

CAFRTIZ v. D.C. RENTAL HOUSING COMMISSION, 615 A. 2nd 222 (1992)

Court: D.C. Court of Appeals, opinion by King, A.J.

Judicial History: Rental Housing Commission (RHC) held that landlord was entitled to capital improvement rental increase of \$30.00 per month, but that it was compelled to automatically stay rent increase pending final resolution on appeal. Tenant appealed and landlord cross-appealed.

Facts: Landlord filed a petition seeking a capital improvement rent increase to cover the cost of replacing the original elevators and boiler mechanical plant, and for the installation of emergency generators. At the conclusion of a contested hearing attended by landlord, the tenant's association and a tenant representing himself ("Rogers"), regarding the proposed rent increase, the landlord and the tenants association entered into a settlement agreement in which the tenants withdrew their opposition to the rent increase. After the Rent Administrator granted the petition, Rogers appealed the decision to the RHC. Rogers moved to stay the Rent Administrator's decision pending appeal; however, the landlord never received notice that the motion had been filed. The Commission denied the motion and ruled that a stay was automatic. Neither landlord nor the tenant received notice of the Commission's ruling, and the tenant began paying the rent increase which was implemented after completion of the improvements. At the hearing on Roger's appeal, both landlord and tenant learned, for the first time, that the Commission had previously ruled that the rent increase should be automatically stayed. Thereafter tenant ceased paying the rent increase. Landlord appealed the automatic stay and tenant appealed the Rent Administrator's decision with respect to the rent increase.

Holding: The Court of Appeals held that:

- 1.) Replacement elevators and boiler qualified as "capital improvements" under Rental Housing Act; and,
- 2.) RHC was not required to automatically stay rent increase.

Reasoning: Under Rental Housing Act of 1985, the Rent Administrator is empowered to authorize landlord to implement capital improvement rent increase once improvements are completed; there is no mandatory automatic stay of rent increase pending final resolution on appeal.

Decision: Affirmed in part and reversed in part.