### 2024 -- H 7891

LC003532

## STATE OF RHODE ISLAND

### IN GENERAL ASSEMBLY

#### **JANUARY SESSION, A.D. 2024**

### AN ACT

#### RELATING TO PROPERTY -- RENT CONTROL IN THE CITY OF PROVIDENCE

<u>Introduced By:</u> Representative Enrique George Sanchez

Date Introduced: March 04, 2024

Referred To: House Municipal Government & Housing

It is enacted by the General Assembly as follows:

SECTION	1. Findings and purpose.
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The general assembly finds and declares that a serious state of emergency exists in the City of Providence ("the city") with respect to housing, whereby there is an inadequate supply of low cost rental housing; that, further action to protect residents from exorbitant rent increases and evictions is necessary to address serious threats to the public health, safety and general welfare, including housing insecurity, rent burden, homelessness, and displacement, and further finds that a rent control ordinance will address the most egregious rent increases.

SECTION 2. Title 34 of the General Laws entitled "PROPERTY" is hereby amended by adding thereto the following chapter:

10 <u>CHAPTER 18.3</u>

# RENT CONTROL IN THE CITY OF PROVIDENCE

### 12 <u>34-18.3-1. Power for local rent control.</u>

(a) The city of Providence may, by ordinance, establish regulations to control the rent in multi-family housing by taking into account, among other things: a city rental registry, clean hands eviction, clear avenues to report a landlord, allowing tenants to place rent into escrow for longstanding violations, public nuisance charges for outstanding violations, no building permits for outstanding violations, relocation assistance paid by landlord, good landlord incentive programs, minor child tenancies, student/non student tenancies, vacancy control, tenant petition or a landlord-

19 tenant complaint.

I	(b) The city of Providence may provide for reasonable exemptions from such rent control
2	ordinances. This section shall not apply to the following types of residential properties or residential
3	circumstances:
4	(1) Properties with six (6) or fewer dwelling units in which one of the dwelling units is the
5	owner's principal residence.
6	(2) Units in hotels, motels, or other facilities occupied by transient guests.
7	(3) Housing accommodations in a nonprofit hospital, religious facility, extended care
8	facility, or licensed residential care facility for the elderly.
9	(4) Dormitories owned and operated by an institution of higher education.
10	(5) Dwelling units in which the tenant shares bathroom or kitchen facilities with the owner
11	who maintains their principal residence at the residential real property.
12	(6) Dwelling units for which the permanent certificate of occupancy is less than fifteen (15)
13	years old and were created as a result of:
14	(i) Ground up new construction;
15	(ii) A physical addition to an existing residential building; or
16	(iii) Conversion from another use to residential.
17	(7) Dwelling units where the tenant pays a set percentage of their income to rent, either
18	because they hold a voucher, the unit is public housing, the unit has a project-based voucher, or
19	where applicable federal or state law or administrative regulations specifically exempt them from
20	rent control regulations.
21	(c) The city, on an annual basis, may set an annual maximum percentage rent increase for
22	rental units covered by this section, based on the rent affordability index. For purposes of this
23	section "rent affordability index" means a price index for housing rental markets, based on a clear
24	and concise indicator of rental affordability relative to household incomes.
25	(d) For rental dwelling units covered by this section, an owner shall not, over the course of
26	any twelve (12) month period, increase the gross rental rate for more than the percentage allowed
27	in subsection (b) of this section, times the lowest gross rental rate charged for that tenant at any
28	time during the twelve (12) months prior to the effective date of the increase.
29	(e) For a new tenancy in which no tenant from the prior tenancy remains in lawful
30	possession of the dwelling unit, the owner may establish the initial rental rate not subject to this
31	section. This section is only applicable to subsequent increases after that initial rental rate has been
32	established.
33	(f) The city may provide for fair return standards for the regulation of rent, which may
34	include, but are not limited to, changes to permissible rental rates based upon certain maintenance

