City of Cambridge

The Rent Control Committee conducted a public hearing on September 22, 1992 beginning at 5:43 p.m. in the Sullivan Chamber, City Hall.

Councillor Jonathan S. Myers, Chair of the above referenced committee, convened the hearing and stated that the purpose of this date's proceedings was to continue discussions on the high rent issue and the formation of an Advisory Committee.

Present at the hearing was: Councillor Timothy J. Toomey, Jr., Councillor William H. Walsh and Deputy City Clerk, John E. Flynn.

To begin the discussion, Councillor Myers introduced Mr. Terrence P. Morris, Executive Director of the Rent Control Department, for a presentation on all units in the department's database with rents equal to or in excess of $700.00 per month.

Mr. Morris presented to the Committee a twenty-seven page computer print-out (excluding condominiums, 1-2-3's and rooming house units) within the above described parameters. (A complete copy of the printout is on file in the office of the City Clerk. For discussion purposes a printed copy of the first page is attached.) He stated that 714 units fall, a little less than 5% of the controlled stock, within the described parameters. He also stated that the highest rent for one of the units at the premises numbered 100 Memorial Drive is $3,406 per month. A breakdown by number of units within a monthly dollars scale is as follows:

NUMBER OF UNITS	MONTHLY RANGE
388	$700 - $799
153	$800 - $899
65	$900 - $999
47	$1000 - $1099
50	$1100 - $1500
11	Exceeds $1500

At this time Mr. Morris provided the Committee with an explanation of the coding structure of the report. The key is as follows:

Base Year	- 1967
Base 84	- property had a Reg. 72 adjustment prior to the 1984 General Adjustment (GA) A, B yes C, D no.
92 Scl	- what % is in 1992 GA
Prc	- property code - controlled
Mat	- current legal maximum rent
'67, '70	- base year

He	-	heat
Hw	-	hot water
Zn	-	neighborhood zone
Acaps	-	caps built into building
sold	-	date of last sale
exempt	-	residential exemption
resdt	-	registration date

Mr. Morris acknowledged that this report represents a few rough cuts and that further analytical review is necessary

Councillor Myers inquired if a further cut of the report could depict the rent history or a per unit basis.

In response Mr. Morris stated that one could determine patterns by targeting large building.

Councillor Myers stated that the issue he was interested in was to get an explanation on the major rent increases, for example the unit that witnessed increases from $480 to $620 to $720 per month. He stated that the report only provides an initial look at the issue.

Councillor Myers also inquired of Mr. Morris for an explanation of the 0's in the '67 Rent Column.

Mr. Morris, in response, stated that further review was necessary to provide such an explanation. Mr. Morris did cite from the report on page thirteen the Langdon Street properties and noted that the '67 base year rents were above average and that caps of over $100,830 have been built into this thirty-three unit buildings. He stated that one major reason for these factors were the capital improvements that were made during the 1980's.

Councillor Myers stated that if a property owner makes improvements to the property that he/she deserves some return on the investment.

Mr. Morris also provided the Committee with a review of the facts that were assembled from the prior hearing before the full City Council on the Langdon Street properties. He noted that the findings included that people were adversely affected and also pointed out the number of cases with the same registration date which outlined the agreements between owner and tenant on the level of rehab per unit.

Councillor Myers stated that in some cases at the Langdon Street properties the level of rehab was not necessary and that some tenants are paying for repairs above and beyond. He inquired if caps could be used in limiting the amounts of increases in the useful life of the capital improvements.

Mr. Morris, in response, stated that the department is currently reviewing a change in the way capital improvements are amortized. He stated the need to differentiate between systematic improvements.

At this time Councillor Myers inquired of any prudent landlord regulations.

In response Mr. Morris stated that in October 1990 the Board proposed regulations regarding this issue but it was universally panned by both tenants and property owners.

Councillor Walsh inquired if a cap on capital improvements would serve as an incentive or disincentive.

