



City of Cambridge

~~22.~~

CALENDAR ITEM #5

IN CITY COUNCIL

~~February 12, 1996~~

March 18, 1996

COUNCILLOR TRIANTAFILLOU
COUNCILLOR BORN
COUNCILLOR REEVES
COUNCILLOR DUEHAY

WHEREAS: A serious housing crisis exists in the City of Cambridge; and

WHEREAS: Federal Housing budget cuts and deregulation, both existing and proposed, would make this crisis much worse; and

WHEREAS: The current joint House/Senate budget would reverse the Title 6 (LIHPRHA - Low Income Housing Preservation and Resident Home ownership Act) ban on prepayment in expiring use buildings, present since 1990, thus allowing owners of such buildings to prepay and eliminate all HUD regulations on rents and evictions; and

WHEREAS: One building, 205-225 Walden St. (Walden Park), a 230-unit development built as affordable housing with City zoning variance built under the federal 221(d)4 program, has already been deregulated, and rents for existing tenants have increased 50% in less than one year, and rents for vacancies are more than double previous rents; and

WHEREAS: Five buildings (808 Memorial Dr., 929 House, 402 Rindge Ave., 411 Franklin St., and Huron Towers) would be eligible for prepayment under the new budget by the year 2000, these buildings containing 882 low and moderate income apartments; and

WHEREAS: Two buildings (362-364 Rindge Ave. and Walden Sq.) risk losing project-based Sec. 8 contracts and are not secure in their pre-payment ban before the year 2000, these buildings containing 788 low and moderate income apartments; and

WHEREAS: There are other expiring use buildings not eligible for prepayment before the year 2000 whose future is nevertheless the concern of this City Council; and

WHEREAS: The great majority of tenants in these buildings are "means-tested", low and moderate income tenants; and

WHEREAS: All the owners of the buildings mentioned above are large real estate investors; and

WHEREAS: All these buildings were built as affordable housing with HUD assistance and often City zoning assistance; and

WHEREAS: Question 9 exempted HUD-assisted buildings from its reach; and

WHEREAS: Tenants associations in expiring use buildings in Cambridge, the Cambridge City-wide Expiring Use Committee and other community groups in Cambridge have drafted a home rule petition to protect this housing through implementation of local regulation if HUD deregulates (a copy of the proposed home rule petition is attached); now therefore be it

RESOLVED: That this City Council urgently requests that the state legislature promptly consider and pass this home rule petition; and further be it

RESOLVED: That this City Council requests that its delegation to the state legislature strongly support this measure.

REFERRED TO HOUSING AND COMMUNITY DEVELOPMENT
COMMITTEE.

2/21/96

Letters to the Editor
Cambridge Chronicle
PO. 312
Somerville. MA 02144

Bennett Jones, —Architect
345 Brookline Street
Cambridge, Massachusetts
02139 617 864-5443

FEB 29 CHRON.

"IDEAS ON HOUSING"

Will Cambridge have a mayor before we have a federal budget approved? Are the problems related? Perhaps, but the consequences of the tone of both Democrats and Republicans in Washington should be carefully listened to in Cambridge. There is a deep consensus that many of the massive federal programs that have been building since the days of the *New Deal* are going to be returned to the local level, hopefully with corresponding decreases in federal taxes. It is also interesting to note that the state government does not seem to want to take on these liabilities either, and is also drifting towards reduced taxes. If the residents of Cambridge want to continue social programs, they are going to have to pay for them directly. The buck stops at the City Council regardless who the mayor may be.

The latest housing concern is "expiring use". Federal subsidies were offered during the 1960's and 70's as incentives for developers to build low and moderate income housing. Amongst those incentives was apparently an opportunity for the developer to pay off the mortgage after twenty years and be entitled to assume the rights to the building as a private owner, rather than continue under federal controls for the full 40 years. A memorandum from Community Development lists 882 units of subsidized housing units vulnerable before the end of the decade, and 1765 which are not.

If one assumes that it is the wish of the voters of Cambridge that something be done to continue the rent subsidies for tenants, most of whom meet HUD income guidelines, it is obvious that the City should prepare to shoulder the burden. City Council policy should encourage the creation of low and moderate income housing by providing incentives and rebuilding the trust of potential developers and providers that was lost during the 25 years of Rent Control. It would seem that no policy could be more destructive than beating on the few providers by threatening to take away the rights to which they are entitled, and to bring the specter of Rent Control out of the closet. To spend city money for tenant organizers and attorneys to goad the providers is ridiculous. These are the very people that a ceremonial mayor should be winning and dining, and once mellowed, be presented with a well written and lasting contract.

