

Ward 2 Councilor Jill S. Davidson
Rent Stabilization Ordinance Position
March 29, 2026

On April 2, the Providence City Council will be taking the first of two votes on the [“Providence Rent Stabilization Act.”](#) As a sponsor of this ordinance, I will be voting yes to help provide housing security to the people of Providence that would not be available if we were to continue with the status quo. This Rent Stabilization Ordinance was written and amended to take Providence’s particular circumstances into account to create more equity among renters and landlords, with careful consideration of impacts that have created imbalance in other municipalities.

My thoughts about the impact of rent stabilization in Providence related to affordability, new housing development, property taxes, and voter/resident preferences follow.

The Housing Affordability Crisis

I support this ordinance because it addresses serious harm that many thousands of renters in Providence face right now. Affordability, eviction, and homelessness data demonstrate our challenges.

People living in rent-burdened households are not able to afford other necessities, including health care, educational expenses, and, in many cases, proper nutrition. Per the [2025 Housing Fact Book](#) published by HousingWorks at Roger Williams University:

...a third of Rhode Island households—or 142,920—pay more than one-third of their income toward housing costs. Of these households, 44 percent (62,237) are severely cost burdened: they pay more than 50 percent of their incomes to housing costs, which poses threats to their wellbeing and housing security. Rhode Island continues to show disparities by race and ethnicity regarding homeownership, and owner cost burden rates now echo that trend. More than a third of Black (35 percent) and Hispanic (39 percent) homeowners are cost burdened compared to less than a quarter of White (24 percent) or Asian (19 percent) homeowners.

The HousingWorks data that pertain specifically to Providence tell an even grimmer story. Of the 59 percent of Providence households that rent, 47 percent are cost burdened, meaning that they spend 30 percent or more on housing costs. This means that 18,146 renter households are spending more than they should on housing.

Thousands of Providence residents have lost their homes during the past year—and with an eviction, their likelihood of securing stable housing is significantly diminished. Eviction is a terrible disruption for families and communities that demonstrates the severity of Providence’s housing crisis.

Providence has by far the highest rate of eviction hearings in Rhode Island, most due to rent payment issues. Per [Rhode Island Housing’s Evictions Dashboard](#)’s reported monthly data from the Rhode Island Supreme Court, from March 2025 to February 2026, 2,287 cases were reported in Providence, which represent an average of five percent of renters citywide. However, the data disaggregated by zip code demonstrate that evictions are happening in higher numbers where lower-income residents live.

Zip Code	Number of Households	Percentage of Renters
02908	499	7.4%
02903	267	6.8%
02909	616	6.4%
02907	354	5.3%
02904	297	4.5%
02905	185	3.9%
02906	69	1.2%

Between 2023 and 2024, Rhode Island experienced a 35% rise in homelessness—the second-highest increase in the United States. The [2025 Data Presentation](#) from the Rhode Island Coalition to End Homelessness reports that 2,373 people experienced homelessness in Rhode Island, many of them in Providence and most due to unaffordable housing. While this is actually a slight improvement to the count of unhoused people reported in 2024, we are at near-record levels of homelessness.

In addition, three unhoused people have died on Providence’s streets this winter. As we remember them, we have to also remember that housing is a human right. We need to do everything we can to make housing more accessible now and in the future.

What about new housing development?

I have met with opponents of rent stabilization, including real estate developers, landlords, and others who oppose both the concept of rent control/stabilization and the

specifics of this ordinance. We agree on quite a bit, including that by itself, rent stabilization is not a solution to the housing crisis in Providence and statewide. We need more housing accessible to residents at all income levels. This housing needs to include new construction and thoughtful preservation of current housing. Per [Providence's FY2025 Housing Report](#), the City has made progress. I also invite you to look at the [Providence City Council's Housing Crisis Task Force 2025 Report](#) for an overview of ordinances that are supporting critically needed housing development.

The steep rise of rent in Providence has made our city one of the most unaffordable rental markets in the United States. Expanding housing will eventually bring down housing costs, but at the current rate—or even an admirably accelerated rate—we will need years before we have sufficient supply to make a real difference to the lives of rent-burdened and housing insecure residents. Rent stabilization will make a meaningful difference to cost-burdened renters immediately.

[Data from National Equity Atlas](#) show that if Providence renters were not cost burdened—if there were affordable housing to all people at all income levels—they would have gained \$358,000,000 in disposable income between 2000 and 2022 (and we know that the rent burden for many households has grown since 2022). That's more than \$350 million that could have gone to home ownership down payments, college savings, health care, and purchasing power in our local economy.

The rationale for rent stabilization combined with housing expansion is that rent stabilization provides immediate stability as we work to expand housing options. While we're making progress on that front, we will need years to get there, meaning that residents will continue to face dire consequences due to housing costs. Rent stabilization and housing expansion are complementary policies. There is no valid link between rent stabilization and slowed-down new housing development, especially when there are exemptions for new construction, which Providence's Rent Stabilization Ordinance includes. This assertion has been made frequently by critics of rent stabilization, so it deserves a closer look.

On March 26, 2026, in her testimony to the City Council's HOPE Committee, Policy Link senior associate Tram Hoang shared longitudinal data from New Jersey that indicate no long-term impact on housing construction. Ms. Hoang also shared data from Montgomery County, MD and Portland, ME that show robust housing construction following the implementation of rent stabilization in those areas. These data are available in "[Our Homes, Our Future](#)," a research brief co-authored by Ms. Hoang.

