



CAMBRIDGE CHAMBER OF COMMERCE
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April 3, 1997

The Honorable City Council
City of Cambridge
Cambridge City Hall
Cambridge, MA 02139

Dear Mayor Russell and Members of the City Council:

The Board of Directors of the Cambridge Chamber of Commerce has voted to publicly state its opposition to the proposed transfer tax petition under consideration by the City Council.

Affordable housing is an issue that our entire community is concerned about. The commitment and efforts of the Council in this area over the past several years has been extraordinary. We believe that no other city in the country has dedicated the level of city funds or accomplished more than Cambridge has in helping to serve the housing needs of its community.

We are concerned, however, that the transfer tax is not an equitable or effective vehicle to address affordable housing needs. It is our belief that the transfer tax unfairly singles out a small group of people - the buyers and sellers of real estate - to pay for programs which are of concern to the entire community.

Other areas of concern relative to this issue include the notion that the transfer tax can not be financed, and, therefore, can become a further barrier for prospective low to middle income buyers. Some would suggest that it adversely effects those buyers at the lower end of the income spectrum - who can least afford it - for the goal of helping others who are struggling at the same end of the income spectrum. We also believe that a transfer tax would have negative impacts on the City's ongoing economic development efforts. Finally, a transfer tax paid by the buyers raises the specter of taxation without representation. The buyers who are targeted are not necessarily present in the community to be able to speak for themselves.

In closing, please do not confuse our concern with this measure as opposition to affordable housing. It is not. We trust that in its combined wisdom, the Council membership will grant these ideals the consideration that is deserved as the larger issue of affordable housing is deliberated.

Sincerely,

The Board of Directors
Cambridge Chamber of Commerce

Consent Communication #11

S-200

Communication was received from the
Board of Directors of the Cambridge
Chamber of Commerce, transmitting
their opposition to the proposed
transfer tax.

In City Council April 7, 1997

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