



TO: Albuquerque City Councilors

RE: Memorial M-22-5 *Urging The New Mexico State Legislature To Repeal The New Mexico Rent Control Prohibition*

Dear Albuquerque City Council,

Associated General Contractors (AGC) New Mexico is a statewide trade association representing the commercial construction industry, and we submit this letter in opposition to the proposed Memorial (M-22-5) Urging the State to Repeal New Mexico Rent Control Prohibition.

A recent joint research effort by the National Association of Home Builders (NAHB) and the National Multifamily Housing Council found that rent control mandates discourage developers from building in the very marketplaces that have the greatest need for more housing, 47.9% of multifamily developers said they avoid building in jurisdictions with policies such as inclusionary zoning - a full 87.5% avoid building in a jurisdiction with rent control in place.

Rent control has downsides as inflation increases, and the cost to maintain buildings increases along with it. When the rent control ceiling is in place, landlords can't raise their rent high enough to make a profit.

AGC believes there are alternative solutions to address the affordable housing challenges we face in Albuquerque and across the state; less restrictive zoning requirements, quicker turnaround times for development, and reducing multilayered tax structures that create unnecessary inflated housing costs.

AGC would appreciate the opportunity to meet with you to discuss ways the construction industry can be a meaningful partner to address hurdles and create more housing opportunities for everyone while ensuring that we can continue to build our communities and drive economic development in Albuquerque and across our state.

If you have any questions, please do not hesitate to reach out to me directly. On behalf of our member companies and employees, we appreciate your consideration of our perspective on this issue.

Thank you,

Kelly Roepke-Orth, CEO

**Associated General
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