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ORDINANCE NO. 2022-_____

AN ORDINANCE RELATED TO RENT STABILIZATION IN ORANGE COUNTY; ENACTING A NEW ARTICLE XIII, DIVISION 2 OF THE ORANGE COUNTY CODE OF ORDINANCES (“CODE”), SECTION 25-380 THROUGH SECTION 25-449; PROVIDING A SHORT TITLE AND LEGISLATIVE FINDINGS AND PURPOSE; LIMITING RENT INCREASES FOR CERTAIN RENTAL UNITS IN MULTIFAMILY STRUCTURES FOR A PERIOD OF ONE (1) YEAR; REQUIRING CERTAIN RESIDENTIAL LANDLORDS TO SUBMIT A RENTAL UNIT REGISTRATION STATEMENT; PROVIDING PENALTIES FOR VIOLATION; CALLING FOR A REFERENDUM; PROVIDING BALLOT LANGUAGE; REQUIRING PUBLIC NOTICE OF SUCH REFERENDUM; PROVIDING THAT THE RENT STABILIZATION ORDINANCE WILL TAKE EFFECT ONLY UPON APPROVAL BY THE ELECTORATE; PROVIDING FOR REPEAL OF LAWS IN CONFLICT; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, there are approximately 584,000 total housing units in Orange County of which 230,000 are occupied by renters, and according to the 2020 census, Orange County has seen an approximate 25% increase in population since 2010—from approximately 1.15 million people to approximately 1.43 million people; and

WHEREAS, there is a shortage of dwelling houses and apartments in Orange County, Florida needed to house the current and growing population; and

WHEREAS, because of the current shortage of housing, the vacancy rate for housing is low; and

WHEREAS, tenants displaced as a result of their inability to pay increasing rents must relocate, but are unable to find decent, safe, and sanitary housing at affordable rent levels; and

WHEREAS, some tenants attempt to pay the requested rent increases, but as a consequence must expend less on other necessities of life; and

WHEREAS, this situation has had a detrimental effect on a substantial number of renters in Orange County creating hardships on senior citizens, persons on fixed incomes, and low and moderate-income households; and

WHEREAS, a housing emergency so grave as to constitute a serious menace to the general public exists in fact in Orange County; and

46 **WHEREAS**, it is necessary and proper to regulate rents to eliminate such grave housing
48 emergency.

50 BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF ORANGE
COUNTY, FLORIDA:

52 **Section 1. Recitals.** The recitals set forth above are hereby adopted and incorporated
into the body of this ordinance as if fully set forth herein.

54 **Section 2. Enactment of New Chapter 25, Article XIII, Division 2.** A new Rent
Stabilization Ordinance, to be codified at Chapter 25, Article XIII, Division 2 of the Code, Section
56 25-380 through Section 25-449, is hereby enacted to read as follows:

58 **CHAPTER 25. LICENSES, TAXATION AND
MISCELLANEOUS BUSINESS REGULATIONS**

* * *

60 **ARTICLE XIII. RESIDENTIAL TENANCIES**

* * *

62 **DIVISION 2. RENT STABILIZATION**

64 **Section 25-380. Short Title and Scope.**

66 This division shall be known and may be cited to as the
68 “Rent Stabilization Ordinance.” The Rent Stabilization Ordinance
shall be effective in both the incorporated and unincorporated areas
within Orange County.

70 **Section 25-381. Legislative Findings and Purpose.**

72 (a) Section 125.0103, Florida Statutes (the “Statute”), provides that
74 ordinances which would have the effect of imposing controls on
rents may be adopted when it is found and determined that such
76 controls are necessary and proper to eliminate an existing
housing emergency which is so grave as to constitute a serious
78 menace to the general public; and

