

North State BIA Opposed to Proposed Rent Control Ballot Initiative

The North State Building Industry Association (BIA), which represents the region's homebuilding industry, is opposed to the proposed ballot initiative that would institute rent control in the city of Sacramento.

While our association and industry appreciate the challenges created by increasing rents in the city, rent control is simply not the answer. Instead, the goal should be to streamline existing development processes in order to facilitate the construction of more market-rate housing in Sacramento's urban core. That approach would go a long way toward not only decreasing rents, but also paving the way for more area residents to purchase a home in the city.

To that end, several of our members are currently engaged in a number of critical single- and multi-family projects in Sacramento; however the proposed rent control initiative would undermine all active, under construction efforts and prevent future ones from even getting started. Putting a stop order on the potential return on investment for homebuilders and developers will only cause them to think twice about doing business in the city of Sacramento. The bottom line is that our express goal must be to build more, not less.

The BIA has joined with a number of local business groups to oppose rent control, including the California Apartment Association (CAA), Sacramento Association of REALTORS® (SAR), Region Business, and the Sacramento Regional Builders Exchange.

Sacramento has made progress in the last several years on not only increasing the number of housing units constructed in the city, but also changing the face of the city in order to attract renters and owners to those units. Rent control would undo that progress and significantly impede the city from reaching its full potential.