

# City of Providence

STATE OF RHODE ISLAND

## No. CHAPTER

### AN ORDINANCE AMENDING CHAPTER 13 “HOUSING”, OF THE CODE OF ORDINANCES OF THE CITY OF PROVIDENCE, TO ADD THE NEXT APPROPRIATE ARTICLE, “THE PROVIDENCE RENT STABILIZATION ACT”

*Now Therefore, Be it ordained by the City of Providence:*

**Section 1.** Chapter 13, “Housing,” of the Code of Ordinances of the City of Providence is hereby amended to add the next appropriate article, “The Providence Rent Stabilization Act,” as follows:

#### **Sec. 13-69. Definitions.**

The following terms shall have the meanings ascribed to them below. Words and phrases not defined herein shall be construed according to their ordinary meaning and consistent with the remedial purposes of this article.

*Adverse Action* means any act or omission by a landlord intended to penalize, intimidate, or deter a tenant from exercising rights under this article, including but not limited to rent increases, service reductions, eviction notices, or threats thereof.

*Base Rent* means the lawful and verifiable rent established pursuant to Sec. 13-71(a), documented in accordance with procedures adopted by the Board. After the effective date of this article, Base Rent means the most recent lawful rent established under Sec. 13-71(a), exclusive of any Standard Increase or other adjustments permitted under this article.

*Board* means the Residential Rent Regulation Board established in Sec. 13-82, including its authority to hear petitions and exceptions, adjudicate tenant complaints, and promulgate regulations under this article.

*Capital Improvement* means substantial work that materially extends the useful life of the property or major building systems, or adapts the property to new uses, as distinguished from ordinary maintenance, repairs, cosmetic work, or work required by law to remedy code violations. The Board shall adopt regulations further defining capital improvements and establishing evidentiary requirements for cost verification.

*Complaint* means a written or oral statement filed by a tenant, household, or tenant union alleging a violation of this article, including misapplication of formulaic increases or discretionary adjustments.

*Covered Unit* means any dwelling unit not exempt under Sec. 13-78, whether or not the unit is lawfully registered or licensed.

*Dwelling Unit* means any room or group of rooms within a housing accommodation forming a single, independent habitable space used or intended for residential occupancy.

*Executive Director* means the chief administrative officer of the Residential Rent Regulation Board, as provided in Sec. 13-85.

*Fair Return* means a return sufficient to maintain the property in decent and habitable condition, cover reasonable operating expenses and debt service, recover the cost of capital improvements over their useful life, and provide a reasonable profit, such that the regulation does not constitute a taking without just

compensation. The Board shall determine fair return on a case-by-case basis in accordance with Sec. 13-74.

*Household* means one or more individuals who occupy a dwelling unit as their primary residence, whether or not all occupants are named on the rental agreement.

*Housing Accommodation* means any building, structure, or portion thereof occupied or intended for occupancy as the residence of one or more persons, including appurtenant land, parking, and common areas.

*Housing Provider* means any landlord, owner, agent, manager, or person receiving or entitled to receive rent for the use or occupancy of a rental unit.

*Landlord* means an owner, lessor, sublessor, or any person acting as agent or representative thereof, as defined in R.I.G.L. § 34-18-11(7), including managers and entities that directly or indirectly receive rent or benefit from the tenancy.

*New Construction* means a dwelling unit that has been newly built or created through lawful conversion or adaptive reuse of a nonresidential structure, measured from the date a certificate of occupancy is first issued for residential use. New construction does not include additions to existing residential buildings or subdivision of existing dwelling units.

*Owner* means any person who alone or jointly has legal title to a dwelling or controls its operation as trustee, executor, or agent, consistent with R.I.G.L. § 34-18-11(10).

*Petition* means a formal request filed with the Board by a landlord or tenant seeking a rent adjustment, exception, or other determination under this article.

*Principal Residence* means the dwelling unit where a person maintains their primary home and resides for at least 185 days per calendar year, demonstrated by voter registration, tax filing address, or other reliable indicia of permanent occupancy.

*Removed from the rental market* means a period during which a dwelling unit is not offered for rent or occupancy in exchange for payment, including periods of owner occupancy, use by immediate family, short-term rental use, vacancy for repair or renovation, or any other non-rental use. A unit is considered removed from the rental market when it is not offered for rent for a continuous period of at least ninety (90) days. The Board may adopt procedures to implement this definition and determine when a unit reenters the rental market.

*Rent* means all consideration, monetary or otherwise, paid by or on behalf of a tenant to a landlord for the use or occupancy of a rental unit, including fees, surcharges, or other payments required as a condition of tenancy.

*Rental Agreement* means any agreement, written or oral, embodying the terms of a tenancy, including all addenda, rules, and regulations, as defined in R.I.G.L. § 34-18-11(14).

*Rental Unit* means any part of a housing accommodation rented or offered for rent for residential occupancy, including apartments, rooms, or single-family homes, together with all housing services, unless exempt under Sec. 13-78.

*Retaliation* means any Adverse Action taken in response to a tenant's exercise of rights under this article or applicable law, including the acts described in Sec. 13-77.

*Standard Increase* means the maximum annual rent increase permitted under Sec. 13-71(b), calculated as four percent (4%) of the current lawful rent.

*Tenant* means any person entitled by written or oral agreement, by sufferance, or otherwise, to occupy a rental unit, including lawful occupants, subtenants, and members of a tenant household.

*Tenant Union* means any group of tenants who organize collectively to advocate for housing rights, whether formally incorporated or informally organized, including those registered with the Board under Sec. 13-76(f).

