

D.C. Code § 42-3401.01

REVIEW OF BILL 16-50 BY ROY L. KAUFMANN

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TITLE 42. REAL PROPERTY
SUBTITLE VII. RENTAL HOUSING
CHAPTER 34. RENTAL HOUSING CONVERSION AND SALE
SUBCHAPTER I. FINDINGS; PURPOSES; DEFINITIONS

D.C. Code § 42-3401.01

§ 42-3401.01. Findings [Formerly § 45-1601]

(a) The Council of the District of Columbia finds that:

(1) There is a continuing housing crisis in the District of Columbia.

(2) There is a severe shortage of rental housing available to the citizens of the District of Columbia. The percentage of all rental housing units within the District of Columbia which are vacant, habitable, and available for occupancy is less than 5% which is generally considered an indication of a serious shortage of rental housing units. The vacancy rate is substantially lower among units which can be afforded by lower income tenants as evidenced by serious overcrowding in private units and waiting lists for public housing in excess of 5,000 households.

(3) Conversion of rental units to condominiums or cooperatives depletes the rental housing stock. Since 1977, more than 8,000 rental units in the District of Columbia have been converted to condominiums or cooperatives, more than 9,000 additional units have not yet been converted but have been declared eligible to do so and applications for 6,000 more units are pending. The 8,000 units which have been converted represent 4.5% of the District of Columbia's 1977 rental stock, and the 15,000 units subject to conversion represent an additional 8.3%. These trends have been thoroughly investigated and documented by two legislative study commissions: The D.C. Legislative Commission on Housing and the Emergency Commission on Condominium and Cooperative Conversion. The latter Commission reported policy proposals, many of which are contained in this chapter.

(4) Lower income tenants, particularly elderly tenants, are the most adversely affected by conversions since the after conversion costs are usually beyond their ability to pay, which results in forced displacement, serious overcrowding, disproportionately high housing costs, and the loss of additional affordable rental housing stock. The threat of conversion has caused widespread fear and uncertainty among many tenants, particularly lower income and elderly tenants.

(5) The District of Columbia housing assistance plan shows that 43,521 renter households and 14,215 homeowner households are in need of housing assistance in the District.

(6) Very few rental units are being constructed or vacant units being made available for rental occupancy. More units are being converted to other uses or demolished than are being made available for rent.

(7) Experience with conversions since passage of the Condominium Act of 1976 and the Condominium and Cooperative Stabilization Act of 1979 (D.C. Law 3-53) has demonstrated that the previous conversion controls have not been sufficiently effective in preserving rental housing, particularly for those who cannot afford homeownership. Based on that experience and the conclusions of the legislative study commissions, tenants who are most directly affected by the conversion should be provided with sufficient accurate information about the relative advantages and disadvantages to conversion of rental housing and should have a voice in the decision whether or not their rental housing should be converted. These controls are necessary to more effectively assure that housing will be preserved at a cost which can be afforded by current tenants who would otherwise be involuntarily displaced and forced into overcrowded or otherwise substandard housing conditions.

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(8) These additional conversion controls are required to preserve the public peace, health, safety, and general welfare.

(b) In enacting the Rental Housing Conversion and Sale Act of 1980 Amendments and Extension Act of 1983, the Council of the District of Columbia finds that:

(1) A housing crisis continues in the District of Columbia that has not substantially improved since the passage of this chapter.

(2) The chapter, as amended by the Rental Conversion and Sale Act of 1980 Amendment Act of 1982 (D.C. Law 4-196), the Rental Housing Conversion and Sale Act Amendment Act of 1981 (D.C. Law 4-27), the Rental Housing Act of 1980 (D.C. Law 3-131), and the Rental Housing Act of 1977 Extension Act of 1980 (D.C. Law 3-106), has generally been successful in meeting its stated purposes.

(3) The chapter, with additional amendments to address minor problems which have been identified since its passage, should be extended for 5 more years.

(4) This extension is required to preserve the public peace, health, safety, and general welfare.

(c) In enacting the Rental Housing Conversion and Sale Act of 1980 Extension Amendment Act of 1988, the Council of the District of Columbia finds that:

(1) A housing crisis continues in the District of Columbia that has not substantially improved since passage of this chapter.

(2) The chapter, as amended by the Rental Housing Act of 1985 (D.C. Law 6-10), the Rental Housing Conversion and Sale Act of 1980 Amendments and Extension Act of 1983 (D.C. Law 5-38), the Rental Conversion and Sale Act Amendment Act of 1982 (D.C. Law 4-196), the Rental Housing Act of 1980 (D.C. Law 3-131), and the Rental Housing Act of 1977 Extension Act of 1980 (D.C. Law 3-106), has generally been successful in meeting its stated purposes.

(3) The chapter should be extended until September 6, 1995, and thereafter by subsection (d)(4) of this section.

(4) This extension is required to preserve the public peace, health, safety, and general welfare.

(d) In enacting the Rental Housing Conversion and Sale Act of 1980 Reenactment and Amendment Act of 1995, the Council of the District of Columbia finds that:

(1) The District of Columbia continues to face an ongoing housing crisis and will continue to face such a crisis for the foreseeable future. The well publicized and well documented District budget crisis has meant that the limited ability of the District government to meaningfully address the housing crisis has been further eroded.

(2) The Rental Housing Conversion and Sale Act of 1980, as amended ("this chapter"), has generally been successful in meeting its stated purposes and needs to be continued in effect in light of the ongoing housing and budget crises.

(3) A number of assumptions upon which this chapter was based have changed in light of the almost 15 years of experience since this chapter first went into effect. In continuing this chapter, the Council intends the amendments reflected in this extension to address these changes.

(4) This chapter should be continued into the future so long as the underlying housing crisis continues as declared annually by the Mayor pursuant to § 42-3405.12.

(5) This extension is required to preserve the public peace, health, safety, and general welfare.

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§ 42-3401.02. Purposes [Formerly § 45-1602]

In enacting this chapter, the Council of the District of Columbia supports the following statutory purposes:

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- (1) To discourage the displacement of tenants through conversion or sale of rental property, and to strengthen the bargaining position of tenants toward that end without unduly interfering with the rights of property owners to the due process of law;
- (2) To preserve rental housing which can be afforded by lower income tenants in the District;
- (3) To prevent lower income elderly tenants from being involuntarily displaced when their rental housing is converted;
- (4) To provide incentives to owners, who convert their rental housing, to enable low income non-elderly tenants to continue living in their current units at costs they can afford;
- (5) To provide relocation housing assistance for lower income tenants who are displaced by conversions;
- (6) To encourage the formation of tenant organizations;
- (6a) To balance and, to the maximum extent possible, meet the sometimes conflicting goals of creating homeownership for lower income tenants, preserving affordable rental housing, and minimizing displacement; and
- (7) To authorize necessary actions consistent with the findings and purposes of this chapter.

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§ 42-3401.03. Definitions [Formerly § 45-1603]

As used in this chapter, the term:

- (1) "Condominium" has the same meaning as in § 42-1901.02(4).
- (2) "Condominium Act" means the Condominium Act of 1976 (§ 42-1901.01 et seq.).
- (3) "Condominium conversion" is the issuance of notice of filing pursuant to § 42-1904.06(a).
- (4) "Conversion" shall include cooperative conversions and condominium conversions as defined in this chapter.
- (5) "Cooperative" means a cooperative legally incorporated pursuant to the District of Columbia Cooperative Association Act (§ 29-901 et seq.) or a cooperative corporation incorporated in another jurisdiction for the primary purpose of owning and operating real property in which its members reside.
- (6) "Cooperative Act" means the District of Columbia Cooperative Association Act (§ 29-901 et seq.).
- (7) "Cooperative conversion" is the filing of articles of incorporation pursuant to the Cooperative Act, or the comparable act of another jurisdiction and compliance with the requirements of this chapter, in either order.
- (8) "District" means the District of Columbia government.
- (9) "Head of household" means a tenant who maintains the affected rental unit as the tenant's principal place of residence, is a resident and domiciliary of the District of Columbia, and contributes more than one-half of the cost of maintaining the rental unit. If no member of a household contributes more than one-half of the cost of maintaining the rental unit, the members of the household who maintain the affected rental unit as their principal place of residence are residents and domiciliaries of the District of Columbia, and contribute to the cost of maintaining the rental unit, may designate one of themselves as the head of household. An individual may be considered a head of household for the purposes of this chapter without regard to whether the individual would qualify as a head of household for the purpose of any other law.
- (10) "Household" means all of the persons living in a rental unit.
- (11) "Housing accommodation" or "accommodation" means a structure in the District of Columbia containing 1 or more rental units and the appurtenant land. The term does not include a hotel, motel, or other structure used primarily for transient occupancy and in which at least 60 percent of the rooms devoted to living quarters for tenants or guests are used for transient occupancy if the owner or other person or entity entitled to receive rents is subject to the sales tax imposed by § 47-2001(n)(1)(C) and the occupant of the rental unit has been in occupancy for less than 15 days.

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(12) "Low-income" means a household with a combined annual income, in a manner to be determined by the Mayor, which may include federal income tax returns where applicable, totaling less than the following percentages of the lower income guidelines established pursuant to § 8 of the United States Housing Act of 1937 (42 U.S.C.S. § 1437f) for a family of 4 for the Washington Standard Metropolitan Statistical Area (SMSA), as the median is determined by the United States Department of Housing and Urban Development and adjusted yearly by historic trends of that median, and as may be further adjusted by an interim census of District of Columbia incomes by local or regional government agencies:

- one-person household..... 50%
- two-person household..... 60%

0 three-person household or a 1 or

2 person household containing a

person who is 62 years of age or

- older or who is handicapped..... 90%
- four-person household..... 100%
- five-person household..... 110%
- more than 5 person household..... 120%

(13) "Mayor" means the Mayor of the District of Columbia or the designated representative of the Mayor.

(14) "Owner" means an individual, corporation, association, joint venture, business entity and its respective agents, who hold title to the housing accommodation unit or cooperative share.

(15) "Rental Housing Act" means the Rental Housing Act of 1985, effective July 17, 1985 (D.C. Law 6-10; § 42-3501.01 et seq.), or any successor rent control act.

(16) "Rental unit" or "unit" means only that part of a housing accommodation which is rented or offered for rent for residential occupancy and includes an apartment, efficiency apartment, room, suite of rooms, and single-family home or duplex, and the appurtenant land to such rental unit.

(17) "Tenant" means a tenant, subtenant, lessee, sublessee, or other person entitled to the possession, occupancy or benefits of a rental unit within a housing accommodation. The singular term "tenant" includes the plural. [If the names of 2 or more persons appear on a rental agreement, those persons shall determine which person may exercise a vote under this act.](#)

(18) "Tenant organization" means an organization that represents at least a majority of the heads of household in the housing accommodation excluding those households in which no member has resided in the housing accommodation for at least 90 days and those households in which any member has been an employee of the owner during the preceding 120 days.

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§ 42-3401.04. Applicability of Rental Housing Act of 1985.

For purposes of this chapter, the provisions of § 42-3505.01(n) shall apply.

TITLE 42. REAL PROPERTY
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 SUBCHAPTER II. CONVERSION PROCEDURES

D.C. Code § 42-3402.01

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§ 42-3402.01.

Reserved.

D.C. Code § 42-3402.02

§ 42-3402.02. Conversions [Formerly § 45-1611]

(a) Prerequisite.

(1) An owner shall not convert a housing accommodation into a condominium or a cooperative until the Mayor certifies compliance with the provisions of this chapter.

(2) Only an owner may request a tenant election to convert, send notice of intent to convert, or convert an accommodation. Certification of a conversion by the Mayor is not transferable to a subsequent owner. An owner who has issued a notice to vacate for the immediate purpose of discontinuing the housing use and occupancy of a rental unit pursuant to § 42-3505.01(i)(1)(A), or a purchaser from such owner or successor in interest to such owner, may not request a tenant election to convert the housing accommodation in which the rental units are located.

(3) Certification by the Mayor is effective for 180 days; provided, that the Mayor shall extend the certification if a majority of the qualified voters consent. If the owner receives certification by the Mayor and does not convert within this period, the owner may not request another tenant election or certification by the Mayor for that accommodation for 1 year from the date of expiration of the prior certification.

(4) Once converted or established as a condominium or cooperative in a newly constructed building, the owner need not comply anew with the requirements of this chapter even if the condominium units or cooperative units have been occupied by tenants partially or exclusively, provided that each tenant has been given written notice, prior to occupying the unit, of the fact that the unit being rented is part of a condominium or cooperative or each tenant who was not given notice waives the right in writing before or after occupancy or vacating the unit.

