#### ORDINANCE NO. 0-7-24

AN ORDINANCE TO AMEND CHAPTER 13 OF THE CITY CODE, ENTITLED, "LANDLORD-TENANT RELATIONS," BY AMENDING ARTICLE I, SECTION 13-1, ENTITLED, "DEFINITIONS," ARTICLE III, SECTION 13-13, ENTITLED, "CONTENTS OF LEASE", REMOVING SECTION 13-13A, ENTITLED, "PROHIBITED RENT INCREASES DUE TO COVID-19 IMPACT," AMENDING SECTION 13-14, ENTITLED, "LEASING REQUIREMENTS GENERALLY, SECTION 13-15, ENTITLED, EVICTION, ASSISTANCE," SECTION 13-17, ENTITLED OBLIGATIONS OF LANDLORDS", SECTION 13-18, ENTITLED "LANDLORD NOTICE REQUIREMENTS," SECTION 13-20, ENTITLED, "RIGHTS OF TENANTS GENERALLY," ADDING SECTION 13-21A, ENTITLED, "RADON TESTING," AMENDING SECTION 13-26, ENTITLED, "PROCEDURE WHEN VIOLATION OF CHAPTER OR DEFECTIVE TENANCY NOT FOUND," SECTION 13-29, ENTITLED, "FAILURE TO CONCILIATE COMPLAINTS," ADDING ARTICLE V, ENTITLED, "MISCELLANEOUS PROVISIONS," AND AMENDING SECTION 13-37, ENTITLED, "RENTAL HOUSING DATA COLLECTION"

BE IT ORDAINED, by the Mayor and Council of the City of Gaithersburg, in public meeting assembled, that Chapter 13 of the City Code is hereby amended to read as follows:

# Chapter 13 Landlord-Tenant Relations

#### Article I. - General Provisions

Sec. 13-1. - Definitions

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Council of unit owners of a condominium housing structure. Shall be as defined in section 11-101, title 11, Real Property Article, Annotated Code of Maryland Md. Code, Real Prop. Art., Section 11-101, or as hereafter amended.

\* \* \*

BoldfaceHeading or defined term.UnderliningAdded to existing law by original bill.Single strikethroughDeleted from existing law by original bill.Double underliningAdded by Amendment.Double strikethroughDeleted from existing law or the bill by amendment.\* \* \* \*Existing law unaffected by bill.

Department. The City Department of code enforcement Community, Neighborhood, and Housing Services.

*Director.* The director of the department of <del>code enforcement</del> <u>Community, Neighborhood, and Housing Services</u> or his designee.

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<u>Emergency Situation</u>. The imminent threat or occurrence of loss of life, injury, or other health, welfare, or safety impacts; and property damage or destruction from natural or human-made causes.

\* \* \*

*Notice.* Notification in such manner and form as shall be established by regulations promulgated by the commission; except that these regulations shall not conflict with the notice provisions contained in Article 21 of the Annotated Code of Maryland Md. Code, Real Prop. Art., § 8-100, et seq.

\* \* \*

<u>Plain language</u>. Writing that is clear, concise, well-organized, and written in a manner that prioritizes the tenant's understanding of the contents in order to eliminate potential confusion with respect to any technical, legal, or other terminology that require specialized knowledge, training, or expertise to understand.

<u>Prospective Tenant.</u> Any person that submits a rental application or otherwise acts in a manner where a landlord knows, or reasonable should know, that the person may become the landlord's tenant.

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#### ARTICLE III. - LANDLORD-TENANT OBLIGATIONS

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#### Sec. 13-13. - Contents of lease.

All leases or agreements for the occupancy of a dwelling unit in a rental facility located in the City of Gaithersburg, Maryland, with the exception of subsections (a) and (r) in the case of trailer coaches (mobile homes), must:

(a) Be offered for an initial term of two (2) years to be accepted at the prospective tenant's option, unless a reasonable cause exists for offering an initial term of other than two (2) years. In the case of condominium, cooperative and single-family rental facilities, this subsection shall not be applicable.

