COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND

By: Council President Praisner

AN EXPEDITED ACT to:

(1) clarify the types of disabled individuals who are eligible for certain extended tenancies when certain rental housing is converted to condominiums; and

(2) modify the income limits for certain extended tenancies; and

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

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

| Boldface | Heading or defined term. |
| Underlining | Added to existing law by original bill. |
| [Single boldface brackets] | Deleted from existing law by original bill. |
| Double underlining | Added by amendment. |
| [[Double boldface brackets]] | Deleted from existing law or the bill by amendment. |
| • • • | Existing law unaffected by bill. |

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

11A-5. Extended Leases.

(a) **Authority.** In accordance with the legislative findings and declaration of a rental housing emergency caused by conversions of rental housing to condominiums, this Section is enacted under authority granted by § 11-140 of the Real Property Article.

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

(1) (A) Except as provided in subparagraph (B), “annual income” has the meaning stated in §11-137 of the Real Property Article.

(B) In subsections (d) and (f), “annual income” does not include income received by an individual who is employed by a non-profit entity for the purpose of monitoring, supervising, or caring for disabled individuals who reside in the same household as part of the program operated by the non-profit entity.

(2) “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] disability.

(3) [“Handicapped citizen,”] “Disability,” “household,” and “senior citizen” have the meanings stated in § 11-137 of the Real Property Article.

(c) **Life tenancies.** A household that includes a senior citizen or [handicapped citizen] disabled individual is entitled to an extended lease for a period of no less than the lifetime of the senior citizen or
[handicapped citizen] disabled individual if the household meets the annual income limit established in subsection (h); and the senior citizen or [handicapped citizen] disabled individual has been a member of the household for at least 12 months before the notice required by § 11-102.1 of the Real Property Article is given.

(d) Three-year tenancies. The following households are eligible for a 3-year extended lease:

(1) A household that includes a senior citizen or disabled individual and meets the annual income limit in subsection (h), regardless of how long the senior citizen or disabled individual has been a member of the household.

(2) Any other household that meets the annual income limit in subsection (h).

(3) A household that includes a senior citizen or disabled individual, regardless of whether the household meets the annual income limit in subsection (h) or how long the senior citizen or disabled individual has been a member of the household.

(e) Lessee.

(1) If the lessee of a rental unit does not occupy the unit when the notice required by § 11-102.1 of the Real Property Article is given, and the unit is occupied by a household that is eligible for a 3-year extended lease under subsection (d), the lessee may execute a 3-year extended lease on behalf of the eligible household.
A lessee that executes a 3-year extended lease as provided in paragraph (1) may retain the lease until the end of the specified 3-year period even if there is a change in the membership of the household that occupies the unit, so long as the household that occupies the unit at any particular time meets the eligibility criteria for a 3-year extended lease under subsection (d).

(f) **Priority.**

(1) If the total number of households eligible for an extended lease exceeds the 20% limit established in § 11-140 of the Real Property Article, the available units must be allocated in the following order of priority:

(A) to households eligible for a life tenancy under subsection (c);

(B) to households eligible for a 3-year lease under subsection (d)(1);

(C) to households eligible for a 3-year lease under subsection (d)(2); and

(D) to households eligible for a 3-year lease under subsection (d)(3).

(2) If allocating extended leases to all households in any of the 4 categories listed in paragraph (1) would exceed the 20% limit established in § 11-140 of the Real Property Article, priority within the category must be based on household annual income, with the lowest income household receiving the highest priority and the highest income household receiving the lowest priority.
(g) *Extended tenancies.* Extended tenancies under this section are subject to termination rights contained in § 11-137(h) of the Real Property Article.

(h) *Income Limit.* The household annual 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 § 11-137(n) of the Real Property Article. **are the uncapped low income limits adjusted for family size calculated by the U.S. Department of Housing and Urban Development for assisted housing programs, as identified by the Secretary of State under §11-137(n) of the Real Property Article** 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 § 11-137(n) of the Real Property Article.

(i) A notice of intent to create a condominium required by § 11-102.1 of the Real Property Article must include notice of the rights created by this Section.

(j) *Regulations.* The County Executive may adopt regulations under method (3) to implement this Section, including regulations that establish: recordation requirements for owners of condominium units subject to life tenancies under this Section and prohibitions against changing business or leasing practices to circumvent the this Section.

Sec. 2. 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:

Marilyn J. Praisher, President, County Council

4/25/07

Date

Approved:

Isiah Leggett, County Executive

4/30/07

Date

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council

5/3/07

Date