





## NLIHC State and Local Tenant Protection Series: A Primer on Renters' Rights

# Rent Stabilization in Local Jurisdictions: Two Case Studies

Nada Hussein State and Local Innovation Project Coordinator Tenant protections, passed in the form f L of laws and policies, are critical tools that can protect tenants against rising rental costs, discriminatory and arbitrary eviction practices, and other threats to housing stability. Tenant protections help level the playing field between landlords and tenants, rectifying the longstanding power imbalance that exists for the lowest-income and most marginalized renters across the country. When passed alongside one another, tenant protection policies safeguard renters at all stages of their lease terms, ensuring that tenants can access safe, stable, and affordable housing of their choosing. Since January 2021, the National Low Income Housing Coalition (NLIHC) has tracked more than 300 state and local tenant protections that have been enacted to help prevent evictions and keep renters stably housed.

NLIHC's State and Local Innovation (SLI) project's State and Local Tenant Protection Series: A Primer on Renters' Rights is a collection of publications and resources aiming to advance the conversation about state and local tenant protections. The series includes toolkits, case studies, and webinars meant to support advocacy for and passage of "just cause" eviction standards, rent stabilization policies, laws that strengthen habitability standards and code enforcement procedures, and laws that limit excessive rental fees, known as "junk fees," in state and local jurisdictions across the country.

The case studies were developed through analysis of state and local tenant protections, interviews conducted with state and local partners, and work undertaken by students at Duke University in conjunction with members of NLIHC's SLI project team. The purpose of this case study is to help state and local advocates identify successful tactics for advancing, enacting, and implementing protections that address excessive rent hikes - known commonly as "rent stabilization" protections - in their own jurisdictions, as well as to offer insights into existing legislation enacted to protect tenants against rising rental costs. It is our hope that the case studies that are part of this series will spark dialogue about the importance of state and local tenant protections and provide valuable information about how best to approach advocacy in jurisdictions across the country.

To learn more about NLIHC's State and Local Innovation project, please visit: <u>https://nlihc.</u> <u>org/state-and-local-innovation</u>

### **Rent Stabilization Laws**

Throughout the U.S., renters are contending with a shortage of affordable and available homes. According to U.S. Department of Housing and Urban Development (HUD) guidelines, housing is "affordable" when a renter pays 30% or less of their income on housing and utility costs combined. By this measure, no state in the country has an adequate supply of affordable and available homes. Indeed, according to NLIHC's report The Gap: A Shortage of Affordable Homes - a yearly publication that documents the shortage of affordable housing in the U.S. - there was a shortage of 7.3 million affordable and available homes for renters with extremely low incomes in 2023.

The shortage of affordable housing and the strain on low-income renters have been exacerbated recently by skyrocketing rents and high rates of inflation. Between the first quarter of 2020 and the first quarter of 2023, rents rose by <u>23.9%</u> nationally. Rental costs have also outpaced worker wages. By 2023, more than 21 million renter households were "cost-burdened," spending more than 30% of their income on rent and utilities, while 11.7 million renter households were "severely cost-burdened," paying at least 50% of their income on rent, according to NLIHC's most recent <u>Out of Reach report</u>.

To support renters amid rapidly rising rents, lawmakers in state and local jurisdictions around the country have sought to pass "rent stabilization" laws. Known also as "anti-rent gouging" laws, rent stabilization laws place limits on the amount that a landlord or property owner can raise rents within a certain time frame. The intent of rent stabilization laws is to ensure that tenants are not displaced from their homes due to increasing rental costs.

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Rent stabilization laws typically have a few core components, including (1) explicit limits on rental increases (usually focusing on rental amounts and/or the pace of increases); (2) requirements for notifying tenants about impending rental increases; (3) explicit explanations of exemptions, including the types of units covered or not covered by such laws; and (4) explanations of enforcement mechanisms, including implementation methods and consequences for compliance failures. For more information on state and local rent stabilization laws, see NLIHC's *Rent Stabilization Toolkit*.

In what follows, we explore rent stabilization laws passed recently in two local jurisdictions: Prince George's County, Maryland and Portland, Oregon.

