

MINUTES
Public Hearing of the College Park City Council
July 9, 2012
7:00 p.m. – 10:06 p.m.

Ordinance 12-O-06

An Ordinance Of The Mayor And Council Of The City Of College Park, Maryland, Amending City Code Chapter 127 “Rent Stabilization”, Sections 127-4 “Establishment Of Rent Ceiling”, 127-5 “Registration”, 127-7 “Individual Adjustment Of Rent Ceiling”, And 127-13 “Expiration Date” To Extend The Effective Date Of The Rent Stabilization Law Through September 1, 2017, To Clarify The Criteria To Be Considered In Determining Individual Adjustment Of Rent Ceilings And To Make Certain Other Changes For Clarification And Efficiency Of Enforcement.

PRESENT: Mayor Fellows; Councilmembers Wojahn, Kabir, Catlin, Dennis, Stulich, Day, Afzali and Mitchell.

ABSENT: None.

ALSO PRESENT: Joe Nagro, City Manager; Janeen Miller, City Clerk; Suellen Ferguson, City Attorney; Bob Ryan, Director of Public Services; Joshua Ratner, Student Liaison.

Mayor Fellows opened the public hearing on 12-O-06 at 7:00 p.m. and invited public comment.

Lea Callahan, 4511 Guilford, President, DCPMA: Speaking as a resident who is also a merchant: Extend the rent stabilization ordinance. The more that properties convert from owner-occupied to rental, the more these problems grow. The main issue is noise and the landlords have a responsibility to ensure their rental homes do not cause problems. Why should we bargain with them in order to get them to properly manage their properties?

Lisa Miller, President, Prince George’s Property Owners Association: Initial reasons the ordinance was enacted in 2005: quality of life issues (noise and litter) and conversion of owner occupied homes to rentals. Those conditions have changed. The UMD was not participating in the solution in 2005 but President Loh has made it clear that he wants to participate now. It is hard for property owners to deal with these issues without input from the other side; the laws are very tenant oriented. New paradigm: the University, City and property owners work in concert to address the issues. Stop the punitive legislation. If unable to sunset, consider one year extension with one year suspension of enforcement to show good intent. People don’t know that there is an alternative on the table: they just completed the ITGA (International Town Gown Association) class and developed the “One Community, One Vision” project and want to give it a chance. To this point they have spent their time and money on lawsuits. They would rather spend their time, energy and resources working with the Council. Example: strengthen the noise ordinance and its enforcement. Landlords need to feel they can trust the Council.

Paul Carlsen, 203 Long Trail Lane, Rockville: Looking for a way to work together to solve problems. How to retain the policy position but allow time to work out the issues. Rent

stabilization doesn't address any of the quality of life issues. By extending for only one year, Council retains the policy position but also displays to landlords a willingness to work together, which gives them leverage with landlords. They are a committed partner.

Bryan Mack, 12736 Mill Road, Mount Airy, MD: Prior resident, now a landlord of the house where he once lived. It comes down to enforcement and consequences for the kids who live in the homes. Rent control is the poison pill and makes it hard to maintain their properties. He wants to focus on building good will. He has never seen this kind of cooperative spirit before.

John Hawvermale, 1342 Excalibur Lane, Sandy Spring: This is the closest we have come to having a working relationship instead of a fighting relationship. The new leadership at the University is interested in having a first class university and realize they need to have a first class town. Most landlords have ties to College Park and they have a vested interest in the community.

Tim Miller, 5119 Niagara Place: The free market should prevail and the government should stay out. Rent control conjures socialism, communism, Russia, China and Chavez. This is America. This is a college town and college kids party. Where is code enforcement?

James Kane, 4206 Knox Road: Being a landlord isn't easy and has a lot of problems. You try to give guidance to the kids. There hasn't been a lot of cooperation between the City and landlords in the past. The City pulled the rug out from under the landlords in the mini-dorm bill. He supports the landlords working with the City and with the University, who is a party in this relationship. Work toward collaboration and eliminate antagonism.

Robert Davis, 6905 Baltimore Avenue/Carleton Terrace: House values used to be ranked #3 in the County – up with Woodmore or Potomac – but now they are not in the top 10. He can't sell his houses, they are upside down, so he is digging in. When there are red cups in the yard he charges his kids \$50 a cup: now there are no cups. He has asked code enforcement to give him some teeth but his kids have never gone to court. Needs the City to support him. Supporting your landlords and code enforcement, and prosecuting the kids who cause the problem, will give us the teeth we need.