<u>(1)</u>	The landlord shall include the following statement on all lease
	agreements insuring that it is properly initialed by the prospective tenant
	and, if an addendum to an oral or written lease or an initial oral lease,
	that it is signed and dated by the parties.

\* \* \*

\_\_\_\_\_ I was offered and accepted a two-year lease term by the landlord and understand I may receive a rent increase after twelve (12) months from commencement of the lease term not to exceed ten (10) percent subject to section 13-20(e) of the Gaithersburg City Code.

\* \* \*

(q) Contain a provision requiring that the landlord exercise his or her right to access to any dwelling unit, after due notice to the tenant, and without objection from the tenant, in order to make necessary repairs, decorations, alterations or improvements, supply services only by mutual agreement during normal business hours, except in an emergency and by providing the tenant no less than twenty-four (24) hours notice; to exhibit the dwelling unit to prospective purchasers, mortgagees or tenants only during normal business hours, including weekends, except as otherwise may be agreed upon by the parties; and providing that nothing in this subsection shall prevent the landlord from entering any leased premises in an emergency situation or, after due notice, when the landlord has good cause to believe the tenant may have damaged the premises or may be in violation of this chapter. A copy of the work order or notice is to be left with the tenant or inside the tenant's unit.

\* \* \*

- (t) Contain a provision permitting the lease to be terminated upon thirty (30) days written notice to the landlord due to:
  - (1) an involuntary change of employment from the Washington metropolitan area,:
  - (2) the death of major wage earner,;
  - (3) involuntary unemployment,:
  - (4) the tenant or the tenant's child being a victim of abuse in accordance with Md. Code, Real Prop. Art. § 8-5a-01, et seq.;

- (5) a landlord harassing the tenant or infringing on the tenant's privacy rights in a manner prohibited under Md. Code, Crim. Law Art., §§ 3-800, et seq.; or 3-900, et seq.;
- (6) the tenant or tenant's spouse:
  - (A) being sixty-two (62) years of age or older;
  - (B) being unable to live independently; and
  - (C) needing to move into a nursing home or other senior citizen housing;
- (7) the tenant being incarcerated or declared mentally incompetent;
- (8) the landlord's failure to correct a violation of applicable law that adversely affects the immediate health and safety of the tenant in the tenant's unit or a common area available for use by the tenant, within thirty (30) days after being ordered to do so by the Department if:
  - (A) the tenant has allowed the landlord access to make the required repairs; and
  - (B) after reinspection with the prescribed period of time, the Department determines that the violation has not been corrected;
- (9) the tenant has been called to serve on active duty for the military; or
- (10) or for other reasonable cause beyond the tenant's control. The Except for the reason listed under paragraph (t)(8), the lease may provide that in the event of termination for such cause under this subsection, the tenant shall be liable for a reasonable termination charge not to exceed the lower amount of one month's rent or actual damages sustained by the landlord, whichever is the lesser amount.
- (u) Contain a notice to the tenant that general information regarding evictions are available from the director. Notify the tenant that:
  - (1) General information and assistance is available from the Department regarding:
    - (A) Questions about the addenda to the lease; and
    - (B) Evictions; and

(2) The tenant is entitled to a hard copy of the Landlord-Tenant Handbook as required under City Code, § 13-14(i) and that the Landlord-Tenant Handbook is available on the City of Gaithersburg website.

\* \* \*

- (w) Contain a plain language summary of tenant rights and responsibilities that includes, at minimum:
  - (1) The term of the lease;
  - (2) The amount of the rent;
  - (3) The date upon which the rent is due;
  - (4) The tenant's responsibility, if any, for utility costs;
  - (5) A list of additional tenant rights and responsibilities under the lease; and
  - (6) Information about services available to tenants from the appropriate City departments, commissions, and boards.
- (x) Contain a statement that a property or liability insurance policy purchased by the landlord does not provide coverage for the personal belongings of a tenant and the statement must specify whether the tenant is required to obtain renter's insurance under the terms of the lease agreement. The statement must be acknowledged by each tenant with a signature or initials.
- (y) Provide information about whether or not the building is fully protected by an automatic sprinkler system.

