



CAMBRIDGE AND SOMERVILLE LEGAL SERVICES, INC.

432 COLUMBIA STREET, CAMBRIDGE, MA 02141

(617) 494-1800

TDD 494-1757

February 22, 1996 FAX 494-8222

Cambridge City Council
Cambridge City Hall
795 Massachusetts Avenue
Cambridge, MA 02139

RE: Governmentally-Involved Housing

SERVING:

Dear City Councilors:

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BELMONT

BOXBOROUGH

BURLINGTON

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WOBURN

For your consideration on February 26, 1996, I have enclosed revised copies of the home rule petition and the state-wide enabling act relating to governmentally-involved housing.

On February 20, 1996 representatives from the Cambridge Housing Authority, the Cambridge Community Development Department, the Cambridge Law Department, and other organizations met in an attempt to reach a consensus on these proposals. The Cambridge Community Development Department, after consultation with the City Law Department, Homeowners' Rehab., and Just-A-Start, supports the enclosed versions. Based on this meeting and subsequent conversations, I believe that the Cambridge Housing Authority also supports the enclosed versions (and I hope to confirm this when Dan Wuenschel returns from Washington late Friday afternoon).

The main substantive change from the February 7-8, 1996 drafts is the additional exemption (number 6) for housing units which became governmentally involved on or after January 1, 1975 in Cambridge and after whatever date each city or town selects in the state-wide enabling act. This change in the home rule petition exempts most of the programs operated by the Cambridge Housing Authority and the non-profit community development corporations in Cambridge. The other revisions are minor wording changes in Sections 3(A)(5) and 3(B); the addition of the definition of low income in Section 3(C); and the addition of the housing authority to Section 6 of the enabling act, with comparable changes in the home rule petition.

Thank you again for your consideration.

Sincerely yours,

Susan Hegel
Susan Hegel

THIS AGENCY IS
SUPPORTED BY



United Way
OF MASSACHUSETTS BAY

Enc.

cc: Daniel Wuenschel, Cambridge Housing Authority
Susan Schlesinger, Community Development Department
Don Drisdell, Cambridge City Law Department
Cambridge Expiring-Use Tenants Committee, c/o CEOC

February 21, 1996

LOCAL CONTROL OF CONTINUING AFFORDABILITY
OF GOVERNMENTALLY-INVOLVED HOUSING

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Declaration of Emergency.

Whereas, the general court finds and declares that a serious public emergency exists with respect to the housing of a substantial number of persons in certain areas of the Commonwealth residing in governmentally-involved housing, inasmuch as there is a threat that many low-income individuals and families residing in such housing, particularly those elderly and disabled, may be threatened with displacement as a result of prepayment of mortgage financing, loss of use or rent restrictions, expiring subsidy contracts, and expected increases in rent, and there is a threat that affordable housing stock will be lost due to expiration of use or rent restrictions and such pre-payment, further exacerbating an extreme housing shortage for low-income families and individuals, and whereas, in adopting Chapter 40 O of the General Laws, the voters did not exempt such housing from protection or regulation, and whereas it is the Commonwealth's policy to encourage owners of this governmentally-involved housing to accept incentives to keep such housing affordable and avert displacement, that such emergency should be met by the Commonwealth immediately and with due regard for the rights and responsibilities of its local communities; therefore, this act is declared to be in the public interest.

SECTION 2. Acceptance.

This act shall take effect in any city and in any town on the thirtieth day following acceptance of its provisions. A city or town which has accepted this act may, in like manner, revoke its acceptance.

SECTION 3. Definitions.