*Utilities* means electric, gas, oil, water, and sewer services provided to or used by a rental unit, whether billed separately or included in rent, including adjustments for shifts from landlord-paid to tenant-paid as described in Sec. 13-71(c).

### **Sec. 13-70. Legislative Findings, Purpose, Applicability, and Administration.**

(a) **Legislative Findings.** The City Council finds that:

1. Housing stability is fundamental to the well-being of Providence residents and that rental housing represents a large share of the City's overall housing stock.
2. Rents in Providence and the surrounding region have risen sharply in recent years, and for many households these increases have outpaced income growth.
3. These conditions have created instability in the rental market, producing higher mobility pressures, inconsistencies in the way rent adjustments are applied, and obstacles to long-term planning for both tenants and property owners.
4. The absence of clear, uniform standards for rent adjustments has resulted in a patchwork of practices that has made administration more difficult and clouded the City's ability to understand or respond to broader market conditions.
5. A defined and technically administered system for setting rent adjustments is necessary to bring greater steadiness to the rental market and to give both landlords and tenants a more predictable environment.
6. A fair return framework provides a workable method that protects tenants from unreasonable increases while ensuring that property owners receive a return sufficient to maintain their properties as required under the Takings Clause of the United States Constitution.

(b) **Purpose and Intent.** The purpose of this article is to bring greater steadiness to Providence's rental housing market by establishing clear and workable standards for permissible rent adjustments. These standards are intended to give both tenants and property owners a more reliable foundation for planning and to reduce unnecessary swings in rent levels.

This article also sets out a structured process for determining lawful rent levels and for addressing disputes that may arise. Its procedures are designed to advance the City's interest in housing stability while ensuring that property owners receive a fair and legally adequate return.

This article is adopted under the City's home rule authority and its police powers to protect the public. It should be interpreted in a manner that advances these purposes and supports a regulatory system that is transparent, durable, and capable of adapting as market conditions evolve.

(c) **Applicability.** This article applies to all rental dwelling units in the City except as expressly exempted in Sec. 13-78. Coverage shall be construed broadly to ensure the protections of this article are effective and enforceable. All dwelling units not expressly exempt under Sec. 13-78 shall be considered covered units. Compliance with unrelated municipal requirements does not relieve landlords of obligations under this article.

(d) **Administration.** The provisions of this article shall be administered and enforced by the Residential Rent Regulation Board established in Sec. 13-82. The Board, through its Executive Director and staff, shall have full authority to implement, interpret, and enforce this article, adopt necessary administrative procedures, forms, and standards, and delegate tasks for efficient operation. These administrative powers are essential to the stability, predictability, and fairness of the City's rental housing market.

### **Sec. 13-71. Permitted annual rent and utility increases.**

(a) **Base Rent.** The base rent for each covered dwelling unit shall be the lawful and verifiable rent established in accordance with this section and with procedures adopted by the Board. The Executive Director shall administer this subsection, including the verification of documentation and issuance of initial determinations.

Base rent is established as follows:

1. Existing units: For units not exempt under Sec. 13-78, the base rent is the lawful rent charged 180 days prior to the effective date of this article, as demonstrated by a written lease, rent receipt, or other documentation provided by the landlord, the tenant, or both, and subject to verification by the Executive Director as needed.
2. Newly constructed units: For units exempt under Sec. 13-78 (j), the base rent is the lawful rent in effect on the date the exemption expires, documented and verified in accordance with Board procedures.
3. Units reentering the market after removal: For a unit that has been removed from the rental market and later offered for rent, the base rent shall be the last lawful rent charged immediately prior to removal, adjusted only by one Standard Increase regardless of the duration of removal. The landlord shall bear the burden of demonstrating the last lawful rent through documentation that meets the evidentiary standards adopted by the Board. If no such documentation is provided, the Executive Director shall establish the base rent in accordance with Board procedures. Upon petition by the landlord, the Board may authorize a limited adjustment to the base rent where it finds, based on substantial evidence, that strict application of this subsection would be unreasonable or confiscatory due to extraordinary circumstances, including prolonged removal from the rental market combined with substantial rehabilitation, change in lawful use, or other factors materially affecting the unit's habitability or economic viability. Any adjustment shall be no greater than necessary to avoid such result and shall be supported by written findings.

All documentation used to establish base rent must comply with the evidentiary standards adopted by the Board. No vacancy-related increase shall be permitted except as provided in this section.

(b) **Standard Increase.** Except as otherwise provided in this article, no landlord shall increase the rent for a covered dwelling unit by more than four percent (4.0%) in any twelve-month period measured from the date of the last lawful rent adjustment. This limitation applies to all covered units not exempted under Sec. 13-78. The Standard Increase is the maximum rent increase a landlord may impose without filing a petition under Sec. 13-74.

The Executive Director shall maintain a record of applicable rent adjustments and provide guidance or verification as needed to ensure compliance with this section.

**(c) Utilities.**

1. **Utilities Included in Rent:** If any utility is included in the base rent, that utility shall be treated as part of the rent and subject to all rent increase limitations under this article. Landlords may not impose separate surcharges or pass-throughs for utilities included in base rent.
2. **Utilities Separately Billed:** If a utility is not included in the base rent, the tenant may be charged only the actual, direct cost billed by the utility provider, with no surcharges, administrative fees, or markups, except as expressly provided by law.
3. **Shifting a Utility from Landlord-Paid to Tenant-Paid:** A landlord may not shift responsibility for a utility from landlord-paid to tenant-paid unless: (a) the base rent is reduced by the documented amount the landlord previously paid for that utility; and (b) the shift complies with all applicable state laws and regulations.
4. **Disclosure Requirement:** At the commencement of a tenancy and upon renewal, the landlord shall provide a written statement specifying which utilities are included in rent and which are billed separately.
5. **Administration:** The Rent Board shall adopt regulations, forms, and procedures to implement this subsection.