### A Tenant-Centered Approach to Passing Rent Stabilization Measures in Prince George's County, Maryland

In early 2023, the Maryland chapter of CASA, a national membership organization focused on upholding the rights of immigrant and working-class families, successfully advocated for the passage of a temporary rent stabilization ordinance in Prince George's County, Maryland. Using a tenant-centered and tenant-led approach, CASA worked with a broad network of tenant leaders and advocacy organizations to educate and mobilize the county's renters about the value of codifying protections for renters. Throughout the campaign, the organization used tactics such as phone banking, door-knocking, and social media posts to empower community members and educate them about rent stabilization policies. In 2024, CASA and its coalition partners helped persuade the Prince George County Council to pass "Council Bill 055-2024," which established permanent rent stabilization protections for tenants.

#### TIMELINE

- April 2023: The Prince George's County Council enacts "Council Bill 007-2023"

   the "Rent Stabilization Act of 2023"
   which temporarily amends the Landlord-Tenant Code to limit the ability of landlords to increase the rent of a tenant by more than 3% per year. The Prince George's County Council also introduces "Council Bill 051-2023," a supplemental emergency bill defining as retaliation certain actions by landlords, such as the termination of a lease in order to force a tenant into a new lease for the purpose of avoiding the rent increase limitation established by Council Bill 007-2023.
- **May 2023:** The Prince George's County Council establishes a "Rent Stabilization Workgroup" to work towards the enactment of permanent rent stabilization in 2024. Meanwhile, Council Bill 051-2023 takes effect as law.
- September 2024: The Prince George's County Council passes "Council Bill 055-2024," which establishes permanent rent stabilization protections for tenants, including by capping rent increases at the value of the Consumer Price Index for All Urban Consumers for the Washington-Arlington-Alexandria Area (CPI-U) plus 3%, or by 6% (whichever is lower).

### PRINCE GEORGE'S COUNTY RENTAL LANDSCAPE

When COVID-19-era emergency tenant protections – including a temporary 2.6% cap on rental prices – ended in Prince George's County in 2021, renter households faced renewed threats to their housing stability. In the absence of the county's temporary rent cap, many renters began to receive <u>lease</u> renewals with rental increases of as much as \$800 per month. In Laurel, a town in Prince George's County, some renters saw their rents <u>increase</u> by as much as 56%.

Even before the pandemic, however, rental costs in the county had been steadily rising, with median rental rates increasing by more than 16% between 2013 and 2019. The lack of affordable and available rental housing in the county, coupled with stagnant wages, has contributed to marked increases in the number of cost-burdened households over the last decade, with more than half of the county's renters (52%) now paying more than 30% of their monthly income towards housing-related costs. According to NLIHC data, a renter would have to work 108 hours at minimum wage to afford a two-bedroom rental unit at the county's fair market rent (FMR).

The resulting strain on renters' budgets has had profound and disproportionately damaging consequences in Prince George's County, where the renter population comprises mostly Black, Hispanic, and other renter households of color. When households spend a greater share of their monthly income towards rent, they have less income left for other household necessities, such as healthcare, transportation, and food. Rising rental costs also put tenants at an increased risk of homelessness, a growing problem in Prince George's County. Indeed, between 2022 and 2023, the number of individuals experiencing homelessness in the county increased by 47%.

#### PASSAGE OF TEMPORARY RENT STABILIZATION IN PRINCE GEORGE'S COUNTY

In response to increasing housing instability among renters, CASA planned and undertook a campaign involving housing-focused, advocacy, civil rights, and policy organizations to secure the passage of temporary rent stabilization in the county. One of the organization's most impactful advocacy tactics was tenant engagement. Eden Aaron, a research and policy analyst at CASA, notes that "at the heart of the campaign, the voices of tenants themselves resonated most powerfully. CASA members took to the streets, organized themselves, engaged deeply with the council, and moved the media to share their truths about the conditions they faced. This is true people power!" According to CASA lead organizer Jorge Benitez-Perez, CASA's "power comes from sharing the voice of the tenants...[L]egislators are now listening to these stories, which they would have never heard."

