



DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS


Marc Elrich
County Executive

Scott Bruton
Director

MEMORANDUM

September 15, 2023

TO: Marc Elrich, County Executive
Montgomery County, Maryland

FROM: Scott Bruton, Director 
Department of Housing and Community Affairs (DHCA)

SUBJECT: Report Required under Section 29-6(h) of the Montgomery County Code Related to Rental Housing Inspections for the Period July 1, 2022, through June 30, 2023

Summary

As required in Section 29-6(h) of the Montgomery County Code, the Director of the Department of Housing and Community Affairs (DHCA) must submit an annual “Troubled Property Report” on multi-family rental housing inspections conducted each Fiscal Year (FY) (July 1 through June 30) to the County Executive and County Council. This report summarizes FY23 inspection findings and code enforcement outcomes for multi-family rental apartment properties. This report also contains data and information on the following topics:

- 1) A list of multi-family rental properties inspected during FY23, inspection results, and a “Troubled Property” list. (Attachment 1)
- 2) A list of multifamily properties to be inspected in FY24. (Attachment 2)
- 3) Housing code violation citation data for FY23.
- 4) Montgomery County 3-1-1 (MC311) call center service request data.

Background

The DHCA Code Enforcement Section is committed to carrying out its mission to correct problems that contribute to the physical decline of residential properties and neighborhoods. In doing so, through inspection processes, DHCA ensures that existing housing is safe and

Division of Community Development

Code Enforcement Common Ownership Communities Landlord-Tenant Affairs

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habitable for all Montgomery County residents. Annually, the code enforcement team conducts an average of 37,000 inspections and investigates 10,000 MC311 service request complaints for residential single-family and multi-family dwellings, commercial building exteriors, and vacant lots. To further enhance the County's ability to ensure the proper maintenance of multi-family rental properties and units by owners and property management companies, the County passed Executive Regulation, 5-17 "Troubled Properties" and associated Bill 19-15 "Licensing of Rental Housing-Landlord-Tenant Obligations" in 2017. In part, these regulations required DHCA to inspect all the nearly 700 multifamily properties within DHCA's jurisdiction. To accomplish this task, DHCA conducted a "surge" of inspections between FY17 and FY19. Shortly thereafter, DHCA announced completion of its two-year inspection "surge" of approximately 22,000 apartment units in approximately 700 multifamily properties. The results of this surge allowed DHCA to focus its inspection efforts on the most problematic multifamily rental buildings. Based on the number and severity of violations found after completed inspections, each apartment building was identified as Compliant, At-Risk, or Troubled. DHCA developed a "Troubled Property" prioritized inspection action plan. After a multifamily property is inspected, DHCA calculates two numerical scores: the Total Number of Violations score (TV) and a Severity of Violations (SV) score. Based on the total of these scores a multifamily rental property is categorized as Troubled, At-risk, or Compliant. The goal is to inspect Troubled Properties and At-Risk more frequently to ensure that violations are corrected.

For properties designated as Troubled, 100% of the units are inspected every year. Additionally, that property is required to submit a corrective action plan that identifies how it plans to correct existing violations and what steps it will take to ensure that violations do not recur in the future. Properties designated as At-Risk are inspected at least every two years and a minimum of 25% of the units are inspected. The goal is to ensure that At-Risk properties do not fall into Troubled status. For properties that are Compliant 25% of the units are inspected every three years.

The unprecedented COVID-19 pandemic created a challenging inspection backlog when all interior inspections were suspended effective March 16, 2020. In the beginning of FY22, DHCA's housing code enforcement team resumed conducting mandated inspections of Montgomery County's multifamily housing stock. Consequently, the total number of inspections completed during FY20, FY21 and FY22 was well below normal operational projections. However, DHCA completed nearly all the regularly scheduled inspections in FY23.

During FY23, DHCA identified several technology related issues that negatively impacted scheduling multifamily rental housing inspections, which it is actively working to correct to ensure that all scheduled inspections are completed in a timely fashion. First, at the beginning of FY24, DHCA discovered that the inspections of several small, troubled properties were not scheduled and completed because the code enforcement database did not effectively generate inspection schedules for properties with expired rental licenses. These properties have been identified in this report and will be inspected early in FY24. Second, DHCA found that the housing code inspection iOS application periodically had difficulty processing significant volumes of information when several simultaneous inspections were conducted at large multifamily properties. DHCA's Information Technology (IT) team is actively working to rectify these issues. Despite these challenges, the iOS application continues to improve inspection efficiency and is much more user friendly than the previously utilized system.

