



City of Cambridge

Calendar Item # 4

-20-

AMENDED ORDER

IN CITY COUNCIL

--October 26, 1992--

November 2, 1992

COUNCILLOR WALSH

WHEREAS: A hearing was held at the City Council Chambers on October 19, 1992 to discuss changes in the 707 Subsidy Program; and

WHEREAS: It appears that there will be a potential negative effect to both landlords and tenants; and

WHEREAS: The continuation of subsidized housing is a priority of this City Council; and

WHEREAS: Terry Morris, the Executive Director of the Cambridge Rent Control Board has stated that if the new regulations for the 707 Program contain a provision for a City agency to negotiate the rent with the landlord, that the units would not fall under rent control and thus allow the subsidy to continue; now therefore be it

RESOLVED: That the City Solicitor be and hereby is requested to draft a home rule petition requesting that the Cambridge Housing Authority be allowed to negotiate the setting of rents on behalf of tenants with landlords who qualify for 707 vouchers; and be it further

RESOLVED: That the City Solicitor's Office submit the draft to the City Council at its next scheduled meeting on November 3, 1992; and be it further

RESOVLED: That the Housing and Community Development Committee investigate the impacts of the diminished 707 Program and report back within thirty days with any and all recommendations.

**REFERRED TO THE HOUSING AND COMMUNITY DEVELOPMENT
COMMITTEE.**



City of Cambridge

Calendar Item # 4

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ORIGINAL ORDER

IN CITY COUNCIL

~~-October 26, 1992-~~

November 2, 1992

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C. Walsh

Asian & Community Development
Committee investigate the impacts
of the diminished 707 Program.
and report back within 30 days
with any and all recommendations.

V/V
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THE COMMONWEALTH OF MASSACHUSETTS
State Senate
Committee on Ways and Means
STATE HOUSE, BOSTON 02133

SENATOR PATRICIA MCGOVERN
CHAIRWOMAN
SECOND ESSEX AND
MIDDLESEX DISTRICT

ROOM 212
TELEPHONE
722-1481

July 27, 1992

Constance Thibaut
Cambridge Tenants Union
1151 Massachusetts Avenue
Cambridge, MA 02138

Dear Ms. Thibaut:

I wish to thank you for your letter regarding the budget recommendations for the Chapter 707 Rental Assistance Programs. As you may be aware, the FY93 Budget was signed by Governor Weld on July 20, 1992, and contains language which authorizes the Executive Office of Communities and Development to implement a voucher program for 707 participants. Please be assured that I share your concerns for the children, elderly, and disabled of this Commonwealth and I understand the importance of providing safe, affordable housing for those in need.

I appreciate your taking the time to share your thoughts with me. Keeping me informed of your views is an important part of state government and your suggestions are always welcome.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Pat McGovern', with a long horizontal flourish extending to the right.

PATRICIA MCGOVERN
Chairwoman
Senate Committee on
Ways and Means

PM:sk

ACTION ALERT

**To all concerned about the 707 rental
subsidy program:**

**The 707 program, now called the
Massachusetts Rental Voucher Program is
underfunded. Our legislators need to hear
from us that we want additional funds put
in this program. Please sign and send
back the letters below.**

*Speaker Charlie Flaherty
Room 356
State House
Boston, MA 02133*

Dear Representative Flaherty;

*I am writing you to urge you, as Speaker of the House, to ensure passage of
legislation that would repair the Massachusetts Rental Voucher Program, formerly known
as the 707 program. We are asking the Legislature to restore \$22.6 million to the
program.*

Signed: _____

*Senator William Bulger
Room 330
State House
Boston, MA 02133*

Dear Senator Bulger

*I am writing you to urge you, as the Senate President to ensure passage of
legislation that would repair the Massachusetts Rental Voucher Program, formerly known
as the 707 program. We are asking for the Legislature to restore \$22.6 million to the
program.*

Signed: _____

**Issues to raise at the Public Hearings
on the
Mass Rental Voucher Program (MRVP)
(Formerly 707)**

Expiration of the Voucher Voucher holders have 120 days to use their voucher or lose it.

 Tell EOCD to drop this regulation. It does not cost the state any more money to hold the voucher while the voucher holder searches for adequate housing and nobody else is waiting for the voucher.

Eligibility and Income determination Under the new rules, program eligibility is determined by gross income without any deductions. This means that you may be found ineligible even if you have high medical or day care expenses.

 Tell EOCD that Family income should be adjusted before eligibility is determined.

Utilities The new rules do not include any utility allowance.

 Tell EOCD to increase the vouchers for those tenants whose utilities are not included in the rent.

Voucher Amount The new voucher amounts are on average about \$100 to \$200 a month less than the certificates.

 Tell EOCD to increase the voucher amount.

Housing Quality Standards Local Housing Authorities will no longer be responsible for inspecting apartments. Tenants will have to get owners to have the apartments certified as being in compliance with both the lead paint laws and the State Sanitary Code. The new rules require that the voucher holder or the owner supply the LHA with certification of compliance.

