Appendix B: Case Studies of Rent Regulations in Select Jurisdictions

OLO researched rent regulation programs across 11 jurisdictions in the United States. This appendix provides individual summaries for each jurisdiction. For each jurisdiction, OLO summarizes key program attributes:

- Legislative Intent
- Organization
- Enforcement & Violations

- Property Type Exemptions
- Allowable Rent Increases
- Permitted Landlord Exceptions

The table of contents below lays out a road map for this appendix.

State of CaliforniaB-7	Takoma Park, MD B-27
Oakland, CAB-9	Prince George's County, MD B-31
Los Angeles CountyB-12	Mt. Rainer, MD B-32
State of OregonB-15	
Portland, MEB-17	
St. Paul, MNB-19	
Newark, NJB-21	
Washington, DCB-24	

Table 1. Legislative Intent Behind Rent Regulations by Jurisdiction

	State of California	Oakland, CA	Los Angeles County, CA	State of Oregon	Portland, ME	St. Paul, MN	Newark, NJ	Washington, DC	Takoma Park, MD	Prince George's County, MD	Mount Rainier, MD
Demand for Affordable Units		✓	✓			✓	✓				✓
Construction Costs							✓				
Deterioration of Housing Stock							✓				
Rent Gouging/ Price Volatility	✓		✓	✓	✓			✓		✓	
Low Vacancy Rate		✓									
Housing Stability			✓		✓	✓		✓	✓	✓	✓

Source: OLO analysis of rent regulation laws for selected jurisdictions.

Table 2. Property Types Exempted from Rent Regulations by Jurisdiction

	State of California	Oakland, CA	Los Angeles County, CA	State of Oregon	Portland, ME	St. Paul, MN	Newark, NJ	Washington, DC	Takoma Park, MD	Prince George's County, MD	Mount Rainier, MD
New Construction	✓ (15yrs)	✓ (After 1995)	√ (State Law)	√ (15yrs)		✓ (20yrs)	√ (30yrs)	✓ (After 1975)	√ (5yrs)	√ (5yrs)	√ (15yrs)
Owner-Occupied (ex. 1-4 units)	✓	✓ (State Law)	√ (State Law)	✓	✓		✓	✓	✓		✓
Single Family Homes/Condos/ CoOps	✓	√	✓						✓		
Accessory Dwellings									✓		
Buildings >2 units											✓
Public/Subsidized Housing	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Hospitals/Nursing Homes		✓			✓				✓		
Non-profit Owned		✓							✓		
Religious Facilities					✓				✓		
Motel/Hotel/Short- Term Rentals	✓	✓	✓	✓	✓		✓				✓
Institutional Facilities (Dorms)	✓	✓ (State Law)	✓		✓				✓		
Vacant or Units Not Previously Rented		·						✓			✓
Rehabilitated Units							✓				
Local laws apply	✓										
Exempted by State Federal Law			✓								

Source: OLO analysis of rent regulation laws for selected jurisdictions.

Table 3. Allowable Annual Rent Increases by Jurisdiction

Case Study	Allowable Annual Rent Increase	Includes Cap	Сар	Approval Required to Increase Rent by Annual Amount (by Unit)
State of California	5% + CPI for All Urban Consumers (Metro Area where property is located) OR 10%	✓	10%	None
Oakland, CA	60% of the percentage increase in CPI-All Items (Fiscal Year July 1 st to June 30 th) OR 3% whichever is lower	✓	3%	None
Los Angeles County, CA	Percentage change in the average CPI over the previous 12 months	✓	8%	Code Compliance, Registration, Payment of Registration Fee
State of Oregon	7% + CPI for All Urban Consumers, West Region None			None
Portland, ME	CPI-U% for the Greater Boston Metro Area	✓	10%	None
St. Paul, MN	3%	✓	3%	Code Compliance (only for exceptions to allowable annual increase See Sec. 6)
Newark, NJ	CPI-U% published monthly	✓	4%	Code Compliance, Registration
Washington, DC	2% + CPI for Urban Wage Earners and Clerical Works (CPI-W)	5% for Elderly/Disabled Tenants; 10% for all others	5%; 10%	Registration (only for Elderly or Disabled Tenants)
Takoma Park, MD	CPI for the Washington/Baltimore Metro Region	Depends on Exceptions (See Sec. 6)		None
Prince George's County, MD	3%	✓	3%	None
Mount Rainier, MD	60% of the CPI for the Silver Spring- Rockville-Frederick Area Multiplied by Rent Charged in Prior Year	None		Code Compliance, Registration (only for exceptions to allowable annual increase See Sec. 6)

Source: OLO analysis of rent regulation laws for selected jurisdictions.

Exceptions to Allowable Annual Rent Increases by Jurisdiction

Table 4. The table below defines exceptions listed in state/local rent regulations.

Exception	Definition
Vacancy	Unit is available to rent to a new tenant.
Banked Rent	Rent increases below the allowable annual increase may be added to the following year or applied to a new tenant.
Fair Return (Hardship)	Increase above the annual limit to meet operating expenses and earn a fair return on investment.
Capital Improvements	Costs of a major improvement to the unit/building/complex.
Rehabilitation/Renovation	Costs associated with renovating or rehabilitating a unit.
Uninsured Repair Costs	Repair costs for a natural disaster or earthquake that are not reimbursable by insurance.
Property Tax	Increase or decrease in property taxes passed through to the tenant
Utility Costs	Increase in utility costs paid by the landlord
Updated Code Compliance	Increase in costs to the landlord to comply with new/updated codes
Increased Housing Services/Facilities	Increase or decrease in costs for providing or removing services and facilities
Additional Lease Occupants	Additional unit occupants beyond who was included in the original lease agreement
Voluntary Agreement	Approval by a certain number of tenants enter an agreement with the landlord to increase rents
Discontinued Rental Units	A unit is unoccupied, previously rented, and approved for discontinued use

Table 5. The following table shows the defined exceptions by jurisdiction.

