

July 12, 2023

Honorable Evan Glass
Council President
Montgomery County Council
Stella B. Werner Council Office Building
100 Maryland Avenue
Rockville, MD 20850

Dear Council President Glass:

On behalf of the Mayor and Council of the City of Rockville, we write to concur with the letter from the City of Gaithersburg regarding our concerns as to unintended consequences of the proposed Bill 15-23. Though it's true that many people have been adversely impacted with rising rents and commodity costs due to inflation caused in part by the pandemic and supply-chain issues – implementing rent control may well serve to delay the creation of new affordable housing, challenge property owners to perform regular care and maintenance and cause inadvertent tenant turnover.

As a member of the Council of Governments (COG) Board of Directors since 2013, I have worked with leaders from across the DMV to support the housing needs of our workforce and service industry employees. You are aware that over the past ten years – the average rent increase in Montgomery County was 2.1% and in the twenty years prior to the Covid-19 Pandemic – the average increase was 1.5%. That is below the levels throughout the DMV including Washington, DC – which employs rent control on any building built prior to 1973. One has only to look at the situations in certain neighborhoods of DC to see that rent stabilization has contributed to the degradation of living conditions for those in rent controlled housing as there is no incentive for continued financial investments.

Some have stated that “developers will build anyways” and while that might come to pass – they will not be building housing that is affordable to the majority of our County. The cost of financing and materials has risen exponentially over the past several years and, as the City and the County have required more in public amenities, MPDUs, green space, energy efficiencies, SWM, etc – (which for the Record we support) - developers will take their projects elsewhere where the financial risks are fewer.

We are committed to finding and implementing policies and programs that foster the well-being and financial stability of people in lower and moderate-income renter communities, and we will continue to seek ways to create and preserve housing that's affordable to a wide cross-section of income levels. The City of Rockville joined with others to implement temporary moratoriums on rent increases during the Federal State of Emergency and we will continue in our efforts to secure new developments that bring quality housing opportunities to those between 40% and 80% AMI as we are hoping to do with the Stonestreet Coalition. Additionally – we support the continued use of the Voluntary Rent Guideline (VRG) that has been in place for nearly thirty-years and has served as an important tool to encourage landlords to maintain low and reasonable rental rates. Finally - we strongly advocate for additional funding for rental assistance and subsidy beyond the current programming to support low-income families before eviction proceedings commence.

Council President Glass - the Rockville City Mayor and Council look forward to continuing to work together with you and the County Councilmembers to increase the amount of affordable housing that is critical if we are to create a Montgomery County that is welcoming to all.

Sincerely- The Rockville Mayor and Council

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