

City of Cambridge

The Rent Control Committee held a public meeting on Thursday, March 10, 1994 beginning at 5:15 p.m. in the Sullivan Chamber for the purpose of setting an agenda for the the Committee. Present at the hearing were Councillor Kathleen L. Born, Councillor Jonathan Myers, Councillor Timothy J. Toomey, Jr., and Councillor William H. Walsh.

Councillor Born convened the meeting, and explained its purpose. She noted that this meeting is basically an organizational meeting for the rest of the meetings, which she expects to occur approximately once a month for one and 1/2 to 2 hours. Her plan is to have a ten minute limit for comments from the public except where there are so many people who wish to speak that a shorter limit is more workable. She invited interested persons to submit suggestions for the agenda. Councillor Born said that she also expected to be taking up Councillor Toomey's proposals as proposed in his recent Council Order but that she had questions about whether to consider the order as a whole or to break down into components.

Councillor Born said that she would like to focus the work of the Committee on proposals which have some chance of success in addressing some aspects of rent control which may not be working optimally. Councillor Born then invited Councillor Myers to make comments.

Councillor Myers agreed that it would be necessary to decide on how to take up Councillor Toomey's proposal. Councillor Born then opened the hearing to public testimony.

Skip Schloming, 102 Inman Street, said that is a drastic restriction to limit consideration to only what could be passed by the City Council. He suggested consideration of escrowing rents in the case of rent disputes; streamlining rent control bureaucracy, speedy processing and removing the adversarial nature of many Rent Control Board proceedings. The slowness of the process results in unjustified rent reductions. He also suggested developing some overall city housing policy and an assessment of housing conditions in the rent control stock. There must be some City assessment of what to do about those who truly need assistance in housing, although that may not be within purview of this Committee. A subsidy program would be a solution, but would have no chance of passage by the City Council. It should be considered as an alternative to rent control. He also suggested removing the cost-based system of setting rents and replacing it with a goal-based system, with a goal that the average of all rents be 90% of market rents.

Councillor Born asked what kinds of policy initiatives could address the issues of removing the adversarial elements and streamlining the process. Mr. Schloming stated that streamlining the process could be addressed administratively, but that removing the adversarial elements might well take changes in the law because of rights to hearings. He added that he proposes making rent increases more automatic rather than inviting individual debate. Councillor Born asked if this could be rephrased to streamlining rent increases. Mr. Schloming agreed and suggested eliminating the notice of the right to object to conditions at the time that rent increases are sent out. Since tenants can always complain to Inspectional Service Department about code violations, it should be eliminated from the rent adjustment procedure. The buildings need the rent just as much as the landlords do.

Councillor Born stated that she did not believe the issue of an overall housing policy was within the purview of this Committee. Mr. Schloming said that the problem then is that how can one consider rent control except as a part of a housing policy because how else can one make decisions about rent control.

Robert LaTremouille, 348 Franklin Street, stated that his proposal as referred by the City Council to the Rent Control Committee contains two noncontroversial proposals. He noted that what Cambridge call the removal permit ordinance exists in the rest of the state as condominium protection under a state law from which Cambridge is currently exempt.

Neil Rohr, 106 Berkshire Street, advocate for tenant services, CEOC, stated that he is surprised that this Committee is going forward when there is a change of a proposal to end rent control on the ballot. He said that if the proposal to end rent control is on the ballot, the City Council should work on defeating that. If the issue is not on the ballot, he suggests, he suggests not thinking about the rent escrow issue, which may have some legal problems that must be resolved first. There could be improvement of the capital improvement process; there is a need for a rent cap and a revolving loan fund. There need to be improvements in the enforcement of the ordinance which provides for municipal fines for violation of the Housing Code regulating conditions. More mediation is needed at the Rent Control Board. There should be an housing access office. Evictions should be controlled by the Cambridge Rent Control Board for Sec. 8 units. He also said that Councillor Toomey's proposal regarding illegal condos is deplorable.

Linda Levine, Mt Auburn Street Co-Chair, Small Property Owners Association (SPOA), would like to see consideration of the issue of minimum rents. She noted that this is one of Councillor Toomey's proposals. She said that ordinances condominiums are not SPOA's top priority. Ms. Levine said that the escrow proposal should also be looked at. Ms. Levine stated that what happened at the Council Chamber on Monday was not fair. She has been co-chair of SPOA since last November and this was the first time she had attempted to address the Council. Regarding the adversarial nature of the process, some of it is because it is a part of the legal system, which is adversarial in nature.

David Sullivan, 284 Huron Ave, Co-Chair, SPOA stated that SPOA does not know what the Council will pass, based on history. He stated that low rents and low base year rents are a high priority. Items that put landlords more in debt are not high priorities. Mr. Sullivan suggested that the City try to decide how many units are needed as affordable housing, and then try to capture these units with meaningful incentives. He also suggested bringing in an independent third party for discussions.