#### Sec. 13-13A. - Prohibited rent increases due to COVID-19 impact.

- (a) A landlord must not increase a tenant's monthly rent for a dwelling unit in excess of the voluntary rent increase guidelines issued by the county executive under Montgomery County Code § 29-53(a) on or after the effective date of the ordinance from which this section derived if the rent increase would take effect prior to May 15, 2022.
- (b) A landlord must not, on or after the effective date of the ordinance from which this section derived, notify a tenant of any monthly rent increase on a dwelling unit in excess of the voluntary rent increase guidelines issued by the county executive under Montgomery County Code § 29-53(a) prior to May 15, 2022.
- (c) If a landlord provided a notice of a monthly rent increase on a dwelling unit to a tenant in violation of this section, taking initial effect prior to May 15, 2022, the

- landlord must additionally notify the tenant to disregard that notice to the extent the increase takes effect prior to May 15, 2022.
- (d) Violations of this section are declared to be a municipal infraction and enforceable pursuant to the provisions of section 1-9 of this Code. This section may also be enforced under the enforcement procedures for this chapter, provided by section 13-6 of this Code.(e)This section shall expire and have no further force or effect after May 15, 2022.

### Sec. 13-14. - Leasing requirements generally.

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- (c) Pursuant to section 13-18(b)(1)(C), landlords of a building containing four (4) or more residential dwelling units shall provide a prospective tenant with notice containing the information listed in section 13-18(b)(2).
- (d) <u>Pursuant to section 13-17(a)(9)(B)</u>, <u>landlords shall provide a prospective tenant with information regarding ratio utility billing.</u>
- (c)(e) Pursuant to subsection (a) of section 13-13(a) all landlords shall offer leases for an initial period of two (2) years. Prospective tenants shall have the option to accept the lease for this two-year term or to negotiate with, and accept from, the landlord a different term mutually agreeable to the landlord and the tenant.
- (d)(f) For the purposes of transition, all leases existing as of the effective date of this chapter shall remain in effect until their expiration; except, that where provisions of such a lease conflict with or are not in conformity with subsections (a), (b), (c), (e), (f), (g), (h), (i), (j), (l), (n), (o), (q), (r), and (t) of section 13-13, those conflicting or nonconforming provisions shall be of no force or effect.
- (e)(g) No lease entered into after the effective date of this chapter shall be effective to the extent that it contradicts the provisions of this chapter and no provision of any such lease shall be applied in contradiction to this chapter. No lease for the rental of a dwelling unit in a condominium, cooperative or single-family housing structure entered into after one hundred twenty (120) days from the effective date of this chapter shall be effective to the extent that it contradicts the provisions of this chapter and no provision of any such lease shall be applied in contradiction to this chapter.
- (f)(h) All landlords are hereby required to provide notice to all tenants, when giving a notice of past due rent, when issuing a written quit and vacate notice, and immediately upon the institution of any judicial proceeding to regain the leased premises, that general information and assistance regarding evictions are available from the director.

- (i) Unless the tenant is in breach of the lease, if a landlord does not intend to offer an existing tenant a renewed lease term, the landlord must give the tenant at least sixty (60) days' notice of the landlord's intent to terminate tenancy at the lease expiration.
- (j) A rental application must comply with the requirements outlined in Montgomery County Code, § 27-15A(a) (i)
- (k) At the beginning of a lease term, a landlord must provide each tenant with a copy of the Landlord-Tenant Handbook unless the tenant signs a statement declining a hard copy and accepting referral to the Landlord-Tenant Handbook maintained on the City of Gaithersburg website.

#### Sec. 13-15. - Eviction, assistance.

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(c) Landlord notice requirement. Immediately after scheduling an eviction with the Montgomery County Sheriff's Office, in accordance with Md. Code, Real Prop. Art., Section 8-400, et seq., a landlord must notify the tenant and the department of having scheduled the eviction and provide the date and time the eviction will take place.