One of the main arguments of ending Rent Control by *Question 9* was that the cost of rental subsidies should be born by the population as a whole, not just by a politically convenient minority. In fact the City expects the increased tax assessments from formerly controlled buildings to bring in an additional \$4 to 5 million a year plus the \$1.5 million of the obsolete Rent Control bureaucracy. If more money is needed it should come from a broad base of all the voters. The proposed "transfer tax" on property sales is again an attempt to make a tiny minority pay the whole bill that a majority shirks. The general property tax trickles down so most people eventually pay, but it hits long time owners, whose values have escalated, and commercial employers the hardest. Perhaps by voting a local income tax upon ourselves, a "flat tax"?, we could truly show that a majority is willing to take on the responsibility of the local programs that are being returned to us by the federal government. It would certainly increase the scrutiny over how the Council spends our money.

Bennett Jones

received at nostrum 3/4/96



City of Cambridge

22.

IN CITY COUNCIL

February 12, 1996

COUNCILLOR TRIANTAFILLOU
COUNCILLOR BORN
COUNCILLOR REEVES
COUNCILLOR DUEHAY

WHEREAS: A serious housing crisis exists in the City of Cambridge; and

WHEREAS: Federal Housing budget cuts and deregulation, both existing and proposed, would make this crisis much worse; and

WHEREAS: The current joint House/Senate budget would reverse the Title 6 (LIHPRHA - Low Income Housing Preservation and Resident Home ownership Act) ban on prepayment in expiring use buildings, present since 1990, thus allowing owners of such buildings to prepay and eliminate all HUD regulations on rents and evictions; and

WHEREAS: One building, 205-225 Walden St. (Walden Park), a 230-unit development built as affordable housing with City zoning variance built under the federal 221(d)4 program, has already been deregulated, and rents for existing tenants have increased 50% in less than one year, and rents for vacancies are more than double previous rents; and

WHEREAS: Five buildings (808 Memorial Dr., 929 House, 402 Rindge Ave., 411 Franklin St., and Huron Towers) would be eligible for prepayment under the new budget by the year 2000, these buildings containing 882 low and moderate income apartments; and

WHEREAS: Two buildings (362-364 Rindge Ave. and Walden Sq.) risk losing project-based Sec. 8 contracts and are not secure in their pre-payment ban before the year 2000, these buildings containing 788 low and moderate income apartments; and

WHEREAS: There are other expiring use buildings not eligible for prepayment before the year 2000 whose future is nevertheless the concern of this City Council; and

WHEREAS: The great majority of tenants in these buildings are "means-tested", low and moderate income tenants; and

WHEREAS: All the owners of the buildings mentioned above are large real estate investors; and

WHEREAS: All these buildings were built as affordable housing with HUD assistance and often City zoning assistance; and

WHEREAS: Question 9 exempted HUD-assisted buildings from its reach; and

WHEREAS: Tenants associations in expiring use buildings in Cambridge, the Cambridge City-wide Expiring Use Committee and other community groups in Cambridge have drafted a home rule petition to protect this housing through implementation of local regulation if HUD deregulates (a copy of the proposed home rule petition is attached); now therefore be it

RESOLVED: That this City Council urgently requests that the state legislature promptly consider and pass this home rule petition; and further be it

RESOLVED: That this City Council requests that its delegation to the state legislature strongly support this measure.

TABLED BY COUNCILLOR TRIANTAFILLOU.

February 7, 1996

CITY OF CAMBRIDGE
IN CITY COUNCIL

ORDERED: That a petition to the General Court, accompanied by a bill for a special law relating to the City of Cambridge to be filed with an attested copy of this order be, and hereby is, approved under Clause (1) of Section eight of Article two, as amended, of the Amendments to the Constitution of the Commonwealth of Massachusetts, to the end that legislation be adopted precisely as follows, except for clerical or editorial changes of form only:

SECTION 1. Whereas, a serious public emergency exists with respect to the housing of citizens of Cambridge residing in governmentally-involved housing, inasmuch as there is a threat that many low-income individuals and families residing in such housing, particularly those elderly and disabled, may be threatened with displacement as a result of prepayment of mortgage financing, loss of use or rent restrictions, expiring subsidy contracts, and expected increases in rent, and there is a threat that affordable housing stock will be lost due to expiration of use or rent restrictions and such pre-payment, further exacerbating an extreme housing shortage within the city for low-income families and individuals, and whereas, in adopting Chapter 40 O of the General Laws, the voters did not exempt such housing from protection or regulation, and whereas it is the city's policy to encourage owners of this governmentally-involved housing to accept incentives to keep such housing affordable and avert displacement, that such emergency should be met by the commonwealth immediately with due regard for the rights and responsibilities of the city; therefore, this act is declared to be in the public interest.

