

Testimony  
Peter Tucker  
Vermont Association of Realtors®  
for  
House Government Operations  
Burlington Charter Change on Just Cause/Rent Control

Realtors® in Chittenden County asked us to weigh into the Just Cause Charter change because Realtors® care about property owner rights.

We received a grant from the National Association of Realtors® to do research and develop an issues mobilization campaign on this topic.

Here is what we found.

Just Cause will reduce the number of rental properties available in a market. In San Francisco, the city lost 25% of their rental housing in the years after Just Cause Rent Control was introduced

Just Cause will reduce market value of rental properties. We are in a housing bubble but when the market turns, rental properties subject to additional restrictions like Just Cause will be less attractive.

Just Cause will create a consolidation of rental housing with larger landlords. As small and medium sized landlords choose a different path for their properties, only the large landlords will be left.

Just Cause will lead to a deterioration of rental properties. Owners will be less willing and financially able to improve their properties.

Just Cause discourages new investment in Rental Housing. Investors will choose communities other than Burlington to invest in rental housing.

It is not clear that an owner will be able to sell their property without conflicting with this Just Cause ordinance. The Charter Change as presented does not address this consideration.

Just Cause will force Landlords to require more restrictive leases and be far more selective in their choice of tenants. Landlords will have to be assured that tenants will be good partners in their lease.

Just Cause/Rent Control will lead to more conflict over what is a reasonable rent increase that will have to be solved by the courts.

Just Cause makes it more difficult to remove problem tenants potentially causing good tenants to leave. Landlords will have to prove Just Cause with evidence that is not clearly defined.

Let's be clear this is a rent control proposal.

The charter change "limits unreasonable rent increases to prevent de facto evictions." This language is vague and unenforceable and will lead to significant litigation.

The Charter change states that the "ordinance shall define what is reasonable" but provides no guidance as to what is reasonable or even who shall define what reasonable is.

Administrative costs are significant for municipalities that implement these programs

The Charter Change, as written is vague which will (and already has) opened it to legal challenges.

The Charter Change does not establish what evidence is needed to show Just Cause.

Just Cause is an unconstitutional taking of property rights

These are just some of the unintended consequences of this proposed ordinance and the reasons why the Vermont Association of Realtors® are opposed to this charter change being approved by your committee.

Just Cause / Rent Control is not good public policy and should not set precedent for the state.

Just Cause / Rent Control is not the solution to the housing crisis. The lack of supply of housing, from rental housing to home ownership has been limited over time by overly restrictive zoning and permitting regulations.

Less regulation, not more is the solution to our housing crisis. Just Cause/Rent Control will reduce the supply of housing in Burlington and not address the underlying causes of our housing crisis.