\* \* \*

# Sec. 13-17. - Obligations of landlords.

(a) Except in the case of a single-family unit where provision is made in the lease for tenant responsibility, the landlord, at all times, shall reasonably provide for the maintenance of the health, safety and welfare of all tenants and of all individual property on the premises of a rental facility which obligations shall include, but not be limited to, the following:

\* \* \*

# (9) Ratio Utility Billing

- (A) <u>Definitions. In this Section, the following terms have the meanings indicated:</u>
  - (i) Master meter. A meter used to measure, for billing purposes, all usage of a particular utility for a landlord's residential rental property, including usage for common elements of the residential rental property and dwelling units.

- (ii) Ratio utility billing system. Allocation of one or more of a landlord's utility charges, collected via a master meter, among the tenants by any method that does not measure actual per-tenant usage for the utility.
- (iii) <u>Utility. Means electricity usage, gas usage, wastewater and sewage disposal service usage, or water consumption usage.</u>
- (B) Requirements. If a landlord uses a ratio utility billing system to bill tenants for one or more utilities, the landlord shall provide the following information to all prospective tenants in writing:
  - (i) A statement that the tenant will be billed by the landlord for allocated utility services and that identifies all utilities at issue;
  - (ii) A copy of the last two (2) utility bills issued to the landlord;
  - (iii) A description of the method that will be used to allocate the cost of the utility to the tenant, by utility;
  - (iv) A statement that any disputes relating to the computation of the tenant's bill are between the tenant and the landlord;
  - (v) The average monthly bill for all dwelling units in the residential rental property in the previous calendar year, by utility;
  - (vi) A statement that the tenant has the right to inspect records retained by the landlord that document a bill for utilities on written request;
  - (vii) Information regarding any additional service charges or administrative fees to be paid by the tenant for the operation of the ratio utility billing system; and
  - (viii) A citation to Md. Code, Real Prop. Art., Section 8-212.4

Where the duty imposed by subsection (a)(1) is incompatible with, or greater than, the duty imposed by any other clause of the section, the landlord's duty shall be determined by reference to subsection (a)(1).

(b) Subsections (a)(2), (a)(5), and (a)(8), and (a)(9) of this section 13-17 shall not apply in the case of a dwelling unit located in a condominium organized under

- Md. Code, Real Prop. Art. Section 11-100, et seq. or cooperative housing structure organized under Md. Code, Corp. & Assns. Art. Section 5-6b-01, et seq.
- (c) A landlord must respond to any written City communications, including, but not limited to notices, emails, letters, etc., regarding a defective tenancy of their rental unit(s) within:
  - (1) Forty-eight (48) hours for communications regarding emergency situations; or
  - (2) Seventy-two (72) hours for communications regarding a defective tenancy that does not concern emergency situations.

#### Sec. 13-18. - Landlord notice requirements.

- (a) Notices for Current Tenants
  - (1) Method of Notice. Any landlord renting a dwelling or dwelling units in the City of Gaithersburg shall ensure that every notice required by subsection (a)(2) is posted and/or distributed in the following manner: provide for:
    - (A) (1) the posting of a durable notice in an accessible, conspicuous and convenient place in each building to which the notice applies; or, (2) if no such place exists, the personal distribution of the notice to all lessees; and
    - (B) posting on the building's website, if such a website exists.
  - (2) Contents. A landlord shall provide and maintain a The notice, in accordance with subsection (a)(1), that contains the following information:
    - (A) shall contain current information, including the mailing address(es), name(s), or title(s), email(s), and telephone number(s) of the landlord, or their responsible representative(s), who may be reached at all times in the event of an emergency situation;
    - (B) current mailing address(es), name(s), title(s), email(s), and telephone number(s) of the building management entity, one or more or their responsible representative(s), of the building management who may be reached at all times in the event of an emergency situations; and

- (C) a copy of all legal documents, rules, and regulations governing the use and occupancy of all dwelling units
- (3) <u>Updated Notice Required. A landlord shall be required to post and maintain an updated notice, in accordance with subsection (a), no later than thirty (30) days after the change occurs.</u>
- (4) The mailing addresses required by subsection (a)(2)(A) (B) shall not be the same as the address of the rental units.