**(d) Frequency of and Timing Increase.** A landlord may impose no more than one rent increase per unit in any twelve-month period. An increase may take effect only on the rental agreement anniversary date.

If a tenancy has no current written rental agreement or if the anniversary date cannot be reliably established, the anniversary date shall be deemed to be the date the tenant first occupied the unit, or if that date cannot be established, January 1 of each year. The Board may adopt supplemental rules to address cases not covered by this default rule.

No rent increase may be imposed within the first twelve months of a tenancy or during any tenancy of less than one year

**(e) Housing Standards Compliance.** No rent increase shall be permitted for any unit not in full compliance with Chapter 13, Article II of the Code of Ordinances, R.I.G.L. §34-18-22, or R.I.G.L. §42-128.1-8.

**Sec. 13-72. Vacancy control; Increases After Repairs and Improvements.**

**(a) Successive Tenancies / Vacancy Control.** When a new tenant occupies a unit, the base rent shall be the prior lawful rent. If a unit has been vacant, the landlord may apply one Standard Increase for the period of vacancy, regardless of the vacancy's duration. No additional vacancy-related increase is permitted except as otherwise permitted in Sec. 13-71 (a).

**(b) Repairs and Improvements Without Vacancy.** If a landlord temporarily vacates a unit to perform repairs or improvements, any resulting rent adjustment shall be determined solely in accordance with this article. Improvements may be considered by the Board as part of a petition for an above-standard increase under Sec. 13-74.

**(c) Major Renovations and Reconfigurations.**

1. **Petition for Increases Due to Major Work:** When a landlord undertakes major renovation or reconfiguration of a unit, the landlord may petition the Board for a rent increase pursuant to Sec. 13-74. In evaluating such a petition, the Board may consider floor-area changes, substantial upgrades, code-required improvements, increases in operable housing services, and any other relevant factors as determined by the Board.
2. **Consolidation of Units:** If two or more units are consolidated into a single dwelling unit, the resulting unit shall remain subject to this article. Any rent increase resulting from the consolidation shall be granted only through a petition filed under Sec. 13-74. No new base rent shall be established by virtue of consolidation.
3. **Newly Created Units (Subdivision or Addition):** When a dwelling unit is newly created through legal construction, conversion, subdivision, or addition, the landlord shall register the unit with the Board. The initial base rent for a newly created unit shall be the first lawful rent charged to a tenant after issuance of a certificate of occupancy, subject to Board review for reasonableness and compliance with this article. Thereafter, the unit shall be fully regulated under this article.

(d) **Number of Occupants.** Nothing in this section permits a landlord to increase rent due solely to a change in the number of occupants. Such increases are prohibited unless expressly permitted under state law. A landlord may petition the Board under Sec. 13-74 for documented increases in utility or service costs directly attributable to additional occupants.

(e) **Definitions and Regulations.** The Rent Board may adopt regulations and definitions necessary to implement this section, including but not limited to the classification of minor improvements, major improvements, substantial rehabilitation, and reconfiguration, and the procedures for evaluating related rent adjustment petitions.

### **Sec. 13-73. Property Tax Adjustment.**

(a) **General Rule.** If property taxes assessed on a property containing a covered unit increase by more than five percent (5%) in a single tax year, the landlord may increase rent to recover a portion of the tax increase as provided in this section. This adjustment is formulaic and does not require a petition to the Board, provided the conditions of this section are met.

(b) **Calculation.** The landlord may increase rent by an amount equal to fifty percent (50%) of the documented tax increase above the five percent (5%) threshold. The adjustment shall be allocated among covered units by dividing the total allowable adjustment by the aggregate monthly rent of all covered units in the property, and multiplying that quotient by each unit's monthly rent.

(c) **Cap.** Any rent increase under this section, when combined with the Standard Increase imposed in the same twelve-month period, shall not exceed ten percent (10%) of the base rent. If the combined increase would exceed ten percent (10%), the landlord must file a petition under Sec. 13-74 for Board approval of the excess.

(d) **Documentation and Notice.** The landlord shall provide the Executive Director and affected tenants with documentation of the tax increase, the calculation of the adjustment, and the effective date of the increase, in accordance with procedures adopted by the Board. The Executive Director shall verify the calculation and may reject any adjustment that does not comply with this section. If the Executive Director rejects an adjustment, the landlord may appeal to the Board within thirty (30) days for de novo review.

(e) **Tenant Appeal.** A tenant may appeal the landlord's property tax adjustment to the Board within thirty (30) days of notice. The Board may reduce or deny the adjustment if it finds:

1. The claimed tax increase did not occur, was miscalculated, or was not supported by the documentation required under subsection (d); or
2. The tax increase resulted from the landlord's successful appeal of an assessment reduction in a prior year, where the current increase represents restoration to the previously assessed value; or
3. The tax increase is attributable to a change in property use initiated by the landlord (e.g., conversion from residential to mixed-use).

Increases in assessed value resulting from repairs, maintenance, or capital improvements to residential units shall not, by themselves, be grounds for denying an adjustment.

The burden is on the tenant to demonstrate that one or more of these circumstances applies. General increases in assessed values due to market-wide revaluation shall not be grounds for denying the adjustment.

(f) **No Double Recovery.** A property tax increase that is recovered through an adjustment under this section may not be considered as a basis for a petition under Sec. 13-74.