(b) Exemption. -- With the Mayor's approval, owners who certify their intent to convert a housing accommodation to a nonprofit cooperative, with an appreciation of share value limited to a maximum of the annual rate of inflation, for low and moderate income persons as defined from time to time by the United States Department of Housing and Urban Development for the Washington Standard Metropolitan Statistical Area (SMSA) may be exempt from this subchapter. "Share value", for the purposes of this subsection, means the actual initial membership price plus the actual cost of any improvement to the unit paid by the member after board approval. Upon application, the Mayor may exempt owners described in this subsection prior to their taking title to the accommodations, provided that they have a valid contract to purchase the accommodation. The Mayor may exempt the owner from some or all the provisions of this subchapter.

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§ 42-3402.03. Tenant election [Formerly § 45-1612]

(a) Notice by owner. -- An owner who seeks to convert shall provide each tenant and the Mayor a written request for a tenant election by first class mail and post the request for an election in conspicuous places in common areas of the housing accommodation. The written request shall include, at a minimum, a summary of tenant rights and obligations, a list of tenant voter qualifications and disqualifications, and sources of technical assistance as published in the D.C. Register by the Mayor. If Spanish is the primary language of a head of household, the owner shall provide a Spanish

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translation of the request to the head of household. An owner shall also provide the Mayor with a list of tenants residing in the housing accommodation.

(b) Notice by tenant organization. -- Within 30 days of receipt of the owner's request for an election, the tenants may establish a single tenant organization, if one does not exist, and if a tenant organization exists or is established, it shall provide each tenant, the owner, and the Mayor with written notice of the election by first class mail and by conspicuous posting in common areas of the housing accommodation. Notice includes, at a minimum, the date, time and place of the election, and a summary of tenant rights, obligations, a list of tenant voter qualifications and disqualifications, and sources of technical assistance as published in the D.C. Register by the Mayor, if published.

(c) Conduct of election. -- Within 60 days of receipt of an owner's request for an election, a tenant organization, if one exists or is established, shall conduct an election. If notice of an election is not provided as required by this section, upon the request of a tenant or an owner, the Mayor shall provide notice and conduct an election within 60 days of receipt of an owner's original request for an election.

(d) Qualified voter. -- A head of household residing in each rental unit of the housing accommodation is qualified to vote unless no member of the household has resided in the accommodation for at least 90 days before the election, or unless a member of the household is or has been an employee of the owner within 120 days prior to the date of application for eligibility, or unless he or she is a head of household whose continued right to remain a tenant is required by this chapter. The Mayor shall determine the eligibility of voters prior to the election and shall devise such forms and procedures as may be necessary to verify eligibility under this subsection.

(e) Absentee ballot. -- A head of household unable to attend the election may submit to the Mayor or tenant organization, prior to the election, a signed absentee ballot or sworn statement of agreement or disagreement with the conversion.

(f) Notification of election results. -- The tenant organization shall notify the owner and the Mayor of the results of the election within 3 days. If the Mayor conducts the election, the Mayor shall notify the owner of the results of the election within 3 days.

(g) Election audit. -- The Mayor may monitor an election and take measures to preserve the integrity of the election process and result.

(h) Coercion prohibited. -- An owner, tenant organization, or third party purchaser shall not coerce a household in order to influence the head of household's vote. Coercion includes, but is not limited to, the knowing circulation of inaccurate information; frequent visits or calls over the objection of that household; threat of retaliatory action; an act or threat not otherwise permitted by law which seeks to recover possession of a rental unit, increase rent, decrease services, increase the obligation of a tenant or cause undue or unavoidable inconvenience, harass or violate the privacy of the household; refusal to honor a lease provision; refusal to renew a lease or rental agreement; or other form of threat or coercion.

(i) Compliance approved. -- If over 50 percent of the qualified voters vote in approval of conversion, or if an election is not held within 60 days of receipt of an owner's request pursuant to subsection (a) of this section or within such reasonable extension of time as the Mayor may consider necessary to hold an election in accordance with the procedural requirements of this chapter, the Mayor shall certify compliance with this section for purposes of conversion.

(j) Compliance not approved. -- If 50 percent or less of the qualified voters vote in approval of conversion, or if an election is invalidated by the Mayor because of fraud or coercion in favor of conversion on the part of the owner, the Mayor shall not certify compliance with this section for purposes of conversion, and an owner may not request another tenant election for that accommodation for 1 year from the date of the election.

(k) New election. -- If an election is invalidated by the Mayor because of fraud or coercion on the part of the tenant organization, the Mayor shall conduct a new election within 30 days of the invalidation.

D.C. Code § 42-3402.04

§ 42-3402.04. Conversion fee [Formerly § 45-1613]

D.C. Code § 42-3402.05

(a) Amount. -- An owner who seeks to convert shall pay the Mayor a conversion fee of 5% of the declared sales price for each condominium unit or proportionate value of the cooperative residence within the housing accommodation. If a condominium unit or proportionate value of the cooperative residence is sold for less than the declared price, that proportionate share of the conversion fee shall be refunded to the owner. If a condominium unit or proportionate value of the cooperative residence is sold for more than the declared sales price, the conversion fee on that increment of value becomes a lien on the property which the Mayor may collect in the manner provided for collection of property taxes.

(b) Reduction. -- The Mayor may reduce the conversion fee to as low as \$ 50 per condominium unit or proportionate value of the cooperative residence if the owner declares the intent to sell or provide a lease or option to lease for at least 5 years to tenants who, at the time of request for an election, are low income and whose continued right to remain a tenant is not required by statute ("qualifying tenants"). To qualify for this reduction, a sale or lease cannot require monthly payments greater than existing rents, as may be increased by the annual adjustment of general applicability provided in § 42-3502.06(b), or a similar annual adjustment in any successor rent control act, or 25% of gross household income, whichever is greater. The number of qualifying tenants is the number of tenants identified by the Mayor as residing in the accommodation as of the date of the owner's request for an election. The amount of the reduction shall be determined by the Mayor based on factors such as the Mayor may determine, which shall include the percentage of tenants in the accommodation who are qualifying tenants and the percentage of qualifying tenants who purchase or continue renting in accordance with the first sentence of this subsection. The Mayor shall also reduce the amount of the conversion fee of each unit or proportionate value for a cooperative residence that is sold or leased to a low-income purchaser or to a new low-income tenant who leases a unit in accordance with the requirements of this subsection, regardless of where that low-income purchaser or tenant previously lived. In doing so, the Mayor shall consider the lost conversion fee revenue in comparison to the cost of making available the number of low-income units purchased or leased. If the owner does not sell or lease to the percentage of qualifying tenants or outside purchasers or tenants as declared, the unpaid balance of the conversion fee as adjusted by the Mayor in accordance with the actual sales and leases shall be paid by the owner. The Mayor may assert a lien against any unsold units or proportionate value of the cooperative residence by filing a lien against the land. The Mayor shall not attempt to collect any conversion fee which would not have been due if the provisions of this section had been in effect at the time of the conversion.

(b-1) Payment. -- The conversion fee required by subsection (a) of this section shall be paid no later than at the time of settlement on the individual units or shares.

(c) Waiver of lien. -- The Mayor shall waive a conversion fee lien on a condominium unit or proportionate value of the cooperative residence purchased by a low-income tenant.

D.C. Code § 42-3402.05

§ 42-3402.05. Certification fee [Formerly § 45-1614]

An owner who seeks to convert must pay the Mayor a certification fee. The Mayor is authorized to collect and establish the amount of the fee. The certification fee shall be sufficient to cover the cost of administering this subchapter.

D.C. Code § 42-3402.06

§ 42-3402.06. Cooperative conversion [Formerly § 45-1615]

(a) Notice. -- An owner shall provide each tenant with prior written notice of an intent to convert of at least 120 days by first class mail and by conspicuous posting in common areas of the housing accommodation. An owner shall not provide notice prior to the Mayor's certification of compliance for purposes of cooperative conversion.

(b) Tenant opportunity to purchase unit. -- An owner shall make to each tenant of the housing accommodation a bona fide offer to sell to each tenant a share or membership interest in the cooperative. An offer includes, at a minimum, the asking price for the share or membership interest and a summary of tenant rights and sources of technical assistance

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as published in the D.C. Register by the Mayor, if published. An owner shall afford the tenant at least 60 days in which to make a contract to purchase the share or membership interest at a mutually agreeable price and under mutually agreeable terms, which shall be at least as favorable as those offered to the general public. An owner shall not provide notice prior to the Mayor's certification of compliance for purposes of cooperative conversion.

(c) Notice to vacate. -- An owner shall not serve a notice to vacate until at least 90 days after the tenant received notice of intention to convert, or prior to expiration of the 60-day period of notice of opportunity to purchase.

D.C. Code § 42-3402.07

§ 42-3402.07.

Reserved.

D.C. Code § 42-3402.08

§ 42-3402.08. Elderly tenancy [Formerly § 45-1616]

(a) Eviction limited. -- Notwithstanding any other provision of this subchapter, the Condominium Act, or the Rental Housing Act, an owner of a rental unit in a housing accommodation converted under the provisions of this chapter shall not evict or send notice to vacate to an elderly tenant with an annual household income, as determined by the Mayor, of less than \$ 40,000 per year unless:

- (1) The tenant violates an obligation of the tenancy and fails to correct the violation within 30 days after receiving notice of the violation from the owner;
- (2) A court of competent jurisdiction has determined that the tenant has performed an illegal act within the rental unit or housing accommodation; or
- (3) The tenant fails to pay rent.

(b) Rent level. -- Any owner of a converted unit shall not charge an elderly tenant rent in excess of the lawful rent at the time of request for a tenant election for purposes of conversion plus annual increases on that basis authorized under the Rental Housing Act.

(c) Definition. -- For the purposes of this subchapter, the term "elderly tenant" means a head of household who is 62 years of age or older. The number of elderly tenants qualifying under this section is that number on the day an owner requests a tenant election for purposes of conversion.

D.C. Code § 42-3402.09

§ 42-3402.09. Property tax abatement [Formerly § 45-1617]

The Mayor shall not require the owner of a converted condominium unit occupied by a low-income tenant to pay real property tax for the unit. The proportionate value for a unit in a converted cooperative housing accommodation occupied by a low-income tenant shall be exempt from real property tax.

D.C. Code § 42-3402.10

§ 42-3402.10. Exceptions to coverage of subchapter; expiration provisions [Formerly § 45-1618]

D.C. Code § 42-3402.11

This subchapter shall remain in effect until the Mayor declares that a housing crisis no longer exists pursuant to § 42-3405.12. The rights granted under § 42-3402.08 to eligible elderly tenants may not be abrogated or reduced notwithstanding such a declaration by the Mayor. The provisions of this subchapter shall not apply to the conversion of housing accommodations into condominium or cooperative status which are fully vacant as of the date of application to the Mayor for a vacancy exemption. Occupancy by 1 or more employees or other occupants for security or similar nontenancy purposes shall not prevent the accommodation from qualifying for a vacancy exemption. The owner shall submit to the Mayor an application for vacancy exemption in order to qualify for this vacancy exemption. The application shall require that the owner certify that the owner is not an owner or purchaser as described in the third sentence of the second paragraph of § 42-3402.02(a), and that the owner has affirmatively sought information from any applicable former owner in order to make a truthful certification. The Mayor shall accept the owner's certification unless the Mayor has received information which tends to challenge the truthfulness of the certification.

D.C. Code § 42-3402.11

§ 42-3402.11. Retroactive conversion [Formerly § 45-1619]

With respect to conversions of housing accommodations by owners or contract purchasers who received a notice of filing or filed articles of incorporation as a housing cooperative prior to August 10, 1980 (the effective date of the Rental Housing Conversion and Sale Emergency Act of 1980 (D.C. Act 3-248)), or prior to the effective date of this chapter [September 10, 1980], the following provisions shall apply:

(1) Definitions. -- For the purposes of this section, unless the subject matter requires otherwise, the term:

(A) "Association" means a group enterprise legally incorporated under the District of Columbia Cooperative Association Act, or a cooperative corporation incorporated pursuant to the laws of another jurisdiction.

(B) "Comparable rental units" means rental units of corresponding facilities with the same or similar benefits or services included in the price of the rent.

(C) "Declarant" shall mean a person(s), association(s), or group(s) who:

(i) In the case of a housing cooperative, obtained an exemption pursuant to § 4 of the Cooperative Regulation Act of 1979 and filed articles of incorporation prior to August 10, 1980; or

(ii) In the case of a condominium conversion, received a notice of filing pursuant to § 42-1904.06.

(D) "Eligible recipient" means the head of household in which the household has a combined annual income totaling less than the following percentages of the median annual family income (for a household of 4 persons) for the District of Columbia, as such median is determined by the United States Bureau of Census and adjusted yearly by historic trends of that median, and as may be further adjusted by an interim census of District of Columbia incomes collected under contract by local or regional government agencies:

- one-person household..... 50%
- two-person household..... 60%

three-person household or a 1- or 2-person household containing any person who is 60 years of age or older or who is handicapped as defined by the Mayor..... 90%

four-person household..... 100%

five-person household..... 110%

more than 5-person household..... 120%

(E) "Family" means a group of persons related by blood or marriage.