	State of California	Oakland, CA	Los Angeles County, CA	State of Oregon	Portland, ME	St. Paul, MN	Newark, NJ	Washington, DC	Takoma Park, MD	Prince Georges County, MD	Mount Rainier, MD
Vacancy	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
Banked Rent		✓			✓				✓		
Fair Return (Hardship)		✓	✓		✓	✓	✓	✓	✓		✓
Capital Improvements		✓	✓				✓	✓			
Rehabilitation/Renovation			✓				✓	✓	✓		
Uninsured Repair Costs		✓									
Property Tax					✓		✓				
Utility Costs							✓				
Updated Code Compliance			✓								
Increased Housing Services/Facilities		✓						✓			
Additional Lease Occupants		✓									
Voluntary Agreement									✓		
Discontinued Rental Units									✓		

Source: OLO analysis of rent regulation laws for selected jurisdictions

State of California

Legislative Intent

The law addresses rent gouging by establishing statewide limitations on rate increases. The law is time-limited and expires on January 1, 2030. 2

Organization

The State Department of Industrial Relations is responsible for updating and posting the annual rent allowance.³

Enforcement

The law does not include enforcement or violation mechanisms. The law requires California's Legislative Analyst Office to issue a report on the effectiveness of the law, including its impact on the housing market, on or before January 1, 2030.⁴

Property Type Exemptions

The following property types are exempt from rent regulations:

- New construction built within the last 15 years (rolling basis);
- Units restricted by deed or regulatory restrictions that limits affordability to low or moderate-income households;
- Dorms;
- Owner-occupied duplex;
- Single-family homes and condominiums (not owned by a real estate trust, corporation, or LLC) which the landlord provides written notice to the tenant; and
- Units subject to local rent control that limits increases to less than 5% + CPI.⁵

Allowable Annual Rent Increase

5% + local CPI for All Urban Consumers (metropolitan area where the property is located) OR 10%, whichever is lower⁶

Rent increases for the same tenant make be provided in two increments during a 12-month period.⁷

Legal Citation

The California Tenant Protection Act was enacted in 2019. (CA Civil Code Sec. 1947.12, 2020).

- Law expires in 2030
- Increase = 5% + local CPI or 10% (whichever is lower)
- Rent increase can occur in two increments (12-month period)
- Does not include enforcement or violation provisions
- California has a just cause eviction law

¹ CA Civil Code §1947.12(k).

² §1947.12(k).

³ City and County of San Francisco, CA, The California Tenant Protection Act of 2019 (AB 1482), Updated August 4, 2022.

⁴ §1947.12(f).

⁵ §1947.12.

⁶ §1947.12(a).

⁷ §1947.12(a).

Exceptions to Allowable Increase

Exception	Description
Vacancy	Unrestricted initial rate when lease signed with a new tenant. 8

⁸ §1947.12(b); In 1995, the California State legislature passed the Costa-Hawkins Rental Housing Act which suspended rent control following a qualifying vacancy and reinstates it for a new tenant. City of Oakland, <u>Guide to Oakland Rental Housing Law: Rent Control and Eviction Protection</u>, Updated April 2023.

Oakland, CA

Legislative Intent

The City of Oakland established its Rent Adjustment Program to respond to a shortage of safe, affordable rental housing and low rental vacancy rate.⁹

Organization

The City's Housing, Residential Rent, Arbitration, and Relocation Board is a quasi-judicial board (seven appointed members) that enacts regulations and policies under the law and hears appeals on rent increase cases. 10 Program staff support the Board and provide counseling to property owners and tenants, conduct administrative hearings and mediations, collect evictions data, etc. 11

Enforcement and Violations

The Housing, Residential Rent, Arbitration, and Relocation Board is empowered to:

- Hear petitions and appeals from landlords and tenants;
- Render decisions and assign administrative fines or civil remedies;
 and¹²
- Order adjustments for over- or under-charged rents.¹³

Program staff and the Board must submit an annual report to the City Council on the impacts of the program, including policy updates, community outreach and education activities, petitions and appeals, Rent Board activities, and financial activities.¹⁴

Property Type Exemptions

The following property types are exempt from rent regulations:

- Units whose rents are control by a government agency (e.g., Oakland Housing Authority, Section 8, etc.);
- Cooperative units;
- Single-family residences and condominiums (rented as a single unit);
- New construction built between January 1, 1983, and December 31, 1995;

Legal Citation

The Oakland, CA enacted rent control in 1980 and has since amended the program. (Oakland Municipal Code §8.22.010).

- Authority solely with quasijudicial board
- Increase = 60% of the percentage increase in CPI-All Items or banked rent
- May order adjustment for over- or under-charged rents
- Permits landlords to submit application to increase rents based on additional lease occupants
- State of California enacted a just cause eviction law

⁹ OMC §8.22.010.

¹⁰ §8.22.040.

¹¹ City of Oakland, <u>Guide to Oakland Rental Housing Law: Rent Control and Eviction Protection</u>, As of April 2023. Twenty-six program staff support the program (Administrative and Policy, 7 FTEs; Community Engagement and Enforcement, 8 FTEs; and Hearings, 11 FTEs), City of Oakland, <u>Rent Adjustment Program Annual Reports</u> 2018-2019 and 2019-2020, February 1, 2021.

¹² §8.22.150.

¹³ §8.22.110.

¹⁴ City of Oakland, RAP Annual Report 2018-2019 and 2019-2020, February 1, 2021.

- New construction built on or after December 31, 1995;
- Motels, hotels, and rooming houses;
- Hospitals and skilled nursing facilities;
- Non-profits for substance abuse recovery; and
- Non-profits to support homelessness.¹⁵

Allowable Annual Rent Increase

60% of the percentage increase in CPI-All Items (Fiscal Year July 1st to June 30th) or 3% whichever is lower¹⁶

CPI and banked increases do not need to be approved by Program staff; however, tenants may contest the increase.¹⁷

Exceptions to Allowable Increase

Landlords must submit a petition to the Rent Adjustment Program for any rent increase above CPI/banked rent. If a landlord does not seek approval the increase is void and unenforceable. 18

Limitation on Total Increase. The sum of total increases cannot exceed 10% in one year or over 30% over any five years of the tenancy.¹⁹

Exception	Description
Rent Banking	Landlords who increase rent less than the allowable increase may bank future increases. Total rent increase cannot exceed three times the CPI and may not be greater than the lower of 10% or 5% plus the percent change in cost of living (set by State of California). No application to the Board is required.
Capital Improvements	A landlord may petition to pass through 70% of allowable capital improvement costs made and paid for within 24 months of filing. Costs are amortized over the useful life of the improvement, with increase rent ending after the amortization period. Costs associated with corrections of serious code violations, deferred maintenance, or "over improving" a property are not eligible for pass-through. ²¹

¹⁵ §8.22.030; City of Oakland, Guide to Oakland Rental Housing Law: Rent Control and Eviction Program.

¹⁶ §§8.22.065; 8.22.070. City of Oakland, <u>Allowable Rent Increases</u>.

^{17 §8 22 070}

¹⁸ §8.22.070; City of Oakland, Guide to Oakland Rental Housing Law: Rent Control and Eviction Program.

¹⁹ Ibid.

²⁰ Ibid.

²¹ §8.22.070; City of Oakland, Guide to Oakland Rental Housing Law: Rent Control and Eviction Program.