The following words or phrases as used in this act shall have the following meaning:

(A) "governmentally-involved housing," housing accommodations which the United States, the Commonwealth, or any authority created under the laws thereof either owns, operates, finances, subsidizes, or insures the mortgage thereon, or regulates the individual rents thereof, including without limitation housing accommodations constructed or rehabilitated pursuant to Section 202, 221(d), or 236 of the National Housing Act or pursuant to project-based programs under Section 8 of the United States Housing Act of 1937, but not including the

following:

- (1) housing accommodations owned or acquired by the municipality through tax foreclosure;
- (2) housing units in a one to four family building or structure which is not part of a larger housing development, whether on one or more sites;
- (3) structures containing housing accommodation units subsidized with mobile tenant-based rental assistance which would not otherwise come within the definition of governmentally-involved housing, except those subsidized units shall be considered governmentally-involved housing accommodations for the purposes of Section 5 hereof, only;
- (4) structures containing housing accommodation units which were subject to St. 1976, c. 36, as amended, St. 1969, c. 797, St. 1970, c. 863, St. 1971, c. 843, St. 1987, c. 45, and St. 1987, c. 504, all as amended, or St. 1970, c. 843 and St. 1981, c. 601, both as amended, but which would otherwise not come within the definition of governmentally-involved housing;
- (5) public housing owned or operated by a local housing authority under chapter 121B of the General Laws, the United States Housing Act of 1937, or any successor act or public housing programs formerly assisted under the United States Housing Act of 1937;
- (6) housing units which first become governmentally-involved after March 1, 1996, unless the municipality enacts a different date; and
- (7) housing units that a municipality accepting the provisions of this act may exempt from Section 4 for just cause, provided that in no event shall more than twenty percent of the total rental units which are or could be governed under this act in said municipality be exempted under this section.

(B) "Formerly governmentally-involved housing," housing which was governmentally-involved as of July 1, 1994 but which may no longer be owned, operated, financed, subsidized, mortgage-insured, or rent-regulated by the United States, the Commonwealth, or any authority created under the laws thereof.

(C) "Low-income," an annual income which is eighty percent or less of the median income for the area as determined by the United States Department of Housing and Urban Development, with adjustments for smaller and larger families.

SECTION 4. Rents.

(A) Notwithstanding the provisions of any general or special law to the contrary, including, without limitation, the provisions of chapter 282 of the Acts of nineteen hundred and ninety-four, a municipality accepting the provisions of this act shall regulate the rent for use or occupancy of governmentally-involved or formerly governmentally-involved housing to the extent such regulation is not pre-empted by federal law or by section six of chapter 708 of the Acts of nineteen hundred and sixty-six, as amended, once the basis for federal or Massachusetts Housing Finance Agency rent preemption no longer exists.

(B) Said municipality shall establish as the maximum rent for governmentally-involved and formerly governmentally-involved housing accommodations the rent in effect therefor on July 1, 1994 or six months before the basis for federal or MHFA rent preemption lapsed, whichever is later, adjusted to insure such rent provides a fair net operating income as of the date of the loss of rent preemption, but without consideration of any refinancing or change in the carrying charges resulting therefrom, provided, however, the municipality or its designee shall make individual adjustments in such maximum rents as may be necessary to remove hardships or correct other inequities, provided further, however, in the event of any reduction in or forgiveness of mortgage debt for governmentally-involved housing or formerly governmentally-involved housing, the rent shall be reduced to reflect the corresponding reduction in operating expenses and/or debt service. In making individual adjustments to remove hardships or to correct other inequities, the municipality or its designee shall observe the principle of maintaining maximum rents for such housing accommodations at levels which will yield to owners a fair net operating income from such housing accommodations. In determining whether the maximum rent for such housing accommodations yields a fair net operating income, due consideration shall be given to, among other relevant factors: (1) increases in property taxes; (2) unavoidable increases in operating and maintenance expenses; (3) major capital improvement of the housing accommodations, distinguished from ordinary repair, replacement, and maintenance; (4) increases or decreases in living space, services, furniture, furnishings, or equipment; (5) substantial deterioration of the housing accommodations, other than ordinary wear and tear, or failure to perform ordinary repair, replacement, or maintenance; and (6) any reduction in, or forgiveness of, mortgage debt, but without consideration of any refinancing or change in the carrying charges resulting therefrom.

Section 5. Evictions.