Mr. Morris, in response, stated that this inquiry is part of the annual dialogue when the Board is determining the interest rate.

Councillor Walsh inquired of the number of cases or percentage of the properties that do capital improvements.

In response Mr. Morris stated that in 1991 557 Reg. 76 and 200 Reg. 75 applications were filed or roughly a maximum of 20% of the units on an annual basis.

Councillor Walsh inquired why the number of applications were so high.

In response Mr. Morris stated the average annual number of applications is 375 but two buildings in excess of 60 units were filed.

At this time Councillor Myers opened the floor for public comment.

Mr. Michael Turk, 24 Prescott Street, Co-Chair, Cambridge Tenants Union, stated that in regards to the Langdon Street properties the main issue was enforcement. He stated that many tenants felt pressured to move and that some of the improvements were not necessary. With regards to the report, he inquired of the percentage of units owned by Harvard Real Estate. He noted that at the premises numbered 20 Prescott Street there are three units with rents in excess of $1,000 per month and at 1306 Massachusetts Avenue there is one unit with a monthly rent in excess of $1,000. He also stated that neither location has had a Reg. 72 Adjustment and the high rents were due to capital improvements. He also stated that in the early days, 1306 Massachusetts Avenue witnessed a high turnover rate in tenancy and that the rents are above market rate due to the quality of the units. At 20 Prescott Street, he noted that two major repairs and not replacement of an elevator were made costing $400,000. He offered the following suggestions:

1. differentiate between repair and replacement;

2. increase length of amortization period for replacement;

3. greater enforcement needed; and

4. undertake a case study approach to examine how rents have changed over time and what the specific patterns have been at the properties.

Mr. Robert J. LaTremouille, Esquire, 348 Franklin Street, requested the Committee to compare the caps on the buildings addressed at 348 Franklin Street and 512 Green Street.

Mr. Orson P. Yancey, 217 Harvard Street, provided the Committee with two hand-outs entitled "New Maximum Rents and Services" to illustrate the size of the rent increase at unit numbered 2L. He stated that the labor costs associated with the rehab of the unit is to be blamed. He stated the need to review the labor logs and actual invoices for materials purchased in the rehab phase.

Ms. Fatima Taheri, 99 Hammond Street Unit 2, outlined to the Committee the scope of the increase over the past year to her unit ($527 to $604 to $674). She stated that most of the work done was not necessary and that she does not have cold water in her bathroom.

Mr. Scott Serota, 217 Harvard Street Unit 2-L, stated that the maximum allowable rent for his unit in March, 1990 was $460 per month and in March, 1992 it is $945 per month. He further stated in research the scope and nature of the capital improvement he did not find much back-up materials regarding invoices and a labor log. He stated that the labor expense of $20,000 was incredible. He also stated that 60% of the wallboard was replaced and that some repairs were skimpy and the work was sub-standard. He called for more control over property owners' documentation and that many inconsistencies go with increases allowed by the Board.

Mr. Peter Shapiro, Just-A-Start, Inc., stated that from the property owners point of view the nature of the process forces up the initial petition. The problem that faces the Committee is that necessary increases are warranted and that could cause some tenants not to be able to afford the unit. The question that arises is how to educate the tenant with regards to rent increases.

Ms. Lenore Schloming, 102R Inman Street, stated that property owners are criticized about repairs but now owners will be fined if not in compliance with the City's new municipal ordinance dealing with the Sanitary Code. She called the present Rent Control System not an affordability one but a subsidy one.

Mr. Robert O. Edbrooke, Jr., 20 Prescott Street, Apt. # 5, stated that in 1984 his six room unit's monthly rent was $494 and in the ensuing years it has increased on average 10%. He also stated that the proposed monthly rent for this unit for 1993 is $1134.

He stated his criticism of Harvard Real Estate with regards to withdrawals. He spoke of the scope of gut rehab done in a vacant unit numbered 42. He suggested that the Rent Control Department be more involved in situations regarding the level of work to be done in units to eliminate adversarial relations. He also asked for the board to review the interest rate and said that the administrative process is extremely difficult for tenants.