Richard Williamson, 7011 Wake Forest Drive: In favor of continuation of rent stabilization as part of a larger effort the City is making to improve quality of life. In favor of large scale well planned developments for students. Homes constructed in the 40s can barely fit a family of four much less a house of tenants. Renters should not be jammed into a group home with one bathroom and one kitchen, 5, 6 or 8 at a time. Every time we turn a home into a rental student property we lose a family, who can volunteer, vote, improve their home, keep watch over the neighborhood, and form community. Student housing should not come at the cost of the destruction of our community, one house at a time.

Ryan McCulley, 4904 Osage Street: In the last 7 years of rent stabilization have there been measurable improvements? He does not think so. Come up with the best housing policy for

College Park. He has registered his property and appealed his rental rate so he can make his mortgage.

Dawn Nichols, 7002 College Heights Drive, Hyattsville, MD: She provides safe and affordable housing for college students. People across the street do not charge reasonable rates, so her ad is “Have a view of The View for half the price” and she has a wait list. Expand rent control to the shopping centers to get Lisa Holt/Paperworks and all the local businesses to come back.

Martin Klapac, 4805 Harvard Road: His block has gone from one rental unit to seven rental units since rent control. His concerns are trash, noise and police response.

Rebecca Melo, 5 Huskins Place, Bella Vista, AR: She owns two rental properties on Hartwick Road and used to live here. She knows what the landlords and the residents are going through. She and her husband are retired and the rental business is their livelihood. She doesn’t know how they will make it if rent control is extended because she can’t meet her expenses. Wants to work with the City; have an agent in Maryland. She is not next door anymore so she calls her tenants if she learns of a problem.

Walter Melo, 5 Huskins Place, Bella Vista, AR: Does not make enough to pay his bills, taxes, and all the extra fees charged by City. Enough is enough. This is his food money. He works here for one week each year to fix up his house before the inspection. Students are going to make noise, break things. They pay an agent to manage things because they aren’t local anymore. The City could enforce a little bit more. He charges \$4,000 per month for his five bedroom house. Has read about rent stabilization but hasn’t asked about it. He prefers to talk to people face-to-face rather than getting a piece of paper to decide his life. It is hard for him to come from Arkansas.

Adele Ellis, 4608 Beechwood Road: She usually applauds compromise but in this case there is a difference between responsibilities to landlords who don’t live here and to the residents who do. The PGPOA has offered to work with the City but only if the City does not extend rent stabilization. This offer is not only late but sounds more like a threat than an olive branch. Where was the cooperation when the City had to get a noise enforcement officer, create a noise board, or when the landlords came out to fight the City’s fee for their extra trash? To the few landlords who keep their properties neat, thank you. But because of the others that don’t police their properties, she has no faith in any claim that they want to work together. We really have not tried rent stabilization because it has been in court. It does not make sense for the City to spend the time and energy to win this case in court and now not to enact it.

Helen Barnes, 4611 Drexel Road: She lives here and is a landlord but her properties are outside the City. She is in strong favor of rent stabilization. Nobody has to tell her to keep her properties maintained and keep her tenants under control. She does it because she values the neighborhoods in which she owns property. If rent stabilization is withdrawn she is worried there would be a sudden grabbing of properties. Students are transients and every year they will have to be reeducated about the plan. She heard a landlord talking to his new tenants last year.

He said what a terrible place College Park is and that the City is racist and bigoted because they try to control the number of student rentals. He said he and the landlords are doing everything they could to overturn this measure. The message to the renters is “do whatever we want – our landlord doesn’t care.” If we sunset rent stabilization it would remove the one small feature we have to protect the viability of our neighborhood and prevent the grabbing of properties that would destroy Calvert Hills. Who is going to pay the extra cost of making this plan work? The cost should be shared with the landlords.

Karen S. Needles, 6904 Carleton Terrace: Since 2002 she has seen US 1 closed due to riots, car been broken into, students outside binge drinking, peeing and vomiting in yard late at night. The problem is student behavior and charging rents does not impact that. You need to have a consistent discipline policy: have police come, put them in jail, charge them fines. They have no responsibility and the University does nothing to help. Rent stabilization does not address the right problem. Need a police department. Residents can’t challenge the students – many times there is retaliation.

