

COUNCIL OF THE DISTRICT OF COLUMBIA

NOTICE

D. C. LAW 3-19

"Cooperative Regulation Act of 1979"

Pursuant to Section 412 of the District of Columbia Self-Government and Governmental Reorganization Act, P. L. 93-198, "the Act", the Council of the District of Columbia adopted Bill No. 3-10, on first and second readings, May 22, 1979 and June 5, 1979 respectively. Following the signature of the Mayor on July 12, 1979, this legislation was assigned Act No. 3-63, published in the July 27, 1979, edition of the D.C. Register, (Vol. 26 page 361) and transmitted to Congress on July 18, 1979 for a 30-day review, in accordance with Section 602 (c)(1) of the Act.

The Council of the District of Columbia hereby gives notice that the 30-day Congressional Review Period has expired, and, therefore, cites the following legislation as D.C. Law 3-19, effective September 28, 1979.

*Arrington Dixon*  
ARRINGTON DIXON  
Chairman of the Council

Dates Counted During the 30-day Congressional Review Period:

- July 18, 19, 20, 23, 24, 25, 26, 27, 30, 31,
- August 1, 2, 3
- September 5, 6, 7, 10, 11, 12, 13, 14, 17, 18, 19, 20, 21, 24, 25, 26, 27

D.C. LAW 3-19  
EFFECTIVE DATE SEP 28 1979

AN ACT

D.C. ACT 3-63

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

JUL 12 1979

To regulate the conversion of rental housing accommodations to cooperative housing accommodations, and for other purposes.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Cooperative Regulation Act of 1979".

Sec. 2. For the purposes of this act, unless the subject matter requires otherwise:

(a) The term "association" means a group enterprise legally incorporated under the District of Columbia Cooperative Association Act, approved June 19, 1940 (54 Stat. 480; D.C. Code, secs. 29-801 et seq.), or a cooperative corporation incorporated pursuant to the laws of another jurisdiction.

(b) The term "comparable rental units" means rental units of corresponding facilities with the same or similar benefits or services included in the price of the rent.

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(c) The term "declarant" shall mean a person(s), association(s), or group(s) who, under section 4 of this act, has applied for and has been granted permission to convert a housing accommodation to cooperative ownership.

(d) The term "eligible recipient" means the head of household in which the household has a combined annual income totaling less than the following percentage of the median annual family income (for a household of four (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 percent
two-person household	60 percent
three-person household or a one-or two-person household containing any person who is 50 years of age or older or who is handicapped as defined by the Mayor	90 percent
four-person household	100 percent
five-person household	110 percent
more than five-person household	120 percent

(e) The term "family" means a group of persons related by blood or marriage.

(f) The term "head of household" means an individual who maintains the affected rental unit as his principal

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place of abode, is a bona fide resident and domiciliary of the District of Columbia, and contributes more than one-half (1/2) the cost of maintaining such rental unit. An individual may be considered a head of household for the purposes of this act without regard as to whether such individual would qualify as a head of household for the purposes of any other law.

(g) The term "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:

(1) 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 Section 8 Housing Assistance Payments Program for Elevator or Non-Elevator (as appropriate) Buildings: (i) efficiency rental units; (ii) one bedroom rental units; (iii) two bedroom rental units; (iv) three bedroom rental units; (v) four or more bedroom rental units; so that the rates are not lower than \$267 for one bedroom, \$314 for two bedroom, \$408 for three or more bedroom, and \$221 for efficiency rental units;

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(2) total the results obtained in paragraph (1);

and

(3) increase the result obtained in paragraph (2)

by the maximum percentage of any upward rent adjustments found to be warranted by the District of Columbia Rental Accommodations Commission pursuant to section 206(b) of the Rental Housing Act of 1977 (D.C. Law 2-54).

