Maine Voices: Portland rent stabilization question could do more harm than good

By Cullen Ryan and Bree LaCasse Special to the Press Herald

Community Housing of Maine advocates for homeless and special needs populations, and creates and maintains housing that is affordable for people who are poor. We are very concerned about affordable housing. Affordability is a serious problem in Portland, and it needs to be solved.

Unfortunately, after careful consideration, we believe that Portland’s rent stabilization referendum – Question 1 on the city ballot – is not the right solution and could do more harm than good.

ABOUT THE AUTHORS

Cullen Ryan is executive director of Community Housing of Maine, and at-large Portland City Council candidate Bree LaCasse is development officer for the nonprofit organization.

The rent stabilization ballot initiative does not take a holistic view in addressing the affordability crisis. We fear the ordinance would have unintended consequences that could worsen the situation for many people currently facing housing insecurity or homelessness.

Market-rate rents are too high right now for lots of people in Portland, and there is an insufficient number of public and subsidized housing units. In many ways, it’s an issue of income inequality. In 2015, nearly 50 percent of Portland households with income under $50,000 per year were paying more than 30 percent of their income on rent, but only 2 percent of households earning over $50,000 were similarly rent overburdened.

Addressing the affordability crisis is not as simple as restricting rents that are already too high right now in the hope that they will seem less high in the future. A better answer is to build more affordable housing for low- and middle-income families.

If this ordinance went through, the rent restrictions that would be placed on a significant portion of the private-sector apartments could decrease the supply of stable housing options for Portland’s homeless and special need populations. Why? Because it will affect landlords and their short-term business strategies.

Data from cities with rent control show that people are less likely to move if they live in a rent-controlled apartment, even if their incomes rise and they could afford to pay more. That means fewer apartment units are available, more people are applying for each available unit, and landlords are even less likely to consider higher-risk tenants.

Related

Read more Maine Voices

Community Housing of Maine’s housing has rent-restriction mechanisms that are carefully designed to be affordable and accessible for people with low incomes, and for people with a hard time accessing housing. This is achieved through federal and state subsidies and other grants. The housing that we have developed has rent restrictions that last from 30 to 99 years. This strategy is effective.

Community Housing of Maine is the largest housing provider for homeless populations in Maine, but there is no way
we are going to solve homelessness alone. We, and others in the field, lack sufficient resources to build the affordable housing necessary to meet the demand. And it is a slow and cumbersome process. So we count on private landlords to be part of the solution. We challenge landlords to open up their apartments to people who have been homeless or have less-than-perfect income histories. And right now, they do.

If this ordinance passes, we believe landlords will refuse to take chances on tenants – because their tenants are not going to move, they will rent to only the most financially stable people and those with the best perceived long-term prospects. That will hurt homeless populations, new Mainers and other special needs populations our organization serves. It even means fewer vacancies for young adults just setting out on their own for the first time.

We applaud Fair Rent Portland for helping elevate the issue of Portland’s affordability crisis. Portland desperately needs more affordable housing. We share people’s frustrations. We have a long waiting list of people searching for safe, quality affordable housing – as do all the other affordable-housing providers. But this proposed ordinance would box out the people who have the greatest affordability issues.

Community Housing of Maine is endorsing a “no” vote on this ballot initiative.

Though Fair Rent did not reach out to us or others in the affordable housing community in drafting the ordinance, we welcome the opportunity to work together on finding effective solutions. Let’s challenge our policymakers to solve this complicated issue. We will need people on all sides of the current debate to come together to find the right solution for Portland.