

AN ACT

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend, on an emergency basis, due to congressional review, the Tenant Opportunity to Purchase Act of 1980 to clarify the tenant opportunity to purchase in the case of the sale of multi-unit housing for the purposes of demolition or a notice of discontinuance of housing use.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Tenant Opportunity to Purchase Congressional Review Emergency Amendment Act of 2014”.

Sec. 2. Section 402(a) of the Tenant Opportunity to Purchase Act of 1980, effective September 10, 1980 (D.C. Law 3-86; D.C. Official Code § 42-3404.02(a)), is amended to read as follows:

“(a)(1) Beginning January 1, 2014, 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 that represent a bona fide offer of sale.

“(2) If within 360 days of the date of the issuance of a bona fide offer of sale pursuant to this subsection, an owner has neither sold, or is in the process of selling, the property pursuant to that bona fide offer of sale nor taken possession of the property, the owner shall comply anew with the requirements of this subsection before the owner may again act to sell the housing, or issue a notice of intent to recover possession or notice to vacate for purposes of demolition or discontinuance of housing use.

“(3) For the purposes of this subsection, in the case of multi-unit housing, the term:

“(A)(i) “A bona fide offer of sale” means a sales price that is less than or equal to the appraised value of the real property, multi-unit housing, and any other appurtenant improvements (“property”) plus, except as provided in sub-subparagraph (ii) of this subparagraph, the amount of liens existing before the sale or transfer; provided, that the liens shall be satisfied by the seller in the sale or transfer transaction.

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“(ii) If the seller and the purchaser agree that the purchaser shall assume the liens, if any, a bona fide offer of sale means a sale price that is less than or equal to the appraised value of the property less the amount of any lien assumed by the purchaser.

“(B)(i) “Appraised value” means an objective property valuation based on current state of the property and existing zoning, building, or occupancy permits, that is no more than 6 months older than the date of issuance of the offer of sale that has been determined by 2 independent appraisals performed by 2 appraisers qualified to perform multi-unit appraisals.

“(ii) Of the 2 appraisers required by sub-subparagraph (i) of this subparagraph, one shall be selected by the owner and one to be selected by the Tenant. If the appraisers fail to agree upon a fair market value, the owner and the Tenant shall jointly select and pay a third appraiser whose appraisal shall be binding or agree to take an average of the 2 appraisals.

“(C) “Multi-unit housing” means housing with 5 or more units.”.

Sec. 3. Applicability.

This act shall apply as of January 5, 2015.

Sec. 4. Fiscal impact statement.

The Council adopts the fiscal impact statement of the Budget Director as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

Sec. 5. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), and shall remain in effect for no longer than 90 days, as provided for emergency acts of the Council of the District of Columbia in section 412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788; D.C. Official Code § 1-204.12(a)).

Chairman
Council of the District of Columbia

Mayor
District of Columbia