



**Testimony
Before the
Boston City Council**

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**by
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In support of regulating short term rental properties in the City of Boston.

Good Morning. My name is Joseph Kriesberg and I am the President of the Massachusetts Association of Community Development Corporations. Thank you for the opportunity to testify today regarding the urgent need for strong regulation of short term rental properties that use Airbnb and similar platforms.

MACDC is a membership organization that represents all 62 state certified CDCs in Massachusetts, including the 20 CDCs in Boston. Our members own and manage over 8,000 affordable apartments here in the City of Boston and work every day to expand housing opportunities for low and moderate-income families and to prevent displacement and gentrification.

To address our housing crisis, MACDC believes that the City of Boston needs to expand (1) housing creation generally, (2) dramatically increase the stock of permanently affordable housing, and (3) protect residents in existing, unregulated housing from involuntary displacement. The rapid growth of Airbnb and similar platforms threatens all three of these objectives. While obtaining reliable and accurate data is a challenge, we know that thousands of apartments are being removed from the rental stock by investors who can make more money with short term rentals. The City needs to act quickly.

We applaud Mayor Marty Walsh for putting forward a detailed and thoughtful proposal for regulating this burgeoning industry. We agree with the Mayor that it makes sense to distinguish among three different types of owners using these platforms:

1. Owner occupants who are renting out a portion of their home;
2. Owner occupants who are renting out their entire home periodically; and
3. Investor owners who are renting out one or more units as a business operation.

We believe that Mayor Walsh's proposal for how to regulate the first two types of rentals is well designed and should be adopted.

At the same time, we agree with other advocates that there is no need to allow investors to turn regular housing stock into hotels and would recommend that the Council adopt an ordinance that does not allow these investor units.

It is important to note, property owners seeking to exceed the terms established in this ordinance, can still apply for and secure a Lodging House Use and Licensure or a Bed & Breakfast (Home or Establishment) Use and Licensure through ISD, ZBA, and the Boston Licensing Board. Such businesses have operated in Boston for many years and play an important role for our tourist industry, our academic centers and our hospitals. They enable scholars, patients, and others to live in Boston for extended periods of time without the cost and inconvenience of a traditional hotel. We don't think the emergence of web-based platforms justifies changing the long-standing rules for such businesses.

MACDC believes the time for action is now. The longer we wait the bigger the problem. We do not think the perfect should be the enemy of the good and we stand ready to work with the Council, the Mayor and other stakeholders to find a reasonable solution. Regardless of the specific ordinance adopted and its treatment of investor units, we know that this sector will continue to evolve rapidly. Therefore, the Mayor and the Council should closely monitor the impact of a new ordinance so we can act quickly should further modifications be necessary.

Thank you for the opportunity to testify on this important matter.