



## CITY OF SOMERVILLE, MASSACHUSETTS CLERK OF COMMITTEES

March 1, 2018

### REPORT OF THE LEGISLATIVE MATTERS COMMITTEE

Attendee Name	Title	Status	Arrived
Mark Niedergang	Chair	Present	
Lance L. Davis	Vice Chair	Present	
Mary Jo Rossetti	Alderman at Large	Present	
Matthew McLaughlin	Ward One Alderman	Present	
Katjana Ballantyne	Ward Seven Alderman	Present	
Jefferson Thomas ("J.T.") Scott	Ward Two Alderman	Absent	
Ben Ewen-Campen	Ward Three Alderman	Present	
Jesse Clingan	Ward Four Alderman	Present	
Stephanie Hirsch	Alderman At Large	Present	
William A. White Jr.	Alderman At Large	Present	
Wilfred N. Mbah	Alderman at Large	Present	

Others present: Eileen McGettigan - Law, Michael Glavin - OSPCD, Michael Feloney - OSPCD, Hannah Grillo - OSPCD, David Tisel - MIT, Jason Grossfield - Law, Tim Snyder - Mayor's Office, Annie Connor - Legislative Liaison, Rositha Durham - Clerk of Committees. (Alderman Scott was attending another city meeting.)

The meeting took place in the Aldermen's Chamber and was called to order at 6:00 PM by Chairman Niedergang and adjourned at 9:30 PM.

#### Approval of the February 15, 2018 Minutes

<b>RESULT:</b>	<b>ACCEPTED</b>
----------------	-----------------

#### **204954: Requesting approval of a Home Rule Petition to authorize the City to impose a Real Estate Transfer Fee.**

Three documents, including a revised draft of the Home Rule Petition, were distributed at the start of the meeting as well as emailed to the Board of Aldermen. The Committee agreed that funds raised should go into the Affordable Housing Trust Fund. It was reiterated that the Home Rule Petition should be submitted by the end of April. The Chair stated a public hearing on March 29<sup>th</sup> was likely.

Ald. Davis made a motion to replace the draft language of the previous draft with the revised draft language that the Administration had sent out for this meeting and his motion carried unanimously.

The Committee made suggestions for changes to Section 2. It was suggested that a seller owning property for two years may not be long enough to discourage speculation and therefore the Committee should consider five years as the flip period. Five years could be the amount of time it takes for a developer to permit, build and then flip a property. Ald. Rossetti motioned and it was accepted to change the language in Section 2 from “two consecutive years” to “five consecutive years.” The motion was approved unanimously.

There was discussion of the possibility of putting a higher fee on foreign buyers. Board members asked for information on other cities that have proposed or are considering similar legislation.

There were lengthy discussions about Sections 3 and 4, particularly on the issue of whether the buyer or seller should pay. President Ballantyne motioned to change the HRP to the buyer paying the transfer fee but after considerable discussion, it appeared that this issue overlaps with the exemptions, and at the suggestion of the Chair, this motion was withdrawn for the time being.

There was extensive discussion about possible exemptions from the Fee. A variety of ideas were proposed, such as that owner-occupied property be exempt, that all seniors be exempt, that only low-income seniors be exempt, that people who owned their homes for 20 years be exempt, etc. It was asked how much of an overlap would there be between senior homeowners and those who had owned their homes for 20 years.

President Ballantyne asked for a definition of what a transfer means. Assistant City Solicitor Grossfield said it means any type of conveyance such as a sale, through a will, estate, etc. It was stated that the transfer of convenience language from the Provincetown draft is different than the family member exemption. Ald. Rossetti motioned and it was accepted unanimously to add Transfer of Convenience language into Section 4 as a second exemption.

President Ballantyne made a motion to exempt all seniors from the Fee. After some discussion, Ald. Davis motioned and it was accepted to lay President Ballantyne’s motion on the table.

The committee agreed to keep this item in committee to give time for more consideration. There remains a divide on whether the buyer or seller pays the transfer fee. There is also more time needed to consider possible exemptions.