(h) The term "housing accommodation" means any structure or building in the District of Columbia containing one (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 sixty (60) percent 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) The term "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) The term "suitable size" means for a one (1) person family, an efficiency rental unit; for a two (2) person family, a one (1) bedroom rental unit; for a family of three (3) or four (4) persons, a two (2) bedroom rental unit; for a family of five (5) or six (6) persons, a three (3) bedroom rental unit; and for a family of seven (7) or more persons, a four (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, one (1) person living in a one (1) bedroom rental unit before relocation as a result of a cooperative conversion shall be eligible for assistance at the level of a one (1) bedroom comparable rental unit.

(k) The term "total monthly rent" shall include the rents asked for vacant units.

Sec. 3. (a) Notwithstanding any provision of the District of Columbia Cooperative Association Act, approved June 19, 1940 (54 Stat. 480; D.C. Code, secs. 29-801 et seq.), or any other provisions of law permitting the formation of associations, no association shall be incorporated in the District of Columbia, nor shall a

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cooperative corporation incorporated pursuant to the laws of another jurisdiction be permitted, to acquire, manage, or operate any housing accommodation in the District of Columbia. No association which is already incorporated or operating in the District of Columbia shall acquire, manage, or operate any housing accommodation which was not owned, managed, or operated by it on September 1, 1975.

(b) Nothing in this act shall be construed to prohibit any association from acquiring a housing accommodation for resale, where such resale is to persons other than members of the association, or from acquiring, managing, or operating any housing accommodation for rental purposes.

Sec. 4. (a) The Mayor may grant an exemption to the provisions of this act in any case where he finds that:

(1) less than fifty (50) percent of the units in the housing accommodation being converted to a cooperative are occupied;

(2) fifty (50) percent or more of such units are occupied, a majority of the heads of households of such units have agreed in writing to the conversion of such housing accommodation to a cooperative; or

(3) the housing accommodation is a high rent housing accommodation at any time after the effective date of this act.

(b) The exemptions provided for in this section shall be granted only upon application and shall not be granted in less than ten (10) days after such application is made. The Mayor shall notify the affected tenants in writing that such an application has been filed, and shall afford them the opportunity to be heard as to the validity of the facts presented in the application.

Sec. 5. No notice given to any person which purports to terminate a tenancy so that a rental unit may be converted to a cooperative shall be valid unless it relates to a housing accommodation for which an exemption has been granted under section 4 of this act or under the provisions of the following emergency acts: section 3 of Act 2-13; section 3 of Act 2-47; section 3 of Act 2-171; section 3 of Act 2-239; section 3 of Act 2-290; section 3 of Act 3-2; and section 3 of Act 3-37.

Sec. 6. (a) In addition to all other requirements of this act, and to all other applicable provisions of law, each declarant of a conversion cooperative shall pay housing assistance, in an amount calculated according to section 7 of this act, to any eligible recipient who:

- (1) makes application for such assistance;
- (2) has been living, for at least one (1) year immediately prior to the first day of the month in which the



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application for registration relating to such conversion is filed, in the rental unit from which he is being displaced;

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

(4) relocates in the District of Columbia.

Such housing assistance shall be paid in one (1) lump sum payment, within thirty (30) days after the date the declarant receives notification pursuant to section 9(c) of this act, to the eligible recipient or the Mayor, as appropriate. Beginning with the twenty-fifth (25th) month occurring immediately after the month in which such eligible recipient relocated, and for the immediate succeeding thirty-five (35) months thereafter, housing assistance payments to such recipient shall be made by the Mayor of the District of Columbia if, as of the first day of the twenty-fifth (25th) month occurring after his 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 is entitled to receive under this act.

(b) In addition to all other requirements of this act, and to all other applicable provisions of law, each declarant shall pay relocation compensation to an eligible

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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 one hundred and twenty (120) day notice of declarant's intention to convert as required by section 603 of the Rental Housing Act of 1977, effective March 15, 1978 (D.C. Law 2-54). Such relocation compensation shall be calculated according to the provisions of section 8 of this act.

