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CAMBRIDGE MA.

CAMBRIDGE CITY COUNCIL

CITY HALL, CAMBRIDGE, MASSACHUSETTS 02139

(617) 349-4280

FAX (617) 349-4287

Jonathan S. Myers
City Councillor

July 30, 1992

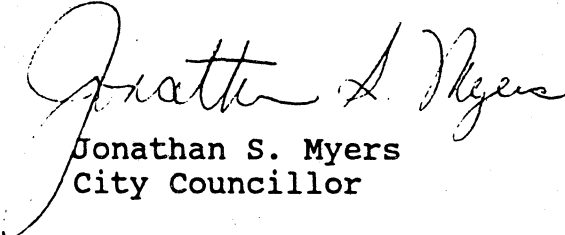
Dear Colleagues on the City Council,

Please find enclosed a copy of a supplemental report on the matter referred to the Rent Control Committee by the City Council.

The report highlights problems that come to the Committee's attention with regard to issues relating to inspections and rent increases.

Your attention to this matter is very much appreciated.

Sincerely yours,


Jonathan S. Myers
City Councillor

gwj

July 30, 1992

Rent Control Committee Report on Problem Buildings: 205-211 Harvard St.
266-270 Windsor St., and 19-25 Market St.

Overview: The buildings located at 205-211 Harvard St. and 266-270 Windsor St. and 19-25 Market St. came to the City Council's attention in February of 1992, when a group of tenants and tenants organizers from a group known as the Eviction Free Zone appeared before the City Council to protest the combination of poor living conditions, and rapidly escalating rent increases in their buildings. A motion was made by the City Council to refer this matter to the City Manager and to request a report in two weeks time. In the ensuing two weeks a fire occurred at one of the buildings in question (19-25 Market St.) which caused the relocation of 61 tenants, mainly low income from the building.

This apparently was a factor in the three months which transpired before the City Council received the report from the City Manager and the Rent Control Department, with regard to the conditions in the building. This report which was received in May of 1992, was a fairly straightforward account of the rent increases of one of the buildings in question (266-270 Windsor St.) The report did not go into great detail regarding the conditions in the building. The report was one which showed the numbers of the rent increases, but did not in any way say what the rent increases were for, meaning what type of work or repairs were done on the building.

At this time the report was referred to the Rent Control Committee. A hearing was scheduled for July 14 to coordinate schedules of all involved. Prior to the hearing the Rent Control Committee was invited to tour the premises at 266-270 Windsor St on July 13, 1992 to inspect the conditions of the building.

Findings of the Committee

In the tour of July 13 which was conducted by members of the committee, Myers, Toomey, and Walsh (for the second half), and two members of the press and photographers, along with tenants organizers, the Committee saw that the conditions of the buildings varied from apartment to apartment, but in many cases there were very troubling living conditions which appeared to be violations of the building code. On the tour the Committee witnessed things such as holes in walls, peeling paint, uncovered radiators, complaints from tenants of bugs and rodent infestation, bathrooms in unsanitary condition, doors with faulty lock devices, faucets which did not work properly, a basement with hanging wires, holes in the ceiling, and large collections of trash. In addition, common areas such as hallways were not well kept, and there was evidence of paint peeling and holes in hallways. There is also a major concern that lead paint exists in the building, as there are a number of small children housed.

These conditions have existed and continue to exist at a time when rent increases have risen dramatically during the last three years. At 266-270 Windsor Street, the average rent increase was \$185/ month, per unit over a three years period, at 19-25 Market Street, rent increases averaged close to \$250/month, per unit and at 205-211 Harvard Street, rent increases were \$320/month, per unit, over a three year period.

Findings of the hearing on July 14. Present for the hearing on July 14 were: Richard Rossi, Deputy City Manager, Joseph Cellucci, Commissioner of Inspectional Services, tenants from the buildings and tenant representatives, and Terry Morris, Executive Director of the Rent Control, and Buddy Packer senior hearing examiner from Rent Control, and Alex Steinberg, owner of one of the buildings, and managing partner in the other two buildings. The detailed testimony of the hearing can be found in Deputy City Clerk's minutes of the meeting. As the meeting was televised, a video tape can also be obtained. A brief summary of the participants testimony follows.

Mr. Cellucci presented testimony, about the number of code violations for each of the buildings. From 1987 to 1992, 19-25 Market St. had 43 violations, 266-270 Windsor St. had 32 violations, and 205-211 Harvard St. had 22 violations. When asked Mr. Cellucci responded that this was not an inordinately high number of violations for each building. But what Mr. Cellucci did find to be problematic was the issue of recurring violations, or those violations which seemed to occur on regular basis. In Mr. Cellucci's reading of the record these repairs which were not adequately done, or as he described it were done in a "bandaid" form. When asked about this by more than one member of the Committee, Mr. Cellucci stated in his view that inspections were not adequately performed by members of the Inspectional Department. When asked further, Mr. Cellucci, cited as reasons for the poor performance, improper training (a housing inspector needs no training before being able to go out to inspect housing units), no or poor supervision, and inadequate staffing.

Mr. Cellucci also stated that for each of the buildings the amount of communication between Inspectional services and rent control staff was minimal. For 266-270 Windsor St. there was one communication between the two staffs in five years, for 205-211 Harvard St there were no communications, and for 19-25 Market St there were two communications.

Tenants from the buildings

Four tenants spoke as official representatives from the buildings in question. Tenants cited the difficulty that the steady rent increases were having on their ability to remain in the buildings. In addition tenants spoke of difficult living conditions, and difficulty in getting the landlord to respond to complaints that were raised about the building. Lag time was specified on repairs, such as plumbing, heating, and kitchen and bathroom repairs. Finally tenants spoke of signing Affidavits of Compliance, indicating that work was properly done, with a sense of being pressured by workers in the building. The Committee received two written statements from tenants stating that they were misled in signing the affidavit of condition, and that it was signed under duress.

Rent Control Staff, Mr. Morris and Buddy Packer

Mr. Morris described the process by which the rent increases were granted. In his view, Mr. Morris stated that rent increases should not be given, if there are outstanding code violations in the building. When asked about the level of contact with Inspections Services or actual inspections of the buildings, Mr. Morris stated that sporadically a form had been utilized which had requested of Inspectional Services a statement of outstanding violations, but that the form had been discontinued. In addition Mr. Morris stated that the rent control staff does inspect conditions cited in the Affidavit of Condition but is not involved in first hand inspections of housing units.

Mr. Packer gave a more detailed look at the rent increases in the particular buildings. Mr. Packer's testimony highlighted a very disturbing fact about two of the buildings. In reviewing the rent stream, it was noted that built into the rent stream were maintenance and repair items of \$123/month per unit at Windsor St. and \$158 month per unit at Market St. These figures seemed to directly contradict the statements of the tenants and the physical evidence of the buildings themselves. When asked about this Mr. Packer stated that the figures for maintenance and repair were inordinately high compared to other buildings in the City. In fact, based on his experience, Mr. Packer stated that the figures were "outrageous." Mr. Packer also stated that Mr. Steinberg was due to submit a report to the rent control board by June 30, 1992 providing evidence on the maintenance and repair figures, and that report had not been received.

Landowner and Property Owner: Mr. Steinberg.

Mr. Steinberg is the owner of 205-11 Harvard Street, and the Property Manager of the other two properties. Mr. Steinberg offered testimony on what he saw as general problems with the rent control system. He said that he did respond to problems with the building in a legal time period, and that no one from his office was involved in any kind of harrasement or intimidation of tenants.

Mr. Steinberg did acknowledge problems with the buildings, and also offered that he was willing to sell the buildings at 205-211 Harvard Street and his condo units to any interested party. He also stated that several of the problems were caused by tenants, particularly trash and unsanitary conditions.

RECOMMENDATIONS OF THE COMMITTEE

The Committee finds the situation described as extremely distressful on two levels. One is the problems that these situations point out with regard to problems within the operation of the housing system, Inspectional services and rent control in the City. The second is the particular problems posed by these buildings themselves. The Committee's recommendations are made first with regard to systemic problems which are evident and need to be resolved, and secondly the specific problems posed by the buildings in question.

Systemic Problems

1. Inspectional Services

The problems in Inspectional Services have reached the point where they can no longer be ignored. The Committee recommends and requests the active effort of the part of the City Manager in solving these problems. Mr. Cellucci's testimony points to problems of supervision, training, and performance. In this all-important department in the city, the Committee recommends that the City Manager become actively involved in bringing about reform to this department. This reform need include:

- * an assessment of the performance of the department with regard to its capacity to perform its required work.
- * the implementation of a serious and long overdue training approach to ensure that inspections are conducted in a high quality manner.
- * and an examination by the law department for the feasibility and drafting of a home rule petition which will allow the City to establish standards and qualifications for Inspectors who are working in the field.

The City Manager is requested to report to the City Council within 6-8 weeks on this matter. The Committee believes that a satisfactory performance of this department to be of the highest priority and that failure to do so reflects on the City as a whole. Repeat violations, such as these buildings in question, and inadequate enforcement on the housing code are not acceptable to the City or its citizens.

2. Rent Control

There is a clear and direct need for the Rent Control Department to develop a working knowledge of the condition of buildings before granting major rent increases. The current system which relies completely on the tenant to notify the rent control staff or board of a problem with their building, does not offer enough built-in protection to ensure that buildings are being kept in a safe and habitable condition. The need to establish this working knowledge of the conditions of a building goes beyond the development of a new form. It is clear that there must be built-in communication between rent control and inspectional services if there are to be assurances that buildings will be kept in safe and habitable condition. In addition, efforts must be made to increase the level of communication with the tenants in rent increase situations, particularly where an individual rent increase or a pattern of rent increases is of an exceedingly high nature.

The examples of the buildings in question, point to how far astray the situation can get when these two departments operate in isolation with one another. On one hand, rent increases have escalated at very high rates, resulting in far above rent control averages, of \$700/month. On the other hand, the conditions of the buildings themselves have remained in very poor living condition. In that, this situation points to a problem in communication between the two departments, and points to a need for a very substantially improved level of service in this area, the Committee recommends and calls upon the City Manager to address this issue of communication between these two departments, and that a systematic approach be developed which is aimed to increase the level of communication and the exchange of information and records between these two departments, so that this type of situation is not repeated.

3. Pre-approval: the topic of pre-approval of rent increases involving discussions between landlords and tenants has been presented by advocates for the tenants in this case. This is a topic which the Committee has recommended in its order on low rents, and is clearly a policy which is significant value to the City, in looking at ways that buildings can be repaired in efficient, non-controversial, and non-threatening ways.

Recommendations Specific to the Buildings in Question:

1. Inspection of the buildings. It is clear that violations of various kinds may well exist in the buildings. There is a need to inspect the buildings comprehensively, and to efficiently get the buildings on the path to repair. The Committee believes that due to records submitted and the statements of the Commissioner of Inspectional Services that in addition to inspections conducted by the City Inspectors, that an additional independent second party, should be contracted to conduct an inspection. Due to the conditions of the building, the Committee requests that the City Manager take action on this within 2 weeks time.