Mr. William Noble, 188 Franklin Street, stated that displacement is the real issue in the replace v. repair debate. He suggested the following course of actions:

1. review of the interest rate;

2. Board should review the motive of the work;

3. do inspections; and

4. set guidelines to target ranges for certain scope of work.

Councillor Myers concluded the hearing by thanking all those who participated in the proceedings.

The hearing was adjourned at seven o'clock and forty-three minutes p. m.

For the Committee,

Councillor Jonathan S. Myers
Chair

CRCB Controlled High Rent Units -- Maximum Rent > 700
(Excludes Condos, 1-2-3s, and Rooming House Units)

Prop#	Apt#	Address	Units	Rm	Base 84 Yr	Cls	92 Scl	Prc	Arc	Rent Max	67	70	Ht	HW	Zn	Acaps	Sold	Exempt.	Resdt
00012	001	33 ABERDEEN AVE	005	05	67	C	5	C		1155	0	0	X	X	10	1912	013189	48760	102472
		Mgr: FRANCIS R MCCLENDON/TRUST																	
00083	003	23-27 ACORN ST	004	05	67	C	1	C		735	145	150			5	4084	031891	48760	101272
		Mgr: ROCHELLE BORG/LAURIE MASS																	
00363	004	16-18 ANTRIM ST	004	07	67	D+	4	C		791	110	140			6	11501		48760	120572
		Mgr: JEAN LOPRESTI																	
00491	025	2-4-6 ARLINGTON ST	061	06	67	B	0	C		905	300	0	X	X	9	40481		0	101072
		Mgr: RESOURCE CAPITAL GROUP																	
00491	027	2-4-6 ARLINGTON ST	061	05	67	B	0	C		832	290	0	X	X	9	40481		0	101072
		Mgr: RESOURCE CAPITAL GROUP																	
00491	028	2-4-6 ARLINGTON ST	061	06	67	B	0	C		905	305	0	X	X	9	40481		0	101072
		Mgr: RESOURCE CAPITAL GROUP																	
00491	029	2-4-6 ARLINGTON ST	061	06	67	B	0	C		955	335	0	X	X	9	40481		0	101072
		Mgr: RESOURCE CAPITAL GROUP																	
00491	030	2-4-6 ARLINGTON ST	061	06	67	B	0	C		974	335	0	X	X	9	40481		0	101072
		Mgr: RESOURCE CAPITAL GROUP																	
00491	031	2-4-6 ARLINGTON ST	061	06	67	B	0	C		901	315	0	X	X	9	40481		0	101072
		Mgr: RESOURCE CAPITAL GROUP																	
00491	037	2-4-6 ARLINGTON ST	061	06	67	B	0	C		1004	325	0	X	X	9	40481		0	101072
		Mgr: RESOURCE CAPITAL GROUP																	
00491	039	2-4-6 ARLINGTON ST	061	06	67	B	0	C		944	300	0	X	X	9	40481		0	101072
		Mgr: RESOURCE CAPITAL GROUP																	
00491	053	2-4-6 ARLINGTON ST	061	05	67	B	0	C		785	0	325	X	X	9	40481		0	101072
		Mgr: RESOURCE CAPITAL GROUP																	
00491	056	2-4-6 ARLINGTON ST	061	05	67	B	0	C		854	0	320	X	X	9	40481		0	101072
		Mgr: RESOURCE CAPITAL GROUP																	
00491	062	2-4-6 ARLINGTON ST	061	06	67	B	0	C		984	0	375	X	X	9	40481		0	101072
		Mgr: RESOURCE CAPITAL GROUP																	
00491	064	2-4-6 ARLINGTON ST	061	06	67	B	0	C		1066	0	375	X	X	9	40481		0	101072
		Mgr: RESOURCE CAPITAL GROUP																	
00491	066	2-4-6 ARLINGTON ST	061	06	67	B	0	C		972	0	375	X	X	9	40481		0	101072
		Mgr: RESOURCE CAPITAL GROUP																	
00492	054	3-5-7 ARLINGTON ST	111	05	67	B	4	C		742	175	190	X	X	9	26351		0	090672
		Mgr: THAYER & ASSOCIATES																	
15553	002	23 ASH ST	005	04	00	F	2	C		831	280	310	X	X	10	0		48760	
		Mgr: ANNA STROBEL																	
15553	003	23 ASH ST	005	04	00	F	2	C		814	275	300	X	X	10	0		48760	
		Mgr: ANNA STROBEL																	
15553	004	23 ASH ST	005	04	00	F	2	C		786	265	265	X	X	10	0		48760	
		Mgr: ANNA STROBEL																	
15553	005	23 ASH ST	005	03	00	F	2	C		786	250	260	X	X	10	0		48760	
		Mgr: ANNA STROBEL																	
15578	004	7-9 BANKS ST	017	04	67	A	3	C		796	0	0			7	23665	123086	0	
		Mgr: STU-LIN MGMT CORP																	
15578	003	7-9 BANKS ST	017	05	67	A	3	C		1038	0	0			7	23665	123086	0	
		Mgr: STU-LIN MGMT CORP																	
15578	002	7-9 BANKS ST	017	04	67	A	3	C		893	0	0			7	23665	123086	0	
		Mgr: STU-LIN MGMT CORP																	
15578	001	7-9 BANKS ST	017	05	67	A	3	C		1008	0	0			7	23665	123086	0	
		Mgr: STU-LIN MGMT CORP																	
00785	002	8 BEECH ST	004	06	67	C	6	C		736	100	120			11	6204		0	110672
		Mgr: CONSTANTINE G SIORAS																	
00632	003	52-58 BISHOP ALLEN DR	014	06	67	C	7	C		1352	226	226	X	X	4	14181		0	092672
		Mgr: STU-LIN MGMT CORP																	