Exception	Description
Uninsured Repair Costs	Landlords may increase rent to repair damage resulting from an earthquake or natural disaster (costs not reimbursable by insurance). ²²
Increased Housing Service	To cover increased costs of housing services provided, annual operating expenses in one year as compared to the prior year must exceed CPI. ²³
Fair Return	To earn a fair return on investment, landlords must show the net operating income provided by the property in a base year, subject to CPI adjustments. ²⁴
Additional Occupants	Landlord can petition for an increase of 5% for additional occupants that exceed base occupancy year. ²⁵

²² Ibid. ²³ Ibid.

²⁴ Ibid.

²⁵ Ibid.

Los Angeles County, California

Legislative Intent

The law covers the unincorporated area of Los Angeles County.²⁶ In 2018, Los Angeles County adopted a temporary rent stabilization law. Data showed that even with the temporary measure, the average rent increase was 28.23% or \$313.59/mo.²⁷ In 2021, The Board of Supervisors enacted more restrictive protections to balance long-term stability and rental housing shortages with investment returns.²⁸

Organization

The Department of Consumer and Business Affairs administers the program. The Rental Housing Oversight Commission is charged with enforcement, including the authority to hear and review Department administrative decisions. ²⁹ The Commission consists of nine, appointed members (five general members, two renters, and two owners). ³⁰

Enforcement and Violations

The Rental Housing Oversight Commission and County is empowered to:

- Assign an administrative fine to landlords or tenants who violate the law, not totaling more than \$1,000. Each violation is a separate and distinct offense.³¹
- Bring a civil action in a court for violations of the rent stabilization or
 just cause eviction law. Civil penalties cannot exceed \$1,000 per
 violation. A court may also assign a criminal penalty to be punished by
 a fine of \$1,000 or less and/or 6 months in jail.³²

Property Type Exemptions

The following property types are exempt from rent control:

- Units expressly exempt by state or federal law;
- Hotels, motels, or other facilities used by transient guests;
- Institutional facilities;

Legal Citation

The LA County Board of Supervisors enacted rent stabilization and tenant protections in 2021. (Los Angeles County, CA Ordinance §§8.52).

- Authority shared by County department and commission
- Increase = Percent Change in Average CPI, capped at 8%
- Links ability to increase rents to registration, fee payment, and housing code
- Include provision to assist small landlords in complying with code updates, like environmental laws
- State of California enacted a just cause eviction law

²⁶ Los Angeles County, CA Ordinance §8.52.020.

²⁷ §8.52.020

²⁸ Ibid.

²⁹ §8.64.040..

³⁰ §8.64.020.

³¹ §8.52.160.

³² §8.52.170.

- Government-owned housing;
- Single family homes and condominiums (if not owned by a real estate investment trust, corporation, or limited liability company where the corporation is a member);
- · Accessory dwelling units; and
- Rooms rented to boarders.³³

Allowable Annual Rent Increase

Percent Change in the Average CPI over the previous 12 months (Capped at 8%)³⁴

Depending on the change in CPI, the law defines when the 8% cap is permitted.³⁵

Change in CPI	Max Increase Allowed
8% or Greater	8%
3% to 8%	Equal to the change in CPI
1% and 3%	3%
-2% and 1%	Change in CPI + 2%
Less than -2%	No increase is permitted

To increase rents to the allowable limits:

- The unit is registered with the County's; AND
- The Landlord is up to date on payment of registration fees; AND
- The unit complies with state and local housing code laws.³⁶

Exceptions to Allowable Annual Increase

The County Department of Consumer and Business Affairs may approve additional rent increases. Along with meeting application requirements, a rent increase will not be approved if the landlord:

- Failed to provide written notice of rent increase;
- Failed to register the unit;
- Lapsed on registering the unit in previous years; and/or
- Is behind on registration fees.³⁷

³³ §8.52.050; Katie Lepore, Rent Control in California: How Will Effect Landlords?, San Diego County Bar Association.

³⁴ §8.52.050.

³⁵ *Ibid*.

³⁶ Ibid.

³⁷ §8.52.060.

Exception	Description
Vacancy	Unrestricted if the tenant voluntarily leaves or is evicted for cause. An application is not required. ³⁸
Rent Banking	Not permitted. ³⁹
Fair Return (Hardship)	The landlord must prove that an increase above the annual cap is necessary to earn a fair return. Applications require data, including changes in CPI, rental history of affected unit(s) and property, and landlord's income and expenses. The Department also evaluates whether the increase will cause an undue financial burden for the tenant. Increases for rent regulated units cannot exceed the percent increase permitted by California State law. 40
Safe, Clean Water Act Parcel Tax	A small landlord (50 or fewer units) may pass-through this parcel tax to tenants. An application must be submitted and approved before charges levied. 41
Capital Improvement	A landlord may recover up to 50% of a capital improvement cost from an existing tenant in a rent regulated unit. Capital improvements must be for the primary benefit of the tenant, permanently fixed in place, and have an amortized useful life of five plus years. Improvements do not include routine maintenance, replacement costs due to failure to maintain property; common area maintenance costs; additions or replacements to meet codes; and coin-operated improvements. ⁴²
Primary Renovation	A landlord may recover up to 50% of a primary renovation cost. Renovation costs include replacement or modification of any structural electrical, plumbing, or mechanical system pursuant to state or local law or abatement of hazardous materials like asbestos. A landlord is permitted to receive one primary renovation pass through every five years. Landlords may owe affected tenants relocation cost assistance during the repair period. 43

^{38 §8.52.050.} 39 §8.52.050. 40 §8.52.060. 41 §8.52.070. 42 Ibid.

⁴³ Ibid.

State of Oregon

Legislative Intent

The goal of the rent regulations is to prevent rent gouging or rent spiking without notice to the tenants.⁴⁴

Organization

The Oregon Department of Administrative Services is responsible for calculating and posting the maximum annual rent increase. While the maximum increase is set statewide, landlords must also comply with any local requirements.⁴⁵

Enforcement

Landlords who increase rent in violation of the law may be required to pay a tenant an amount equal to three months' rent plus damages. 46

Property Type Exemptions

The following property types are exempt from rent regulations:

- New construction is exempt for 15 years from first certificate of occupancy; and
- Units where the landlord provides reduced rent as part of a federal, state, or local government program or subsidy.⁴⁷

Legal Citation

The State of Oregon enacted rent regulations in 2019. (Oregon Revised Statutes Sec. 90.323; 90.600 (2019, 2022).

