



## **SB19-225 – Removal of Statewide Rent Control Ban**

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### TESTIMONY

Thank you, for the opportunity to provide testimony on this proposal. The Denver Metro Chamber of Commerce has been in business in Colorado for 152 years. We represent 3000 members and their 300,000 employees and are focused on ensuring Colorado is the best place to live and do business.

We're focused on affordable housing, understanding the importance of having a workforce that can put roots down in our community. Colorado is a place people want to be, and simple economics tell us that increased demand and decreased supply will result in higher prices, which we've seen here over the past five years. We know that Coloradans today are increasingly challenged to find affordable rental and for purchase housing, which is a concern in a state that has traditionally relied on retaining the incredible talent we have in Colorado.

Our housing challenges can only be met through collaborative work between all sectors: government, private and nonprofit.

So, while we agree on the challenge in this case, we disagree on the solution and are opposed to SB19-225. If enacted, this proposal will adversely affect housing markets throughout Colorado and even further aggravate the crisis of unaffordable and inaccessible housing. We are here to urge you to resist a bill that may have the unfortunate side effect of hurting the very renters it is supposed to protect. Rent control policies are not new in this country. 32 states currently bar their cities from passing any type of rent-control legislation.

Brookings reviewed economic research from 1946-2012 and found that rent control appears to help affordability in the short run for current tenants, but in the long-run decreases affordability, and fuels gentrification.

In 2010, San Francisco officials imposed a rent-control ordinance on the city. Since then, rental housing availability is down 15 percent, while in the same time frame Colorado's rental stock is up 18 percent.

Our own research shows that Colorado's current housing affordability and equity challenges are not because of how tenants and property owners contract to obtain housing services. The affordability challenges arise from policies of the State that have made the cost of construction progressively more expensive, a problem that is worsened by the growth in population and income.

A stable housing market is critical to our entire state. Our member businesses rely on responsive housing markets to attract and retain employees. If Colorado truly wishes to make rental (and other) housing affordable and prevent displacement, it should reject SB19-225 and, instead, engage in a collective inclusive exercise to identify an alternative solution that will actually work.

Thank you and I'm happy to take your questions.