

1. Require that tenants be provided an opportunity to purchase a multi-family building if the owner decides to sell

Purpose – In 2020, the Virginia General Assembly extended the right of manufactured home park residents to provide an offer to the park owner within 60 days of receiving notice of the park owner’s intent to sell (HB 1249). The park owner is obliged to consider any offer received during the 60-day period from any entity demonstrating that it represents at least 25% of the existing tenants with a valid lease. Extending the same protection and opportunity to multi-family rental property tenants would provide additional protection from redevelopment, displacement, and housing insecurity. Similar protections are currently provided to residents in DC.

Recommendation – Virginia should require housing providers who intend to sell a multi-family building to notify the Department of Housing and Community Development—which would place the information on its website within five business days of receipt—and consider additional offers to purchase the multi-family building made by an entity that provides documentation that it represents at least 25 percent of the tenants with a valid lease in the building at the time any such offer is made within the 60-day period.

2. Establish local government authority to prevent rent gouging for multi-family properties

Purpose – Arlington is becoming increasingly unaffordable for renters. Tenants throughout the county frequently cite rising rent costs as a reason they struggle to remain in the community. While expenses for landlords typically increase year-to-year (i.e., rising property taxes and other expenses), the lack of any limits on rent gouging incentivizes speculative behavior that forces low- and moderate-income renters out of the county. With the increased economic pressures related to Amazon’s HQ2 and an influx of wealthy residents, our low- and moderate-income residents are increasingly at risk as a minority of property owners inflate rents with little regard for the housing security of existing tenants. Similar protections are currently provided for residents in California, Oregon, New York, New Jersey, Maryland, and DC.

Recommendation – Virginia should allow local governments to establish a process for setting limits on rent increases to prevent rent gouging each year. To ensure that the law targets gouging and not reasonable rent increases, the law should provide a floor below which localities cannot limit rent increases (i.e., indexed to inflation). Local governments would establish a process for housing providers to request approval to raise rents above the anti-gouging levels set by the local government to account for extraordinary repair, renovation, or other atypical expenses. Additionally, local governments would have the authority to limit housing providers to raising rent once per year.

3. Establishment of Virginia Rental Assistance Program (Adopted by the TLC in 2019)

Purpose – In 2016, the Center on Budget and Policy Priorities found that “for every assisted household in Virginia, twice as many low-income households are homeless or pay more than half their income for rent and do not receive any federal rental assistance due to limited funding.” While 103,000 households in the state receive rental assistance, over 250,000 households pay more than half their income in rent and receive no assistance. Renters in Arlington and elsewhere in the state could benefit from a state-wide rental assistance program.

Recommendation – Virginia should make the COVID-19 Rent and Mortgage Relief Program permanent or create a state-wide rental assistance program to ensure that rent-burdened and severely rent-burdened residents receive support to afford decent housing. Funding through the state program should be available for either tenant-based vouchers or project-based rental assistance.

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