2. Rents in Buildings. In that the rents have reach substantially beyond the rent control average, and that inordinate high amounts, appear to be being charged for maintenance and repair, the Committee recommends through the City Manager that the Rent Board continue its close scrutinization of the rents for these buildings to examine very closely whether the amounts listed for maintenance and repair are actually accurate in terms of work that is currently going on in the building. The rent control board is apparently on track to due this in requesting a report from the landlord by June 30, 1992. It seems that statements have been made that figures of \$158/month per unit, and \$123/month per units are derived from work that was done more than three years ago. Based on statements of tenants and a tour of the building, it appears that little if any actual maintenance is being done. Statements have also come to the Committee's attention that an allegation of a figure of \$17,000 was used for repair of a concrete slab patio. This figure was mentioned by more than one tenant. The Committee requests that this figure be looked into as part of this review.

If major improvements are required, the impact on the rents, must be assessed in terms of whether the rent increases previously granted have been borne out by work actually done.

Conclusion:

The Committee recommends swift action by the City Manager to address the the immediate problems posed by the buildings, and the more long-term problems which have developed. It is clear from the Committee's point of view that as difficult as it can be to enforce the housing code, larger problems develop when the law is not consistently enforced. The City's Inspectional efforts must be at a consistently high level, and problems or perceived problems in this area have dragged on long enough, doing a service to neither landlord or tenant. There must be synthesis and coordination between the City's Inspectional efforts and rent board hearings. Given the amount of money that the City spends in this area, it might make sense to have positions which can do joint work between each of the departments concerned. The Committee requests a comprehensive Plan of Action from the City Manager on these matters, by the end of September.

City of Cambridge

MASSACHUSETTS

In City Council

Aug 3

1992

Roll Call vote on Accepting Committee Report #1
and Adopting Recommendation in Supplemental Committee report

	YEA	NAY	ABSENT	PRESENT
Mr. Ed Cyr	✓			
Mr. Francis H. Duehay	✓			
Mr. Jonathan S. Myers	✓			
Mrs. Sheila T. Russell	✓			
Mr. Walter J. Sullivan	✓			
Mr. Timothy J. Toomey, Jr.	✓			
Mr. William H. Walsh	✓			
Ms. Alice K. Wolf	✓			
Mayor Kenneth E. Reeves	✓			

J Myers in susp
VV/9-0

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VV/9-0

July 14, 1992

1. Number of Inspections from 1987 to 1992

19-25 Market Street	-	1987	1
		1988	3
		1989	11
		1990	3
		1991	12
		1992	13

Total			43
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2. Types of Violations

Trash - 1	Doors - 1	Sewer odor- 2
Hole in ceiling - 2	Heating System - 6	
Windows - 1	Fire - 14	
Holes in bathroom - 1	General Insp - 12	
No heat - 11	Roaches - 2	
Toilet backed up and ceiling leaking - 4		

3. Communication with Inspectional Services and Rent Control

July 14, 1992

1. Number of Inspections from 1987 to 1992

205-211 Harvard Street	-	1987	3
		1988	2
		1990	11
		1991	5
		1992	1

Total			22
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2. Types of Violations

Section 8	-	11	Fire Alarm System	-	1
Trash	-	9	Egress	-	1
Rodents	-	3	General	-	4
No heat	-	1			

3. Communication between Inspectional Services and Rent Control

0

July 14, 1992

1. Number of Inspections from 1987 to 1992

268-270 Windsor Street	-	1987	1
		1988	0
		1989	1
		1990	1
		1991	17
		1992	12
Total			32

2. Types of Violations

General	- 3	Leaks	- 5
No heat	- 6	Roaches	- 2
Fire	- 3	Mice	- 4
Egress	- 1	Section 8	- 1
No heat	- 4	Heating System	- 2

3. Communication between Inspectional Services and Rent Control

EVICTION FREE ZONE

LA ZONA LIBRE DE DESALOJOS A ZONA LIVRE DE DESPEJOS
ZON KOTE KO PA KA OBLIJE MOUN KITE KAY YO

To: Rent Control Sub-Committee

From: Eviction Free Zone

Re: Presentation at Sub-Committee Hearing,
 July 14, 1992

Attached please find the following:

1. PICTURES OF MARKET STREET PRIOR TO FIRE
2. GRAPH DEPICTING RISE IN RENTS
3. STATEMENT REGARDING RENT INCREASES
4. INSPECTION REPORTS FOR VIOLATIONS AT MARKET STREET PRIOR TO THE FIRE
5. RESCISSIONS OF AFFIDAVIT OF COMPLIANCE
6. SOME CONSIDERATIONS BY THE EVICTION FREE ZONE FOR RENT CONTROL REFORM

PICTURES OF MARKET

STREET CONDITIONS

PRIOR TO FIRE

NOTE

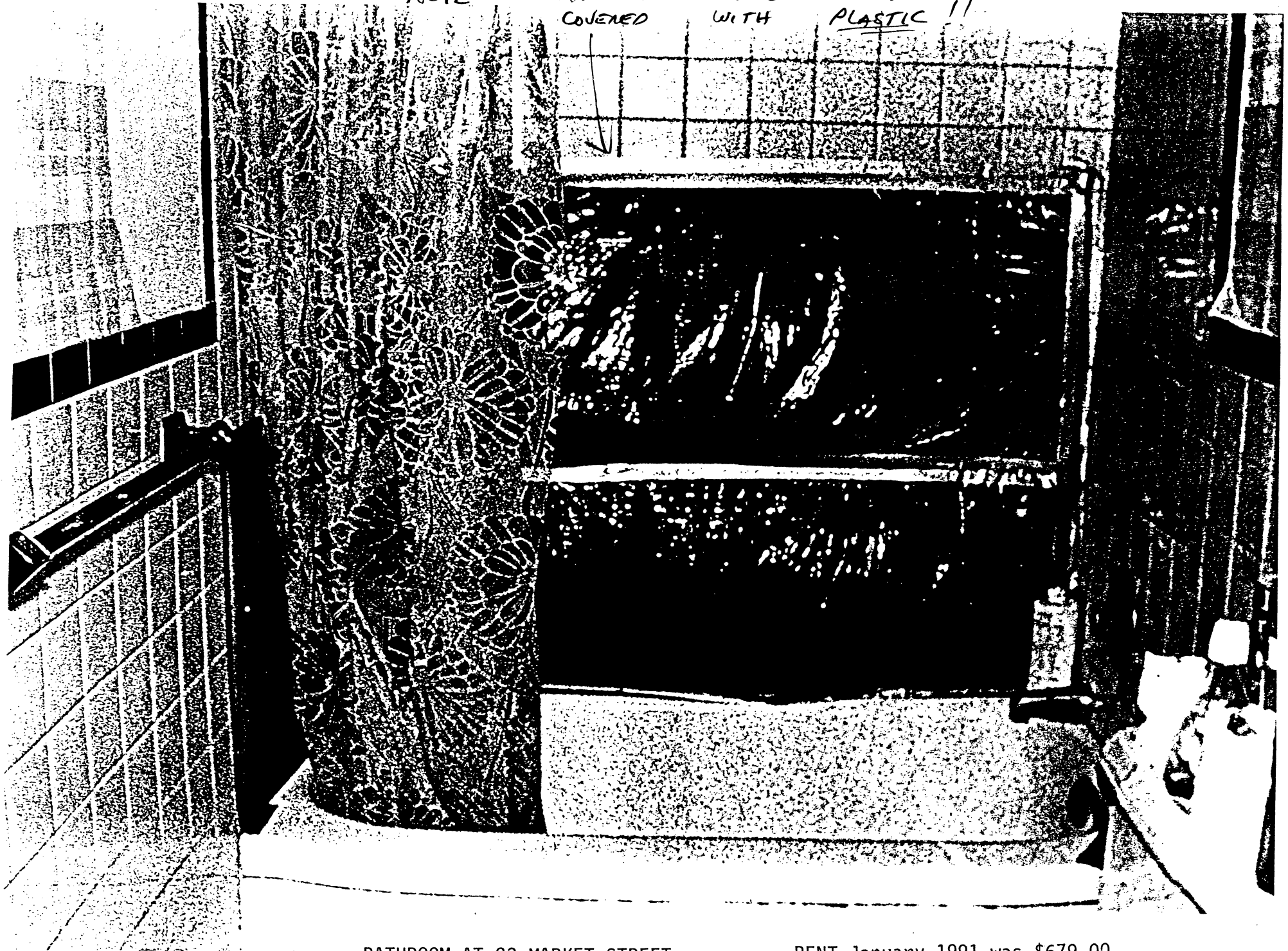
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COVERED

TILES
WITH

THE
PLASTIC

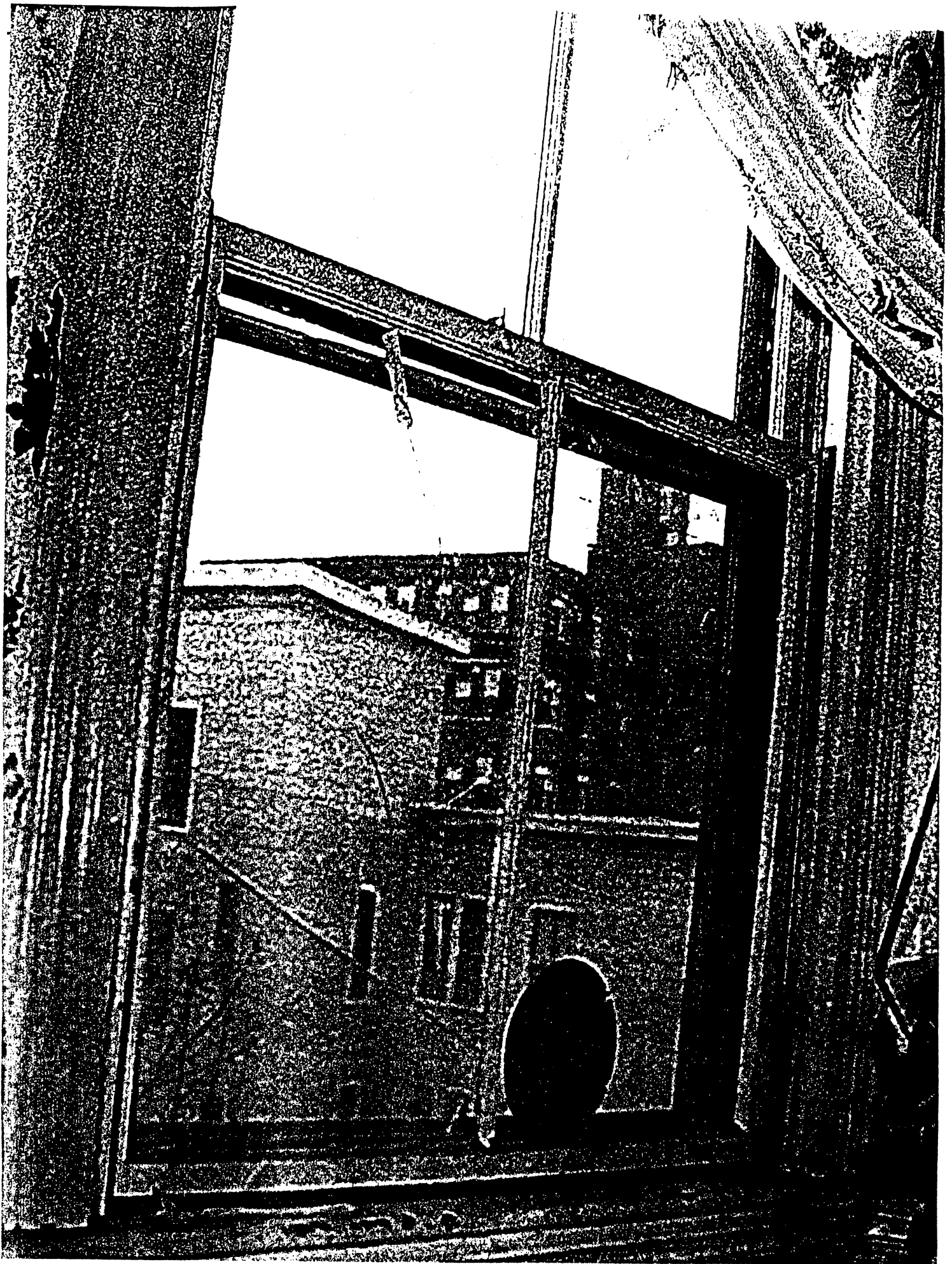
AREA
!!