#### (b) Notices for Prospective Tenants

- (1) Method of Notice. Any landlord of a building that contains four (4) or more residential dwelling units shall ensure that notice required by subsection (b)(2) of this section is provided in the following manner:
  - (A) Posting of a durable notice in an accessible, conspicuous, and convenient place in the leasing office of the building, if such a leasing office exists;
  - (B) Posting on the building's website, if such a website exists; and
  - (C) Providing a physical or electronic copy of the notice to any prospective tenant.
- (2) Contents. A landlord shall provide and maintain a notice, subject to and in accordance with subsection (b)(1), that contains the following information:
  - (A) a current schedule of all required and optional fees a prospective tenant may be assessed including, but not limited to, application fees, parking fees, pet fees, bicycle fees, storage fees, lost key fees, late fees, lock out fees, utility fees, cable and/or internet fees, and any other fees, whatsoever.
- (3) Updated Notice Required. A landlord shall be required to post and maintain an updated notice, in accordance with subsection (b)(1)(A) (B), at least on a yearly basis. Nothing in this paragraph (3) shall be construed to permit a landlord to knowingly provide prospective tenants with notice under subsection (b)(1)(C) that contains out-of-date information.
- (c) Notice of Building-Wide Outages, Maintenance, and Repairs.

(1) A landlord of a multi-family residential	building must provide notice to all
tenants, if the building has any schedu	lled or unscheduled building-wide
outage, maintenance, repair, or disrup	tion of essential services related to
the following:	

- (A) Electricity;
- (B) Water;
- (C) Heat;
- (D) Power generator; or
- (E) Elevator.
- (2) Contents.
  - (A) A notice required under subsection (c)(1) must be sent at least seven (7) days before a scheduled service interruption; or
  - (B) In the absence of an emergency situation, at least twenty-four (24) hours before an unscheduled service interruption; and
  - (C) Contain the following information:
    - (i) The date of proposed scheduled work or service interruption;
    - (ii) The estimated time of repair; and
    - (iii) Information regarding the communication method that will be used to provide updates about service interruption until the issue is resolved.
- (3) Method of Notice. A landlord shall ensure that notice required by subsection (c)(1) of this section is provided in the following manner:
  - (A) Posting of a durable notice in an accessible, conspicuous, and convenient common area in the building; and
  - (B) If feasible, providing electronic notice to all tenants either by email, text message, or the building's website, if such a website exists.
- (d) Record Retention. Landlords shall keep and maintain records of all notices required under this section for at least three (3) years from the date the notice

was posted and said records shall be made available for inspection by the City upon request.

All landlords renting a dwelling unit located in a single-family dwelling unit, condominium or cooperative housing structure shall provide to the lessee current information as to the name, title and telephone number of one or more responsible representatives of the landlord who may be reached at all times in the event of emergency situations, as well as a copy of legal documents and rules and regulations governing the use and occupancy of the single-family, condominium or cooperative dwelling unit.

\* \* \*

# Sec. 13-20. - Rights of tenants generally.

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(b) Tenants and tenant organizations shall have the right of free assembly in the meeting rooms and other areas suitable for meetings within a rental facility during reasonable hours and upon reasonable notice to the landlord for the purpose of conducting tenant organization meetings. The landlord may shall not charge a tenant organization or a group of tenants seeking to form a tenant organization a fee for the first meeting of each month held for the purpose of discussing landlord-tenant issues, but the landlord may charge a reasonable fee for the other uses of the meeting rooms or common areas, but provided that such charge must not be in excess of does not exceed the regular schedule of fees for such facility to other groups. The landlord may also impose reasonable terms and conditions upon the use of such meeting rooms or common areas as long as such terms and conditions do not constitute a subterfuge to undermine the purposes of this section.

