

THE PEOPLE'S PLATFORM FOR A JUST PHILADELPHIA

RENT CONTROL

THE PROBLEM

- **Rents in Philadelphia are rising, causing the city to become increasingly unaffordable for its lowest income residents, displacing communities of color, and creating a growing affordability and renter crisis, while corporate landlords profit.**
- Philadelphia had the fourth largest rent increase between 2014-2017. During this same time, Philadelphia had the highest poverty rate out of the ten largest US cities, holding steady at approximately 26%, significantly higher than the national average.
- In 2017, 53.6% of Philly renters were cost-burdened, meaning they pay more than 30 percent of their monthly income on rent, and 31.6% of Philly renters were *severely* cost-burdened, meaning they spent more than 50% of their income on rent. These numbers were significantly higher for the most economically vulnerable. Nearly all (87.9%) of households earning less than \$20,000 were rent burdened, and 73.8% were severely rent burdened, leaving them little money for other necessities.
- According to the National Low Income Housing Coalition, **a minimum wage worker would have to work 111 hours a week** in order to afford a one bedroom apartment in Philadelphia and earn \$41,880 annually to not pay over 30% of their income in rent.
- With over 10,000 evictions, **Philadelphia had the fourth highest number of evictions** among major US cities in 2016. The Mayor's Taskforce on Eviction Prevention and Response estimates that 9.3% of renters experience forced moves--the second highest proportion among major metropolitan areas. Women of color with children, low-income renters, black households, people with disabilities, and households with children are disproportionately evicted. Low-income, predominantly Black neighborhoods experience the highest rates of eviction filings.
- Due to a politically powerful national and local real estate industry, there are **currently no meaningful protections against rent increases and eviction** in most places across the country, including Philadelphia.

OUR SOLUTION

Rent control protections for vulnerable renters: a system of tenant and rent protections that can curb the crisis of evictions, displacement, and affordability and protect tenants from profiteering landlords, providing immediate relief to renters and able to be implemented with little to no cost to the City. Rent control is thus the fastest and most cost effective policy solution to address Philadelphia's housing crisis. Rent Control policies should have the following three components:

- **Restricted Rents:** In market rate apartments, landlords can charge whatever the market might hold, often putting undue burdens on renters and leading to economic displacement as neighborhoods gentrify and rents increase. Rent Control does not mean that rents are frozen in place, but that a regulatory apparatus determines what rent increases should be based on conditions in the housing market, including and not limited to landlord costs, tenants' incomes, utility costs, and vacancy rates. Rent Control provides a reasonable process to determine rent increases, rather than landlords having full control.
- **Tenants Bill of Rights:** For low-income Philadelphians making 30% median annual income or less, we need a Tenants Bill of Rights that includes such key protections as: requiring a lease; limiting security deposit payments to one month; increased standards for conditions and services, such as those regarding mold and lead; requiring disclosure of critical information to tenants upon rental; requiring receipts for rental payments; more equitable eviction procedures; ensuring the right to organize; requiring relocation assistance; additional anti-discrimination protections; and ensuring the right to first refusal.
- **Just Cause Eviction Protections:** Without just cause eviction protections, tenants' leases can be not renewed for no reason, leading to deep instability and insecurity for tenants. With Rent Control, tenants have guaranteed lease renewal unless they violate the terms of their lease, providing security and stability and helping tenants put down roots. Where there are just cause protections and no rent restrictions, landlords will often raise rent at the end of the lease renewal, leading to economic displacement. While Philadelphia's Good Cause legislation is a great first step, these protections need to be expanded to all tenants, not just those with a lease of less than one year, and to ensure that tenants have Right to Counsel through eviction procedures.
- **Process for Improved Conditions and Services from Landlords:** Many low and moderate income tenants live in housing that has not been cared for by the landlord and are afraid to ask for improved conditions because it could lead to eviction or retaliation. When tenants have the protections to ask for what they deserve, they can organize and ask for improvements to the housing stock. There are also Rent Control systems where tenants are able to withhold rent when landlords let buildings and apartment fall into disrepair.

CITY COUNCIL ACTION

- Pass a rent control ordinance with the four components outlined above.
- Include an oversight mechanism for the rent control ordinance in the budget.
- Introduce and pass legislation that legally supports counsel for tenants in court when facing eviction.
- Introduce and pass anti-retaliation legislation that protects tenants from retaliation from slumlords who do not adhere to License & Inspections and other city agency regulations and codes that protect the health of tenants.