NEW MAXIMUM RENTS AND SERVICES

RA689-053   217 Harvard St

Services Incl.

SER.#	APT.#	.#ROOMS	ELEC EX	CK GAT	HEAS	HT WATT	FURR	PARK TNN	G	PRESENT RENT	INCR	NEW MNTHLY MAX	APPROVED ADDITIONAL CHARGES FURN	PARK
1	217-1R	5								$537	$0	$537		$50
2	217-2R	5								$398	$0	$398		$50
3	217-3R	6								$400	$0	$400		$50
4	217-1L	5								$477	$0	$477		$50
5	217-2L	6								$465	$437	$902		$50
6	217-34	6								$511	$0	$511		$50

[RA689-053 Printed: 30-Mar-90]

NEW MAXIMUM RENTS AND SERVICES

RA691-381   217 Harvard St   1L

Services Incl.

ER#	APT#	#ROOMS	EX	ELECT	CK GAS	HEAT	HT WATR	FURN	PARKING	PRESENT RENT	INCR	NEW MNTHLY MAX	APPROVED ADDITIONAL CHARGES FURN	PARK
1	217-1R	5								$598	$16	$614		$50
2	217-2R	6	EX							$555	$19	$574		$50
3	217-3R	6								$550	$19	$569		$50
4	217-1L	5								$537	$257	$794		$50
5	217-2L	6								$926	$19	$945		$50
6	217-3L	6								$790	$19	$809		$50
7	217-BR	4	EX							$457	$0	$457		
8	217-BL	4	EX							$439	$0	$439		

[RA691-381 Printed: 24-Mar-92]

City of Cambridge

The Rent Control Committee conducted a public hearing on Tuesday, October 13, 1992 beginning at 5:44 p.m. in the Sullivan Chamber, City Hall.

Councillor Jonathan S. Myers, Chair of the above referenced Committee, convened the hearing and stated that this date's proceedings was to continue discussions on the high rent issue and in general terms what forms of mitigation might be utilized to lessen the impact of major rent increases on tenants.

