AN EXPEDITED ACT to:

(1) expand the categories of households that are eligible for certain extended tenancies when certain rental housing is converted to condominiums; [[and]]

(2) clarify the income eligibility requirements for certain extended leases;

(3) make certain legislative findings; and

(4) generally amend the law governing conversion of rental housing to condominiums.

By amendment:
Montgomery County Code
Chapter 11A, Condominiums
Section 11A-5, Extended Leases

The County Council for Montgomery County, Maryland approves the following Act:
Sec. 1. Section 11A-5 is amended as follows:

11A. Extended Leases.

(a) In accordance with the legislative findings and declaration of a rental housing emergency caused by conversions of rental housing [of] to condominiums, [the following] this section is enacted pursuant to authority contained in [section 11-140,] §11-140 of the Real Property Article[.]

(b) Definitions. In this section the following words have the meanings indicated.

(1) ["Developmentally disabled" has the meaning stated in §7-101 of the Health General Article] "Disabled individual" means an individual who has a physical or mental impairment that substantially limits one or more of the individual’s major life activities.

(2) "Handicapped citizen" has the meaning stated in §11-137 of the Real Property Article.

(3) "Senior citizen" has the meaning stated in §11-137 of the Real Property Article.

[(a)](c) Life tenancies. [Designated families, as defined in section 11-137, Real Property Article, shall be entitled to an extended lease, beyond the three-year period provided by state law, for a period of no less than the lifetime of all household members who meet the definition of "senior citizen" or "handicapped citizen" as contained in section 11-137, Real Property Article] A household that includes a senior [[citizen, handicapped citizen, or developmentally disabled individual]] citizen or handicapped citizen is entitled to an extended lease for a period of no less than the lifetime of the senior [[citizen, handicapped citizen, or]}
developmentally disabled individual] citizen or handicapped citizen if the household meets the income [limit set established in [[§11-137 of the Real Property Article]] subsection (g) and the senior [[citizen, handicapped citizen, or developmentally disabled individual] citizen or handicapped citizen has been a member of the household for a period of at least 12 months preceding the giving of notice required by §11-102.1 of the Real Property Article.

[(b)] (d) Three-year tenancies. The following tenant households, in the following order of priority, shall be eligible for extended leases of three (3) years as a "designated family," pursuant to the provisions of [section 11-137,] §11-140 of the Real Property Article, subject to the tenant households eligible for life tenancies under section 11A-5(a), and limited to the twenty (20) percent set aside [of section 11-137,] established in §11-137 of the Real Property Article:

(1) [Households which include a senior citizen or handicapped citizen as defined in section 11-137, Real Property Article and meet income requirements, as defined by section 11-137, Real Property Article, where such senior citizen, or handicapped citizen has been a member of the household for less than twelve (12) months preceding the notice required in section 11-102.1, Real Property Article] A household that includes a senior [[citizen, handicapped citizen, or developmentally disabled individual] citizen or disabled individual and meets the income [[limit set established in [[§11-137 of the Real Property Article]] subsection (g), regardless of the length of time that the senior [[citizen, handicapped citizen, or developmentally disabled individual] citizen or disabled individual has been a member of the household.]
(2) Households which include a senior citizen or handicapped citizen as defined by section 11-137, Real Property Article, but need not meet the annual income requirements of Real Property Article or membership in household requirements of that section. A household that includes a senior citizen, handicapped citizen, or developmentally disabled individual, regardless of whether the household meets the income limit established in §11-137 of the Real Property Article subsection (g) or the length of time that the senior citizen, handicapped citizen, or developmentally disabled individual has been a member of the household.

(3) Any other household that meets the annual income requirements of §11-137, Real Property Article subsection (g).

[(c)] (e) Priority. In the event all members of a class designated herein cannot be accommodated within the twenty (20) percent limitation contained in state law, priority within the class shall be established by seniority in continuous residency in the rental facility; further allocations of opportunities for extended tenancies beyond seniority, and continuous residency may be made by executive regulation.

[(d)] (f) Extended tenancies. Extended tenancies under this section are subject to termination rights contained in §11-137(f) of the Real Property Article.

(g) Income Limit. The household income limit under this section is 80% of the median household income of the metropolitan statistical area in
which the County is located, as determined by the Secretary of State under §11-140 of the Real Property Article.

[(e)] [(g)] (h) Regulations. The county executive, by executive regulations adopted under method (3) of section 2A-15 of this Code, may provide for implementation of this section, including promulgation and enforcement of recordation requirements for owners of condominium units subject to life tenancies under this section and prohibitions against changes of business or leasing practices to circumvent the giving of extended tenancies under this section.

Sec. 2. Legislative Findings.

The County Council reaffirms the findings set forth in Section 11A-1 of the County Code. Specifically, the County Council finds that a rental housing emergency exists in the County that is caused in part by the conversion of rental housing to condominiums. The County Council’s findings are based on its understanding of the nature and incidence of condominium conversions that have occurred or are expected to occur in the County, the hardship experienced by tenants who are displaced when rental housing is converted to condominiums, and the scarcity of rental housing in the County.

[[Sec. 2.]] Sec. 3. Expedited Effective Date.

The Council declares that this legislation is necessary for the immediate protection of the public interest. This Act takes effect on the date on which it becomes law.
Approved:

Thomas E. Perez, President, County Council

Date

Approved:

Douglas M. Duncan, County Executive

Date

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council

Date