



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
26 FEDERAL PLAZA, NEW YORK, NEW YORK 10007

REGION I

IN REPLY REFER TO:

Honorable Philip J. Philbin
House of Representatives
Washington, D.C. 20515

Dear Mr. Philbin:

This is in further response to Mr. Richardson's letter of August 19, 1970, concerning the Resolution of the Cambridge City Council relative to changing Federal guidelines for rental increases and, in particular, the recent rent increases in the housing developments in the City of Cambridge.

As now written and practiced by Local Housing Authorities, the Department of Housing and Urban Development guidelines provide that the income of tenants in Federally-aided housing developments shall be reexamined at least once a year. At its option a Local Housing Authority may elect to reexamine the income of families whose head is 62 years or over every 2 years. The purpose of this reexamination is to limit the occupancy of housing developments to families of low income and to enable the Authority to maintain financial stability.

These concepts are integrally a part of the annual reexamination. Reviewing incomes allows LHAs to maintain the low-income requirements of Federal Law. Furthermore, the rental adjustments that accrue from the reexamination permit a fair and equitable rent to be charged (not to exceed 25% of income) while maintaining a financially solvent operation.

Regarding the recent increases in Cambridge, they were in accordance with the aforementioned guidelines. The comptroller of the Cambridge Housing Authority has informed us that the following adjustments have resulted from the reexamination:

Tenants Receiving Rental Increases	311	32%
Tenants Receiving Rental Decreases	173	18%
Tenants Rents Not Changed	483	50%

We trust that this information will suit your needs. If we can be of further assistance to you on this matter, do not hesitate to contact this office.

Sincerely yours,

Charles B. Burns
Acting Assistant Regional Administrator
for Housing Assistance

PHILIP J. PHILBIN
3D DISTRICT, MASSACHUSETTS

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WASHINGTON, D.C. 20515
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COMMITTEE ON
ARMED SERVICES

DISTRICT OFFICE: 7 HIGH STREET
CLINTON, MASSACHUSETTS 01510
AREA CODE 617, EMPIRE 5-4550

Congress of the United States
House of Representatives
Washington, D.C. 20515

September 16, 1970

Mr. Paul E. Healy
Acting City Clerk
City Hall
Cambridge, Massachusetts

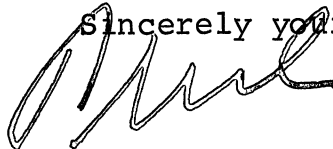
My dear Friend:

In answer to my intercessions, I have received the enclosure from the Department of Housing and Urban Development in New York.

I hope this information will be helpful, and if I can be of further assistance in any way, please let me know.

With best wishes, I am

Sincerely yours,



Philip J. Philbin

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enclosure

regards all

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Communication from Rep. Philip J. Philbin
together with enclosure relative to
Federal guidelines for the determination
of rent schedules in the housing develop-
ments of the City of Cambridge.

September 28, 1970

Placed on File -