SECTION 2.

(A) Notwithstanding the provisions of any general or special law to the contrary, including, without limitation, the provisions of chapter 282 of the Acts of nineteen hundred and ninety-four, for so long as the city council of Cambridge shall determine that the circumstances described in section one hereof continue to exist, the city of Cambridge may by ordinance regulate the rent for use or occupancy of governmentally-involved or formerly governmentally-involved housing to the extent such regulation is not pre-empted by federal law or by section six of chapter 708 of the Acts of nineteen hundred and sixty-six, as amended, once the basis for federal or Massachusetts Housing Finance Agency rent preemption no longer exists.

For purposes of this act, "governmentally-involved housing" is defined as housing accommodations which the United States, the commonwealth, or any authority created under the laws thereof either owns, operates, finances, subsidizes, or insures the mortgage thereon, or regulates the individual rents thereof,

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including without limitation housing accommodations constructed or rehabilitated pursuant to Section 202, 221(d), or 236 of the National Housing Act or pursuant to project-based programs under Section 8 of the United States Housing Act of 1937, but not including the following:

- 1) housing accommodations owned or acquired by the City of Cambridge through tax foreclosure;
- 2) housing units in a one to four family building or structure which is not part of a larger housing development, whether on one or more sites;
- 3) structures containing housing accommodation units subsidized with mobile tenant-based rental assistance which would not otherwise come within the definition of governmentally-involved housing, except those subsidized units shall be considered governmentally-involved housing accommodations for the purposes of section 2(B) hereof, only;
- 4) structures containing housing accommodation units which were subject to St. 1976, c. 36 but which would not otherwise come within the definition of governmentally-involved housing;
- 5) public housing owned or operated by a local housing authority under the United States Housing Act of 1937 or chapter 121B of the General Laws; and
- 6) housing units that the city of Cambridge or its designee may exempt from the first paragraph of Section 2(A) for just cause, provided that in no event shall more than twenty percent of the total rental units in Cambridge which are or could be governed under this act be exempted under this section.

"Formerly governmentally-involved housing" is defined as housing which was governmentally-involved as of July 1, 1994, or which becomes governmentally-involved housing after July 1, 1994, but which may no longer be owned, operated, financed, subsidized, mortgage-insured, or rent-regulated by the United States, the commonwealth, or any authority created under the laws thereof.

Said city may by ordinance establish as the maximum rent for governmentally-involved and formerly governmentally-involved housing accommodations the rent in effect therefor on July 1, 1994 or six months before the basis for federal or MHFA rent preemption lapsed, whichever is later, adjusted to insure such rent provides a fair net operating income as of the date of the loss of rent preemption, but without consideration of any refinancing or change in the carrying charges resulting

therefrom, provided, however, said ordinance shall authorize the City or its designee to make individual adjustments in such maximum rents as may be necessary to remove hardships or correct other inequities, provided further, however, in the event of any reduction in or forgiveness of mortgage debt for governmentally-involved housing or formerly governmentally-involved housing, the rent shall be reduced to reflect the corresponding reduction in operating expenses and/or debt service. In making individual adjustments to remove hardships or to correct other inequities, the City or its designee shall observe the principle of maintaining maximum rents for such housing accommodations at levels which will yield to owners a fair net operating income from such housing accommodations. In determining whether the maximum rent for such housing accommodations yields a fair net operating income, due consideration shall be given to, among other relevant factors: (1) increases in property taxes; (2) unavoidable increases in operating and maintenance expenses; (3) major capital improvement of the housing accommodations, distinguished from ordinary repair, replacement, and maintenance; (4) increases or decreases in living space, services, furniture, furnishings, or equipment; (5) substantial deterioration of the housing accommodations, other than ordinary wear and tear, or failure to perform ordinary repair, replacement, or maintenance; and (6) any reduction in, or forgiveness of, mortgage debt, but without consideration of any refinancing or change in the carrying charges resulting therefrom.