With support from CASA and in response to its efforts, Prince George's County Councilmember Krystal Oriadha (District 7) introduced a measure to protect tenants against unreasonable rental increases, "Council Bill 007-2023," in January 2023. By February 2023, the Council had voted to adopt the bill. Previously, landlords had been able to raise rents at exorbitant rates, with some tenants reporting yearly rental increases of as much as \$300. The new law created by the bill, the "Rent Stabilization Act of 2023," temporarily amended the county's "Landlord-Tenant Code" to limit landlords' ability to increase rent by more than 3% per year. However, the law did allow landlords to increase rent for a unit with no restrictions after a tenant left the unit or was evicted.

The law went into effect in April 2023 and was originally set to expire on April 16, 2024. In April 2024, the County Council passed a six-month extension of the legislation, "<u>Council Bill 51-2023</u>," to give county legislators time to craft permanent rent stabilization legislation <u>without risking a lapse</u> in protections for renters.

#### **EXEMPTIONS**

The Rent Stabilization Act of 2023 only applied to current tenants renewing their leases. Newly constructed units, including units permitted in the last five years of the legislation's effective date, and units with residents who receive federal housing subsidies were exempt from the law. Additionally, properties already protected in other ways were exempt from the law. For example, rent increases in affordable housing units are governed by an existing contract between the federal government, public housing authority, or State of Maryland, which voided the protections included in Council Bill 007-2023.

### IMPLEMENTATION AND ENFORCEMENT

The Rent Stabilization Act of 2023 was implemented by the county's Department of Permitting, Inspections, and Enforcement (DPIE) and enforced through a civil enforcement process. The DPIE director worked with the municipalities' governing bodies to administer the law. Tenants who believed their landlord had violated the ordinance were directed to contact the county's 311 phone-line to report a violation. Violators of the law could also be fined \$500 for the first offense and \$1,000 for any subsequent offense. However, according to Benitez-Perez, the fines imposed on landlords were not enough to deter noncompliance with the law: "A simple fine is \$500. That is not something they are concerned about when they can increase rent \$300 on 50 or 100 units."

Despite the risk of landlord-noncompliance, even temporary rent stabilization had a noticeable impact on rents in Prince George's County. Benitez-Perez recounts that "[w]e had a tenant who called us when we were fighting for the temporary bill in February 2023. Her landlord was sending her a rent increase notice of \$357 for May 2023. There had been no improvements. The bill passed in April 2023, and then her rent increase was only \$35." ...even temporary rent stabilization had a noticeable impact on rents in Prince George's County:...'We had a tenant who called us when we were fighting for the temporary bill in February 2023. Her landlord was sending her a rent increase notice of \$357 for May 2023. There had been no improvements. The bill passed in April 2023, and then her rent increase was only \$35'."

Another implementation challenge involved landlords finding loopholes in the law to avoid complying. One problem noted by the rent stabilization bill's chief sponsor, Councilmember Oriadha, was the issue of landlords trying to terminate an existing tenant's lease and then offering a new lease instead of a renewal to the tenant, as the original county law did not cover new leases and only applied to current tenants. To address this problem, the County Council included in the Council Bill 051-2023 of April 2023 a provision banning landlord retaliation against tenants for reporting code or lease violations, enforcing the rent stabilization act, engaging in tenant organizing, consulting a lawyer, or suing the landlord.

#### WORKING TOWARDS PERMANENT RENT STABILIZATION

The Rent Stabilization Act of 2023 and Council Bill 051-2023 also established a Rent Stabilization Working group to explore options for enacting permanent rent stabilization in 2024. The Rent Stabilization Workgroup included a broad coalition of policy advocates, housing-focused organizations, and tenants working to explore topics related to rent stabilization, including allowable rent and fee limit percentages, exemptions, enforcement and implementation, and penalties.

