

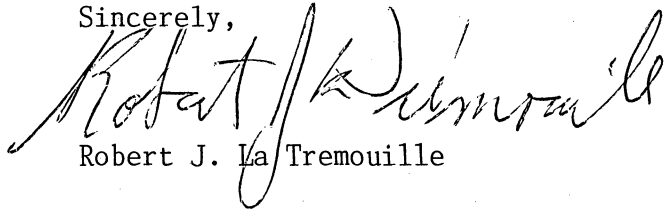
348 Franklin Street
Cambridge, MA 02139
Telephone 617-491-7181
June 10, 1994

D. Margaret Drury, City Clerk
City of Cambridge
City Hall, Central Square
ATTN: Donna
Cambridge, MA 02139

Dear Ms. Drury:

Please transmit the enclosed document to the City Council by its
consent communications.

Sincerely,



Robert J. La Tremouille

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CAMBRIDGE MA.

348 Franklin Street
Cambridge, MA 02139
Telephone 617-491-7181
June 10, 1994

Editor
Boston Herald
One Herald Square
Boston, MA 02106

Dear Editor:

I have received a copy of a column in your May 23, 1994 edition written by the chairman of the Department of Economics of Boston University demanding the statewide abolition of rent control.

The lack of knowledge and understanding about rent control in Cambridge demonstrated in this article embarrasses the writer and reemphasizes why Massachusetts' constitution prohibits the state from taking action aimed at one community alone.

The writer talks about economic policy as if Rent Control exists in a vacuum. Rent Control is part of a system of regulations. Rent Control protects the public from artificial inflation of rent prices caused by those other regulations. Without rent control, landlords would be getting profits created by government regulations, profits which they do not deserve.

Cambridge is, by far, the most densely developed community in the state, and has one of the highest densities of residential construction in the country. Cambridge has more jobs than it has people. Its density of jobs is not only the highest in the state, Cambridge's job density has been reported as twice that of number two.

People want to live near their jobs, placing massive pressures on the Cambridge housing market. Cambridge can, theoretically, satisfy those pressures, by destroying the residential neighborhoods of the city.

Cambridge has placed zoning restrictions which, at least in part, prevent the city from being destroyed by new housing construction. The resulting situation vastly increases pressures on the existing housing stock, and increases potential rent levels. This is a massive, undeserved profit for landlords.

Talk about benefitting low income families by destroying rent control is nonsense. Now we have some rich in rent control housing. Destroying rent control would create a situation in which there will be nothing but the rich in Cambridge.

Subsidies talked about by Rent Control opponents are equal nonsense. The subsidies they brag about are available now, with full rent control exemption, to landlords who rent to the poor. Killing rent control would wipe out the very great monetary advantage under these programs which exists for renting to the poor. Subsidy rental to the poor would likely go way down if rent control were killed.

Talk about rent control preventing housing construction is nonsense.

Apparently the Chairman of the B.U. Economics Department does not drive on this side of the Charles River. Since rent control went into effect we have had a massive expansion of housing construction. Housing constructed after January 1, 1969 is exempt from Rent Control.

Talk of failure to maintain is nonsense.

Cambridge's housing stock is in much better shape than is Boston's with Boston's vacancy decontrol. Without rent control, tenants are at risk when they complain about code violations. With Rent Control they can safely complain. Landlords are barred from participation in the annual citywide rent increases by the simple filing of an affidavit, and inspection by the

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city. Those affidavits are automatically sent out with each annual notice by the Rent Control Board.

The situation in Cambridge is the exact opposite of discouraging maintenance. The Rent Control Board passes through capital expenditures on an expedited basis, plus interest allowances which are so high as to be absurd.

The smart landlords call what they do to rent control buildings "capital infusion". They toss money at buildings with little effect except to drive up rents and profits. A rent control landlord who does not toss money at his/her building is a fool.

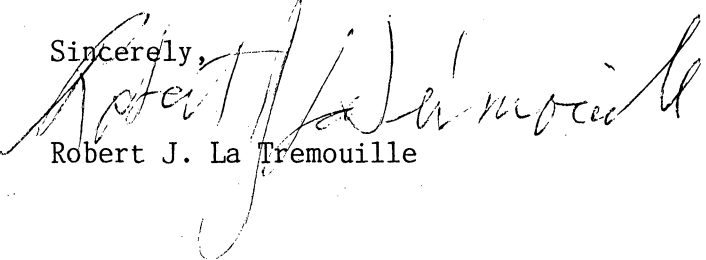
Talks about adverse impact on taxes are equally nonsense.

There is a tax on tenants called the "residential exemption". Under this tax, the tax on housing is LESS if the occupant is a person who can afford to own. The last time I did the calculation, a condominium had a \$50 per month HIGHER TAX IF OCCUPIED BY THE POOR THAN WAS ITS TAX IF OCCUPIED BY RICH OWNER OCCUPANTS.

The impact of the "residential exemption" exactly neutralizes any claimed increases in tax assessments by killing rent control.

This has been a long letter. It could be longer if I continued to respond to all the arguments of those who wish to kill rent control. ALL ANTI-RENT CONTROL ARGUMENTS CAN PERSUASIVELY BE ANSWERED.

Sincerely,


Robert J. La Tremouille

Consent Comm # 13

S-302

Comm. from Robert J. LaTremouille, 348 Franklin
Street, transmitting a copy of an article regard-
ing the statewide abolition of rent control.

In City Council,

June 20, 1994

Placed on file