

MICHELLE WU

February 13, 2023

TO THE CITY COUNCIL

Dear Councilors:

I transmit herewith for your approval a home rule petition to the General Court entitled "Petition for a Special Law Authorizing the City of Boston to Implement Rent Stabilization and Tenant Eviction Protections."

This Home Rule Petition will enable the City of Boston to implement rent stabilization to better protect families from displacement caused by exorbitant increases in rent. The measure would place needed limits on rapid rent increases to existing tenancies and ensure more stability for Boston residents by providing a level of certainty regarding how much their rent could increase each year. Tenants in Boston are often victim to steep rent increases, making it impossible for them to stay in their homes. In 2022, advertised rents across the City increased by 14 percent, while several neighborhoods saw increases in excess of 20 percent.

Modeled on successful policies in California and Oregon, this proposal seeks to maintain a robust development market, on which our new housing production depends. The maximum allowable rent increase would be set at the Boston Metro Consumer Price Index (CPI) + 6 percent, but in no event could rent for a unit exceed 10 percent in a year. This rent stabilization measure would exempt owner-occupied homes with six units or fewer.

The Home Rule Petition includes long sought tenant eviction protections, including just cause eviction protections. Under this proposed law, tenants could only be evicted for cause, such as failure to pay rent, substantial violations of the lease, or use of the unit for illegal purposes. Moreover, tenants who are subject to a 'no fault' just cause eviction would be entitled to receive relocation fees.

In addition, this Home Rule Petition also enables Boston to update its condominium and cooperative conversion to extend the protections of the original legislation to more properties and makes important updates to the rental registry's data collection and uses to better support tenants.

I urge your Honorable Body to pass this Home Rule Petition expeditiously so we can begin to advocate for passage at the State House.

Sincerely,

Michelle Wu

Mayor of Boston

CITY OF BOSTON

IN CITY COUNCIL

PETITION FOR A SPECIAL LAW AUTHORIZING THE CITY OF BOSTON TO IMPLEMENT RENT STABILIZATION AND TENANT EVICTION PROTECTIONS

ORDERED: That a petition to the General Court, accompanied by a bill for a special law relating to the City of Boston to be filed with an attested copy of this order be, and hereby is, approved under Clause 1 of Section 8 of Article II, as amended, of the Articles of Amendment to the Constitution of the Commonwealth of Massachusetts, provided that the Legislature may reasonably vary the form and substance of the requested legislation within the scope of the general public objectives of this petition.

PETITION FOR A SPECIAL LAW AUTHORIZING THE CITY OF BOSTON TO IMPLEMENT RENT STABILIZATION AND TENANT EVICTION PROTECTIONS

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows

SECTION 1. Findings and purpose. The general court finds and declares that a serious state of emergency exists in the City of Boston ("the City") with respect to housing, whereby there is an inadequate supply of low cost rental housing; that, further action to protect residents from exorbitant rent increases and evictions is necessary to address serious threats to the public health, safety and general welfare, including housing insecurity, rent burden, homelessness, and displacement, and further finds that a rent stabilization ordinance will address the most egregious rent increases.

SECTION 2. Power for local rent regulation. The City of Boston may, by ordinance, regulate the rent in multi-family housing and provide for reasonable exemptions from such regulation.

- (a) This section shall not apply to the following types of residential properties or residential circumstances:
 - (i) Properties with six or fewer dwelling units in which one of the dwelling units is the owner's principal residence.
 - (ii) Units in hotels, motels, or other facilities occupied by transient guests.
 - (iii) Housing accommodations in a nonprofit hospital, religious facility, extended care facility, or licensed residential care facility for the elderly.
 - (iv) Dormitories owned and operated by an institution of higher education.
 - (v) Dwelling units in which the tenant shares bathroom or kitchen facilities with the owner who maintains their principal residence at the residential real property.
 - (vi) Dwelling units for which the permanent certificate of occupancy is less than 15 years old and were created as a result of 1) Ground up new construction, 2) a physical addition to an existing residential building, or 3) conversion from another use to residential.