(F) "Head of household" means an individual who maintains the affected rental unit as his or her principal place of abode, is a bona fide resident and domiciliary of the District of Columbia, and contributes more than one-half the cost of maintaining such rental unit. An individual may be considered a head of household without regard as to whether such individual would qualify as a head of household for the purposes of any other law.

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(G) "High rent housing accommodation" means any housing accommodation in the District of Columbia for which the total monthly rent exceeds an amount computed for such housing accommodation as follows:

(i) Multiply the number of rental units in the following categories by the corresponding rents established by the United States Department of Housing and Urban Development for the District of Columbia as the current fair market rents for existing housing under § 8 Housing Assistance Payments Program for Elevator or Non-Elevator (as appropriate) Buildings: (1) efficiency rental units; (2) 1 bedroom rental units; (3) 2 bedroom rental units; (4) 3 bedroom rental units; (5) 4 or more bedroom rental units; so that the rates are not lower than \$ 267 for 1 bedroom, \$ 314 for 2 bedroom, \$ 408 for a 3 or more bedroom, and \$ 221 for efficiency rental units;

(ii) Total the results obtained in sub-subparagraph (i) of this subparagraph; and

(iii) Increase the result obtained in sub-subparagraph (ii) of this subparagraph by the maximum percentage of any upward rent adjustments found to be warranted by the District of Columbia Rental Accommodations Commission pursuant to § 206 of the Rental Housing Act of 1977.

(H) "Housing accommodation" means any structure or building in the District of Columbia containing 1 or more rental units, and the land appurtenant thereto. Such term shall not include any hotel, motel, or other structure, including any room therein, used primarily for transient occupancy, and in which at least 60% of the rooms devoted to living quarters for tenants or guests are used for transient occupancy; any rental unit in an establishment which has as its primary purpose the providing of diagnostic care and treatment of diseases, including, but not limited to, hospitals, convalescent homes, nursing homes, and personal care homes; or any dormitory of an institute of higher education, or a private boarding school, in which rooms are provided for students.

(I) "Housing expense" means the amount of rent attributable to a rental unit plus the cost of gas, electricity, water, and sewer services if not included in the rent and if paid by the occupant of such rental unit, but shall exclude any security deposit.

(J) "Housing project" means a group of housing accommodations which are managed as a single business entity.

(K) "Suitable size" means for a 1 person family, an efficiency rental unit; for a 2 person family, a 1 bedroom rental unit; for a family of 3 or 4 persons, a 2 bedroom rental unit; for a family of 5 or 6 persons, a 3 bedroom rental unit; and for a family of 7 or more persons, a 4 bedroom rental unit; except, that adjustments shall be made to allow children and unmarried adults of the opposite sex, to have separate sleeping rooms. In determining suitable size for a comparable rental unit, 1 person living in a 1 bedroom rental unit before relocation as a result of cooperative conversion shall be eligible for assistance at the level of a 1 bedroom comparable rental unit.

(L) "Total monthly rent" shall include the rents asked for vacant units.

(2) Eligibility for housing assistance and relocation compensation.

(A) In addition to all other requirements of this section, and to all other applicable provisions of law, each declarant of a conversion cooperative shall pay housing assistance, in an amount calculated according to paragraph (3) of this section, to any eligible recipient who:

(i) Makes application for such assistance;

(ii) Has been living, for at least 1 year immediately prior to the first day of the month in which the application for registration relating to such conversion is filed, in the rental unit from which he or she is being displaced;

(iii) Is displaced from a rental unit because such rental unit is being converted to a cooperative by the declarant; and

(iv) Relocates in the District of Columbia. Such housing assistance shall be paid in 1 lump sum payment, within 30 days after the date the declarant receives notification pursuant to subparagraph (C) of paragraph (5) of this section, to the eligible recipient or the Mayor, as appropriate. Beginning with the 25th month occurring immediately after the month in which such eligible recipient relocated, and for the immediately succeeding 35 months thereafter, housing assistance payments to such recipient shall be made by the Mayor if, as of the first day of the 25th month occurring after his or her relocation, the recipient is eligible for such payment. In lieu of monthly payments, the Mayor may make a lump sum payment to an eligible recipient equal to the amount to which the recipient is entitled to receive under this section.

D.C. Code § 42-3403.01

(B) In addition to all other requirements of this section, and to all other applicable provisions of law, each declarant shall pay relocation compensation to an eligible recipient in each rental unit in the building converted if such rental unit is occupied primarily for residential purposes on the date the occupant received the 120-day notice of declarant's intention to convert as required by § 603 of the Rental Housing Act of 1977. Such relocation compensation shall be calculated according to the provisions of subparagraph (D) of paragraph (4) of this section.

(C) No part of any housing assistance payment or any relocation compensation made under this section shall be considered income to the eligible recipient for the purposes of Chapter 18 of Title 47. Any such housing assistance payment or any relocation compensation made to any person or family entitled to receive any other payment from the District of Columbia government related to paying the costs of housing or shelter shall be in addition to and shall not affect the amount of or entitlement to such other payment.

(3) Calculation of housing assistance.

(A) The amount of each housing assistance payment to be made under this section shall be calculated as follows:

(i) If the amount of an eligible recipient's average monthly housing expense, during the 12 consecutive month period ending with the month preceding the month during which he or she relocated as a result of the rental unit being converted to a cooperative, is an amount which is less than 25% of the average net monthly family income computed for such period, then the amount of the monthly housing assistance payment to such eligible recipient shall be in an amount equal to the difference between an amount equal to 25% of such average net monthly family income and the amount of the monthly housing expense to be paid by the eligible recipient for the first full month after such relocation (excluding security deposit, if any).

(ii) If the amount of an eligible recipient's average monthly housing expense, during such period, is an amount which is more than 25% of such average net monthly family income, then the amount of the monthly housing assistance payment shall be in an amount equal to the difference between such average monthly housing expense during such period and the amount of the monthly housing expense to be paid by the eligible recipient for the first full month after such relocation (excluding security deposit, if any).

(iii) To obtain the total housing assistance payment to be made by a declarant to any eligible recipient, multiply the figure obtained under either sub-subparagraph (i) or (ii) of this subparagraph, as appropriate, by 24. To obtain the total housing assistance payment to be made by the Mayor to any eligible recipient, multiply such appropriate figure by 36.

(B) The Mayor shall determine, from time to time and at least once every 12 months, the range of rents being charged in the District of Columbia by landlords of privately-owned housing accommodations for available 1 bedroom, 2 bedroom, 3 bedroom or more, and efficiency rental units. The Mayor shall publish his or her preliminary range of rents in the District of Columbia Register and, within 30 days after publication shall hold hearings on that preliminary range. Based on the record of those hearings, the Mayor shall certify a final range of rents to be used for the purposes of this section. The figure obtained under either sub-subparagraph (i) or (ii) of subparagraph (A) of this paragraph, as appropriate, shall not exceed the difference between the highest rent in the range of rents of comparable rental units of suitable size, as determined by the Mayor at the time the housing assistance payment is made to such eligible recipient, and the amount of the eligible recipient's average monthly housing expense for the 12-month period referred to in subparagraph (i) of subparagraph (A) of this paragraph.

(4) Calculation of relocation compensation.

(A) The amount of relocation compensation payable shall be calculated as follows:

(i) Relocation compensation in the amount of \$ 125 for each room in the apartment unit shall be payable to the tenants if the tenants are occupying the apartment unit, or, if the tenants are not occupying the apartment unit, to the tenants or subtenants bearing the cost of removing the majority of the furnishings. For the purpose of the preceding sentence, a "room" in an apartment unit shall mean any space 60 square feet or larger which has a fixed ceiling and floor and is subdivided with fixed partitions on all sides, but shall not mean bathrooms, balconies, closets, pantries, kitchens, foyers, hallways, storage areas, utility rooms, or the like.

D.C. Code § 42-3403.01

(ii) The Mayor shall adjust the amounts to be paid as relocation compensation from time to time solely to reflect changes in the cost of moving within the Washington metropolitan area. Such adjustments shall be made no more than once in any calendar year and shall be made only after prior notice and hearing.

(B) After notification of the Mayor's determination pursuant to paragraph (5)(B) of this section, the declarant shall pay relocation compensation as follows:

(i) If the declarant has received at least 10 days advance written notice of the date upon which the apartment unit is to be vacated, the payment shall be paid no later than 24 hours prior to the date the apartment unit is to be vacated; or

(ii) If no such notice has been received, then payment shall be made within 30 days after the apartment unit is vacated.

(C) If there is more than 1 person entitled to relocation compensation with respect to an apartment unit, each such person shall be entitled to share equally in the amount of relocation compensation.

(D) In any case in which there is a question as to whether relocation compensation shall be paid for an apartment unit, or to whom, or the proper amount of such compensation, the declarant shall pay to the Mayor the amount indicated in the notice issued pursuant to paragraph (5)(B) of this section for such apartment unit and shall thereby be relieved of any further obligation under this section with respect to such apartment unit. The Mayor shall hold such payment and shall determine, after investigation, whether relocation compensation is payable with respect to the apartment unit, the amount of relocation compensation payable, if any, and the person or persons, if any, entitled thereto. The Mayor shall refund any remainder of such payment to the declarant.

(E) Payment or relocation compensation shall not be required with respect to any apartment unit which is the subject of an outstanding judgment for possession obtained by the declarant or declarant's predecessor in interest against the tenants or subtenants for a cause of action whether such cause of action arises before or after the service of the notice of conversion. If, however, the judgment for possession is based on nonpayment and arises after the notice of conversion has been given, then relocation compensation shall be required in an amount reduced by the amount determined to be due and owing to the declarant by the court rendering the judgment for possession.

(5) Application for housing assistance and relocation compensation.

(A) Each declarant, at the same time he or she sends tenants the 120-day notice required under § 603 of the Rental Housing Act of 1977, shall send to each tenant the application forms (with instructions) provided by the Mayor for making application for housing assistance and relocation compensation payable under the provisions of this section. Each applicant for such housing assistance or relocation compensation shall give to the Mayor reasonable information as may be required in order to determine an applicant's eligibility. All information provided to the Mayor under this paragraph shall be confidential and shall not be disclosed to any person except to parties and their attorneys, officials, and employees conducting proceedings under this section.

(B) If the information provided by an applicant on the form filed with the Mayor indicates on its face that such applicant is eligible for relocation compensation payable under paragraph (2)(B) of this section, then such applicant shall be presumed to be an eligible recipient. Within 15 working days from receipt of the completed application, the Mayor shall notify the appropriate declarant of the amount of payment due, to whom it shall be paid, and the address at which such payment should be delivered. Each declarant shall make each relocation compensation payment in a lump sum payment equal to the total amount of the payment for which he or she is liable to that eligible recipient. The payment of relocation compensation is subject to review pursuant to paragraph (4)(D) of this section.

(C) (i) If the information provided by an applicant on the form filed with the Mayor indicates on its face that such applicant is eligible for housing assistance payable under paragraph (2)(A) of this section, then such applicant shall be presumed to be an eligible recipient. The Mayor shall notify the appropriate declarant of the amount of housing assistance payment due, to whom it shall be paid, and the address at which such payment should be delivered.

(ii) In the event that a declarant believes either that the recipient is not an eligible recipient, or has not met the requirements of paragraph (2)(A) of this section, or that the payment to that recipient should be lower than the amount indicated by the Mayor for housing assistance payments, the declarant may seek review of the eligibility of the recipient, the recipient's eligibility under paragraph (2)(A) of this section, and the amount of such payment by: (1) Making the payment indicated to the Mayor; and (2) filing a notice of appeal and request for a hearing with the Mayor

within 10 days after making such payment. The Mayor shall conduct such requested hearing as soon as possible after such request is made. Based on the record of the hearing, the Mayor shall determine whether the recipient is actually eligible for the payment as indicated in the Mayor's notice, or whether the amount of the payment is correct, as appropriate. In the event the Mayor determines that the recipient is not eligible, or that the amount of the payment made should be reduced, the Mayor shall issue an order to that effect, and shall refund to the declarant such excess monies, as is appropriate.

(D) The Mayor may review bi-annually, or earlier upon request by a declarant, both the continued eligibility of a recipient for housing assistance and the amount of such payments.

(6) Payments of housing assistance. -- The Mayor may enter into contracts with any bank or other financial institution in the District of Columbia providing that such bank or other financial institution shall make the monthly payments of housing assistance for which the District of Columbia is liable (if the Mayor elects not to make a lump sum payment) from sums of money deposited in such bank or financial institution by the Mayor for that purpose.

(7) Tax exemption.

(A) In addition to all other requirements of this section, and to all other applicable provisions of law, each declarant of a conversion condominium shall pay housing assistance, in an amount calculated according to paragraph (3) of this section, to any eligible recipient who:

- (i) Makes application for such assistance;
- (ii) Has been living, for at least 1 year immediately prior to the first day of the month in which the application for registration relating to such conversion is filed, in the rental unit from which he or she is being displaced;
- (iii) Is displaced from a rental unit because such rental unit is being converted to a condominium by the declarant; and
- (iv) Relocates in the District of Columbia.