(g) **Violations.** It shall be a violation of this article for a landlord to:

1. Impose a property tax adjustment without providing required documentation to the Executive Director and tenants;
2. Miscalculate the adjustment in a manner that results in overcharge;
3. Impose an adjustment that exceeds the cap in subsection (c);
4. Impose an adjustment based on a tax increase that resulted from circumstances listed in subsection (e); or
5. Impose an adjustment while in violation of housing codes as described in Sec. 13-71(e).

#### **Sec. 13-74. Petitions for Rent Increases Above Standard Increase.**

(a) **General Requirement.** Any rent increase above the Standard Increase established in Sec. 13-71(b) requires prior approval of the Board through the petition process established in this section. This includes increases for capital improvements, major renovations, operating cost increases, hardship, or any other reason not expressly authorized as a formulaic adjustment under this article.

(b) **Filing and Contests.** A landlord seeking an above-standard rent increase shall file a written petition with the Executive Director on a form prescribed by the Board. The petition shall include:

1. Identification of the property and unit;
2. Current base rent and requested rent;
3. Justification for the increase, with supporting documentation, including but not limited to financial statements, tax returns, operating expense records, capital improvement costs, permits, contracts, and receipts;
4. Demonstration that the increase is necessary to achieve or maintain a fair return; and
5. Any other information required by Board regulations.

(c) **Tenant Notice and Response.** For improvements in occupied units, the landlord must provide tenants with a description of the improvement, the total and monthly rent increase attributable to the work, and the expected duration of any temporary increase. Tenant consent is not required except where improvements are elective and not necessary for habitability, safety, or code compliance.

(d) **Board Review and Hearing.** The Board shall schedule a hearing on the petition and issue a written decision within ninety (90) days of filing. The Board may extend this period once, for a period not to exceed thirty (30) additional days, upon a written finding that additional time is necessary. The burden is on the landlord to demonstrate by a preponderance of evidence that the requested increase is justified under the fair return standard.

(e) **Standard of Review – Fair Return.** The Board shall grant a petition only if the landlord demonstrates that the requested increase is necessary to achieve or maintain a fair return. In making this determination, the Board shall consider all relevant factors, including but not limited to:

1. Operating income and expenses, including maintenance, repairs, insurance, and management costs;
2. Property taxes and their rate of change over time;
3. Debt service and financing costs;
4. The reasonable and verifiable cost of completed capital improvements, evaluated in accordance with standards established by the Board, and amortized over the useful life of the improvement;
5. The condition, age, and character of the property;
6. Changes in occupancy or services that materially affect operating costs;
7. The landlord's compliance with all applicable housing, health, and safety codes;
8. Patterns of recent rent increases or decreases for the unit;
9. Any other factors relevant to determining whether the return is adequate to avoid confiscation.

The Board may grant the full amount requested, a lesser amount, or deny the petition. The Board may impose conditions on any approved increase, including phased implementation over multiple years or temporary increases tied to the useful life of capital improvements.

(f) **Bars to Approval.** No petition shall be granted for any unit that:

1. Is in violation of state or city housing, health, or safety codes;
2. Is not in compliance with applicable Rhode Island General Laws; or
3. Has not received all required permits and licenses for improvements relied upon in the petition.

(g) **Annual Cap on Increases.** Annual Cap on Increases. Except as provided in subsection (h), no petition shall result in a rent increase exceeding ten percent (10%) of base rent in any twelve-month period, inclusive of the Standard Increase, any property tax adjustment under Sec. 13-73, and any increase approved by the Board under this section.

(h) **Exceptional Circumstances.** The Board may approve a rent increase exceeding ten percent (10%) of base rent only upon a specific finding that a lesser increase would be confiscatory and would deny the landlord a fair return. Such finding shall be supported by detailed written findings of fact.

(i) **Board Regulations.** The Board shall promulgate regulations establishing detailed procedures for filing and evaluating petitions, including required documentation, evidentiary standards, schedules for amortizing capital improvements, and timelines for Board action.

#### **Sec. 13-75. Notice of ordinance.**

(a) The Board shall publish a plain-language notice of this article, its purpose, and tenant rights under it in English and in any language spoken by at least ten percent (10%) of city residents.

(b) At the start of each tenancy and at each renewal, the landlord shall provide a copy to the tenant and obtain a signed acknowledgment. Both parties shall retain a copy.

(c) A copy of the notice shall be posted by the landlord in at least one conspicuous common area of any building with covered units.

**Sec. 13-76. Tenant Complaints, Appeals, and Tenant Unions.**

(a) **Complaints.** A tenant, individually or collectively, may file a complaint with the Rent Board concerning:

1. A rent increase alleged to exceed the limits of this article;
2. A landlord's failure to provide required services or utilities;
3. Any act of retaliation as defined in Sec. 13-77; or
4. Any other violation of this article.

(b) **Initial Review.** The Executive Director shall conduct an initial review of the complaint and may attempt to resolve the matter informally. The Executive Director may approve an informal resolution if:

1. The landlord agrees to reduce or eliminate the challenged rent increase;
2. The landlord agrees to refund overcharges;
3. The landlord agrees to restore services or correct violations; or
4. The parties reach a mutually acceptable resolution that complies with this article.

Any informal resolution must be reduced to writing and signed by both parties. Either party may reject informal resolution and request Board hearing. If the matter cannot be resolved informally, or if the complaint warrants formal proceedings, the Executive Director shall refer the matter to the Board.

