



# Mayor and Council

Introduction and Adoption – Chapter 18 Code  
Update, Rental Facilities and Landlord-Tenant  
Relations

May 18, 2026



# Outline

- Background
- Work Session Follow-ups
- Community Engagement Summary
- Highlights of Proposed Changes
- Anticipated Impacts
- Introduction and Suggested Motions



# Background

## Mayor and Council History

- Housing is one of five focus areas.
- **Fall 2024:** Three work sessions on the city's housing strategies. Comprehensively updating Chapter 18 was approved as a strategy by the Mayor and Council.
- **June 2025:** Work session on data reporting and transparency.
- **November 2025:** Work session on rental licensing inspections.
- **December 2025:** Work session on existing code and new policies.
- **February 2026:** Work session on new policies.



# Background

## Project Goals

- Provide **clarity** on existing code elements.
- Consider **alignment** with surrounding jurisdictions' codes and ensure alignment with state of Maryland law.
- Improve housing **stability** and opportunities for tenant agency.
- Require greater **transparency** for tenants.
- Review local and national **best practices**.
- Better connect **data collection** and city goals.



# Background

## Project Timeline



We are here!



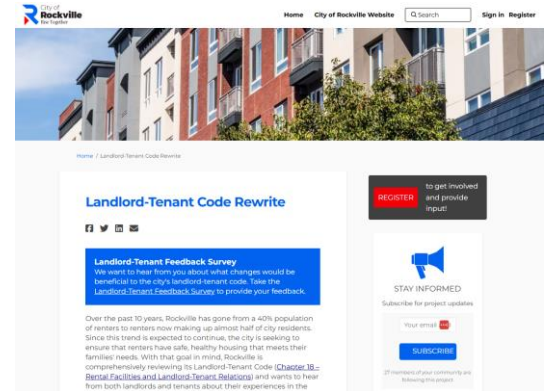
## Work Session Follow-ups

- **Cooling requirements** work session to be scheduled for September
- **Pre-eviction financial assistance** pilot to launch in July
- **Educational materials** to be created and shared with landlords and tenants



# Community Engagement Strategies

- Hosted two **virtual initial input meetings** – one with landlords, one with tenants
- Published **Engage Rockville webpage** with project information, news feed, surveys, comment form, and question portal
- Offered **two surveys**: one to get initial input and another to get feedback on policy proposals
- Interviewed **stakeholder organizations**
- Provided **regular email updates** to Engage Rockville subscribers, rental license holders, property managers, affordable housing operators, and tenant organizations
- Hosted two **virtual follow-up input meetings** – one with landlords, one with tenants



Engage Rockville Webpage



Fact Sheet on Proposed Code



# Community Engagement

## Tenant Responses to Proposed Code

- Excitement around **banning algorithmic rent pricing** and **restricting junk fees**.
- Disappointment regarding the **exclusion of a rent stabilization policy**.
- Questions about how **rent increase information** will be collected and displayed.
- Concerns around the **six-month cut off** for a unit being unsafe to occupy before permanent relocation assistance triggers.



# Community Engagement

## Landlord Responses to Proposed Code

- General feeling of **bias towards tenants**.
- Concern at proposed:
  - requirement to offer tenants a **two-year lease term**.
  - restriction on asking about prospective tenants' **eviction history**.
  - **repair and deduct** policy to allow tenants to make repairs without landlord approval.
- Question and concern around **relocation assistance requirements**. Concerns were particularly focused on the cost of the permanent relocation payment and determination of responsibility.
- Desire to **allow a fee** for returned checks and to allow an increased lock out fee for repeated occurrences.



# Highlights of Proposed Changes

- **Restrictions** on asking about eviction history, charging tenants court costs and legal fees, and using algorithmic rent pricing systems.
- **New requirements** for landlords to report data, provide two-lease lease options, adhere to lease review and provision timelines, allow non-electronic payment methods, provide relocation assistance, and allow tenant organizations to use meeting rooms free of charge.
- **Increased transparency** around fees and guarantor requirements.
- **More options** for early lease termination.
- **Creation** of a repair and deduct option.
- **Changes** to how leases and rent increase information are provided to the city.
- **Meaningful fines** for certain code violations.



# Anticipated Impacts

## Environment

*No impact*

## Equity

*Positive impact*

- Many benefits to housing stability for tenants.
- Tenants are disproportionately Black or African American.
- Median income of renters is \$100,000 less than homeowners.
- Half of renters are housing cost-burdened.

## Economy

*Neutral impact*

- Additional requirements may have negative impact on landlords' decision to rent and developers' decision to invest in Rockville.
- Compliance costs may put small upward pressure on rents.
- Improved housing stability brings economic benefits.
- Transparency measures may create a more competitive rental marketplace, resulting in slight downward pressure on rents.



# Introduction and Suggested Motions

- I introduce the ordinance amending City Code Chapter 18, Rental Facilities and Landlord-Tenant Relations.
- I move to waive the layover period.
- I move to adopt the ordinance amending City Code Chapter 18, Rental Facilities and Landlord-Tenant Relations, with an effective date of January 1, 2027.