Such housing assistance shall be paid in 1 lump sum payment within 30 days after the date such recipient relocates. Beginning with the 25th month occurring immediately after the month in which such recipient relocated, and for the immediately succeeding 35 months thereafter, housing assistance payments to such recipient shall be made by the Mayor if, as of the first day of the 25th month occurring after his or her relocation, the recipient is eligible for such payment. In lieu of monthly payments, the Mayor may make a lump sum payment to an eligible recipient equal to the amount to which he or she is entitled to receive under this section.

(B) In addition to all other requirements of this section, and to all other applicable provisions of law, each declarant of a conversion condominium shall pay relocation compensation to any eligible recipient in each rental unit in the building converted if such rental unit is occupied primarily for residential purposes on the date the notice required by § 42-1904.03 is given. Such relocation assistance shall be calculated according to the provisions of paragraph (9) of this section.

(C) No part of any housing assistance payment or any relocation compensation made under this section shall be considered income to the recipient for the purposes of Chapter 18 of Title 47. Any such housing assistance payment or any relocation compensation made to any person or family entitled to receive any other payment from the District of Columbia government related to paying the costs of housing or shelter shall be in addition to and shall not affect the amount of or entitlement to such other payment.

(8) Computation of housing assistance.

(A) The amount of each housing assistance payment to be made under this section shall be calculated as follows:

(i) If the amount of an applicant's average monthly housing expense, during the 12 consecutive month period ending with the month preceding the month during which he or she relocated as a result of his or her rental unit being converted to a condominium, is an amount which is less than 25% of the average net monthly family income, computed for such period, then the amount of the monthly housing assistance payment to such applicant shall be in an amount equal to the difference between an amount equal to 25% of such average net monthly family income and the amount of the monthly housing expense to be paid by the applicant for the first full month after such relocation (excluding security deposit, if any).

D.C. Code § 42-3403.01

(ii) If the amount of a recipient's average monthly housing expense, during such period, is an amount which is more than 25% of such average net monthly family income, then the amount of the monthly housing assistance payment payable to such applicant shall be an amount equal to the difference between such average monthly housing expense during such period and the amount of the monthly housing expense to be paid by the applicant for the first full month after such relocation (excluding security deposit, if any).

(iii) To obtain the total housing assistance payment to be made by a declarant to any eligible recipient, multiply the figure obtained under either sub-subparagraph (i) or (ii) of this subparagraph, as appropriate, by 24. To obtain the total housing assistance payment to be made by the Mayor to any eligible recipient, multiply such appropriate figure by 36.

(B) The Mayor shall determine, from time to time and at least once every 12 months, the range of rents being charged in the District of Columbia by landlords of privately owned housing accommodations for generally available 1 bedroom, 2 bedroom, 3 bedroom or more, and efficiency rental units. The Mayor shall publish his or her preliminary range of rents in the District of Columbia Register and during the next immediately occurring 30 days hold hearings on that preliminary range. Based on the record of those hearings, the Mayor shall certify a final range of rents to be used for the purposes of this section. The figure obtained under either sub-subparagraph (i) or (ii) of subparagraph (A) of this paragraph, as appropriate, shall not exceed the difference between the highest rent in the range of rents of comparable rental units of suitable size, as determined by the Mayor at the time of the housing assistance payment is made to such recipient, and the amount of the recipient's average monthly housing expense for the 12-month period referred to in sub-subparagraph (i) of subparagraph (A) of this paragraph.

(9) Computation of relocation compensation.

(A) The amount of relocation compensation payable shall be calculated as follows:

(i) Relocation compensation in the amount of \$ 125 for each room in the apartment unit shall be payable to the tenants if the tenants are occupying the apartment unit or if the tenants are not occupying the apartment unit, to the tenants or subtenants bearing the cost of removing the majority of the furnishings. For the purposes of the preceding sentence, a "room" in an apartment unit shall mean any space 60 square feet or larger which has a fixed ceiling and floor and is subdivided with partitions on all sides, but shall not mean bathrooms, balconies, closets, pantries, kitchens, foyers, hallways, storage areas, utility rooms, or the like.

(ii) The Mayor shall adjust the amounts to be paid as relocation compensation from time to time solely to reflect changes in the cost of moving within the Washington metropolitan area. Such adjustment shall be made no more than once in any calendar year and shall be made only after prior notice and hearing.

(B) Relocation compensation shall be paid no later than 24 hours prior to the date the apartment unit is to be vacated by the tenants or subtenants if the declarant has received at least 10 days advance written notice of the date upon which the apartment unit is to be vacated. If no such notice has been received, then relocation compensation shall be paid within 30 days after the apartment unit is vacated.

(C) If there is more than 1 person entitled to relocation compensation with respect to an apartment unit, each such person entitled to relocation compensation shall be entitled to share equally in the amount of relocation compensation. In any case in which there is a dispute as to whether relocation compensation shall be paid for an apartment unit, or the proper amount of such compensation or the persons entitled to such compensation, the declarant may pay to the Mayor the maximum possible relocation compensation allowable for such apartment unit and shall thereby be relieved of any further obligation under this subparagraph with respect to such apartment unit. The Mayor shall hold such payment and shall determine whether relocation compensation is payable with respect to the apartment unit, the amount of relocation compensation payable, if any, and the person or persons entitled thereto. The Mayor shall refund any remainder of such payment to the declarant.

(D) Payment of relocation compensation shall not be required with respect to any apartment unit which is the subject of an outstanding judgment for possession obtained by the declarant or declarant's predecessor in interest against the tenants or subtenants for a cause of action, whether such cause of action arises before or after the service of the notice of conversion. If, however, the judgment for possession is based on nonpayment and arises after the notice of conversion has been given, then relocation compensation shall be required in an amount reduced by the amount determined to be due and owing to declarant by the court rendering the judgment for possession.

(10) Notification of eligibility; review of eligibility determinations.

D.C. Code § 42-3403.01

(A) Each declarant of a conversion condominium, in addition to and at the same time that he or she sends tenants in the building to be converted the notices required under § 42-1904.08(b), shall send to each such tenant the necessary application forms (with instructions), provided by the Mayor, for making application for the housing assistance payments and relocation compensation payable under the provisions of this section. Each applicant for such assistance or compensation shall give to the Mayor such reasonable information as he or she may require in order to determine whether such applicant is eligible for the payments for which he or she applied. All information provided to the Mayor under this section shall be confidential and shall not be disclosed to any person or governmental or private entity in such a manner as to identify the applicant to whom the information relates.

(B) If the information provided by an applicant on the form filed with the Mayor indicates that such applicant is eligible for the relocation compensation payable under paragraph (7)(B) of this section, then such applicant shall be presumed to be an eligible recipient and the Mayor shall notify the appropriate declarant of the amount of payment due, to whom it shall be paid, and the address at which such payment should be delivered. Each declarant shall make each relocation compensation payment in a lump sum payment equal to the total amount of the payment for which he or she is liable to that recipient.

(C) In the event that a declarant believes that either the recipient is not an eligible recipient, or that the payment to that recipient should be lower than the amount indicated by the Mayor, for either housing assistance payments or for relocation compensation, he or she may seek review of both the eligibility and amount of payment by: (i) Making the payment as indicated by the Mayor; and (ii) filing a notice of appeal and request for a hearing with the Mayor within 10 days after making such payment. The Mayor shall conduct such requested hearing as soon as possible after such request is made. Based on the record of the hearing held as requested by a declarant, the Mayor shall determine whether the recipient is actually eligible for the payment received, or whether the amount of such payment is correct, as appropriate. In the event the Mayor determines that the recipient is not eligible, or that the amount of the payment made should be reduced, he or she shall issue an order to that effect, requiring the recipient to return to the declarant any payment received to which he or she was not entitled.

(D) The eligibility of a recipient for housing assistance payments shall be reviewed by the Mayor bi-annually.

(11) Deposit in and payment of banks of District of Columbia housing assistance payments. -- The Mayor may enter into contracts with any bank or other financial institution in the District of Columbia providing that such bank or other financial institution shall make the monthly payments of housing assistance for which the District of Columbia is liable (if the Mayor elects not to make a lump sum payment) from sums of money deposited in such bank or financial institution by the Mayor for that purpose.

TITLE 42. REAL PROPERTY
SUBTITLE VII. RENTAL HOUSING
CHAPTER 34. RENTAL HOUSING CONVERSION AND SALE
SUBCHAPTER III. RELOCATION ASSISTANCE

D.C. Code § 42-3403.01

§ 42-3403.01.

Reserved.

D.C. Code § 42-3403.02

§ 42-3403.02. Relocation payment [Formerly § 45-1621]

(a) Required. -- If an owner converts a housing accommodation into a condominium or cooperative pursuant to this chapter, the owner shall provide a relocation payment to each tenant who does not purchase a unit or share or enter into a lease or lease option of at least 5 years' duration.

D.C. Code § 42-3403.03

(b) Amount. -- An owner shall pay the tenant only if the tenant provides a relocation expense receipt or a written estimate from a moving company or other relocation service provider. Regardless of the amount on the receipt or written estimates, the owner shall pay no less than \$ 125, but is not required to pay more than \$ 500 to the tenant.

(c) Method. -- An owner may pay by check or cash to the tenant or person designated by the tenant, and shall pay within 7 days of receipt of the written estimate or receipt, the amount indicated or an amount required by subsection (b) of this section.

(d) Entitlement to receive.

(1) The tenant who bears the cost of relocation is entitled to the payment. If there is more than 1 tenant who bears the cost of relocation from a unit, the owner shall pay the tenants proportionally.

(2) The owner is not required to make a relocation payment to a tenant against whom the owner has obtained a judgment for possession of the unit.

(3) If an owner does not make a relocation payment as required, the tenant has a private right of action to collect the payment and is entitled to costs and reasonable attorney fees for bringing the action.

D.C. Code § 42-3403.03

§ 42-3403.03. Relocation services [Formerly § 45-1622]

The Mayor shall provide relocation assistance to low-income tenants who move from a housing accommodation which is converted into a condominium or cooperative. The Mayor shall provide service in the manner required by § 6-333.01.

D.C. Code § 42-3403.04

§ 42-3403.04. Housing assistance payments [Formerly § 45-1623]

(a) Required. -- If an owner converts a housing accommodation into a condominium or cooperative pursuant to this chapter, the Mayor shall provide housing assistance payment for 3 years to each low-income tenant who does not purchase a unit or share.

(b) Eligibility. -- In order to receive housing assistance payments, the tenant must:

(1) Be low-income;

(2) Apply for the assistance;

(3) Have been living in a rental unit within the converted housing accommodation for at least 180 days prior to receipt of an owner's request for a tenant election for purposes of conversion; and

(4) Reside within the District of Columbia after conversion of the housing accommodation.

(c) Amount. -- The amount of a housing assistance payment is calculated as follows:

(1) If a household's average monthly housing expenses during the 12 consecutive months prior to conversion are less than 25 percent of net monthly household income, the amount of a monthly housing assistance payment is the difference between 25 percent of net monthly household income and the projected average monthly housing expenses after conversion;

(2) If a household's average monthly housing expenses during the 12 consecutive months prior to conversion are more than 25% of net monthly household income, the amount of a monthly housing assistance payment is the difference between the prior average monthly housing expenses and the projected average monthly housing expenses after conversion;

D.C. Code § 42-3403.05

(3) The Mayor may review the eligibility of a household and the amount of payments and change the household's status accordingly;

(4) For purposes of this subsection, the term "housing expenses" includes rent or monthly payment for a unit plus the cost of all utilities if not included in the rent or monthly payment. The term "housing expense" shall not include a security deposit. The Mayor is not required to consider housing expenses which exceed the level of fair market rents established by the federal Department of Housing and Urban Development for the District of Columbia.

(d) Method.

(1) The Mayor may make housing assistance payments on a monthly basis or an aggregate basis for any portion of the period of eligibility. An aggregate payment is calculated by multiplying the monthly payment amount by the number of months desired.

(2) The Mayor may contract with a financial institution in the District of Columbia for provision of housing assistance payments with District funds.

(3) The Mayor may provide housing assistance payments to the tenant, or to the tenant's landlord directly.

D.C. Code § 42-3403.05

§ 42-3403.05. Payments not subject to District tax [Formerly § 45-1624]

Relocation and housing assistance payments are not income to the recipient for purposes of the District of Columbia Income and Franchise Tax Act of 1947 (§ 47-1801.01 et seq.).

D.C. Code § 42-3403.06

§ 42-3403.06. Tenant rights [Formerly § 45-1625]

The Mayor shall include tenant rights to relocation payments, relocation services, and housing assistance payments in the summary of tenant rights required for publication in the D.C. Register. When an owner sends notice of intent to convert a housing accommodation into a condominium or cooperative, the owner shall attach to that notice a summary of tenant rights under this subchapter and an application for relocation services and housing assistance payments as published in the D.C. Register by the Mayor.