(c) **Hearings.** Upon referral of a complaint, the Board shall schedule a hearing. The Board shall adopt rules establishing procedures for the receipt, acknowledgment, review, and disposition of tenant complaints, including timelines for Board action and notice to the parties. At such hearing, the Board shall consider evidence and may:

1. Deny or reduce any unlawful rent increase;
2. Order reduction of rent for failure to maintain services or utilities;
3. Order repayment, damages, and penalties for overcharges;
4. Order remedies for retaliation under Sec. 13-78, including rent rollback, repayment, and civil penalties;
5. Prohibit further rent increases until compliance is achieved;
6. Order any other relief authorized by this article.

(d) **Overcharges.** If the Board finds that a landlord has demanded or accepted rent in excess of the amount permitted under this article, the Board shall order the landlord to refund the full overcharge to the tenant, and may impose additional damages consistent with state law.

(e) **Collective complaints.** Tenants may file complaints jointly, including through a tenant union or tenant advocate, who shall have standing to represent tenants before the Board.

(f) **Tenant unions.** Tenant unions and advocates may register with the Board for purposes of communication and official notices. Registration is optional; tenants may organize informally without limitation. No tenant shall be required to disclose membership.

(g) **Appeals.**

1. Tenants may appeal to the Board any decision related to complaints, overcharges, or retaliation within thirty (30) days of issuance.
2. Landlords may appeal to the Board any decision imposing penalties, damages, or rent adjustments within thirty (30) days of issuance.
3. Any final decision of the Board shall be binding and enforceable for purposes of city enforcement and subject to judicial review in accordance with applicable law, including appeal to the Rhode Island Superior Court or other court of competent jurisdiction.

### **Sec. 13-77. Retaliation.**

(a) **Definition.** For purposes of this article, "retaliation" shall include any action by a landlord that interferes with a tenant's rights under this article or under state law, including R.I. Gen. Laws § 34-18-46, and shall include, but is not limited to:

1. Increasing rent, decreasing services, or initiating or threatening eviction because a tenant has:
  - (i) complained to a governmental agency about a violation of a building or housing code materially affecting health and safety;
  - (ii) complained to the landlord of a violation under § 34-18-22;
  - (iii) organized or become a member of a tenants' union or similar organization; or
  - (iv) availed themselves of any other lawful rights or remedies.
2. **Misinformation.** Spreading false or misleading information about the condition of a dwelling unit, building, or a tenant's rights and obligations.
3. **Harassment and intrusion.** Interfering with a tenant's quiet enjoyment, including but not limited to: entering a unit without proper notice or cause; making repeated or unwelcome written, electronic, or in-person contact over the tenant's objection; or otherwise intimidating, harassing, or disturbing tenants in their homes.
4. **Failure to maintain.** Refusing to correct hazardous violations, or failing to comply with obligations under Chapter 13, Article II of this Code, R.I.G.L. § 34-18-22, or R.I.G.L. § 42-128.1-8, where such failure is intended to pressure tenants.
5. **Threats and coercion.** Threatening eviction, removal, or any other unlawful action; reducing or shutting off services or utilities; increasing tenant obligations without legal basis; or otherwise coercing tenants to waive rights under this article.
6. **Termination of tenancy.** Ending or refusing to renew a rental agreement within six (6) months after a tenant has exercised rights under this article or R.I. Gen. Laws § 34-18-46. Evidence of such termination shall create a rebuttable presumption that the termination was retaliatory. To rebut this presumption, the landlord must demonstrate by a preponderance of the evidence that the termination was for a lawful reason unrelated to and not motivated by the tenant's exercise of protected rights. Such lawful reasons may include, without limitation:
  - (i) The termination is necessary for the owner or owner's immediate family member to occupy the unit as a primary residence;
  - (ii) The unit is being permanently removed from the rental market for sale or owner occupancy;
  - (iii) The tenant has materially breached the rental agreement in ways unrelated to the exercise of rights under this article;

- (iv) The landlord seeks to undertake substantial rehabilitation requiring vacancy;
- (v) The termination is otherwise required by law or necessary to comply with a lawful court order; or
- (vi) The landlord has another substantial, good-faith reason unrelated to the tenant's exercise of rights under this article.

This provision supplements and implements R.I. Gen. Laws § 34-18-46 and does not create a general requirement of just cause for eviction.

**7. Discrimination for tenant advocacy.** Refusing to rent, negotiate, or otherwise making a dwelling unavailable because a tenant, or a tenant union on their behalf, filed a complaint, appeal, or otherwise exercised rights under this article.

**(b) Presumption of Retaliation.** Evidence that a landlord has taken any adverse action, including eviction or other legal proceedings, within six (6) months after a tenant or tenant union asserted rights under this article or R.I. Gen. Laws § 34-18-46 shall create a rebuttable presumption of retaliation.

**(c) Complaint and Investigation.** A tenant alleging retaliation may file a complaint with the Board pursuant to Sec. 13-76. The Executive Director shall conduct an initial investigation and, if warranted, refer the matter to the Board for a hearing.

**(d) Board Jurisdiction and Remedies.**

If the Board finds that a landlord has engaged in retaliation, the Board may order:

1. Rent rollback and repayment of overcharges or damages;
2. Civil penalties of not less than five hundred dollars (\$500) per violation;
3. Fines under Sec. 13-80(b), including a minimum fine of two hundred fifty dollars (\$250) per day;
4. Restoration of services or correction of violations;
5. Any other relief authorized under this article or consistent with state law.

In determining the amount of civil penalties under this subsection, the Board may consider the severity of the retaliation, the landlord's history of violations under this article, the number of affected tenants, and the need for deterrence. For repeat violations of this section within (3) three years.