- 80 (b) The Statute authorizes a county to duly adopt an ordinance
which would have the effect of imposing controls on rents when
82 the governing body makes and recites in such ordinance its
findings establishing the existence in fact of a housing
84 emergency so grave as to constitute a serious menace to the
general public and that such controls are necessary and proper
86 to eliminate such grave housing emergency; and
- 88 (c) There is a shortage, scarcity, and insufficient supply of dwelling
houses and apartments in Orange County, Florida. Relative to
90 population, national production of housing units has declined
from approximately 0.82 homes per person in the 1970s to
92 approximately 0.45 homes per person in 2019. In Orange
County, there is a shortage of as many as 26,500 housing units
94 relative to the County's need; and
- 96 (d) According to the 2020 census, Orange County has seen an
approximate 25% increase in population since 2010—from
98 approximately 1.15 million people to approximately 1.43
million people; and
- 100 (e) There are approximately 584,000 total housing units in Orange
County, of which 230,000 are occupied by renters; and
102
- 104 (f) The shortage of housing is further evidenced by the low vacancy
rate for rental properties in Orange County which reached 5.2%
106 in 2021—the lowest on record since at least the year 2000; and
- 108 (g) Inflation, housing prices, and rental rates in Orange County are
increasing, accelerating, and spiraling. The Consumer Price
110 Index for All Urban Consumers in the South was 9.2% from
May 2021 to May 2022. The median existing home sales price
112 in Orange County was \$275,000 in May 2020 and \$392,500 in
May 2022 which represents a 43% increase. Asking rent per unit
114 in the County was \$1,357 in 2020 and \$1,697 in 2021 which
represents a 25% year-over-year increase—the highest increase
116 since 2006 when it was 6.7%; and
- 118 (h) The housing conditions have resulted in widespread distress
among Orange County residents. It is estimated that 80.3% of
120 households earning at or below the Average Median Income
(AMI) in Orange County are considered “cost burdened” which
122 the U.S. Department of Housing and Urban Development
defines to include households who pay more than thirty-percent
(30%) of their income for housing and may have difficulty

124 affording necessities such as food, clothing, transportation, and
126 medical care; and

126 (i) The widespread distress in housing conditions is further
128 evidenced as Orange County residents were awarded more funds
130 from the State of Florida’s Emergency Rental Assistance
132 Program 1 (“Emergency Program”) than any other county in the
134 state. The Emergency Program has since ended while the
136 County’s housing conditions continue to worsen; and

134 (j) Orange County was in a housing crisis prior to the COVID-19
136 pandemic. In May 2018, Central Florida’s interjurisdictional
138 Regional Affordable Housing Initiative said, “National and
140 regional home prices and rents are pushing well above historic
142 limits when compared to income and affordability. The situation
144 has passed the point of concern and is now a crisis.” The housing
146 crisis has worsened since the COVID-19 pandemic; and

142 (k) Tenancies are being terminated and eviction rates are increasing.
144 For the first half of 2022, there have been 6,970 eviction case
146 filings, which is a 70.1% increase over the same period in 2021;
148 and

146 (l) The findings made and recited in this ordinance establish the
148 existence in fact of a housing emergency so grave as to constitute
150 a serious menace to the general public; and

150 (m) The Orange County Board of County Commissioners finds that
152 this grave housing emergency cannot be dealt with effectively
154 by the ordinary operations of the private rental housing market.
156 In jurisdictions in Florida comparable to Orange County that do
158 not have rent stabilization measures in place, rent increases
160 continue to spiral. For example, in Hillsborough County, Duval
162 County, and Broward County, the year-over-year asking rent has
164 increased by over 20%; and

160 (n) Jurisdictions with rent stabilization measures in effect and
162 otherwise comparable to Orange County have been successful
164 in protecting tenants by establishing limits on rent increases
166 while still providing landlords with a fair and reasonable return
168 on their investment. For example, in California, Alameda
 County and Sacramento County contain rent control measures
 and have limited their year-over-year asking rent increases to
 approximately 5%-10% despite low vacancy rates; and

170 (o) The Board finds that a rent stabilization measure is necessary
and proper to eliminate the County’s housing emergency which
172 is so grave as to constitute a serious menace to the general
public.

