

# Facts and Figures about Pittsburgh's anticipated 2016 Rental Registration Ordinance

By Bradley S. Dornish, Esquire

In November of 2014, the Pittsburgh City Council had a public hearing on Ordinance 2014-1020, the Residential Rental Housing Registration Ordinance which would impose on each residential rental unit in the city a \$65.00 per year registration fee. That hearing was well attended by landlords and others who objected to the ordinance as an attempt to impose a new tax only on residential rental units.

The proposed ordinance 2014-1020 is based on the draft ordinance negotiated between the city and groups which sued the City over the last attempted rental registration, but eliminates any inspections, removes the escrow of funds collected and other key terms of that draft ordinance, and leaves only a \$65.00 per unit per year registration fee, increased from \$12.00 per year in the prior draft ordinance, with exemption for hotels, motels, bed and breakfast establishments expanded to include public housing units, dormitories, certified rehabilitation facilities and long term medical care facilities. The ordinance proposed also allows owners who do not reside in Allegheny County to designate a responsible local agent for acceptance of legal notices, or to accept certified mail of legal notices at the owner's address.

The ordinance was deferred for one year, and is now pending in the Council's Public Safety Services Standing Committee, where it can be voted into law at any Standing Committee meeting or regular Council Meeting. No further public hearings are anticipated, and the revenue from the ordinance, anticipated to be \$1,620,000 per year, is reflected as Account #42339 in the pending City Budget.

On November 18th, I attended the Standing Committee meeting, and was given five minutes to address the members of council present. I advised council that I was a City building owner, landlord, director of ACRE and Chairman of the board of PROA. I also advised council that I was a lawyer who represented plaintiff organizations against the City in 2007 and 2008 when we fought against the registration. I told them I strongly believed the proposed ordinance would raise revenue beyond the cost of registration,

and therefore constitute a tax passed in violation of the Local Tax Enabling Act.

I reminded council members present that Act required state legislative approval of the increase in Pittsburgh's Occupational Privilege tax just a few years ago, and the same would be required of any new type of tax. I also reminded them that we had received information from former City Solicitor George Specter just a few years ago that the cost to the city then of rental registration was between six and twelve dollars per year.

More than one member of council was supportive of my position, but a vote is anticipated and it will likely pass before the end of 2015. Contact the members of City Council where you own properties to express your objection to this proposed illegal tax, and your willingness to support Acre's and other landlord groups' fight against this tax once again.