D.C. Code § 42-3403.07

§ 42-3403.07. Housing assistance fund [Formerly § 45-1626]

(a) There is established a fund designated as the Housing Assistance Fund ("Fund"), which shall be separate from the General Fund of the District of Columbia. All funds from collection of the condominium or cooperative conversion fee shall be deposited into the Fund without regard to fiscal year limitation pursuant to an act of Congress and used solely to pay the costs of operating and maintaining the Fund. All funds, interest, and other amounts deposited into the Fund shall not revert to the General Fund of the District of Columbia at the end of any fiscal year or at any other time, but shall be continually available for the uses and purposes set forth in this section, subject to authorization by Congress in an appropriations act.

(b) The funds in the Fund shall be used as follows:

(1) For providing housing assistance payments as required by this chapter; and

(2) In an amount not to exceed 50% of the funds deposited in the Fund each fiscal year, as follows:

D.C. Code § 42-3403.08

(A) For the District of Columbia Home Purchase Assistance Program; provided, that priority shall be given to those tenants who live in:

- (i) Buildings which have received certification for conversion under the provisions of this chapter, or;
- (ii) Housing accommodations in which the tenant association has signed a contract to purchase the accommodation under the provisions of this chapter; and

(B) For relocation payments and housing assistance payments for tenants displaced under the provisions of Chapter 9 of Title 6; provided, that:

- (i) The amount, method, and entitlement of relocation payments shall be in accordance with § 42-3403.02(b), (c), and (d); and
- (ii) The eligibility, amount, and method of housing assistance payments shall be in accordance with § 42-3403.04(b), (c), and (d).

(c) The Mayor shall request an appropriation in the annual budget of the District of the funds within the Fund for its authorized purposes.

D.C. Code § 42-3403.08

§ 42-3403.08. Information and technical assistance [Formerly § 45-1627]

The Mayor shall establish an office to coordinate programs of technical assistance and serve as a central clearinghouse for information needed by tenants regarding the conversion and sale of rental housing. Program areas for this office include, but are not limited to, counseling, subsidy programs, relocation services, housing purchase and rehabilitation finance, tax relief programs, and technical assistance for the formation of tenant organizations, purchase of housing accommodations, rehabilitation, and conversion to cooperative or condominium.

D.C. Code § 42-3403.09

§ 42-3403.09. Expiration provisions [Formerly § 45-1628]

This subchapter shall remain in effect until the Mayor declares that a housing crisis no longer exists pursuant to § 42-3405.12.

TITLE 42. REAL PROPERTY
SUBTITLE VII. RENTAL HOUSING
CHAPTER 34. RENTAL HOUSING CONVERSION AND SALE
SUBCHAPTER IV. OPPORTUNITY TO PURCHASE

D.C. Code § 42-3404.01

§ 42-3404.01. [Reserved]

Reserved.

D.C. Code § 42-3404.02

§ 42-3404.02. Tenant opportunity to purchase; "sale" defined [Formerly § 45-1631]

(a) Before an owner of a housing accommodation may sell the accommodation, or issue a notice of intent to recover possession, or notice to vacate, for purposes of demolition or discontinuance of housing use, the owner shall give the tenant an opportunity to purchase the accommodation at a price and terms which represent a bona fide offer of sale.

(b) ~~Sale defined~~

(1) For the purposes of ~~Subchapters titles~~ titles IV and V of this Title, the terms "sell" or "sale" include, but are not limited to, shall mean the execution of any agreement pursuant to which the owner of the housing accommodation agrees to some, but not all, of the following: ~~that conveys or transfers a housing accommodation, or the execution of any agreement that results in the conveyance or transfer of a housing accommodation, pursuant to which the owner(s) of the housing accommodation:~~

(1) Relinquishes possession of the property;

(2) Extends an option to purchase the property for a sum certain at the end of the assignment, lease, or encumbrance and provides that a portion of the payments received pursuant to the agreement is to be applied to the purchase price;

(3) Assigns all rights and interests in all contracts that relate to the property;

(4) Requires that the costs of all taxes and other government charges assessed and levied against the property during the term of the agreement are to be paid by the lessee either directly or through a surcharge paid to the owner;

(5) Extends an option to purchase an ownership interest in the property, which may be exercised at any time after execution of the agreement but shall be exercised before the expiration of the agreement; and

(6) Requires the assignee or lessee to maintain personal injury and property damage liability insurance on the property that names the owner as the additional insured.

~~(2) Any agreement shall be made subject to the tenant's rights under Subchapters IV and V of this Title.~~

~~(3) Now (c) (2) -~~ For the purposes of ~~Subchapters titles~~ titles IV and V of this Title, and notwithstanding anything to the contrary herein, the terms "sell" or and "sale" do shall not include the following Exemptions, provided that such exemption be true on the date of the Notice of Transfer (hereinafter defined) or on the date of the transfer or conveyance:

(A)

~~(i) A Deed of Distribution under a probated will or under the laws of intestacy.~~

Now (c) (2) (A) (i) (ii) A Transfer, even though for consideration, by a decedent's estate to members of the decedent's family if the consideration arising from such transfer will pass from the decedent's estate to, or solely for the benefit of, charity.

Now (c) (2) (A) (ii) For purposes of ~~the preceding sentence~~ sub-paragraph (i) of this sub-paragraph, the term "members" of the decedent's family means

~~(i) (I) A~~ (i) (I) A a surviving spouse, or domestic partner as defined in section 2 of the Health Care Benefits Expansion Act of 1992, effective June 11, 1992 (D.C. Law 9-114; D.C. Official Code § 32-701(3)) of the decedent, lineal descendants of the decedent, or spouses of lineal descendants of the decedent,

(ii) (ii) A a trust for the primary benefit of the persons referred to in sub-sub-paragraph (I) of this sub-paragraph; and ~~clause (i), and~~

(iii) (iii) A a partnership, corporation, or other entity controlled by the individuals referred to in ~~clauses (i) and (ii) =~~ sub-sub-paragraphs (I) and (II) of this sub-paragraph;

Now (c) (2) (B) An inter vivos transfer, even though for consideration, between husband and wife, parent and child, siblings, grandparent and grandchild, or domestic partners as defined in section 2 of the Health Care Benefits Expansion Act of 1992, effective June 11, 1992 (D.C. Law 9-114; D.C. Official Code § 32-701(3));

D.C. Code § 42-3404.03

Now (c) (2) (C) A transfer of legal title or interest in an entity holding legal title to a housing accommodation pursuant to a bona fide deed of trust or mortgage, and thereafter any transfer by foreclosure sale or deed in lieu of a foreclosure pursuant to such deed of trust or mortgage;

Now (c) (2) (D) A tax sale or transfer pursuant to tax foreclosure;

Now (c) (2) (E) A bankruptcy sale;

Now (c) (2) (F) Any transaction involving accommodations otherwise subject hereto expressly contemplated by a registration statement filed with the Securities and Exchange Commission prior to February 22, 1994;

(G) A transfer in ownership of a housing accommodation resulting from:

Now (c) (2) (I) ~~a-~~ A transfer of title to the housing accommodation conversion of a business entity to a limited liability company pursuant to section 14 of the Limited Liability Company Act of 1994, effective July 23, 1994 (D.C. Law 10-138; D.C. Official Code § 29-1013);

Now (c) (2) (J) ~~b-~~ A transfer of bare legal title to ~~property~~ into a revocable trust, without actual consideration for the transfer, where the transferor is the beneficiary of the trust pursuant to section 302(17) of the District of Columbia Recordation Tax Act, approved March 2, 1962 (76 Stat. 11; D.C. Official Code § 42-1102(17)); and transfer of bare legal title out of a revocable trust, without actual consideration for the transfer, where the transferor becomes the legal title owner of the property;

Now (c) (2) (K) ~~e-~~ A transfer of ~~property~~ the housing accommodation to a named beneficiary of a revocable trust by reason of the death of the grantor of the revocable trust, pursuant to section 302 of the District of Columbia Recordation Tax Act, approved March 2, 1962 (76 Stat. 11; D.C. Official Code § 42-1102);

Now (c) (2) (L) ~~d-~~ A transfer of ~~property~~ the housing accommodation by the trustee of a revocable trust if the transfer would otherwise be excluded under this subchapter if made by the grantor of the revocable trust, pursuant to section 302(19) of the District of Columbia Recordation Tax Act, approved March 2, 1962 (76 Stat. 11; D.C. Official Code § 42-1102 (19));

~~_____ e. A transfer by operation of law or otherwise among co-tenants in a tenancy in common, or members in an entity that owns a housing accommodation where the transfer is among the co-tenants then recognized as being in legal title to the housing accommodation;~~

~~_____ f. A transfer where an owner owns multiple properties in the same name and it is necessary to create an individual business entity for each property in order to obtain financing and create a bankruptcy remote entity;~~

~~_____ g. A transfer of interests in an entity that owns a housing accommodation, where the transfer occurs within seven (7) full calendar years after the date of the issuance of a building permit for the construction of the housing accommodation or the rehabilitation of a vacant housing accommodation;~~

~~_____ h. A transfer of interests in conjunction with financing under a federally recognized or District recognized investment credit tax program;~~

~~_____ i. A transfer of interests among existing shareholders, partners, or members of a business entity that owns a housing accommodation to allow the unrestricted transfers of business interests among such individuals, including those transfers made in implementation of "buy-sell" provisions and other similar types of provisions that are contained in partnership agreement, limited liability company operating agreement, or corporate charter, articles of incorporation or bylaws, as applicable;~~

Now (c) (2) (M) ~~j-~~ A transfer pursuant to final court order; or court approved settlement; and involving a suit to quiet title, dissolution, constructive trust, adverse possession or similar causes of action to determine ownership of real property interests; and;

Now (c) (2) (N) ~~k-~~ A transfer by ~~or to the District of Columbia or the federal government~~ of a housing accommodation through the exercise of eminent domain or under threat of eminent domain, authority including a deed in lieu of condemnation.

(c) (1) For the purposes of ~~this subchapter~~ titles IV and V, the term "sell" or "sale" shall include:

(A) includes the transfer of 100% of all partnership interests in a partnership which owns the accommodation as its sole asset to 1 transferee or to 100% of all stock of a corporation which owns the accommodation as its sole asset to 1 transferee or of 100% of all stock of a corporation which owns the accommodation as its sole asset to 1 transferee in 1 or more transactions occurring during a period of 1 year from the date of the first such transfer, and ~~A~~ a master lease which meets some, but not all, of the factors described in subsection (b) of this section or which is similar in effect; and

(B) (i) The transfer of an ownership interest in a corporation, partnership, limited liability company, association, trust, or other entity which owns an accommodation as its sole or principal asset, which, in effect, results in the transfer of the accommodation pursuant to subsection (a) of this section.

(ii) For the purposes of sub-paragraph (i) of this subparagraph, the term "principal asset" means the value of the accommodation relative to the entity's other holdings.

(2) (G) Any transfer of a property directly caused by a change in the form of the entity owning the property; provided, that the transfer is without consideration, including a transfer of interests in an entity to a limited liability company as contemplated by section 14 of the Limited Liability Company Act of 1994, effective July 23, 1994 (D.C. Law 10-138; D.C. Official Code § 29-1013);

(2) (H) The transfer of interests in a partnership or limited liability company that owns an accommodation as its sole or principal asset; provided, that the sole purpose of the transfer is to admit one or more limited partners or investor members who will make capital contributions and receive tax benefits pursuant to section 42 of the United States Internal Revenue Code of 1986, approved October 22, 1986 (100 Stat. 2189, 26 U.S.C. § 42), or a comparable District program;

(3) An owner who is uncertain as to the applicability of this act shall be deemed an aggrieved party for the purposes of seeking declaratory relief under sections 503 and 503(a). The tenant or tenant organization in such an accommodation shall be deemed to be an aggrieved party, for these purposes.

~~For the purposes of this subchapter, the term "sell" or "sale" does not include a transfer, even though for consideration, by a decedent's estate to members of the decedent's family if the consideration arising from such transfer will pass from the decedent's estate to, or solely for the benefit of, charity. For purposes of the preceding sentence, the term "member's of the decedent's family" means (i) a surviving spouse, or domestic partner as defined in § 32-701(3), of the decedent, lineal descendants of the decedent, or spouses of lineal descendants of the decedent, (ii) a trust for the primary benefit of the persons referred to in clause (i), and (iii) a partnership, corporation, or other entity controlled by the individuals referred to in clauses (i) and (ii). The term "sell" or "sale" does not include a foreclosure sale, a tax sale, or a bankruptcy sale. An owner who is uncertain as to the applicability of this subchapter is deemed to be an aggrieved owner for the purposes of seeking declaratory relief under § 42-3405.03 and 42-3405.03a. The tenant or tenant organization in such an accommodation is deemed to be an aggrieved tenant or tenant organization, as applicable, for these purposes. This subsection shall not apply to any transaction involving accommodations otherwise subject hereto expressly contemplated by a registration statement filed with the Securities and Exchange Commission prior to February 22, 1994.~~

(d) "Time certain" notices

(1)

(A) In addition to any other notice required by Subchapters ~~titles~~ IV and V of this Title, where ~~if~~ an opportunity to purchase is not provided under ~~this~~ section ~~3404.02~~ of this Act, the owner shall provide each tenant and the Mayor written notice ("Notice of Transfer") of the transfer of an interest ("Notice of Transfer") in a housing accommodation or of any ownership interest in a corporation, partnership, limited liability company, association, trust, or other entity which owns a housing accommodation.