Present at the hearing were: City Councillor Timothy J. Toomey, Jr. and Deputy City Clerk, John E. Flynn.

To begin the discussion, the Chair recognized Councillor Toomey for his opening comment. Councillor Toomey recognized the seriousness of the problem and stated the need for the city to look at a program that allows for repairs to be made and access maintained to those units by law and moderate income tenants. He cited his concern with the level of gut rehabs being undertaken by high capital property owners.

Councillor Myers inquired of Councillor Toomey of the role to be played by the City in guaranteeing access in a unit whose rent was increased from a hypothetical $500 per month to a hypothetical $900 per month. In response Councillor Toomey stated that this is what the Committee has to further examine and find a vehicle to ensure this access. Councillor Myers suggested a phase-in of the increase over time with a gradual decrease once the amortization period had been reached. Councillor Toomey in response stated that this approach still provided no guarantees for lower income or elderly tenants to be able to stay in their units.

At this time the Chair recognized Mr. Terrence P. Morris, Executive Director of the Rent Control Department, for a brief presentation on the phase in alternative. He stated that some property owners have participated in a voluntary phase in program. He noted that Harvard Real Estate has been using this capital infusion alternative over the past five to six years. He also stated that in West New York, New Jersey a 12.5% cap on rents due to this capital infusion alternatives is in place and would provide additional information on this for future committee consideration. Mr. Morris further stated that in the 714 units identified with rents of $700 per month or more 316, units can be found in 20 buildings with a high concentration at 100 Memorial Drive. Other concentrations include 35% located in neighborhood 6, 5% in Cambridgeport and 3% in East Cambridge.

Councillor Myers inquired of Mr. Morris if he could explain how not only the dollar amount of the increased rent but the rate of the increase.

In response Mr. Morris stated that under the present system there is no easy answer but he did offer the following for the committee's consideration:

1. deflate capital - where the capital infusion is, deflate to $67 dollars and permanently built into the base year rent; and

2. allow different interest rate.

At this time Councillor Myers opened the floor for public comment.

Mr. Michael Turk, 24 Prescott Street, Co-Chair Cambridge Tenants Union (CTU), stated the belief that although Harvard has agreed to a phase in of the rent increase it is for a deferral for only a period of six months to a year. He stressed the need to encourage more maintenance and repairs. He also stated that the CTU has suggested extending the length of the amortization period.

Mr. Turk, in response, stated that twenty year amortization period would have an effect. He also offered the following for consideration:

1. make a difference between repair and replacement

2. determine an appropriate interest rate to be used given economic conditions; and

3. ensure enforcement.

In responding to the enforcement apparatus of the Rent Control Department, Mr. Morris outlined the departmental review of the adjustment claim for the premises at 312 Harvard Street. The property owner stated that $30,000 was spent on the unit in capital improvement ($6,000 - materials and $24,000 - labor). The owner did not keep a log on labor. The unit was inspected, a new kitchen and bathroom were installed, wall work was done and materials used were of high quality. The board allowed $24,000 and the rent increase was $349 per month.

Councillor Myers inquired if the work done was necessary.

In response Mr. Morris stated that there was no way of knowing, but that his department has collaborating evidence there was damage done by the previous tenant and that the Cambridge Housing Authority paid for some of the damages. Mr. Morris also stated that in response to the no way of knowing question, the Board began the pre-approval mechanism.

Councillor Myers inquired if the Rent Control Board has considered the length of the amortization period.

In response, Mr. Morris stated that no discussions have been held since 1990 on this issue.

Mr. Turk, in follow up comments, concurred with Mr. Morris on the amortization extension response, stated his disagreement with the deflating mechanism and stated that some of the properties on this list of 714 units belong to large as well as small property owners.

Mr. Morris presented to the Committee the following with regards to the number of re-occurring problems that serve as irritants to both tenants and property owners:

1. huge blip with rent increases - general adjustment and capital improvements in the same year (tenant);

2. cap will drop out (property owner);

3. interest rate (tenant);

4. maintenance v. repair (both).