(c) No part of any housing assistance payment or any relocation compensation made under this act shall be considered income to the eligible recipient for the purposes of the District of Columbia Income and Franchise Tax Act of 1947, approved July 16, 1947 (61 Stat. 331; D.C. Code, secs. 47-1551 et seq.). 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.

Sec. 7. (a) The amount of each housing assistance payment to be made under this act shall be calculated as follows:

(1) If the amount of an eligible recipient's average monthly housing expense, during the twelve (12)

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consecutive month period ending with the month preceding the month during which he relocated as a result of his rental unit being converted to a cooperative, is an amount which is less than twenty-five (25) percent 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 twenty-five (25) percent 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).

(2) If the amount of an eligible recipient's average monthly housing expense, during such period, is an amount which is more than twenty-five (25) percent 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).

(3) To obtain the total housing assistance payment to be made by a declarant to any eligible recipient,

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multiply the figure obtained under either section 7(a)(1) or section 7(a)(2) of this act, as appropriate, by twenty-four (24). To obtain the total housing assistance payment to be made by the Mayor to any eligible recipient, multiply such appropriate figure by thirty-six (36).

(b) The Mayor shall determine, from time to time and at least once every twelve (12) months, the range of rents being charged in the District of Columbia by landlords of privately owned housing accommodations for available one (1) bedroom, two (2) bedroom, three (3) bedroom or more, and efficiency rental units. The Mayor shall publish his preliminary range of rents in the District of Columbia Register and, within thirty (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 by him for the purposes of this act. The figure obtained under either section 7(a)(1) or section 7(a)(2) of this act, 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 twelve (12) month period referred to in section 7(a)(1).

Sec. 8. (a) The amount of relocation compensation payable shall be calculated as follows:

(1) Relocation compensation in the amount of one hundred and twenty-five dollars (\$125.00) 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 sixty (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.

(2) 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 section 9(b) of this act, the declarant shall pay relocation compensation as follows:

(1) if the declarant has received at least ten (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 twenty-four (24) hours prior to the date the apartment unit is to be vacated; or

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

(c) If there is more than one (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 section 9(b) 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

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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 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 the declarant by the court rendering the judgment for possession.

Sec. 9. (a) Each declarant, at the same time he sends tenants the one hundred and twenty (120) day notice required under section 503 of the Rental Housing Act of 1977, effective March 16, 1978 (D.C. Law 2-54), 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



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this act. Each applicant for such housing assistance or relocation compensation shall give to the Mayor reasonable information as he may require in order to determine an applicant's eligibility. All information provided to the Mayor under this section shall be confidential and shall not be disclosed to any person except to parties and their attorneys, officials, and employees conducting proceedings under this act.

(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 the relocation compensation payable under section 6(b), then such applicant shall be presumed to be an eligible recipient. Within fifteen (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 is liable to that eligible recipient. The payment of relocation compensation is subject to review pursuant to section 8(d) of this act.

(c)(1) If the information provided by an applicant on the form filed with the Mayor indicates on its face that



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such applicant is eligible for housing assistance payable under section 6(a), 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.

(2) In the event that a declarant believes either that the recipient is not an eligible recipient, or has not met the requirements of section 6(a), or that the payment to that recipient should be lower than the amount indicated by the Mayor for housing assistance payments, he may seek review of the eligibility of the recipient, the recipient's eligibility under section 6(a), 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 ten (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, he shall issue an order

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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.

Sec. 10. 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.

Sec. 11. Whenever a building in the District of Columbia is converted from rental to cooperative units, the Relocation Assistance Office shall provide relocation advisory services for tenants who move from the converted building, as provided for by section 209 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1899; D.C. Code, sec. 5-732a).