(B) Notwithstanding any other provision in this act, an owner shall ~~not~~ provided, however that no Notice of Transfer shall be required to file a Notice of Transfer for a transfer exempt under subsection (c) (2)

(A), (D), (E), (F), (I), (J), (K), (L), (M), or (N) of this section; provided, that a notice of the transfer shall be filed with the Mayor in a form prescribed by the Mayor. ~~should any of the following Exemptions apply: a, b, c, d, j, or k.~~

(C) Notwithstanding any other provision in this act, an owner shall not be required to a Notice of Transfer for a transfer exempt under subsection (c) (2) (C) of this section.

(2) The Notice of Transfer shall be sent by registered or certified mail, return receipt requested, by commercial overnight delivery service that maintains proof of delivery, or by personal service, at least ninety (90) days prior to the proposed date of transfer. Notice to tenants shall be sent to ~~the~~ their address ~~of~~ at the housing accommodation unless tenant has supplied in writing to the owner a different address for notice purposes. ~~Additionally, a copy of the Notice of Transfer shall be posted...~~

(3)

(A) The Notice of Transfer shall be substantially in the form prescribed by the Mayor and shall provide, at a minimum, a statement of the tenant or tenant organization's rights under this Title act, an accurate description of the transfer containing all material facts, the date of the proposed transfer, and the reason, if any, why the owner asserts the transfer may not constitute a sale.

(B) In addition to any other requirements for the form of the Notice of Transfer prescribed pursuant to subparagraph (A) of this paragraph, a Notice of Transfer for a housing accommodation to be transferred for the purposes of receiving tax benefits pursuant to section 42 of the United States Internal Revenue Code of 1986, approved October 22, 1986 (100 Stat. 2189; 26 U.S.C. § 42), or a comparable District program, shall include a description of the applicable federal or District subsidy, and a description of the steps in the transaction employed by the developer to avail itself of the subsidy.

(4) The owner's failure to provide the Notice of Transfer, or the provision of a notice that is fraudulent or contains material misrepresentations or material omissions, shall create a rebuttable presumption that the transfer constitutes a sale for purposes of ~~Subchapters~~ titles IV and V of this Title.

(5)

~~(A) A tenant in a single family housing accommodation, pursuant to § 42-3404.09 of this Act, or tenants in an accommodation with 2 through 4 units, acting jointly or severally pursuant to § 42-3404.10 of this Act may, within thirty (30) days of the Mayor's receipt of the Notice of Transfer, file a "Notice of Intent to File Petition" indicating an intent to file a petition for relief pursuant to D.C. Official Code §§ 42-3405.03 or 3405.03a. Notwithstanding the foregoing, should the Notice of Transfer reference an Exemption, the thirty (30) days referenced above shall be reduced by fifteen (15) days.~~

~~Now (d) (5) (A) (B) An aggrieved tenant or tenant organization duly organized under section 411 § 42-3404.11 of this Act and meeting pursuant to its by-laws, whichever shall be applicable may, within forty-five (45) days of the Mayor's receipt of the Notice of Transfer, file a "Notice of Intent to File Petition" notice indicating an intent to file a petition for relief pursuant to section 503 or 503a, D.C. Official Code §§ 42-3405.03 or 3405.03a. Notwithstanding the foregoing, should the Notice of Transfer reference an Exemption, the forty-five (45) days referenced above shall be reduced by fifteen (15) days.~~

~~Now (d) (5) (B) (C) A Notice of Intent to File Petition shall be delivered by registered or certified mail, return receipt requested, by commercial overnight delivery service that maintains proof of delivery, or by personal service to the Mayor and simultaneously to the owner. The owner's address shall be that set forth in the Notice of Transfer.~~

~~Now (d) (5) (C) (D) Failure of an aggrieved tenant, or tenants acting jointly or severally, whichever shall be applicable, pursuant to subsection (A), or a tenant organization pursuant to subsection (B), to timely file timely the Notice of Intent to File Petition within the prescribed period shall preclude the tenant or tenant organization from asserting any rights under Subchapters titles IV and V of this Title relating to the transfer identified in the Notice of Transfer, and any such rights shall be deemed waived.~~

(6) ~~Within thirty (30) days of the receipt of the Mayor of the Notice of Intent to File, a tenant or tenant organization shall have an additional thirty (30) days to file a petition for relief under sections 503 or 503a, D.C. Official Code §§ 42-3405.03 or 3405.03a. Notwithstanding the foregoing, should the Notice of Transfer reference a reliance upon an Exemption from Definition of Sale, the thirty (30) days referenced above shall be reduced by fifteen~~

D.C. Code § 42-3404.03

~~(15) days.~~ A copy of ~~said~~ the petition shall be delivered to owner by registered or certified mail, return receipt requested, or by personal service. Failure of a tenant or tenant organization to file timely the petition for relief within the prescribed period shall preclude the tenant or tenant organization from asserting any rights under ~~Subchapters~~ titles IV and V of this Title relating to the transfer identified in the Notice of Transfer.

(7)

(A) Notwithstanding the time requirements for notice in subsection (e) (5) (A) of this section, an aggrieved tenant or tenants, whichever shall be applicable, may, within 30 days of the Mayor's receipt of the notice of transfer of an accommodation pursuant to an exemption in subsection (b) (3) of this section ("Notice of Transfer Pursuant to an Exemption"), file a Notice of Intent to File Petition.

(B)

(i) Failure of a tenant or tenants, pursuant to paragraph (7) (A) of this subsection, or a tenant or tenant organization pursuant to paragraph (7) (B) of this subsection, to file timely the Notice of Intent to File Petition shall preclude the tenant or tenant organization from asserting any rights under titled IV and V relating to the transfer identified in the Notice of Transfer Pursuant to an Exemption of an accommodation pursuant to an exemption.

(ii) A tenant or tenant organization shall be precluded from asserting any rights under titled IV and V for a transfer exempt under subsection (c) (2) (C) of this section.

(C) Any change in the transfer agreement that would invalidate a claim of exemption shall be reported in writing to the Mayor and proper notice shall be provided to the tenant or tenant organization.

Now (d) (8) For the purposes of providing notice under this subsection, the term "tenant" shall mean the person or persons who, under the terms of the lease, or any amendment or consent executed pursuant thereto, are entitled to occupy the rental unit premises.

~~(8) For the purposes of calculating time in this subsection, "days" shall refer to calendar days and shall be strictly construed, subject to 3405.02.~~

(9)

(A) Upon five (5) days of request by any person, the Mayor shall provide:

(i) ~~W~~ritten certifications, including date of receipt or non-receipt, of any notices received under ~~Subchapters~~ titles IV and V of this Title; -and

(ii) ~~e~~Copies of ~~such~~ the notices.

(B) ~~Such~~ The certifications may be recorded among the records of the Recorder of Deeds and shall be exempt from filing fees.

(10) Notice of Transfer, Notice of Transfer Pursuant to an Exemption, Notice of Intent to File, and the petition for relief pursuant to section 503 or 503a ~~D.C. Official Code §§ 42-3405.03 or 3405.03a~~ shall be known referred to as "Time Certain Notices."

D.C. Code § 42-3404.02b

§ 42-3404.02b. Registration of a Tenant Organization

In a housing accommodation of five or more units, the tenants of that housing accommodation may form and register the formation of a tenant organization with the Mayor, pursuant to ~~§ 42-3404.11~~ section 411, at any time; ~~prior to the time provided for in this section,~~ provided, that this section shall not be construed to alter the time periods within which a tenant organization may ~~to exercise the rights afforded by this act. A~~ to a tenant organization may file a petition for relief pursuant to section 503 or 503a. ~~by this subchapter such tenant organization shall have been formed prior to the expiration of the 45 day period after receipt of a Notice of Transfer under this Act.~~

D.C. Code § 42-3404.03

D.C. Code § 42-3404.03

§ 42-3404.03. Offer of sale [Formerly § 45-1632]

The owner shall provide each tenant and the Mayor a written copy of the offer of sale by first class mail and post a copy of the offer of sale in a conspicuous place in common areas of the housing accommodation if it consists of more than 1 unit. An offer includes, at a minimum:

- (1) The asking price and material terms of the sale;
- (2) A statement that the tenant has the right to purchase the accommodation under this chapter and a summary of tenant rights and sources of technical assistance as published in the D.C. Register by the Mayor; provided, however, that if no such statement and summary have been published, the owner will be deemed in compliance with this paragraph;
- (3) A statement as to whether a contract with a third party exists for sale of the accommodation and that the owner shall make a copy available to the tenant within 7 days after receiving a request; and
- (4) A statement that the owner shall make available to the tenant a floor plan of the building and an itemized list of monthly operating expenses, utility consumption rates, and capital expenditures for each of the 2 preceding calendar years within 7 days after receiving a request. The statement shall also indicate that the owner shall, at the same time, make available the most recent rent roll, list of tenants, and list of vacant apartments. If the owner does not have a floor plan, the owner may meet the requirement to provide a floor plan by stating in writing to the tenant that the owner does not have a floor plan.

D.C. Code § 42-3404.04

§ 42-3404.04. Third party rights [Formerly § 45-1633]

The right of a third party to purchase an accommodation is conditional upon exercise of tenant rights under this subchapter. The time periods for negotiation of a contract of sale and for settlement under this subchapter are minimum periods, and the owner may afford the tenants a reasonable extension of such period, without liability under a third party contract. Third party purchasers are presumed to act with full knowledge of tenant rights and public policy under this subchapter.

D.C. Code § 42-3404.05

§ 42-3404.05. Contract negotiation [Formerly § 45-1634]

(a) Bargaining in good faith. -- The tenant and owner shall bargain in good faith. The following constitute prima facie evidence of bargaining without good faith:

- (1) The failure of an owner to offer the tenant a price or term at least as favorable as that offered to a third party, within the periods specified in § § 42-3404.09(4), 42-3404.10(4), and 42-3404.11(4), respectively, without a reasonable justification for so doing;
- (2) The failure of an owner to make a contract with the tenant which substantially conforms with the price and terms of a third party contract within the time periods specified in § § 42-3404.09(4), 42-3404.10(4), and 42-3404.11(4), respectively, without a reasonable justification for so doing; or
- (3) The intentional failure of a tenant or an owner to comply with the provisions of this subchapter.

(a-1) Reduced price. -- If the owner sells or contracts to sell the accommodation to a third party for a price more than 10% less than the price offered to the tenant or for other terms which would constitute bargaining without good

D.C. Code § 42-3404.06

faith, the owner shall comply anew with all requirements of §§ 42-3404.09, 42-3404.10, and 42-3404.11, as applicable.

(a-2) Financial assurances. -- The owner may not require the tenant to prove financial ability to perform as a prerequisite to entering into a contract. The owner may not require the tenant to pay the purchase price in installments unless the owner provides deferred purchase money financing on terms reasonably acceptable to the tenant. The owner may require the tenant to prove that the tenant, either alone or in conjunction with a third party, has comparable financial ability to the third-party contractor before the owner will be required to grant deferred purchase money financing to the tenant on the same terms and conditions agreed between the owner and the third-party contractor. If the tenant can prove comparable financial ability alone, the owner may not require the tenant to secure a third-party guarantor. This proof cannot be required as a prerequisite to contracting. It may be required only as a prerequisite to the owner granting deferred purchase money financing at settlement.

(a-3) Transfers of interest in a partnership or corporation and master leases. -- In the event of a transfer of interest in a partnership or corporation or in the event of a master lease or agreement that is considered a sale within the meaning of § 42-3404.02, but which does not involve a transfer of record title to the real property, the owner shall be bargaining in good faith if the owner offers the tenant the opportunity to acquire record title to the real property or offers the tenant the opportunity to match the type of transfer or agreement entered into with the third party. With respect to either type of offer, all provisions of this subchapter apply.

(b) Deposit. -- The owner shall not require the tenant to pay a deposit of more than 5% of the contract sales price in order to make a contract. The deposit is refundable in the event of a good faith failure of the tenant to perform under the contract.

D.C. Code § 42-3404.06

§ 42-3404.06. Exercise or assignment of rights [Formerly § 45-1635]

The tenant may exercise rights under this subchapter 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 may occur at any time in the process provided in this subchapter and may be structured in any way the tenant, in the tenant's sole discretion, finds acceptable.

