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Testimony of the Boston Municipal Research Bureau

Before the

City Council's Committee on Government Operations

July 19, 2007

Regarding: Docket #0632 An Ordinance Regarding Residential Dwelling Units In the City of Boston

Mr. Chairman and Councilors, my name is Sheena Frève, Research Associate, of the Boston Municipal Research Bureau, and I am here to testify in opposition to Docket #0632.

In summary, the four key reasons this proposed ordinance should not be approved are as follows:

1. The ordinance merely duplicates a process that is practically already in place except for punitive letters that will not assist in the creation of affordable rental housing.
2. The ordinance adds to the already burdensome process that now governs the creation of affordable housing development.
3. While limited in scope, the ordinance will create added uncertainty and its vagueness will leave much of the language open to interpretation.
4. As presented, this ordinance may not require significant new resources for administrative support. However, if in subsequent years this language is broadened, such change could lead to higher cost requirements.

Bill Summary

This proposed ordinance authorizes tenants to organize and, through a collective bargaining process, negotiate with landlords over issues not specified, but that presumably would involve rents and building conditions. The City's Rental Housing Resource Center (RHRC) would be responsible for convening and supervising each and every formal meeting and administering other provisions of the ordinance. The ordinance allows recognized tenant organizations to request a formal meeting with the landlord every six-months. A landlord who attends a meeting is required to stay at the meeting for a maximum of six hours even if no satisfactory negotiations take place. If the landlord refuses to attend a formal meeting called by the RHRC, the agency will prepare a letter indicating the failure of the landlord to attend the meeting, which will be a factor in city decisions regarding requests for proposals, sale of public land, building

permits or applications for business licenses. However, a landlord who attends a formal meeting but, in the estimation of the RHRC, “fails to negotiate in good faith” will not receive a letter from the RHRC.

The ordinance before you should be rejected for several reasons:

- **Duplicates a process that is already in place** – Currently, the RHRC is charged with mediating disputes among tenants and landlords, free of charge, and providing them with assistance in meeting their legal obligations and exercising their rights (MGLA c.282, Acts of 1994; Ord., 1995 c.9). Tenants and landlords currently have the ability to request meetings at any time to resolve issues concerning rental property. This ordinance does nothing to change or improve this process and has no added benefit for rental housing in Boston. It merely proposes to run a parallel process that is not well defined and burdens many landlords. The RHRC staff will now be restricted by the procedures outlined within the ordinance and will face the additional burden to process paper work and letters to various agencies citing compliance or non-compliance of attending a meeting.
- **Burdens affordable housing development** – Currently, a myriad of regulations, requirements and laws exist that govern affordable housing development as well as tenant/landlord relationships. This ordinance adds another layer onto an already cumbersome process with no real positive outcome guaranteed for either the tenant or landlord. It will discourage or dampen motivations to develop new affordable housing. Rather than adding more regulations to rental housing, we believe that the City should continue its attention on increasing the supply of rental housing, working with a broad coalition of interests. With the help of recent city initiatives, over 4,000 units of affordable rental housing have been permitted since 1999, according to the Department of Neighborhood Development.
- **Creates uncertainty** – This Ordinance creates uncertainty as to what landlords will be required to do. The vagueness of this ordinance leaves much open to interpretation with no clear-cut structure for resolving issues. Despite requirements for dealings with a Recognized Tenant Organization, there is no requirement that these members be elected or have a set membership. This further complicates the issue, as it is difficult to know whom these organizations are speaking for or representing.
- **May result in additional costs** – While any additional costs to the City are uncertain at this time, there is the potential for unknown future costs resulting from this ordinance. As presented, this ordinance may not require significant new resources for administrative purposes. However, if in subsequent years this language is broadened, that could lead to higher cost requirement.

The Research Bureau believes that the City should continue its efforts to generate and encourage more affordable housing construction and not create impediments to this effort. The uncertainty and additional layer of regulations created by this ordinance will work against those efforts. For these reasons, the Research Bureau is respectfully urging the City Council to vote no on this ordinance.