(B) Such ordinance may provide that no person shall bring an action to recover possession of a governmentally-involved or formerly governmentally-involved housing accommodation to the extent that such regulation is not otherwise preempted by federal law or section six of chapter 708 of the Acts of 1966, unless:

- (1) the tenant has failed to pay the rent to which the owner is entitled;
- (2) the tenant has violated an obligation or covenant of tenancy not inconsistent with chapter 93A of the General Laws or this act other than the obligation to surrender possession upon proper notice, and has failed to cure the violation after having received written notice thereof;
- (3) the tenant is causing, committing, or permitting, a nuisance in, or substantial damage to, the housing accommodation, or is creating substantial interference with the comfort, safety, or enjoyment of the owner or other occupants of the same or any adjacent accommodation;
- (4) the tenant has used or permitted use of a housing accommodation for illegal purposes;
- (5) the tenant, who had a written lease or rental agreement

which has terminated, has refused, after written requests or demand by the owner, to execute a written extension or renewal thereof for a further term of like duration on terms not inconsistent with or violative of any provision of this act;

(6) the tenant has refused the owner reasonable access to the housing accommodation for the purpose of making necessary repairs or improvements required by law, or for the purpose of inspection as permitted or required by the lease or by law, or for the purpose of showing the housing accommodations to any prospective purchaser or mortgagee;

(7) the tenant holding at the end of a lease term is a subtenant not approved by the owner;

(8) for tenant-based rental assistance programs only, the owner seeks to recover possession in good faith of a unit for the owner's own use and occupancy or for use and occupancy by the owner's spouse, children, grandchildren, great grandchildren, parents, grandparents, brother, sister, father-in-law, mother-in-law, son-in-law, or daughter-in-law; or

(9) the owner seeks to recover possession for any other just cause not in conflict with the provisions and purposes of this act or chapter 93A of the General Laws.

The provisions of this section shall be construed as additional restrictions on the right to recover possession of such housing accommodations.

(C) Such ordinance may also provide that no person shall remove any governmentally-involved or formerly governmentally-involved housing accommodation from low-income rental housing use (including but not limited to sale, lease or other disposition of the property which may have such an effect), or convert such housing to a condominium or cooperative, without first obtaining a permit for that purpose from the City or its designee, to the extent that such provision is not preempted by federal law or section six of chapter 708 of the Acts of 1966. Such permit may be subject to terms and conditions not inconsistent with the purposes and provisions of this act, including, without limitation, (a) incentives to continue in effect the low-income use restrictions previously in place for the property, (b) where sale, lease, or disposition of the property may result in the loss of all or a portion of the property for low-income rental housing use, the right of an incorporated tenant association in such housing, the city of Cambridge, or non-profit community development corporations to negotiate for, acquire and operate such property on substantially equivalent terms and conditions as offered or available to a bona fide third party purchaser.

(D) To the extent not preempted by federal law or section six of chapter 708 of the Acts of 1966, the City or its designee may require an owner of governmentally-involved housing or formerly governmentally-involved housing, to affirmatively seek out and accept any prospective government housing resources, whether tenant-based or project-based, which maximize affordability of the housing accommodations consistent with the income character of the property and the owner's right to obtain a fair net operating income for the housing accommodations.

(E) To the extent not preempted by federal law or section six of chapter 708 of the Acts of 1966, and, so long as such regulation is consistent with the owner's right to obtain a fair net operating income and the city's housing policy, the City or its designee may establish local preferences, priorities, and income limits for admission to governmentally-involved housing or formerly governmentally-involved housing upon unit turnover. No regulation shall require an owner to create a tenancy involving any person with a history of conduct which would, if repeated, be grounds for eviction from such housing.

(F) The City or its designee may promulgate such rules, regulations, and orders as it may deem necessary to effectuate the purposes hereof and may grant exemptions and exceptions thereto when such action would tend to maintain or increase the supply of affordable housing in Cambridge, including, without limitation, to promote the sale of the property to a bona fide tenant organization or non-profit community development corporation under terms and conditions which would tend to maintain the income character of the property.