D.C. Code § 42-3404.07

§ 42-3404.07. Waiver of rights [Formerly § 45-1636]

An owner shall not request, and a tenant may not grant, a waiver of the right to receive an offer of sale under this subchapter. An owner shall not require waiver of any other right under this subchapter except in exchange for consideration which the tenant, in the tenant's sole discretion, finds acceptable.

D.C. Code § 42-3404.08

§ 42-3404.08. Right of first refusal [Formerly § 45-1637]

In addition to any and all other rights specified in this subchapter, a tenant or tenant organization shall also have the right of first refusal during the 15 days after the tenant or tenant organization has received from the owner a valid sales contract to purchase by a third party. If the contract is received during the negotiation period pursuant to § 42-3404.09(2), § 42-3404.10(2), or § 42-3404.11(2), the 15-day period will begin to run at the end of the negotiation

D.C. Code § 42-3404.09

period. In exercising rights pursuant to this section, all rights specified in this subchapter shall apply except the minimum negotiation periods specified in § § 42-3404.09(2), 42-3404.10(2), and 42-3404.11(2).

D.C. Code § 42-3404.09

§ 42-3404.09. Single-family accommodations [Formerly § 45-1638]

The following provisions apply to single-family accommodations:

(1) Written statement of interest. -- Upon receipt of a written offer of sale from the owner that includes a description of the tenant's rights and obligations under this section, the tenant shall have 30 days to provide the owner and the Mayor with a written statement of interest. The statement of interest shall be a clear expression of interest on the part of the tenant to exercise the right to purchase as specified in this subchapter;

(2) Negotiation period. -- If a tenant has provided a written statement of interest in accordance with paragraph (1) of this section, the owner shall afford the tenant a reasonable period to negotiate a contract of sale, and shall not require less than 60 days, not including the 30 days provided by paragraph (1) of this section. For every day of delay in providing information by the owner as required by this subchapter, the negotiation period is extended by 1 day;

(3) Time before settlement. -- The owner shall afford the tenant a reasonable period prior to settlement in order to secure financing and financial assistance, and shall not require less than 60 days after the date of contracting. If a lending institution or agency estimates in writing that a decision with respect to financing or financial assistance will be made within 90 days after the date of contracting, the owner shall afford an extension of time consistent with that written estimate;

(4) Lapse of time. -- If 180 days elapse from the date of a valid offer under this subchapter and the owner has not sold or contracted for the sale of the accommodation, the owner shall comply anew with the terms of this subchapter.

D.C. Code § 42-3404.10

§ 42-3404.10. Accommodations with 2 through 4 units [Formerly § 45-1639]

The following provisions apply to accommodations with 2 through 4 units:

(1) Joint and several response. -- The tenants may respond to an owner's offer first jointly, then severally. Upon receipt of a written offer of sale from the owner that includes a description of the tenant's rights and obligations under this section, a group of tenants acting jointly shall have 15 days to provide the owner and the Mayor with a written statement of interest. Following that time period, if the tenants acting jointly have failed to submit a written statement of interest, an individual tenant shall have 7 days to provide a statement of interest to the owner and the Mayor. Each statement of interest must be clear expression of interest on the part of the tenant or tenant group to exercise the right to purchase as specified in this subchapter;

(2) Negotiation period.

(A) Upon receipt of a letter of intent from a tenant or a tenant group, the owner shall afford the tenants a reasonable period to negotiate a contract of sale, and shall not require less than 90 days. For every day of delay in providing information by the owner as required by this subchapter, the negotiation period is extended by 1 day. If more than 1 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;

(B) If, at the end of the 90-day period or any extensions thereof, the tenants jointly have not contracted with the owner, the owner shall provide an additional 30-day period, during which any 1 of the current tenants may contract with the owner for the purchase of the accommodation;

(C) If the owner is required to negotiate with more than one tenant pursuant to this section, the owner may decide which contract is more favorable without liability to the other tenants.

D.C. Code § 42-3404.11

(3) Time before settlement. -- The owner shall afford the tenant a reasonable period prior to settlement in order to secure financing and financial assistance, and shall not require less than 90 days after the date of contracting. If a lending institution or agency estimates in writing that a decision with respect to financing or financial assistance will be made within 120 days after the date of contracting, the owner shall afford an extension of time consistent with that written estimate;

(4) Lapse of time. -- If 240 days elapse from the date of a valid offer under this subchapter and the owner has not sold or contracted for the sale of the accommodation, the owner shall comply anew with the terms of this subchapter.

D.C. Code § 42-3404.11

§ 42-3404.11. Accommodations with 5 or more units [Formerly § 45-1640]

The following provisions apply to accommodations with 5 or more units:

(1) Tenant organization. -- In order to make a contract of sale with an owner, the tenants shall: (A) form a tenant organization with the legal capacity to hold real property, elect officers, and adopt bylaws, unless such a tenant organization exists in a form desired by the tenants; (B) file articles of incorporation; and (C) deliver an application for registration to the Mayor and the owner by hand or by first class mail within 45 days of receipt of a valid offer. If, at the time of receipt of the valid offer, a tenant organization exists in a form desired by the tenants, the delivery of the application for registration to the Mayor and the owner by hand or by first class mail shall be within 30 days of receipt of a valid offer. The application shall include the name, address, and phone number of tenant officers and legal counsel (if any); a copy of the articles of incorporation, as filed; a copy of the bylaws; documentation that the organization represents at least a majority of the occupied rental units as of the time of registration and such other information as the Mayor may require. Upon registration, the organization constitutes the sole representative of the tenants, and the prior offer of sale is deemed an offer to the organization;

(2) Negotiation period. -- The owner shall afford the tenant organization a reasonable period to negotiate a contract of sale, and shall not require less than 120 days from the date of receipt of the statement of registration. For every day of delay in providing information by the owner as required by this subchapter, the negotiation period is extended by 1 day;

(3) Time before settlement.

(A) The owner shall afford the tenant organization a reasonable period prior to settlement in order to secure financing and financial assistance, and shall not require less than 120 days after the date of contracting. If a lending institution or agency estimates in writing that a decision with respect to financing or financial assistance will be made within 240 days after the date of contracting, the owner shall afford an extension of time consistent with that written estimate;

(B) If the tenant organization articles of incorporation provide, by the date of contracting, that the purpose of the tenant organization is to convert the accommodation to a nonprofit housing cooperative with appreciation of share value limited to a maximum of the annual rate of inflation, the owner shall require not less than 180 days after the date of contracting or such additional time as required by this section;

(4) Lapse of time. -- If 360 days elapse from the date of a valid offer under this subchapter and the owner has not sold or contracted for the sale of the accommodation, an owner shall comply anew with the terms of this subchapter. In such a case, the tenant organization shall also comply anew with respect to delivery of a registration statement; the original tenant articles of incorporation, officers and bylaws remain effective unless defective under their own terms or other provisions of law.

D.C. Code § 42-3404.12

§ 42-3404.12. Exceptions to coverage of subchapter; expiration provisions [Formerly § 45-1641]

D.C. Code § 42-3404.13

Sections 42-3404.02, 42-3404.04, 42-3404.05, 42-3404.06, 42-3404.07, 42-3404.09(3) and (4), 42-3404.10(3) and (4) and 42-3404.11(3) and (4) apply to any sale of a housing accommodation for which a contract is not fully ratified prior to June 3, 1980, and the period for contracting pursuant to § 601 or § 602 of the Rental Housing Act is not expired prior to the effective date of this subchapter. This subchapter applies in its entirety to any sale of a housing accommodation for which a notice pursuant to § 601 or § 602 of the Rental Housing Act is not received by the tenants in at least 50% of the occupied rental units in the housing accommodation prior to June 3, 1980. This subchapter shall remain in effect until the Mayor declares that a housing crisis no longer exists pursuant to § 42-3405.12. This subchapter does not apply to accommodations for which a vacancy exemption is approved, as provided in § 42-3402.10.

D.C. Code § 42-3404.13

§ 42-3404.13. Notice to convert; offer to sell [Formerly § 45-1642]

(a) Every tenant of a housing accommodation which the declarant seeks to convert from a rental basis to a cooperative shall be notified in writing of the declarant's intent to convert the housing accommodation to a cooperative not less than 120 days before the conversion thereof. The declarant shall also make to each tenant of the housing accommodation a bona fide offer to sell such tenant such shares or membership interest in the cooperative as will enable the tenant to continue to reside in his or her unit after conversion. The offer shall include, but not be limited to, the asking price for the shares or membership interest and a statement of the tenant's rights to provide such shares or membership interest under the provisions of this section. The tenant shall be afforded not less than 60 days in which to contract with the landlord for the purchase of the shares or membership interest at a mutually agreeable price and under mutually agreeable terms, which shall be at least as favorable as those offered to the general public.

(b) Repealed.

TITLE 42. REAL PROPERTY
SUBTITLE VII. RENTAL HOUSING
CHAPTER 34. RENTAL HOUSING CONVERSION AND SALE
SUBCHAPTER V. IMPLEMENTATION AND ENFORCEMENT

D.C. Code § 42-3405.01

§ 42-3405.01. Rule making; publication requirements [Formerly § 45-1651]

(a) The Mayor shall issue rules for the implementation of this chapter. The Mayor shall issue rules for the holding of elections which shall include, but not be limited to, provisions for secret voting, and the right of any person including the owner to observe the counting of the ballots.

(b) By November 9, 1980, the Mayor shall publish in the D.C. Register a summary of tenant rights and obligations pursuant to this chapter, and sources of technical assistance, which shall include, but shall not be limited to, information regarding counseling, subsidy programs, relocation services, housing purchase and rehabilitation finance, tax relief programs, formation of tenant organizations, purchase of housing accommodations, rehabilitation, and conversion to cooperative or condominium.

(c) By March 5, 1996, the Mayor shall issue updated rules for comment, which shall reflect all changes made by the Rental Housing Conversion and Sale Act of 1980 Reenactment Extension and Amendment Act of 1995. Within 180 days after publication of the proposed rules, the Mayor shall adopt final rules. The failure to meet these deadlines shall not prevent the changes in the Rental Housing Conversion and Sale Act of 1980 Reenactment Extension and Amendment Act of 1995 from being effective immediately upon September 6, 1995.

D.C. Code § 42-3405.02

D.C. Code § 42-3405.02

§ 42-3405.02. Time periods [Formerly § 45-1652]

If a time period running under this chapter ends on a Saturday, Sunday, or legal holiday, it is extended until the next day which is not a Saturday, Sunday, or legal holiday.

D.C. Code § 42-3405.03

§ 42-3405.03. Civil cause of action [Formerly § 45-1653]

An aggrieved owner, tenant, or tenant organization may seek enforcement of any right or provision under this chapter through a civil action in law or equity, and, upon prevailing, may seek an award of costs and reasonable attorney fees. In an equitable action, the public policy of this chapter favors the waiver of bond requirements to the extent permissible under law or court rule.

D.C. Code § 42-3405.03a

§ 42-3405.03a. Declaratory relief [Formerly § 45-1653.1]

(a) An aggrieved owner, tenant, or tenant organization may petition the Mayor for declaratory relief under provisions of this chapter. Upon a showing of reasonable grounds, the Mayor shall grant a hearing and may issue findings of fact, conclusions of law, and declaratory orders and take other enforcement actions provided by this subchapter.

(b) The Mayor shall consider a petition for relief and issue a declaratory order with regard to that petition within 30 days after receipt of a petition requesting relief from either an owner, or tenant or tenant organization, as applicable. The Mayor shall, within three (3) months of the effective date of this Act, promulgate regulations to afford all qualified parties an opportunity to participate in any declaratory proceeding.

(c) ~~A~~ Declaratory orders issued pursuant to [section 503 or 503a shall be](#) D.C. Official Code §§ 42-3405.03 or 3405.03a, ~~et seq.~~, are the sole means [by which the Mayor shall issue an official, binding determination pursuant to the request of an aggrieved owner, tenant, or tenant organization to determine rights under titles IV and V. Reliance upon any other form of determination shall not be afforded any weight, upon which the public may reasonably rely in determining rights pursuant to Subchapters IV and V of this Title.](#)

(d) Notwithstanding [the preceding subsection](#), ~~any provision in this Title to the contrary~~, the following, when taken together, shall constitute conclusive proof of the termination of a tenant's or a tenant organization's rights pursuant to ~~Subchapters~~ [titles IV and V of this Title](#):

(1) Certifications provided by the Mayor setting forth the date of receipt of the Notice of Transfer and indicating that no Time Certain Notices from a tenant or tenant organization were received within the prescribed periods;

(2) An affidavit from owner or owner's authorized representative attesting to the date, [content](#), and manner of issuance of the Notice of Transfer; and

(3) An affidavit from owner or owner's authorized representative in compliance with the Servicemembers Civil Relief Act, [approved October 17, 1940 \(54 Stat. 1178; 50 U.S.C. App. Section 501, et seq.\)](#), as to any tenant whose rights are affected by this ~~Subchapter~~ [act](#).

