must be filed with the City Clerk not later than five business days after the date written notice of the decision is made.

C. The City Manager shall decide an appeal within five business days. The decision shall be in writing and explain the grounds for the decision. The decision on appeal may affirm, reverse, or modify the original decision. If the decision on appeal grants or reinstates a Permit or lifts a suspension, the City Manager may impose conditions upon the Permit.

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Section 11. Annual Review and Publication.

The City Manager or their designee shall review established fees on an annual basis. Information regarding additions, deletions or revisions to the fee schedule shall be published annually commencing in July.

Section 12. Enforcement Responsibility.

The Director of Housing & Community Development or their designee shall be responsible for the enforcement of these Administrative Regulations.

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Exhibit A

EXAMPLE Application for Implementation of New Fee

1. Address of Rental Facility _____
2. Number of Rental Units _____
3. Name of Owner _____
4. Mailing Address _____
5. Phone (_____) _____ Email _____
6. Name and Description of Proposed Fee

7. Proposed Fee Amount \$ _____
8. List any attached documentation that will support your request

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Exhibit B

EXAMPLE Application for Waiver of Fee Restriction

1. Address of Rental Facility _____
2. Number of Rental Units _____
3. Name of Owner _____
4. Mailing Address _____
5. Phone (_____) _____ Email _____
6. Name and Description of Fee _____

7. Proposed Fee Amount \$ _____
8. Describe Need for Waiver of Restrictions

9. List any attached documentation that will support your request

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Table 1 – Fee Schedule

Type of Fee	Maximum Fee
Parking Fee	\$50 per month
Parking Fee, Reserved Space	\$75 per month
Parking Fee, Covered	\$120 per month
Secure Storage Unit Accessible only by Tenant	\$3 per month per square foot
Lock Out (on site management during business hours)	\$25
Lock Out (off site management and off hours)	Actual cost
Lost Key	Actual duplication cost plus \$25
Leasing Fee	\$35
Pet Fee for Dogs or Cats	\$35 per month or \$420 one-time deposit
Pet Fee for Other Pets	\$20 per month or \$240 one-time deposit
Window Air Conditioning Unit Rental	\$35 per month
Window Air Conditioning Unit Installation or Removal	\$35
Excess Utility Fee for Air Conditioning Window Units (if electricity is included in rent)	Actual cost (minus the average cost for the months of Oct – Apr in the previous year) divided by the number of units in the rental facility
Cable Televisions and Internet	Actual cost to the landlord divided by the number of rental units in the rental facility
Bulk Trash Removal	Actual cost to the landlord in excess of regular waste removal
Furnished Rental Unit Fee (Furnishings must include a dresser and bed for each bedroom, a sofa, a table and chairs for eating, adequate lighting for each room, a stove or oven and installed cook top, a refrigerator, and a microwave.)	10% of monthly rent
Short Term Lease Fee	\$75.00 per month
Rental Unit Change During Lease Term	One month’s rent for the unit to be vacated
Enclosed Bicycle Storage	\$10 per month

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