

REALTOR® Association Disappointed in Last Night's Decision on Rent Stabilization by the New Bedford City Council

The following was submitted to us by The REALTOR® Association of Southeastern Massachusetts:

On Thursday, March 9, 2023, the New Bedford City Council passed a motion "that the following nonbinding public opinion advisory question, or other question of similar form and context as determined by the City Solicitor, be placed on the municipal general election ballot on November 07, 2023: 'Should the City of New Bedford adopt an Ordinance stabilizing rents, in order to prevent displacement in the local housing rental market?'"

"We are very disappointed in the outcome of this vote", states Paul Chasse, Chief Executive Office of the REALTOR® Association of Southeastern Massachusetts, who goes on further to say, "A simple non-binding yes or no ballot question does not do this very serious issue justice. We would rather see the city take part in a series of public meetings and debates that include residents representing tenants, landlords and owner-occupied home owners, housing professionals and city housing officials to have conversations about the cost of rental housing in New Bedford and what can be done to mitigate such a serious issue that has been building for years."

Rent stabilization is rent control, and based on past performances in the 1980's and early 1990's, it did not solve rental cost issues, which is why it was voted out by

Massachusetts residents. Rent control has reduced the quality and quantity of rental housing wherever it has been tried. An impact study based on extensive research on the effects of rent control across the country shows that rent control leads to a decrease in apartment supply and property tax revenue. Economists overwhelmingly agree that price controls on rent are inefficient and counterproductive, and lead to serious negative impacts for housing markets that hurt low income households and socio-economic challenged families the most.

Rent control is not the solution, but rather a short-term band aid on a larger issue. Currently, there are over 100 units in the construction pipeline in New Bedford, but developers cannot afford to build without the assistance of programs like the Massachusetts Housing Development Incentive Program (HDIP). The HDIP is woefully underfunded at 10 million for the entire state but the recent budget proposal by Governor Healy would bump that to 50 million for the first year and a continued 30 million for future years. We need to foster investment incentives for future construction. We also have to work with all surrounding communities to increase the housing stock in Bristol County, in addition to available public housing. Finally, we need to advocate the state and federal government for a more robust housing voucher program and assist city residents with the education and training needed to improve their quality of life.