Throughout its efforts to permanently codify rent stabilization protections, CASA continued to center the voices of tenants. Organizers knocked on doors to raise awareness about the campaign's efforts, build political engagement, and secure signatures from tenants in hope of building a movement around tenant protections and to support passage of a permanent rent stabilization bill if one made its way to the county legislature. In February 2024, Prince George's for Housing Justice Coalition, which includes the county chapters of the National Association for the Advancement of Colored People (NAACP), CASA, and PG ChangeMakers, organized a rally outside of the County Administration Building. The coalition continued to call for a permanent rent stabilization ordinance that included a 3% limit on rent increase, fee regulations, vacancy control that does not allow the landlord to raise rent between tenancies, and no exceptions, including for new construction or federal housing subsidies.

#### PASSAGE OF PERMANENT RENT STABILIZATION IN 2024

Finally, Prince George's County passed a permanent rent stabilization measure, "Council Bill 055-2024," in September 2024. The bill, which extends permanent protections against excessive rental increases to tenants in multifamily properties, was the result of a multi-year effort by tenant advocates to codify rent stabilization protections for tenants for the long term.

Under the new law, rents cannot be increased by more than the Consumer Price Index for All Urban Consumers for the Washington-Arlington-Alexandria Area (CPI-U) plus 3%, or by 6%, whichever is lower. For those living in age-restricted senior housing facilities with a 12- or 24-month lease, rents cannot be increased by more than the CPI-U plus 3%, or by 4.5%, whichever is lower. Exceptions include but are not limited to units constructed or substantially renovated after the year 2000, landlords owning five or fewer units in the county, and units for which there exist agreements with government agencies to restrict occupancy to low- and moderate-income tenants.

To support the passage of "Council Bill 055-2024," CASA members across the Prince George's County region engaged with City Council members, testified at hearings held for the bill, joined rallies, and shared their own personal experiences and stories. According to a press release issued by CASA, renters throughout the county were also excited about passage of the bill. CASA notes in the release that the new protections will have positive impacts for renter households of all income levels in Prince George's County, but especially for the 65,000 households in the county who are cost-burdened and severely cost-burdened.

### Efforts to Protect Tenants against Rising Rental Costs in Portland, Oregon Lead to Statewide Change

In 1985, the State of Oregon passed a rent control preemption law that prohibited rent control ordinances from being passed at the local level. Yet despite this rent control preemption law, unique efforts undertaken in the state's largest city, Portland, during the last decade helped set the stage to end the preemption and ultimately enact statewide rent stabilization.

In 2017, tenant advocates in Portland, including members of <u>Portland Tenants Unit-</u> ed and the <u>Community Alliance of Tenants</u>, successfully campaigned for the passage of "<u>Ordinance No. 188219</u>." A key tenant protection law, the ordinance granted tenants the right to relocation assistance when their rent increased above a specified threshold, as well as stronger disclosure requirements for tenants facing rental increases for their units and protections against "no-cause" evictions. While such laws are not typically classified as examples of rent stabilization, the protections led to lower rent increases for tenants while also helping city-level housing advocates and organizations like Portland Tenants United campaign for and win stabilization protections at the state level. Two years after the passage of Portland's relocation assistance law, the State of Oregon passed rent stabilization protections for renters through "Senate Bill 608."

In what follows, we highlight the way Portland's relocation assistance law has worked in tandem with the State of Oregon's rent stabilization law to protect tenants from egregious rent increases and support tenants facing rental increases as they seek new housing opportunities. This case study thus offers insights into the ways in which anti-displacement policies like rent stabilization protections can be strengthened through passage of complementary policies.

#### TIMELINE

- October 2015: The City of Portland, Oregon declares a <u>citywide "housing</u> <u>emergency"</u> due to double-digit rental increases and extremely low vacancy rates (approximately 3% in the fourth quarter of 2015).
- **February 2017:** Portland passes "Ordinance No. 1882919," making it mandatory for landlords and property owners to provide relocation assistance to tenants who are involuntarily displaced from

their residences. The law is passed as a temporary emergency protection with an expiration date of October 2017.

