

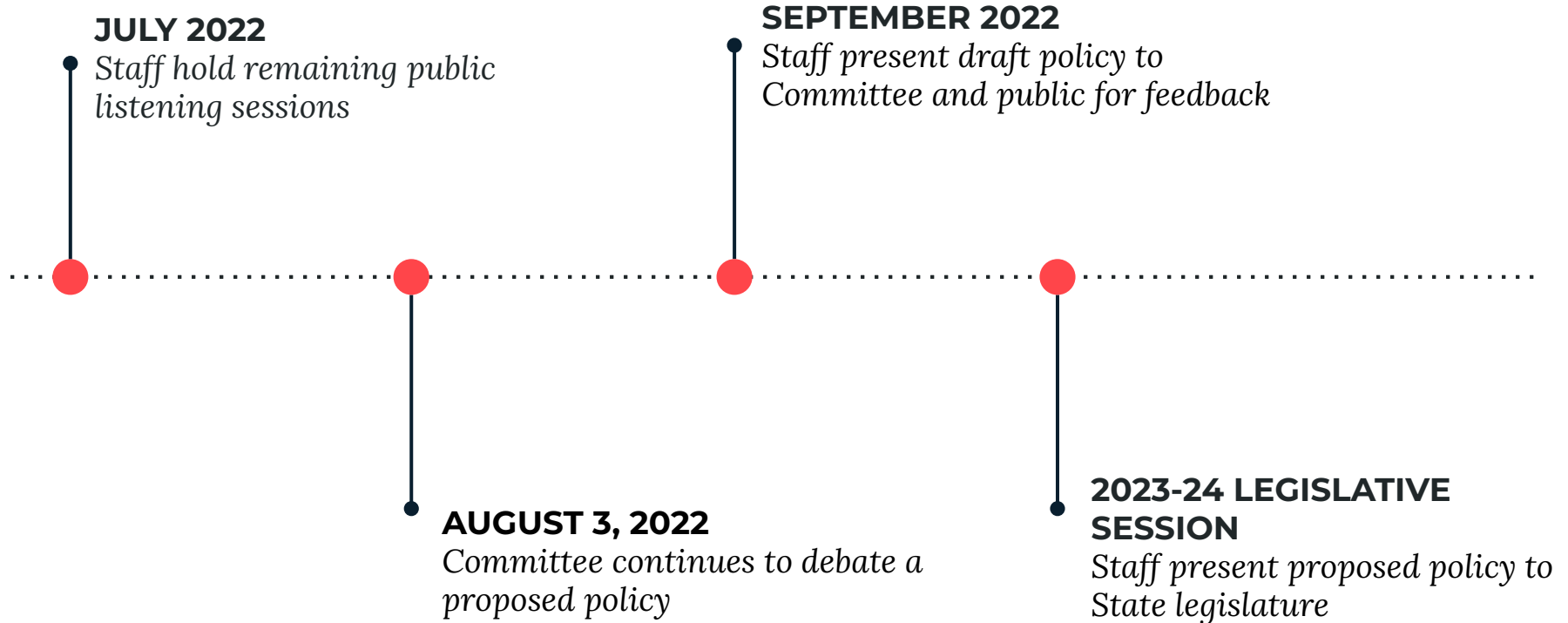
A photograph of a city street corner in Boston, featuring a mix of historical and modern architecture. In the foreground, a brick building with a white balcony and a steeple is visible. To the left, a street sign for 'CONGRESS ST' is partially visible. The background shows several tall, modern skyscrapers. The scene is captured in a blue-tinted, dusk-like lighting.

RENT STABILIZATION ADVISORY COMMITTEE MEETING

June 29, 2022



NEXT STEPS FOLLOWING TODAY'S MEETING



THE FIVE PILLARS OF RENT STABILIZATION POLICIES

As described in the [University of Minneapolis Rent Stabilization Study](#) (2021)

CHOICE OF CAP	EXCEPTIONS TO THE CAP	SETTING NEW STARTING RENTS (VACANCY DECONTROL)	EXEMPTIONS	ADMINISTRATION
<p>How should rent increases be capped?</p>	<p>What types of expenses should be able to be passed through to tenants as exceptions to the rent increase cap?</p> <p>Should a policy allow a landlord to “bank” rent increases if they choose not to apply them in a given year?</p>	<p>Should the base rent level reset to market rate (or some other amount) when there is a change in tenancy?</p>	<p>What types of units should be exempt from rent stabilization?</p>	<p>How will the rent stabilization policy be administered?</p>

An aerial wireframe illustration of a cityscape, showing various building footprints and streets in a light blue color against a darker blue background. The perspective is from a high angle, looking down on the city.