(G) Any hearings regarding matters related to regulation of rents or removal permits for governmentally-involved housing or formerly governmentally-involved housing or regarding compliance with other provisions of this ordinance shall be conducted by the City or its designee in accordance with the provisions of section eleven of chapter 30A of the General Laws except that requirements (7) and (8) of such section eleven shall not apply to such hearings.

(H) All decisions of the City or its designee may be appealed to the Cambridge District Court or to the Middlesex Superior Court by any person aggrieved thereby, whether or not previously a party in the matter, within thirty calendar days after notice of such decision. The district and superior courts shall have jurisdiction to enforce the provisions hereof and any ordinance, rule or regulation adopted hereunder and on application of the City or its designee or any aggrieved person may restrain or enjoin violations of any such ordinance, rule, or regulation. In the interests of justice, the court may allow any necessary parties to be joined in or to intervene in any action brought hereunder and may in its discretion allow or require an

action to proceed as a class action.

SECTION 3. It shall be unlawful for any person to do or omit to do any action in violation of this act or any order, ordinance, rule or regulation adopted or promulgated hereunder. Whoever willfully violates any provision of this act or any order, ordinance, rule or regulation adopted or promulgated hereunder or whoever makes a false statement in any testimony before the City or its designee, or whoever knowingly supplies the City or its designee with false information, in connection with a proceeding under this Act, shall be punished by a fine of not more than five hundred dollars or by imprisonment for not more than ninety days, or both; provided, however, that in the case of a second or subsequent offense, or where the violation continues after notice thereof, such person shall be punished by a fine of three thousand dollars, or imprisonment for not more than one year, or both.

SECTION 4. The provisions of this act are severable, and if any of its provisions shall be held unconstitutional or otherwise invalid by any court of competent jurisdiction, the decision of such court shall not affect or impair any of the remaining provisions.

SECTION 5. This act shall take effect upon passage.

C.B. An Order Requesting that the State Legislature Consider and Pass a Home Rule Petition to allow local regulations to Protect HUD-Assisted Buildings

22.

WHEREAS, a serious housing crisis exists in the City of Cambridge and,

WHEREAS, federal housing budget cuts and deregulation, both existing and proposed, would make this crisis much worse, and

WHEREAS, the current joint House/Senate budget would reverse the Title 6 (LIHPRHA - Low Income Housing Preservation and Resident Homeownership Act) ban on prepayment in expiring use buildings, present since 1990, thus allowing owners of such buildings to prepay and eliminate all HUD regulations on rents and evictions, and

WHEREAS, one building, 205-225 Walden St. (Walden Park), a 230-unit development built as affordable housing with City zoning variance built under the federal 221(d)4 program, has already been deregulated, and rents for existing tenants have increased 50% in less than one year, and rents for vacancies are more than double previous rents, and

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WHEREAS, all the owners of the buildings mentioned above are large real estate investors, and

WHEREAS, all these buildings were built as affordable housing with HUD assistance and often City zoning assistance, and

WHEREAS, Question 9 exempted HUD-assisted buildings from its reach, and

WHEREAS, tenant associations in expiring use buildings in Cambridge, the Cambridge City-wide Expiring Use Committee and other community groups in Cambridge have drafted a home rule petition to protect this housing through implementation of local regulation if HUD deregulates (a copy of the proposed home rule petition is attached), therefore be it

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February 7, 1996

CITY OF CAMBRIDGE
IN CITY COUNCIL

ORDERED: That a petition to the General Court, accompanied by a bill for a special law relating to the City of Cambridge to be filed with an attested copy of this order be, and hereby is, approved under Clause (1) of Section eight of Article two, as amended, of the Amendments to the Constitution of the Commonwealth of Massachusetts, to the end that legislation be adopted precisely as follows, except for clerical or editorial changes of form only:

SECTION 1. Whereas, a serious public emergency exists with respect to the housing of citizens of Cambridge residing in governmentally-involved housing, inasmuch as there is a threat that many low-income individuals and families residing in such housing, particularly those elderly and disabled, may be threatened with displacement as a result of prepayment of mortgage financing, loss of use or rent restrictions, expiring subsidy contracts, and expected increases in rent, and there is a threat that affordable housing stock will be lost due to expiration of use or rent restrictions and such pre-payment, further exacerbating an extreme housing shortage within the city for low-income families and individuals, and whereas, in adopting Chapter 40 O of the General Laws, the voters did not exempt such housing from protection or regulation, and whereas it is the city's policy to encourage owners of this governmentally-involved housing to accept incentives to keep such housing affordable and avert displacement, that such emergency should be met by the commonwealth immediately with due regard for the rights and responsibilities of the city; therefore, this act is declared to be in the public interest.