Rent Law Highlights

- Increase = 7% + CPI-U% (Western Region)
- Includes provision to prevent rental flipping to increase rents
- Oregon has a just cause eviction law
- Permits local laws (e.g., City of Portland requires landlords to pay relocation assistance based on unit size)

Allowable Annual Rent Increase

After the first year of occupancy:

7% + Consumer Price Index for All Urban Consumers, West Region (all items)⁴⁸

Landlords must provide written notice supporting a rent increase above 7% + CPI if the unit/building meets one of the property exceptions listed below.⁴⁹

⁴⁴ David Mann, <u>When did Oregon introduce rent control</u> — and how much is it helping tenants?, KGW8 (NBC), September 2022.

⁴⁵ §90.324; Multnomah County, OR <u>Housing Legal Services</u>.

⁴⁶ §90.323.

⁴⁷ §90.324; League of Oregon Cities, <u>FAQ on Oregon's Rent Control Laws</u>, August 2019.

⁴⁸ §90.323.

⁴⁹ §90.323.

Exceptions to Allowable Increase

The law outlines a few exceptions to the cap, listed below.

Exception	Description
Vacancy	Unrestricted if the tenant leaves on their own accord. 50
Vacancy Resulting from Lease Termination During First Year	To prevent landlords from flipping tenants to avoid rent limitations, landlords who terminate a lease during the first year with a 30-day nocause notice may not reset the rent for the next tenant greater than 7% plus CPI. ⁵¹

City of Portland Relocation Assistance Law

Landlords within the City of Portland are required to give 90-days' notice for any rent increase above 5%. A landlord must pay relocation assistance if the tenant receives:

- No-cause eviction;
- Notice of non-renewal of a fixed term lease (not becoming month-to-month);
- Qualified landlord reason for termination;
- Rent increase of 10% or more over a 12-month period; and
- Substantial change of lease terms. 52

The size of the rental unit determines total relocation assistance.

- Studio or Single Room Occupancy (SRO), \$2,900;
- 1-Bedroom, \$3,300;
- 2-Bedroom, \$4,200;
- 3-Bedroom or larger, \$4,500.⁵³

⁵⁰ Elliot Njus, <u>How Does Oregon's First-in-the-Nation Rent Control Law Work? A Quick Guide</u>, OregonLive, The Oregonian, Updated Sept. 25, 2019.

⁵¹ §90.323; Oregon State Bar, Rent Increases.

⁵² City of Portland, <u>Mandatory Renter Relocation Assistance</u>.

⁵³ Ibid.

Portland, Maine

Legislative Intent

The Rent Control law aims to address increasing rents, promote neighborhood stability, and ensure a fair investment return.⁵⁴

Organization

The Housing Safety Office establishes allowable annual rent increases. The law also created a Rent Board which conducts hearings, mediates disputes, and reviews requests for rent increases. The Rent Board consists of seven members – two at-large members and one member from each of the five City Council districts with the highest concentration of rental properties. 56

Enforcement and Violations

The department/rent board are authorized/required to:

- Fine the landlord a total of \$100 per day for unresolved violations.
 However, the law does not provide enforcement authority. The City would need to file a lawsuit with the court to collect unpaid fines from the landlord.⁵⁷
- Prepare and present an annual report to the City Council. The report must include a summary of rents within each of the five council districts.⁵⁸

Property Type Exemptions

The following property types are exempt from rent control:

- Owner-occupied building with two to four units;
- Units in which rent is publicly controlled or subsidized;
- Accessory dwelling units;
- Units owned or managed by municipal housing authorities;
- · Accommodations in a hospital, convent, church, religious facility, or extended care facility; and
- Dorms owned and operated by an institution of higher education or Portland Public Schools.⁵⁹

Legal Citation

The Rent Control and Tenant Protection Ordinance, approved by voters in 2020, went into effect on Jan. 1, 2021 (City of Portland Code of Ordinances Sec 6-230).

- Authority shared by City and board
- Increase = CPI-U for the Greater Boston Metro Area
- Caps increases at 10% and allows for carry over of increase
- Lease must be terminated voluntarily to qualify for vacancy increase

⁵⁴ City of Portland, Maine, Code of Ordinances §6-230.

⁵⁵ City of Portland, Rent Control & Rental Housing Rights.

⁵⁶ §6-250.

⁵⁷ Evan Edmonds, Rent Control in practice: Portland board fines landlord, Feb. 16, 2022, Portland Phoenix.

⁵⁸ §6-236.

⁵⁹ Short-term rentals are not exempt from the ordinance. §6-231; City of Portland, <u>Rent Control Ordinance – Frequently Asked Questions</u>.

Allowable Annual Rent Increase

Consumer Price Index – Urban percentage (CPI-U) for the greater Boston Metro area 60

For 2023, the allowable increase is 7% and for 2022 the increase was 4.3%. 61

Exceptions to the Allowable Annual Increase

The law outlines three types of exceptions to the allowable increase.

Limitation on Increase. A landlord cannot raise rent by more than 10% for a regulated rental unit in a 12-month period. Any increase greater than 10% is banked for use the following year.⁶²

Exception	Description
Vacancy	Landlords may increase rent by 5% when a new tenant occupies a unit, but only if the prior lease was terminated voluntarily. ⁶³
Banked Rent	Landlords may elect to not impose the allowable annual increase and bank the rent increase percentage. The banked increase plus the annual allowable increase cannot exceed 10% in a single year. ⁶⁴
Tax Rate	If the property tax rate changes for the following fiscal year, the rent can increase by the allowable annual percent plus the increased tax rate. The tax rate must be determined individually (e.g., based on size of unit) and cannot factor in areas that are inaccessible to tenants (e.g., basement, commercial space).
Fair Return	The Rent Board may approve additional rent increases to cover costs related to capital improvement, uninsured repairs, increased housing services, or any additional increase that the Board determines is required to earn a fair investment return. ⁶⁷

⁶⁰ §6-233; Rent Control & Rental Housing Rights.

⁶¹ Rent Control & Rental Housing Rights.

⁶² §6-234.

⁶³ §6-234.

⁶⁴ §§6-234-235.

^{65 §6-234}

⁶⁶ Evan Edmonds, Rent Control in practice: Portland board fines landlord.

⁶⁷ City of Portland, ME Permitting and Inspections Department, <u>Landlord Worksheet/Petition for Rent Board Approved</u> Increase.