(A) A municipality accepting the provisions of this act

shall provide, by ordinance or by-law, that no person shall bring an action to recover possession of a governmentally-involved or formerly governmentally-involved housing accommodation to the extent that such regulation is not otherwise preempted by federal law or section six of chapter 708 of the Acts of 1966, unless:

(1) the tenant has failed to pay the rent to which the owner is entitled;

(2) the tenant has violated an obligation or covenant of tenancy not inconsistent with chapter 93A of the General Laws or this act other than the obligation to surrender possession upon proper notice, and has failed to cure the violation after having received written notice thereof;

(3) the tenant is causing, committing, or permitting, a nuisance in, or substantial damage to, the housing accommodation, or is creating substantial interference with the comfort, safety, or enjoyment of the owner or other occupants of the same or any adjacent accommodation;

(4) the tenant has used or permitted use of a housing accommodation for illegal purposes;

(5) the tenant, who had a written lease or rental agreement which has terminated, has refused, after written requests or demand by the owner, to execute a written extension or renewal thereof for a further term of like duration on terms not inconsistent with or violative of any provision of this act;

(6) the tenant has refused the owner reasonable access to the housing accommodation for the purpose of making necessary repairs or improvements required by law, or for the purpose of inspection as permitted or required by the lease or by law, or for the purpose of showing the housing accommodations to any prospective purchaser or mortgagee;

(7) the tenant holding at the end of a lease term is a subtenant not approved by the owner;

(8) for tenant-based rental assistance programs only, the owner seeks to recover possession in good faith of a unit for the owner's own use and occupancy or for use and occupancy by the owner's spouse, children, grandchildren, great grandchildren, parents, grandparents, brother, sister, father-in-law, mother-in-law, son-in-law, or daughter-in-law; or

(9) the owner seeks to recover possession for any other just cause not in conflict with the provisions and purposes of this act or chapter 93A of the General Laws.

(B) The provisions of this section shall be construed as additional restrictions on the right to recover possession of such housing accommodations.

Section 6. Removal from Rental Housing Market.

A municipality accepting the provisions of this act shall provide, by ordinance or by-law, that no person shall remove any governmentally-involved or formerly governmentally-involved housing accommodation from low-income rental housing use (including but not limited to sale, lease or other disposition of the property which may have such an effect), or convert such housing to a condominium or cooperative, without first obtaining a permit for that purpose from the municipality or its designee, to the extent that such provision is not preempted by federal law or section six of chapter 708 of the Acts of 1966. Such permit may be subject to terms and conditions not inconsistent with the purposes and provisions of this act, including, without limitation, (a) incentives to continue in effect the low-income use restrictions previously in place for the property, (b) where sale, lease, or disposition of the property may result in the loss of all or a portion of the property for low-income rental housing use, the right of an incorporated tenant association in such housing, the municipality, the local housing authority, or non-profit community development corporations to negotiate for, acquire and operate such property on substantially equivalent terms and conditions as offered or available to a bona fide third party purchaser.

Section 7. Available Resources.

To the extent not preempted by federal law or section six of chapter 708 of the Acts of 1966, a municipality accepting the provisions of this act shall require an owner of governmentally-involved housing or formerly governmentally-involved housing, to affirmatively seek out and accept any prospective government housing resources, whether tenant-based or project-based, which maximize affordability of the housing accommodations consistent with the income character of the property and the owner's right to obtain a fair net operating income for the housing accommodations.

Section 8. Occupancy Standards.

To the extent not preempted by federal law or section six of chapter 708 of the Acts of 1966, and, so long as such regulation is consistent with the owner's right to obtain a fair net

operating income and the municipality's housing policy, a municipality accepting the provisions of this act shall establish local preferences, priorities, and income limits for admission to governmentally-involved housing or formerly governmentally-involved housing upon unit turnover. No ordinance, by-law, or regulation shall require an owner to create a tenancy involving any person with a history of conduct which would, if repeated, be grounds for eviction from such housing.

Section 9. Regulations. Exceptions.

A municipality accepting the provisions of this act may promulgate such rules, regulations, and orders as it may deem necessary to effectuate the purposes hereof and may grant exemptions and exceptions thereto when such action would tend to maintain or increase the supply of affordable housing in the municipality, including, without limitation, to promote the sale of the property to a bona fide tenant organization or non-profit community development corporation under terms and conditions which would tend to maintain the income character of the property.

Section 10. Hearings.

