

LAWS PROTECTING TENANTS FACING CONVERSIONS

Several State and County laws offer help to tenants at apartment buildings facing conversion to condominium or cooperative ownership.

Notice of Plans for Conversion

Anyone planning to convert a rental complex must notify tenants when he starts the process of registering the project with the Virginia Real Estate Commission in Richmond. After the Real Estate Commission determines that all required parts of the filing are in order, it officially registers the project. This is usually within 60 days. Arlington County requires a developer to provide two copies of the filing, and one of them is available to the public at the Central Library, 1015 North Quincy Street.

60-Day Option to Purchase

When the condominium is officially registered in Richmond the developer must give each tenant an individual notice stating the purchase price and proposed condominium fees for his unit and offering him a 60-day exclusive option to buy it. That notice must also describe any relocation assistance the developer is providing.

120-Day Notice to Vacate

At any time after registration the developer may give tenants a formal notice to vacate. That notice must be for at least 120 days. Therefore, the filing and notification requirements give tenants roughly six months to formulate their plans.

The developer can begin work in halls and other common areas any time after purchase, but a County noise ordinance restricts somewhat the levels of noise and hours of work. The State law prevents a developer from doing work inside any unit during that time unless he gives a 45-day notice of the work.

Extension of Leases for the Elderly and Disabled

A County ordinance requires that the developer offer to elderly and disabled tenants up to 3, one year lease extensions at the tenant's option from the date of the 120 day notice for the same unit or a unit similar in size, number of bedrooms and overall quality.

Relocation Assistance

The County requires condominium and cooperative developers to pay actual relocation expenses to each displaced tenant or a fixed payment based on number of bedrooms in the unit from which they are being displaced, as follows:

	<u>Unfurnished</u>	<u>Furnished</u>
Efficiency	\$650	\$300
One-bedroom	800	350
Two-bedroom	950	400
Three-bedroom	1100	450

Further Information

The Arlington County Housing Information Center (703) 228-3765 can answer specific questions about tenant rights during the conversion process.

ARLINGTON COUNTY, VIRGINIA

**Office of the County Manager
Effective 7-1-82
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Revised 10-1-82
Revised 9-29-03**

ADMINISTRATIVE REGULATION: 4.5

SUBJECT: Relocation Expenses

Section 1. Purpose

This regulation sets forth administrative policy for the implementation of Section 45-3 of the Arlington County Code relating to the payment of relocation expenses to tenants displaced by condominium or cooperative conversions.

Section 2. Notice

- a. At the time of issuance of the vacate notice the declarant shall provide tenants with information on the procedure the tenants need to use in order to be reimbursed for relocation expenses.
- b. The declarant shall provide the County's Housing Section with a copy of the vacate notice and reimbursement procedures.

Section 3. General Provisions

- a. The declarant shall reimburse any tenant displaced by a condominium or cooperative conversion for amounts actually expended to relocate as a result of such dislocation. Such reimbursement shall include but not be limited to all allowable expenses for the transfer of utilities, packing, moving not to exceed 50 miles and insuring the tenants belongings.
- b. The declarant shall provide the tenant with \$200 of the relocation expenses ten (10) days after the tenant gives the converter 30 days notice that he will move, to assist the tenant in securing a new dwelling unit, but in any event no later than the day the tenant vacates the premises.
- c. Illegal tenants, i.e., persons occupying the units without either the knowledge or consent of the owner or his agent, shall not be eligible for payments for relocation expenses.
- d. Whenever more than one adult is listed as a tenant under the written lease or rental agreement for a particular unit, all payments may be made by a check payable jointly to all parties designated as tenants, unless otherwise requested in writing by the party to be omitted from such relocation check.