WAS

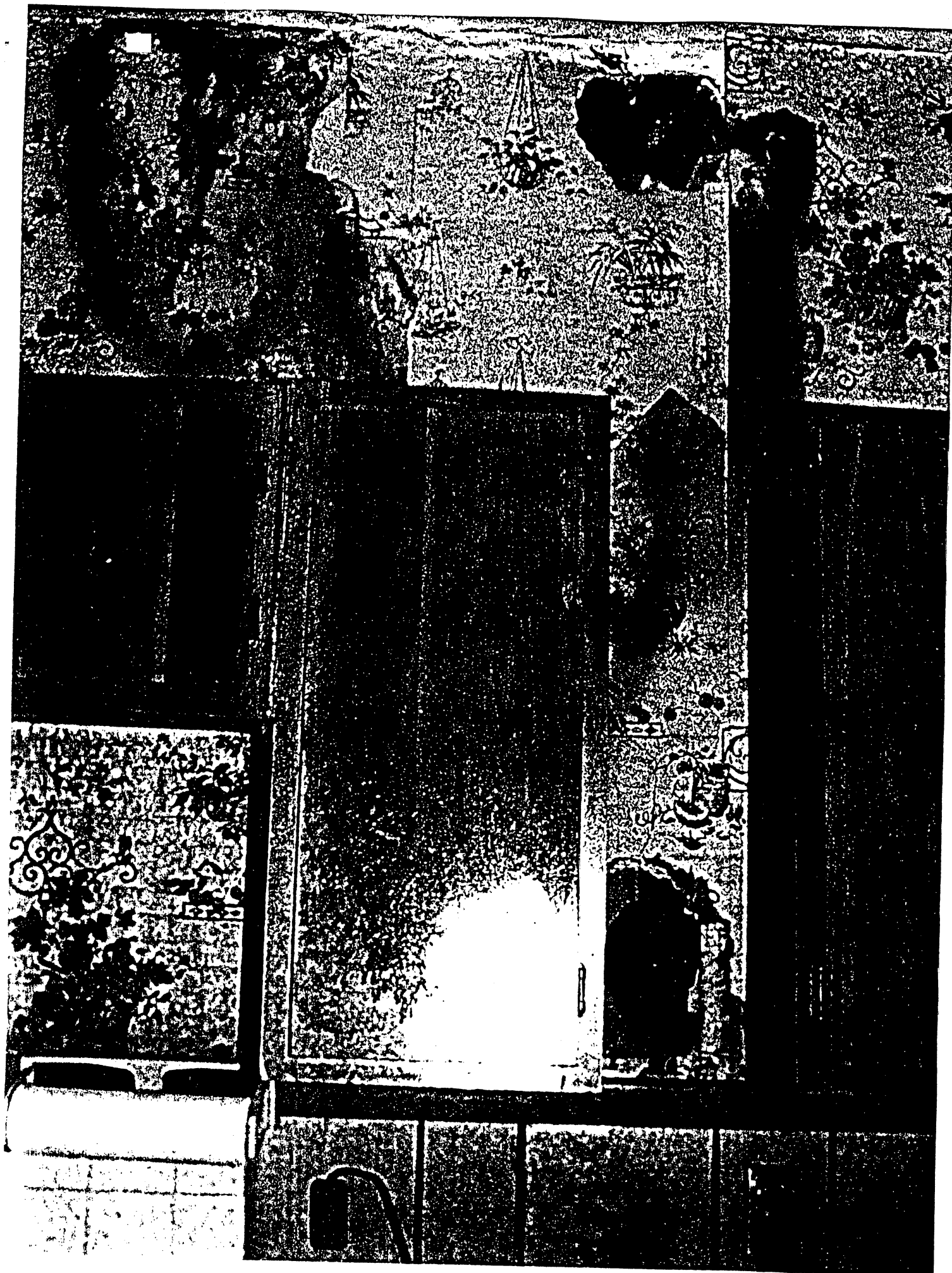


BATHROOM AT 23 MARKET STREET

RENT January 1991 was \$679.00

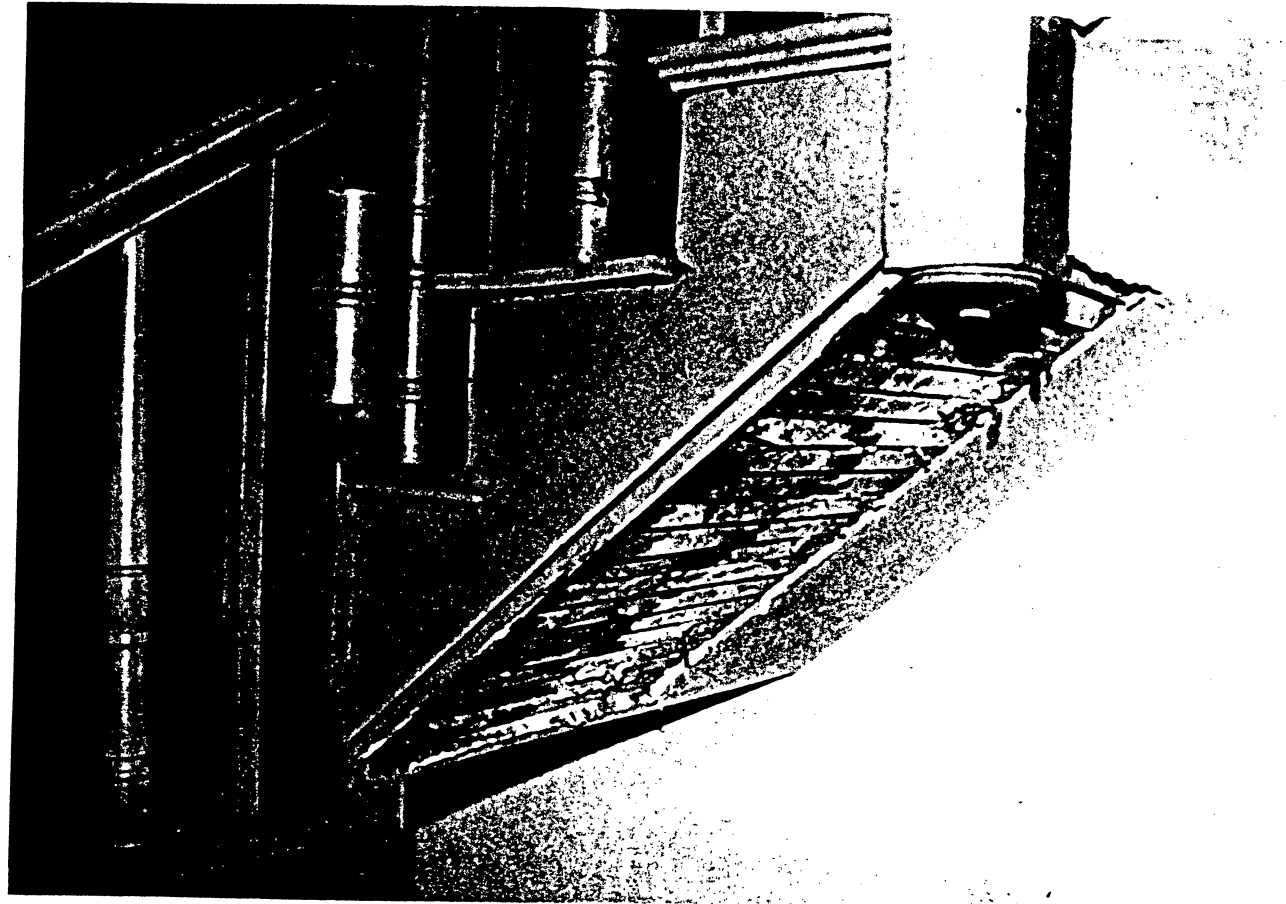


VIEW FROM SCENIC (Broken) WINDOW' at 23 MARKET. Rent 679.00



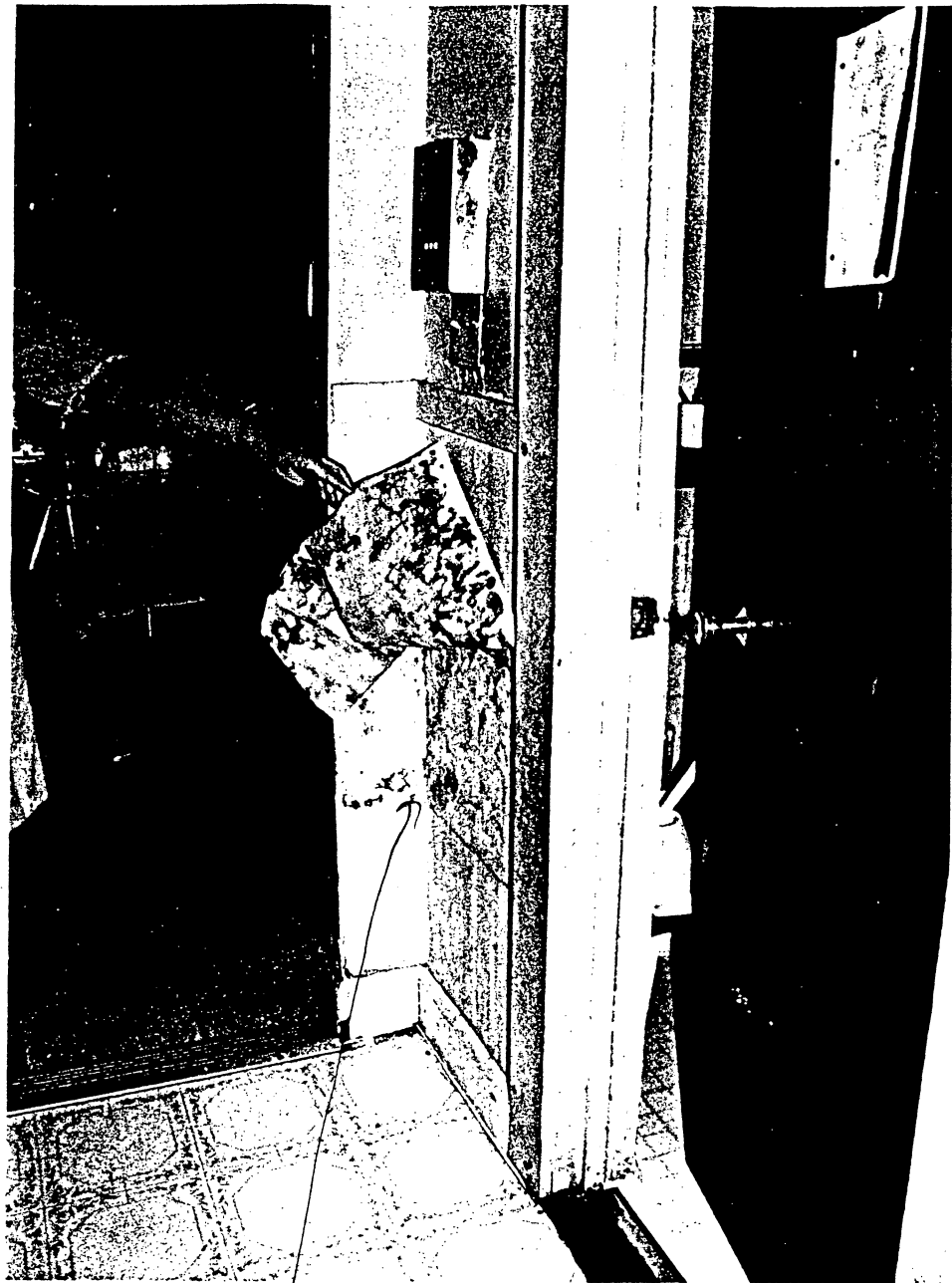
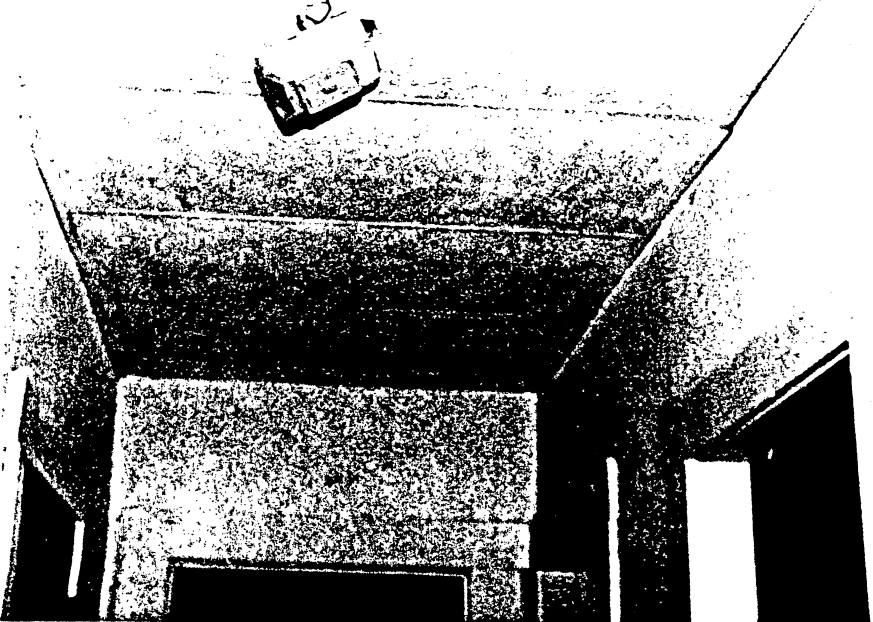
KITCHEN AT 23 MARKET STREET SHOWING CONDITION OF WALLS.
