

Opposition Statement

Bill 16-23, Landlord-Tenant Relations - Rent Stabilization (The Home Act)

Bill 15-23, Landlord-Tenant Relations – Anti-Rent Gouging Protections

Thank you for giving me the opportunity to submit this written testimony in opposition to both proposed rent regulation bills, Bill 16-23 and Bill 15-23. My name is Laurie Boner. I not only work but live in Montgomery County and have worked in the multi-family management and development industry for almost 30 years. As a part of my portfolio, I have over 400 apartments located in Montgomery County. Our business model is to provide renters with quality affordable housing. We strive to do this with balance and care. A huge part of achieving that balance comes with developing a fair and equitable rent structure where the market rent attracts new residents and annual renewal increase rates, keep existing residents in place.

In the past few years, the multi-family industry has had to deal with numerous long-term, hard-hitting changes. The effects of COVID-19 have seen delinquencies reach epic proportions, with my property coming in at a two-year average of over 40%. This coupled with the measures during the pandemic to prevent or severely limit renewal increases has put our property's financial health in jeopardy. Add this to the council's latest proposed property tax increases and we are dealing with a perfect storm that will most likely end with the opposite result than what was intended. Within my network, many property owners including mine, managers, and developers are rethinking their desire to do business in our county.

I continue to try to understand why you, our elected representatives, wish to undermine an industry that has served the county and its residents well for decades in response to a few "bad actors". Our industry has proven that it is best able to provide high-quality living at reasonable prices when there is robust competition. Increasing supply is the critical piece for a long-term solution to our affordable housing crisis. We need to encourage businesses to invest their capital in Montgomery County. Owners, managers, and developers that want to put their money in the DMV have choices. We need to work together to make our county the most attractive of those choices. Rent control legislation of any kind does the exact opposite. Businesses, whether they develop or buy existing properties, do not want to enter a market where their potential is limited and controlled by non-market-related factors. I strongly encourage you to vote NO to both pieces of proposed legislation and instead, work together with members of our industry to create a plan that will benefit our citizens and our businesses to ensure the future success of our county.