

Cambridge City Council
May 16, 1996
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And surely the City Council would not have authorized the City Manager to accept such a ridiculously low rent for a city property that could produce enormous income or be put to many other good uses.

I therefore request that you ask the City Manager to provide the City Council with a detailed report on this matter that includes:

1. An accounting of all income received from rental of the Harvard Square Kiosk,
2. Copies of all existing and expired city leases and other relevant agreements concerning Out of Town News,
3. Records of any taxes assessed and collected or other payments received from this business over the past ten years, and
4. An explanation of what role, if any, the City Council or the public played in authorizing the long-term private use of the Harvard Square Kiosk structure by Out of Town News.

Yours truly,


Michael Brandon

P.S. Please note that the enclosed section of the budget does not report income received from other rented city properties. Perhaps the City Manager could explain where this additional income is reflected in the budget documents he submitted to the City Council, and why all rental income received by the city is not reported in a uniform fashion.

ACTUAL FY95	PROJECTED FY96		BUDGET FY97
37 001	20 050	RENT OF CITY PROPERTY	20 050
56 929	57 370	SALE OF CITY PROPERTY	54 660
93 930	77 420		74 710

MISCELLANEOUS REVENUE
- Rent/Sale of City Property

RENT OF CITY PROPERTY. In FY97, the City will receive rent from the news stand in Harvard Square (\$20 050). These funds are used as an offset to the Public Works budget.

SALE OF CITY PROPERTY. Revenue is received from the sale of lots and graves at the City cemetery. The price of a single lot is \$400 and an individual must be a resident of Cambridge at the time of death. Revenue from this source is estimated at \$53 000 in FY97. The Animal Commission receives revenue from the sale of stray dogs and cats. The FY97 revenue estimate is \$660. In addition, the City television cable office charges for the tape duplication of various municipal programs. The \$20 charge covers the duplication and tape cost and will generate approximately \$1 000 in FY97.

Michael Brandon
27 Seven Pines Avenue
Cambridge, Massachusetts 02140

RECEIVED BY
OFFICE OF CITY CLERK

MAY 16 PM 4:50

CAMBRIDGE MA.

May 16, 1996

Cambridge City Council
c/o City Clerk
795 Massachusetts Avenue
Cambridge, MA 02108

Re: Harvard Square News Kiosk Rental Income

Councilors:

The FY 1997 budget summary submitted by the City Manager appears to contain a significant error on page III-49 (copy attached).

According to this report, rental of the Harvard Square Kiosk to the private company that operates Out of Town News will produce annual city income of only \$20,050.

Presumably this is a mistake. Perhaps the monthly rental income was inadvertently listed in place of the yearly amount--or maybe a zero was dropped from the reported total: a rent of \$200,500 a year would still be a bargain for this choice property.

As you know, the Harvard Square Kiosk lies at the heart of a bustling shopping district and a major commuter and university crossroads. Named to the National Register of Historic Places in 1978, the structure is an internationally known symbol that defines Harvard Square in the public's mind. As such, it is arguably the prime retail location in the entire city.

Real estate brokers report that rental rates for ground-floor commercial space in this part of Harvard Square normally exceed \$100 per square foot. Moreover, according to a 1994 report in the *Cambridge Chronicle*, sales at the newsstand reached \$3 million a year under the previous owner.

Surely the City Manager, whose financial prowess is widely acknowledged, would not allow such a valuable city asset and potential revenue generator to be rented out for a paltry \$1700 a month, especially at a time when fiscal pressures on the city are intensifying.

Consent Communication #10

H-86

Communication was received from
Michael Brandon, 27 Seven Pines
Avenue, transmitting a letter
regarding the Harvard Square News
Kiosk Rental Income.

In City Council May 20, 1996

*Referred to City Manager
for a report.*