- October 2017: The Portland City Council votes to extend the relocation law by six months, giving the Portland Housing Bureau, as well as the Multnomah County Joint Office of Homelessness Services, time to craft a more permanent law and decide when the city's emergency housing declaration can end.
- March 2018: Portland establishes permanent relocation assistance for tenants through passage of "<u>Ordinance No.</u> <u>188849</u>."
- February 2019: The Oregon state legislature passes "Senate Bill 608," which caps rental increases at 7% plus the change in the yearly Consumer Price Index.
- July 2023: Senate Bill 608 is updated through "<u>Senate Bill 611</u>," which caps rental increases at 10%.

#### PORTLAND'S RENTAL LANDSCAPE

Housing has been out of reach for many renters in Portland, Oregon for years. Over the last decade, rapid population growth and a shortage of affordable and available housing options for the lowest-income renters resulted in skyrocketing rents, increasing housing instability across the city. From 2012 to 2016, for example, the city saw rental prices increase by an average of 30%, with rents for some units increasing as much as 18% in a single year. In 2015, rents across the city rose as much as 9%, increasing rental prices by around \$100 more per month on average. As a result, during this period Portland renters experienced some of the highest rental increases of any U.S. city. At the same time, the number of affordable and available housing units in the city dwindled, with the shortage growing to approximately 23,000 units. By the fourth quarter of 2015, the city was reporting a 2.4% apartment vacancy rate, and by 2016, more than half (52%) of renter households in the city were "cost-burdened," or paying more than 30% of their monthly income towards rent.

Portland is home to a great number of renters. Its <u>State of Housing Report</u> for 2016 found that 45% of all occupied housing units in the city were inhabited by renters, with the majority of all rental housing units occupied by renter households of color. Relatedly, the report found that 70% of the city's Black residents, 68% of Latino residents, and 67% of Native American residents were renters, while 45% of white residents and 43% of Asian residents were renters.

Concerns over the risks of increased tenant displacement and homelessness led lawmakers in October 2015 to officially declare a year-long "State of Emergency on Housing and Homelessness" through passage of "<u>Or-</u> <u>dinance No. 187371</u>." Ratified by Portland "Portland is home to a great number of renters. Its State of Housing Report for 2016 found that 45% of all occupied housing units in the city were inhabited by renters, with the majority of all rental housing units occupied by renter households of color."

Mayor Charlie Hales, the measure sought to address barriers to increasing the city's affordable housing supply while also confronting the rise in homelessness, including by amending zoning codes and making funding available to homelessness services in the city. Indeed, as rental affordability worsened, homelessness in the city had grown more and more dire, revealing deep connections between the two crises, evidenced by the 2015 Point-in-Time count for Portland, which found that 33% of people experiencing homelessness were <u>reported</u> as having been unsheltered for less than six months.

However, even while recognizing the city's rental crisis and taking steps to respond to increased homelessness, the emergency declaration did not include tangible policy levers for addressing the rise in rental prices and their impact on renter households. For these reasons, Portland City Commissioner Dan Saltzman introduced in October 2015 "Ordinance No. 187380" as a "first-step" tenant protection measure. The bill, which went into effect in November of the same year, required landlords to give tenants 90-days' notice both for any eviction for no cause and for rent increases greater than 5% over a 12-month period.

Yet despite these measures, the city's rental unaffordability crisis persisted. By December 2016, rental prices in Portland had <u>increased</u> by another 7%.

#### PASSAGE OF RELOCATION ASSISTANCE IN PORTLAND

In January 2017, City Commissioner Chloe Eudaly and the new mayor, Ted Wheeler, introduced a new measure, "Ordinance No. 188219." Known as the "Tenant Relocation Ordinance," the measure's purpose was to protect tenants against the impacts of rising rental costs. Under the ordinance, which was supported by tenant advocacy organizations such as Portland Tenants United and the Community Alliance of Tenants, landlords and property owners were required to provide tenants with relocation assistance (or "relo") when tenants received a (1) nocause eviction; (2) qualified landlord-based reason for lease termination; (3) substantial change in their lease terms; or (4) refusal by the landlord to renew their lease. The law defined a range of relocation assistance amounts that could be awarded to tenants if they were displaced due to one of the qualifying reasons. Under the law, tenants residing in a studio or single room unit were to receive \$2,900 in assistance, while tenants in a one-bedroom unit received \$3,300, tenants in a two-bedroom received \$4,200, and tenants in a three-bedroom unit received \$4,500. The ordinance also underscored the impact of rental fees on tenants, drawing attention to the ways that fees – including security deposit fees, application fees, fees associated with moving, and other related fees – were especially burdensome to tenants who were suddenly forced to relocate to find and secure new housing.

