



**CITY OF SOMERVILLE, MASSACHUSETTS  
CLERK OF COMMITTEES**

November 15, 2018  
REPORT OF THE LEGISLATIVE MATTERS COMMITTEE

<b>Attendee Name</b>	<b>Title</b>	<b>Status</b>	<b>Arrived</b>
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	Absent	
Wilfred N. Mbah	Alderman at Large	Present	
Jesse Clingan	Ward Four Alderman	Present	
Ben Ewen-Campen	Ward Three Alderman	Present	
Stephanie Hirsch	Alderman At Large	Present	
Jefferson Thomas ("J.T.") Scott	Ward Two Alderman	Absent	
William A. White Jr.	Alderman At Large	Present	

Others present: George Proakis - OSPCD, Shannon Phillips - Law - Ellen Schachter - OSPCD, Annie Connor - Legislative Liaison, Peter Forcellese - Legislative Clerk.

The meeting took place in the Committee Room and was called to order at 6:35 PM by Chairman Niedergang and adjourned at 8:51 PM.

**Approval of the November 1, 2018 Minutes**

<b>RESULT:</b>	<b>ACCEPTED</b>
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**206613: City Solicitor submitting an ordinance to require the registration of short term rental properties.**

Mr. Proakis gave a brief presentation on the topic of Short-term Rentals (STR), i.e., rentals for 30 days or less. Currently, STRs are allowed by the city's zoning code as a Tourist Home Accessory Unit, but are restricted to the rental of bedrooms, only. These accessory units will be removed from the zoning code and placed within the city's Code of Ordinances, as Limited Share Units, and will be required to be licensed by the city. The presentation touched on some building code guidelines and requirements, data regarding the types and numbers of STRs and their rental periods, some common concerns, potential benefits, the city goals and various types of sharing. Mr. Proakis commented that some property owners have reported making more money renting space as a STR rather than long-term and Alderman Davis asked if there is data to support those claims. Mr. Proakis will look into

this a bit more and noted that business type people wouldn't be doing this all over Boston if it wasn't profitable.

Alderman Hirsch asked about room taxes and data compilation and Mr. Proakis replied that the room tax issue has to be addressed at the state level. Legislation was passed that included a local option to apply a room tax, but the measure was sent back to the legislature by the governor. Mr. Proakis believes that the measure will be signed into law by January, allowing the city to impose the tax. As for compiling the data, he wasn't sure where the information came from, but he noted that he believes that Airbnb will share high level data. Alderman Hirsch estimated that revenue from the room tax could be approximately \$700,000 and that those funds could be used to help with the overall affordable housing crunch.

Alderman Davis would like to know how many of the registered rental units in the city are owner-adjacent and he would like to hear about the experiences from other municipalities. Mr. Proakis said that Boston's ordinance will begin on January 1<sup>st</sup> and that he'll chart the ordinances from Boston, Cambridge and Somerville for comparison.

Alderman Rossetti asked for additional information regarding the associated costs and plans for implementation and enforcement. Alderman Ewen-Campen stated that he does not support owner-adjacent unit STRs and he requested feedback from the Administration on the matter. Alderman Clingan inquired about safety and was informed that units get registered and inspected every 2 years.

Alderman White commented that owner-adjacent units might have a detrimental effect on the city's long-term rental stock and he asked that Mr. Proakis to prepare a response to this concern. Conversely, Alderman Davis commented that owner-adjacent units might make properties more valuable when it's time to sell and he would like to hear the Administration's thoughts on the matter.

Chairman Niedergang commented that some committee members are not supportive of owner-adjacent units, adding that if the committee isn't for it, then staff shouldn't waste time on it. He, and some other committee members, does supports an exemption for an owner-adjacent unit under extraordinary circumstance, however.

The meeting was recessed at 7:35 pm and re-convened at 7:45 pm.

<b>RESULT:</b>	<b>KEPT IN COMMITTEE</b>
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**202523: That the City Solicitor prepare a draft ordinance to amend or replace the current Condominium Conversion Ordinance, and incorporate the strongest parts of relevant state law.**

<b>RESULT:</b>	<b>KEPT IN COMMITTEE</b>
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**205420: Assistant City Solicitor submitting an updated Condominium/Cooperative Conversion Ordinance.**

Alderman Davis' motion *to adopt the 10-16-18 draft of the Condominium Conversion Ordinance as the working draft* was approved. Chairman Niedergang commented that it's important for the committee to have an understanding of the proposal before a public hearing is held.

Chairman Niedergang inquired why the age of "elderly tenant" was set at 62 and not a higher age. Ms. Schachter replied that having it at 62 provides protection to greater number of people and 62 is the age used for housing programs.

Chairman Niedergang inquired about the 80% figure referenced in the definition of "low/moderate income tenant" and asked if it could be higher. Ms. Schachter replied that 80% is the eligibility level to receive public housing in Somerville.

Alderman Hirsch stated that she would only support this proposal if the property owner's obligations were the same for each type of tenant. Chairman Niedergang commented that he realizes that some tenants need additional time to find comparable housing and he pointed out that some benevolent landlords might consequently be punished by the extended period when tenants can't find comparable housing because of the low rents that were being charged to their tenants. Ms. Schachter said that there could possibly be a legitimate exemption in these cases. Alderman Ewen-Campen believes that anyone renting to elderly, handicapped, or low/moderate income tenants is a benevolent landlord, and this ordinance isn't being written for them. He also believes that even those who can afford to live here should be entitled to moving expenses when evicted.

Members discussed possible hesitation to rent to certain groups of people, e.g., elderly, due to the increased time periods allowed and Ms. Schachter stated that this hesitation could be eliminated by raising the time periods to the level permitted for the elderly. Ms. Schachter noted that the 5-year time period for protected classes is actually close to the current amount of time it takes to get into senior or public housing. Ms. Schachter noted that about 90% of units for conversion are delivered vacant.

Chairman Niedergang asked Ms. Schachter to prepare something regarding the amount of time tenants should have to move when evicted, as well as any other proposals she thinks might be warranted.

Alderman McLaughlin stated that it's usually an investor who flips a property and he wondered if this proposal might make the problem worse. He also asked if this proposal was meant to discourage conversion or to help tenants, adding that he wants to protect tenants.

Alderman Rossetti would like to hear comments about exempting homeowners who have been receiving residential exemptions for the last 10 years and she asked Ms. Schachter to look into this and provide a response. Alderman Davis remarked that how long a property owner lived on his property should not be a factor. Alderman White asked for data on condo conversions at properties where an owner was receiving a residential exemption.

Alderman Ewen-Campen asked about the intent of the city's right of first refusal and Ms. Schachter explained that the city has to maintain a list of non-profits who would have a right of first refusal and would be the purchasing party. Chairman Niedergang suggested taking the reference out if the city isn't going to be purchasing properties. Ms. Schachter will consult with Law and Housing Departments to see if modifications could be made to the proposal.

Alderman Ewen-Campen suggested that members prepare questions for the next meeting of the committee in order to expedite the review and action on this matter.

**RESULT:**

**KEPT IN COMMITTEE**

**Handouts:**

- Airbnb Data (with 206613)
- STRs Nov 15 ppt presentation (with 206613)