

A RESOLUTION

25-448

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

March 5, 2024

To declare the existence of an emergency with respect to the need to amend the Rental Housing Act of 1985 to limit the adjustment of general applicability of the rent charged in rent stabilized units.

RESOLVED, BY THE COUNCIL DISTRICT OF COLUMBIA, That this resolution may be cited as the “Rent Stabilized Housing Inflation Protection Continuation Emergency Declaration Resolution of 2024”.

Sec. 2. (a) Under the Rental Housing Act of 1985, annual rent increases for units in certain older buildings are limited to inflation as measured by the Consumer Price Index for Urban Wage Earners and Clerical Workers plus an additional 2% and as approved by the Rental Housing Commission in the District.

(b) In January 2020, the Rental Housing Commission approved an increase of 3.0% for May 1, 2020 through April 30, 2021, for rent stabilized units.

(c) In March 2020, the Council of the District of Columbia voted to suspend rent increases of any amount in the wake of the COVID-19 pandemic, including rent increases in rent stabilized units.

(d) In January 2021, the Rental Housing Commission approved a 3.0% increase for rent stabilized units, though Council’s prohibition on rent increases remained in effect.

(e) On December 31, 2021, Council lifted the prohibition on rent increases, allowing landlords to give 30 days’ notice to tenants of proposed rent increases that could begin no sooner than February 1, 2022, and that, in rent stabilized units, could result in a maximum increase of 3.0%, per the Rental Housing Commission’s approved rate.

(f) In January 2022, the Rental Housing Commission approved a 6.2% overall increase to rents, which was in effect from May 1, 2022 through April 30, 2023.

(g) In January 2023, the Rental Housing Commission approved an 8.9% overall increase to rents in rent stabilized units, which took effect on May 1, 2023, resulting in a total increase to rents of 15.1% over 2 years and 18.1% over 3 years.

(h) Under District law, landlords must provide at least 30 days’ notice of a rent increase to tenants in rent stabilized units and may only issue a notice of an increase once during a 12-month period at any time throughout the year.

**ENROLLED ORIGINAL**

(i) Except for tenants who qualify, apply for, and receive a maximum 5% increase in rent because they are elderly or a person with a disability, tenants subject to last year's maximum 8.9% increase faced the highest rental increase in the history of the District's rent stabilization program by more than 1.0%; the next highest increase was 7.6% and occurred over 30 years ago in 1990.

(j) While landlords expressed concerns about the impact of rising maintenance and business expenses on their ability to serve their tenants and maintain their businesses, tenant advocates and tenants also raised serious concerns that an 8.9% increase would have contributed to significant hardship for many of the households living in the over 70,000 rent stabilized units in the District and may have led to the displacement of residents with lower incomes.

(k) In response, in June 2023, the Council unanimously passed the Rent Stabilized Housing Inflation Protection Amendment Act of 2023 and the Rent Stabilized Housing Inflation Protection Temporary Amendment Act of 2023, to mitigate this displacement risk and preserve the District's affordable housing stock.

(l) The June 2023 legislation set a 4% annual cap in rent between July 1, 2023, and June 30, 2025, for units occupied by residents who are elderly or who have a disability, or for units that are co-leased by a home and community-based services waiver, and the legislation set a 6% cap for all other rent stabilized units.

(m) The June 2023 legislation also set 8% and 12% cumulative caps, respectively, between May 1, 2023, and April 30, 2025, to support tenants who already faced the 5% or 8.9% increase between May 1, 2023, and June 30, 2023.

(n) Since the June 2023 legislation's passage, the Rental Housing Commission and the Office of the Tenant Advocate have made recommendations to the Council to ensure successful implementation of the law. Accordingly, this version of the emergency and temporary legislation adjusts the 2-year end dates from June 30, 2025, through April 30, 2025, to align with the cycle of allowable increases approved by the Rental Housing Commission. Tenants will still receive the cumulative 2-year protection under this adjustment.

(o) The existing temporary legislation will expire on April 4, 2024. The emergency legislation, and the temporary legislation, is necessary to ensure that tenants and the District's affordable housing stock are still protected by the annual cap and the 2-year cumulative cap.

Sec. 3. The Council determines that the circumstances enumerated in section 2 constitute emergency circumstances making it necessary that the Rent Stabilized Housing Inflation Protection Continuation Emergency Amendment Act of 2024 be adopted after a single reading.

Sec. 4. This resolution shall take effect immediately.