

#11 Order

City of Cambridge

MASSACHUSETTS

In City Council

3/31/

1980

	YEA	NAY	ABSENT	PRESENT
Mr. Kevin P. Crane		✓		
Mr. Thomas W. Danehy		✓		
Ms. Saundra Graham	✓			
Mr. Leonard J. Russell				✓
Mr. David E. Sullivan	✓			
Mr. Walter J. Sullivan		✓		
Mr. Alfred Vellucci	✓			
Mr. David A. Wylie	✓			
Mayor Francis H. Duehay	✓			
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City of Cambridge

COUNCILLOR GRAHAM
COUNCILLOR D. SULLIVAN
COUNCILLOR WYLIE

11.
IN CITY COUNCIL
March 31, 1980

- WHEREAS: Cambridge voters at the November 6, 1979 City election overwhelmingly approved, by a 4 to 1 vote, Question 3, which in part advised this City Council "actively to encourage building insulation, energy conservation, and the use of solar power and other safe renewable energy sources in the City, thereby saving Cambridge residents money and creating new jobs"; and
- WHEREAS: Although the Cambridge City Council is considering the establishment of an Energy Commission which will study energy use and make recommendations for long-range energy planning in Cambridge, including recommendations to the Rent Control Board, the urgency of the need for energy conservation in rent controlled housing requires immediate action by the City Council; and
- WHEREAS: The present rent control formula for maximum rent adjustments fails to take into adequate account the policies of encouraging building insulation and energy conservation, because it creates essentially no incentives for landlords to tighten up buildings and conserve fuel; and
- WHEREAS: This situation has recently caused large fuel cost increases for tenants who pay for their own heat and large rent increases for tenants whose landlords pay for heat, and continuing inflation in energy costs will result in even larger fuel cost and rent increases which can only be offset by increased efficiency in the use of fuels; and
- WHEREAS: The present situation fails to benefit landlords in any way, and is even harmful to small landlords, and at the same time wastes large amounts of fuel, resulting in large outflows of money from Cambridge residents and windfall profits to the multi-national energy corporations and the members of the OPEC cartel; and
- WHEREAS: Weatherization and insulation which upgrade the city's housing stock, thereby benefiting both landlords and tenants over the long run; therefore be it

ORDERED: That the City Manager request the Rent Control Board to amend its rent adjustment formula under Section 7 of the Cambridge Rent Control Act, so that the formula will:

1. Require landlords to improve energy efficiency in their buildings by making investments in cost-effective retrofit conservation improvements, where "cost-effective retrofit" means those retrofit conservation improvements which meet a ten year simple payback criterion. A "retrofit conservation improvement" means any energy conservation improvement applied to an existing building that was not installed at the time the building was constructed and any replacement or rehabilitation of an energy conservation improvement that was installed but is in need of replacement or rehabilitation. An improvement or replacement or rehabilitation of an improvement meets a "ten year simple payback criterion" of the cost of making, replacing or rehabilitating the improvement (including any interest on the cost of doing so) less the amount of any tax credits, rebates or other tax savings and financial incentives, less the calculated dollar value of the energy to be saved by the improvement, replacement or rehabilitation over the immediately following ten years, is equal to or less than 0.
2. Provide incentives so that improvements made by landlords to comply with these requirements shall constitute capital expenditures which they may amortize and recover in increased rents.
3. Withhold rent increases for fuel costs necessitated by the failure to comply with these standards by landlords who pay for heating costs.
4. Provide for a procedure for tenants who pay heating costs directly to petition for rent abatements in the amount necessitated by landlords' failure to comply with these standards.

and be it further

ORDERED: That the City Manager is requested to pursue acquisition of federal and state subsidies to assist in paying the cost of improvements required to meet these standards; and be it further

ORDERED: That the City Council declares the substance of this Order to constitute the official policy of the City of Cambridge, for the purposes of the City Charter (Chapter 43, Sections 95, 97 and 106 of the General Laws) and the Rent Control Act (Chapter 36, Section 7(d) of the Acts of 1976); and be it further

ORDERED: That the City Manager request the Rent Control Board to report in writing on its implementation of this policy not later than June 1, 1980.

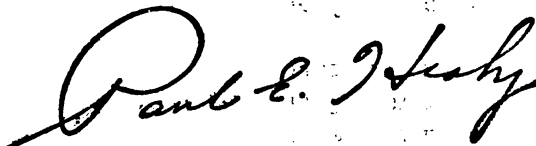
REFERRED TO RENT CONTROL BOARD AND ENERGY COMMISSION

Yeas 5; Nays 3; Absent 0; Present 1.

Attest: Paul E. Healy, City Clerk

A true copy,

ATTEST:



Order #11

F-107

C. Graham, D. Sullivan, Wylie re: Rent Control Board to amend its rent adjustment formula under Section 7 of the Cambridge Rent Control Act to encourage building insulation and energy conservation.

In City Council,
March 31, 1980

REFERRED TO THE RENT CONTROL BOARD AND
ENERGY COMMISSION.