174 The purpose of this Rent Stabilization Ordinance is to
provide stability and certainty for tenants in the rental market, as
176 necessary and proper to eliminate the grave housing emergency,
while also providing landlords with the opportunity to receive a fair
178 and reasonable return on their investment.

180 ***Section 25-382. Authority.***

182 Pursuant to Section 125.0103, Florida Statutes, the Orange
County Board of County Commissioners is authorized to adopt this
184 necessary and proper Rent Stabilization Ordinance to eliminate the
existing housing emergency which is so grave as to constitute a
186 serious menace to the general public.

188 ***Section 25-383. Definitions.***

190 For the purposes of this Rent Stabilization Ordinance, the
following definitions shall apply:

192 (a) *Board* or *BCC* shall mean the Board of County Commissioners
194 of Orange County, Florida.

196 (b) *Change of occupancy* shall mean a change in the occupation of
the rental unit from one tenant to another tenant.

198 (c) *Consumer Price Index* or *CPI* shall mean the most recent 12-
200 month average percentage change in the Consumer Price Index
for All Urban Consumers, South Region (All Items), as
202 published by the Bureau of Labor Statistics of the United States
Department of Labor, which, by way of example, was 9.8% from
204 June 2021 to June 2022.

206 (d) *County* shall mean Orange County, Florida.

208 (e) *Department* shall mean Orange County’s Planning,
Environmental and Development Services Department (or such
210 successor division or department designated by the County).

212 (f) *Dwelling unit* shall mean:

- 214 (1) A structure or part of a structure that is rented for use as a
216 home, residence, or sleeping place by one person or by two
or more persons who maintain a common household.
- 218 (2) A mobile home rented by a tenant.
- 220 (3) A structure or part of a structure that is furnished, with or
222 without rent, as an incident of employment for use as a
home, residence, or sleeping place by one or more persons.
- 224 (g) *Grave housing emergency* shall mean the housing emergency so
226 grave as to constitute a serious menace to the general public as
found to exist in the County by the Board as recited in this Rent
228 Stabilization Ordinance in accordance with Section 125.0103,
Florida Statutes.
- 230 (h) *Housing services* shall include, but are not limited to,
232 maintaining roofs, windows, doors, floors, steps, porches,
exterior walls, foundations, and all other structural components
234 in good repair and capable of resisting normal forces and loads,
and maintaining the plumbing in reasonable working condition,
236 and ensuring that screens are installed in a reasonable condition,
and any other benefit, privilege, or facility connected with the
238 use or occupancy of any rental unit pursuant to applicable state
and local law, building, housing, and health codes, and rental
240 agreements, and, by way of example, mail, vehicle parking
spaces, storage, and use of common areas and/or recreational
242 facilities and all other amenities held out for use by tenants.
- 244 (i) *Landlord* shall mean the owner or lessor of a residential rental
unit.
- 246 (j) *Ordinance* shall mean the Rent Stabilization Ordinance.
- 248 (k) *Rent* shall mean the periodic payments due the landlord from the
250 tenant for occupancy under a rental agreement and any other
payments due the landlord from the tenant as may be designated
252 as rent in a written rental agreement. Rent shall include fees
required by the landlord for a tenant's access to and use of
254 mandatory housing services. Rent does not include user fees for
housing services that may be utilized at the option of the tenant
256 or utility charges for those rental units that are billed separately.

258 (l) *Rental Agreement* shall mean any written agreement, including
amendments or addenda, or oral agreement for a duration of less
260 than 1 year, providing for use and occupancy of premises.

262 (m) *Residential rental unit* or *rental unit* shall mean any dwelling
unit, or portion of a dwelling unit, that is located in a multifamily
264 structure containing a total of four (4) or more dwelling units
that are rented or otherwise made available for rent for
266 residential use or occupancy, together with all housing services
connected with the use or occupancy of such property.

268 (n) *State* shall mean the State of Florida.

270 (o) *Tenancy* shall mean the right of entitlement of a tenant to use or
occupy a residential rental unit under the terms of a rental
272 agreement.

274 (p) *Tenant* shall mean any person entitled to occupy a residential
rental unit under a rental agreement.