Properties Inspected in FY23 and Inspection Results

During FY23, the Code Enforcement Section conducted mandated inspections and completed a total of 15,627 interior unit inspections at 309 properties. The tables and charts below provide a breakdown of multifamily rental property inspection results for FY23.

Table 1: Summary and Status of Multifamily Inspection Results for FY23

	Compliant	At-Risk	Troubled	Totals
Number of Properties Inspected	186	46	77	309
Number of Units Inspected	6213	1,374	8040	15,627
Number of Individual Properties with 20% of units with Vermin	2	0	13	15
Number of Individual Properties with 20% of units containing Mold	2	0	5	7
Number of Smoke Alarm Violations / Property	69	18	34	121
Number of CO Alarm Violations /Property	31	18	32	81

Charts 1 and 2 below show the percentage of properties and units that fell into the “Troubled” category relative to the total numbers of properties and units in Montgomery County. Properties and units in the “Not Troubled” categories are in either “Compliant or “At-Risk” categories, some of which were not scheduled for inspection in FY23.

Chart 1: Percent of Multi-Family Rental Properties Identified as Troubled in FY23

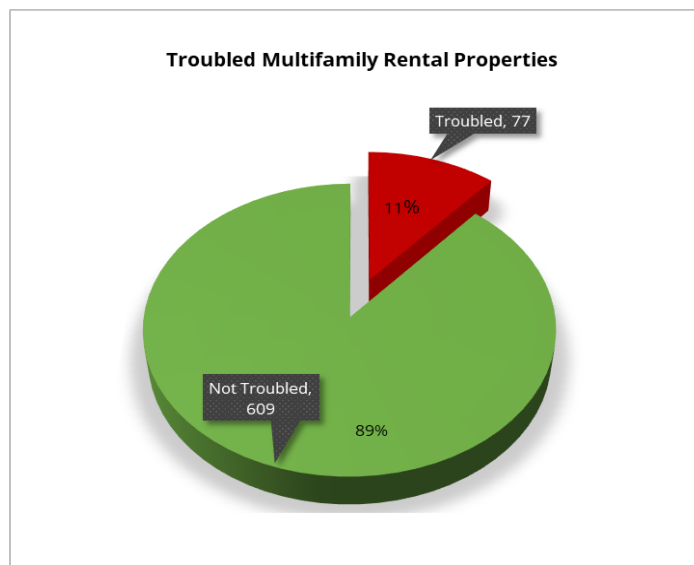
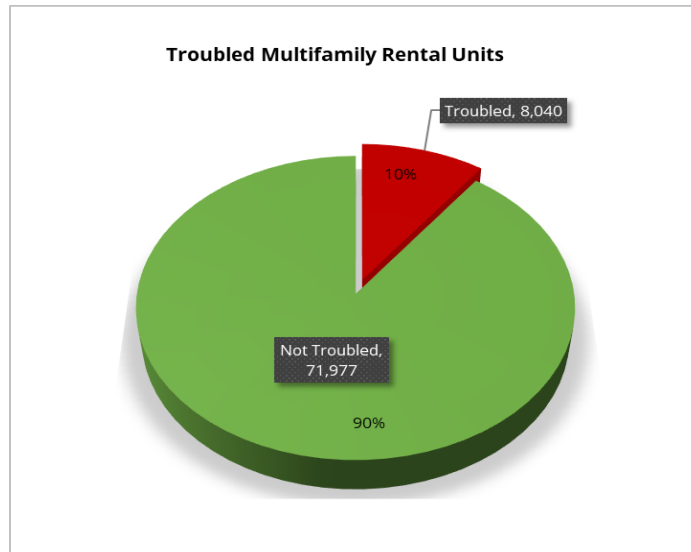


Chart 2: Percent of Multi-Family Units Identified as Troubled in FY23



Properties Scheduled to be Inspected in FY24

In FY24 DHCA’s Code Enforcement Section will inspect 14,171 units at 279 properties, as detailed in Table 2 below and in Attachment 2. Table 2 below identifies the categories of units and properties that DHCA’s Code Enforcement Section will inspect in FY24 and includes 100% of properties identified as Troubled in FY23, in addition to the At-Risk and Compliant properties scheduled for inspection in FY24.

