

July/August 2007

Tenant Negotiation Ordinance Defeated

July 19 hearing brought fervent debate from both sides of the issue

A proposed ordinance that would have required certain landlords to negotiate with tenant organizations was rejected by the City Council in an 8-5 vote on August 8th. The ordinance was proposed by Councilor Yoon to promote cooperation between landlords and tenants. However, many feared that it was a foot in the door to a return to more restrictive measures. At a hearing on July 19th, the Government Operations Committee heard five hours of testimony on the issue.

The Research Bureau testified against the proposed ordinance, arguing that it duplicates a process already in place and managed by Boston's Rental Housing Resource Center, creates uncertainty that could affect housing development, and could result in future additional costs to the City. Other testimony in opposition to the ordinance contended that:

- The ordinance would accomplish little and would create uncertainty for landlords and the development community
- The ordinance was a form of rent control and would send a chilling message to housing developers

- Tenants now have many opportunities to have their grievances heard and that this ordinance would not advance relations, but would lead to greater conflict
- The legislation would discourage the housing supply because it proposes a penalty that makes permitting difficult for builders and it reduces the incentive for builders to construct more housing. As a result, Boston would actually become less affordable to renters

Testimony in support of the ordinance focused on the benefits of bringing tenants and landlords together. Common points from statements in support included:

- The ordinance uses only mild sanctions to induce landlords to meet with tenant organizations
- The majority of Boston landlords would be exempt from the ordinance, including small property owners
- The bill would increase the efficiency of the Boston housing market by offsetting an imperfect market in which landlords have more market power