RENT WAS \$679.00 in Jan. 1991

COMMON AREA



STAIRWELL AT 23 MARKET

HANGING
SMOKE DETECTOR

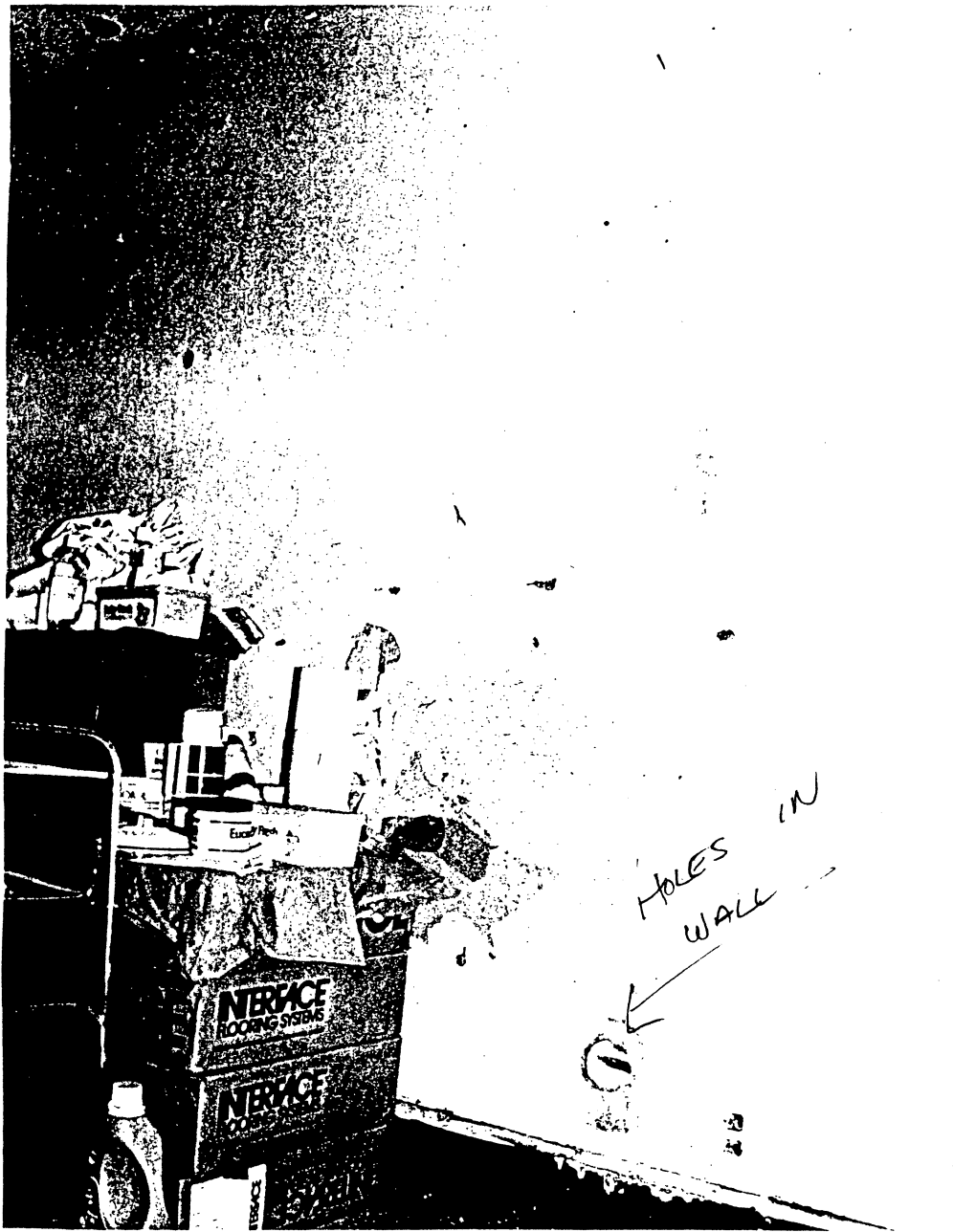


25 MARKET ST

WALL IN HALL

RENT 1991 WAS

\$ 699 !!



HOLES IN WALL
←

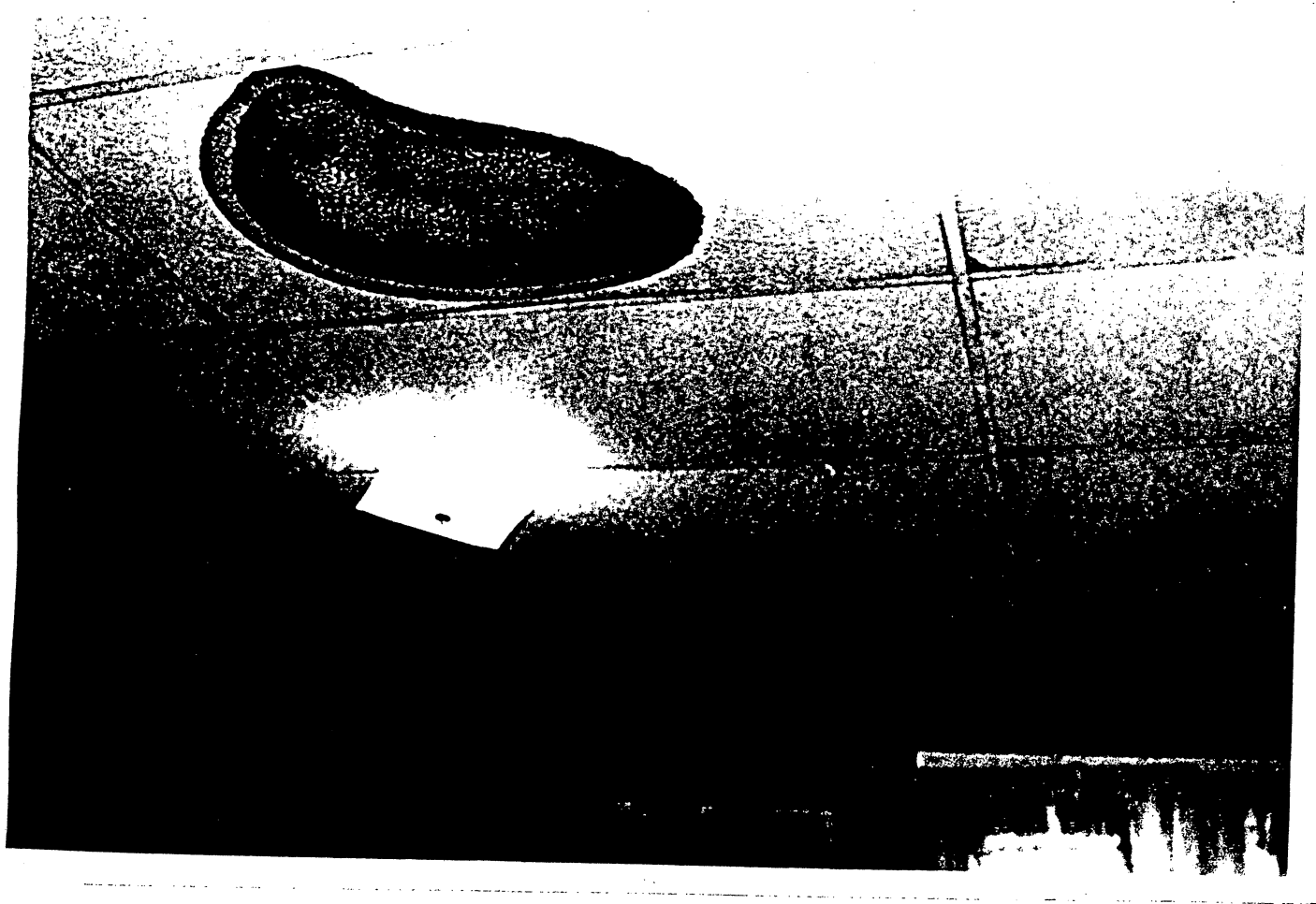
BABY'S ROOM
25 MARKET

RENT JAN



FLOOR

1991 699.!!