He offered the following to be considered:

1. segregate capital improvements; and

2. segregate maintenance and repairs - from rent stream - require a percentage to be set aside in a separate account to be used for capital improvements therefore eliminating the need for rent adjustments for capital improvements. This account would be subject to periodic audits.

Councillor Myers stated that this concept warranted further discussion.

At this time, Ms. Lenore Schloming, 102R Inman Street, stated the belief that the lower the rent the more money is needed to be set aside for repairs. Plumbers still cost the same.

Mr. Peter Shapiro, Just-A-Start, Inc., stated his appreciation for the new ideas being brought forward at this proceedings. He also stated that it is important to distinguish that landlords get what they deserve as well as working to make rent affordable. He also forwarded to the Committee the following inquires:

1. the number of rent adjustments for $25,000 done in one year

2. the number of large increases; and

3. how do you get property owners to file for increases on a regular basis.

City of Cambridge

Councillor Toomey inquired of Mr. Shapiro for the reasons why property owners do not file for rent adjustments.

Mr. Shapiro listed the following as reasons:

1. bad experiences
2. don't like dealing with bureaucracy; and
3. very complex regulations.

Mr. William Noble, 188 Franklin Street, stated the need to differentiate between capital improvements or repairs that have to be redone. He stated the need for the board to consider some kind of way to adjust for a capital improvements that had to be redone. Mr. Noble also stated the belief that the Board would have a problem monitoring bank accounts and suggested that staff time not be exerted on this proposal.

Councillor Myers requested Mr. Morris to gather further information on the West New York, New Jersey program.

The hearing was adjourned at seven o'clock and fifteen minutes p. m.

For the Committee,

Councillor Jonathan S. Myers
Chair

City of Cambridge

The Rent Control Committee conducted a public hearing on Tuesday, November 10, 1992 beginning at 5:50 p. m. in the Sullivan Chamber, City Hall.

Councillor Jonathan S. Myers, Chair of the above referenced committee, convened the hearing and stated that the purpose of this date's proceedings was to continue discussions on the issue of high rents and possible mitigation measure.

Present at the hearing were: Councillor Timothy J. Toomey, Jr., Councillor William H. Walsh and Deputy City Clerk, John E. Flynn.

To begin the discussion, Councillor Myers recognized Mr. Terrence P. Morris, Executive Director of the Rent Control Department, for a presentation on caps and phase-ins as they relate to capital improvement rent adjustments.

Mr. Morris stated that his research identified four New Jersey jurisdictions that presently employ a cap on the amount of increase due to a rent adjustment from capital improvements. The jurisdictions are as follows:

1. West New York, N. J., - 12.5% cap (no legal challenge to date)
2. Paterson, N. J. - 15% cap
3. Camden, N. J. - 15% cap
4. Jersey City, N. J. - 15% cap

With regards to Paterson, Camden and Jersey City, a termination of a lease results in a vacancy adjustment. Respectively 5%, 6%, 4% or Consumer Price Index. Please note none of the above referenced jurisdictions have an annual general adjustment.

Councillor Myers noted for the record that the similarities of the three communities include that they all have caps, all of vacancy adjustments and that all have individual adjustments for capital improvements. In Cambridge, a Regulation 72 petition is used for a rent adjustment due to capital improvements and in the three referenced community a hardship adjustment (including mortgage payments) is requested by the applicant.

Mr. Morris also noted that Cambridge employ a formula to determine a Fair Net Operating Income (FNOI) while the other communities employ a formula to determine a Fair Return on Investment Equity (FROIE). The amortization period on average is not longer than ten years.

Councillor Myers inquired of a situation where a person maintained an eight year tenancy of the rate of % adjustment that the property owner is granted.

City of Cambridge

Mr. Morris, in response, stated that in Paterson, N. J., a property owner can exercise an annual escalator clause in the lease. In Camden, N. J. a property owner can petition for a 15% capital or hardship adjustment.