St. Paul, Minnesota

Legislative Intent

The law seeks to increase affordable rental housing and preserve housing stability.⁶⁸

Organization

The Department of Safety and Inspections enforces the ordinance, reviews applications for increased rent, hears tenant appeals, and can issue penalties for violating the law.⁶⁹

Enforcement and Violations

Failure to comply with the rent stabilization law may result in administrative fines and/or criminal prosecution.⁷⁰

- Department Decisions. The Department of Safety and Inspections issues a department determination, which may be appealed to a hearing office. There is no right to appeal after a decision is rendered by the hearing officer. ⁷¹
- Court Process. Any tenant may seek relief in court⁷²

Legal Citation

Voters approved the Residential Rent Stabilization Ordinance in 2021. (Saint Paul Legislative Code Chpt. 193A, 2021-22).

Rent Law Highlights

- Authority solely with City Department
- Caps rent increase at 3%
- Links ability to increase rents to housing code
- City has a just cause eviction law and ties this policy to rent increases after vacancy

Property Type Exemptions

The following property types are exempt from rent control:

- Affordable housing where rents are regulated by an agreement with a government agency; and
- New construction for 20 years after initial date of occupancy (law includes ground up and nonresidential to residential property conversions).⁷³

Allowable Annual Rent Increase

No more than 3% in a 12-month period⁷⁴

Rent includes fees, utility charges, parking, etc. that the tenant pays for use/benefit or relates to the facility. 75

⁶⁸ St. Paul Legislative Code Chapter 193A; Ordinance 22-37.

⁶⁹ Home Line, Overview & Frequently Asked Questions about St. Paul Rent Stabilization, updated 8/15/2022.

⁷⁰ §193A.09.

⁷¹ §193A.07.

⁷² §193A.09.

⁷³ §193A.08.

⁷⁴ §193A.04.

⁷⁵ Home Line, Overview & Frequently Asked Questions about St. Paul Rent Stabilization.

Exceptions to Allowable Annual Increase

St. Paul's rent stabilization law permits the following exceptions. To receive an exception, the landlord must apply for approval. The Department will not grant an exception for any unit that is not in compliance with the State's implied warranty of habitability (safety and code standards).⁷⁶ The Department will also notify tenants if their landlord applies and the outcome.⁷⁷

Exception	Description
Vacancy	A landlord may increase rent by CPI + 8% only after proving the unit was vacated for just cause or voluntarily by the tenant. Landlords must apply to the Department of Safety and Inspections for approval. ⁷⁸
Fair Return (Hardship)	The law establishes specific application processes and income data requirements. Reasons for submitting a fair return application include changes in property taxes, maintenance/operating expenses, necessary improvements to bring unit into compliance with health and safety codes or increase in the number of occupants. 80
	Requested increase between 3% and 8%. Landlords may self-certify increase by submitting required forms and net operating income (e.g., maintenance costs, management expenses, utilities, property taxes, etc.). ⁸¹ The department emails a decision letter to the landlord and a tenant notification letter. ⁸²
	Requested increase above 8%. Department staff conduct a formal review of the landlord's request and submission materials. ⁸³ There is no rent limit with appropriate justification and department approval. ⁸⁴

⁷⁶ §193A.06.

⁷⁷ City of Saint Paul, Minnesota, What is Rent Stabilization Ordinance?.

⁷⁸ Ibid.

⁷⁹ §193A.07.

⁸⁰ Home Line, Overview & Frequently Asked Questions about St. Paul Rent Stabilization.

⁸¹ §193A.06, City of Saint Paul, Minnesota, Rules and Processes (2023).

⁸² Home Line, Overview & Frequently Asked Questions about St. Paul Rent Stabilization.

⁸³ Home Line, Overview & Frequently Asked Questions about St. Paul Rent Stabilization.

⁸⁴ Saint Paul Minnesota, What is Rent Stabilization Ordinance?.

Newark, New Jersey

Legislative Intent

The Municipal Council enacted rent control to address shortages in the rental housing market due to the deterioration of the existing housing stock, insufficient construction of affordable units, and increased construction costs.⁸⁵

Organization

The law created Newark's Rent Control Board with the authorization to enforce the rent control program. The five-member appointed board enforces rental unit registration requirements and is empowered to grant rental increases, decreases, or surcharges; impose penalties; hold public hearings; etc. ⁸⁶

Enforcement and Violations

The Rent Control Board is empowered to:

- Violations of the rent control law or misrepresentation of facts before the Board: Assign a fine, not to exceed \$500, and/or imprisonment (not to exceed 90 days). If a violation impacts more than one unit, each unit is considered a separate offense.⁸⁷
- Grant rent rebates or rent decreases upon tenant petition: The Board can require the landlord to rebate any rent collected above that permitted by law or Board decision. A rent decrease is required for any decrease in property taxes, lowering of the assessed valuation of the property, and any decrease in housing space, services, furniture, furnishings, or equipment.⁸⁸ The law defines percentage decrease for specific services or maintenance of services (e.g., no heat, nonfunctioning refrigerator, faulty plumbing, etc.).⁸⁹ Either a tenant or group of tenants may bring an appeal for rent decreases/rebates.

Property Type Exemptions

The following property types are exempt from rent control:

- All public housing;
- Existing owner-occupied dwelling with one to four units;
- Any motel or hotel facility;
- New construction with four or more units can be exempt for 30 years under State law (landlord must apply for exemption); and

Legal Citation

The Rent Control Ordinance was enacted by the Newark Municipal Council in 1973. (Newark, NJ Ordinance 19:2-1 to 19:2-24.1 (1973, 2019)).

- Authority rests with Board
- May order rent rollbacks
- Increase = monthly CPI-U%, capped at 4%
- Links ability to increase rents to registration and housing code
- Grants authority to issue rent rebates or rent decreases
- New Jersey has a just cause eviction law

⁸⁵ §19:2-1.

⁸⁶ §19:2-9 (two tenants; two landlords; and a fifth member who is a homeowner, but neither a landlord or tenant).

^{87 §19:2-19.}

⁸⁸ §§19:2-4; 19:2-6; 19:2-12.

⁸⁹ §19.2-12.