Section 4. Payments for Verifiable Relocation Expenses

- a. Eligible reimbursable expenses are:
 1. Connection fees for telephones to maintain the same level of service as in previous dwelling unit;
 2. Electric, gas and water connection fees;
 3. The cost of packing household furnishings including the cost of materials and labor;
 4. The cost of unpacking household furnishings including the cost of materials and labor;
 5. The cost of transporting household furnishings to the new dwelling unit, not to exceed the cost of moving such items over 50 miles;
 6. The cost of insuring the transporting of household furnishings.
- b. Verification for actual expenses shall include, but not be limited to, receipts, cancelled checks, invoices and bills.
- c. After the tenant has vacated the unit in response to a vacate notice, the tenant shall be reimbursed within 15 working days of his submission of verification of his expenses to the declarant or his agent.

Section 5. Fixed Payments for Relocation Expenses

- a. If a declarant chooses to make a fixed payment without verification of actual expenses and tenant is willing to accept a fixed payment, the following schedule of relocation payments would apply as a minimum:

	<u>Unfurnished</u>	<u>Furnished</u>
Efficiency	\$650	\$300
One-bedroom	800	350
Two-bedroom	950	400
Three-bedroom	1100	450

- b. At the time that the declarant notifies the tenants that he will provide fixed payments for relocation expenses, he must advise the tenants that they are willing to provide the necessary verification.
- c. Fixed payments should be made to the tenant within 15 days after vacation of the unit by the tenant in response to a vacate notice.
- d. A request for or acceptance of a check for such fixed payment constitutes a waiver of the tenant's right to reimbursement for actual expenses, providing that the tenant has been previously apprised in writing of his right to, actual expenses.

Section 6. Responsibility

It shall be the responsibility of the Housing Section Chief to administer this regulation. The Housing Section Chief shall act as the agent of the County Manager in this matter.

Section 7. Future Revisions of Monetary

The monetary benefits cited here in shall be adjusted to confirm with future revisions of corresponding monetary benefits provided by the State Department of Highways and Transportation.

Arlington County Ordinances

§ 45-2. Extension of leases for elderly and disabled persons in conversion cooperatives and condominiums.

(a) Definitions. The terms used in this section respecting condominiums shall have the same meaning as those terms have when used in Chapter 4.2 of Title 55 of the Code of Virginia and the terms used respecting cooperatives shall have the same meaning as is given to those in Chapter 24 of Title 55 of the Code of Virginia. The definitions stated therein for "elderly" and "disabled" are as follows:

(1) Elderly means a person not less than sixty-two (62) years of age.

(2) Disabled means a person suffering from a severe, chronic physical or mental impairment which results in substantial functional limitations.

(b) At the time required for notice to tenants of conversion of any apartments or other dwelling units to condominium or cooperative, the developer of such conversion project shall offer leases or extensions of leases to elderly and disabled persons who occupy any units to be converted on the terms and conditions stated in the following paragraph (c).

(c) The leases or extension shall be offered for up to three (3) years, (composed of one-year terms with extensions up to three (3) years at tenant's option), or such lesser period as the tenant may choose, from the date of the notice for the unit occupied by each of the elderly or disabled persons or a unit of at least the same approximate size, number of bedrooms, and overall quality. Notwithstanding the foregoing, the tenant may vacate upon thirty (30) days notice up to the extent of the term of the lease. The terms and conditions of the leases shall be as agreed upon by the lessor and lessee, provided that the rent for such apartment or unit shall not be in excess of reasonable rent for comparable unrenovated units for the same time period in the same market area as such conversion building.

(d) This requirement shall not be imposed so as to require that any more than twenty (20) percent of the apartments or units in a conversion project shall be leased to elderly or disabled persons. Such leases or extensions shall not be required in the case of any apartments or units which will, in the course of conversions, be substantially altered in physical layout, restricted exclusively to nonresidential use, or rendered legally uninhabitable because of renovation or rehabilitation which the declarant intends in good faith to perform.

