




OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

MEMORANDUM

February 24, 2023

TO: Evan Glass, President
Montgomery County Council

FROM: Marc Elrich, County Executive 

SUBJECT: Voluntary Rent Guideline (VRG) for 2023

Today, the County will announce the 2023 Voluntary Rent Guideline consistent with the requirements of County law. The Voluntary Rent Guideline is updated annually to represent the prior year's increase in the rental component of the Consumer Price Index for the Washington Metropolitan Area.

Based on that calculation, the Voluntary Rent Guideline will be set at 5.8%, effective February 24, 2023. The Voluntary Rent Guideline for 2022 was 0.4%.

In the absence of a formal rent stabilization mechanism, the Department of Housing and Community Affairs (DHCA) encourages all licensed residential rentals to refrain from increasing rents by more than the 2023 VRG, as the percentage reflects inflationary pressures of the real estate industry in the Washington Metropolitan Area.

This change of the Voluntary Rent Guideline will be communicated on February 24, 2023, with the publication of the County Executive's annual letter in the County Register and on the DHCA webpage, a press release announcing the change, and an email from DHCA to all licensed landlord and property management contacts. DHCA will include this information in its tenant and landlord outreach activities, including webinars.

Please contact Scott Bruton, DHCA Deputy Director at, 240-777-3619, with any questions.

Enclosure



DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

Marc Elrich
County Executive

Aseem K. Nigam
Director

February 24, 2023

Dear Owner/Manager:

In the absence of a formal rent stabilization mechanism, the Voluntary Rent Guideline (VRG) system helps provide a framework for rental property owners to acknowledge regional inflationary pressures and avoid price gouging.

The figures from the U.S. Department of Labor, which the Voluntary Rent Guidelines are based, show the increase in the rent component of the 2022 Consumer Price Index for the Washington-Metropolitan area to be 5.8%. Therefore, we strongly encourage you to voluntarily limit rent increases and refrain from increasing rent by more than the VRG, which this year is unusually high and could be a difficult burden for tenants.

I realize there are continued pressures and financial challenges on landlords as a result of the pandemic, but there are also extraordinary pressures on renters. Your cooperation in keeping rent increases affordable and within the guideline is appreciated.

Please direct any questions or observation that you may have about the guideline to the Office Landlord-Tenant Affairs, Division of Housing, Department of Housing and Community Affairs at (240) 777-0311.

Sincerely,

Marc Elrich
County Executive

Office of the Director

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