 Substantially rehabilitated dwellings can be exempt for 5 years if the units were previously vacant for 18 months (or one year if occupied) and if the cost of rehabilitation exceeds 50% of the dwelling's value (landlord must apply for exemption).⁹⁰

Allowable Annual Rent Increase

Consumer Price Index – Urban percentage (CPI-U%) published monthly (Capped at 4%)91

To increase rents, the rental unit must be:

- In substantial compliance (free from violations of state or Newark health, safety, building, property
 maintenance, and fire safety codes, statutes, regulations, and ordinances and air conditioning
 equipment provided by the landlord is in good working order) AND
- Registered as required by law.⁹²

Exceptions to Allowable Annual Increase

Newark's law permits the following exceptions. To receive an exception, the landlord must submit and be approved by the Rent Board. The Board will not approve a landlord's application if the unit/building is not in substantial compliance with codes and/or has not met registration requirements.⁹³

Limitation on Total Increase. The Rent Board totals all rent increases and exceptions permitted by the law (e.g., annual rent increase, major improvement, hardship, etc.). The sum cannot exceed 25% above the prior month's rent in any 12-month period for any tenant.⁹⁴

Exception	Description
Vacancy	When a lease expires or is terminated, landlords may increase rents no greater than the percent increase in CPI from 15 months prior to month of proposed increase to CPI three months proposed increase. The increase cannot exceed 4%. ⁹⁵
Fair Return (Hardship)	Landlords may apply for a hardship increase if they are unable to meet reasonable operating expenses and earn a fair rate of return. Code violations musts be remedied prior to the Rent Board hearing and landlords must file costs, including mortgage payments and expenses. If the landlord purchased the building/unit for an excessive price, the Rent Board may deny all or part of the relief requested. ⁹⁶

⁹⁰ §§19.2-2;19:2-18.1;19:2-18.2.

⁹¹ §§19:2-3.1.

⁹² §§19:2-3.1, 19.2-3.4.

⁹³ §§19:2-3.4.

⁹⁴ §§19.2-22.

⁹⁵ §§19:2-3.1.

⁹⁶ §19:2-8.

Exception	Description
Major New Improvement	Landlords may seek a rent surcharge for new improvements based on the average cost of the improvement and useful life. When the improvement lowers operating costs, the annual savings must be subtracted from the rent surcharge. The surcharge must be prorated among all tenants benefiting from the improvements. ⁹⁷
Rehabilitation	Initial rent is unrestricted for units/buildings substantially rehabilitated if (1) the cost of rehabilitation during a 12-month period exceeds 50% of the fair market value of the property and (2) the rehabilitation meets requirements of the Uniform Construction Code. ⁹⁸
Property Tax	Landlords may seek a rent surcharge due to an increase in municipal property taxes. The law defines how each tenant's share is calculated and data required as part of the landlord's application. ⁹⁹
Utility Costs	Landlords may seek a rent surcharge from tenants due to an increase in utility costs. 100
Substantial Rehabilitation of a Vacant Unit	A landlord that rehabilitates a vacant unit by spending at least 12 months of actual monthly rent per unit is entitled to 10% increase in monthly rent (maximum). ¹⁰¹

⁹⁷ §19:2-7.

^{98 §§19:2-18.3.} 99 §§19:2-5.1-5.4.

¹⁰⁰ City of Newark, <u>Rent Control FAQ</u>.

¹⁰¹ §19:2-18.4.

Washington, District of Columbia

Legislative Intent

The purpose of the City's rent control law is to prevent price volatility in the rental market and protect housing/community stability. 102

Organization

The Rental Accommodations Division (RAD), part of DC's Department of Housing and Community Development (DHCD) Housing Regulation Administration, administers the Rent Control Act and issues rent increase decisions. The City's Rental Housing Commission, a three-member board, publishes the annual rent increase percent and conducts appeal hearings. 104

Enforcement

The DHCD/RAD/Rental Housing Commission is empowered to:

- Hear tenants' petitions against rent adjustments;
- Inspect rental properties and units subject to a landlord's petition for an increase above the annual allowance. The Rent Administrator is empowered to rollback rents where substantial code violations exist;
- File suit in D.C.'s Superior Court; 105 and
- Establish an online rent control housing database and report on the impacts of rent control.

Property Type Exemptions

The following property types are exempt from rent control:

- Federal- or DC-rent subsidized units;
- Rental units built after 1975;

Legal Citation

Washington, D.C. initially adopted rent control in 1973. The current law is based on the Rental Housing Act of 1985 (DC Code Sec. 42.3502).

- Authority shared by City department and Commission
- Increase = CPI-W + 2%
- Exempts qualifying elderly or disabled tenants
- Guarantees landlords at 12% rate of return on investment
- District has just cause eviction law

¹⁰² Rahul Sinha, What is Rent Control and Why Do We Have it in DC?, Greater Greater Washington, January 22, 2018.

¹⁰³ §42-305.04; Government of the District of Columbia Department of Housing and Community Development (DC DHCD), What You Need To Know About Rent Control In The District Of Columbia, Revised January 2022. Government of the District of Columbia Department of Housing and Community Development, Rent Control: A Fact Sheet from the DC Department of Housing and Community Development.

¹⁰⁴ §42-3502.02

¹⁰⁵ §42-3502.18; Government of the District of Columbia Department of Housing and Community Development (DC DHCD), What You Need To Know About Rent Control In The District Of Columbia. Government of the District of Columbia Department of Housing and Community Development, Rent Control: A Fact Sheet from the DC Department of Housing and Community Development

¹⁰⁶ Martin Austermuhle, <u>A tool to Keep Track of Rent-Controlled Housing in D.C. has been Delayed for Years</u>, WAMU 88.5, December 22, 2020.

- Rental units (including condos and cooperative units) owned by a person who owns and registers four or less units;
- Units vacant when the rent control law became effective; and
- Housing accommodations under a building improvement plan and that receive DHCD rehabilitation assistance.¹⁰⁷

Allowable Annual Rent Increase

Consumer Price Index – Urban Wage Earners and Clerical Workers (CPI-W) + 2% (capped at 10%)¹⁰⁸

To increase rent, the housing accommodation must be properly registered with the RAD. The rental unit and the housing accommodation's common elements must be in substantial compliance with housing condition regulations.

Exceptions to Allowable Increase

The following are exceptions to the frequency or size of allowable increases. Exceptions for elderly and/or disabled tenants or vacancies do not require approval. For all other increases, the landlord must petition and receive approval from the Rent Administrator and/or Office of Administrative Hearings. Tenants are notified and can participate in the process. ¹⁰⁹ Similar to annual rent increases, landlords must comply with registration requirements and code regulations.

Exception	Description
Elderly or Disabled Tenants	The maximum increase is CPI-W, the Social Security Cost-of-Living Adjustment, or 5% of the current rent charged, whichever is lower. Landlords must meet registration requires to raise rents for elderly tenants and tenants with disabilities. 111
Vacancy	If the previous tenancy was 10 years or less the maximum vacancy increase is 10%. If the previous tenancy was more than 10 years, the maximum vacancy increase is 20%. 112
Fair Return (Hardship)	Landlords can raise rents to ensure a 12% rate of return on the unit. The landlord must include 12 months of operating costs in petition. 113

¹⁰⁷ §42-3502.05; Government of the District of Columbia Department of Housing and Community Development (DC DHCD), What You Need To Know About Rent Control In The District Of Columbia, Revised January 2022. Government of the District of Columbia Department of Housing and Community Development, Rent Control: A Fact Sheet from the DC Department of Housing and Community Development.