(e) Exemptions: A declarant of a condominium or cooperative conversion shall be exempt from the requirements of this section if he is preserving a minimum of twenty (20) percent of the apartments or units in the conversion for occupancy by low and moderate income households for a minimum of ten (10) years. A household shall qualify as a "low and moderate income household" either under the definition of the U.S. Department of Housing and Urban Development or under the following definition:

"A household whose income does not exceed eighty (80) percent of the median income for similarly sized households in the Washington Standard Metropolitan Statistical Area."

(f) Effective date. This section shall apply to condominium or cooperative conversions for which application is made to the Virginia Real Estate Commission for an initial certificate of registration or subsequent registration on or after July 1, 1982.

(Ord. No. 82-30, 6-28-82)

§ 45-3. Relocation expenses for tenants displaced by condominium or cooperative conversion.

(a) Definitions:

(1) Conversion condominium shall mean a condominium containing structures which, before the recording of the condominium declaration, were wholly or partially occupied by persons other

than those who have contracted for the purchase of condominium units and those who occupy with the consent of such purchasers.

(2) Conversion cooperative shall mean a building that at any time before creation of the cooperative was occupied wholly or partially by persons other than purchasers and persons who occupy with the consent of purchasers.

(3) Declarant shall mean any or all person(s) acting in concert who:

a. Offer to dispose of his or its interest in a condominium unit not previously disposed of, in the case of a condominium, or who, in the case of a cooperative, as a part of a common promotional plan, offer to dispose of his or its cooperative interest not previously disposed of;

b. Reserves or succeeds to any special declarant right; or

c. Applies for registration of the condominium under the Condominium Act or applies for registration of a cooperative under the Virginia Real Estate Cooperative Act, as the case may be.

(4) Tenant shall mean a person or persons entitled under a rental agreement to occupy a dwelling unit to the exclusion of others. All persons who occupy the same dwelling unit are considered to be a single tenant for purposes of this section.

(5) County manager shall mean and include the county manager of Arlington County, or any of his duly authorized deputies or agents.

(b) The declarant shall reimburse any tenant displaced by a condominium or cooperative conversion for amounts actually expended to relocate as a result of such dislocation. Such reimbursement shall not exceed the amount provided for in Section 25-239(b) of the Code of Virginia, which as of July, 1982 is five hundred dollars (\$500.00). With the tenant's agreement, a payment may be made based on other than actual expenses.

(c) The monetary limits provided for in paragraph (b) above shall be automatically adjusted to conform to future revisions of corresponding monetary benefits under the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Public Law 91-646) as provided for in Section 25-247.1 of the Code of Virginia.

(d) Reimbursable expenses shall include, by way of illustration but not limitation, items such as the following: deposits and connection fees for telephones and utilities; the cost of packing, transporting and unpacking; insurance coverage on goods transported during the move.

(e) For purposes of this section a tenant shall not be deemed to have been "displaced by a condominium or cooperative conversion" within the meaning of (b) above:

(1) Unless and until the said tenant has first been given a notice to vacate in accordance with the Virginia Condominium Act or Virginia Real Estate Cooperative Act, and in fact, vacates his unit in accordance with the time set forth in said notice (or subsequent notice);

(2) If the declarant, at declarant's expense, relocates said tenant to another apartment or unit with the tenant's consent;

(3) If the declarant has, prior to the time of lease execution, notified tenant that the apartment or unit he is about to rent is or is about to be converted and tenant waives relocation assistance benefits. Any such waiver in order to be effective, must be in writing and must be typed or printed in a conspicuous manner on a separate sheet of paper and separately signed or initialed by tenant and appended to the lease or rental agreement. A copy of the waiver and attached lease is to be provided to tenant.

(f) The county manager shall be responsible for the administration of this section.

(g) Effective date. Tenants who receive a notice to vacate issued in accordance with Chapter 4.2 (the Condominium Act) or Chapter 24 (the Virginia Real Estate Cooperative Act) of the Code of Virginia on or after July 1, 1982 shall be entitled to the benefits provided in this section.

(Ord. No. 82-29, 6-28-82)