**Just The Facts**

***Housing affordability is a crisis. Right now, 4.6 million apartments are needed to meet surging demand.***

* From 2000-2015, the U.S. underproduced 7.3 million units of housing, a shortage spanning 22 states and the District of Columbia. ([Up for Growth](https://www.upforgrowth.org/sites/default/files/2018-09/housing_underproduction.pdf))
* The U.S. needs to build an average of 328,000 new apartments every year by 2030. We’ve only hit that mark once since 1989. ([NMHC/NAA](https://www.nmhc.org/contentassets/1cc24b9e711e4713a6c014c88777c48c/affordable-housing-2018-08.pdf))
* An estimated 1.8 million additional housing units were needed to meet population and jobs growth between 2007 and 2017, but just 708,000 units were added, [according to](http://californialanduse.org/index.html) experts at the Terner Center for Housing Innovation at University of California, Berkley.

***The fundamental supply-demand imbalance is causing rents to rise at an above-average rate in some areas. Families are struggling and it’s holding back our economy.***

* Over half of American households paid more than 30 percent of their income on housing costs in 2015, and the problem grows worse every year as housing supply fails to keep up with demand. ([NMHC/NAA](https://www.nmhc.org/contentassets/1cc24b9e711e4713a6c014c88777c48c/affordable-housing-2018-08.pdf))
* Housing is a true strain on employment. From schools and hospitals to small- to large-private businesses, employers are struggling to hire in part due to the cost and availability of housing.

***Sound housing policies are needed to address both affordability and availability.***

* In many localities, the public and private sectors are coming together to develop and implement innovative solutions to help address the housing crisis.
	+ Denver recently unveiled a [pilot program](http://livedenver.org/) between the city and some employers to connect vacant market-rate apartment units with workforce families and individuals.
	+ In Seattle, Microsoft announced it is committing more than $500 million into the local housing sector.
	+ In Oakland, Kaiser Permanente announced a financial commitment to the city.
* Working together, the public and private sectors can bring all their tools and assets into play to implement viable solutions to meet the growing demand of the rental housing stock.

***Rent control laws exacerbate shortages and represent an outdated concept that benefits the very few – and not necessarily those in greatest need – at the expense of the larger society.***

* Currently, 36 states recognize that rent control has proven unsuccessful and have preempted local governments from adopting rent regulation laws. Only the District of Columbia, California, Oregon and a scattering of cities and towns in New York, New Jersey and Maryland have rent control or rent stabilization policies in place. ([NAA](https://www.naahq.org/advocacy/policy-issues/rent-control))
* Recognizing that rent control is a failed policy, California voters resoundingly rejected a ballot initiative in 2018 that would have broadened rent control across the state by a margin of 62% to 38%.
* Californians have seen first-hand the ramifications of rent control; San Francisco, which implemented rent control 1979, has the highest median rent in the country for a one-bedroom apartment, according to [March 2019 research](https://www.zumper.com/blog/2019/02/zumper-national-rent-report-march-2019/) by Zumper.
* While the intent of rent control laws is to assist lower-income populations, numerous studies have since shown that rent control fails to improve the availability and affordability of housing.
* Princeton University economist Paul Krugman concludes that, “Almost every freshman-level textbook contains a case study on rent control, using its known adverse side effects to illustrate the principles of supply and demand.” ([The New York Times](https://www.lisasturtevant.com/single-post/2018/06/20/If-Not-Rent-Control-Then-What))
* A recent [Stanford University study](https://www.gsb.stanford.edu/faculty-research/working-papers/effects-rent-control-expansion-tenants-landlords-inequality-evidence) noted, “Rent control has a bad reputation among many economists, who often argue that it makes things worse.” The study found that “landlords treated by rent control reduced rental housing supply by 15%, causing a 5.1% city-wide rent increase.”
* “The prospect that a city may enact rent control in the future is enough to chill investment in rental property and could blow up countless pending deals for new construction. Trying to fix a housing crisis with rent control is like sending an oil tanker to put out a forest fire.” – [The Orange County Register Editorial Board](https://www.ocregister.com/2018/06/01/rent-control-is-no-solution-to-our-housing-crisis/), June 2018
* “Rent control would seem to be the easy fix. Just cap what landlords can charge. But it’s a superficial and ultimately counterproductive fix, as the experiences of other cities have shown.” – [The Chicago Tribune Editorial Board](https://chicago.suntimes.com/opinion/rent-control-ban-illinois-legislation/), March 2019
* “Rent-control laws can be good for some privileged beneficiaries, who are often not the people who really need help. But they are bad for many others.” – [The Washington Post Editorial Board](https://www.washingtonpost.com/opinions/rent-control-is-back-and-thats-bad/2019/09/21/31abb05c-dbdb-11e9-a688-303693fb4b0b_story.html), September 2019