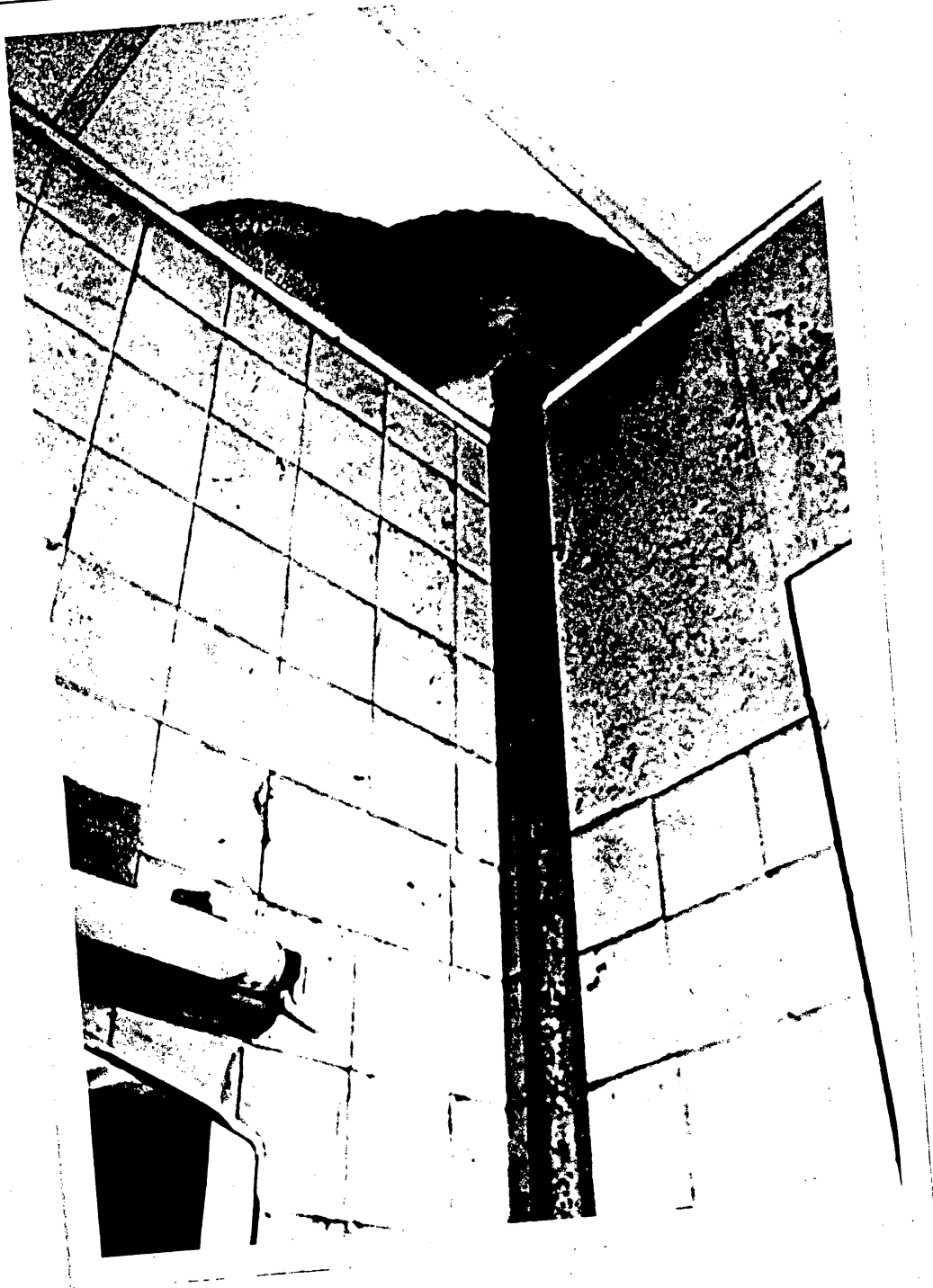
CEILING AT 23 MARKET

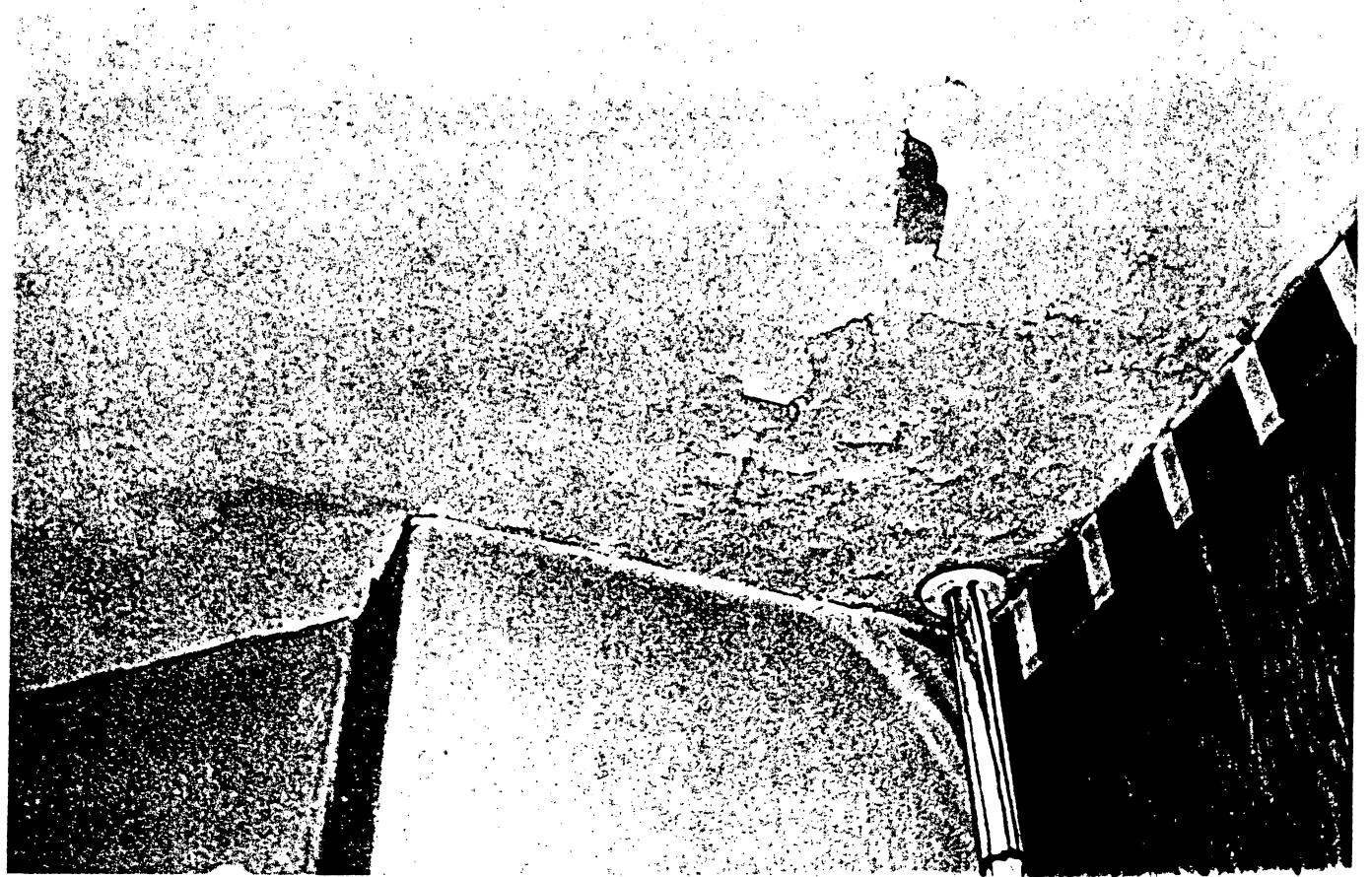
RENT 709⁰⁰ IN 1991

CEILING IN BATHROOM

AT 23 MARKET

RENT 1991 \$ 709!