SECTION 2.

(A) Notwithstanding the provisions of any general or special law to the contrary, including, without limitation, the provisions of chapter 282 of the Acts of nineteen hundred and ninety-four, for so long as the city council of Cambridge shall determine that the circumstances described in section one hereof continue to exist, the city of Cambridge may by ordinance regulate the rent for use or occupancy of governmentally-involved or formerly governmentally-involved housing to the extent such regulation is not pre-empted by federal law or by section six of chapter 708 of the Acts of nineteen hundred and sixty-six, as amended, once the basis for federal or Massachusetts Housing Finance Agency rent preemption no longer exists.

For purposes of this act, "governmentally-involved housing" is defined as housing accommodations which the United States, the commonwealth, or any authority created under the laws thereof either owns, operates, finances, subsidizes, or insures the mortgage thereon, or regulates the individual rents thereof,

including without limitation housing accommodations constructed or rehabilitated pursuant to Section 202, 221(d), or 236 of the National Housing Act or pursuant to project-based programs under Section 8 of the United States Housing Act of 1937, but not including the following:

- 1) housing accommodations owned or acquired by the City of Cambridge through tax foreclosure;
- 2) housing units in a one to four family building or structure which is not part of a larger housing development, whether on one or more sites;
- 3) structures containing housing accommodation units subsidized with mobile tenant-based rental assistance which would not otherwise come within the definition of governmentally-involved housing, except those subsidized units shall be considered governmentally-involved housing accommodations for the purposes of section 2(B) hereof, only;
- 4) structures containing housing accommodation units which were subject to St. 1976, c. 36 but which would not otherwise come within the definition of governmentally-involved housing;
- 5) public housing owned or operated by a local housing authority under the United States Housing Act of 1937 or chapter 121B of the General Laws; and
- 6) housing units that the city of Cambridge or its designee may exempt from the first paragraph of Section 2(A) for just cause, provided that in no event shall more than twenty percent of the total rental units in Cambridge which are or could be governed under this act be exempted under this section.

"Formerly governmentally-involved housing" is defined as housing which was governmentally-involved as of July 1, 1994, or which becomes governmentally-involved housing after July 1, 1994, but which may no longer be owned, operated, financed, subsidized, mortgage-insured, or rent-regulated by the United States, the commonwealth, or any authority created under the laws thereof.

Said city may by ordinance establish as the maximum rent for governmentally-involved and formerly governmentally-involved housing accommodations the rent in effect therefor on July 1, 1994 or six months before the basis for federal or MHFA rent preemption lapsed, whichever is later, adjusted to insure such rent provides a fair net operating income as of the date of the loss of rent preemption, but without consideration of any refinancing or change in the carrying charges resulting

therefrom, provided, however, said ordinance shall authorize the City or its designee to make individual adjustments in such maximum rents as may be necessary to remove hardships or correct other inequities, provided further, however, in the event of any reduction in or forgiveness of mortgage debt for governmentally-involved housing or formerly governmentally-involved housing, the rent shall be reduced to reflect the corresponding reduction in operating expenses and/or debt service. In making individual adjustments to remove hardships or to correct other inequities, the City or its designee shall observe the principle of maintaining maximum rents for such housing accommodations at levels which will yield to owners a fair net operating income from such housing accommodations. In determining whether the maximum rent for such housing accommodations yields a fair net operating income, due consideration shall be given to, among other relevant factors: (1) increases in property taxes; (2) unavoidable increases in operating and maintenance expenses; (3) major capital improvement of the housing accommodations, distinguished from ordinary repair, replacement, and maintenance; (4) increases or decreases in living space, services, furniture, furnishings, or equipment; (5) substantial deterioration of the housing accommodations, other than ordinary wear and tear, or failure to perform ordinary repair, replacement, or maintenance; and (6) any reduction in, or forgiveness of, mortgage debt, but without consideration of any refinancing or change in the carrying charges resulting therefrom.