- (vii) Dwelling units where the tenant pays a set percentage of their income to rent, either because they hold a voucher, the unit is public housing, the unit has a project based voucher, or where applicable federal or state law or administrative regulations specifically exempt them from rent stabilization regulations.
- (b) The City, on an annual basis, may set an annual maximum percentage rent increase for rental units covered by this section, based on the change in the consumer price index, plus six percent, or a maximum percentage increase of ten percent, whichever is lower. "Consumer price index" refers to the annual 12-month average change in the Consumer Price Index for All Urban Consumers, Boston-Cambridge-Newton (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor in September of the prior calendar year.
- (c) For rental dwelling units covered by this section, an owner shall not, over the course of any 12-month period, increase the gross rental rate for a more than the percentage allowed in part (b) above, times the lowest gross rental rate charged for that tenant at any time during the 12 months prior to the effective date of the increase.
- (d) For a new tenancy in which no tenant from the prior tenancy remains in lawful possession of the dwelling unit, the owner may establish the initial rental rate not subject to this section. This section is only applicable to subsequent increases after that initial rental rate has been established.
- (e) The City may provide for fair return standards for the regulation of rent, which may include but are not limited to, changes to permissible rental rates based upon certain maintenance and capital costs and rapid increases in property taxes.
- (f) The City may set tenant notification and rental registration requirements as necessary to effectuate this section.
- (g) The City may establish or designate an administrator or board, to promulgate regulations pursuant to this section and govern local rent regulation.

SECTION 3. Just cause eviction protection. The provisions of this section shall be applicable to all housing accommodations in the City of Boston; provided however, that the City may provide for exemptions from the provisions of this section and any such exemption shall be included in an ordinance adopted by the City. The City may, by ordinance, provide that a owner shall not recover possession of a leased unit within residential dwelling unit unless the Housing Court finds that:

- (a) the tenant has failed to pay the rent to which the owner is entitled;
- (b) the tenant has violated an obligation or covenant of his or her tenancy not inconsistent with Massachusetts General Law chapter 93A, or this section, or the regulations issued pursuant thereto, other than the obligation to surrender possession upon proper notice; and the tenant has failed to cure such violation after having received written notice thereof from the owner;
- (c) the tenant is committing or permitting to exist a nuisance in or is causing substantial damage to the leased unit, or is creating a substantial interference with the comfort, safety or enjoyment of the owner or other occupants of the same or any adjacent accommodations;
- (d) the tenant has used or permitted a leased unit to be used for any illegal purposes;
- (e) the tenant, who had a written lease agreement which terminated or is a tenant at will, has refused, after written request or demand by the owner, to execute a written extension or renewal thereof or lease for a further term of like duration, at a rental rate that does not exceed the percentage set by the City of Boston, in accordance with this legislation and the ordinance enacted as a result of this legislation;

- (f) the tenant has refused the owner reasonable access to the unit for the purpose of making necessary repairs or improvements required by the laws of the commonwealth or the City of Boston, or for the purpose of inspection as permitted or required by such tenant's lease agreement or by law, or for the purpose of showing the leased unit to any prospective purchaser or mortgagee;
- (g) the person holding at the end of a lease term is a subtenant not approved by the owner;
- (h) the owner seeks in good faith to recover possession of a leased unit for his or her own use and occupancy or for the use and occupancy by his or her spouse, children, grandchildren, great grandchildren, parents, grandparents, brother, sister, father-in-law, mother-in-law, son-in-law, or daughter-in-law, and has provided the tenant with notice and a relocation payment as established by the City by ordinance; or
- (i) the owner seeks to recover possession for any other just cause, provided that his or her purpose is not in conflict with the provisions and purposes of said chapter 93A or this section.

SECTION 4. Condominium and cooperative conversions. The City of Boston may, by ordinance, regulate the conversion of residential dwellings to condominiums or cooperatives. Such ordinance may include tenant notification requirements, relocation plans, tenant relocation payments, permits fees, and exemptions. Notification requirements and relocation payments may vary based on income, age, and disability.

SECTION 5. Demolitions and substantial renovations. The City of Boston may, by ordinance, create requirements for tenant notification requirements, relocation plans, and tenant relocation payments where an owner is seeking to demolish or substantially renovate a property that requires a tenant to move. Notification requirements and relocation payments may vary based on income, age, and disability.

SECTION 6. Severance Clause. The determination or declaration that any provision of this act is beyond the authority of the general court or is preempted by law or regulation shall not affect the validity or enforceability of any other provisions.

SECTION 7. Effective Date. This act shall take effect immediately upon signing by the Governor.

THE FORGOING, IF PASSED IN THE ABOVE FORM, WILL BE IN ACCORDANCE WITH LAW.

ADAM CEDERBAUM CORPORATION COUNSEL

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