\* \* \*

(e) No landlord may charge an increase in rent unless written notice thereof shall have been given to the tenant affected thereby at least sixty (60) days prior to the effective date of such increase. The date of receipt cannot be included as a portion of the sixty-day notice requirement. Except in cases of turnover units, no rental unit shall receive more than one rent increase within twelve (12) months from the date of the last increase. In the alternative, a landlord may, after the expiration of the initial lease, enter into a lease of at least twelve (12) months' duration, which lease may contain an escalator clause provided that such clause discloses both the maximum yearly rental and monthly fees. All increases in rent must be reported to the director on a form and in a manner prescribed by the director.

# Rent Adjustments; Notice Requirements.

- (1) Landlords are encouraged to hold rent increases at the lowest level possible.
- (2) A landlord must not impose more than one rent increase on a tenant in any 12-month period.
- (3) A landlord must not increase the rent until ninety (90) days after the landlord gives the tenant written notice of the increase pursuant to Md. Code, Real Prop. Art., § 8-209. Each written rent increase notice must contain the following information:
  - (A) The amount of monthly rent immediately preceding the effective date of the proposed increase (old rent), the amount of monthly rent proposed immediately after the rent increase takes effect (new rent), and the percentage increase of monthly rent;
  - (B) The effective date of the proposed rent increase;
  - (C) The applicable voluntary rent increase guideline issued under Montgomery County Code, § 29-53(a)-(b) and City Code, § 13-20(e)(1);
  - (D) A notice that the tenant may ask the Department to review any rent increase that the tenant considers excessive.
  - (E) Other information that the landlord deems useful in explaining the rent increase.
- (4) For rental facilities containing twelve (12) or more dwelling units, notice of the proposed increase shall also be given to the City Manager, or their designee, in accordance with the requirements outlined in § 13-20(e)(3).

# Sec. 13-21A. - Radon Testing

- (a) <u>Definitions</u>. In this section, the following terms have the meanings indicated:
  - (1) <u>Action Level</u>. The level of radon in a building which if, equal to or above the United States Environmental Protection Agency's (EPA) recommended action level, triggers mitigation.
  - (2) <u>Mitigation</u>. Measures designed to permanently reduce indoor radon concentrations.

- (3) <u>Radon.</u> A radioactive gas found in the air that comes from the natural breakdown of uranium in soil, rock, and water.
- (4) Radon Test. The act of measuring the amount of radon in an indoor space:
  - (A) With a device made for the purpose of measuring radon;
  - (B) Approved for use by the Director of the Montgomery County
    Department of Environmental Protection; and
  - (C) Performed in accordance with the protocols specified for the device used.
- (5) <u>Radon Hazard</u>. Exposure to indoor radon concentrations at or in excess of the United States Environmental Protection Agency's recommended radon action level.
- (b) Applicability. This Section applies to all ground-contact or basement unit(s) in a rental facility containing at least four (4) dwelling units.
- (c) Radon Testing Required. A landlord must conduct a radon test or hire a certified radon professional to test before leasing a dwelling unit to a prospective tenant. Test results must be within two (2) years before the date of the lease.
- (d) <u>Lease Requirements</u>. At the time of lease signing, the landlord must provide to the tenant and certify in the lease, or addendum to the lease, the following:
  - (1) A copy of radon test results that indicates any concentration of radon is below the Environmental Protection Agency's recommended action level of 4 picocuries per liter (pCi/L);
  - (2) The radon test was performed less than two (2) years before the date of the lease; and
  - (3) A copy of the Environmental Protection Agency's pamphlet on radon guide for tenants or an equivalent pamphlet approved for use by the Department of Environmental Protection. The copy of the pamphlet may be an electronic link to the applicable website, or if requested by the tenant, a hard copy.