(B) Such ordinance may provide that no person shall bring an action to recover possession of a governmentally-involved or formerly governmentally-involved housing accommodation to the extent that such regulation is not otherwise preempted by federal law or section six of chapter 708 of the Acts of 1966, unless:

- (1) the tenant has failed to pay the rent to which the owner is entitled;
- (2) the tenant has violated an obligation or covenant of tenancy not inconsistent with chapter 93A of the General Laws or this act other than the obligation to surrender possession upon proper notice, and has failed to cure the violation after having received written notice thereof;
- (3) the tenant is causing, committing, or permitting, a nuisance in, or substantial damage to, the housing accommodation, or is creating substantial interference with the comfort, safety, or enjoyment of the owner or other occupants of the same or any adjacent accommodation;
- (4) the tenant has used or permitted use of a housing accommodation for illegal purposes;
- (5) the tenant, who had a written lease or rental agreement

which has terminated, has refused, after written requests or demand by the owner, to execute a written extension or renewal thereof for a further term of like duration on terms not inconsistent with or violative of any provision of this act;

(6) the tenant has refused the owner reasonable access to the housing accommodation for the purpose of making necessary repairs or improvements required by law, or for the purpose of inspection as permitted or required by the lease or by law, or for the purpose of showing the housing accommodations to any prospective purchaser or mortgagee;

(7) the tenant holding at the end of a lease term is a subtenant not approved by the owner;

(8) for tenant-based rental assistance programs only, the owner seeks to recover possession in good faith of a unit for the owner's own use and occupancy or for use and occupancy by the owner's spouse, children, grandchildren, great grandchildren, parents, grandparents, brother, sister, father-in-law, mother-in-law, son-in-law, or daughter-in-law; or

(9) the owner seeks to recover possession for any other just cause not in conflict with the provisions and purposes of this act or chapter 93A of the General Laws.

The provisions of this section shall be construed as additional restrictions on the right to recover possession of such housing accommodations.

(C) Such ordinance may also provide that no person shall remove any governmentally-involved or formerly governmentally-involved housing accommodation from low-income rental housing use (including but not limited to sale, lease or other disposition of the property which may have such an effect), or convert such housing to a condominium or cooperative, without first obtaining a permit for that purpose from the City or its designee, to the extent that such provision is not preempted by federal law or section six of chapter 708 of the Acts of 1966. Such permit may be subject to terms and conditions not inconsistent with the purposes and provisions of this act, including, without limitation, (a) incentives to continue in effect the low-income use restrictions previously in place for the property, (b) where sale, lease, or disposition of the property may result in the loss of all or a portion of the property for low-income rental housing use, the right of an incorporated tenant association in such housing, the city of Cambridge, or non-profit community development corporations to negotiate for, acquire and operate such property on substantially equivalent terms and conditions as offered or available to a bona fide third party purchaser.

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(D) To the extent not preempted by federal law or section six of chapter 708 of the Acts of 1966, the City or its designee may require an owner of governmentally-involved housing or formerly governmentally-involved housing, to affirmatively seek out and accept any prospective government housing resources, whether tenant-based or project-based, which maximize affordability of the housing accommodations consistent with the income character of the property and the owner's right to obtain a fair net operating income for the housing accommodations.

(E) To the extent not preempted by federal law or section six of chapter 708 of the Acts of 1966, and, so long as such regulation is consistent with the owner's right to obtain a fair net operating income and the city's housing policy, the City or its designee may establish local preferences, priorities, and income limits for admission to governmentally-involved housing or formerly governmentally-involved housing upon unit turnover. No regulation shall require an owner to create a tenancy involving any person with a history of conduct which would, if repeated, be grounds for eviction from such housing.

(F) The City or its designee may promulgate such rules, regulations, and orders as it may deem necessary to effectuate the purposes hereof and may grant exemptions and exceptions thereto when such action would tend to maintain or increase the supply of affordable housing in Cambridge, including, without limitation, to promote the sale of the property to a bona fide tenant organization or non-profit community development corporation under terms and conditions which would tend to maintain the income character of the property.

(G) Any hearings regarding matters related to regulation of rents or removal permits for governmentally-involved housing or formerly governmentally-involved housing or regarding compliance with other provisions of this ordinance shall be conducted by the City or its designee in accordance with the provisions of section eleven of chapter 30A of the General Laws except that requirements (7) and (8) of such section eleven shall not apply to such hearings.

