

Montgomery County Council Council Office Building 100 Maryland Avenue Rockville, MD 20850

July 22, 2022

Dear Council President Albornoz and members of the Montgomery County Council:

My name is Dan Reed and I serve as the Regional Policy Director for <u>Greater Greater Washington</u>, a nonprofit that works to advance racial, economic, and environmental justice in land use, transportation, and housing throughout Greater Washington. GGWash supports Expedited Bill 22-22, Landlord-Tenant Relations Limitations on Rent Increases with no revisions, while recognizing that it is a near-term solution to our housing crisis.

Rents in the DC area grew nearly 16 percent between the first quarter of 2021 and the first quarter of 2022. Such a rapid, dramatic increase places a significant hardship on the 35% of Montgomery County households who rent their homes, as 51% of renters are already cost-burdened (paying more than 30% of their monthly income on rent). This bill would cap rent increases at 4.4% for the six months following its passage, while including any rent increase notices issued after May 15.

During these uncertain times, passing this bill would ensure that residents can remain in their homes, in their neighborhoods, and in the county. That's why in 2019, the Urban Institute identified rent stabilization and/or control, among other tenant protections, as an effective anti-displacement measure.

However, GGWash supports this bill only as a near-term solution to prevent displacement. In the long-term we simply need more homes, including subsidized and market-rate. More homes mean that if a household's needs or preferences change, they can find housing options that meet those needs or preferences without having to leave Montgomery County and the things that make life great: access to friends and family, economic opportunities, medical care, leisure activities, and so on. Montgomery County needs to provide at least 3,200 new homes each year over the next 20 years for our growing population—far more than we're currently building each year—and rent stabilization cannot solve that problem.

The Washington, DC region is great >>> and it can be greater.



GGWash urges the County Council to pass this bill and use the six months to identify and execute strategies for increasing the supply of housing in Montgomery County, particularly in affluent, high-opportunity parts of the county that have access to jobs, transportation, and other daily needs. If we don't act, the consequences are grave. Over the past thirty years, there has been a dramatic drop in young adult homeownership in Montgomery County in part due to increasing home prices. Today, most of the county's homeowners are now over 55. That means the burden of rising rents falls especially hard on young residents, both those who grew up here and want to stay, or who moved here and want to put down roots. When rents and home prices are increasing by double digits, we risk losing them and the potential for decades of valuable contributions to our county.

Thank you for your time and consideration. We look forward to working with you in the coming months, to expand access to housing and ensure that the people who make this county great have the chance to stay here.

Sincerely,

Dan Reed

Regional Policy Director

Greater Greater Washington