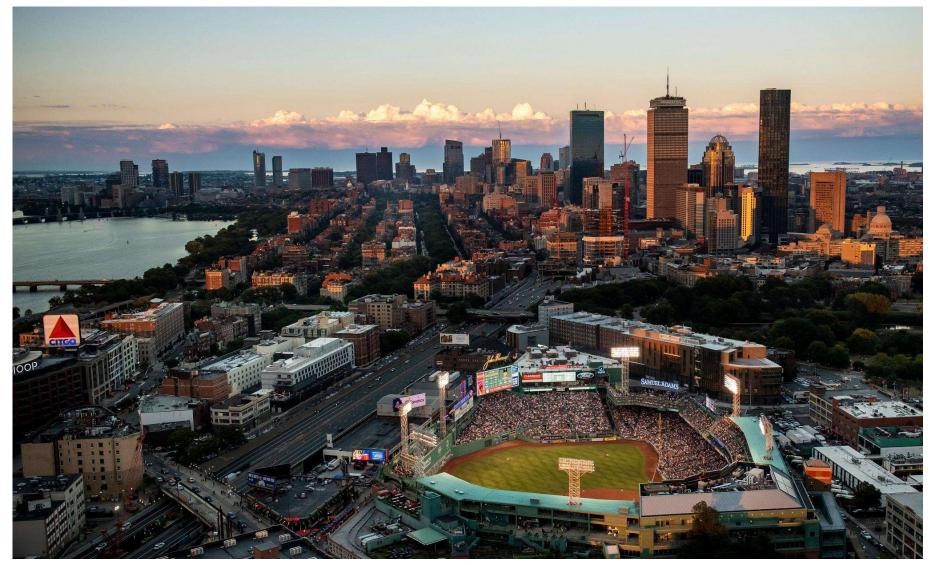


Battle Over Rent Control in Boston Heats Up as Landlord Group Comes Out Swinging

Real Estate Group Launches Campaign Opposing Mayor's Proposal





CoStar News

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A battle over reviving rent control in Boston has reached a fever pitch between the city's new mayor and local landlords, an increasingly common theme across cities and states dealing with rents that soared during the pandemic.

Boston Mayor Michelle Wu, who was elected in 2021, ran on the promise of bringing back rent control that ended in 1994 through a statewide referendum. Last week, Wu filed a plan with the city council and now is facing tougher opposition from the Greater Boston Real Estate Board.

The GBREB, which is the oldest trade association in the country and represents all types of property owners, launched a campaign this week that includes the website "Rent Control Hurts Housing" along with a Twitter account bearing the same name.

Greg Vasil, GBREB's CEO, said on Boston public policy nonprofit group Pioneer Institute's Hubwonk podcast, that "rent control is an insidious policy" and that "it's a way for politicians to sell hope."

The GBREB and the mayor's office didn't respond to requests for comment from CoStar News.

Cities and states across the country have passed or are considering some form of rent control in the wake of a rapid rise in residential rents during 2021 and into last year. Jurisdictions are also trying to slow rent increases in already high-priced rental markets.

For example, California rent control measures took effect statewide in 2020; Colorado is considering lifting a ban on rent control; and St. Paul, Minnesota, implemented rent control last year.

Florida bans rent control unless there's a housing emergency. But voters in Orange County, where Orlando is the largest city, approved rent control last year although state courts have ruled it unconstitutional and said the measure shouldn't have been on the ballot. Orange County's ordinance would limit rent increase to the rate of inflation in the South, which at the time the ordinance passed was at 9.2%. The inflation rate was at 6.9% in January, according to Labor Department figures released last week.

Other Florida cities have discussed the possibility of rent control because they, too, experienced significant rent increases as people flocked into the state from other parts of the country. State lawmakers now are pushing through legislation to get tougher on banning rent control while providing more than \$700 million for affordable housing and tax incentives for developers to build housing that has below market rents.

Boston Rents

Boston rents are among the highest in the country behind San Francisco, New York City, Long Island, New York, and California cities San Jose and San Rafael, CoStar data shows.

Wu's proposal seeks to tie annual rent increases to 6% plus whatever the consumer price index is, with the maximum at 10%. New construction would be exempt for 15 years. The proposal has to go through the city council, then the state, and then to the governor.

The National Apartment Association as well as state affiliates have argued that rent control doesn't work and only drives rents up further, adding that the best solution is easing regulations so more housing can be built to increase supply.

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intended, "it does destabilize the market by driving away investment and new construction, which ultimately decreases affordability."