David Dorsch, 4607 Calvert Road: When rent control was established in 2005 we were told it would be temporary until sufficient housing was built. Since then thousands of new units have been built so lack of adequate housing can no longer be the basis. The real reason is to get students out of City neighborhoods. If you are concerned about protecting students from high rent then extend the ordinance to the high rises where the highest rents are charged. This is discrimination against a class – i.e. students. Many single family homes are not rented to students. Landlords provide a valuable service to this community by providing affordable housing. End this charade and let it sunset. It has not nor will it ever accomplish the goals stated in the Sage report. Work on a joint solution with the landlords to solve the problems. You always have the option or reinstating rent control in the future.

Morgan Gale, 13352 Moonlight Trail Drive, Silver Spring 20906: He is glad the PGPOA is willing to work with the City but thinks a 5 year extension is the right message to send. The owner occupied rate is going up which proves it is working. He knows that being a landlord isn’t easy but there is an appeal process written into the law to hear their issues. Give this law a chance to work.

Les Bernard, 9400 49th Avenue/1205 Reserve Avenue, Silver Spring, MD: He thinks the major problem is student noise. He tells his neighbors to call the police or code enforcement, and they have been effective in coming out to talk to his tenants. He does not think this ordinance will do anything to help. He loses money every day and can only charge so much because of the competition between landlords.

Bill Montgomery, 4614 Harvard Road: He is surprised by what he has heard here today. Everyone has a responsibility to do something that will benefit the community and not to do anything that someone else will have to fix. Undergraduate students do not yet understand their responsibility to a community. They need help from those they rent from to understand how to live here. Take any action possible to keep the community like it was when he came here 30 years ago.

Page Lacey, 7305 Hopkins Avenue: She supports the continuation of rent control. She can't adjust to the amount of whining she has heard tonight. When you become a landlord, you become a landlord. She can't sell her house either because of the trashy houses in College Park. She has seen the City make between 10 and 15 trips to a house across from her which is a fraternity annex. The Council has helped but she needs more help with drunken situations. She wants to see police take drunken idiots to jail. If you do the crime, you do the time. If you make the decision to be a landlord, you take the risks.

James Flynn, 4706 Norwich Road/4815 Doe Lane, Darnestown, MD: It's an enforcement issue. Rent control is just going to reduce the amount of money to maintain their properties – they are not going to sell. Why can't there be more cooperation? Enforcement would help everyone. PGPOA is interested in fixing this. Kids love single family homes because they can do whatever they want and live cheaper. High rises have more oversight.

Andrew Foose, 5426 27th Street, NW: A landlord with three properties here. Landlords agree with community residents that we do not want quality of life issues. They understand the City wants to maintain a certain level of home ownership. A number of landlords have been involved in the ITGA program and have come up with ideas the City, University, Residents, Landlords and Students can use to get to the heart of the issues. He brought a collection of these ideas for the record – “An Alternative to Rent Stabilization: One Community, One Vision.” If we lower the rents the students pay, it makes those houses more attractive. He proposed an amendment to the Resolution: add “and no property owner shall be deemed to have been in violation of Section 127 for any action or lack of action taken prior to the resumption of administration and enforcement...”

David Auckland, 4707 Harvard Road: When there were noise violations at the rental house next door, tickets were written and there could have been fines, but the City chose not to levy those fines. He thinks enforcement is not happening. He thinks it is all about enforcement and he is against rent control.

Nigel Key, 4710 College Avenue: There are some good and responsible landlords, but some landlords don't care about their properties or the people who live here. A house near the Metro was recently converted from owner occupied to rental. It was once one of the best kept houses on the block but the new owner cut down all the trees, dug up every bush, mowed down all the flowers and covered the back yard in gravel. He itemized a series of quality of life issues he and his family have experienced. Rent control has really not had a chance to work because it has been in court. It is not a panacea but it can help.

Herb Hawvermale, 9006 Charred Oak Drive, Bethesda, 20817: Discussed the shameful history of discrimination in our country. The rent control law is a discriminating and immoral law; it discriminates against college students. He also believes it is illegal. Do you want to carry the burden and shame of discrimination into the 21st century?

David Morrison, 7003 Dartmouth Avenue: There is a college in College Park. The people who are complaining about noise from college students have had 156 years to figure it out. Controlling a group of 19-year-old alcoholics is impossible. It is the students' responsibility to control themselves, not the City's. There are no consequences for ill behavior. If they believe they will get kicked out of the university or go to jail, it might make a difference. Passing rent control won't control the behavior. Why aren't high rise apartments subject to rent control?