- (e) <u>Testing and Notification by Existing Tenants</u>. An existing tenant, including tenants residing on above-ground floors of the rental facility, may conduct a radon test or hire a certified radon professional to test their dwelling unit. If the test results indicate that radon hazard is present at a level of four (4) pCi/L or higher, the tenant must notify the landlord in writing within fourteen (14) days after the test results and provide the landlord with a copy of the test results.
- (f) Mitigation of Radon. A landlord who receives notice under subsection (e), must:
  - (1) Within fourteen (14) days after notice, initiate a follow-up radon test, in accordance with EPA-recommended standards for testing, to confirm any presence of radon hazard; and
  - (2) Within ninety (90) days after confirmed results:
    - (A) Mitigate the premises to reduce radon below the action level of 4 pCi/L; and
    - (B) Provide the tenant with a final copy of test results performed by a radon professional that indicates radon has been reduced below the action level.
- (g) <u>Cost of Testing</u>. The landlord is responsible for the cost of any follow-up, confirmation, or retesting of radon in a dwelling unit.
- (h) <u>Dispute of Testing Results</u>. If there is a case of conflicting test results, where the test result provided by a tenant is at or above the action level and a test result by a landlord is below the action level, the following applies to determine the prevailing test results:
  - (1) Testing performed in compliance with the EPA-recommended standard, by a radon professional (for hire) must supersede tests not performed by a radon professional;
  - (2) If both tests are performed by radon professionals, long-term results must supersede short-term test results; or
  - (3) If both tests are equally valid, as specified in subsections (1) and (2), and the dispute remains, then a mutually agreed upon third-party radon professional must retest in accordance with EPA-recommended standards.
- (i) <u>Disclosure of Radon.</u> A landlord must disclose in writing to each tenant in a rental facility subject to this section, within fourteen (14) days after a confirmed radon test, any elevated radon concentrations (above EPA's recommended radon action level) that are known to be present within the dwelling.

(j) Termination of Lease. A tenant has the right to terminate a lease, if the landlord fails to mitigate under subsection (f), without loss of security deposit or any other financial penalty. A tenant must provide, in writing, to the landlord a notice of the intent to terminate and vacate the premises. The notice may be effective either immediately upon receipt by the landlord, or as agreed upon by both parties, to allow the tenant to find alternative housing.

#### **ARTICLE IV. - COMPLAINTS**

\* \* \*

# Sec. 13-26. - Procedure when violation of chapter or defective tenancy not found.

- (a) If the city manager or director, in investigating a complaint, determines that there are no reasonable grounds to believe that a violation of this chapter has occurred or a defective tenancy exists, he-they shall so inform the parties and issue a written decision dismissing the complaint that includes the reason for dismissal.
- (b) A party who believes the complaint was dismissed in error pursuant to this section may appeal the decision to the commission by providing the city manager or director a written request for a hearing. Upon receiving such a request, the city manager or director shall immediately notify the commission and the commission may thereafter schedule a hearing to determine whether a defective tenancy exists.

commission and the commission may, in its discretion, determine whether or not the complaint is bona fide, and order dismissal of the complaint, or order such further investigation as it deems appropriate.

\* \* \*

# Sec. 13-29. - Failure to conciliate complaints.

If the city manager or director: (1) fails-is unable to conciliate a complaint after the parties have, in good faith, attempted such conciliation, or (2) fails to effect an informal conciliation agreement or formal consent agreement, or (3) determines that a conciliation of the complaint is not susceptible of conciliation implausible, he or she shall notify the commission immediately and the commission may thereafter schedule a hearing to determine whether a violation of the chapter has occurred or a defective tenancy exists.

\* \* \*

# <u>ARTICLE V. - MISCELLANEOUS PROVISIONS</u>

# Sec. 13-37. - Rental housing data collection.

- (a) Landlords are encouraged to hold rent increases at the lowest level possible and not more than ten (10) percent over the rent last charged for any dwelling unit.
- (b) Notices of rent increases shall contain the following information:
  - (1) The amount of monthly rent immediately preceding the effective date of the proposed increase (old rent) and the amount of monthly rent proposed immediately following the effective date of the rent increase (new rent) and the percentage increase thereof.
  - (2) The effective date of the proposed increase.
  - (3) The recommended guideline for rent increases as set forth in this section.
  - (4) Such other information as the landlord deems useful in explaining the rent increases.

For rental facilities containing twelve (12) or more dwelling units, notice of the proposed increase shall also be given to the city manager in a form prescribed by the city manager.