Any hearings regarding matters related to regulation of rents or removal permits for governmentally-involved housing or formerly governmentally-involved housing or regarding compliance with other provisions of this act, or any ordinance, by-law, rule, or regulation adopted hereunder, shall be conducted by the municipality or its designee in accordance with the provisions of section eleven of chapter 30A of the General Laws except that requirements (7) and (8) of such section eleven shall not apply to such hearings.

Section 11. Judicial Review.

All decisions of the municipality or its designee may be appealed to the Housing Court (if available), the District Court or the Superior Court in the jurisdiction or county where the municipality is located by any person aggrieved thereby, whether or not previously a party in the matter, within thirty calendar days after receipt of notice of such decision. The housing, district, and superior courts shall have jurisdiction to enforce the provisions hereof and any ordinance, by-law, rule, or regulation adopted hereunder and on application of the municipality or its designee or any aggrieved person may restrain or enjoin violations of any such ordinance, by-law, rule, or regulation. In the interests of justice, the court may allow any necessary parties to be joined in or to intervene in any action brought hereunder and may in its discretion allow or require an action to proceed as a class action.

Section 12. Criminal Penalties.

It shall be unlawful for any person to do or omit to do any action in violation of this act or any order, ordinance, by-law, rule or regulation adopted or promulgated hereunder. Whoever willfully violates any provision of this act or any order, ordinance, by-law, rule, or regulation adopted or promulgated hereunder or whoever makes a false statement in any testimony before the municipality or its designee, or whoever knowingly supplies the municipality or its designee with false information, in connection with a proceeding under this act, shall be punished by a fine of not more than five hundred dollars or by imprisonment for not more than ninety days, or both; provided, however, that in the case of a second or subsequent offense, or where the violation continues after notice thereof, such person shall be punished by a fine of three thousand dollars, or imprisonment for not more than one year, or both.

Section 13. Severability.

The provisions of this act are severable, and if any of its provisions shall be held unconstitutional or otherwise invalid by any court of competent jurisdiction, the decision of such court shall not affect or impair any of the remaining provisions.

February 21, 1996

CITY OF CAMBRIDGE
IN CITY COUNCIL

ORDERED: That a petition to the General Court, accompanied by a bill for a special law relating to the City of Cambridge to be filed with an attested copy of this order be, and hereby is, approved under Clause (1) of Section eight of Article two, as amended, of the Amendments to the Constitution of the Commonwealth of Massachusetts, to the end that legislation be adopted precisely as follows, except for clerical or editorial changes of form only:

SECTION 1. Whereas, a serious public emergency exists with respect to the housing of citizens of Cambridge residing in governmentally-involved housing, inasmuch as there is a threat that many low-income individuals and families residing in such housing, particularly those elderly and disabled, may be threatened with displacement as a result of prepayment of mortgage financing, loss of use or rent restrictions, expiring subsidy contracts, and expected increases in rent, and there is a threat that affordable housing stock will be lost due to expiration of use or rent restrictions and such pre-payment, further exacerbating an extreme housing shortage within the city for low-income families and individuals, and whereas, in adopting Chapter 40 O of the General Laws, the voters did not exempt such housing from protection or regulation, and whereas it is the city's policy to encourage owners of this governmentally-involved housing to accept incentives to keep such housing affordable and avert displacement, that such emergency should be met by the commonwealth immediately with due regard for the rights and responsibilities of the city; therefore, this act is declared to be in the public interest.

SECTION 2.

(A) Notwithstanding the provisions of any general or special law to the contrary, including, without limitation, the provisions of chapter 282 of the Acts of nineteen hundred and ninety-four, for so long as the city council of Cambridge shall determine that the circumstances described in section one hereof continue to exist, the city of Cambridge may by ordinance regulate the rent for use or occupancy of governmentally-involved or formerly governmentally-involved housing to the extent such regulation is not pre-empted by federal law or by section six of chapter 708 of the Acts of nineteen hundred and sixty-six, as amended, once the basis for federal or Massachusetts Housing Finance Agency rent preemption no longer exists.