 Options: EOCD could (a) make the LHA's responsible for certifying compliance with the lead paint and Sanitary Code, (b) give tenants the money to pay someone to inspect the apartment and certify that it is lead free and up to code, (c) pay the LHA's and non-profits a one time relocation fee to inspect the new unit or (d) drop the certification requirements all together.

"Tenant in good standing" Tenants who are found to be not in "good standing" will not be eligible for the new program. This includes tenants who owe LHA's money for back rent or damages and have not made arrangements to repay the money, those who within the past five years have committed fraud against 707 or some other state-aided housing program, those who have been evicted for good cause prior to October 31, 1992 and those with any household member who has been convicted of a civil or criminal offense within the past five years.

 Tell EOCD to drop this prohibition. It could hurt family members who may not have done anything wrong or had some past problems.

Safety Net Services There is no additional money for housing search, transportation expenses or moving and storage expenses for tenants who will be forced to relocate because of this program change.

 Tell EOCD to include money to cover these expenses.

EOCD must also know that these cuts and changes may not save the state any money in the long run because lots families will end up homeless. It costs the state about \$2,400 a month to house one family in a shelter, that's \$28,800 for a year. That same amount of money could provide subsidized rent to that same family for over 4 and a half years!!!

These are but a few issues that should be pointed out to EOCD at the Public Hearings. Please, feel free to add more of your own ideas about what would make the new program workable for people.

Karon

Staff Memorandum

November 4, 1992

Proposed Regulation 71-14

As the Board is probably aware, as of November 1, 1992, the Chapter 707 rent subsidy program was changed from a "certificate" program to a "voucher" program. Since under the voucher system the rent is negotiated and contracted between the landlord and the tenant rather than the Housing Authority and the landlord, the units are no longer exempt from the Rent Control Act pursuant to section 3(b) (3) of the Act.

In a significant number of cases (we believe that 54 units fall into this group) the legal maximum rent is significantly less than the voucher rent allowed to the tenant in the unit. Thus, the tenant might have, for example, a voucher for \$400 but the landlord may only accept \$200 of the voucher because the legal maximum rent is only \$200. Based on information received from the Housing Authority, the owners of most of these units have done significant renovations in order to comply with the requirements of the former 707 program.

We are recommending that the Board pass an emergency regulation that would allow the staff to process Regulation 75 petitions filed by landlords in this limited category of cases administratively and set interim rents up to the limit of the tenant's voucher without Board approval. Subsequently the petitions would be processed in the normal course as any other Regulation 75 petition. We also recommend that this regulation only remain in effect for a limited time period, for example six months from its date of passage.

The following regulation is recommended:

If an owner of a unit currently rented to a tenant holding a Chapter 707 voucher that exceeds the legal maximum rent for the unit, files a Regulation 75 petition for that unit, the Executive Director or his designee may process that petition administratively without hearing or approval by the Board and set an interim legal maximum rent for the unit, based on the reasonable cost of the improvements to the unit, not to exceed the allowable voucher amount as determined under the rules and regulations of the Massachusetts Rental Voucher program. Prior to seeking such administrative approval of interim rents the owner must provide the Board with a notice from Cambridge Inspectional Services stating that there are currently no outstanding code violation citations for the unit. After the interim rents have been allowed the Regulation 75 petition shall be processed in the normal course pursuant to Regulation Series 75. This regulation shall remain in effect until May 31, 1992.



City of Cambridge

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RESOLVED: That the City Solicitor be and hereby is requested to draft a home rule petition requesting that the Cambridge Housing Authority be allowed to negotiate the setting of rents on behalf of tenants with landlords who qualify for 707 vouchers; and be it further

RESOLVED: That the City Solicitor's Office submit the draft to the City Council at its next scheduled meeting on November 3, 1992.

CHARTER RIGHT EXERCISED BY COUNCILLOR WALSH



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CHARTER RIGHT EXERCISED BY COUNCILLOR WALSH



City of Cambridge

C/30

IN CITY COUNCIL

October 22, 1992

COUNCILLOR WALSH

WHEREAS, a hearing was held at the City Council Chambers on October 19, 1992 to discuss changes in the 707 subsidy program; and

WHEREAS, it appears that there will be a potential negative effect to both landlords and tenants; and

WHEREAS, the continuation of subsidized housing is a priority of this City Council; and

WHEREAS, Terry Morris, the Executive Director of the Cambridge Rent Control Board has stated that if the new regulations for the 707 program contain a provision for a City agency to negotiate the rent with the Landlord, that the units would not fall under rent control and thus allow the subsidy to continue.

RESOLVED, That the City Solicitor immediately draft a home rule petition requesting that the Cambridge Housing Authority be allowed to negotiate the setting of rents on behalf of tenants with landlords who qualify for 707 vouchers.

RESOLVED, That the City Solicitor's Office submit the draft to the City Council at its next scheduled meeting on November 3, 1992.



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Councillor Walsh re: 707 Subsidy Program.

In City Council,

October 26, 1992

Charter Right exercised
by Councillor Walsh
11/2/92 Order amended &
referred to the
Housing & Community
Development Committee
11/4/92 copy sent to Housing &
Community Development Co.