



**Testimony of Joseph Kriesberg
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On

**PETITION FOR A SPECIAL LAW RE:
AN ACT AUTHORIZING THE CITY OF BOSTON TO ESTABLISH AN INVESTOR AND
COMMERCIAL PROPERTIES TRANSFER FEE**

**Presented to the
Boston City Council Committee on Government Operations**

March 19, 2019

Chairman Flaherty and Members of the Committee, thank you for the opportunity to testify regarding the petition for a special law re: An Act Authorizing the City of Boston to Establish an Investor and Commercial Properties Transfer Fee, sponsored by Councilors Edwards and Janey.

I am here both as President of MACDC and as a resident of the City of Boston to express strong support for this petition.

MACDC represents 20 CDCs in the City of Boston, which collectively have built over 8,000 affordable homes across the city. Our members are governed by local residents who serve on their boards of directors. CDCs in Boston are dedicated to long-term affordability, high-quality property management, and robust resident services. We make a strong commitment to hiring firms – contractors and sub-contractors – that are owned by people of color and woman and are committed to hiring community residents and people of color for these construction projects. And, we recycle our developer fees and other earned revenue into further community programming and services.

Boston is a national leader in affordable housing, with over one-third of our rental housing stock reserved for people of low- and moderate-incomes. In total, the city has 54,000 homes with long-term affordability restrictions – a portfolio made possible by years of investment

and hard work by many people and institutions. Yet, we know that we have much more work to do.

According to the 2018 update of the City's "Housing Boston 2030" plan, 22% of all Boston households pay more than half their income for housing – of which more than 34,000 are low-income, non-student households. We continue to see rising rents, displacement, and homelessness across the city.

We strongly embrace Mayor Walsh's goal of creating nearly 16,000 net new affordable homes by 2030. This is an ambitious goal that will require policies, programs, and investments scaled to match the challenge.

MACDC and our members worked hard to help pass the Community Preservation Act in Boston, and we are thrilled to see those dollars now being invested in new projects, thanks to the leadership of the CPC, the Mayor, and this Council. MACDC continues to advocate for strengthening the city's Inclusionary Development program and the Linkage program and we will be here next week testifying about those programs. However, no single program can achieve our goals. We need additional resources, which is why we strongly support a new transfer tax designed to generate more funding for affordable housing. We also support the way this proposal is structured to discourage speculation and property flipping.

We encourage the Council to modify the proposal to exempt real estate transfers designed to maintain long-term affordability; it seems inconsistent to further increase the cost of affordable housing when the purpose of the proposal is to generate funds for affordable housing. We would be happy to work with the Council to design some language and procedures to determine which properties should be exempt.

Thank you for the opportunity to testify in support of this proposal. We stand ready to work with the Council and our other elected officials to move this forward.