For purposes of this act, "governmentally-involved housing" is defined as housing accommodations which the United States, the commonwealth, or any authority created under the laws thereof either owns, operates, finances, subsidizes, or insures the

mortgage thereon, or regulates the individual rents thereof, including without limitation housing accommodations constructed or rehabilitated pursuant to Section 202, 221(d), or 236 of the National Housing Act or pursuant to project-based programs under Section 8 of the United States Housing Act of 1937, but not including the following:

- 1) housing accommodations owned or acquired by the City of Cambridge through tax foreclosure;
- 2) housing units in a one to four family building or structure which is not part of a larger housing development, whether on one or more sites;
- 3) structures containing housing accommodation units subsidized with mobile tenant-based rental assistance which would not otherwise come within the definition of governmentally-involved housing, except those subsidized units shall be considered governmentally-involved housing accommodations for the purposes of section 2(B) hereof, only;
- 4) structures containing housing accommodation units which were subject to St. 1976, c. 36 but which would not otherwise come within the definition of governmentally-involved housing;
- 5) public housing owned or operated by a local housing authority under chapter 121B of the General Laws, the United States Housing Act of 1937, or any successor act or public housing programs formerly assisted under the United States Housing Act of 1937;
- 6) housing units which first became governmentally-involved on or after January 1, 1975; and
- 7) housing units that the city of Cambridge or its designee may exempt from the first paragraph of Section 2(A) for just cause, provided that in no event shall more than twenty percent of the total rental units in Cambridge which are or could be governed under this act be exempted under this section.

"Formerly governmentally-involved housing" is defined as housing which was governmentally-involved as of July 1, 1994 but which may no longer be owned, operated, financed, subsidized, mortgage-insured, or rent-regulated by the United States, the commonwealth, or any authority created under the laws thereof.

"Low-income" is defined as an annual income which is eighty percent or less of the median income for the Boston Metropolitan Statistical Area as determined by the United States Department of

Housing and Urban Development, with adjustments for smaller and larger families.

Said city may by ordinance establish as the maximum rent for governmentally-involved and formerly governmentally-involved housing accommodations the rent in effect therefor on July 1, 1994 or six months before the basis for federal or MHFA rent preemption lapsed, whichever is later, adjusted to insure such rent provides a fair net operating income as of the date of the loss of rent preemption, but without consideration of any refinancing or change in the carrying charges resulting therefrom, provided, however, said ordinance shall authorize the City or its designee to make individual adjustments in such maximum rents as may be necessary to remove hardships or correct other inequities, provided further, however, in the event of any reduction in or forgiveness of mortgage debt for governmentally-involved housing or formerly governmentally-involved housing, the rent shall be reduced to reflect the corresponding reduction in operating expenses and/or debt service. In making individual adjustments to remove hardships or to correct other inequities, the City or its designee shall observe the principle of maintaining maximum rents for such housing accommodations at levels which will yield to owners a fair net operating income from such housing accommodations. In determining whether the maximum rent for such housing accommodations yields a fair net operating income, due consideration shall be given to, among other relevant factors: (1) increases in property taxes; (2) unavoidable increases in operating and maintenance expenses; (3) major capital improvement of the housing accommodations, distinguished from ordinary repair, replacement, and maintenance; (4) increases or decreases in living space, services, furniture, furnishings, or equipment; (5) substantial deterioration of the housing accommodations, other than ordinary wear and tear, or failure to perform ordinary repair, replacement, or maintenance; and (6) any reduction in, or forgiveness of, mortgage debt, but without consideration of any refinancing or change in the carrying charges resulting therefrom.