Sec. 12. Section 209 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, approved January 2, 1971 (84 Stat. 1899; D.C. Code,

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sec. 5-732a) is amended by (1) redesignating section 209 as "209(a)" and (2) by adding the following new subsection:

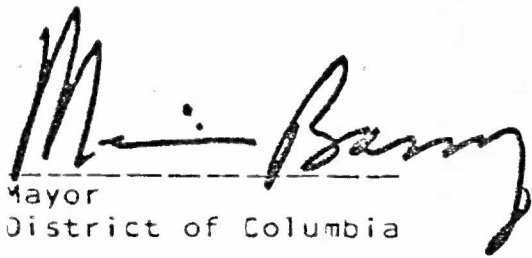
"(b) Whenever a building in the District of Columbia is converted from rental to condominium or cooperative units, or is substantially rehabilitated or demolished, or is discontinued from housing use, the Relocation Assistance Office shall provide relocation advisory services for tenants who move from the converted, substantially rehabilitated, demolished, or discontinued building. This includes: ascertaining the relocation needs for each household; providing current information on the availability of equivalent substitute housing; supplying information concerning federal and District housing programs; and providing other advisory services to displaced persons in order to minimize hardships in adjusting to relocation."

Sec. 13. The Mayor is authorized to promulgate regulations to effectuate the provisions of this act.

Sec. 14. This act shall take effect as provided for acts of the Council of the District of Columbia in section

502(c)(1) of the District of Columbia Self-Government and  
Governmental Reorganization Act.

  
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Chairman  
Council of the District of Columbia

  
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Mayor  
District of Columbia

APPROVED: July 12, 1979

# COUNCIL OF THE DISTRICT OF COLUMBIA

## RECORD OF OFFICIAL COUNCIL ACTION

DOCKET NO: 3-10

ACTION: To Adopt ( 5-22-79) First Reading

VOICE VOTE: Unanimous

Absent: All Present

ROLL CALL VOTE:

COUNCIL MEMBER	A.Y.E.	NAY	N.V.	A.B.	COUNCIL MEMBER	A.Y.E.	NAY	N.V.	A.B.	COUNCIL MEMBER	A.Y.E.	NAY	N.V.	A.B.
DIXON					KANE					SHACKLETON				
WINTER					MASON					SPAULDING				
CLARKE					MOORE					WILSON				
HARDY					RAY									
TARVIS					ROLARK									

X—Indicates Vote    A. B.—Absent    N. V.—Not Voting

CERTIFICATION OF RECORD

*Vertha G. Robinson*  
Secretary to the Council

ACTION: To Adopt (6-5-79) Final Reading

VOICE VOTE: Unanimous

Absent: Wilson, Kane Dixon and Spaulding

ROLL CALL VOTE:

COUNCIL MEMBER	A.Y.E.	NAY	N.V.	A.B.	COUNCIL MEMBER	A.Y.E.	NAY	N.V.	A.B.	COUNCIL MEMBER	A.Y.E.	NAY	N.V.	A.B.
DIXON					KANE					SHACKLETON				
WINTER					MASON					SPAULDING				
CLARKE					MOORE					WILSON				
HARDY					RAY									
TARVIS					ROLARK									

X—Indicates Vote    A. B.—Absent    N. V.—Not Voting

CERTIFICATION OF RECORD

*Vertha G. Robinson*  
Secretary to the Council

ACTION: \_\_\_\_\_

VOICE VOTE: \_\_\_\_\_

Absent: \_\_\_\_\_

ROLL CALL VOTE:

COUNCIL MEMBER	A.Y.E.	NAY	N.V.	A.B.	COUNCIL MEMBER	A.Y.E.	NAY	N.V.	A.B.	COUNCIL MEMBER	A.Y.E.	NAY	N.V.	A.B.
DIXON					KANE					SHACKLETON				
WINTER					MASON					SPAULDING				
CLARKE					MOORE					WILSON				
HARDY					RAY									
TARVIS					ROLARK									

X—Indicates Vote    A. B.—Absent    N. V.—Not Voting

CERTIFICATION OF RECORD

Secretary to the Council