Richard Biffl, 7002 Chansory Lane, Hyattsville, 20782: Owns a rental property and is the chair of the Rent Stabilization Board. Influx of students in the 1990s but the University did not provide housing so the neighborhoods were overrun. Rent control was about limiting the conversion of owner-occupied housing to rental. Rent stabilization could be effective but has just started to be enforced. All of the cases heard by the RSB for adjustments to the rent ceilings have been decided in the favor of the homeowner. There is flexibility. The people it may not be working for are those who haven't been in the system. No one has to dial back their rates; there is an annual inflation escalator. You might look at localizing the law to different neighborhoods in College Park. He does not think that strict code enforcement alone will solve the problem of rentals dominating certain neighborhoods.

Christine Nagle, 9506 52nd Avenue: Appreciates this overdue dialog. Year-round residents should be able to live in their homes without facing these quality of life issues, but it is unfair to place the whole burden of those issues on the landlords. The recent developments from the ITGA class have not been shared with residents. Extending the code of conduct off campus would help. Enforcement of the noise ordinance should be increased, and she likes the idea of the landlord accreditation program. The wording in the ordinance and resolution that the current rental market is a threat to the "health, safety and welfare" of the citizens is untrue and has a negative impact. Last week Council met with a marketing consultant about how to market the City. Stating that the rental community poses a threat sends an adverse message. She doesn't know what the public threat is. The University has to be a player. Continue the negotiations.

Mary Cook, 4705 Kiernan Road: She lives in the "other" College Park that is not surrounded by college students. Every neighborhood is different and we have to look at them separately. Some might experience noise and vandalism, others might experience foreclosures. There have been five foreclosures in her neighborhood and she would rather have a landlord buy it than leave it vacant. The University and landlords are ready to work with us. Let's take advantage of that – she doesn't want her money spent on lawsuits anymore – let's spend it on something useful.

Anne Morrison, 4601 Knox Road: There are a lot of nice college students in College Park that help carry groceries in. She is against rent control and for more code enforcement. She thinks rent control gives landlords less money to take care of their property and that doesn't help College Park.

Mary Lou Miller, 4603 Knox Road: She loves living here but doesn't like some of the rules the City has made although some are necessary. She is against rent control because she thinks it will lower the value of her home when she sells it. She gets along with her next door rental

students by baking cookies and going over to talk with them when they move in. They help her. She doesn't mind the partying as long as they end by 1:00. Don't impose rent control. College students are what they are and its nice if we can get along with them.

Ruth S. Cook, 6815 Dartmouth Avenue: She is retired and her income is from real estate investments. A number of years ago she sold her College Park investment homes and invested in other areas. That probably made her look like a financial genius but if she was she would have sold her own home as well. It's not a good move to keep rent control from either a homeowner's or investor's standpoint. It's wrong for the City to tell a landlord how much they can charge for rent.

Douglas Hamilton, 4605 Fordham Road: He has heard a lot about rent control or enforcement, but it doesn't have to be an either/or, we can do both of these things. Without rent control there would be a lot more overcrowding and that is where the problems start. This has been on the books since 2005 but has not been tested due to litigation. If the landlords do all they say, we can take eliminate it then, but there is no reason why we should not have it now. In international relations you don't reward a country when they promise to give up weapons, you reward them after they do it.

Stef McLaughlin, 4605 Fordham Road: She supports the continuation of rent control because it decreases the incentive of stuffing more people into a home and increases owner occupancy. There were three houses for sale on her street and all were purchased by owner occupants so she feels it is good for her neighborhood. But don't stop talking with the landlords – it is a good thing to do.

Justin Clarke, 4506 Beechwood Road: The affordability of this community is unique for the area and he urges Council to renew rent stabilization. Removing rent controls will have negative impacts on our community: increased incentive for investors to enter the market, increased turnover of rental residents, and the potential for pricing out low-income home buyers.

Julia Kyles, 4707 Guilford Road: They are renters and are for rent control. Her landlord never said to them that he couldn't make improvements due to rent control. She doesn't understand the attempt to connect good tenant behavior with rent control. Why do those two things have to go together? Urges the landlords to think about whether rent control is going to prevent them from throwing out a bad tenant.

Jeanne Jennings, 4617 Clemson Road: There are some fine landlords but unfortunately capitalism can go awry if not regulated. She is in favor of rent stabilization. It is a win/win situation: increases owner occupancy and students have lower rent.