(B) Such ordinance may provide that no person shall bring an action to recover possession of a governmentally-involved or formerly governmentally-involved housing accommodation to the extent that such regulation is not otherwise preempted by federal law or section six of chapter 708 of the Acts of 1966, unless:

(1) the tenant has failed to pay the rent to which the owner is entitled;

(2) the tenant has violated an obligation or covenant of tenancy not inconsistent with chapter 93A of the General Laws or this act other than the obligation to surrender possession upon proper notice, and has failed to cure the violation after having received written notice thereof;

(3) the tenant is causing, committing, or permitting, a nuisance in, or substantial damage to, the housing accommodation, or is creating substantial interference with the comfort, safety, or enjoyment of the owner or other occupants of the same or any adjacent accommodation;

(4) the tenant has used or permitted use of a housing accommodation for illegal purposes;

(5) the tenant, who had a written lease or rental agreement which has terminated, has refused, after written requests or demand by the owner, to execute a written extension or renewal thereof for a further term of like duration on terms not inconsistent with or violative of any provision of this act;

(6) the tenant has refused the owner reasonable access to the housing accommodation for the purpose of making necessary repairs or improvements required by law, or for the purpose of inspection as permitted or required by the lease or by law, or for the purpose of showing the housing accommodations to any prospective purchaser or mortgagee;

(7) the tenant holding at the end of a lease term is a subtenant not approved by the owner;

(8) for tenant-based rental assistance programs only, the owner seeks to recover possession in good faith of a unit for the owner's own use and occupancy or for use and occupancy by the owner's spouse, children, grandchildren, great grandchildren, parents, grandparents, brother, sister, father-in-law, mother-in-law, son-in-law, or daughter-in-law; or

(9) the owner seeks to recover possession for any other just cause not in conflict with the provisions and purposes of this act or chapter 93A of the General Laws.

The provisions of this section shall be construed as additional restrictions on the right to recover possession of such housing accommodations.

(C) Such ordinance may also provide that no person shall remove any governmentally-involved or formerly governmentally-involved housing accommodation from low-income rental housing use (including but not limited to sale, lease or other disposition of the property which may have such an effect), or convert such housing to a condominium or cooperative, without first obtaining a permit for that purpose from the City or its designee, to the extent that such provision is not preempted by federal law or section six of chapter 708 of the Acts of 1966. Such permit may be subject to terms and conditions not inconsistent with the

purposes and provisions of this act, including, without limitation, (a) incentives to continue in effect the low-income use restrictions previously in place for the property, (b) where sale, lease, or disposition of the property may result in the loss of all or a portion of the property for low-income rental housing use, the right of an incorporated tenant association in such housing, the city of Cambridge, the Cambridge Housing Authority, or non-profit community development corporations to negotiate for, acquire and operate such property on substantially equivalent terms and conditions as offered or available to a bona fide third party purchaser.

(D) To the extent not preempted by federal law or section six of chapter 708 of the Acts of 1966, the City or its designee may require an owner of governmentally-involved housing or formerly governmentally-involved housing, to affirmatively seek out and accept any prospective government housing resources, whether tenant-based or project-based, which maximize affordability of the housing accommodations consistent with the income character of the property and the owner's right to obtain a fair net operating income for the housing accommodations.

(E) To the extent not preempted by federal law or section six of chapter 708 of the Acts of 1966, and, so long as such regulation is consistent with the owner's right to obtain a fair net operating income and the city's housing policy, the City or its designee may establish local preferences, priorities, and income limits for admission to governmentally-involved housing or formerly governmentally-involved housing upon unit turnover. No regulation shall require an owner to create a tenancy involving any person with a history of conduct which would, if repeated, be grounds for eviction from such housing.

(F) The City or its designee may promulgate such rules, regulations, and orders as it may deem necessary to effectuate the purposes hereof and may grant exemptions and exceptions thereto when such action would tend to maintain or increase the supply of affordable housing in Cambridge, including, without limitation, to promote the sale of the property to a bona fide tenant organization or non-profit community development corporation under terms and conditions which would tend to maintain the income character of the property.

(G) Any hearings regarding matters related to regulation of rents or removal permits for governmentally-involved housing or formerly governmentally-involved housing or regarding compliance with other provisions of this ordinance shall be conducted by the City or its designee in accordance with the provisions of section eleven of chapter 30A of the General Laws except that requirements (7) and (8) of such section eleven shall not apply to such hearings.

