



CITY OF NEW BEDFORD, MASSACHUSETTS

MEETING: SPECIAL COMMITTEE ON AFFORDABLE
HOUSING & HOMELESS AFFAIRS
DATE: OCTOBER 10, 2023
TIME: 7:02 P.M.
PLACE: CITY COUNCIL CHAMBER, ROOM 214

PRESENT: COUNCILLORS SHANE BURGO, CHAIRPERSON;
DEREK BAPTISTE; NAOMI CARNEY (7:05); MARIA
GIESTA; BRIAN GOMES (7:05); SCOTT LIMA;
WILLIAM BRAD MARKEY (7:04); LINDA MORAD;
SHAWN OLIVER; RYAN PEREIRA (7:05)

ABSENT: COUNCILLOR IAN ABREU

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Councillor Burgo called the Special Committee on Affordable Housing & Homeless Affairs meeting to order and took attendance. The Clerk read a Communication from Councillor Abreu explaining his absence. The Communication was received and placed on file by Councillor Oliver and seconded by Councillor Giesta. This motion passed on a voice vote.

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On motion by Councillor Oliver and seconded by Councillor Giesta, the Committee VOTED: To resume the Public Hearing on the RELATED MOTION outlined below. This motion passed by voice vote.

Notice, City Clerk of Reference of a RELATED MOTION, Councillors Burgo, Baptiste, Giesta, Carney, Lima, Gomes, Markey and Council President Morad, requesting that the Special Committee on Affordable Housing & Homeless Affairs hold a Public Hearing to discuss the possibility of rent stabilization in the City of New Bedford. (Ref'd 03/09/2023) (Matter ID # 0476) (Public Hearing continued from September 12, 2023.) (1)

The Chair recognized Mr. Paul Chasse, 25 James Street, New Bedford, CEO Realtors Association of Southeastern Massachusetts. Mr. Chasse provided the Committee with a power point presentation which was titled "Rent Stabilization, A Dangerous Proposition for our Community."

On motion by Councillor Pereira and seconded by Councillor Carney, the Committee VOTED: To receive and place on file the power point presentation. This motion passed by a voice vote.

Mr. Chasse stated that Rent Stabilization is Rent Control and added that it creates less development, more abandonments, and foreclosures for small-local landlords due to property tax increases, water rate increases and maintenance costs. He noted that Rent Control was overturned in the 1990's because it didn't work and added there have been many recent studies conducted still showing the same outcome. He offered that stabilization proponents say it is different because of ideas such as limiting percentage increases and reprieve exemptions on new developments, but this all hurts the free market, which is how best to drive prices down.

He provided the Committee with an overview of apartment conditions in New Bedford and showed that rentals have increased at a quicker pace due to the market adjustments. He offered that there is no substantial evidence that large amounts of multi-family properties are being purchased by investors or entities outside of the Greater New Bedford area and that the reason rents are increasing is because landlords are facing increased costs in purchasing property, property taxes, water, sewer, repairs, replacement and an overall increase in rates.

Councillor Pereira thanked Mr. Chasse for his presentation. He stated that he believes rent stabilization is more of a detriment and agrees that an increased supply of housing and rental units would help. He stated that the issue is not that developers do not want to build in the City, but the issue is the red tape they incur in accomplishing anything. He feels the City prevents growth from happening and that the permitting process needs to be simplified. Mr. Chasse stated that he too has heard many stories about how long it takes to permit a new building and suggested the creation of a liaison position to assist developers with navigating the process.

Councillor Markey asked if Mr. Chasse has seen an increase in building permits in the City. He was told no, that construction and building permits were down in 2022, and added that there are large parcels of land in the City that could be developed.

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The Chair announced that the Clerk would read the list of those who would like to speak on the issue before the Committee.

The Chair recognized Mr. George Wilkie of 39 North Sixth Street, New Bedford. Mr. Wilkie said he is 74 years old and stated that many people can no longer afford to rent apartments. He revealed that in his lifetime he has experienced two periods of homelessness; once in Fall River in his early thirties and five years ago in New Bedford as he was displaced by gentrification. He said that there are a lot of people who fear that they will end up on the streets. He acknowledged the Mayor's plan to have additional housing within the next two to five years, but felt that is too far away. Mr. Wilkie stated that half of the City's population are renters and most likely will face eviction when new companies buy out the current multi-family housing stock and increase rents. He went on to say that the City should look to institute a temporary rent stabilization program to protect those who need housing.

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The Chair recognized Mr. Carlos Bettencourt, 1175 Cove Road, New Bedford. Mr. Bettencourt, a realtor, stated that for the last twelve years he has been a volunteer with an organization which helps people with housing needs. He opined that since 2016 there has been a change in the environment when it comes to housing; there has been an increase in homelessness and evictions. While he acknowledged that a realtor is charged with securing the best rate for their customer, this is often resulting in multi-family homes being purchased by outside entities and charging exorbitant rents, some even raise the rent 100%, which they have the right to do, but it forces a tenant to have to move out. He added that it is estimated most renters have to apply 60% of their income toward renting an apartment and that there are no apartments in the City under \$1,000.

