RESOLUTION NO. 2828

WHEREAS, more than half of the dwelling units in the City of Alexandria are renter-occupied; and

WHEREAS, the Alexandria City Council has continually expressed its concern for the well-being of the City's tenants and landlords through proposed charter changes, legislation, and establishment of the Landlord-Tenant Relations Board; and

WHEREAS, the Alexandria Landlord-Tenant Relations Board has previously expressed its concern to the City Council regarding excessive rent increases;

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Alexandria, Virginia calls upon the Alexandria Landlord-Tenant Relations Board to monitor and investigate complaints of rent increases in excess of the following guidelines and to conduct a review of the guidelines every six months and forward recommendations to Council at a minimum of every 12 months:

- If the tenants pay all utilities, not more than five percent cumulatively per year;
- If all utilities are included in the rental amount, not more than seven percent cumulatively per year;

PROVIDED, however, that Board investigators will recognize and take into account any unusual costs, capital improvements and major repairs to the property (which should be substantiated by the owner), and extraordinary increases (more than 50%) in assessments;

PROVIDED, further, that the landlord may apportion increased real estate taxes in an equitable manner;

PROVIDED, further, that when a landlord converts utilities to a sub-metered or individually metered system, the amounts of monthly rents, plus annualized utility costs, shall remain within these guidelines.

BE IT FURTHER RESOLVED that the Landlord-Tenant Relations Board will report to City Council on the adequacy of the above guidelines in 2019.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Alexandria to be affixed this 22nd day of May, 2018.

Adopted: May 22, 2018

ALLISON SIL REPREDE MAYOR

ATTEST.

Gloria A. Sitton, CMC City Cler

Table B

The Alexandria Office of Housing's January 2018 Annual Apartment Survey and data provided by Delta Associates indicate that Alexandria's rents have increased over the last year in most markets. From January 2017 to January 2018 the survey indicated an increase in City-wide rents of 4.3 percent with increases by bedroom size of between 1.8 percent in two bedroom units to 9.1 percent in three bedroom units.

Year-end data for 2016 and 2017 provided by Delta Associates similarly indicated slight decreases in three submarkets and increases in two. The City's Annual Apartment Survey collects data for all multifamily apartments in buildings with ten or more units. Delta Associates collects data on a sample of apartment complexes by submarket.

City-Wide Apartment Survey Average Rents Table A

| Date | Vacancy | Efficiency | 1BR | 2BR | 3Br | City-wide |
|------|---------|------------|---------|---------|---------|-----------|
| 1/16 | 3.96% | \$1,235 | \$1,583 | \$1,968 | \$2,043 | \$1,705 |
| 1/17 | 4.33% | \$1,319 | \$1,641 | \$2,016 | \$2,082 | \$1,760 |
| 1/18 | 2.0% | \$1,369 | \$1,708 | \$2,053 | \$2,272 | \$1,837 |

Source: Office of Housing

| Vacancy | | Effective Rent | |
|---------|--------------------------------------|---|--|
| 2016 | 2017 | 2016 | 2017 |
| 4.5% | 3.6% | \$1,914 | \$1,939 |
| 3.4% | 3.6% | \$2,137 | \$2,103 |
| 0.6% | 1.4% | \$1,528 | \$1,506 |
| 2.4% | 4.3% | \$1,628 | \$1,566 |
| 3.3% | 4.4% | \$1,516 | \$1,572 |
| | 2016 4.5% 3.4% 0.6% 2.4% | 2016 2017 4.5% 3.6% 3.4% 3.6% 0.6% 1.4% 2.4% 4.3% | 2016 2017 2016 4.5% 3.6% \$1,914 3.4% 3.6% \$2,137 0.6% 1.4% \$1,528 2.4% 4.3% \$1,628 |

Delta Associates First Quarter 2018 Table C

| | Cita / 1000 Cipiles / iiiot Quarter 2020 | | | | |
|-------------------------------|--|------|---------|----------------|--|
| First Quarter 2018 | Vacancy | | | Effective Rent | |
| Thist Quarter 2010 | 2017 | 2018 | 2017 | 2018 | |
| Alexandria/Arlington Garden A | 3.4% | 3.7% | \$1,958 | \$1,957 | |
| Alexandria High Rise Class A | 3.5% | 3.5% | \$2,092 | \$2,093 | |
| Old Town Alexandria Garden B | 1.3% | 1.1% | \$1,525 | \$1,560 | |
| West Alexandria Garden B | 2.2% | 3.2% | \$1,581 | \$1,581 | |
| West Alexandria High B | 2.1% | 4.5% | \$1,551 | \$1,611 | |

Source: Delta Associates