

OFFERED BY COUNCILORS HENRY SANTANA, GABRIELA COLETTA, LIZ
BREADON, DURKAN, FITZGERALD, MEJIA, PEPÉN, WEBER, WORRELL,
AND LOUIJEUNE



CITY OF BOSTON IN CITY COUNCIL

RESOLUTION REAFFIRMING THE CITY OF BOSTON'S SUPPORT FOR DEVELOPING AFFORDABLE HOUSING AND ENABLING SENIOR PROPERTY TAX RELIEF BY UTILIZING REAL ESTATE TRANSFER FEES

WHEREAS, On March 2, 2022, the Boston City Council passed in a new draft, and the Mayor subsequently signed, a Home Rule petition to the General Court (docket number 2022-0222) entitled “Petition for a Special Law Re: An Act Relative to Real Estate Transfer Fees and Senior Property Tax Relief”; *and,*

WHEREAS, The aforementioned Home Rule petition includes as its Findings and Purpose: “that a serious state of emergency exists in the city of Boston with respect to housing, whereby there is an inadequate supply of affordable housing, which is impacting quality of life and public health, contributing to housing insecurity, rent burden, homelessness, and increasing evictions, that rising housing costs and speculative real estate practices disproportionately impact protected classes, including households of color, and further finds that imposition of a fee on certain real estate transfers shall be applied, at the discretion of the city and with exemptions as detailed in this act, in order to mitigate the impacts of speculative market practices through the production of affordable and deeply affordable housing and by discouraging rapid repeat sales of property.

“Additionally, outdated income and asset restrictions for senior tax exemptions are restricting exemption relief, resulting in higher ownership costs and risking the displacement of a vulnerable population;” *and,*

WHEREAS, The state of emergency in Boston concerning the inadequate supply of affordable housing persists, and the urgency has only worsened in the last two years; *and,*

WHEREAS, The Home Rule petition would enable the city of Boston to invest more in programs designed to further housing acquisition, affordability, creation, preservation, senior homeowner stability, low-income renter stability, or related purposes and to address disparities in housing access and opportunity; *and,*

WHEREAS, The Home Rule petition would further enable the city of Boston to protect our economically vulnerable seniors who are aging in place in their homes by increasing the Senior Homeowner Property Tax Exemption; *and,*

WHEREAS, The intention of the passed Home Rule petition is to gather modest fees only from particularly high-value properties, and would exempt at least the first \$2,000,000 of the purchase price of any transfer of any real property interest, and provides terms that the amount of the exemption could only be increased to provide further relief, ensuring vulnerable property owners are not inadvertently burdened; *and,*

WHEREAS, The passed Home Rule petition further provides terms to exempt economically vulnerable populations, affordable housing developments, units of housing subject to deed restrictions, homeowners or beneficiaries of a city-approved homebuyer program, or other parties that the city wishes to ensure are exempted from the fees; *and,*

WHEREAS, Provisions for transparency and accountability are included in the passed Home Rule petition, which requires the city to prepare and issue an annual report that (i) identifies fee receipts by payer category including buyers and sellers, location and unit type; and (ii) quantifies senior tax relief and affordable housing programs funded, including type and purpose; *and,*

WHEREAS, Boston is not alone in recognizing the urgent need for more affordable housing, and the opportunity to equitably provide additional funds for affordable housing through a modest real estate transfer fee on high-value properties; other Massachusetts communities across the Commonwealth have filed similar Home Rule petitions, including Arlington, Brookline, Cambridge, Chatham, Nantucket, Provincetown, Somerville, Truro, and Wellfleet; *and,*

WHEREAS, Housing advocacy organizations similarly recognize both the need and opportunity to support the creation of affordable housing by utilizing a real estate transfer fee on high-value properties, including a diverse coalition of over 120 community organizations, housing and planning agencies, and other groups who have consistently called for legislation that would enable Massachusetts cities and towns to enact a policy like the city of Boston and other municipalities have petitioned for; *and,*

WHEREAS, The Healey-Driscoll Administration has proposed “*The Affordable Homes Act*”, which includes a provision that would grant Massachusetts municipalities the authority to implement a real estate transfer fee similar to the city of Boston’s aforementioned Home Rule petition; *and,*

WHEREAS, On March 6, 2024, the State Legislature’s Joint Committee on Housing reported favorably *The Affordable Homes Act* with all sections still included in the bill,

including the provision enabling the implementation of a real estate transfer fee by municipalities, and referred the bill to the Joint Committee on Bonding, Capital Expenditures and State Assets; *and*,

WHEREAS, The future of *The Affordable Homes Act* and the provisions in the current version are still uncertain, as the State Legislature continues to discuss, revise, and ultimately consider whether and how to vote on the Act; and the possibility remains that the Legislature may remove the provision enabling Boston and other municipalities to implement a real estate transfer fee to fund the creation and support of affordable housing, tax relief for seniors, and others programs to address our housing crisis; ***NOW THEREFORE BE IT***

RESOLVED: That the Boston City Council reaffirms its support for the Home Rule petition passed by the Boston City Council on March 2, 2022, entitled “Petition for a Special Law Re: An Act Relative to Real Estate Transfer Fees and Senior Property Tax Relief”; ***AND BE IT FURTHER***

RESOLVED: That the Boston City Council urges the State Legislature to retain a provision in *The Affordable Homes Act* (H.4138), which provides Massachusetts communities the local option of adopting a real estate transaction fee; ***AND BE IT FURTHER***

RESOLVED: That the Boston City Council further urges the State Legislature to ensure such provision would allow the city of Boston to exempt the first \$2,000,000 of the purchase price of any transfer of any real property interest, or the transfer of a controlling interest in a trust, limited liability company, or other entity that directly or indirectly holds an interest in any real property situated in the city of Boston; ***AND BE IT FURTHER***

RESOLVED: That the Boston City Council further urges the State Legislature to ensure such provision additionally provides terms to allow the city of Boston to exempt economically vulnerable populations, affordable housing developments, units of housing subject to deed restrictions, homeowners or beneficiaries of a city-approved homebuyer program, or other parties that the city wishes to ensure are exempted from the fees; ***AND BE IT FURTHER***

RESOLVED: That the Boston City Council urges the State Legislature to take prompt action for the passage of *The Affordable Homes Act* with the inclusion of the provisions as described above; ***AND BE IT FURTHER***

RESOLVED: That the City Clerk is hereby requested to forward a suitably engrossed copy of this resolution to our entire State delegation.

Filed in Council: March 27, 2024