



Harvard Real Estate, Inc.

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Kristin S. Demong
President

April 15, 1991

Mayor Alice Wolf
and the Members of the City Council
City Hall
Cambridge, MA 02139

Dear Mayor Wolf and the Members of the City Council:

We commend the City Council and city management for their efforts to make reforms to the Rent Control System.

In recent months we ourselves have been working with Terry Morris to identify areas in the system for administrative reform, such as expediting rent adjustments and the pre-approval of scopes of work. This latter proposal would take much of the risk out of the process and provide more certainty for both landlords and tenants. At Terry's request, we've also been working to develop a comprehensive, universal checklist to document apartment conditions. We hope it will be useful to the Rent Board and any other landlord who may come to use it.

Without commenting on each and every proposal put forth by the various city councillors, we'd like to take this opportunity to comment broadly on some common themes.

We support all reforms designed to maintain rent control housing as affordable.

We support the idea that affordable rent control housing should serve the people who most need it.

We are supportive of any reform that would encourage and enable property owners to make the kind of capital investment their rent control properties require.

We support any initiative that will lead to more collaboration between city agencies and departments on housing issues, so as to benefit both owners and tenants.

While there exist many positive reforms, there are a few proposals which are of great concern to us:

- 30% Two Year rent increase cap.

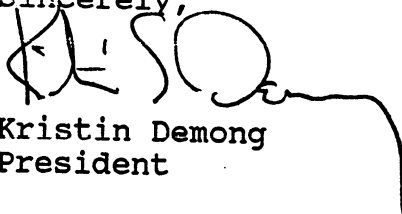
Harvard is committed to maintaining its rent controlled properties and making the capital investment required to keep this older housing stock code compliant and viable for the long term. A two-year, 30% rent increase cap would discourage landlords from making needed repairs and improvements. Implementation of this proposal would be contradictory to the recent Zuker decision and in some cases, deprive owners of a fair net operating income as mandated by the regulations.

- Extend Rent Control to University affiliated Housing

Harvard affiliated housing is to provide temporary housing for our affiliates. Its exemption has been provided by the statute and upheld by the court.

In closing, I'd like to make it known that while many of the proposals would not affect Harvard directly, we stand ready and eager to cooperate in implementing any of the positive reforms mentioned above. As Harvard's managing agent, Harvard Real Estate has a vested interest in ensuring that the Cambridge housing stock is preserved in a fashion that is fair to both tenants and landlords. We feel the implementation of rent control reforms would go a long way to serve this end. Please let me know if our efforts can assist you in any particular areas.

Sincerely,



Kristin Demong
President

cc: Robert W. Healy, City Manager
KD/lc

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S-578

CONSENT

Communication received from Kristin Demong,
President of the Harvard Real Estate, Inc.
commending the City Council for their
efforts to make reforms to the Rent Control
System.

In City Council,

April 29, 1991

Placed on file.