<b>RESULT:</b>	<b>KEPT IN COMMITTEE</b>
----------------	--------------------------

**205118: Requesting approval of a Home Rule Petition to preserve affordable housing through a tenant's right to purchase.**

Assistant City Solicitor Grossfield went through the draft and described the changes made from the previous draft of this HRP. He explained that if the tenant does not exercise their right, a non-profit affordable housing developer or the City or its assignee would have a right of first refusal to purchasing the housing.

Ald. Ewen-Campen distributed a document on two and three family houses in Somerville provided by Ms. Carillo of the Housing Dept. The data showed that tenant-occupied units in

two- or three-family houses are only 13.3% of all housing units in Somerville. Ald. Ewen-Campen motioned and it was accepted that the Administration write language into the next draft of the HRP that would exempt owner-occupied 1, 2, and 3-unit buildings from the Right of First Refusal.

Mr. Grossfield will look into Washington, DC's language for Right of First Refusal. Mr. Tisel who has experience working on this in Washington DC came forward to answer numerous questions from the Committee. Ms. Connors from the Mayor's Office distributed a document (also handed out at the previous meeting) with timelines and deadlines that exist in the HRP Right to Purchase.

Ald. White asked that the Administration look into San Francisco and Baltimore and others that currently have laws for Tenant Right to Purchase. It was mentioned that Boston and Cambridge are also considering a HRP on this topic. A question was asked if the HRP could be positioned as a pilot and revisited in some years. The Committee asked for a graphic communication produced by the Administration that would help the community understand the HRP for the public hearing.

<b>RESULT:</b>	<b>KEPT IN COMMITTEE</b>
----------------	--------------------------

**204875: That the City Solicitor prepare a Home Rule Petition regarding a Right of First Refusal to allow tenants to have the first option to purchase their homes if they are going to be sold.**

See discussion of #205118.

<b>RESULT:</b>	<b>KEPT IN COMMITTEE</b>
----------------	--------------------------

**205201: That the Administration work with US2 to amend the Development Covenant to allow this Board to recognize a Neighborhood Council to negotiate a CBA and discuss the amendment with this Board prior to execution.**

Special Counsel McGettigan distributed a document for the Board's review that is a proposed amendment to the Development Covenant signed by the Mayor (representing the City) and the Master Developer of Union Square, US2. This amendment would enable the City to recognize a Union Square Neighborhood Council to negotiate a Community Benefits Agreement. The language in the amendment was almost entirely taken from the draft Community Benefits Ordinance that the Administration had proposed in the spring of 2016 and which the Board of Aldermen has had many discussions about. One of the changes to the language is that the Neighborhood Council be a non-profit organization.

Mike Firestone, a member of the Union Square Neighborhood Council, said that the USNC felt comfortable with the language. There were a number of changes suggested by Committee members and Ms. McGettigan indicated that the Administration will review and try to incorporate those changes. Since the document is an amendment to an agreement between the Mayor and US2, there were no motions or votes taken.

Further discussion focused on the process by which the amendment will be considered by the City and US2. If those two parties agreed to something, it would still require a majority vote from the Board of Aldermen to amend the Development Covenant.

**RESULT:**

**KEPT IN COMMITTEE**

**205062: Philip Parsons submitting comments re: #17779, a Resolution recognizing the Union Sq Neighborhood Council.**

**RESULT:**

**WORK COMPLETED**

**205063: Union Sq Main Streets submitting comments re: #17779, a Resolution recognizing the Union Sq Neighborhood Council.**

**RESULT:**

**WORK COMPLETED**

**Handouts:**

- Transfer Fee HRP - clean 2-28-18 (with 204954)
- Transfer Fee HRP - red-line edits 2-28-18 (with 204954)
- RETF Possible Exemptions (with 204954)
- Tenant Right to Purchase - clean 2-28-18 (with 205118)
- Tenant Right to Purchase - red-line 2-28-18-1 (with 205118)
- Stats on 2-3 Fam Houses (with 205118)
- Stats on 2-3 Fam Houses - corrected (with 205118) [received 3/2/18]
- Time Deadlines (with 205118)
- Comments - Tisel - Berman (with 240875)
- Proposed Changes (with 205201)