^{108 §42-3502.06;} DC DHCD, What You Need To Know About Rent Control In The District Of Columbia.

¹⁰⁹ DC DHCD, Rent Control: A Fact Sheet from the DC Department of Housing and Community Development.

¹¹⁰ §42-3502.06; DC DHCD, What You Need To Know About Rent Control In The District Of Columbia.

¹¹¹ §§42-305.05, 08; 42.3402.08

^{112 §42.3502.13;} DC DHCD, What You Need To Know About Rent Control In The District Of Columbia.

¹¹³ DC DHCD, Rent Control: A Fact Sheet from the DC Department of Housing and Community Development. DC DHCD, What You Need To Know About Rent Control In The District Of Columbia.

Exception	Description
Capital Improvements	A landlord can petition for an increase to cover capital improvement costs (e.g., replacing a roof or elevator, not ordinary maintenance). Increases for improvements to individual units can be no higher than 15% of the original rent. For building-wide improvements, increases can be no more than 20%. The landlord must submit a petition prior to starting construction. Rent increases start once construction is complete. Cost for building-wide improvements may be spread over 96 months (8 years) and over 64 months for individual unit improvements. Low-income and disabled tenants may be exempted. 114
Services and Facilities	Any increase or decrease in services or facilities can result in a rent increase or decrease. The hearing officer determines the percent change based on (1) cost to tenant to buy alternate services/facilities; (2) operating costs to the landlord; or (3) fair market value of comparable services/facilities. 115
Substantial Rehabilitation	A landlord may submit a petition to permanently raise rents for a substantial rehabilitation, defined as 50% or more for the unit/building property tax assessment. The maximum increase is 125%. 116
Voluntary Agreement	Rents can rise if 70% or more of tenants enter an agreement with the landlord to pay for capital improvements, services, or repairs. The resulting agreement effects all tenants in the building. ¹¹⁷

Data and Reporting. The DC rent control system exists almost entirely on paper which means access data to understand how rent control impacts individual units and the rental system is extremely difficult to come by. In 2015 the DC Council mandated that DHCD create a rent control housing database that would let residents search for rent control units and allow landlords to file electronically. The database would also help inform policy decisions on whether the rent control law should be expanded or retracted. However, the database has been delayed for years. The DC law required the database to be established by 2021, however, the database is not up and running as of 2022. DHCA staff report that DC currently has a database, but it is difficult to use and search for scanned documents.

¹¹⁴ §42-3502.10; DC Government Office of the Tenant Advocate, <u>Capital Improvement Petition Process</u>,

¹¹⁵ §42-3502.11; DC DHCD, Rent Control: A Fact Sheet from the DC Department of Housing and Community Development.

¹¹⁶ §42-3502.14

¹¹⁷ §42-3502.15.

¹¹⁸ Martin Austermuhle, <u>A tool to Keep Track of Rent-Controlled Housing in D.C. has been Delayed for Years</u>,

¹¹⁹ Alex Koma, <u>D.C.'s Rent-Control Database is Stuck in Purgatory Due to a Dispute Between Two City Agencies</u>, Washington City Paper, June 1, 2022.

¹²⁰ OLO stakeholder interviews.

Takoma Park, MD

Legislative Intent

The City of Takoma Park developed its rent stabilization law to preserve affordable housing and maintain economic and ethnic diversity. 121

Organization

The Housing and Community Development Department is responsible for ensuring compliance with the City's landlord-tenant laws. ¹²² The Department approves property exemptions and sets annual rent increases. The Commission on Landlord and Tenant Affairs reviews petitions for increases above the allowable limit. ¹²³

Enforcement

The Department/Landlord and Tenant Commission is empowered to:

- Require landlords to submit annual rent report for all regulated units.
 Penalty for failure to report is Class A violation and can result in the landlord being unable to increase rents;¹²⁴
- Take appropriate action to enforce the law. For example, charging an illegal rent increase can result in a Class C Municipal infraction;
- Seek a court remedy, including collection of costs/fees;¹²⁵ and
- Roll back unjustified rent increases.¹²⁶

Legal Citation

The Rent Stabilization Law was adopted in 1981 (Takoma Park, MD City Code Chpt. 6.20)

- Authority shared by City department and Commission
- Increase = CPI for the Washington/Baltimore Region
- Empowered to roll back unjustified rent increases
- Lowest new construction exemption of all case studies at five years
- Ties fair return exception to registration and fee payment

¹²¹ City of Takoma Park, MD, Rent Stabilization.

¹²² City of Takoma Park, MD, <u>Rental Housing Programs</u>.

¹²³ §6.20.080; City of Takoma Park, MD, Fair Return Rent Increases.

¹²⁴ §6.20.070.

¹²⁵ §§6.40.010; 6.40.020.

¹²⁶ §6.20.080; City of Takoma Park, MD, Fair Return Rent Increases.

Property Type Exemptions

The following property types are exempt from rent control.

- Any unit in a licensed facility, the primary purpose of which is to diagnosis, cure and treat illnesses;
- Temporary shelter facility owned/leased by an 501(c)(3) organization;
- Owner-occupied group house;
- Religious facilities;
- Transient facilities (motels, bed and breakfast);
- School dorms;
- Licensed assisted living facilities and nursing homes;
- Single family residences;
- · Owner-occupied duplexes; and
- Accessory apartments.¹²⁷

Landlords must reapply annually to maintain exempted status for the following:

- Tenants receiving rental assistance (Section 8 Housing Choice Voucher Program);
- Affordable housing to low- and moderate-income tenants under a government contract; and
- Newly construction (two or more units) eligible for a five-year exemption. This does not include renovated or reconfigured units.¹²⁸

Allowable Annual Rent Increase

Consumer Price Index – for the Washington/Baltimore Region¹²⁹

¹²⁷ §6.20.020; City of Takoma Park, MD, Rent Stabilization.

¹²⁸ §6.20.030; City of Takoma Park, MD, Rent Stabilization.

¹²⁹ §6.20.050; City of Takoma Park, MD, Rent Stabilization.

Exceptions to the Allowable Increase

The following are exceptions to the allowable annual increase. All exceptions, minus banked rent and vacancy, require submission of an application to the Department for approval.