Though the city's relocation assistance law was first passed as a temporary protection effective for only six months, in October 2017 the ordinance was extended by the Portland City Council to allow the protections to remain in place for another six months. Finally, the City Council voted to permanently codify the protection into law by passing "Ordinance No. 188849" in March 2018. Introduced by Mayor Wheeler, Ordinance No. 188849 amended city statute 30.01.085 and was passed under the city's "Portland Renter Additional Protections" laws. In addition to permanently establishing relocation assistance, Ordinance No. 188849 removed an exemption that excluded renters of single-family homes from coverage. The ordinance went into effect as an emergency measure, protecting tenants immediately upon passage.

Passage of both the temporary and permanent measures owed much to the advocacy of tenants and local organizations. From the beginning, tenants and tenant advocates threw their support behind the relocation assistance protections passed in Portland. Portland Tenants United (PTU), a member-led tenants' union working to mitigate the impacts of forced displacement brought on by no-cause evictions and unjustifiable rent increases, was a major supporter of the original relocation assistance bill put forth by City Commissioner Eudaly. PTU mobilized its supporters by holding renter town halls, arranging for tenants to attend city council meetings and display signs and flyers, and connecting with tenants and educating them on the importance of relocation assistance laws through digital media and blog posts. After it had been passed, PTU organizer Alli Sayre drew attention to the qualitative impact of the bill, noting that the relocation ordinance worked "almost immediately" to stabilize rental costs.

But the law also had an unintended consequence: landlords aiming to avoid paying relocation assistance were incentivized to keep rents under the 10% threshold that would trigger the assistance requirement. Thus, in practice, the relocation assistance law also worked as a rent stabilization measure, offering tenants a degree of relief against rising rental costs. Indeed, in 2019, a quantitative analysis of Portland's relocation assistance law found that of the 544 relocation assistance payments made to tenants, only 30 had been the consequence of a rental increase.

#### PASSAGE OF STATEWIDE RENT STABILIZATION IN OREGON

The local advocacy efforts undertaken in Portland to establish relocation assistance also set in motion a push to enact rent stabilization protections at the state level. Once rent stabilization was passed by the state, both laws worked in tandem to protect Portland tenants against rising rental costs.

The Community Alliance of Tenants (CAT), which advocated for city-level relocation assistance protections in Portland, provided crucial support for enacting rent stabilization protections at the state-level. CAT is a statewide, grassroots, tenant-led organization working to uplift low-income tenants through organizing, education, development, and leadership opportunities. Staff from CAT spoke at City Council meetings to persuade lawmakers to pass stronger tenant protections, especially relocation assistance, rent stabilization, and protections against no-cause evictions. The group also organized tenants to speak at City Council meetings, with testimony from both landlords and tenants running as long as five hours. As far back as 2015, CAT had also launched a #RenterStateofEmergency campaign in Portland to advocate for a moratorium on no-cause evictions and a cap on annual rent increases above 5%. Meanwhile, CAT worked in coordination with SEIU-Oregon, the Oregon Housing Alliance, and the Oregon Law Center at the state level to create the Stable Homes for Oregon Families Coalition and advocate for passage of rent stabilization and other renter protections.

Finally, after a years-long campaign, advocates convinced state lawmakers to pass "Senate Bill 608" in 2019. As originally passed, the law included a rent stabilization measure that capped rent increases at 7% plus the rate of inflation as determined by the Consumer Price Index (CPI). The bill also established just cause eviction protections regulating the circumstances under which a landlord can evict a tenant. (More information about the law can be found in a previous SLI project <u>case study</u>.)