276 ***Section 25-384. Limitations on rent increases.***

278 (a) No landlord shall demand, charge, or accept from a tenant a rent
280 increase for a residential rental unit more than once in a 12-
month period.

282 (b) No landlord shall demand, charge, or accept from a tenant a rent
284 increase that is in excess of the Consumer Price Index of the
existing rent for any residential rental unit except as otherwise
286 allowed under section 25-388 of this ordinance.

288 ***Section 25-385. Minimum housing services.***

290 No landlord shall refuse to provide any housing services that
were agreed upon by the landlord and tenant as of this ordinance's
292 effective date.

294 ***Section 25-386. Vacancy.***

296 The limitations on the amount of annual rent shall apply
regardless of change of occupancy in a residential rental unit except
298 as otherwise allowed under section 25-388 of this ordinance.

300 ***Section 25-387. Rental unit registration statement.***

- 302 (a) At the Department's request, a landlord shall submit a
304 registration statement to the Department with information
306 related to the landlord's residential rental units to ensure
308 compliance with this ordinance. The landlord shall submit the
310 registration statement within a timeframe specified by the
312 Department and on forms approved by the Department.
- (b) The Department may require a landlord to submit the following
314 information as part of the registration statement required by this
316 section:
- 318 (1) Current and previous rental amounts charged for one or more
320 residential rental units, and the date of the last rent increase
322 for said rental unit(s);
 - 324 (2) The name, address, and telephone number of the landlord for
326 each applicable residential rental unit(s);
 - 328 (3) The name and mailing address of applicable tenants or rental
330 units including any building or unit identification number or
332 other description, as applicable;
 - 334 (4) A description of the housing services provided by the
336 landlord to each applicable tenant or for each applicable
338 rental unit;
 - 340 (5) Move-in and vacancy dates for each applicable tenant or
342 applicable rental unit; and
 - 344 (6) Any other relevant information requested by the Department
346 which may include, but is not limited to, rental agreements
and other supporting documentation evidencing the
accuracy of the information contained in the landlord's
registration statement.
- (c) Landlords shall retain copies of all rental agreements and other
supporting documentation necessary to comply with this section
for a minimum period of two (2) years.
- (d) Landlords shall submit corrections to a registration statement to
the Department within ten (10) days of discovering any errors in
the information contained in the registration statement.
- (e) Failure to submit a complete, timely, and accurate registration
statement, or corrections to a registration statement, in

348 accordance with this section shall be considered a violation of
349 this ordinance and subject to the penalties contained in section
350 25-390 of this ordinance.

352 ***Section 25-388. Fair and reasonable return on investment.***

353 (a) The Board shall adopt a resolution with rules establishing a
354 process by which landlords can request exceptions to the
355 limitations on rent increases based on the opportunity to receive
356 a fair and reasonable return on investment. Rationale for
357 deviations from the limitation on rent increases must consider
358 the following factors:

- 360 (1) Increases or decreases in property taxes;
- 362 (2) Unavoidable increases or any decreases in maintenance and
363 operating expenses;
- 364 (3) The cost of planned or completed capital improvements to
365 the rental unit (as distinguished from ordinary repair,
366 replacement and maintenance) where such capital
367 improvements are necessary to bring the property into
368 compliance or maintain compliance with applicable
369 building, housing, or health codes, and where such capital
370 improvement costs are properly amortized over the life of
371 the improvement;
- 372 (4) Increases or decreases in the number of tenants occupying
373 the rental unit, living space, furniture, furnishings,
374 equipment, or other housing services provided, or occupancy
375 rules;
- 376 (5) Substantial deterioration of the rental unit other than as a
377 result of normal wear and tear;
- 378 (6) Inability of the landlord to provide adequate housing
379 services, or to comply substantially with applicable state and
380 local laws, building, housing, or health codes, or the rental
381 agreement; and
- 382 (7) The pattern of recent rent increases or decreases.