PILLAR 4: EXEMPTIONS

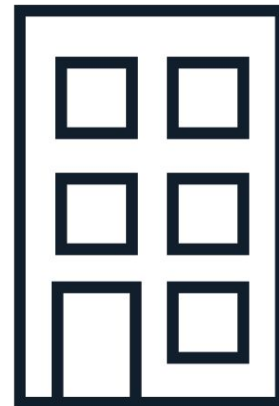
PILLAR 4: EXEMPTIONS

Key Policy Question:

What types of properties should be exempt from rent stabilization?

Common Types of Exemptions:

- Exemptions based on age of the property
 - Oregon and California exempt units constructed in the last 15 years
 - Rolling exemption
- Exemptions based on building size and/or owner occupancy status
- Exemptions based on use:
 - Units in hotels, motels, or other facilities occupied by transient guests
 - Institutional facilities (e.g. hospitals and dormitories)
 - Units where the owner resides as their primary residence and shares a kitchen or bathroom with tenants
- Exemption of units owned or operated by a public agency or authority (e.g. public housing units)



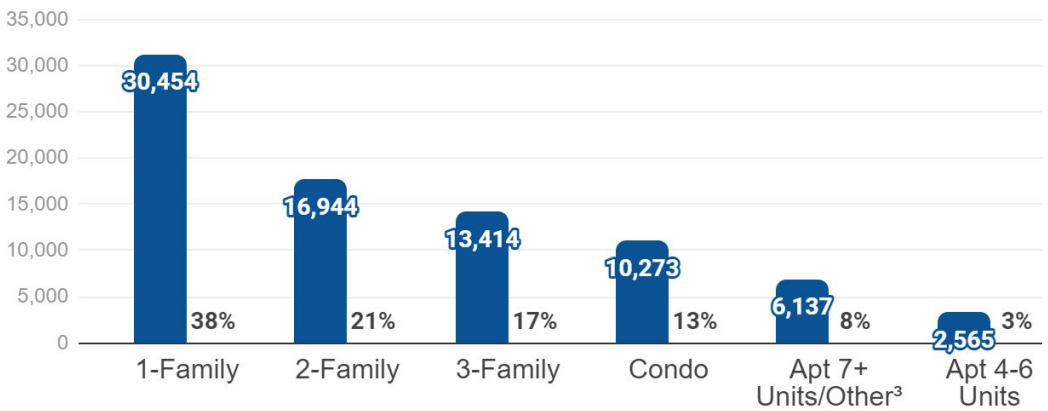
PILLAR 4: EXEMPTIONS

DATA SLIDES

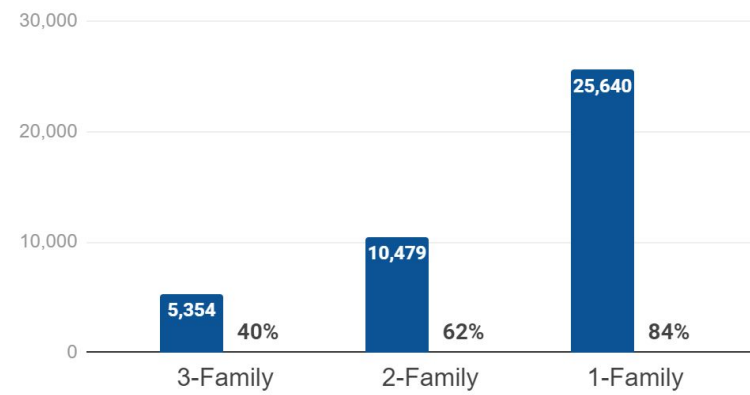
Single family homes represent 38% of all residential buildings, while apartment buildings represent only 11%.

84% of all single family homes are owner-occupied, compared to 40% of 3-family buildings.

Residential Building Types
As a Percent of Total Residential Buildings (79,787)



Owner Occupancy of Buildings
Percent of Each Building Type



Source: Assessing FY22 Data
*Other = Mixed Use, Subsidized, Multiple buildings on one lot, elderly home, unclassified, etc. Excludes condos.