In 2023, lawmakers updated Senate Bill 608 by passing "<u>Senate Bill 611</u>," which instituted a cap of either 10% or 7% plus the rate of inflation as determined by the CPI, whichever is less. Under the updated law, rent increases are permissible only once in a 12-month period, and the law applies to tenants only after their first year of occupancy and never to tenants with week-to-week tenancies. What's more, the measure only applies to tenants living in buildings that are 15 years old or older.

Senate Bill 611 sets out specific notice requirements to which landlords and property owners must adhere. For all tenants aside from those with week-to-week tenancies, landlords and property owners must provide at least 90-days' notice prior to the effective date of any new rent increase, as well as (1) the amount of the new rental increase; (2) the amount of the new rent; and (3) the date on which the rent increase will become effective.

#### HOW PORTLAND'S RELOCATION ASSISTANCE LAW AND OREGON'S RENT STABILIZATION LAW WORK TOGETHER TO STABILIZE RENTS

Portland's relocation assistance law provided a critical protection for tenants in Portland facing egregious rent hikes even before the state passed rent stabilization legislation two years later. Together, the two laws work in tandem to ensure that Portland tenants are not priced out of their homes and that tenants in the city who face rental hikes can access support as they seek out new housing opportunities.

For example, following the passage of Senate Bill 608, the allowable rental increase in the state for 2019 was 10.3%. Because Portland's relocation assistance law mandated that rental increases of 10% or higher would trigger relocation assistance support, Portland tenants whose rents climbed by more than 10% were entitled to a financial safeguard through the relocation assistance law, while at the same time their rents – and the rents of tenants throughout the state – were capped at 10.3% that year.

#### IMPLEMENTATION AND ENFORCEMENT

Administrative rules embedded in Portland's relocation assistance law through Section 30.01.085 note that landlords and property owners who fail to comply with the law <u>may</u> <u>be responsible</u> for paying a tenant up to three times the tenant's monthly rent as well as damages, reasonable attorney fees and

costs, and the original relocation assistance amount. Implementation of the law is overseen by the Portland Housing Bureau.

Under the state's rent stabilization protection, rent caps are established by the Office of Economic Analysis, and landlords and property owners who <u>violate</u> the law must compensate tenants covered by the law in the amount of three months' rent plus damages suffered by the tenant.

#### STRENGTHENING RENT STABILIZA-TION IN OREGON

Since passage of Senate Bill 608, additional efforts have been taken at the state level to strengthen rent stabilization. In 2023, Oregon State Senator WInsvey Campos (District 18), introduced "Senate Bill 611" in the state's legislature. The bill, which was signed into law in July 2023, capped rental increases at 7%, plus the 12-month average change in the Consumer Price Index for All Urban Consumers in the West Region, or 10%, whichever was lower.

Speaking of the rent stabilization bill's beneficial impact for tenants, Donovan Scribes, the communications director at CAT, notes that "the rent stabilization law has been an important safeguard [against] the unaffordability crisis in Oregon. Before the pandemic, CAT had declared a Renters' State of Emergency because of the squeeze that was being put on renters across the state. Four years after the pandemic, we are seeing rents skyrocketing, and as a result high rent homelessness following. With costs out of control – from the grocery store, to childcare, to the gas pump – it should not feel like a luxury to maintain stable housing. Last year, CAT successfully advocated to lower the rent stabilization equation after record inflation saw max hikes go up to as much as 14.6%. Together, with our partners at Stable Homes for Oregon Families we got the max limit down to 10%. Without this change, the max hike on tenants would have been 12.3%, equating in tens of thousands of dollars more for Oregonians to be shelling out to remain in their homes each year."

Even so, tenant advocates at CAT note that the state's rent stabilization law could be improved in certain ways. According to Scribes, "Loopholes remain. The current limit only applies to units that are more than 15-yearsold. That means huge swaths of Oregonians continue to be vulnerable to unlimited, predatory hikes year-after-year. This must stop."

For more information on rent stabilization laws and protections, download NLIHC's Rent Stabilization Toolkit <u>here</u>.

# Looking for more information?

Please visit the NLIHC Tenant Protections Website.







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