



The Washington Multi-Family Housing Association supports legislative policies that aid the creation of multi-family residential housing to decrease the burden the cost of living has on all individuals living in Washington State.

Rent Control

House Bill 2583, and its companion Senate Bill 6400, seek to remove the statewide preemption of rent control, to permit local municipalities to enact local laws restricting the amount of rent that can be charged. Rent control policies disproportionately affect low income tenants, the development & construction of rental housing. Repealing the prohibition on rent regulation will decrease housing construction and contribute to a further rise in homelessness across Washington State.

Rent Control is simply a band-aid to housing affordability and ultimately leads to more housing problems. Rent control fails to acknowledge the underlying issues affecting access to affordable housing, **supply** of multifamily homes, and **cost** to build the same multi-family homes.

- ⇒ In the decade after rent control was enacted in Berkeley and in Santa Monica, a total of 6,384 units were lost.
- ⇒ In New York City, between 1960 and 1967 'dilapidated housing' grew by 44 percent and 'deteriorating inventory' grew 37 percent.

Rent control decreases the value of multifamily rental properties thereby decreasing the overall tax base. Without a continued strong tax base, critical social services that we need to help those living without home and others needing help with basic services could be cut.

Rent control decreases private investment in multifamily rental housing. By 2030, Washington State needs 137,000 new apartment homes to meet demand. With rent control, the incentive to invest in multifamily rental housing is decreased and private investment is diverted from much needed multifamily housing to other investment opportunities.

- ⇒ Developers have a choice and when the return on residential construction is limited, they will choose to build condos and commercial real estate.

Rent control encourages redevelopment and conversion of multifamily apartments to condominiums. When rent control limits the ability to obtain a return on the cost to build multifamily housing, owners will convert much needed rental housing to for sale condominiums, further reducing the supply of affordable rental housing.

- ⇒ In Seattle, an owner must only pay three months' rent to a qualifying household in order to convert an apartment to a condo.

Rent control does not benefit renters looking for affordable housing and rent control does not reduce the rent burden of families already paying more than 30% of their income to rent.

- ⇒ Single mother households decreased by 24% and 27% respectively in Berkeley and Santa Monica.
- ⇒ The number of low income tenants also decreased, while the number of high and very high income tenants increased in both Santa Monica and Berkeley.