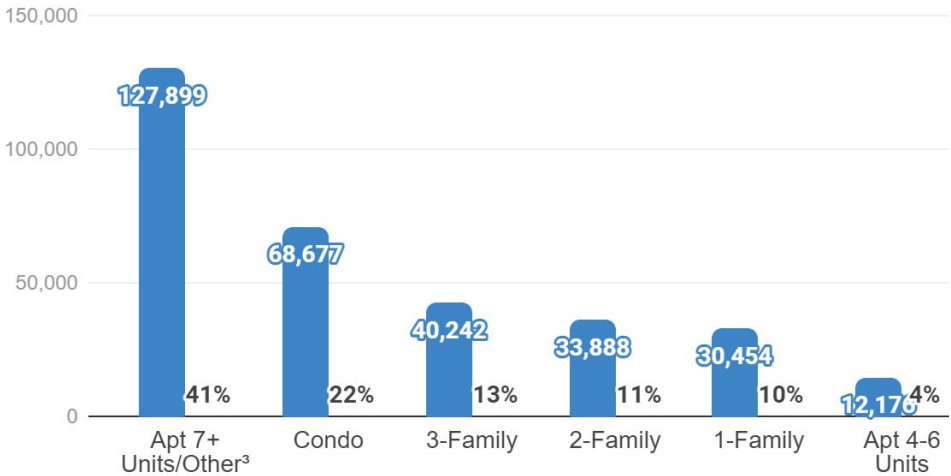
PILLAR 4: EXEMPTIONS

DATA SLIDES

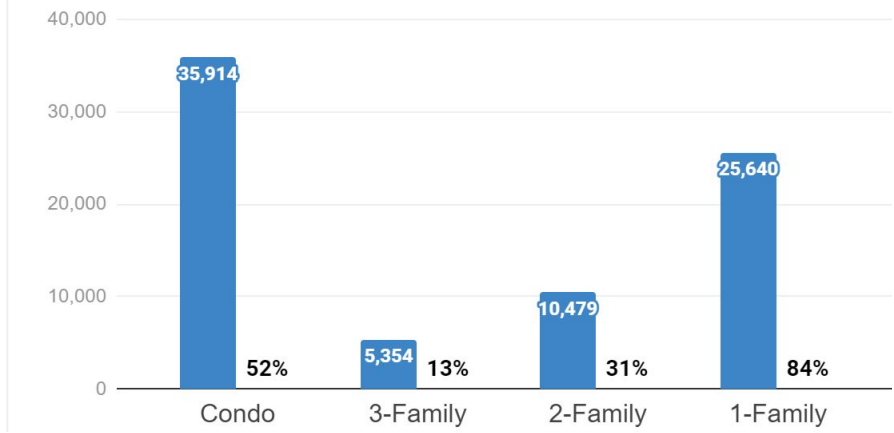
41% of residential units are in apartment buildings with 7 or more units.

52% of condo units are owner-occupied, compared to 13% of all units in 3-family homes.

Units by Building Type
As a Percent of Total Residential Units



Owner Occupancy of Units
Percent of Total Units in Each Building Type



Source: Assessing FY22 Data
*Other = Mixed Use, Subsidized, Multiple buildings on one lot, elderly home, unclassified, etc. Excludes condos.