Saint Paul, MN real estate attorney Tim Walsh also puts fears about the impact of rent stabilization on new construction into perspective in his [April 5, 2022 MinnPost op-ed](#), observing:

Certain developers are now fanning the flames of fear and blaming St. Paul voters in an attempt to hold our city hostage. As the story goes, either we allow them to generate unfettered profit at the expense of the community or they'll disinvest from St. Paul entirely. No one has provided concrete proof to link project pauses or developer flight with rent stabilization.

Those well-versed in housing finance know that when a developer explores financing options, a pro-forma is created that projects costs and income over a 10 or 20 year period. In my experience it is rare that these pro-formas include rent increases greater than 3 percent. A developer who projects rapidly spiking rents every year is signaling less certainty and therefore a riskier investment to its potential investors and lenders, while a developer who stays within historic market margins — such as 3 percent — signals more certainty and will attract more capital.

In his [February 9, 2026 Boston Globe op-ed](#), Edward G. Goetz, professor of urban and regional planning and director of Center for Urban and Regional Affairs at the University of Minnesota, shared data from Saint Paul that demonstrate Mr. Walsh's observations held up:

Critics sometimes claim that the November 2021 passage of rent stabilization in Saint Paul led to a decline in new construction. But a close look at the data does not support that conclusion. The decline in Saint Paul construction permits began in early 2021, months before voters enacted the policy of rent stabilization, and, in fact, months before the ballot initiative was even announced. Saint Paul did indeed experience a decline in the rate of new housing construction, but it was not the result of rent stabilization. Such fluctuations in the construction market are common: significant dips occurred five different times in Saint Paul between 2010 and 2025.

What about property taxes?

Implementation of the Rent Stabilization Ordinance (RSO) may affect property tax collection, as outlined in the [fiscal note](#) authored by independent public finance consultant Tom Sgouros and as offered by the City of Providence's Chief Financial Officer Lawrence J. Mancini during his testimony on March 2, 2026 to the City Council's HOPE Committee meeting. Journalist Steve Ahlquest reported on Mr. Sgouros and Mr. Mancini's testimony [here](#).

During her March 26, 2026 testimony, Ms. Hoang shared data that show that there is no firm consensus that rent stabilization will result in a property tax decline. But for the sake of argument, let's assume that some rental properties may lose value. Mr. Sgouros suggests that the first year of rent stabilization implementation (presumably FY27) may cause a \$1.5 million loss in property taxes. Mr. Mancini's property tax impact projects range from \$1.9 million to \$17.5 million. Because Mr. Sgouros' projections were based on data shared in his fiscal note and testimony, I find them more persuasive.

A \$1.5 million loss is a serious impact, but it is neither insurmountable nor lasting, as Mr. Sgouros describes:

...tax assessments are not the way the city supports its services, but the way in which the city apportions the support of city services among the owners of property within the city boundaries. Each year, the city compensates for an increase or decline in the grand total of assessments by setting a new tax rate when the budget is approved. Therefore, any appeal and decline of property tax values in FY27 as a result of assessment appeals will be compensated when the FY28 tax rate is set. Therefore, over the long-term— after the first year—one can expect the fiscal impact of the Act to be negligible.

What about fairness for landlords and real estate developers?

The Rent Stabilization Ordinance offers significant exemptions, including:

- Owner-occupied buildings that are four or fewer units plus one other building that is four or fewer units
- New construction for up to 10 years of occupancy, or 20 years if workers are paid prevailing wages and 10 percent of project hours are completed by registered apprentices
- Properties that are already rent regulated such as public housing and deed-restricted affordable housing

The Rent Stabilization Ordinance also takes factors such as property tax hikes, needed repair, and major renovations into account to make sure that landlords receive a fair rate of return.

I am persuaded that while some landlords will experience a real shift in their business model, the Rent Stabilization Ordinance's exemptions and provisions will ensure that this change will not be severely painful. That said, change is difficult, and there will be a period of adjustment for all involved. The implementation of the Rent Stabilization

Ordinance may cause pain to some, even though we don't intend that to happen. I fully acknowledge that anxiety while also recognizing that people are in economic pain right now, and we would be derelict in our duties to ignore that.

Who wants rent stabilization?

As it turns out, majorities in Rhode Island, Providence, and Ward 2 want rent stabilization.

On the statewide level, per the University of Rhode Island's [Rhode Island Survey Initiative](#), 72 percent of surveyed Rhode Islanders support rent stabilization.

Here in Providence, we have a sense of what people want based on the letters of support and opposition sent to the City Clerk. When sorted to eliminate duplicates and people who are not Providence residents, 304 people wrote letters in favor of rent stabilization and 183 wrote in opposition, with 19 letters representing concern/questions. While many of these letters were generated through advocacy efforts on both sides, they represent a meaningful indication of what the people of Providence want.

Within Ward 2, rent stabilization has majority support. The result of the 2025 Democratic primary made that clear: I was the only candidate to champion the cause, and I won by a significant margin. In sum, rent stabilization is popular, and it is good policy. I am proud to cast my vote with the preferences of Ward 2 voters and in support of a better city for all residents of Providence.