He went on to state that he knew of a family that were forced to move out of their apartment because they could no longer afford it. They were now homeless. They had a dog which they turned over to a shelter. The dog was taken in, cleaned up, given proper veterinary care, and then adopted, meanwhile, the family is still homeless. He asked the Committee to consider what was wrong with this picture. You can find a home for a dog, but you cannot find a home for those in need.

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The Chair recognized Ms. Joyce Rowley, 58 Mott Street, New Bedford. She hoped the Committee would continue this meeting so that those who had signed up at the last meeting and were not in attendance would be able to voice their opinion. Ms. Rowley stated there is a need to create a tenant's association, perhaps through neighborhood associations that would be able to meet and speak on behalf of those individuals that don't have the ability to appear at meetings. She suggested the need of a round table discussion with tenant's, landlord and realtor associations. She stated that it could possibly be similar to the process currently being conducted in Boston. She went on to say that the real issue has to do with the increasing of rents.

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The Chair recognized Ms. Rebecca Raymond. Ms. Raymond is currently homeless. She lives in her van. She has seven children and explained that it is extremely hard to keep her family together. She stressed that the costs of apartments make it extremely difficult to exist. She currently works 40 hours a week and 37 hours on the weekend at \$18.00 an hour. It is impossible for her to meet rental costs when a three bedroom is going for \$1800 a month, and she is not able to make enough to simply afford rent never mind other expenses. She stated that Section 8 vouchers don't work, and a new system needs to be explored and instituted to better assist those in need. She told the Committee that she was relocated to West Springfield, but it became impossible to live there having to travel to meet her job requirement. She went on to say that there is nowhere to go, and that she, like many, had contemplated suicide to put an end to it all. She pleaded that something has to be done, that there has to be a way to prevent making rent impossible to afford. She suggested a City-wide availability list, with a possible liaison for housing. She stated that she is one case of so many other cases out there.

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The Chair recognized Mr. Joe Quigley, 182 Walnut Street, New Bedford. Mr. Quigley explained that he was unhoused when an LLC bought the home he was living in. He was fortunate enough to find another apartment. He stated that one of the problems is the \$25.00 requirement fee for landlords to do reference checks on possible renters. He went on to say that there was a time that homes were bought low and sold high, giving the seller a profit. He stated that unfortunately today, owners of apartments, particularly LLC's, pass the profit requirement on to the renter. For example, he shared that the apartment he currently lives in, which is owned by an LLC, they offer a 1 room efficiency apartment at \$840.00 a month; that rental amount is increased by 30% on December 1st of each year. He stressed that landlords should not be able to use tenants to make up their profit difference.

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The Chair recognized Ms. Margaret Mott, 180 Cottage Street, New Bedford. Ms. Mott wanted to ask questions of Mr. Paul Chasse of the Realtor Association. The Chair explained that this was not permissible, but suggested that she reach out directly to Mr. Chasse, who was present.

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The Chair recognized Ms. Dawn Blake Souza. Ms. Souza stated that she was in awe of the statements made from others tonight and added that it was New Bedford residents who built the homes that they are now being forced out of. She concluded that something had to be done to address the lack of affordable housing in the City.

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The Chair instructed the Clerk to read any letters received into the record.

The Clerk read a Communication from Kelsey Machado, received by email. She stressed the importance of instituting a rent stabilization program in the City. That the “most vulnerable people in New Bedford are drowning. Not putting protections in place for them to stay that you value outside investor money over the people, the City Council were elected to service. I urge you to do the right thing.”

The Clerk read a Communication from Rick Kidder, COO of One SouthCoast Chamber. He stated that the Chamber acknowledged the need for more affordable housing and that it is a regional issue that needs to be addressed. However, they questioned the necessity of rent control. “While the Chamber fully supports new housing construction and opportunities for greater numbers of workforce units, we have reviewed the concept of rent control/stabilization and question its advisability in a market like New Bedford.”

On motion by Councillor Oliver and seconded by Councillor Pereira, the Committee VOTED: To receive and place on file the Communications from Kelsey Machado and Rick Kidder. This motion passed by a voice vote.

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The Chair asked if there was anyone present who wanted to speak and/or be recorded in favor of the proposal. There were none. The Chair asked if there was anyone present who wanted to speak and/or be recorded in opposition of the proposal. There were none.

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On a motion by Councillor Lima and seconded by Councillor Baptiste, the Committee VOTED: To close the public hearing. This motion passed by a voice vote.

On a motion by Councillor Lima and seconded by Councillor Baptiste, the Committee VOTED: That over the next 30 days the City Council accept written letters, either for or against Rent Stabilization, and as the letters are received and distributed to the City Council, that the letters be sent to the Special Committee on Affordable Housing and Homeless Affairs for review. This motion passed on a voice vote.

On a motion by Councillor Morad and seconded by Councillor Carney, the Committee VOTED: to table the original motion. This motion passed on a voice vote.

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Councillor Pereira made a motion to adjourn, which was seconded by Councillor Lima. This motion passed on a voice vote.

The meeting adjourned at 8:43 p.m.

ATTEST:

Denis Lawrence Jr.
Clerk of Committees