**(e) Prohibition of Algorithmic Rent Setting Devices.** The Board shall have the authority to enforce Chapter 13, Article X, of this code of ordinances, entitled "Prohibition of Algorithmic Rent Setting Devices," and may promulgate regulations and procedures necessary to implement and administer such enforcement.

**(f) Coordination with City Enforcement.** The Board's finding of retaliation shall constitute grounds for the imposition of fines by the City under Sec. 13-79(b), including a minimum fine of two hundred fifty dollars (\$250) per violation per day.

**(g) Private Right of Action; Appeals.**

A tenant aggrieved by retaliation may:

1. Appeal a final decision of the Board to a court of competent jurisdiction pursuant to Sec. 13-93; and
2. Bring a civil action in a court of competent jurisdiction seeking all remedies available under R.I. Gen. Laws § 34-18-34 and § 34-18-46, including damages and attorney's fees.

Nothing in this article limits any right or remedy available under state law.

(h) **Statutory Authority.** Retaliation under this article is in addition to and consistent with the provisions of R.I. Gen. Laws §§ 34-18-16, 34-18-22, and 34-18-46.

(i) **Board Discretion.** In evaluating whether a landlord has rebutted the presumption of retaliation, the Board shall consider the totality of circumstances, including:

1. Timing of the termination relative to the tenant's exercise of rights;
2. The landlord's stated reason for termination and supporting evidence;
3. Whether the landlord has a history of retaliatory conduct;
4. Whether the reason for termination existed prior to the tenant's exercise of rights; and
5. Any other relevant factor bearing on whether the termination was retaliatory.

The Board may find that a landlord has rebutted the presumption of retaliation based on reasons not specifically enumerated in subsection (a)(6) if the landlord demonstrates by clear and convincing evidence that the termination was for a substantial, good-faith reason wholly unrelated to the tenant's exercise of protected rights.

### **Sec. 13-78. Exemptions.**

This article shall not apply to the following types of housing or occupancy, which shall be construed narrowly:

(a) **Institutions.** Residence in an institution, public or private, if incidental to detention or the provision of medical, geriatric, educational, counseling, religious, or similar service;

(b) **Sale-to-occupant.** Occupancy under a contract of sale of a dwelling unit or property if the occupant is the purchaser or successor in interest;

(c) **Fraternal or social organizations.** Occupancy by a member in the portion of a structure operated for its benefit;

(d) **Transient occupancy.** Occupancy in a hotel, motel, or other lodging subject to state sales and use tax or lodgings tax;

(e) **Employee housing.** Occupancy by a paid employee of a landlord, if housing is provided as a condition of employment substantially for services, maintenance, or repair of premises with more than eleven (11) units;

(f) **Cooperative housing.** Occupancy by a holder of a proprietary lease in a cooperative;

(g) **Commercial or other regulated estates.** Commercial letting and other estates governed by R.I.G.L. § 34-18.1;

(h) **Transitional housing.** Residence in a dwelling unit operated as transitional housing by a nonprofit charitable organization, where occupancy is provided on a temporary basis and subject to income eligibility requirements and supportive service obligations established by regulation or funding conditions. The Rent Board may adopt rules governing verification, continued eligibility, and revocation of exemption status for misuse or noncompliance;

(i) **Home and community-based programs and long-term affordability programs.** Residence in a dwelling unit rented or co-leased by a home- and community-based services waiver provider and

occupied by a tenant with a disability as otherwise provided by law; or residence in a dwelling unit subject to rent regulation under a federal, state, or local housing program, including but not limited to units receiving Low Income Housing Tax Credits with a recorded affordability restriction of not less than ninety-nine (99) years;

(j) **Regulated rent programs.** Residence in a dwelling unit or building where rents are regulated under a federal, state, or local housing program that explicitly limits rent levels, including but not limited to public housing or units rented through subsidy, voucher, or waiver programs;

(k) **Temporary owner absence.** A rental unit located in a housing accommodation containing no more than five (5) dwelling units and one (1) accessory dwelling unit, where the owner temporarily rents the unit during a limited absence from their principal residence. The Rent Board may adopt rules establishing eligibility criteria, duration limits, disclosure requirements, and safeguards to prevent circumvention of this article;

(l) **Diplomatic Residence.** Residence by a person lawfully recognized as acting in an ambassadorial, consular, ministerial, or equivalent capacity, or in subsidiary or supportive employment to such a person, by a government recognized by the United States;

(m) **New construction.** Newly constructed dwelling units, including dwelling units created through lawful conversion or adaptive reuse of a nonresidential structure, shall be exempt from the provisions of this article for a period of 15 years from the date of initial occupancy, regardless of whether such initial occupancy occurred before or after the effective date of this article;

(n) **Owner-Occupied Properties.** This article shall not apply to rental units in a building containing one to three (1–3) dwelling units where the owner occupies one unit as their principal residence.

In addition, one (1) additional residential property may be exempt from this article if all of the following conditions are met:

1. The additional property is held in the same name(s) as the owner-occupied property on the recorded deed.
2. The owner-occupied property is the owner's principal residence.
3. The exemption applies to no more than one additional property, and that property contains no more than three (3) dwelling units.
4. The owner or owners own no more than two (2) residential properties in total within the City of Providence, including the owner-occupied property and additional residential property as verified by the City Tax Assessor and Rental Regulation Board.
5. The property is not owned by a corporation, limited liability company, trust, partnership, or other legal entity.
6. The property owner submits documentation sufficient to demonstrate eligibility, including, but not limited to, recorded deeds, proof of principal residence, and affidavits of ownership in a form prescribed by the Rental Regulation Board.

