



Legislation Text

File #: 22-5388, Version: 1

ITEM: FAIR RENT NOTICE DISCUSSION

REQUEST: Discussion of a fair rent notice requirement for landlords to provide all residents with a fair notice prior to a rent increase.

EXPLANATION: South Florida has seen a record number of people moving to the region from out-of-state, due in part to the recent pandemic. This migration to South Florida has placed an increased demand on housing causing rental rates and property values to increase significantly over the past 12 to 18 months. Consequently, the demand for rental properties has also increased. Palm Beach County has seen a 28% increase in rent prices just this past month alone (Miller, 2022). Wellington's rental rates have seen an average 8-9% increase for townhomes and a 3-20% increase within apartment complexes.

The "Florida Residential Landlord and Tenant Act" ("the Act") sets forth the rights and duties of landlords and tenants. The Act does not provide specific notification requirements for landlords seeking to increase rental rates. Some lease agreements contain provisions regarding increase in rental rates, but for those that do not have such a provision, the Act allows for the rental increase notification to be the same as the lease termination notices. With respect to notices of tenancy where a written lease exists, the Act provides the notice required to terminate a tenancy is no more than 60 days' notice. Where no lease exists, the Act provides that the landlord shall provide a seven-day notice to a tenant renting week-to-week, a 15-day notice to a tenant renting month-to-month, a 30-day notice to a tenant renting quarter-to-quarter, and a 60-day notice to a tenant renting year-to-year.

The growing number of rent hikes has tenants asking for assistance from community leaders. Municipalities, including Royal Palm Beach, Lake Worth Beach, and West Palm Beach, have recently enacted ordinances that require 60 days' written notification be given by residential landlords to their tenants prior to increasing the tenant's rent beyond 5%.

Palm Beach County unanimously approved a rental notice ordinance (Agenda Item #6G-1) on preliminary hearing at the August 23rd Commission meeting with intention to pass on September 13th. The Ordinance will affect all municipalities, with or without similar adopted ordinances, within Palm Beach County, except to the extent that the Ordinance conflicts with a municipal ordinance or the municipality elects to opt out. Additionally, Palm Beach County ordinance requires rental notice enforcement to be done by Wellington Code Compliance Officers within our jurisdiction with fine amounts referenced in the ordinance.

Palm Beach County municipalities who have adopted, or soon to adopt, rental notice ordinances (copies are included with this agenda item):

| Municipality | Ordinance Number | Adoption Date |
|--------------------|-------------------|---------------|
| West Palm Beach | No. 5007-22 | June 27, 2022 |
| Palm Beach Gardens | Ordinance 8. 2022 | July 28, 2022 |
| Lake Worth Beach | Ord. 2022-10 | May 19, 2022 |
| Royal Palm Beach | No. 1059 | June 16, 2022 |

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|-------------------|------|-----------------------|
| Boynton Beach | N/A | In discussion |
| Palm Beach County | 6G-1 | Pending Sept 13, 2022 |

BUDGET AMENDMENT REQUIRED: NO

PUBLIC HEARING: NO **QUASI-JUDICIAL:**

FIRST READING: **SECOND READING:**

LEGAL SUFFICIENCY: N/A

FISCAL IMPACT: N/A

WELLINGTON FUNDAMENTAL: Responsive Government

RECOMMENDATION: Discuss and provide direction for a fair rent notice requirement for landlords to provide all residents prior to rent increase.