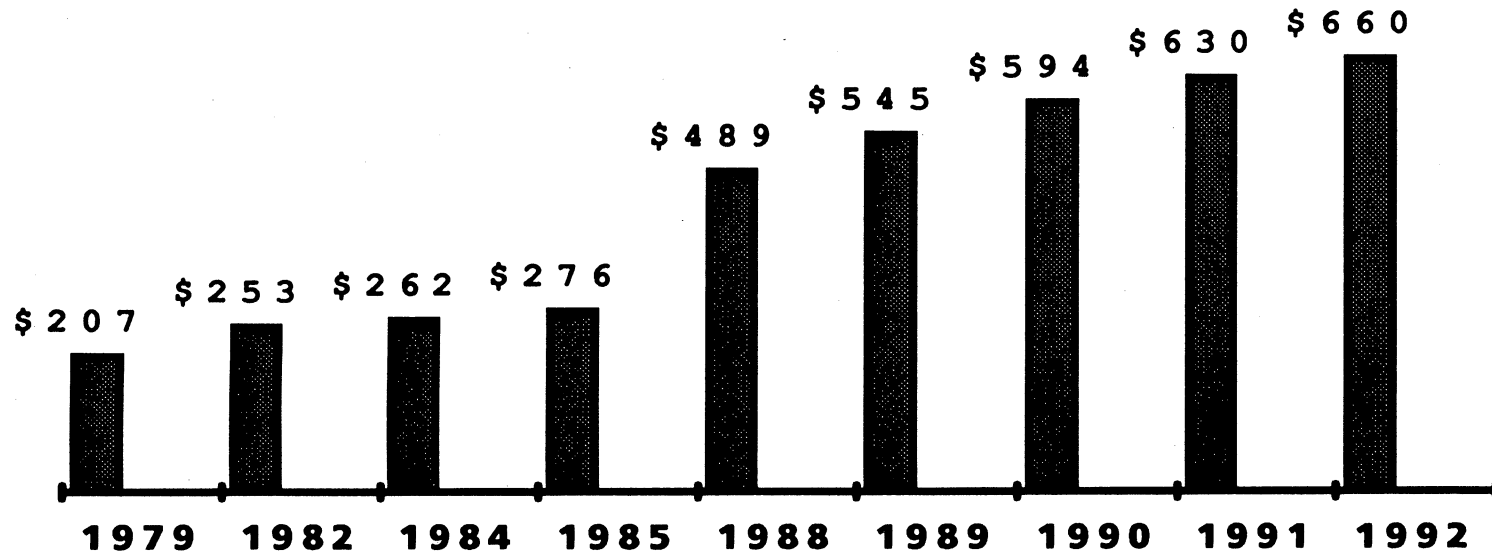




CEILING AT 23 MARKET

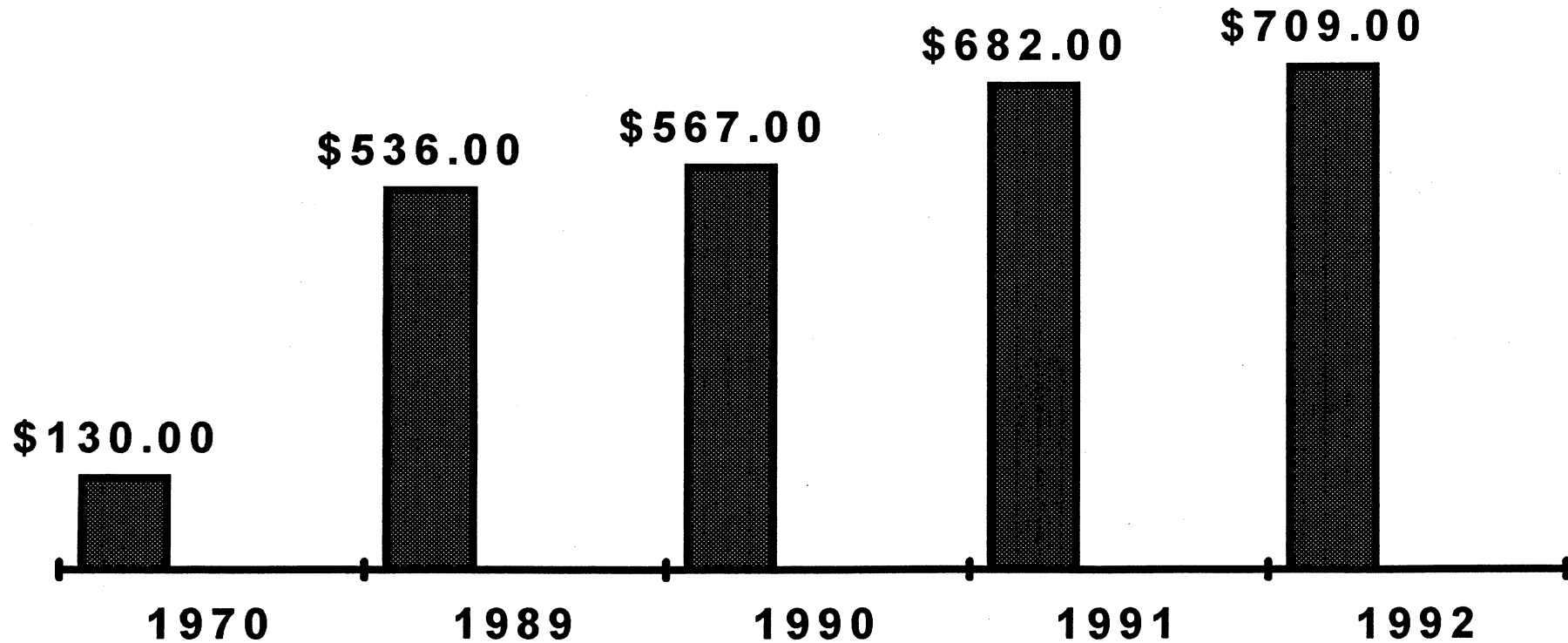
RENT 1991 \$ 709'

**266-270 WINDSOR STREET
RISE IN RENTS 1979-1992**



Average Rent Per 2 Bedroom Apt.

**19-25 MARKET STREET
RISE IN RENTS 1970-1992**



AVERAGE RENT PER 3 BEDROOM APARTMENT

To: The Rent Control Sub-Committee
From: Julia Gregory, Eviction Free Zone
Re: Rent Increases held in check by aggressive tenants: The Case of 268 Windsor Street No. 6

Where a tenant challenges rent increases, rent increases tend to be lower than for apartments where the rents are not challenged. In the case of 268-2 Windsor Street there has been an aggressive tenant who has persisted rent increases.

- In 1970 the rent for this apartment was \$165.00, the highest rent for all the units at 266-270 Windsor. (The average rent for the other units was \$135.00).
- In 1992 his rent was \$595.00, the lowest of all units at 266-270 Windsor Street. So while his apartment had the highest rent in 1970, in 1991 his rent was the lowest.

To buttress the above point, note that in 1970 266-2 had a rent of \$140.00 and in 1991 the rent was \$666.00. 268-2 had a rent of \$135.00 in 1970. In 1991 the rent was \$602.

To: The Rent Control Sub-Committee
From; Julia Gregory, Eviction Free Zone
Re: **CONDITIONS AT 19-25 MARKET STREET THAT
EXISTED BEFORE THE FIRE**

Following the presentation at the City Council on February 3, 1992, Inspectional Services conducted inspections at 19-25 Market Street at the following addresses: 21-2; 23-2; 23-3; 23-4; 25-1; and 25-2. These inspections were done after the presentation but prior to the fire.

The Sub-Committee should note that the extent of violations cited--for apartments with an average rent of \$700.00! Also, please note that 21-1; 25-1 and 25-2 were cited for possible lead paint violations and it was determined that these apartments had been deleaded.



CITY OF CAMBRIDGE

W197

INSPECTIONAL SERVICES DEPARTMENT CITY HALL
CAMBRIDGE, MASSACHUSETTS 02139 (617) 498-9013

JOSEPH J. CELLUCCI
COMMISSIONER OF BUILDINGS
AND HOUSING

HOUSING INSPECTION REPORT AND ORDER

ADDRESS OF PREMISES: 21 MARKET # 2
Number Street Apartment Number

OCCUPANT: ULLOA, CARLOS TELEPHONE: _____
Last Name First Middle I.

OWNER: RCG RCG TELEPHONE: _____
Last Name First Middle I.

OWNER'S ADDRESS: _____
Number Street City

INSPECTION REQUESTED BY: _____ DATE _____
DATE OF INSPECTION: MO. 2 DAY 14 YEAR 92 HOUR _____

STATE SANITARY CODE _____

ROOM(S)/VIOLATIONS REGULATION 105 CMR 410.

- Check for leak & Repair & Refinish Damage
- (All Rooms) Done by Leak - 500
- Repair walls and ceilings where needed - 500
- Check for leaky radiators - 351
- Repair damage done by leaks - 500
- Fumigate (Roaches) exterminate 550
- Chaulk around bath tub - 351
- Repair kit sink cabinet - 351
- non-absorbant floor - kit & bath - 504
- Have licensed lead paint inspection - 502
- Repair kit walls where needed - 500
- Repair all broken windows (sash cords) - 500
- Repair bedroom door handle - 500
- STATE BUILDING CODE SECTION REGULATIONS
- Refinish bath tub - 351
- Building Section
- Repair bed room outlet - 250

Plumbing Section _____
Electrical Section _____
(Other) Section _____

Referral to Other Agencies _____ DATE _____

RM One or more of the violations cited above is a condition which may materially impair the health, safety or well-being of the occupant(s) as determined by Regulation 410.750 of the State Sanitary Code or the Authorized inspector.

(INITIAL)
The OWNER is hereby ordered to remedy the above cited violation within 30 days or face prosecution by the City of Cambridge.

RECEIPT OF THIS INSPECTION REPORT BY THE OWNER IS NOTICE AS REQUIRED BY MASSACHUSETTS GENERAL LAWS CHAPTER 239 SECTION 8A.

SIGNED UNDER PAINS AND PENALTIES OF PERJURY: [Signature]
INSPECTOR APPROXIMATE DATE & TIME OF REINSPECTION 14 MAR. 92

CERTIFIED TRUE COPY
I THIS DAY DELIVERED A TRUE COPY WITHIN
IN HAND TO _____ ON _____ TIME _____

CONSTABLE OF CITY OF CAMBRIDGE

IS Form 65



CITY OF CAMBRIDGE

17198

INSPECTIONAL SERVICES DEPARTMENT CITY HALL
CAMBRIDGE, MASSACHUSETTS 02139 (617) 498-9013

JOSEPH J. CELLUCCI
COMMISSIONER OF BUILDINGS
AND HOUSING

HOUSING INSPECTION REPORT AND ORDER

ADDRESS OF PREMISES: 25 MARKET ST. #1

OCCUPANT: ZERON, ELVA TELEPHONE: 876-1285

OWNER: R C G TELEPHONE:

OWNER'S ADDRESS:

INSPECTION REQUESTED BY: DATE
DATE OF INSPECTION: MO. 2 DAY 14 YEAR 92 HOUR

STATE SANITARY CODE

ROOM(S)/VIOLATIONS REGULATION 105 CMR 410.

RESTORE AND/OR REPAIR STORM WINDOWS - 570
CHECK FOR & REPAIR LEAKY RADIATORS - 351
REPAIR ALL WALLS & CEILINGS WHERE NEEDED - 570
FUMIGATE (ROACHES) EXTERMINATE - 550
REPAIR STOVE - 351
HAVE LICENSED LEAD PAINT INSP. - 502

Table with 2 columns: STATE BUILDING CODE, CODE REGULATIONS. Rows for Building, Plumbing, Electrical, (Other).

Referral to Other Agencies DATE

Signature LM One or more of the violations cited above is a condition which may materially impair the health, safety or well-being of the occupant(s) as determined by Regulation 410.750 of the State Sanitary Code or the Authorized inspector.

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SIGNED UNDER PAINS AND PENALTIES OF PERJURY: INSPECTOR J. [Signature] APPROXIMATE DATE & TIME OF REINSPECTION 14 MAR. 92

CERTIFIED TRUE COPY
I THIS DAY DELIVERED A TRUE COPY WITHIN
IN HAND TO ON TIME
CONSTABLE OF CITY OF CAMBRIDGE



CITY OF CAMBRIDGE

47180

INSPECTIONAL SERVICES DEPARTMENT CITY HALL
CAMBRIDGE, MASSACHUSETTS 02139 (617) 498-9013

JOSEPH J. CELLUCCI
COMMISSIONER OF BUILDINGS
AND HOUSING

HOUSING INSPECTION REPORT AND ORDER

ADDRESS OF PREMISES: 23 Market St. #4
Number Street Apartment Number

OCCUPANT: MENDOZA, OSCAR TELEPHONE: 497-1228
Last Name First Middle I.

OWNER: RCG TELEPHONE: _____
Last Name First Middle I.

OWNER'S ADDRESS: _____
Number Street City

INSPECTION REQUESTED BY: _____ DATE _____

DATE OF INSPECTION: MO. 2 DAY 20 YEAR 92 HOUR _____

STATE SANITARY CODE

ROOM(S)/VIOLATIONS REGULATION 105 CMR 410.
BATH RM & KIT. FLOOR - NON ABSORBANT - 504
RESTORE MISSING STORM WINDOWS WHERE NEEDED - 500
REPAIR & REFINISH DAMAGED CEIL IN BATH RM - 500
SUPPLY RADIATOR VALVE KNOB IN BED RM - 351

STATE BUILDING CODE	CODE REGULATIONS
Building _____	Section _____
Plumbing _____	Section _____
Electrical _____	Section _____
(Other) <u>LEAD PAINT INSP</u>	Section _____

Referral to Other Agencies _____ DATE _____

JMM One or more of the violations cited above is a condition which may materially impair the health, safety or well-being of the occupant(s) as determined by Regulation 410.750 of the State Sanitary Code or the Authorized inspector.

(INITIAL)
The OWNER is hereby ordered to remedy the above cited violation within 30 days or face prosecution by the City of Cambridge.