(o) **Clarification.** This article does not create a right for landlords to raise rent where none exists under state law, nor does it require a landlord to reduce or forgo a rent increase except as expressly limited by this article.

### **Sec. 13-79. Enforcement.**

(a) **Board Authority.** The Board shall have primary responsibility for enforcement of this article. The Board may promulgate rules and regulations to implement the provisions of this article, including procedures for accepting and resolving complaints, determining violations, and imposing remedies authorized by this article.

(b) **City Fines.** Fines under this subsection shall be imposed by the City upon referral of the Board. The City, in addition to any penalty or damages assessed by the Board, may subject a landlord to a fine for a violation of this article. Fines shall not exceed five hundred dollars (\$500) per violation per day and shall not be less than one hundred dollars (\$100) per violation per day, provided that a fine assessed for retaliation against a tenant for the exercise of their rights under this article, or for providing false certification or documentation to the Board or Executive Director, shall not be less than two hundred fifty dollars (\$250) per violation per day.

The Board, in collaboration with the City Solicitor, shall promulgate rules and regulations regarding the process for the imposition of fines.

(c) **Cumulative remedies.** The penalties and remedies in this article do not limit any other right or remedy available under state or local law. Remedies under this article are cumulative and may be pursued concurrently or sequentially.

### **Sec. 13-80. Prohibition of waiver.**

A tenant cannot waive or give up any rights, protections, or benefits under this article. Any agreement, oral or written, purporting to waive such rights is void and unenforceable. A rental agreement that provides stronger protections for tenants than those established by this article remains valid and enforceable.

### **Sec. 13-81. Severability.**

If any section, subsection, sentence, clause, phrase, or provision of this article is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this article. The City Council hereby declares that it would have passed this article and each section, subsection, sentence, clause, phrase, and provision thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or provisions be declared invalid or unconstitutional.

### **Sec. 13-82. Establishment and Purpose of the Residential Rent Regulation Board.**

(a) **Establishment.** There will hereby be established, no later than January 1, 2027, a Residential Rent Regulation Board ("Board") pursuant to the City's home-rule authority under Article XIII of the Rhode Island Constitution and the City's police powers to regulate housing and protect the public welfare.

(b) **Purpose.** The Board is created to provide a fair, efficient, and accessible forum for the resolution of disputes arising under the City's rent-stabilization provisions, to ensure compliance therewith, and to balance the interests of landlords and tenants through clear and consistent application of standards.

### **Sec. 13-83. Jurisdiction.**

(a) **Authority.** The Board shall have authority to:

1. Hear and decide complaints filed by tenants or tenant households alleging violations of this article;
2. Hear and decide petitions by landlords seeking rent adjustments in excess of the standard increase established in Sec. 13-71(b);
3. Hear and decide appeals of determinations by the Executive Director;
4. Issue orders, remedies, and relief expressly authorized by this article; and
5. Promulgate regulations necessary to implement and administer this article.

(b) **Discretion to Decline Jurisdiction.** The Board may decline to hear any matter over which it determines jurisdiction is lacking or that is more properly before a court of competent jurisdiction.

#### **Sec. 13-84. Composition; appointment; qualifications.**

(a) **Membership.** The Board shall consist of five (5) members, all approved by the City Council, as follows:

1. Four (4) members appointed by the President of the City Council; and
2. One (1) member appointed by the Mayor.

(b) **Composition.** The Board shall be composed to reflect diverse perspectives and expertise within the rental housing system. In making appointments, the appointing authorities shall consider candidates whose professional, civic, or community experience includes one or more of the following: tenant advocacy; property ownership or management; housing development, finance, or law; housing policy; real estate economics; construction or property maintenance; social services; community organizing; or other experience relevant to the administration of rent regulation. The Board, collectively, should embody a range of viewpoints and knowledge necessary to balance the interests of landlords and tenants through informed and equitable decision-making.

(c) **Qualifications.** All members shall be residents and qualified voters of the City of Providence.

(d) **Officers.** The Board shall annually elect from among its members a Chair, Vice-Chair, and Secretary. The Chair may call meetings, administer oaths, and perform such duties as are necessary for the orderly conduct of proceedings.

(e) **Terms.** All members shall be appointed for five-year staggered terms, arranged so that the term of one member expires each year. The appointing authorities shall assign initial term lengths as necessary to establish the annual staggering required by this subsection. Upon expiration of any term, the succeeding appointment shall be for a full five-year term.

#### **Sec. 13-85. Administration.**

(a) **Executive Director.** The City Council President shall appoint, subject to Council approval, an Executive Director who shall serve as chief administrative officer of the Board. The Executive Director shall serve a six-year term and may be removed only for cause by majority vote of the Board after notice and hearing.

The Executive Director shall:

1. Receive, process, and conduct initial review of complaints and petitions filed under this article;
2. Investigate complaints, verify documentation, and make initial determinations on matters delegated by this article or by Board regulation, subject to appeal to the board;

3. Supervise staff and manage scheduling, hearings, and appeals, with authority to hire and terminate staff;
4. Maintain official records of complaints, petitions, decisions, and regulations;
5. Prepare annual reports and such other analyses as may be requested by the Board or the Council President; and
6. Promulgate and interpret administrative procedures, forms, and guidance necessary to implement this article, consistent with regulations adopted by the Board; and
7. Exercise such additional administrative functions as may be delegated by the Board.

