

Ordinance No. 11-23

ORDINANCE: To amend Chapter 13.5 of the Rockville City Code, entitled "Moderately Priced Housing," to require that the maximum rental rate for MPDUs be established only in accordance with regulations

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF ROCKVILLE, MARYLAND as follows:

SECTION I - That Chapter 13.5 entitled "Moderately Priced Housing" is hereby amended to read as follows:

CHAPTER 13.5

Moderately Priced Housing

Sec. 13.5-7. Maximum prices and rents of moderately priced dwelling units.

Moderately priced dwelling units shall not be sold or rented at prices or rents that exceed the maximum prices or rents established under this section.

(2) Rental

a. The rent, excluding utilities when they are paid by the tenant, for any MPDU must not exceed a maximum rent for the dwelling unit in accordance with the formula for calculating the maximum rent set forth in regulations adopted by the Mayor and Council. Different rents must be established for units when utility costs are paid by the owner and included in the rent. The City Manager shall adjust the maximum rent annually in accordance with the formula set forth in the regulations. ~~Sixty (60) days prior to implementing any such annual adjustment, the City Manager shall inform the Mayor and Council of the amount of the adjustment in the maximum rent.~~

~~e. — Notwithstanding the above, within sixty (60) days of being informed of any adjustment in the maximum rent for a dwelling unit, the Mayor and Council may establish a different maximum rent than provided by the aforesaid formula. In such a case, the Mayor and Council shall consider the current cost of building MPDUs, available interest rates and debt service for permanent financing, current market rates of return on investments in residential rental properties, operating costs, vacancy rates of comparable properties, the value of the MPDU at the end of the control period, and any other relevant information.~~

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SECTION II – This ordinance shall become effective immediately upon adoption.

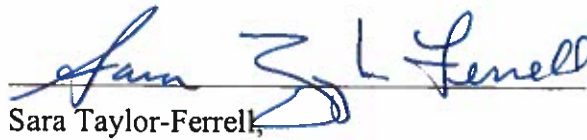
NOTE: Underlining indicates material added

~~Strikethrough~~ indicates material deleted

Asterisks * * * indicate material unchanged by this ordinance

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I hereby certify that the foregoing is a true and correct copy of an ordinance adopted by the Mayor and Council at its meeting of July 17, 2023.



A handwritten signature in blue ink, reading "Sara Taylor-Ferrell", is written over a horizontal line.

Sara Taylor-Ferrell,
City Clerk/Director of Council Operations