- (c)(a) The city manager may establish procedures to collect and analyze housing data for rental dwelling units in the City of Gaithersburg, Maryland, and make every effort to centralize such data collection functions to minimize the burden for landlords.
- (d)(b) When requested by the city manager, the reporting process shall be mandatory for landlords of licensed multifamily rental facilities in the City of Gaithersburg including new rental facilities as they come on the market and all vacant units.
- (e)(c) The data collection frequency shall be determined by the city manager.
- (f)(d) At the request of the council, the city manager may render a status report summarizing the information accumulated from the required reports submitted by each landlord of licensed rental facilities in the City of Gaithersburg.
- (g)(e) Any survey form for securing data should be designed to minimize the repeated reporting of unchanged information, while maintaining an accurate data base.

- (h)(f) The housing data collection may be used to ascertain the supply and availability of rental housing as well as other operating characteristics. Each landlord shall provide the following information when requested by the city manager:(1)The location of the rental facility.(2)Structure type.(3)Year built.(4)Distribution of units by standard bedroom sizes.(5)The number of units by bedroom size which were re-rented during the month.(6)The number of vacant days applicable to those units.(7)The rent charged for each rental unit.(8)The rent charged for each re-rented unit prior to vacancy.(9)The new turnover rent charged for each re-rented unit.
- (i)(g) Each landlord shall maintain records for each project on an aggregate basis containing the following information, which shall be made available to the city manager upon request and after a determination has been made that the information is relevant and necessary to carrying out the purposes of this chapter:(1)A description of utilities which are included in the rent.(2)The landlord's actual monthly utility costs, including gas, electric, heating, fuel, trash removal, and water and sewer.(3)The availability of certain amenities, including air conditioning, wall-to-wall carpeting, dishwasher, garbage disposal, washer/dryer in apartment unit or on the site, patio-balcony, swimming pool and tennis courts.(4)The actual operating expenses, by category.(5)The actual operating revenues, by category.(6)A schedule of any other fees and income.(7)Tenant rent income ratio for prospective tenants which protects the confidentiality of personal income information and which is available to the landlord as part of the normal renting process.
- (j)(h) Each landlord of a condominium or cooperative dwelling unit shall report to the council of unit owners, or its delegated agent, of any condominium housing structure, or the board of directors of any cooperative housing structure, the rental status of each unit owned. Any status change shall be reported to the council of unit owners, or its delegated agent, or the board of directors within ten (10) days of such change.
- (k)(i) The council of unit owners, or its delegated agent, of any condominium housing structure or the board of directors of any cooperative housing structure shall be required to file with the city manager information pertaining to each dwelling unit in the facility which is designated, intended or arranged for use or occupancy, as a residence by one or more persons and for which the landlord receives consideration, such information to include, but not be limited to, the identification of the unit and the name(s) and address(es) of the landlord(s) to the extent that such information is available.

- (1)(i) The city manager may initiate rental housing data surveys for the City of Gaithersburg and share this information with other governmental agencies upon a determination of need and without invasion of individual privacy. Every reasonable effort shall be made to minimize reporting requirements on landlords.
- (m)(k) Any landlord who violates any provision of this section shall be liable for payment to the City of Gaithersburg of a civil penalty recoverable in a civil action in the circuit court, in an amount established by law for each violation.

ADOPTED by the City Council this 4th day of November, 2024.

JUD ASHMAN, MAYOR and President of the Council

DELIVERED to the Mayor of the City of Gaithersburg this 4th day of November. APPROVED by the Mayor of the City of Gaithersburg this 4th day of November, 2024.

JUD ASHMAN, MAYOR

THIS IS TO CERTIFY, that the foregoing Ordinance was adopted by the City Council of the City of Gaithersburg, in public meeting assembled on this 4th day of November, 2024; and that the same was APPROVED by the Mayor of the City of Gaithersburg on this 4th day of November, 2024. This Ordinance will become effective on the 24th day of November, 2024.

—pocusigned by: Tanisha Briley

Tanisha Briley, City Manager