(b) **Division of Authority.** The Executive Director shall make initial determinations on:

1. Base rent verification under Sec. 13-71(a);
2. Verification of calculations for the Standard Increase under Sec. 13-71(b);
3. Verification of property tax adjustments under Sec. 13-73;
4. Utility adjustments under Sec. 13-71(c);
5. Procedural compliance with filing and notice requirements; and
6. Other ministerial or routine matters as designated by Board regulation.

The Board shall decide:

1. Petitions for rent increases above the Standard Increase under Sec. 13-74;
2. Complaints alleging violations of this article, including retaliation, overcharges, and failure to maintain services;
3. Appeals of Executive Director determinations; and
4. All of the matters requiring adjudication or policy determination.

Executive Director determinations under this subsection may be appealed to the Board within thirty (30) days of issuance. The Board's decisions are final for purposes of administrative review, subject to judicial review under applicable law.

(c) **Standard of Review on Appeal.** When reviewing an appeal of an Executive Director determination, the Board shall conduct a de novo review, considering all evidence presented, including any new evidence not available to the Executive Director. The Board is not bound by the Executive Director's findings but may give weight to the Director's factual determinations where supported by substantial evidence in the record.

(d) **Staff support.** The Executive Director shall be provided with sufficient staff and resources to perform intake, notice, scheduling, and hearing functions.

(e) **Budget.** The funding of the Executive Director, all administrative staff, and all other portions of the Board's budget shall be administered as part of the City Council budget. Funds shall be sufficient to ensure full implementation of the Board's duties.

### **Sec. 13-86. Residential Rent Regulation Fund.**

(a) **Establishment.** There is hereby established a special account to be known as the Residential Rent Regulation Fund ("the Fund"). All fees, assessments, penalties, and other revenues collected pursuant to this article shall be deposited into the Fund.

(b) **Custody and Control.** The Fund shall be maintained under the exclusive control of the Residential Rent Regulation Board and administered by its Executive Director, subject to any applicable municipal finance procedures.

(c) **Authorized Uses.** Monies in the Fund shall be used solely to support the administration and enforcement of this article, including but not limited to staffing, case management, investigations, data maintenance, technology, legal enforcement, education, and related operational needs.

The City Council may, by ordinance or annual appropriation, allocate a portion of revenues deposited into the Fund to city-administered housing stability or home repair programs, provided that such programs are not administered by the Board.

(d) **Interest and Carryover.** Any interest earned on amounts in the Fund shall accrue to the Fund. Balances in the Fund shall not revert to the City's general fund at the close of any fiscal year and shall be continuously appropriated for the purposes of this article.

#### **Sec. 13-87. Conflict of Interest.**

No member of the Board shall participate in any matter in which the member has a direct financial, fiduciary, or personal interest. Members shall disclose any potential conflict of interest and recuse themselves as required by applicable law.

#### **Sec. 13-88. Meetings and Records.**

(a) **Meetings.** The Board shall meet at least once monthly, or more frequently as necessary, to hear complaints, petitions, and appeals. All meetings and hearings shall be public, except as permitted by law, and subject to the Rhode Island Open Meetings Act, R.I.G.L. § 42-46.

(b) **Records.** All records of the Board shall be public records under R.I.G.L. § 38-2, except as otherwise provided by law.

#### **Sec. 13-89. Rules of Procedure.**

(a) **Adoption of Rules.** The Board shall adopt rules of procedure consistent with state law, city ordinances, and this article. All proposed rules and amendments thereto shall be promulgated after a hearing, at which interested persons may present written and oral comments.

(b) **Authority to Interpret.** The Board shall have authority to interpret its rules and regulations. Such interpretation shall be final for purposes of administrative proceedings, except as limited by judicial review.

#### **Sec. 13-90. Quorum and Voting.**

Three (3) members constitute a quorum. The concurring vote of at least three (3) members is required for any decision.

#### **Sec. 13-91. Notice of hearing.**

All parties to a complaint, petition, or appeal shall be notified in writing not less than fourteen (14) days prior to the scheduled hearing date. A second notice shall be provided not less than seven (7) days prior to the hearing. The Board may adopt regulations establishing additional notice requirements or alternative methods of service.

#### **Sec. 13-92. Powers and Duties.**

The Board shall have the following powers and duties:

1. To hear and decide tenant complaints alleging unlawful rent increases, overcharges, retaliation, or failure to maintain required services;
2. To hear and decide landlord petitions for rent increases exceeding the Standard Increase, in accordance with the fair return standard established in Sec. 13-74;
3. To hear and decide appeals of Executive Director determinations;
4. To issue rent-reduction orders for unlawful increases, overcharges, or failures to maintain services;
5. To order repayment of rent overcharges, and to impose civil penalties and damages as authorized by this article;
6. To mediate landlord-tenant disputes upon joint request of the parties;
7. To require production of information from landlords or property owners as necessary to administer this article, investigate complaints, or verify compliance;
8. To promulgate regulations, standards, forms, and procedures necessary to implement this article;
9. Enforcement of Chapter 13, Article X, of this code of ordinances, entitled "Prohibition of Algorithmic Rent Setting Devices."
10. To submit a report of its activities at least twice per year to the Mayor and City Council, summarizing complaints, petitions, hearings, outcomes, and expenditures; and
11. To recommend to the City Council amendments to strengthen or improve the City's rent-stabilization laws.

**Sec. 13-93. Finality and appeal.**

Any final decision of the Board shall be binding and enforceable for purposes of city enforcement. Any party aggrieved by a final decision may appeal to the Rhode Island Superior Court or other court of competent jurisdiction.

**Section 2. Effective Date**

This ordinance shall take effect upon passage.