D.C. Code § 42-3405.03b

D.C. Code § 42-3405.03b

§ 42-3405.03b. Choice of forum; [standard of review](#) [Formerly § 45-1653.2]

- (a) The rights provided under § § 42-3405.03 and 42-3405.03a are in the alternative. The party bringing the action may choose the forum and need not exhaust administrative remedies in order to bring an action under § 42-3405.03. Unless all parties to the action agree otherwise, once an action has been brought in one forum, an action based on the same or a substantially similar cause of action may not be brought in any other forum.
- (b) The applicability of this ~~Title act~~, and rights created hereunder, shall be determined by examining the substance of the transaction or series of transactions. A step transaction or other device entered into or employed for the purpose of avoiding the obligation to comply with the requirements of this Title shall be construed in accordance with the substance of the transaction.

D.C. Code § 42-3405.04

§ 42-3405.04. Notice of rejection [Formerly § 45-1654]

If the Mayor determines to reject an application by a party pursuant to this chapter, he or she shall notify the applicant of the findings upon which the rejection is based, and that the rejection will be deemed final in 20 days. During the 20-day period, the applicant may petition for reconsideration, and, upon a proper showing of reasonable grounds, shall be entitled to a hearing to contest the particulars specified in the Mayor's rejection notice. Such notice of rejection shall not take effect during the pendency of a hearing, if requested.

D.C. Code § 42-3405.05

§ 42-3405.05. Investigations [Formerly § 45-1655]

(a) The Mayor may make necessary public or private investigations in accordance with law within or without of the District of Columbia to determine compliance with the requirements of this chapter or to determine whether any person has violated or is about to violate this chapter or any rule or order hereunder, or to aid in the enforcement of this chapter or in the prescribing of rules and forms hereunder.

(b) For the purpose of any investigation under this chapter, the Mayor or any officer designated by rule may administer oaths or affirmations, subpoena witnesses and compel their attendance, take evidence, and require the production of any matter which is relevant to the investigation, including the existence, description, nature, custody, condition, and location of any books, documents or other tangible things and the identity and location of persons having knowledge or relevant facts or any other matter reasonably calculated to lead to the discovery of material evidence.

(c) Upon failure to obey a subpoena or to answer questions propounded by the investigating officer and upon reasonable notice to all persons affected thereby, the Mayor may apply to the Superior Court of the District of Columbia for an order compelling compliance.

D.C. Code § 42-3405.06

§ 42-3405.06. Enforcement [Formerly § 45-1656]

(a) The Mayor shall have the power to enforce this chapter and rules and regulations made hereunder. If the Mayor determines after notice and hearing that a person has: (1) violated any provision of this chapter; (2) violated any

D.C. Code § 42-3405.07

condition imposed in writing in connection with the granting of any application or other request under this chapter; or (3) violated any lawful order or rule of the agency; the Mayor may issue an order requiring the person to cease and desist from the unlawful practice and to take such affirmative action as in his or her judgment will carry out the purposes of this chapter.

(b) If the Mayor makes a finding of fact in writing that the public interest will be irreparably harmed by delay in issuing an order, the Mayor may issue a temporary cease and desist order. Prior to issuing the temporary cease and desist order, the Mayor shall give notice of the proposal to issue a temporary cease and desist order which shall include in its terms a provision that upon request a hearing will be held promptly to determine whether or not such order becomes permanent.

(c) If it appears that a person has engaged or is about to engage in an act or practice constituting a violation of a provision of this chapter, or a rule, regulation, or order hereunder, the Mayor with or without prior administrative proceedings may bring an action in the Superior Court of the District of Columbia to enjoin the acts or practices and to enforce compliance with this chapter or any rule, regulation, or order hereunder. Upon proper showing, injunctive relief or temporary restraining orders shall be granted. The Mayor is not required to post a bond in any court proceedings or prove that any other adequate remedy at law exists.

(d) The Mayor may intervene in any civil action involving the enforcement of any right or provision under this chapter. The Mayor may require an owner, tenant, or tenant organization to notify the Mayor of any suit instituted pursuant to § 42-3405.03.

(e) Civil fines, penalties, and fees may be imposed as alternative sanctions for any infraction of the provisions of this chapter, or any rules or regulations issued under the authority of this chapter, pursuant to Chapter 18 of Title 2. Adjudication of any infraction of this chapter shall be pursuant to Chapter 18 of Title 2.

D.C. Code § 42-3405.07

§ 42-3405.07. Revocation [Formerly § 45-1657]

(a) A certificate issued pursuant to § 42-3402.02(a), an exemption issued pursuant to § 42-3402.02(b) or § 42-3402.10, or registration required pursuant to § 42-3404.11 may be revoked after notice and hearing upon a written finding of fact that the holder of the certificate, the holder of the exemption, or the registrant has:

- (1) Failed to comply with the terms of a cease and desist order;
- (2) Failed faithfully to perform any stipulation or agreement made with the Mayor as an inducement to grant any certificate, exemption, or registration; or
- (3) Made intentional misrepresentations or concealed material facts in an application for a certificate, exemption, or registration.

(b) If the Mayor finds after notice and hearing that the holder of a certificate, the holder of an exemption, or the registrant has been guilty of a violation for which revocation could be ordered, the Mayor may issue a cease and desist order; or, upon adjudication for any infraction thereof, impose civil fines, penalties, and fees as alternative sanctions, pursuant to Chapter 18 of Title 2. Adjudication of any infraction shall be pursuant to Chapter 18 of Title 2.

D.C. Code § 42-3405.08

§ 42-3405.08. Administrative proceedings [Formerly § 45-1658]

D.C. Code § 42-3405.09

(a) Any proceeding provided in § 42-3405.04, § 42-3405.06, or § 42-3405.07 shall be conducted according to §§ 2-509 and 2-510 and any officer designated to conduct such a proceeding shall not immediately supervise or be subject to supervision by any employee who participates or has participated in the investigation or prosecution of such case.

(b) After any hearing pursuant to this section, and within 10 days after the parties have been notified of the initial decision of the officer who conducted the hearing, if no appeal is taken or no determination is made to review the decision, the Mayor shall adopt and render the initial decision as the final decision and shall issue and cause to be served upon each party to the proceeding an order or orders consistent with the provisions of § 42-3405.04, § 42-3405.06, or § 42-3405.07, as appropriate.

(c) In the course of, or in connection with any such proceeding, the Mayor or any officer designated by rule may administer oaths or affirmations, take or cause depositions to be taken, subpoena witnesses and compel their attendance, take evidence, and require the production of any matter which is relevant to the proceeding, including the existence, description, nature, custody, condition, and location of any books, documents, or other tangible things and the identity and location of persons having knowledge of relevant facts or any other matter reasonably calculated to lead to the discovery of material evidence.

(d) Upon failure to obey a subpoena or to answer questions propounded by the presiding officer and upon reasonable notice to all persons affected thereby, the Mayor may apply to the Superior Court of the District of Columbia for an order compelling compliance.

(e) Any service required or authorized to be made under this section may be made by registered mail or in such other manner reasonably calculated to give actual notice as the Mayor may by regulation or otherwise require.

D.C. Code § 42-3405.09

§ 42-3405.09. Judicial review [Formerly § 45-1659]

(a) After the issuance of a final decision and order pursuant to this chapter, and within 15 days after the Mayor has notified the parties of the final decision and order, any party to such proceeding may seek judicial review of such decision and order by filing a petition for review in the District of Columbia Court of Appeals.

(b) Proceedings for judicial review of Mayoral actions shall be subject to and be in accordance with § 2-510.

D.C. Code § 42-3405.10

§ 42-3405.10. Penalties [Formerly § 45-1660]

Any person who wilfully violates any provision of this chapter or any rule adopted under or order issued pursuant to this chapter or any person who wilfully in an application makes any false statement of a material fact or omits to state a material fact shall be fined not less than \$ 1,000 or double the amount of gain from the transaction, whichever is larger, but not more than \$ 50,000; or such person may be imprisoned for no more than 6 months; or both, for each offense. Prosecution for violations of this chapter shall be brought in the name of the District of Columbia by the Office of the Corporation Counsel.

D.C. Code § 42-3405.10a

§ 42-3405.10a. Rental Housing and Conversion Sale Act Task Force

(a) The Chairman of the Council shall establish a Rental Housing Conversion and Sale Act Task Force ([“Task Force”](#)) [within 30 days after the effective date of this section](#).

D.C. Code § 42-3405.11

(b) The general mandate of the Task Force is to examine all aspects of titles IV and V, the Rental Housing Conversion and Sale Act, including its implementation and compliance with its requirements, and to determine the best means for preserving rental housing, preventing the deterioration of the housing stock, and preventing the displacement of tenants.

(c) The ~~Chairman of the Council~~ Mayor shall establish the methodology for achieving the purposes of the Task Force in consultation with the members. ~~The~~ The Task Force shall issue ~~Chairman of the Council shall, at its discretion,~~ require a report and recommendations proposing legislative and policy initiatives and revisions to the statute designed to improve titles IV and V, which shall be distributed to all members of the Council and the Mayor and made available to the general public within 30 days after its issuance. ~~for improvements thereto.~~

(d) ~~The Task Force shall represent the diversity of interests affected by the Act, including tenant, landlord, government and industry representatives.~~ As part of its review, the Task Force shall consider:

(1) Whether the District is doing enough to help tenants avail themselves of the opportunity to purchase when an offer is presented, within the prescribed time periods;

(2) Whether the time periods for tenants to avail themselves of the offer of sale are too long or not long enough;

(3) Simplifying the procedures for Time Certain Notices by establishing a single notice procedure for all transactions that do not require a notice to tenants, shortening time periods for sending or filing notices, and eliminating the Notice of Intent to File Petition;

(4) Allowing any tenant in a multi-unit housing accommodation to file a petition for a declaratory order without forming a tenant organization or extending the time period for a tenant organization to form and register;

(5) Limiting the act to multi-unit housing accommodations;

(6) Whether the third party rights afforded tenants are being employed to further the purposes of the act;

(7) Whether owners are evading the requirements of the act.

~~(e) The Task Force shall be disbanded upon the completion of its report and recommendations to the Council, but, in any event, no later than December 31, 2006.~~ The Task Force shall be composed of 7 members, 5 of whom shall be appointed by the Mayor and 2 of whom shall be appointed by the Chairman of the Council. Members of the Task Force shall represent the interests affected by the act, including tenants, owners, the District government, title insurers, and other industry representatives.

(f) The Task Force shall continue in existence for 6 months and shall issue its report and recommendations before disbanding.

D.C. Code § 42-3405.11

§ 42-3405.11. Statutory construction [Formerly § 45-1661]

The purposes of this chapter favor resolution of ambiguity by the hearing officer or a court toward the end of strengthening the legal rights of tenants or tenant organizations to the maximum extent permissible under law. If this chapter conflicts with another provision of law of general applicability, the provisions of this chapter control.

D.C. Code § 42-3405.12

D.C. Code § 42-3405.12

§ 42-3405.12. Declaration of continuing housing crisis [Formerly § 45-1662]

(a) Within 1 month of the first annual anniversary date of the effective date of this chapter, and during the same period of each successive year, the Mayor shall determine and then declare whether there is a continuing housing crisis in the District. If the Mayor determines that at least 1 of the factors listed in subsection (b) of this section continue to exist, the Mayor shall declare that there is a continuing housing crisis. If the Mayor determines that none of the factors listed in subsection (b) of this section continue to exist, the Mayor shall declare there is no longer a housing crisis. The Mayor's declaration shall include the reasons for such determination.

(b) The factors which the Mayor shall consider in determining whether there is a continuing housing crisis in the District include, but are not limited to, the following:

(1) That the percentage of all rental housing units in the District which are vacant, habitable, and available for occupancy is less than 5%;

(2) That the number of new rental units made available for occupancy with the District of Columbia in the previous year is less than the number of units demolished, discontinued in use or converted to condominiums, cooperatives or nonhousing use;

(3) That the number of new or substantially rehabilitated units subsidized under federal or local publicly funded programs and made available for occupancy within the District of Columbia in the past year was less than 10,000 units; and

(4) The Mayor shall consider any other significant factors which relate to the supply of housing available for low-income District of Columbia citizens.

(c) If the Mayor declares that there is no longer a housing crisis within the District of Columbia, the Mayor shall submit a proposed resolution containing the declaration to the Council for a 45-day period of review, excluding Saturdays, Sundays, legal holidays, and days of Council recess. If the Council does not approve or disapprove the proposed resolution, in whole or in part, within the 45-day review period, the proposed resolution shall be deemed approved. Upon the effective date of Council approval of the Mayor's proposed resolution declaring that there is no longer a housing crisis in the District of Columbia, or upon a date specified in the resolution, whichever is later, the provisions of this chapter shall no longer be in effect.

D.C. Code § 42-3405.13

§ 42-3405.13. Severability [Formerly § 45-1663]

If any provision of this chapter, or any section, clause, phrase, or word or the application thereof, in any circumstances is held invalid, the validity of the remainder of the chapter and of the application of any other provision, section, sentence, clause, phrase, or word shall not be affected.