With regards to the issue of largest property holdings, highest rent building, Councillor Myers inquired if other jurisdictions have made distinctions between large and small property owners.

In response Mr. Morris stated that in the jurisdictions of Washington, D. C. and Santa Monica, CA no distinctions are made between classifications. The Chair further inquired if those jurisdictions have allowances for hardship adjustments.

Mr. Morris responded in the affirmative and stated that the process is similar to Cambridge's Regulation 72 process.

At this time the Chair inquired of Mr. Morris if he had looked at different strategies to limit some of the impacts of capital improvements in the high rent units throughout the city.

Mr. Morris provided the following three situations:

1. tenant moves into a vacant unit with a current monthly rent between $300-$400. That tenant is aware of a pending capital adjustment petition. The resultant action: a monthly rent between $700-$800. Corrective Action: Due to the Zucker Decision - Rent Control Board has tightened this example through the Pre-Approval Process;

2. an occupied unit. Property owner proposed improvements - tenant has veto power over everything except improvements to mechanical systems (present regulation) or code violations (State Law); and

3. a vacant unit. Present monthly rent $300. Work done. Rent adjustment granted - monthly rent $800. New tenant knew.

Councillor Myers inquired of situation number one if affordability is taken into account with regards to the pre-approval process.

Mr. Morris responded in the negative stating that the Zucker Decision requires that a property owner acts prudently in the scope of the work to be done in a unit. He further stated that the Board has not defined the term prudent but has sent standards.

Councillor Myers stated his difference with the Executive Director on the issue of affordability not being taken into account in the operation of a rent control system.

City of Cambridge

With regards to situation number two the Board is required to focus solely on the capital improvements stated Mr. Morris. He outlined to the Committee, a situation that the Board dealt with in regards to a phase-in of capital improvements that would ensure the desire of the property owner not to increase rents more than $25 per month to his tenants.

With regards to high rents vis a vis capital improvements, Mr. Morris stated that most high rents have had Regulation 72 because of high maintenance costs and suggested that mandatory review of these costs be undertaken.

Councillor Myers urged the Board to consider mitigation measure with regards to this issue of high rents.

Councillor Walsh inquired of Mr. Morris if the studies he had undertaken with regards to the high rent issue included income levels of the tenants who resided in those units.

Mr. Morris responded in the negative and stated that the rent control system is not an income based one.

Councillor Walsh inquired if the Executive Director had read the Goetz study and if he had formulated an opinion on the findings.

Mr. Morris in response stated that he had never received a copy of the report and that his opinion would be irrelevant, but that he firmly believed in providing affordable housing to those who need it most.

At this time the Chair opened the floor for public comment.

Mr. Harrison Moore, 67 Walnut Road, Wenham, MA commented on his lack of understanding of the Committee's definition of high rents - if said definition included such factors as number of rooms, location.

Mr. Doug Forbes, 38 Arlington Street commented on the lack of a survey regarding surrounding areas, market v. rent control rents, number of bedrooms, impact of subdivision law.

Mr. William Noble, 183 Franklin Street, commented on the fact that Rent control operates under law and the Committee is operating under the Act where rents are related to the costs of running the unit. He further commented that the present interest rate is outrageous, pre-approval is voluntary, the Zucker Decision is due to the handlings of issues by the board and that the board is encouraging investment in Rent Control properties.

Councillor Myers concluded the hearing by thanking those in attendance for their comments and stated that he would be naming an Advisory Committee in the upcoming weeks.

The hearing was adjourned at six o'clock and fifty-eight minutes p. m.

For the Committee,

Councillor Jonathan S. Myers
Chair

S 1001

COMMITTEE REPORTS

Rent Control Committee Report for a series of hearings held on September 22, 1992, October 13, 1992 and November 10, 1992 regarding the issue of high rents.

In City Council,

November 23, 1992

Report accepted
Placed on file