383 (b) It is the intent of this ordinance that exceptions to the limitations
384 on rent increases be made only when the landlord demonstrates
385

392 that such adjustments are necessary to provide the landlord with
a fair and reasonable return on investment.

394 (c) The County will not grant an exception to the limitations on rent
increases for any residential rental unit where the landlord has
396 failed to bring the rental unit into compliance with applicable
state and local laws and building, housing, and health codes.

398 ***Section 25-389. Exemptions.***

400 This Rent Stabilization Ordinance shall not apply to any
402 residential rental units expressly exempt pursuant to any provision
of state or federal law, and such units shall be exempt from the
404 provisions of this ordinance. The following units are also
specifically exempt from this ordinance:

406 (a) Rental units used or offered for residential purposes as a
408 seasonal or tourist unit pursuant to Section 125.0103(4), Florida
Statutes, which include units located in a hotel, motel, or other
410 similar establishment where units are rented primarily to
transient guests;

412 (b) Units used or offered for residential purposes as a second
414 housing unit pursuant to Section 125.0103(4), Florida Statutes,
which include accessory dwelling units;

416 (c) Rentals units located in a luxury apartment building pursuant to
418 Section 125.0103(4), Florida Statutes, which, for the purposes
of this section, shall mean one wherein on January 1, 1977, the
420 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
422 number of dwelling units exceeds \$250;

424 (d) Dwelling units located in a single-family home, townhome,
condominium, or mobile home, and mobile home lot rents as
426 preempted by Chapter 723, Florida Statutes;

428 (e) Rental units that a governmental agency or authority owns,
operates, or otherwise manages;

430 (f) Dwelling units located in a cooperative apartment occupied by a
432 holder of a proprietary lease;

- 434 (g) Dwelling units located in a disability facility, hospital, nursing
436 home, assisted care community, or other health care facility
licensed under Chapter 393, 395, 400, or 429, Florida Statutes;
- 438 (h) Rental units for which the landlord receives federal, state, or
440 local housing subsidies including, but not limited to, federal
housing assistance vouchers issued under Section 8 of the
442 United States Housing Act of 1937 (42 U.S.C. Sec. 1437f);
- 444 (i) Rental units that are currently under rent control by virtue of
local, state or federal housing subsidy; and
- 446 (j) New rental units that have received a Certificate of Occupancy
448 on or after the effective date of this ordinance.

Section 25-390. Enforcement, penalties, and prohibitions.

450 (a) *Enforcement.* This ordinance may be enforced by code
452 enforcement officers, including county and municipal code
454 enforcement officers, and any law enforcement agency having
jurisdiction of the area within which the rental unit at issue is
456 located pursuant to Section 125.69 and Chapter 162, Florida
Statutes, or any applicable municipal code enforcement
458 provision.

(b) *Penalties for violation.*

460 (1) Violations of this ordinance may be prosecuted in the same
462 manner as misdemeanors and result in a fine not to exceed
464 five hundred dollars (\$500.00) or by imprisonment in the
county jail for a term not exceeding sixty (60) days, or by
466 both such fine and imprisonment, in accordance with Section
125.69, Florida Statutes, and Section 1-9 of the Orange
County Code.

468 (2) Notwithstanding any other provision of this ordinance, the
470 county may impose civil fines through its code enforcement
board or special magistrate or issue civil citations through its
472 code enforcement citation program for violations of this
ordinance. Such fines or citations shall be enforced in
474 amounts as provided for and authorized by Chapter 162,
Florida Statutes, and Chapter 11, Orange County Code.

476 i. Fines imposed by the code enforcement board or special
478 magistrate may be for amounts not to exceed one

480 thousand dollars (\$1,000) per day for a first violation and
482 five thousand dollars (\$5,000) per day for a repeat
484 violation. However, if the code enforcement board or
special magistrate finds a violation to be irreparable or
irreversible in nature, it may impose a fine not to exceed
fifteen thousand dollars (\$15,000) per violation.

486 ii. Citations issued pursuant to the county's code
488 enforcement citation program for violations of this
490 ordinance shall be classified as a Class III violation and
subject to a fine as provided in Section 11-67 of the
Orange County Code.