(H) All decisions of the City or its designee may be appealed to the Cambridge District Court or to the Middlesex Superior Court by any person aggrieved thereby, whether or not previously a party in the matter, within thirty calendar days after notice of such decision. The district and superior courts shall have jurisdiction to enforce the provisions hereof and any ordinance, rule or regulation adopted hereunder and on application of the City or its designee or any aggrieved person may restrain or enjoin violations of any such ordinance, rule, or regulation. In the interests of justice, the court may allow any necessary parties to be joined in or to intervene in any action brought hereunder and may in its discretion allow or require an action to proceed as a class action.

SECTION 3. It shall be unlawful for any person to do or omit to do any action in violation of this act or any order, ordinance, rule or regulation adopted or promulgated hereunder. Whoever willfully violates any provision of this act or any order, ordinance, rule or regulation adopted or promulgated hereunder or whoever makes a false statement in any testimony before the City or its designee, or whoever knowingly supplies the City or its designee with false information, in connection with a proceeding under this Act, shall be punished by a fine of not more than five hundred dollars or by imprisonment for not more than ninety days, or both; provided, however, that in the case of a second or subsequent offense, or where the violation continues after notice thereof, such person shall be punished by a fine of three thousand dollars, or imprisonment for not more than one year, or both.

SECTION 4. The provisions of this act are severable, and if any of its provisions shall be held unconstitutional or otherwise invalid by any court of competent jurisdiction, the decision of such court shall not affect or impair any of the remaining provisions.

SECTION 5. This act shall take effect upon passage.

Cambridge Expiring-Use Tenants Committee

c/o 11 Inman Street, Cambridge, MA 02139

Cambridge Court • Fresh Pond Apartments • Close Building • Huron Towers • Walden Square • Walden Park • Alewife Parkway Apartments • 808-812 Memorial Drive • 929 House

New legislation protection expiring use buildings is completely different than the old rent control system.

The old Cambridge rent control system was controversial. This new Cambridge home rule petition and proposed enabling act to protect expiring use and HUD-assisted buildings is not the old rent control system. It is completely different and should not be controversial. It is distinct in several important ways.

- **There are no small owners.**

The owners of expiring use properties are large real estate investors, often national in scope. There are no small owners.

- **The vast majority of tenants in these buildings are means tested.**

Tenants living in HUD-assisted buildings are low and moderate income people. There are market rate apartments in some MHFA buildings. Such market-rate apartments would not be affected by these new laws.

- **Local regulations would be used only if HUD deregulates.**

The possibility of local regulation set up under the home rule petition or enabling act would encourage owners to sell to tenants or non-profits. It would discourage them from pre-paying and seeking to get out of HUD regulation. The local regulation would not need to be actually used very often.

- **HUD-assisted buildings were built as affordable housing.**

These buildings were built to be used as affordable housing. They got HUD assistance and, in most cases, local zoning variances only because they were built for this purpose.

- **This issue affects many communities which never had local rent control.**

Expiring use and HUD-assisted buildings exist all over the state. New legislation allowing local regulation of these buildings is supported by many communities around the state which never had rent control.

- **Question 9 exempted these buildings.**

Presumably for the reasons above, and anti-rent control referendum "Question 9" on the 1994 state ballot exempted these buildings. There was no referendum passed which proposed to prohibit regulation on these buildings.

The home rule petition and enabling act should be supported by councilors, state legislators, and citizens regardless of what they thought about the old rent control system.



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Margaret Drury
City Clerk's Office
Cambridge City Hall
795 Mass. Avenue
Cambridge, MA 02139

RE: February 26, 1996 City Council Meeting

Dear Ms. Drury:

Enclosed, for inclusion in the city council packets for Monday, February 26, 1996, please find a cover letter, revised versions of the proposed home rule petition and state wide enabling act re: governmentally-involved housing, and a comparison of these proposals and the old rent control system.

Thank you.

Sincerely yours,

Susan Hegel
Susan Hegel

Enc.
BY HAND

THIS AGENCY IS
SUPPORTED BY



United Way
OF MASSACHUSETTS BAY

Consent Communication #16

S-105

Communication was received from Susan Hegal, Cambridge and Somerville Legal Services, Inc., transmitting proposed amendment to the text of the home rule petition and state wide enabling act regarding governmentally involved housing.

In City Council February 26, 1996

Referred to table Item
Number 13