

**Testimony of Julie Becker  
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**Committee on Housing and Urban Affairs  
Council of the District of Columbia**

**Bill 17-0515, "Housing Accommodation Owner Conversion  
Compliance Amendment Act of 2007"**

**Bill 17-0530, "Rental Housing Conversion and Sale Amendment Act of 2007"**

**April 7, 2008**

I am here on behalf of The Legal Aid Society of the District of Columbia<sup>1</sup> to testify specifically about two of the five bills before the Committee today: B17-0515, the Housing Accommodation Owner Conversion Compliance Amendment Act of 2007 ("Conversion Compliance Act"), and B17-0530, the Rental Housing Conversion and Sale Amendment Act of 2007 ("Conversion and Sale Amendment Act").

We strongly support the goals of the Conversion Compliance Act – but we are not confident the current legislation is the best avenue for accomplishing them. Regarding the latter bill, the Conversion and Sale Amendment Act, we believe this legislation, while perhaps well intentioned, to be severely misguided and urge the Committee to reject it.

**Housing Accommodation Owner Conversion Compliance Amendment Act**

This proposed legislation would prevent housing providers from converting a rental building to condominiums unless and until it remedies all substantial housing code violations. This bill targets one of the most significant housing problems of recent years: Owners' refusal to make repairs as a method of driving tenants out of their homes, so as to create a vacant building available for conversion.

We applaud the Mayor and Council for taking steps to address this issue, and we look forward to working with the Committee toward making this proposal a reality. However, it is important to note that the bill addresses only one aspect of a much larger challenge: ensuring that the District's rental buildings comply with the housing code.

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<sup>1</sup> The Legal Aid Society of the District of Columbia was formed in 1932 to "provide legal aid and counsel to indigent persons in civil law matters and to encourage measures by which the law may better protect and serve their needs." Over the last 75 years, tens of thousands of the District's neediest residents have been served by Legal Aid staff and volunteers. Legal Aid currently works in the following three priority areas: housing, family law, and public benefits.

The path to code compliance is code enforcement.

Prohibiting conversion of buildings that are in disrepair is a roundabout solution to a straightforward problem: Dismal enforcement of the District's housing code. In 2007, the city took more than 48 hours to respond to more than half of its emergency complaints; tenants' experience is that non-emergency complaints take weeks or months to garner a response. Even when the city does inspect, it does not return promptly after finding violations to ensure that the problems have been remedied. Nor does it prosecute negligent landlords or diligently collect fines.

By the time a building is at the point of condominium conversion, it has often suffered months or years of neglect. Moreover, by that time, the building has often changed hands, meaning that the owner who plans to convert may be different than the one who permitted the building to fall into disrepair. Therefore, focusing on violations at the time of condo conversion may not serve as a strong enough incentive for owners to perform repairs as they become needed.

In addition, this bill focuses on one aspect of a much larger problem. The desire to convert to condominiums is only one of many reasons an owner might want to clear a building of tenants. It is, for example, much easier and often more profitable to sell a building that is empty than one occupied by renters. In rent-controlled buildings, owners can also implement much higher rent increases when apartments become vacant. As with condo conversion, refusal to make repairs is an easy and efficient way for a housing provider to accomplish these goals by driving tenants away.

The best way for the District to prevent these tactics is by enforcing its housing code. We support the bill, and we look forward to working with the Committee on finalizing this legislation. But we strongly encourage the city to focus its most significant efforts on fixing the housing inspection system, which is dysfunctional and ineffective. In the long run, that effort will create the best results both for tenants and for the District's supply of affordable housing.

**Rental Housing Conversion and Sale Act Amendment of 2007**

Enacting this bill would be an unequivocal mistake. If passed, this legislation would rob tenants and tenant associations of crucial rights regarding conversion and sale. Under the bill as drafted, tenants would be left without any way to challenge fraudulent tenant associations, invalid assignments of TOPA rights, improper condo conversion, or refusal to honor the rights of the elderly and disabled. For example:

- Under this legislation, a tenant association that assigned its right to purchase would be barred from challenging the actions of the assignee – even if those actions violated the terms of the assignment or the provisions of the Conversion and Sale Act.
- A tenant association that purchased a building would be forever immune from any challenge under the Conversion and Sale Act. Thus, for example, it could convert to

condominiums without holding the required election and giving tenants the right to vote. Barred from suing, tenants would have no way of challenging the conversion.

- The tenant association could refuse to honor the rights of elderly and disabled tenants to remain as renters after condo conversion. Without the opportunity to file suit, these tenants would be forced out, with no way of asserting their legal rights.

These are only a few of the negative consequences that would flow from enacting this legislation. And, almost as importantly, it is not clear why this change in the law is either necessary or desirable. I might speculate that the proposal relates to situations involving competing tenant groups – and as an attorney who works with tenants and tenant associations, I certainly agree that disputes within a tenant group make it difficult for the group as a whole to move forward. But the solution to that problem is not to deprive one faction of the right to be heard. To the contrary, the best way of resolving this sort of dispute is to address it openly – including, if no other option is available, in court. While filing suit usually is (and should be) the last option, it must remain *an* option. The alternative is rewarding the group that moves the fastest with perpetual immunity, while preventing any tenants who speak up later – even if they are legitimately attempting to protect their rights – from accessing the most basic protections of the law. It will frequently be the most vulnerable, least legally sophisticated tenants who will be barred from suit – even if they may be the most in need of assistance.

The proposed legislation has no evident benefit to tenants, tenant associations, or even developers or owners. To the contrary, its only effect would be to deprive tenants of some of their most powerful rights regarding the conversion and sale of their housing. We urge the committee to reject this legislation.