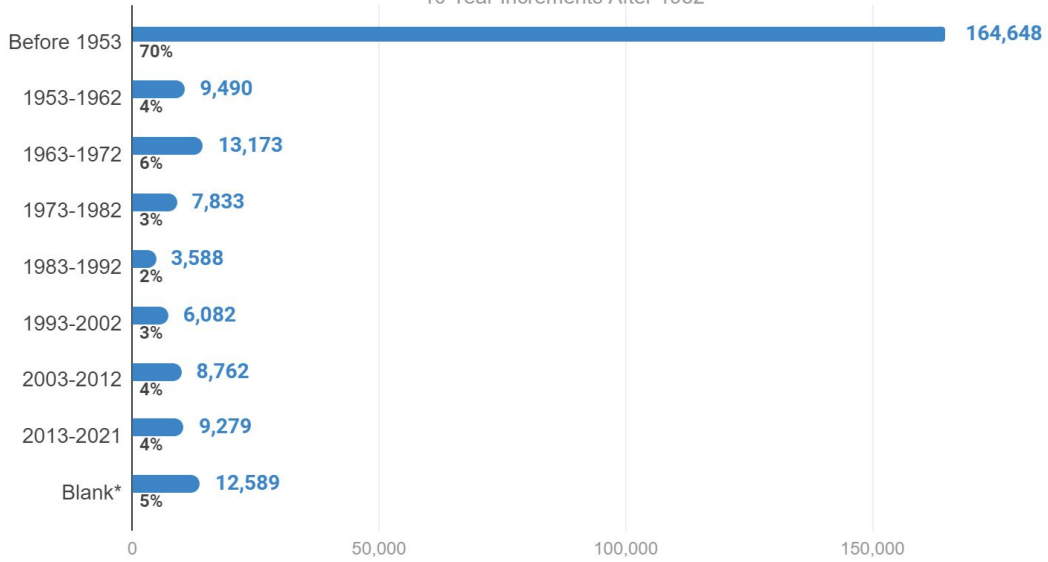
PILLAR 4: EXEMPTIONS

DATA SLIDES

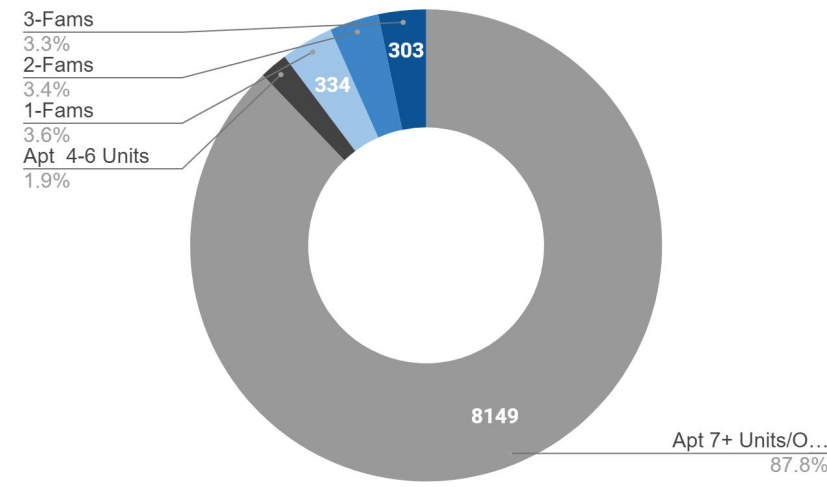
Approximately 4% (9,279) of all residential units were built in the last 10 years.

88% (8,149) of units built in the last 10 years are in apartment buildings of 7+ units.

Residential Units by Year Built
10 Year Increments After 1952



Property Types of Units Built After 2013
Number and Percent of Units



Source: Assessing FY22 Data. Apt 7+ Units/Other = Includes Condos, Mixed Use, Subsidized, Elderly Home, etc in addition to Buildings with 7+ units.
*Year built was missing from the Assessing data for several apartment buildings and other residential property types--not 1-3 fams.

An aerial view of a city skyline rendered in a white wireframe style against a dark blue background. The buildings are represented by simple geometric shapes and lines, creating a sense of depth and perspective. A horizontal dark blue band runs across the middle of the image, containing the main text.

PILLAR 5: ADMINISTRATION

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Key Policy Question:

How will the rent stabilization policy be administered?

Common Administrative Elements of Rent Programs:

- Creation of a Rent Board or Commission, whose powers and duties include:
 - Adopting administrative regulations
 - Announcing the annual rent cap
 - Hearing appeals to petition decisions
 - Preparing an annual budget for administration
 - Publishing informational materials
- Administration of a quasi-judicial petition and hearing process



An aerial, wireframe-style illustration of a cityscape, rendered in a light blue color against a darker blue background. The buildings are represented by simple geometric shapes and lines, creating a sense of depth and perspective. The city is dense with various building heights and shapes, including a prominent curved structure in the center. The overall aesthetic is clean and modern.

COMPANION POLICIES

COMPANION POLICIES

Key Policy Question:

What other policies are needed to ensure a functional rent stabilization policy for Boston?

Common Companion Policies:

- **Just Cause for Eviction and Relocation Ordinances**
 - *Requires property owners to cite one of the established “just causes” to terminate a lease and requires relocation payments for “no-fault” terminations*
- **Condominium Conversion and Short-Term Rental Ordinances**
 - *Regulates the conversion of apartments into short-term rentals or condominiums as a means of removing rental units from the market and circumventing rent stabilization.*
- Rental Registry Ordinance
 - *Requires that property owners provide information to the City about their rental units and tenancies.*
- Right to Counsel Ordinance
 - *Ensures that tenants have access to legal advice and representation in eviction proceedings.*

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Key Policy Question:

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Status of Companion Policies in Boston:

COMPANION POLICY	STATUS IN BOSTON
Just Cause for Eviction	<i>Does not exist; would require State approval</i>
Tenant Relocation	<i>Does not exist for privately-funded projects; would likely require State approval</i>
Condominium Conversion	<i>Exists; with limited applicability (units built before December 1983 with four or more rental units) - State action required for expansion</i>
Short-Term Rentals	<i>Exists; applies to all accommodations rented for 28 consecutive days or less</i>
Rental Registry	<i>Exists; would benefit from amendment to add rental data</i>
Right to Counsel	<i>Does not exist; would require State approval</i>

DISCUSSION PROMPTS

1. Using the pillars as a guide, what do you think Boston's policy should look like?
 - Choice of rent cap
 - Exceptions to the cap
 - Vacancy decontrol and re-control
 - Exemptions
 - Administration
2. What are your ideal, best-case-scenario policy parameters, and what could you live with?
 - In other words, where is the wiggle room for you?
3. What type of policy do you think will be able to garner broad support across stakeholders?