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SIGNED UNDER PAINS AND PENALTIES OF PERJURY:
INSPECTOR J. Maynard APPROXIMATE DATE & TIME OF REINSPECTION 20 MAR. 92

CERTIFIED TRUE COPY
I THIS DAY DELIVERED A TRUE COPY WITHIN _____ TIME _____
IN HAND TO _____ ON _____
_____ CONSTABLE OF CITY OF CAMBRIDGE



CITY OF CAMBRIDGE

17191

INSPECTIONAL SERVICES DEPARTMENT CITY HALL
CAMBRIDGE, MASSACHUSETTS 02139 (617) 498-9013

JOSEPH J. CELLUCCI
COMMISSIONER OF BUILDINGS
AND HOUSING

HOUSING INSPECTION REPORT AND ORDER

ADDRESS OF PREMISES: 23 MARKET ST. # 3

OCCUPANT: MENDOZA, MARIA TELEPHONE: 547-2948
Last Name First Middle I. Apartment Number

OWNER: R. C. G. TELEPHONE: _____
Last Name First Middle I.

OWNER'S ADDRESS: _____
Number Street City

INSPECTION REQUESTED BY: _____ DATE _____

DATE OF INSPECTION: MO. 2 DAY 20 YEAR 92 HOUR _____

STATE SANITARY CODE _____

ROOM(S)/VIOLATIONS _____ REGULATION 105 CMR 410.

REPAIR STORMWINDOWS SO THEY OPERATE - 500
NON-ABSORBANT FLOOR IN BATH ROOM - 504
REPAIR WALL IN KIT UNDER SINK - 500
REPAIR & REFINISH WALLS WHERE
NEEDED (DAMAGE BY LEAKS FROM ABOVE) - 500
REPAIR HOLES IN BED ROOM & LIVING FLOORS - 500

STATE BUILDING CODE	CODE REGULATIONS
Building _____	Section _____
Plumbing _____	Section _____
Electrical _____	Section _____
(Other) _____	Section _____

Referral to Other Agencies _____ DATE _____

JIM One or more of the violations cited above is a condition which may materially impair the health, safety or well-being of the occupant(s) as determined by Regulation 410.750 of the State Sanitary Code or the Authorized inspector.

(INITIAL)
The OWNER is hereby ordered to remedy the above cited violation within 30 days or face prosecution by the City of Cambridge.

RECEIPT OF THIS INSPECTION REPORT BY THE OWNER IS NOTICE AS REQUIRED BY MASSACHUSETTS GENERAL LAWS CHAPTER 239 SECTION 8A.

SIGNED UNDER PAINS AND PENALTIES OF PERJURY: [Signature]
INSPECTOR _____ APPROXIMATE DATE & TIME OF REINSPECTION 20 MAR 92

CERTIFIED TRUE COPY
I THIS DAY DELIVERED A TRUE COPY WITHIN _____
IN HAND TO _____ ON _____ TIME _____
_____ CONSTABLE OF CITY OF CAMBRIDGE

White To Files Yellow to Owner Pink to Inspector Gold to Tenant



CITY OF CAMBRIDGE

FORM-2L

INSPECTIONAL SERVICES DEPARTMENT CITY HALL
CAMBRIDGE, MASSACHUSETTS 02139 (617) 498-9013

#2

JOSEPH J. CELLUCCI
COMMISSIONER OF BUILDINGS
AND HOUSING

Address of premises: 23 MARKET ST.
Occupant/Complainant: CARMEN BE PEYERZ 661-7885
Owner of premises:
Owner's address:
Inspection requested by:
date:

Table with columns: OK, IP, NP, 105, CMR, 410.000, State Sanitary Code Article II, Minimum Standards. Rows include items like Kitchen facilities, Washbasins, toilets, showers, Shared facilities, etc.

SUPPLY DOOR
KNOBS WHERE
NEEDED

NEEDED
REPAIR TO FINISH WALLS WHERE NEEDED
SEE REPAIR REAR DOOR (HOLE PLUS)

The OWNER is hereby ordered to remedy the above cited violations
within 30 days of initial inspection//within ___ days of first follow
up//within ___ days of second follow-up//within ___ days of third
follow-up, or face prosecution

Signed under pains &
penalties of perjury

Inspector [Signature] Date of initial insp. 20 FEB 93
Inspector ___ 1st follow-up insp. 20 MAR 93
Inspector ___ 2nd follow-up insp.
Inspector ___ 3rd follow-up insp.

Refer to Bldg/Elect/Plumb/Other LEAD PAINT INSP
White to files Yellow to owner Pink to Insp. Gold to tenant



CITY OF CAMBRIDGE

FORM-22

INSPECTIONAL SERVICES DEPARTMENT CITY HALL
CAMBRIDGE, MASSACHUSETTS 02139 (617) 498-9013

JOSEPH J. CELLUCCI
COMMISSIONER OF BUILDINGS
AND HOUSING

Address of premises: 25 MARKET #2
Occupant/Complainant: LOUIS PICARD tel:
Owner of premises: tel:
Owner's address: RCG
Inspection requested by: date:

Table with columns for code (OK, IP, NP, 105, CMR, 410.000), description, and handwritten notes. Includes items like Kitchen facilities, Washbasins, Heating facilities, etc.

The OWNER is hereby ordered to remedy the above cited violations within ___ days of initial inspection//within ___ days of first follow up//within ___ days of second follow-up//within ___ days of third follow-up, or face prosecution

Signed under pains & penalties of perjury Inspector: [Signature] date of initial insp: 14 FEB
Inspector: 19 MAR
Inspector:
Inspector: 3rd follow-up insp:

Refer to Bldg/Elect/Plumb/Other
White to files Yellow to owner Pink to Insp. Gold to tenant

To: Rent Control Sub-Committee
From: Julia Gregory, Eviction Free Zone
Re: Affidavit of Compliance

Attached please find two copies of rescissions of affidavits of compliance. Tenants were coerced into signing these documents but the work had not been done

Originals can be found at Rent Control Board.

FEBRAURY 25, 1992

TO: Bill Russell
RENT CONTROL BOARD
Cambridge, Mass. 02139

Dear Mr. Russell:

I would like to inform you of my intention to rescind the affidavit of compliance, sent by me to the Rent Control Board approximately two weeks ago.

A worker, employed by Resource Capital Group, presented me with the affidavit of compliance and demanded that I sign it. He led me to believe that my signature was required, in order, for him to get paid. I was not only misled into signing the affidavit but I was also put under duress. Therefore, I am asking you to find the affidavit null and void.

Thank you for your time and consideration in this matter.

Sincerely,

Raymond Lopez

TENANT

Ada Navarro

TRANSLATOR

CC: EVICTION FREE ZONE

NOTE: This letter translated by: Ada Navarro, for the signer who is
Residing at 23 Market St. Apt. 2

FEBRAURY 25, 1992

TO: Bill Russell
RENT CONTROL BOARD
Cambridge, Mass. 02139

Dear Mr. Russell:

I would like to inform you of my intention to rescind the affidavit of compliance, sent by me to the Rent Control Board approximately two weeks ago.

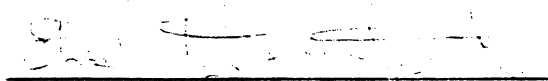
A worker, employed by Resource Capital Group, presented me with the affidavit of compliance and demanded that I sign it. He led me to believe that my signature was required, in order, for him to get paid. I was not only misled into signing the affidavit but I was also put under duress. Therefore, I am asking you to find the affidavit null and void.

Thank you for your time and consideration in this matter.

Sincerely,



TENANT



TRANSLATOR

CC. EVICTION FREE ZONE

NOTE: This letter translated by: **EHRL LaFONTANT** for the signer who is
Residing at 270 Windsor St. Apt. 6

EVICTION FREE ZONE PROPOSAL
STOP HUGE RENT INCREASES IN RENT CONTROL BUILDINGS

The Eviction Free Zone has been involved with the struggles of the tenants of Resource Capital Group, notably at Market and Windsor Streets where rents have increased an average of 250% since Alex Steinburgh bought the buildings. As a result of our personal experiences with these particular struggles, we are suggesting certain changes in how the rent control system operates, particularly with regard to the approval process for rent increases.

Our members experiences as Market and Windsor Street tenants reflect the common struggles of many rent control tenants throughout Cambridge but particularly in Area Four and Central Square--that part of Cambridge which has the most depressed housing stock and the largest non-English speaking population. We have found instances of inflated costs of improvements--which are difficult to discover unless the tenant is aggressive, aided by an advocate and aware of contracting procedures. We also have found many instances of poor workmanship and repeated citations for the same conditions. It is difficult not to draw the conclusion that one of the major reasons why the housing conditions in this part of Cambridge are so deplorable while the rents are exorbitant is in large part due to the particular families who live in the large rent control buildings in this part of Cambridge who are least equipped to fight the rent increases,

- They are not able to adequately participate in rent control hearings as currently structured. Our members are hard-working, many of whom work more than one job to feed their families. Taking time off to attend hearings during the day is a financial hardship. Some of our members fear that they may lose their jobs if they are absent for the hearings. Equally frustrating is an all too common occurrence for the hearings to be delayed, further eating into the member's precious time.

- They often do not speak English well if at all. It is easy to feel intimidated when one must speak in a forum where the primary language is not-familiar.
- They are often intimidated by their landlord. Our members are frequently harassed by landlords and management personnel. To our members who are unfamiliar with "democratic processes" it is easy to be thwarted from participating in an unfamiliar and formidable process.
- They are unfamiliar with legal procedures. Some of our members come from countries where any questioning of the system leads to severe reprisals. The Rent Control system is not "user-friendly".

Under the current system for rent increases, it is difficult for tenants to protect themselves from unwarranted rent increases. And this process is particularly cumbersome and inaccessible for those tenants who are unable to aggressively fight the increases.

We propose that the City investigate extending the type of landlord-tenant negotiations which now take place under the low-interest loan program for small landlords. There is no reason why such negotiations are limited to cases where the City provides money. We propose that landlord and tenants negotiate in advance the nature and extent of capital improvements. In return for such negotiation, landlords receive "pre-approved rent increases" and the tenants have a voice before the improvements are done as to the nature, extent and cost of the proposed improvements.

Under the current system if the tenants are unhappy about rent increases their primary remedy is to oppose landlord's claims at rent control hearings-- after the improvements have been done. This remedy is unsatisfactory from the point of view of landlords who have already done the work and want the increase, from the tenants who must pay for the improvements, from the city who must spend many administrative hours conducting hearings.

