



CAMBRIDGE CITY COUNCIL

CITY HALL, CAMBRIDGE, MASSACHUSETTS 02139

(617) 498-9094

William H. Walsh
City Councillor

June 10, 1987

Frank Duehay
Cambridge City Councillor
Cambridge City Hall
795 Massachusetts Avenue
Cambridge, Massachusetts

Dear Frank:

I have read a copy of the report on Linkage as drafted by you. I must at this time request the right to dissent from the recommendations.

First of all, I strongly believe that a transfer tax would be very detrimental to the City. The cost of owning homes in Cambridge is already extremely expensive. I think you have seen in the recent revaluation that the average Cambridge single family is \$288,000 and that two and three family homes are in excess of \$300,000. This kind of tax would just add to that cost. In addition, as you realize, at least 25% of this tax would have to be used for open spaces, not housing. At least this is my understanding. If I am wrong, please advise.

The only transfer tax that I could even possibly consider supporting would have to be on non-residential property. If this is feasible I would consider this alternative.

Secondly, as to Linkage Exaction, I again fear this would have a reverse economic reaction which could cause a slow down of new construction which as both you and I know was a saving factor in this year's revaluation.

As to Incentive Zoning, I would be willing to support this. Despite the city-wide downzoning, we could target certain areas of the City which are now commercial such as Northpoint and support a housing market in these areas through Incentive Zoning.

Voluntary. The problem with Voluntary Linkage remains it is not predictable and, therefore, can cause more chaos than good.

I feel that there are other alternatives which should be and must be looked into in addition to Incentive Zoning.

Frank Duehay
June 10, 1987
PAGE TWO

A. You have failed to mention in your report the deteriorating housing stock which is one of the main reasons that we need Linkage. One immediate cure to this problem is vacancy decontrolling of 4-8 unit buildings provided they are owner-occupied and provided the owners agree to have the City's Building Department inspect these properties and as a condition of decontrol they be brought up to code and that a certain percentage of the vacant units be leased back to the Cambridge Housing Authority with a special emphasis on two bedroom units. I especially emphasize two bedroom units since there is a severe shortage at the moment and as a result it is my understanding that there are 200 Section Eight Certificates unused. This type of program of linking vacancy decontrol with renovation of property and fulfilling the needs of the Housing Authority is constructive and positive and will not increase the cost of home ownership in Cambridge.

B. I strongly believe that the Linkage Committee should meet with all the banks of Cambridge and work out a below market acquisition and renovation loan program in order to help rehab the deteriorating housing and at the same time to allow families of low and moderate income to be able to purchase their homes. As you realize, Mr. Chairman, we have a declining population in this City of approximately 1000 people per year. We have fewer people living in a larger amount of space than we did in the 1950's, 1960's and 1970's. Our school enrollment has been declining and at best is now stabilizing. We must use Linkage as a tool to allow families to remain in Cambridge now and not at some time in the future.

Therefore, Mr. Chairman, would you please record me accordingly. In addition, as to the recommendations contained in Page 3, I do not object to a housing fund being established. I do object to the money being limited to housing. I do feel that a portion of it should go to the School Department and additional funds should be used to create congregate elderly housing. I also feel that some of the funds should be used to acquire housing for low and moderate income families on the following plan:

A. A qualifying family be allowed to purchase a home in Cambridge with Linkage money being used to assist in the deposit and/or to subsidize the mortgage and that the City participate in the equity of a resale; to wit, if the house was sold in the first year, 90% of the profit would go to the City; 80% the second year; 70% the third year, etc. until ten years have elapsed at which point the City would no longer be involved in equity participation. This will allow a low and moderate income family to obtain equity for their future life and at the same time if they chose to sell before ten years, they would be replenishing the housing fund to allow someone else to have the same opportunity. This I feel is better than limited equity.

Frank Duehay
June 10, 1987
PAGE THREE

Mr. Chairman, I hope you will file this report with yours and I want to congratulate you for doing an excellent job as Chairman of your committee. My descending opinion is based on my own personal belief on how Linkage can really work in Cambridge.

Sincerely,

A handwritten signature in cursive script that reads "Wm H Walsh". The signature is written in dark ink and is positioned above the printed name.

William H. Walsh,
Cambridge City Councillor

18.

S-399

Comm. from Councillor William H. Walsh, expressing his dissent from the recommendations contained in the report of the Committee on Linkage Re: various linkage alternatives for the City.

In City Council,

June 15, 1987

Referred to Hearing
Scheduled 6/29/87
@ 7 P.M.