Michael Turk, 24 Prescott Street, Cambridge Tenants Union (CTU), stated that he agrees that the Committee ought to develop a short list of what is doable. In that light he suggest a rent cap or phase-in, associated with a low interest loan fund, and a housing access office. Mr. Turk then suggested that the City look at banking policy to see what banks do vis a vis rent controlled housing. He has the sense that banks' decisions are not just economic but also political. He

also suggested the re-control of university affiliate housing. Regarding the adversarial nature of the rent control system, he stated that in talking to tenants in non rent-controlled jurisdictions, it becomes clear that the relationship is often adversarial regardless of whether there is rent control or not. The rent control system is intended to redress an imbalance in the relationship of landlords and tenants.

Harrison Moore, 33 Concord Avenue, stated that vacancy decontrol should be on the agenda. He said that if there is rent control, it should include owner-occupied two and three family units, new construction and perhaps affiliate housing.

Lenore Schloming, 102R Inman Street, stated that the Committee should look at streamlining the bureaucracy, or ideally eliminating the bureaucracy. There are many delays and the process is very adversarial. Everything is a fight. She noted that a plumber doesn't charge less because a house is on rent control. Ms. Schloming said that the idea of a minimum rent is an excellent idea. Regarding the removal permit ordinance, the provisions about combining units for an owner's personal use are an enormous limitation.

Councillor Born asked how many units could be kept on rent control without a removal permit ordinance. Ms. Schloming said that if the rent control laws were not so onerous, it should not be necessary to have a removal permit ordinance.

Councillor Born asked whether the proposal was to eliminate the removal permit ordinance or to make it easier to obtain a permit. Ms. Schloming stated that she was not proposing one or the other; she was noting the problem.

Alex Steinbergh, Clinton Street, Committee for Responsible Rent Control, spoke in support of Councillor Toomey's proposal for rents set at 75% of market rents. Mr. Steinberg also supported Councillor Toomey's proposal to decontrol ordinances with some payment to the Affordable Housing Trust in exchange for exemptions. He also said that there should be a rational system for tenants to be able to buy their units, either under a limited equity plan, or a removal system that allows tenants who have lived in their units for two to three years to buy their units.

Councillor Born then asked to hear from Councillor Toomey and Councillor Walsh, who did not have the opportunity to speak before the public testimony.

Councillor Toomey said that he would like to have a hearing on Thursday, March 24, on cable TV, to look at his proposed package as a whole. After public comment, he would hope it would be forwarded to the City Council. From there the Council could send it to the City Manager. Councillor Born said that she thought the proposal would have a better chance if it could be broken down into smaller parts. She proposed a meeting for the Rent Control Committee on Thursday, March 24 for a hearing on this proposal, with each person being allowed to speak for 10 minutes.

Councillor Walsh said that he was delighted that Councillor Toomey has introduced this package. He added that he was dismayed to discover that the Rent Control Board has become a political action committee and that the City has filed a law suit on the ballot issue without informing City Council. He stated that he believes this Committee is a public masquerade because the City is taking other action on rent control elsewhere.

Councillor Born suggested that perhaps Councillor Walsh should resign from the Committee if he believes it is a masquerade.

Councillor Myers said that he takes the efforts of this Committee and past Rent Control Committees as genuine, but it is difficult where there are two agendas, and one is to eliminate rent control. Solutions can only come based on reason.

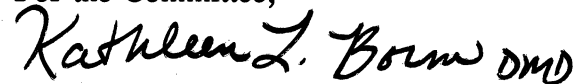
Councillor Walsh said that he has introduced many proposed reforms without seeing any change. Genuine reform is not one or two little changes; it is a whole package. Something minor might come out of this, but the reality is that the major needed reforms are not going to be done.

Aileen Sullivan, 284 Huron Avenue, said that Councillor Born is asking the wrong people. She suggested asking the people who won't buy rent-controlled property what could be done to make it attractive enough for them to consider purchasing such property.

Florrie Darwin, Chair, Cambridge Rent Control Board, said that in her experience, although several of the public who spoke tonight have been working to end rent control, they have also made good faith efforts to work within the system at the same time.

The meeting was adjourned at 6:55 p.m.

For the Committee,

A handwritten signature in cursive script that reads "Kathleen L. Born" followed by the letters "DMD".

Councillor Kathleen L. Born, Chair

Committee Report #1

S-97

A communication was received from D. Margaret Drury transmitting a report from Councillor Born, Chair of the Rent Control Board for a public meeting held on Thursday March 10, 1994 for the purpose of setting an agenda for the Rent Control Committee.

IN City Council March 21, 1994

Report accepted

Placed on file