

Tenant rights groups get boost from council

Justin Rice

Frustrated by a number of landlords who have refused to negotiate expiring federal affordable housing contracts, city officials and tenant organizers sought wide-sweeping legislation last week, measures that real estate representatives decried as a serious impediment to their ability to do business in Boston.

"We believe in human nature, people will sit down and bargain in good faith when they sit down," Dave Grossman, an attorney for Harvard's Legal Aid Bureau, said during a hearing at City Hall last Thursday. "The hard part is to get them to sit down."

"Let's see if it has good effects, let's see if it has bad effects," Grossman added.

Greg Vasil, CEO of the Greater Boston Real Estate Board, testified that the legislation, which would require tenants and landlords to sit down to work out problems, would deter developers from investing in Boston real estate.

The legislation, proposed by At-Large City Councilor Sam Yoon, only impacts small-property owners living in the city who own 20 or more units. Those who live outside the city must own 10 or more units to be affected. Tenants who organize 51 percent of their residents are eligible to require that their landlord meet with them once every six months. There is no penalty for landlords who meet with the tenants, regardless of their conduct at the meeting.

And, while Yoon said the penalty for not meeting is a "non-compliance letter", which city agencies are instructed to consider when approving or denying applications, Vasil estimated the ordinance would force the real estate community to prepare and pay for about 1,500 meetings a year.

"I'm not sure who can handle that capacity, and I don't need to tell this board how meetings can control your life and alter your workload," he said. "Simply, we believe this is a form of rent control. Not government-set classic rent control but a new form of rent control. So, by definition and our interpretation, anything that seeks to control market rent is a form of rent control. I'll leave it at that."

The real estate community, including dozens of property owners wearing stickers that read "Small Property Owner", also argue that the legislation would turn into something unintended.

"The government can't make you sit down and play nice," Chris Reilly of the Greater Boston Real Estate Board said. "It's not the role of the government. They can't legislate."

Reilly said there are already mechanisms in place to deal with tenant-landlord conflicts, and this would only add a layer of cost and time that they already account for internally. He added that Housing Court is always an option, too. Steve Mecham of City Life said Housing Court is overwhelmingly "anti-tenant" and, in most cases it results in no-fault displacement. And, while Housing Court comes at the expense of taxpayers, Yoon's ordinance could free up the courts.

"We negotiate contracts for apartments with 500 units; all of those 500 apartments could potentially be in litigation," Mecham said.

Reilly argued that tenant organizers don't entice landlords to negotiate or create a hospitable environment for talking, something that some city officials have recognized and tried to tone down among activists. But Mecham said they would be less inclined to organize the kind of public protest that makes landlords cringe, if the legislation passed.

"It is our concrete experience that some of our most bitter battles could've been avoided if we sat down and talked," he said. "Something can be modest and still be significant. This is the city saying collective bargaining is good."

But the Small Property Owners Association is also guilty of not playing nice, according to some. Prior to last week's public hearing, the group circulated a flyer titled "RENT CONTROL AND HIGHER TAXES: That's

what a 'collective bargaining' proposal would mean to every condominium owner in Boston." The flyer, which caused some single-home landlords to panic, failed to mention the fact that the ordinance doesn't have an impact on anyone who owns less than 20 units and that rent control remains illegal in Massachusetts.

"We want to alert condominium owners to the danger of RENT CONTROL coming back to Boston," the letter reads. "It would come back disguised deceptively as 'voluntary collective bargaining' between landlords and tenants. But make no mistake, it will quickly become full-scale, compulsory rent control - and it will have special effects on condo owners and condo associations. Half of Boston condos are rented, and because rented and owner-occupied condos are tied together in one association with common financial and management needs, the fate of the rented condos under rent control will have a serious impact on the owner-occupied condos and the association as a whole."

City Council President Maureen Feeney, who said the city has been a staunch supporter of unions, also said she was wrestling with the issue but leaning towards the stance made by landlords.

"I can't figure out how to get my head wrapped around this legally," she said. "I just can't get there. You can't go to the bank and say 'lower our mortgages.'"

Cheryl Lawrence of the housing advocacy group City Life/Vida Urbana interrupted Feeney's debate.

"Labor came in here asking for the same things," Lawrence said. "Those workers are the tenants. You see the signs, 'union at work, union at home.' Union is not a bad word."

City Councilor Jerry McDermott, who owned a real estate company before joining the Council in 2002, said the "non-compliance letter" landlords receive for not showing up is like being tagged with a "Scarlet Letter". He also said that landlords could come to a meeting and cover their eyes and ears, something his opposition agreed with, and once again cited their argument that human nature would create a positive outcome during mediation.

Yoon, a staunch affordable housing advocate, said anyone who wants to go to divorce court in California is required to have six hours of mediation before they spend time and resources with a mediator.

"It's not going to guarantee anything, but if it works out in even a minority of cases, I think it will be worth it, it could save public bitter disputes," Yoon said. "The reality is this will just not make a difference, and I hate meetings, too, but we're having a meeting today."

The debate is put in context by the Florence Apartments and High Point Village, both in Roslindale. While High Point Village was converted to market-rate housing recently, Florence Apartments is in danger of losing its HUD Section 8 contract in 2008. That also puts the volley of words between McDermott and Mecham in perspective.

"The question is, if it is so benign, why are people so desperate to get this passed?" McDermott said at last week's hearing. "I'll leave it there."

"If it is so benign, the question is why are people so eager to oppose it," Mecham rebutted to the applause of a full gallery.

The Bulletin Newspapers