1	and cupital costs and ruple increases in property taxes.
2	(g) The city may set tenant notification and rental registration requirements as necessary to
3	effectuate this section.
4	(h) The city may establish or designate an administrator or board to promulgate regulations
5	pursuant to this section and govern local rent control.
6	34-18.3-2. Just cause eviction protection.
7	The provisions of this section shall be applicable to all housing accommodations in the city
8	of Providence; provided however, that the city may provide for exemptions from the provisions of
9	this section and any such exemption shall be included in an ordinance adopted by the city. The city
10	may, by ordinance, provide that an owner shall not recover possession of a leased unit within a
11	residential dwelling unit unless the housing court finds that:
12	(1) The tenant has failed to pay the rent to which the owner is entitled;
13	(2) The tenant has violated an obligation or covenant of the tenant's tenancy not
14	inconsistent with chapter 18 of title 34, or this section, or the rules and regulations issued pursuant
15	thereto, other than the obligation to surrender possession upon proper notice; and the tenant has
16	failed to cure such violation after having received written notice thereof from the owner;
17	(3) The tenant is committing or permitting to exist a nuisance in or is causing substantial
18	damage to the leased unit, or is creating a substantial interference with the comfort, safety or
19	enjoyment of the owner or other occupants of the same or any adjacent accommodations;
20	(4) The tenant has used or permitted a leased unit to be used for any illegal purposes;
21	(5) The tenant, who had a written lease agreement which terminated or is a tenant at will,
22	has refused, after written request or demand by the owner, to execute a written extension or renewal
23	thereof or lease for a further term of like duration, at a rental rate that does not exceed the percentage
24	set by the city of Providence, in accordance with this chapter and the ordinance enacted as a result
25	of this chapter;
26	(6) The tenant has refused the owner reasonable access to the unit for the purpose of making
27	necessary repairs or improvements required by the laws of the state or the city of Providence, or
28	for the purpose of inspection as permitted or required by such tenant's lease agreement or by law,
29	or for the purpose of showing the leased unit to any prospective purchaser or mortgagee;
30	(7) The person holding at the end of a lease term is a subtenant not approved by the owner;
31	(8) The owner seeks in good faith to recover possession of a leased unit for the owner's
32	personal use and occupancy or for the use and occupancy by the owner's spouse, children,
33	grandchildren, great-grandchildren, parents, grandparents, brother, sister, father-in-law, mother-in-
34	law son-in-law or daughter-in-law and has provided the tenant with notice and a relocation

1	payment as established by the city by ordinance, or
2	(9) The owner seeks to recover possession for any other just cause; provided that, the
3	owner's purpose is not in conflict with the provisions and purposes of chapter 18 of title 34 or this
4	section.
5	34-18.3-3. Condominium and cooperative conversions.
6	The city of Providence may, by ordinance, regulate the conversion of residential dwellings
7	to condominiums or cooperatives. Such ordinance may include tenant notification requirements,
8	relocation plans, tenant relocation payments, permits, permit fees, and exemptions. Notification
9	requirements and relocation payments may vary based on income, age, and disability.
10	34-18.3-4. Demolitions and substantial renovations.
11	The city of Providence may, by ordinance, create requirements for tenant notification
12	requirements, relocation plans, and tenant relocation payments where an owner is seeking to
13	demolish or substantially renovate a property that requires a tenant to move. Notification
14	requirements and relocation payments may vary based on income, age, and disability.
15	<u>34-18.3-5. Severability.</u>
16	The determination or declaration that any provision of this chapter is beyond the authority
17	of the general assembly or is preempted by law, rule or regulation shall not affect the validity or
18	enforceability of any other provisions.
19	SECTION 3. This act shall take effect upon passage.
	======= LC003532

# EXPLANATION

## BY THE LEGISLATIVE COUNCIL

OF

# AN ACT

## RELATING TO PROPERTY -- RENT CONTROL IN THE CITY OF PROVIDENCE

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This act would authorize the city of Providence to adopt rent control ordinances subject to
certain exemptions.

This act would take effect upon passage.

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