

SENATE No. 2545

The Commonwealth of Massachusetts

PRESENTED BY:

Patricia D. Jehlen

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act authorizing the city of Somerville to regulate rent in residential dwelling units.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Patricia D. Jehlen</i>	<i>Second Middlesex</i>
<i>Christine P. Barber</i>	<i>34th Middlesex</i>
<i>Erika Uyterhoeven</i>	<i>27th Middlesex</i>
<i>Mike Connolly</i>	<i>26th Middlesex</i>

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By Ms. Jehlen, a petition (accompanied by bill, Senate, No. 2545) of Patricia D. Jehlen, Christine P. Barber, Erika Uytterhoeven and Mike Connolly (with approval of the mayor and city council) for legislation to authorize the city of Somerville to regulate rent in residential dwelling units. Housing. [Local Approval Received.]

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Third General Court
(2023-2024)**

An Act authorizing the city of Somerville to regulate rent in residential dwelling units.

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

1 SECTION 1: Findings and Purpose.

2 WHEREAS: the City of Somerville (“the City”) is undergoing an emergency with respect
3 to housing, in that there is an insufficient supply of housing affordable to its residents; and

4 WHEREAS: Residents have seen rents continue to raise, sometime at exorbitant rates;
5 and

6 WHEREAS: Income of Somerville residents has not kept pace with increasing rental
7 costs; and

8 WHEREAS: The City wishes to enact this legislation to protect residents from excessive
9 rent increases and evictions which pose serious threats to the public health, safety and generally
10 welfare, including housing insecurity, rent burden, homelessness, and displacement; and

11 WHEREAS: The City seeks to address the housing emergency described above through
12 legislation to stabilize rents and prevent evictions.

13 SECTION 2: Power for local rent regulation. The City may, by ordinance, regulate the
14 rent in residential dwelling units and provide for reasonable exemption from such regulation:

15 (a) This section shall not apply to the following types of residential properties or
16 residential circumstances:

17 (i) Properties with 3 or fewer dwelling units in which one of the dwelling units is the
18 owner's principal residence;

19 (ii) Dwelling units which were created as a result of ground up new construction and for
20 which the first residential certificate of occupancy was issued not more than twelve months prior
21 to the passage of a local ordinance authorized hereunder shall be exempt for a period of 15 years
22 from the date at which such certificate of occupancy was issued;

23 (iii) Dwelling units with (a) rent subject to regulation by a public authority or a public
24 housing-affiliated limited liability corporation or other similar public housing affiliated corporate
25 entity, such that rent is based on a percentage of tenant income and (b) project-based rental
26 subsidies where rent is based on a percentage of tenant income. Occupancy by tenants with
27 mobile vouchers in otherwise non-exempt units does not render a unit exempt;

28 (iv) Dwelling units in which the tenant shares bathroom or kitchen facilities with the
29 owner who maintains their principal residence at the residential real property;

30 (v) Housing accommodations in a nonprofit hospital, religious facility, extended care
31 facility, or licensed residential care facility for the elderly;

32 (vi) Units in hotels, motels, or other facilities occupied by transient guests; and

33 (vii) Dormitories owned and operated by an institution of higher education.

34 (b) In addition to the exemptions described in (a) above, the City in its discretion may,
35 create an exemption for vulnerable seniors who vacated their owner occupied unit in their two or
36 three family property, for health or other reasons beyond their immediate control. The City may
37 by ordinance, order, or regulation define any necessary terms to effectuate this exemption.

38 (c) The City, on an annual basis, may set an annual maximum percentage rent increase
39 for rental units covered by this Section, based on the increase in the consumer price index if any,
40 plus two percent, but in no event shall an annual increase be greater than 5%. “Consumer price
41 index” refers to the annual 12-month average change in the Consumer Price Index for All Urban
42 Consumers, Boston-Cambridge-Newton (All Items), as published by the Bureau of Labor
43 Statistics of the United States Department of Labor in September of the prior calendar year.

44 (d) For rental dwelling units covered by this section, the rent amount in place 12 months
45 prior to the effective date of the ordinance shall serve as the base rent upon which any annual
46 rent increase shall be applied. If the dwelling unit is vacant on the effective date of the ordinance,
47 the last rent amount charged shall serve as the base rent. If there was no previous rent amount, or
48 if no rent has been charged for at least five years prior to the effective date of the ordinance, the
49 rent amount the owner first charges shall serve as the base rent.

50 i. The City may by ordinance, order, or regulation, establish a process for setting the base
51 rent for any unit that no longer qualifies for an exempt status under section 2(a).

52 ii. The City may by ordinance, order, or regulation, establish minimum standards and
53 procedures for owners and tenants of any unit under section 2(a) that is converted to a non-
54 exempt unit.

55 (e) The City may provide for fair return standards for the regulation of rent, which may
56 include but are not limited to, changes to permissible rental rates based upon certain maintenance
57 and capital costs, utility costs for which the owner is responsible, and rapid increases in property
58 taxes.

59 (f) The City may set tenant notification and rental registration requirements as necessary
60 to effectuate this section.

61 (g) The City shall establish or designate an administrator or board to promulgate
62 regulations pursuant to this section and to govern and administer local rent regulation.

63 SECTION 3: Just cause eviction protections The provisions of this Section shall be
64 applicable to all rental housing accommodations in the City; provided however, that the City
65 may provide for exemptions from the provisions of this Section and any such exemptions shall
66 be included in an ordinance adopted by the City. Unless otherwise exempt, a property owner
67 must establish just cause in order to recover possession of residential leased premises within the
68 City as determined by the Housing Court, District Court, or other Court of competent
69 jurisdiction. At a minimum just cause for eviction shall include the following grounds:

70 (a) The tenant has failed to pay the rent to which the owner is entitled;

71 (b) The tenant has committed a substantial violation of a material lease term or term
72 of the tenancy;

73 (c) The tenant is causing substantial damage to the leased unit;

74 (d) The tenant engages in criminal activity that threatens the health and safety of
75 other residents, or persons lawfully on the premises;

76 (e) The owner seeks in good faith to recover possession of a leased unit for the
77 owner's own use and occupancy or for the use and occupancy by the owner's spouse, children,
78 grandchildren, great grandchildren, parents, grandparents, aunts, uncles, nieces, nephews,
79 brothers, sisters, fathers-in-law, mothers-in law, sons-in-law, or daughters-in-law;

80 (f) The owner seeks to remove the unit from the rental market to convert to
81 cooperative or condominium; and

82 (g) The owner seeks to demolish or convert to non-residential use.

83 SECTION 4: Relocation plans and payments: The City may, by ordinance, create
84 requirements for relocation plans and tenant relocation payments where an owner(s) seeks to
85 remove a tenant for reasons set forth in Sections 3(e) and (g).

86 SECTION 5: Severance Clause. The determination or declaration that any provision of
87 this Act is beyond the authority of the general court or is preempted by law or regulation shall
88 not affect the validity or enforceability of any other provisions.

89 SECTION 6: Effective Date. This act shall take effect immediately upon signing by the
90 Governor.