

# Renter's Choice

The traditional security deposit is an upfront moving cost that presents a barrier to housing affordability. In Columbus, over \$480 million is locked up in cash security deposits, providing no immediate benefit to tenants or operators. Alternative choice and optionality in the payment of the security deposit is an affordable housing solution that provides tenants the opportunity to rapidly re-house and lower move-in costs.

**Columbus City Council Ordinance 0495-2021 amended Chapter 4551 of the Columbus City Code to allow tenants the choice of how they will make a security deposit.** Tenants who are required to pay a deposit may choose one of three ways of making that payment:

1. Pay security deposit in full before entering a rental agreement;
2. Pay security deposit over no fewer than three monthly installments; or
3. Pay security deposit over no fewer than six monthly installments.

## **Must the operator provide written notice of these rights?**

Yes. If a housing operator requires a security deposit, they must provide written notice of the security deposit alternatives allowed under this law.

## **When are installment payments due?**

On the same day as the monthly rent payment. They may be paid together with the monthly rent payment in a single transaction.

## **Are there any exceptions?**

Yes. Operators with fewer than 5 rental units are not subject to this ordinance.

## **Are operators required to charge a security deposit?**

No. Operators may continue to waive or forego deposits.

## **May landlords and tenants agree to use other security deposit alternatives?**

Yes, this ordinance does not prohibit the use of lawful deposit alternatives.

## **What is the penalty for violating this ordinance?**

Violators are guilty of a misdemeanor of the fourth degree. This is a strict liability offense, according to the [Legal Information Institute](#), "strict liability exists when defendant is liable for committing an action, regardless of what his/her intent or mental state was when committing the action."

## **Where can residents report violations of this ordinance?**

Complaints may be submitted to the Columbus Urban League for investigation.

## **Does this law apply to leases that were executed or renewed before July 1, 2021?**

No.



**File a Complaint with the Columbus Urban League at 740.580.3247, [www.cul.org](http://www.cul.org), or [fairhousing@cul.org](mailto:fairhousing@cul.org)**

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If property owners require a security deposit, they have to give three options on how tenants can pay it.

The last person I spoke with, [the security deposit] was going to be close to five thousand dollars--if that could be broken down into six months, that takes a lot of stress off.



**Tonya**