

1,000 appreciating 2000
Vacancy rate 1 1/2 %
does not
count all
houses that
need rehabilitation

City of Cambridge

CITY COUNCIL

February 27, 1976

SUBJECT: Rent Control

A MINORITY REPORT

We, the undersigned members of the Cambridge City Council feel compelled to take issue with the official position of the Cambridge City Council on the subject of Rent Control.

We strongly support a fair and objective housing survey that focuses solely on the City of Cambridge. This has never been done, and in light of this fact, we wonder how valid is the claim that an emergency housing situation exists in our city that is injurious to the health, safety and general welfare of our citizens. Our colleagues have simply failed to produce adequate evidence to substantiate these claims.

Some information is available, and we feel that it points to the problems we have encountered and will continue to encounter if Chapter 842 is extended. The real estate tax base has taken its first major decline since the Great Depression. From 1972 to 1975 assessed valuations have decreased by five million dollars. Cambridge property owners are paying confiscatory levels of gross income for taxes. As a result, abatement returns have been in excess of two and one half million dollars. These results must be borne by the taxpayers at large. Not surprisingly, taxes have skyrocketed by seventy percent since the inception of Rent Control in our city. Beyond this, the taxpayers of Cambridge have been further responsible for well over one million dollars in administrative costs to run the Rent Control Board. We wonder why our colleagues refuse to come to gripe with these troublesome developments.

From 1970-1974, approximately four thousand public housing units

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were built, but half of them were occupied by non-residents. Who has the housing crisis, Cambridge or the surrounding cities? Why should the hard pressed tax payers in our city continue to subsidize a growing transient population? Where is the fairness, where is the equity?

Rent Control cannot isolate its intended beneficiaries, so as a result a hard hit property owner often winds up subsidizing the rent of affluent professionals who receive the same benefits under Rent Control as the elderly, the infirmed and the indigent? Is this administratively sound or philosophically defensible. We insist that it is unethical and deserves our firmest condemnation.

We too are concerned with the elderly, the infirmed and the indigent. Our colleagues have no monopoly on compassion. But our compassion flows both ways, to the tax payer as well as the tenant. Our sense of responsibility demands that we approach housing needs in a fair, rational and equitable manner.

We are realistic men, we are not blind to the dangers that might result if controls were suddenly dismantled. We realise that long endured frustrations might lead to a situation of social chaos and fiscal retribution if controls were abruptly dropped. As a result, we do not endorse this policy. Instead, we propose an alternative solution that we feel is more acceptable and will promote the greater interest of our city.

Our proposal tries to address the following problems. The taxpayers of this city cannot continue to subsidize the rents of our increasing transient population. Thus, we favor vacancy decontrol. Our obligation is not to the students, the professionals and young people who want to move into our city, utilize our resources, receive subsidizes from homeowners and

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then move out so that a new group of imports can enjoy the spoils.

We support harassment controls to protect tenants from landlords who might be tempted to pressure them out in order to circumvent restrictions.

We insist upon a maximum of sixty days for a hearing and thirty days hence for a decision. This has been a source of difficulty to tenants and landlords alike and the process simply has to be expedited.

We support the right of tenants and landlords to decide upon a mutually acceptable rent, even if it exceeds the level posted by the Rent Control Board. Freedom of contract is a fundamental right in our system of jurisprudence. The state ought not to intervene when neither tenant nor landlord invite such intervention.

Finally, we feel that owner occupied four, five and six family homes ought to be exempt from controls. We can see no difference in class between these structures and those already exempted.

Therefore, we urge our State Legislators to extend Chapter 842 in a form that contains the following amendments:-

1. Rental units which are vacant or which may become vacant on March 1, 1976 or anytime thereafter shall not be subject to the provisions of this Act. For purposes of this section a unit shall be construed to have been vacated when the occupant shall be a person or persons other than the occupant or occupants in such unit prior to March 1, 1976, except for a spouse or any children born to them during the term of their occupancy.

2. In the event that a tenant is harassed by the owner so that the tenant is caused to vacate the rental unit, he may file an affidavit setting forth the facts concerning such harassment with the local Rent

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Control Board.

The board shall forthwith transmit a copy of such affidavit to the owner, giving the owner fourteen days to file a counter affidavit. The board shall then conduct a hearing at which all parties may attend and present evidence. If the board finds that the tenant was harassed into vacating the apartment, the rent for said unit shall not be de-controlled.

3. When a tenant and the owner or his agent reach a mutual agreement on a rental charge for a unit which is in excess of the maximum rent authorized by the rent control board, such new rent shall become the maximum rent for said unit provided notice of such agreement is given to the rent control board in writing signed by both the tenant and the owner or his agent.

4. Upon receipt of written request for rent review from either a tenant or owner, or their agents, the Rent Control Board must hold such a hearing within sixty days, and must make its decision within thirty days of such hearing.

5. All owner occupied four, five, and six family houses shall be exempt from the restrictions of Chapter 842.

We appreciate the pressure to which you have been subjected; we too feel these same pressures. But pressure and lobbying are no substitute for reason, logic, fairness and equity.

For the Minority,

Councillor Danehy,
Councillor Clinton,
Councillor Russell and
Councillor Sullivan.

S-80B

Comm. from Councillor Danehy, Clinton, Russell
& Sullivan Re: transmitting a "Minority Report"
regarding Rent Control policy.

Rent Control
- Minority Report -
By L. Danahy
Danahy
Russell
Sullivan

Minority Report 3/1/76
Entered into the Record
of the City Council - AM
Placed on File -
Copies to be signed
3/3/76