(H) All decisions of the City or its designee may be appealed to the Cambridge District Court or to the Middlesex Superior Court by any person aggrieved thereby, whether or not previously a party in the matter, within thirty calendar days after notice of such decision. The district and superior courts shall have jurisdiction to enforce the provisions hereof and any ordinance, rule or regulation adopted hereunder and on application of the City or its designee or any aggrieved person may restrain or enjoin violations of any such ordinance, rule, or regulation. In the interests of justice, the court may allow any necessary parties to be joined in or to intervene in any action brought hereunder and may in its discretion allow or require an

action to proceed as a class action.

SECTION 3. It shall be unlawful for any person to do or omit to do any action in violation of this act or any order, ordinance, rule or regulation adopted or promulgated hereunder. Whoever willfully violates any provision of this act or any order, ordinance, rule or regulation adopted or promulgated hereunder or whoever makes a false statement in any testimony before the City or its designee, or whoever knowingly supplies the City or its designee with false information, in connection with a proceeding under this Act, shall be punished by a fine of not more than five hundred dollars or by imprisonment for not more than ninety days, or both; provided, however, that in the case of a second or subsequent offense, or where the violation continues after notice thereof, such person shall be punished by a fine of three thousand dollars, or imprisonment for not more than one year, or both.

SECTION 4. The provisions of this act are severable, and if any of its provisions shall be held unconstitutional or otherwise invalid by any court of competent jurisdiction, the decision of such court shall not affect or impair any of the remaining provisions.

SECTION 5. This act shall take effect upon passage.

WHEREAS: There are other expiring use buildings not eligible for prepayment before the year 2000 whose future is nevertheless the concern of this City Council; and

WHEREAS: The great majority of tenants in these buildings are "means-tested", low and moderate income tenants; and

WHEREAS: All the owners of the buildings mentioned above are large real estate investors; and

WHEREAS: All these buildings were built as affordable housing with HUD assistance and often City zoning assistance; and

WHEREAS: Question 9 exempted HUD-assisted buildings from its reach; and

WHEREAS: Tenants associations in expiring use buildings in Cambridge, the Cambridge City-wide Expiring Use Committee and other community groups in Cambridge have drafted a home rule petition to protect this housing through implementation of local regulation if HUD deregulates (a copy of the proposed home rule petition is attached); now therefore be it

RESOLVED: That this City Council urgently requests that the state legislature promptly consider and pass this home rule petition; and further be it

RESOLVED: That this City Council requests that its delegation to the state legislature strongly support this measure.



City of Cambridge

22.

IN CITY COUNCIL

February 12, 1996

COUNCILLOR TRIANTAFILLOU
COUNCILLOR BORN
COUNCILLOR REEVES

WHEREAS: A serious housing crisis exists in the City of Cambridge; and

WHEREAS: Federal Housing budget cuts and deregulation, both existing and proposed, would make this crisis much worse; and

WHEREAS: The current joint House/Senate budget would reverse the Title 6 (LIHPRHA - Low Income Housing Preservation and Resident Home ownership Act) ban on prepayment in expiring use buildings, present since 1990, thus allowing owners of such buildings to prepay and eliminate all HUD regulations on rents and evictions; and

WHEREAS: One building, 205-225 Walden St. (Walden Park), a 230-unit development built as affordable housing with City zoning variance built under the federal 221(d)4 program, has already been deregulated, and rents for existing tenants have increased 50% in less than one year, and rents for vacancies are more than double previous rents; and

WHEREAS: Five buildings (808 Mémorial Dr., 929 House, 402 Rindge Ave., 411 Franklin St., and Huron Towers) would be eligible for prepayment under the new budget by the year 2000, these buildings containing 882 low and moderate income apartments; and

WHEREAS: Two buildings (362-364 Rindge Ave. and Walden Sq.) risk losing project-based Sec. 8 contracts and are not secure in their pre-payment ban before the year 2000, these buildings containing 788 low and moderate income apartments; and

Duehay
Consent Order #22

Vol. 5
S-137

Councillors Triantafillou, Born and Reeves
re: An order requesting that the State
Legislature consider and pass a home rule
petition to allow local regulations to
protect HUD-assisted buildings.

3/25/96

Referred to Housing and Community
Development

In City Council February 12, 1996

Tabled by Councillor Triantafillou

3/4/96

Remains on Table. NO action taken for two weeks
Referred to Housing and Community Development
Committee on motion of Councillor Sullivan.

3/18/96 Referred to Housing Committee
on motion of Councillor Duehay.

3/19/96 Sent to Councillor Duehay got