492 (c) *Private right of action.*

494 (1) Any tenant aggrieved by a landlord's noncompliance with
496 this ordinance may seek relief in a court of competent
498 jurisdiction provided that such action is filed within two (2)
years of the alleged violation.

500 (2) In a private civil action filed under this ordinance, the court
502 may issue an order prohibiting the unlawful practice and
504 providing affirmative relief from the effects of the practice,
including equitable relief, temporary restraining order,
actual and punitive damages, reasonable attorney's fees,
interest, costs, or other relief, upon a finding that a violation
of this ordinance has occurred or is about to occur.

506 (d) *Prohibition of waiver.* Any lease provision which waives or
508 purports to waive any right, benefit, or entitlement created in this
ordinance shall be deemed void and of no lawful force or effect.

510 ***Sections 25-391 – 25-449. Reserved.***

512 ***Section 3. Referendum Called.*** A referendum election is hereby called and ordered to
514 be held in Orange County at the time of the next general election to be held on November 8, 2022,
to determine whether the Rent Stabilization Ordinance is approved by the voters.

516 ***Section 4. Notice of Referendum.*** Pursuant to Section 100.342, Florida Statutes, a
Notice of Referendum shall be published twice in the *Orlando Sentinel*, a newspaper of general

518 circulation in the County. The publications shall occur once in the fifth week and once in the third
week prior to the week which includes November 8, 2022.

520 **Section 5. Official Ballot.** Ballots to be used in the referendum shall contain a
statement of the description of the proposed issue in substantially the following form:

Rent Stabilization Ordinance to
Limit Rent Increase for Certain
Residential Rental Units

Shall the Orange County Rent Stabilization Ordinance, which
limits rent increases for certain residential rental units in
multifamily structures to the Consumer Price Index, and
requires the County to create a process for landlords to request
an exception to the limitation on the rent increase based on an
opportunity to receive a fair and reasonable return on
investment, be approved for a period of one year?

522

Section 6. Spanish Translation. The above ballot question shall additionally appear
524 on the ballot in Spanish and the County Attorney and Supervisor of Elections are requested to
authorize, and directed to prepare, an accurate Spanish translation to be included on the ballot.

526 **Section 7. Payment of Referendum Expenses.** The Board authorizes the payment of
lawful expenses associated with conducting the referendum, as well as the cost of providing
528 information as permitted by Section 106.113, Florida Statutes. The Orange County Comptroller
is hereby authorized and directed to disburse the funds necessary to pay such expenses.

530 **Section 8. Repeal of Laws in Conflict.** All local laws and ordinances in conflict with
any provision of this ordinance are hereby repealed to the extent of such conflict.

532 **Section 9. Severability.** If any section, subsection, sentence, clause, or provision of this
 ordinance or the application thereof to any person or circumstance is held invalid for any reason,
 534 the invalidity shall not affect any other provision or application of this ordinance, and to this end
 the provisions of this ordinance are declared severable.

536 **Section 10. Effective Date.** This ordinance shall take effect pursuant to general law.
 However, Section 2 of this ordinance, Rent Stabilization Ordinance, shall take effect only if and
 538 when approved by a majority of the voters voting in the referendum called by the Board of County
 Commissioners of Orange County, Florida in Section 3 of this ordinance. In accordance with
 540 Section 125.0103(3), Florida Statutes, the Rent Stabilization Ordinance approved pursuant to this
 ordinance shall terminate and expire one (1) year after this ordinance’s effective date and shall not
 542 be extended or renewed except by the adoption of a new ordinance meeting all the requirements
 of Florida Statutes.

544 ADOPTED THIS ____ DAY OF _____, 20__.

548 ORANGE COUNTY, FLORIDA
 By: Board of County Commissioners

550 By: _____
 552 Jerry L. Demings
 Orange County Mayor

554 ATTEST: Phil Diamond, CPA, County Comptroller
 556 As Clerk of the Board of County Commissioners

558 By: _____
 Deputy Clerk

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