



RECEIVED BY
OFFICE OF CITY CLERK

FEB 7 4 53 PM '79

CAMBRIDGE CITY COUNCIL

CITY HALL, CAMBRIDGE, MASSACHUSETTS 02139

(617) 876-6800

February 7, 1979

MEETING NOTICE

The next meeting of the Rent Control Committee will take place on Tuesday evening, February 20, 1979, at 7:30 p.m. in the City Council Chambers. The Committee is composed of Councillor Wylie, serving as Chairman, and Councillors Lawrence W. Frisoli and Mary Ellen Preusser.

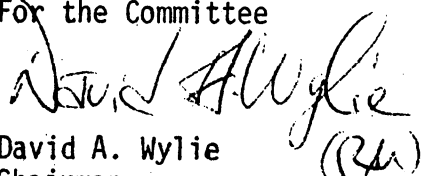
At this meeting the Committee will discuss three Council orders which have been referred to us by a vote of the City Council at the meeting of January 29, 1979. A copy of each of these orders is attached for your review.

The nature and order of the agenda is as follows:

1. Inspections: We will solicit views as to whether or not the code enforcement inspectors employed by the Department of Health and Hospitals are doing an adequate job and coordinating their efforts with the city's Rent Control Program. Additionally we will question what precise legal steps would have to be taken should the city decide to empower the Rent Control Inspector to enforce the sanitary code.
2. Niles v. Boston Rent Control Administration: The Committee will solicit views as to whether or not the Cambridge Rent Control Board's policy of adjusting Net Operating Income is effected by the Niles decision.
3. Regulating the eviction of tenants in a controlled co-ownership unit: We will discuss the technical and legal questions as to the propriety of this order as drafted. We will not discuss the policy issues which the order raises or their merits in that these are decisions which are now reserved for the City Council as a whole.

As always, this is an open meeting and the public is invited and encouraged to attend and participate.

For the Committee


David A. Wylie
Chairman
Rent Control Committee

DAW:mt
Enclosures



City of Cambridge

Order #1
IN CITY COUNCIL
January 29, 1979

COUNCILLOR WYLIE

WHEREAS:

Chapter 36 of the Acts of 1976 declared the existence of a housing emergency in the City of Cambridge because of a substantial and increasing shortage of decent rental housing accommodations especially for families of low and moderate income and for elderly people on fixed income, and accordingly continued the rent and eviction control program; and

WHEREAS:

That Act also declared the public policy of this city that conversion of rental housing units to condominium units was not a valid reason for evicting tenants; and

WHEREAS:

That policy is being avoided by the sale of individual condominium units to landlords who then evict the tenants and occupy the units themselves, thus further aggravating the shortage of decent rental housing accommodations which it is the policy of this city to alleviate; now therefore be it

ORDERED:

That the Cambridge City Council hereby petitions the General Court under Section 8 of Article II, as amended by Article LXXXIX, of the Amendments to the Constitution, to enact the attached special law entitled "AN ACT TO AMEND THE CAMBRIDGE RENT CONTROL LAW BY REGULATING THE EVICTION OF TENANTS IN A CONTROLLED CO-OWNERSHIP UNIT."

The Commonwealth of Massachusetts

IN THE YEAR ONE THOUSAND NINE HUNDRED AND
SEVENTY-EIGHT

AN ACT TO AMEND THE CAMBRIDGE RENT CONTROL LAW BY REGULATING THE EVICTION OF TENANTS IN A CONTROLLED CO-OWNERSHIP UNIT.

Be it enacted by the Senate and House of Representatives
in General Court assembled, and by the authority of the same,
as follows:

SECTION 1. Section 3(b) of chapter 36 of the acts of 1976 is hereby amended by striking out subdivision (4) and inserting in place thereof the following subdivision:-

(4) rental units in cooperatives when rented by the lessee pursuant to a proprietary lease with a cooperative corporation, association, or trust.

SECTION 2. Section 3 of chapter 36 of the acts of 1976 is hereby amended by adding the following subsections:-

(e) "Co-ownership unit", any unit which is sold, whether or not actual title is transferred, together with an undivided interest in the common areas of the building in which the unit is located and/or the land appurtenant to the building in which the unit is located including, but not limited to, units in condominiums established under chapter one hundred eighty-three A of the General Laws, units in cooperatives established under section three A of chapter one hundred fifty-seven of the General Laws, or units in cooperatives established by a declaration of trust.

(f) "Co-ownership converter", any person or entity who offers, or intends to offer, any controlled rental unit for sale as a co-ownership unit.

(g) "Landlord-purchaser", any landlord who is a purchaser of a co-ownership unit.

SECTION 3. Section 9(a) of chapter 36 of the acts of 1976 is hereby amended by striking out subdivision (8) and inserting in place thereof the following subdivision:-

(8) The landlord seeks to recover possession in good faith for use and occupancy of himself, or his children, parents, brother, sister, father-in-law, mother-in-law, son-in-law, or daughter-in-law. If the landlord is a landlord-purchaser and if the tenant originally obtained possession of the unit pursuant to a lease or rental agreement entered into before the unit was first purchased as a co-ownership unit, then, the board may not issue a certificate of eviction unless the requirements of section 9A have been met and the landlord-purchaser has submitted a written statement by the co-ownership converter made under penalty of perjury verifying that requirements of section 9A have been met.

