Rental Registry & Energy Disclosure Proposed Ordinance Public Meeting

November 20, 2024

Meeting Purpose

- Share information about the Rental Registry and Energy Disclosure draft ordinance
- Share background on and themes from engagement effort
- Hear participants' thoughts on the draft ordinance and engagement feedback

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Agenda

6:00 PM	**Welcome & Agenda Review**
6:10	**Rental Registry & Energy Disclosure Proposed Ordinance: What is it and how did it come about?**
6:35	**Ordinance Engagement Findings**
7:00	**Feedback Session**
7:25	**Next Steps & Closing**
7:30	**Adjourn**

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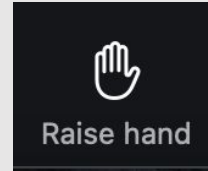
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Zoom Logistics

After presentations:

Join queue to share a **clarifying questions** by raising hand

Raise hand

When prompted, select Unmute

Unmute

Discussion guidelines

Questions & Answers

- Please share **clarifying questions about the presentation**
- **Please be brief** – up to 1 minute max.

Feedback session

- There are no wrong answers but rather differing points of view
- You don't need to agree with others, but please listen respectfully
- We want to hear from every participant
- Please participate as fully as possible

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Who's in the room?

Rental Registry & Energy Disclosure Proposed Ordinance:

What is it and how did it come about?

What is the Rental Registry & Energy Disclosure proposed ordinance?

1 Rental Registration

- Property owners register rental units annually, providing local point of contact and some general information

2 Energy Disclosure

- Property owners disclose energy information about the rental unit.
- Information is provided to prospective tenants at or before the time of lease.

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Why is this proposed ordinance important?

Health

Housing

Energy

Climate

Policy & incentive programs

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Policy & incentive programs

Energy efficiency measures encouraged by this ordinance can improve environmental health

Transparency about rental units could improve housing conditions

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Why is this proposed ordinance important?

Health

Housing

Energy

Climate

Policy & incentive programs

This ordinance seeks to increase tenant knowledge of energy efficiency features and costs in a given rental unit

66% of Somerville residents are renters

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Why is this proposed ordinance important?

Health

Housing

Energy

Climate

Policy & incentive programs

This ordinance seeks to raise awareness amongst property owners about energy efficiency and encourage improvements.

This is especially important for low-income households, which are three times as energy burdened as non-low-income households.

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Why is this proposed ordinance important?
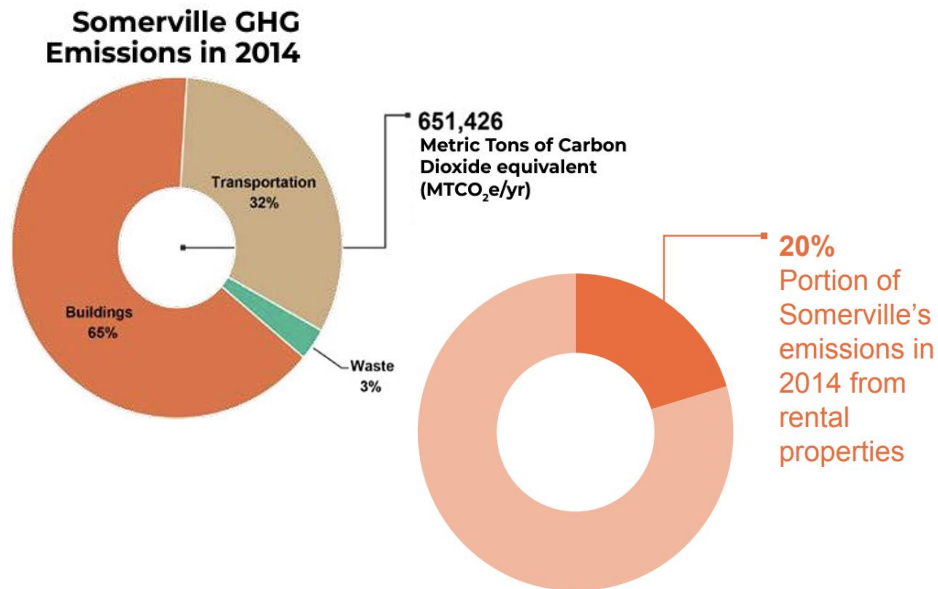
Health

Housing

Energy

Climate

Policy & incentive programs

This ordinance helps reduce the largest source of greenhouse gas emissions in Somerville: buildings.

Somerville GHG Emissions in 2014

Transportation 32%

Buildings 65%

Waste 3%

651,426 Metric Tons of Carbon Dioxide equivalent ($MTCO_2e/yr$)

20% Portion of Somerville's emissions in 2014 from rental properties

Why is this proposed ordinance important?

