

TENANTS OF 5912 14<sup>TH</sup> STREET, N.W. v. D.C. RENTAL HOUSING COMMISSION, 650 A.2nd. 667 (1994)

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

Judicial History: Landlord filed hardship petition for rent ceiling increase. The Rental Accommodation and Conversion Division (RACD) of the Department of Consumer and Regulatory Affairs granted the increase, and tenants appealed. The Rental Housing Commission (RHC) affirmed, and tenants filed petition for review.

Facts: Landlord filed two hardship petitions for rent ceiling increase. The landlord withdrew his petition for the first rent ceiling increase, but increased tenant's rent even though there was no valid basis for the increase. The tenant's then brought this appeal to have rent ceiling which was approved in second petition re-calculated.

Holding: The Court of Appeals held that:

(1) tenants could challenge rent increases obtained under hardship petition that ultimately was withdrawn by landlord, and

(2) retrospective approach had to be applied in determining whether to grant hardship increase.

Reasoning:

(1) When landlord withdrew hardship petition for rent ceiling increase while petition was pending before rent administrator on remand, rent ceiling increase authorized with regard to that petition was a nullity.

(2) If initial rent increase pursuant to landlord's petition is improper (or is rescinded or nullified) and later increase builds upon the first, amount of second increase must be recalculated.

Decision: Affirmed in part, reversed in part, and remanded.