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Insights

# Orange County Commissioners Approve Rent Stabilization Measure for November Ballot

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At its August 9, 2022 meeting, the Orange County Board of County Commissioners narrowly voted 4-3 in favor of placing a Rent Stabilization Ordinance on the November ballot. Commissioner Bonilla, Commissioner Gomez Cordero, Commissioner Uribe and Commissioner Wilson voted in favor of advancing the question of rent control to Orange County voters. Mayor Demings, Commissioner Moore and Commissioner Siplin voted against the measure.

The proposed Rent Stabilization Ordinance would prevent residential landlords from increasing unit rent in excess of the Consumer Price Index for a period of 12 months. The Ordinance would also require landlords to submit registration statements to the County's Planning Department to ensure compliance.

The following types of units would be exempt from the Rent Stabilization Ordinance:

- Seasonal or tourist units;
- Second housing units (including accessory dwelling units);
- Units located in a "luxury apartment building", as defined in Florida Statutes §125.0103(4)
- Units located in single-family homes, townhomes, condominiums, or mobile homes (including mobile home lot rents);
- Units owned, operated or managed by a government agency;
- Units located in a cooperative apartment occupied by a holder of a proprietary lease;
- Units located in a disability facility, hospital, nursing home, assisted care community or other health care facility;
- Units for which the landlord receives federal, state or local housing subsidies;
- Units currently under rent control by virtue of local, state or federal housing subsidy;

- And new rental units that receive a Certificate of Occupancy on or after the effective date of the Ordinance.

Accordingly, the Ordinance appears to target only existing multifamily apartment buildings that are not considered "luxury apartment buildings". Florida Statutes §125.0103(4) defines a "luxury apartment building" as "one wherein on January 1, 1977, the aggregate rent due on a monthly basis from all dwelling units as stated in leases or rent lists existing on that date divided by the number of dwelling units exceeds $250". Adjusting for inflation, that $250 figure is equivalent to approximately $1,222 in today's dollars.

Under the Rent Stabilization Ordinance, landlords would also be able to request exceptions to the limitation on rent increases based on the opportunity to receive a "fair and reasonable return on investment." The Ordinance outlines certain factors would be considered by the County when deciding whether to grant such a request including increases or decreases in property taxes, unavoidable increases or any decreases in maintenance and operating expenses, and the substantial deterioration of a rental unit as a result of normal wear and tear.

The Rental Stabilization Ordinance now heads to the November 8th ballot allowing Orange County voters to vote on whether to enact the proposed rent control measure.