Exception	Description
Banked Rent	Landlords may bank the actual dollar amount of an annual allowable increase not charged to the tenant vacating the unit. 130
Vacant Units	Landlords may increase rent by the banked rent plus the annual allowable increase. Increases may only occur if the rental unit became vacant because of the tenant voluntarily terminating the lease or termination of the lease for cause by the landlord. ¹³¹
Discontinued Rental Units	A discontinued unit is an unoccupied, previously rented unit and approved for discontinuation by the Department. Base rent for discontinued units returning to the rental market is the annual rent reported at the time the unit was discontinued plus annual rent stabilization allowance for each year the unit was discontinued. If a unit remains discontinued for an uninterrupted period of five years, the owner may charge market rent. ¹³²
Renovation, Reconfiguration, or Consolidation of Existing Units	Less than 10% greater change in floor area of the unit, rent is the annual rent reported when the unit became vacant plus annual allowable increase for each year of vacancy. ¹³³
	Renovated unit is more than 10% smaller or larger than the original unit. Rent charged is the annual reported rent when the unit became vacant plus the annual allowable increase for each year of vacancy. Rent is reduced/ increased by a percentage equal to the reduction/increase in floor area. ¹³⁴
	Two or more units consolidated into a single unit. Maximum rent charged is the base rent of the largest unit increased by the precent change in floor area (resulting unit floor area minus the largest unit floor area). ¹³⁵

¹³⁰ §6.20.060.

¹³¹ §§6.20.050; 6.20.060.

¹³² §6.20.040.

¹³³ §6.20.040.

¹³⁴ §.20.040.

¹³⁵ §6.20.040.

Exception	Description
Fair Return	Takoma Park defines fair return as base year operating income adjusted by 100% of the percentage increase in CPI. Landlords must submit detailed income and expenses. The Commission on Landlord and Tenant Affairs must issue a ruling in 90 days.
	Occupied rental units. Fair return increases cannot exceed 15% in any 12-month period. The law permits carry over in subsequent years.
	Vacant rental units. The law permits an increase of more than 15% in one year if the unit became vacant because of voluntary termination by the tenant or termination for cause.
	The Commission will reject a petition if (1) landlord did not correctly complete the form; (2) the landlord did not properly register the unit/building and has unpaid registration fees; (3) the landlord did not file rent reports for three years prior to filing date; or (4) the landlord failed to comply with a final order issued by the Commission.
	The Commission can roll back rent if the landlord submits a petition in bad faith (e.g., expenses for repairs never occurred, false report, etc.). 136

¹³⁶ §6.20.080.

Prince George's County, MD

Legislative Intent

Prince George's County enacted a one-year measure to temporarily stop excessive rent increases and help residents stay in their homes. ¹³⁷ The law is in effect for one-year, while the County studies a permanent option. ¹³⁸

Organization

The Departments of Housing and Community Development (DHCD) and Permitting, Inspections and Enforcement (DPIE) are responsible for administering the law. However, enforcement authority lies with the Department of Permitting, Inspection, and Enforcement.¹³⁹

Enforcement

The Department of Permitting, Inspections, and Enforcement may impose fines for violations of the rent stabilization law (\$500 for the first violation and \$1,000 for each subsequent violation).¹⁴⁰

Legal Citation

The Rent Stabilization Act was signed into law on March 2, 2023 (Prince George's County Code Sec. 13-144 - 147)

Rent Law Highlights

- Authority lies solely with County departments
- Increase = 3%
- No permitted exceptions to increase rent above cap
- Law in effect for one-year

Property Type Exemptions

The following property types are exempt from rent stabilization:

- New construction which received a use and occupancy permit in the past five years; and
- Affordable housing with Federal, State, or local subsidized units.

Allowable Annual Rent Increase

Increases are capped at 3%¹⁴¹

Exceptions to Annual Increase

The law does not outline permitted exceptions.

¹³⁷ Prince George's County Council, Rent Stabilization Legislation Passes, February 28, 2023.

¹³⁸ §§13-144; 13-147.

¹³⁹ §13-146.

¹⁴⁰ §13-146.

¹⁴¹ §13-144; Prince George's County Council, Rent Stabilization Legislation Passes.

Mount Rainier, MD

Legislative Intent

Mount Rainier adopted rent stabilization to maintain affordable housing stock, protect resident's standard of living, and promote stability. 142

Organization

The City's Rent Stabilization Board reviews and issues decisions on rent increases above the allowable annual increase. The Board consists of five appointed members (three tenants, one landlord/property manager, and one homeowner). 143

Enforcement

The City is required/authorized to:

- Penalize a landlord who violates the act. A violation of the rent stabilization law is punishable by a fine (\$500 for the first offense and \$1,000 for subsequent offenses);
- · Seek a court remedy; and
- Maintain a publicly available registry of all rental units. Landlords may not raise the rent on unregistered units. Failure to register a property or providing false information is punishable by a fine.¹⁴⁴

Property Type Exemptions

The following property types are exempt from rent control:

- New construction less than 15 years old;
- Buildings with two or fewer units;
- Units in owner-occupied buildings;
- Units not previously rented;
- Units rented for 30 days or less (short-term rentals); and
- Any dollar amount reimbursed by a government entity under Maryland law to the housing provider.¹⁴⁵

The Rent Stabilization Law was adopted in February 2023 (City of Mt. Rainier, MD City Code Chpt. 3D)

- Authority lies with rent board
- Increase = 60% of the CPI x rent charged the prior year
- Ties the ability to increase rents to housing code requirements

Legal Citation

¹⁴² City of Mount Rainier, MD Ordinance No. 10-2022, Effective Date February 21, 2023.

¹⁴³ §3D-103.

¹⁴⁴ §3D-107.

¹⁴⁵ §3D-106.

Allowable Annual Rent Increase

60% of the Consumer Price Index for the Silver Spring-Rockville-Frederick Area Multiplied by Rent Charged in Prior Year¹⁴⁶

Exceptions to Allowable Increase

The following are permitted reasons for a rent increase above the allowable annual rate. To be eligible for an increase exception, the unit must be in compliance with the City's minimum livability standards and be on the rental registry.¹⁴⁷

Exception	Description
Vacancy	When a unit a previously rented unit is vacant, the landlord may charge 60% of the annual increase in the CPI-U multiplied by the rent that could have been charged had the unit been occupied. 148
Fair Return (Hardship)	A landlord can submit a petition to request a rent increase more than the annual allowable rate. In making its decision, the Board must consider changes in property tax rates, cost of planned or completed capital improvements, change in housing services, and the landlord's substantial compliance with applicable state/local laws and the prior lease agreement. ¹⁴⁹

¹⁴⁶ §3D-102; Ordinance No. 03-2023, effective data March 21, 2023.

¹⁴⁷ §§3D-105; 3D-107

¹⁴⁸ §3D-102; Ordinance No. 03-2023, effective data March 21, 2023.

¹⁴⁹ §3D-105