Table 2: FY24 Projected Scheduled Multifamily Rental Inspections

	Units	Properties
Troubled Properties Inspections	9,318	94*
At-Risk Inspections	1,838	40
Compliant Inspections	3,228	145
TOTAL	14,171	279

*There were 17 carry-over inspections included in this total that are identified in Attachment 2.

Number of Citations Issued in FY23

The primary goal of DHCA's housing code inspection program is to ensure compliance with the County's housing laws and safety standards. To that end, DHCA achieves a high level of compliance from the owners and managers of multifamily rental properties without the need to issue citations to the landlords. Inspectors and landlords alike recognize that having the landlord correct a deficiency for the benefit of the tenant is the most desirable outcome, and a low level of citations and court cases indicates that the work of the Housing Code Enforcement Section achieves a high level of compliance.

A Notice of Violation (NOV) is issued to a landlord when a code violation is identified by a code enforcement inspector during a complaint-based or scheduled, mandated inspection. A NOV may include multiple code violations on the notice. During FY23, DHCA issued 2,896 notices of violation for 30,998 Code violations to 1,243 multifamily rental properties. Thirty-nine multifamily rental properties failed to make the repairs required by these NOVs, resulting in 2,783 citations. Fortunately, most landlords made the required corrections and as a result, many citations were dismissed prior to the court hearing. However, some landlords did not comply with required repairs, resulting in court hearings.

Unfortunately, due to the continuing influence of the COVID-19 pandemic, civil hearings remain backlogged in the District Court. Currently, court hearings for citations generally are heard six months after issuance. Some landlords wait for hearings before making required repairs, so the delay in court hearings results in some repairs not being made for several months. For these reasons, fines collected from citations have been consistently low since the beginning of the COVID-19 pandemic and continue to remain negligible.

DHCA and the Office of the County Attorney are collaborating to explore options to improve housing code compliance by landlords who have a history of not remediating NOVs and citations within required deadlines.

311 Calls Concerning Rental Housing Complaints by Language of the Caller

In addition to conducting the inspections required under Section 29-22 of the Montgomery County Code, the Housing Code Enforcement Section responds to individual tenant complaints on a routine basis. Most of these complaints are received through the County's 311 Call Center. A few complaints are received through in-person visits to DHCA's office. Over the course of FY23, the Housing Code Enforcement Section responded to 1,742 complaints at multifamily rental properties. An additional 4,415 housing related cases were received and followed up on at non-multifamily properties in the county and rental and complaint inspections within the City of Takoma Park. DHCA has maintained a memorandum of understanding with the City of Takoma Park, whereby DHCA conducts inspections within this jurisdiction for a fee. Regardless of jurisdiction or origination, these tenant-originated complaints are referred to as Service Requests.

The total number of Service Requests created by the County's 311 call center for "Housing Code Enforcement and Landlord Tenant Complaints" based on preferred language are as follows:

Type of Call	Preferred Language: English	Preferred Language: Spanish	Preferred Language: Other *	Total Number of Calls by Language
Bill 19-15	0	0	0	0
Housing Code Enforcement	6,001	660	2,952	9,613
Landlord Tenant Affairs	9,131	722	2,536	12,389
TOTAL	15,132	1,382	5,488	22,002

(Source: 3-1-1 call center for the period 7/1/22 through 6/30/23)

* Other languages primarily include French, Korean, Chinese, or Vietnamese and those categorized as “other”. Includes General Information and Fulfillment SRs. Note that the last column entitled “Total Number of Calls by Language” represents the total number of Service Requests for the period for Type of call shown in column 1.

Troubled Property List

In addition to the” Troubled Property List” attached to this memorandum, DHCA will publish the data on Montgomery County’s “Open Data Portal Troubled Property Analysis” following the completion of the notification process in the fall of FY24.

SB/nb

List of Attachments:

1. List of Troubled Properties identified during FY23.
2. List of Multifamily Properties to be Inspected in FY24.