



City of Cambridge

~~23.~~

Calander Item #7

IN CITY COUNCIL

~~February 12, 1996~~

March 18, 1996

COUNCILLOR TRIANTAFILLOU
COUNCILLOR BORN
COUNCILLOR REEVES

WHEREAS: The City of Cambridge has a responsibility to protect all its people from dramatic escalations in cost to keep a roof over their heads; and

WHEREAS: The City of Cambridge may have the ability to do much more than it is currently doing, or planning to do; and

WHEREAS: There is now a window of opportunity to preserve affordable housing for working class Cambridge families; and

WHEREAS: Because of the end of rent control, the City will receive more tax revenue and will save \$1.3 million from the Rent Control budget; and

WHEREAS: Fairness and justice dictates that the money accrued to the City as a direct result of the end of rent control should be used to preserve and protect working class households; and

WHEREAS: A new real estate transfer tax on luxury homes is under discussion as an additional revenue source; and

WHEREAS: None of these aforementioned revenue sources take money away from other existing City programs; and

WHEREAS: The City of Cambridge has already budgeted \$2 million this fiscal year for the City Home program which has the purpose of softening the transition from controlled rents to market rents, which programs are basically good but only preserve about 50-60 units of housing each year; and

WHEREAS: The sheer size of the transition problem is overwhelming; now therefore be it

RESOLVED: The City Council endorses a plan that would direct all of the revenue from the sources described above (Rent Control Department budget, increased tax revenues from formerly rent controlled buildings, and the transfer tax) for a 10-year period to programs that directly address the housing crisis in the City of Cambridge; and further be it

RESOLVED: That, since the crisis is now, and the revenue sources may not achieve their full potential immediately, that the City will investigate the possibility of using other sources of City money (including free cash) to be used as a bridge until sources of revenue identified above are fully realized at the level of \$10 million; and further be it

RESOLVED: That a minimum of 75% of this additional revenue be expended to preserve and protect working class households as permanently affordable through limited equity condominium/cooperative purchases and non-profit purchases of multi-family buildings; and further be it

RESOLVED: That the goal of these purchases is to make 275 units of permanently affordable housing each year; and further be it

RESOLVED: That any rental assistance to tenants be limited to the transition period to condo/coop ownership or non-profit ownership and management and to subsidies for very low income tenants incapable of being part of these new formations without financial help; and further be it

RESOLVED: That \$35,000 of this revenue be designated for a Public Housing Tenant Liaison/Coordinator to address federal and state cutbacks to this vital part of our housing stock; and further be it

RESOLVED: That the following list of criteria be used to determine priority among the demands on the 75% of the revenue described above:

1. Need of tenants;
2. Buildings where tenants have already begun to discuss the future of their homes;
3. Other city priorities, such as purchase of Harvard University properties, and high risk properties;
4. Low unit cost in purchase price;
5. The need to preserve housing for long term Cambridge residents so they can stay in the City; and further be it

RESOLVED: That, as part of the selection process and its aftermath, all implementing parties and agencies/departments would genuinely explore the most basic level of rehabilitation required and the use of sweat equity options, where appropriate.

REFERRED TO MARCH 4, 1996 HEARING ON THE MOTION OF COUNCILLOR DAVIS

3/4/96 MOTION TO TABLE BY COUNCILLOR TRIANTAFILLOU ON A VOICE VOTE OF EIGHT MEMBERS WITH COUNCILLOR SULLIVAN VOTING IN THE NEGATIVE.

REFERRED TO HOUSING AND COMMUNITY DEVELOPMENT AT REGULAR CITY COUNCIL MEETING OF MARCH 18, 1996.

Consent Order #23

F-40

Councillors Triantafyllou
re: An order to implement the
remaining balance of the \$10 million
affordable housing plan.

3/18/96 ~~Referred to Housing and
Community Development
Committee~~
Remains on the Table.

In City Council February 12, 1996

Referred to March 4 hearing.

3/4/96

Referred to Housing + Comm. 8-1-0
Tabled by Councillor Triantafyllou.