Health

Housing

Energy

Climate

Policy & incentive programs

This ordinance seeks to gather baseline data to inform policy decisions and target incentive programs. It will help the city:

- Increase awareness of available resources
- Understand if and how interventions are helping
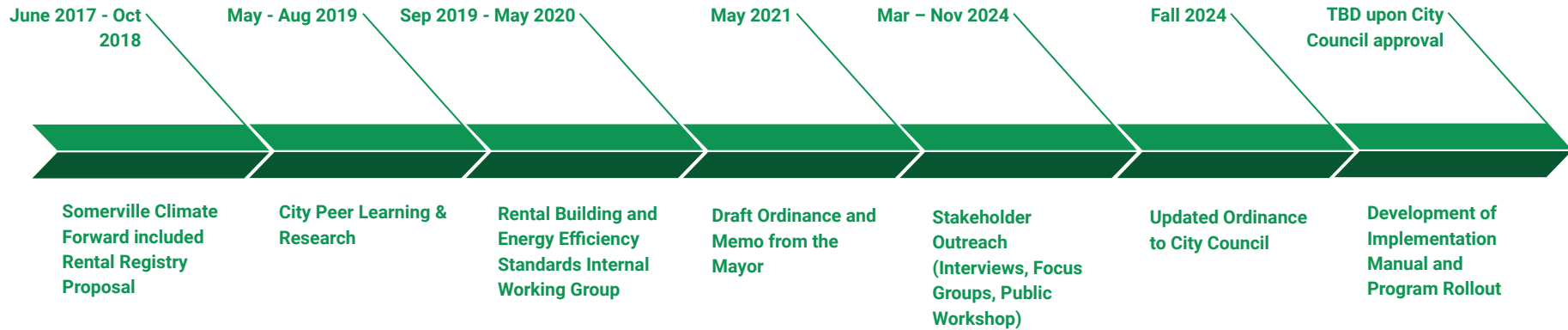- Understand gaps and challenges
- Inform decision making

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Priorities for ordinance implementation

- Minimize and mitigate the potential risk of displacement
- Address risks to naturally occurring affordable housing
- Maintain and improve the viability of living in Somerville for long-term residents
- Manage the economic burden and impact to small-scale landlords and tenants
- Ensure frequently used policy tools (i.e., rental registry and energy disclosures) are tailored to work for Somerville

How did the proposed ordinance come about?

June 2017 - Oct 2018

Somerville Climate Forward included Rental Registry Proposal

May - Aug 2019

City Peer Learning & Research

Sep 2019 - May 2020

Rental Building and Energy Efficiency Standards Internal Working Group

May 2021

Draft Ordinance and Memo from the Mayor

Mar – Nov 2024

Stakeholder Outreach (Interviews, Focus Groups, Public Workshop)

Fall 2024

Updated Ordinance to City Council

TBD upon City Council approval

Development of Implementation Manual and Program Rollout

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This program relies on a pair of documents

Ordinance

- Authorizes the City to implement this program
- Ordinance key components:
  - Purpose
  - Rental Registration
  - Rental Energy Disclosure
  - Exemptions and Exceptions
  - Penalties
  - Reporting
  - Effective Date

Program Manual

- Implementation instructions
- Details about which types of data disclosures will be required, what platform will be used, and coordination among city departments
- Developed in coordination with the internal city working group and the community
- Living document
- Drafting would begin upon ordinances' approval from city council

There will be additional opportunities for engagement on the ordinance and program manual.

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Rental Registry & Energy Disclosure Proposed Ordinance:

Engagement Process & Findings

2024 Engagement Process

33 Initial interviews (April – June)

10 Focus Groups (Sept – Oct)

Public meeting (November)

2024 Engagement Process

33 Interviews
City of Somerville:
> Council on Aging, Inspectional Services Department, Office of Strategic Planning and Community Development, Office of Housing Stability, Office of Immigrant Affairs

City of Somerville Working Groups/ Committees:
> Anti-displacement Working Group, Climate Coalition of Somerville

Landlord representatives:
> Somerville Housing Authority, Tufts University, Greater Boston Real Estate Board, Nutter

State: MassCEC
Tenant representatives:
> Somerville Community Corporation, Community Action Agency of Somerville, Cambridge Health Alliance

Utilities: Eversource, National Grid

Initial interviews (April - June)

Focus Groups (Sept – Oct)

Public meeting (November)

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2024 Engagement Process

Focus Group Audience	Convened by
Climate and environmental organizations	Commission on Energy Use and Climate Change
Landlords: medium to large (5+ units)	Office of Sustainability and Environment
Landlords: small (1-4 units)	Office of Sustainability and Environment
Landlords	Somerville Office of Immigrant Affairs
Landlords: older adults	Council on Aging
Professional services (realtors, brokers, lawyers)	Office of Sustainability and Environment
Tenants	Community Action Agency of Somerville
Tenants	Somerville Office of Immigrant Affairs
Tenants	Office of Sustainability and Environment
Tenants	Office of Sustainability and Environment

