



Angela D. Alsobrooks  
County Executive



# Prince George's County **Rent Stabilization** Working Group Meeting Three

October 18, 2023 | 1-2pm | virtual



**Prince George's County formed the Rent Stabilization Workgroup to study and make recommendations for a permanent rent stabilization bill.**

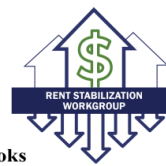


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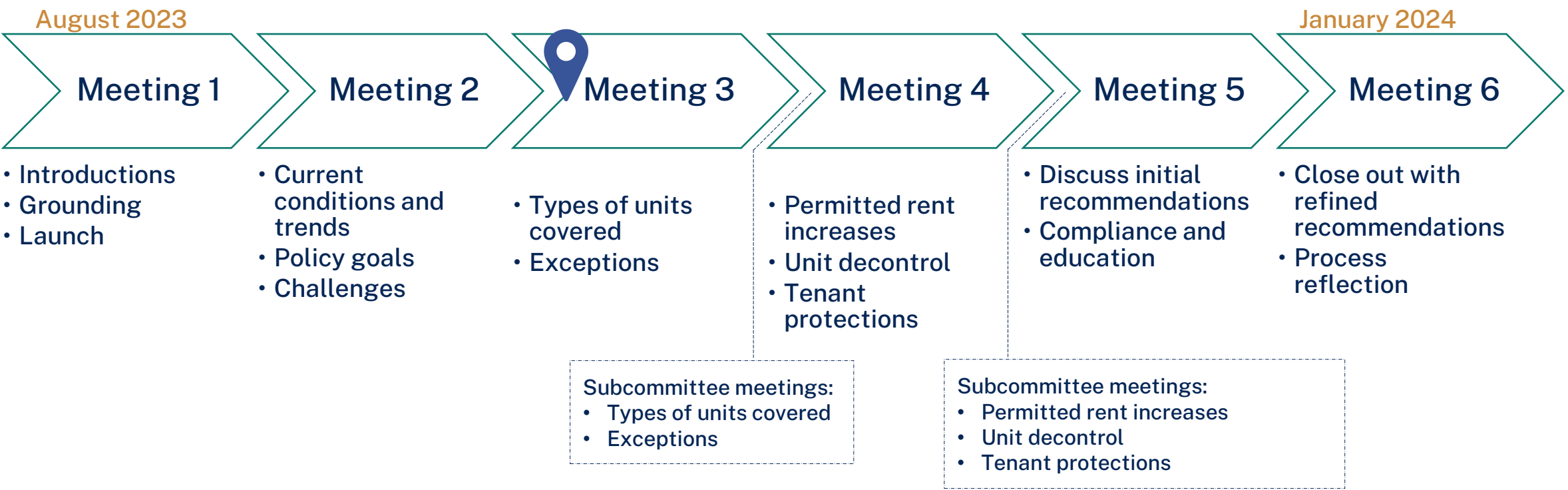


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# Where We Are Today

Prince George's County Rent Stabilization Working Group





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# Ground Rules

for engaging as a collaborative working group

Be present  
with us

Respect  
each other

Respect the  
group

Listen in  
good faith

Speak *your*  
truth

Give *and*  
take space

Remember  
to breathe

Name harm  
and ask for  
clarification

# Agenda

- 01 DISCUSSION: RENTAL  
MARKET CONDITIONS &  
POLICY GOALS
- 02 COVERED AND  
EXEMPTED UNITS
- 03 EXCEPTIONS
- 04 NEXT STEPS



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# Recap of Rental Market Conditions and Goals

## Current conditions

- Average market rental costs have consistently grown over the past decade in Prince George's County, with a sharp uptick in 2021
- The number of cost-burdened renter households in Prince George's County has increased in the last decade
- Renters are much more likely to have very low incomes

## Policy goal

- Increase housing stability for renters, especially those who are most vulnerable to being priced out of their homes

## A successful rent stabilization policy

- Mitigates tenant displacement
- Ensures rental housing stock is maintained and managed well
- Supports increased supply of quality rental housing units

How do these resonate? Is there any additional nuance you would like to add?



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# Rent Stabilization Policy Components

Permitted rent increases	<ul style="list-style-type: none"><li>• Greatest rent rate or increase in rent</li><li>• How jurisdictions determine rent increases</li></ul>
Types of housing covered	<ul style="list-style-type: none"><li>• What housing is protected by the rent stabilization policy</li><li>• What housing is not protected by the rent stabilization policy</li></ul>
Unit decontrol	<ul style="list-style-type: none"><li>• How units might become unregulated</li></ul>
Exceptions	<ul style="list-style-type: none"><li>• Increases permitted to owners in specific circumstances (e.g., capital improvements needed)</li></ul>
Tenant protections	<ul style="list-style-type: none"><li>• Policies to mitigate evictions and/or tenant harassment directly</li></ul>

1	Included and exempted rental units
2	Allowable rent increases
3	Exceptions for landlords
4	Decontrol
5	Related tenant Protections

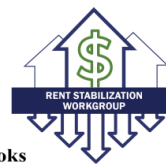


It is essential that policymakers consider these policy components as **an interrelated bundle** rather than five independent policy choices





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# Refresher on Subcommittee Structure

Full working group meetings	Research findings & updates, including case studies
	All member discussions
	Focus group report outs
	Convene monthly
Subcommittees	Deeper dives into the policy components
	Responsible for reporting out key considerations & recommendations
	Each group will meet once during process

- 1. Permitted rent increases
- 2. Types of units covered
- 3. Exceptions
- 4. Unit decontrol
- 5. Tenant protections



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# UNITS/PROPERTIES COVERED AND EXEMPTED

# What units/properties are covered by a rent stabilization policy?

When jurisdictions enact rent stabilization policies, they determine the universe of units/properties that will be subject to the policy. Commonly used factors include:

- Size
  - Size of the property
  - Size of the property owner's portfolio
- Age
  - Grace period for new developments
  - Duration of mortgage
  - Exempt all properties built after a certain date
- Dedicated/committed affordable units
  - Affordability period
  - Entire property or units alone
- Owner-occupied
- Location
- Ownership model
  - Co-ops



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# EXCEPTIONS

# When are property owners/managers granted temporary exceptions to the policy?

Policymakers recognize that there are certain circumstances when exceptions are appropriate

- Significant capital improvements
  - Health and safety
  - Other quality of life improvements
- Substantial rehabilitations
- Fair return
  - Relative to net operation income
  - Relative to rate of return
- Rent banking
  - In between tenants
  - End of lease
- Requesting an exception
  - Landlord petitions to administering agency
  - Voluntary agreements – tenant approval



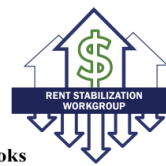
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# LOOKING AHEAD



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# Where We Are Going

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