Arun Ivatury, 6705 Rhode Island Avenue: Not all students are bad neighbors, not all landlords are poor landlords, and not all homes are rented by students. The question is, do we have the right to determine the character of the neighborhood and to promote long-term residency? Yes. Council has an obligation to elevate the concerns of the long term residents over those of the landlords. We should create economic incentives for more families to move in.

Landlords have more resources and can bid against families. In response to comments about more code enforcement, consequences, cooperation – absolutely. These do not exclude rent stabilization.

Kathy Bryant, 7406 Columbia Avenue: She is surrounded by five fabulous landlords who voluntarily work with her but there is one landlord across the street that is causing her to support rent control. You don't have to negotiate with the good ones. She supports rent control.

Ibrahim Oladotny, 12533 Strafford Valley Drive, Silver Spring: When he first got into real estate he wasn't aware of some of the social issues. He takes the College Park resident seriously and doesn't mind working hard. The Code Enforcement Officer has his cell phone number and he responds right away if ever he is called. He will call the police himself and will do whatever he has to do to maintain good behavior. Rent control has been hard for him when he wants to spend money on his property. He installed security and retrofitted his houses with sprinklers. He has a high standard and thinks rent control makes it harder for him. Give them the flexibility to do their job.

Jim Mullins, 5103 Kenesaw Street: Let rent control sunset; it is unjust. It is not fair to people who have invested in homes to limit their profit. It is less expensive for students to live in their homes than in the high rises. Enforcement of trash and noise is not in the landlord's control. Landlords can't keep up properties due to rent control. Rent control hurts the investments and also the value of owner occupied properties. Landlords understand they have to take the risk, but don't add the false market value imposed by rent control. Nobody is required to tell you when you are buying a home about the rent control law. Enforce equally against owner occupied and rental homes.

David Kidwell-Slak, 4704 College Avenue: He is not against students or landlords but one landlord has pushed him to be in favor of rent control. They have called him several times and have never received a response. This landlord lives in College Park, asked them to pay for part of his crumbling driveway, and the first year they lived there said he would buy the house out from under them. Speaking of enforcement: landlords need to enforce each other. Look at the Cap and Trade example – you have to be regulated and capitalism needs to exist. The landlords need to hold him accountable.

Bob Baer, 4701 Calvert Road: What benefits the community? Let the current ordinance sunset. The City has not shown that rent stabilization has addressed all the issues raised by his neighbors. It does nothing to achieve the desired goals.

Bill Coleman, 7302 Dickinson Avenue: Students are not held accountable. The University is not doing anything to work with the City to control the students. Personally he wants the students out because they are not accountable. He cleans his weapons in his front yard the first week of school and so far he has not had a problem. Code enforcement is usually good, but you have to fine them or take them to court. University of Maryland police should come to his house when he calls about students.

Andrew Miller, 11605 Twining Lane, Potomac, MD: Council should work with the University to get them to assist in making students who violate the law accountable. Students need to live somewhere and accommodations have to be made. There are unintended consequences to this law. Property values have fallen. The way to get students out of the neighborhoods is RH zoning on US 1 and directly adjacent to the campus. The rental market is more central and within walking distance now – that’s where the money is.

Bill Chicca, 13713 Stoner Drive, Silver Spring MD: Not all renters are students – his three homes are not rented to students but he still has to pay all the extra fees imposed due to students. The City should want family tenants. Rent control does not address the quality of life issues; enforcement does. Landlords don’t have police powers; City does. It takes months for a landlord to evict a tenant for non-payment of rent, but you seem to think they can do something quickly about noise problems. He is willing to accept risk, but he is not willing to accept the City tilting the playing field. Why is rent control not applied across the board? It is a social issue.

Barry Wasser, 12405 Bobbink Court, Potomac MD: He believes students were in favor of applying rent control to all housing in College Park including the high rises which are the most expensive in the area. The University needs to be a big part of the process to find an equitable solution. He supports the suggestion of applying the student code of conduct throughout the City. He tries to monitor what is going on in his properties but can’t always do so. He bought and fixed up a home in Cherry Hill and tried to sell it but couldn’t make a profit, so has to rent it instead.

Mayor Fellows stated that tomorrow the Council would address this issue, and that the written record will be held open until 5:00 p.m. tomorrow.

Adjourn: There being no further comments, Mayor Fellows adjourned the Public Hearing at 10:06 p.m.

Janeen S. Miller, CMC
City Clerk

Date
Approved