Initial interviews (April – June)

Focus Groups (Sept - Oct)

Public meeting (November)

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2024 Engagement Process

Initial interviews (April – June)

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Overarching Findings from Stakeholder Engagement

Majority positive response: climate goals, transparency to inform tenant decision-making
Concerns: implementation details, housing impacts, administrative burden

Tenant hopes: transparency, accountability, leadership, accessibility, ease of use
Tenant concerns: reliability, impact

Landlord/realtor hopes: opportunity to showcase properties, streamlined process
Landlord/realtor concerns: administrative burden, market friction, data security/privacy

Perception of limited impact of RRED on its own.
Pros & cons of RRED as initial step to development of energy standards

Focus on: affordability impacts, language justice, access needs, awareness raising

Topics Discussed

Information Disclosures

Registration system

Information accessibility and awareness

Housing costs

Rollout

Enforcement

Connecting to incentive programs

Exemptions

Feedback on information disclosure

- Tenants, climate advocates, researchers, and low-income tenant advocates all saw benefits of transparent data

- Landlords, property managers, realtors expressed caution
  - Some data available elsewhere, and/or can be hard to obtain, verify, and keep updated

- Questions about how to use utility data

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Feedback on the registration system

- Effective design and compliance support for full range of landlords
  - Bulk data submission, automatically import existing data, early registration option, non-online option, in-person and language support, user-friendly, ADA accessible, translatable

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Feedback on information accessibility and awareness

Accessing disclosed information

- Professional, accessible, human-centered website design
- Explanations on what data means (for tenants), where to find incentives (for landlords)
- Physically shared lease packet and/or notice

Program awareness

- Multiple outreach methods: city emails, website, flyers, social media, events, community groups, physical mail

The summary below reflects only the perceptions and beliefs of stakeholders consulted. These ideas are not endorsed by the city nor have they been corrected for accuracy.

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Feedback on addressing housing costs

Recommendations from focus groups to address cost concerns:

（1) incentives for landlords to defray costs

（2) conditions on incentives

（3) rent stabilization

（4) pilot

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Feedback on program rollout

- Urgency
- Ensure effective design, smooth launch
- Incentivize early registration
- Flexible design to improve over time
- Shorter v. longer compliance timeline

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Feedback on enforcement

Recommended considerations from community and stakeholders

- Tenants should not be relied on for enforcement, ISD has limited capacity, difficult to ensure accurate disclosures
- Potential sliding scale for different landlord types and/or number of infractions
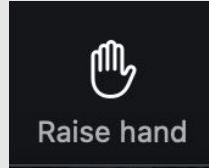
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Feedback on connecting to incentives programs

- RRED information can improve targeted outreach to landlords
- Showcase "high performers," additional outreach to "low performers"

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Feedback on exemptions

Exemptions requested

- Landlords that pay for tenants' utilities: e.g., higher education, public, and non-profit affordable housing providers

- Small landlords with owner-occupied unit in same building as renters

Exemption concerns

- Fairness across the program, tenant interest in energy information for all kinds of units

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Feedback Session

Breakout group questions

What did you hear in the summary of feedback that resonated, that you had questions about, or that you think is missing?

Any other reactions to the program that you want to share?

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Breakout group guidelines

- There are no wrong answers but rather differing points of view
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Zoom Logistics

Select a breakout:

Select the breakouts icon (once open)
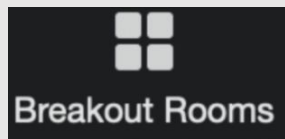
Select breakout based on

(1) **Category**
- Landlords (3 groups)
- Tenants (1 group)
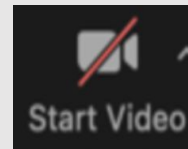- Climate, prof services + other (1 gr)

(2) **First letter of your name**
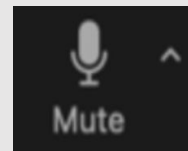
E.g., Larisa the landlord would select:

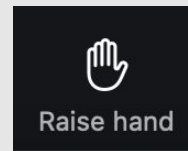Landlords (f-m)

During breakouts:

Turn on video

Unmute / mute

Raise hand

Report out

Please share **the three biggest themes discussed** in your breakout room.

Please limit the report out to **one minute**.

Next Steps

Next Steps

- OSE will submit the draft ordinance to City Council for discussion in the legislative matters committee
- Legislative matters committee will discuss and report out to full council
- City Council will vote on whether to adopt the ordinance
- If adopted, city will continue community and stakeholder engagement and develop program manual
- Program roll-out

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Thank you

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