SECTION 4. Subdivision (10) of section 9(a) of chapter 36 of the acts of 1976 is hereby amended by striking out, in line 6, the words "condominium unit" and inserting in place thereof the words: co-ownership unit.

SECTION 5. Section 9 of chapter 36 of the acts of 1976 is hereby amended by adding the following subsection:-

(f) The provisions of this section and section 9A that restrict the ability of a landlord to recover possession of a co-ownership unit or an intended co-ownership unit are deemed not in conflict with any policies, embodied in any special or general law, that may encourage home ownership.

SECTION 6. Chapter 36 of the acts of 1976 is hereby amended by adding the following section:-

9A Prerequisites for Evictions of Tenants in Converted Units

All of the following requirements must be met before the board may issue a certificate of eviction to a landlord-purchaser pursuant to section 9(a) (8):

(a) The co-ownership converter shall give the tenant written notice of his intention to convert the rental unit to a co-ownership unit. The notice shall be on a form prepared by the board. The board shall prepare a notice form containing a statement of the tenant's rights under this section. The tenant must receive the notice at least four months before the landlord-purchaser may apply for a certificate of eviction.

(b) The co-ownership converter shall offer the tenant the first right to purchase his unit for the same price and terms, or a price and terms more favorable to the tenant, as he subsequently gives the landlord-purchaser. The co-ownership converter may not revoke his exclusive offer to the tenant for a period of at least two months following the date when the tenant receives from the co-ownership converter the following:-

(1) the purchase and sale agreement and all other documents necessary for the acceptance of the offer including, but not limited to, the co-ownership declaration, by-laws and applicable occupancy regulations,

(2) a written statement of the owner's actual expenditures for utilities, maintenance, repairs, and operations that were made for the building in each of the past three years,

(3) a written statement of the projected monthly charges for each expense item and for reserves computed for all the co-ownership units and computed on a per unit basis,

(4) a written statement of other projected monthly payments of the co-ownership unit itemized as to principal, interest, and taxes, and

(5) a written property report by a certified engineer stating the condition and useful life of all common structures and facilities including, but not limited to, the roof, foundation, external and supporting walls, heating systems, electrical system, and plumbing system.

(c) Tenants representing thirty-five percent of the building's units that are occupied on the date when any tenant receives the first notice of intention to convert under subsection (a) must execute for consideration bona fide purchase and sale agreements, containing no repurchase provisions other than to protect the purchaser from loss on future resale, for co-ownership units in the building. The board may waive this requirement by regulation at times when it finds, based on a methodology that it chooses, that (a) the vacancy rate for rental units in Cambridge is greater than four percent and (b) that the supply of rental units in Cambridge is adequate to allow a tenant to relocate without severe hardship. This regulation will be effective as a waiver only if the board promulgates the regulation by the date when a tenant first receives notice of intention to convert.

SECTION 7. If any provision or clause of this chapter or application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of this chapter which can be given effect without the invalid provision or application, and to this end the provisions of this chapter are declared to be severable.



City of Cambridge

Order #2
IN CITY COUNCIL
January 29, 1979

COUNCILLOR WYLIE

ORDERED:

That the City Manager be requested to instruct the City Solicitor to prepare legislation which would permit qualified housing inspectors employed by the Rent Control Board to enforce the State Sanitary Code.



City of Cambridge

Order #3
IN CITY COUNCIL
January 29, 1979

COUNCILLOR WYLIE

WHEREAS:

The Cambridge Rent Control Board Regulation, No. 72-04(b), provides that individual rent adjustments may be made to reflect the percentage of increases in the cost of living as calculated from the U.S. Department of Labor's Consumer Price Index; and

WHEREAS:

Said Regulation No. 81 permitted a general rent adjustment intended in part to take account of the effects of inflation by adjusting 55% of the typical 1973 net operating income by the increase in the Consumer Price Index since 1973; and

WHEREAS:

The Massachusetts Appeals Court in Niles v. Boston Rent Control Administration, Mass.App., 374 N.E.2d 296 (1978), held that the use of inflationary factors in computing adjustments should be prohibited, on the ground that the basic purpose of rent control is to protect tenants against inflation; now therefore be it

ORDERED:

That the Cambridge City Council calls upon the Cambridge Rent Control Board to rescind Regulation No. 72-04(b) and as promptly as feasible to eradicate the effect of the prohibited portion of regulation No. 81 by adopting a reductive general adjustment or compensating in the computation of the next general adjustment which would increase rents.

S-79

Meeting Notice of the Rent Control Committee
for Tuesday, February 20, 1979 at 7:30 P. M.

2/12/79

Placed

on

File

/ Hearing Held

2/26/79 or 1/30/79