While we do not have a detailed proposal for implementing this program, any such program must include the following elements:

- PROPOSED RENT INCREASES SHOULD BE TRANSLATED AT LEAST INTO HAITIAN KREYOL, SPANISH AND PORTUGUESE. (IT IS NOT ENOUGH TO SAY "GET THIS TRANSLATED")
- PROPOSALS FOR CAPITAL IMPROVEMENTS SHOULD INCLUDE THE EXACT AMOUNT OF THE RENT INCREASE IF THE LANDLORD RECEIVES THE ENTIRE INCREASE FOR WHICH HE IS ASKING.
- AFFIDAVITS OF CONDITIONS AND AFFIDAVITS OF COMPLIANCE SHOULD BE TRANSLATED. TENANTS SHOULD BE ALLOWED TO WITHDRAW AN AFFIDAVIT OF COMPLIANCE IF THEY CAN DEMONSTRATE THAT THEY DID NOT UNDERSTAND WHAT THEY WERE SIGNING.
- COMMON AREA CONDITIONS CITED IN AN AFFIDAVIT OF CONDITION SHOULD HALT RENT INCREASES FOR ALL APARTMENTS WHICH USE THAT COMMON AREA UNTIL THE REPAIRS TO THE COMMON AREA HAVE BEEN MADE.
- WHERE THE RESULTING RENT INCREASE IS MORE THAN \$20.00 PER MONTH, ONSITE INSPECTION OF CAPITAL IMPROVEMENTS SHOULD BE MADE.

Many other elements which are necessary to a successful pre-approval program are already in place-- technical assistance to landlords and tenants, and mediation services as provided by the Housing Services program, and only need enhancement. It is our belief that none of which we are proposing will cost additional funds. Rent Control will need to hire additional (and impartial) inspectors. This cost will be offset by a decrease in the number of hearings and administrative work in connection with such hearings.

To: The Rent Control Sub-Committee

From: The Eviction Free Zone

Re: Resource Capital Group and sub-standard work

Attached is some information about work done at 102 Hampshire St., Apt. 2 by Resource Capital Group. The tenant, Luis Pires, an Eviction Free Zone member, who is knowledgeable about carpentry and general repairs disputed the documentation about the quality of work. After a hearing on March 5, 1987 when the hearing officer allowed for a rent increase, Mr. Pires appealed the decision before the Rent Control Board on 12/2/87 and demanded an inspection and that the documentation reviewed. The hearing examiner inspected the property on 1/19/88 and recommended that the increase be rescinded retroactively and with prejudice. In addition, the examiner recommended that the case be referred to the Board's General Counsel for possible prosecution.

The Board rescinded some of the work done to the windows and asked Resouce Capital Group to re-do some of the work in the bathroom.

The file on this case is voluminous. We would urge the Rent Control Sub-Committee to read the examiner's report. The tenant spent many hours fighting this case. He is out of the country or he would be here this evening to tell you himself about the injustice.

ADDENDUM

CASE: RA686-364 (APPEAL)
ADDRESS: 100A - 102 HAMPSHIRE ST.
EXAMINER: PHILIP C. MYRICK
HEARING: FEBRUARY 23, 1988
DATE: MARCH 5, 1990

*** **

The hearing was conducted pursuant to G.L. c30A I explained to the parties that this hearing would be their only opportunity to present evidence; that appeal of the decision would be limited to a review of the Rent Control Records; and that all parties had a right to bring a legal representative, to call and examine witnesses, introduce exhibits, cross-examine witnesses, and submit rebuttal evidence. I administered the oath to all persons intending to testify.

The following persons were present for the hearing

John Schwagerl	General Partner	Peerless Property Services
Rod Buttry	Property Manager	Peerless Property Services
Stanley Bowden	Owner	
Chris Burns	Comptroller,	R.C.G.
Louis Pires	Tenant	102-2
Jose Sores	Tenant Representative	C.E.O.C.

Exhibits

Examiner's Exhibit	A	addendum for hearing held on 3/5/87
	B	10/16/87 Reg. 76 review report

	C	10/30/87 computer print out
	D	12/10/87 notice of ruling
	E	1/27/88 Board ordered inspection report
	F	3/2/88 notice of ruling for EVO87 181, 182
	G	10/25/88 inspection report from Buddy Packer
Landlord Exhibits	A	2/23/88 request to revise the claimed amounts for some improvements

Note: Please read Exhibit E, original inspection report.

INTRODUCTION

This case was docketed on January 7, 1987. A hearing was held on March 5, 1987 and the notice of rent adjustment was mailed to the parties on June 29, 1987. (Exhibit A)

On July 8, 1987 Louis Pires, the tenant in unit 102-2, and other tenants objected to the report and asked that it be sent to the Board. Mr. Pires sent a subsequent letter detailing his concern.

The case was presented to the Board on December 2, 1987. The Board ordered that the rent increase remain in effect but further ordered that I inspect the common area hallway work and the bathroom work.

I conducted the inspection on January 19, 1988 and found that the work claimed by the owner was of very poor quality and was not accurately described in the petition for a rent adjustment. I then wrote a report (Exhibit E) describing what I had seen and recommending that the increases allowed for bathroom and hallway work be rescinded and further that the entire rent adjustment be rescinded until an inspection of all work was performed.

On February 17, 1988 the Board voted to rescind the rent adjustment but ordered that the owner be given an opportunity to respond to the Inspection Report.

Meanwhile the owner brought eviction petitions against the tenants in units 102 #2 and 102 #3 for failure to pay the rent increase allowed in this petition. These petitions were denied by the Board on March 2, 1988 because of the February 17, 1988 decision to rescind the rent adjustment.

On February 23, 1988 an inspection/hearing was held at 102 Hampshire Street. All persons testified under oath.

A.

WORK IN UNIT 102-2

I recommend that the amount allowed for work in Mr. Pires' unit be permanently rescinded. Based upon the second inspection I find that the work, just some two years after its completion, is not worth even one-third of the cost claimed.

\$2,253 was originally allowed for the work in unit 102-2 - \$1,439.17 for shower walls, tiles, anti-scald valve and mylite for the walls, \$813.46 for a vent fan in the bathroom and an extra circuit in the kitchen. At the second hearing the owner reduced the latter claim to \$264.21 since the fan is non-functioning because it was not vented and the new circuit was a mistake and was to be removed.

I find that the value of the electrical work to the tenant was at most \$50.00 for the raising of one outlet.

As to the bathroom work I find that work was not in line with the cost. Further I find that there is little value left in the work.

There can be no acceptable reason for the new tiles in the shower wall bulging as they do. The problem that caused the bulge should have been corrected before the new tile was laid. A less than professional job was done at a professional price. Razor marks were made on the linoleum floor when the workmen cut the wallboard and Mylite. A hole was left in the children's bedroom with electrical wires sticking out.

Under these circumstances the Board should deny the claim in entirety. To attempt to put a value on work done in an unprofessional and sloppy manner will only encourage such practices.

B.

COMMON HALLWAYS

I originally allowed the full \$10,053 claim for hallway renovations, broken down as follows:

sheetrocking, taping and sounding	\$4,000
painting	2,554
woodwork, chair rail, banister, stain bracing	1,002
lighting	786
treads and runners	653
cutting out bulging sheetrock	444
site prep and clean up	253
window, glass and door repair	182

I recommend allowing \$4000 for sheetrocking, \$2,554 for painting, \$786 for electrical, and \$200 for the woodwork and banister work for a total of \$7,549.

However I recommend that this total be reduced by 10% because of the extremely poor work done on the common area windows and because the work was unreasonably expensive and could have been done for a substantially lower price.

I find that \$4,000 would be approximately what a professional dry walling company would have charged for the complete job, including cutting out the bulging plaster, removal and reinstallation of chair rails, and clean up. By having Peerless do the work at an hourly rate an unreasonable burden has been placed on the tenants.

I find the labor component of this expense to be excessive. I was not persuaded by the owner's representatives' argument concerning unforeseen problems in removing bulges from the walls and ceilings, such as lathing coming away from the wall or discovering there was nothing underneath on which to fasten the patch.

Any contractor knows that in an old building studding is likely to be off center and that there is always lathing behind the original plaster which can come loose from the studding while removing sections of plaster. Also since the walls were to be covered with new sheet rock there is no reason why the drywall used to cover the hole cannot be fastened directly to lathing. Further the bulging sections of plaster could have simply been cut out and the hole left unpatched since new dry wall was being installed anyway.¹

I did not observe \$653 worth of tread repair. The \$253 allowed for prep and clean up should have been included in the cost. The \$182 for window repair was removed by the owner because the work was of such poor quality.

I do not believe that \$1,002 worth of work was done to the chair rails, banisters, woodwork, or stairs. Removing and reinstalling the chair rails should be included in the \$4000 cost for sheetrocking.

It should have cost no more than \$200 at most for the woodwork

¹ I find the owner's alleged great concern with having a solid surface behind the hallway walls less than credible while tolerating a hall window in the same hallway to be repaired in such a way as to be a serious danger especially to children, allowing a bulge to remain in the bathroom wall of 102-2 after repair, and installing a vent fan with no venting.

and banister work which I allow.

As for the stair bracing I find that the brace is of no benefit. If the stairs are being prevented from bouncing it is being done by a few nails and not the bracing system which was built. The stairs are now at their lowest point of sag. Otherwise the nails would have been pulled out by now and the stairs would indeed have sagged further, to the point of eventually resting on the bracing system.

If the stairs ever did bounce, which was allegedly the reason for building the bracing system, they are now being inadequately supported by a few nails. If the stairs ever sag sufficiently to rest on the bracing system I find that the bracing system seems adequate to support the stairs.

Philip Myrick
Hearing Examiner

RE: RA660
100A-101 Hampshire Street

The following series corresponds to the numbered sections of the computer print-out.

1. Pursuant to Regulation 76-04(d) a hearing was scheduled to determine the existence of substantial issues concerning the herein claimed capital improvements. A hearing was held on March 5, 1987. The following persons were present for the hearing:

Louis Pires	Tenant 102-2
Jose Soares	Friend and interpreter for tenant at 102-2 Louis Pires
Jose Pina	Tenant 102-1
Luciano Pires	Tenant 102-3
Chris Burns	Controller R.C.G.

- 1.2 The tenant at 102-2 Hampshire Street, Mr. Louis Pires at the time and day of the hearing requested a continuance in order to prepare for the hearing because he claimed that he did not receive ~~any~~ notice. The continuance was denied by this examiner. The continuance was denied because Mr. Pires waited until the day of the hearing before requesting the continuance. The decision was also based upon this examiner's belief that the request was not requested in a timely fashion, in that Mr. Pires through a friend/interpreter, Jose Soares, had contacted this examiner at least four or five days before the hearing in relation to the petition. Mr. Soares was also present for the hearing as an interpreter for Louis Pires. I advised Mr. Pires that he could request a review of my report before the Board if he was not satisfied.

	<u>Description</u>	<u>Cost</u>	<u>Year Completed</u>	<u>Units Effected</u>
3.1.1	Intercom	\$1,668	1986	All

This system is for a new intercom system with suite phones, power supplies, electric door openers and four button sets with directories. Submitted as documentation was a bill from Mr. Build America Wiring Corp. and a copy of the cancelled check. I will allow \$1,668.00 for this item with a fifteen year useful life.

3.1.2	Hallway Renovation	\$10,053.00	1986	102-1,2,3, 4
-------	--------------------	-------------	------	--------------

This item is for installing new sheetrock in approximately 818 sq. ft. of walls and 712 sq. ft. of ceilings in the hallway and painting complete. The hallway stairs were jacked up and repaired and the

3.1.2 Continued

waincotting was patched and painted and windows repaired. The cost for this item was revised from \$10,700 to \$10,052.62 at the hearing. Submitted as documentation were bills and cancelled checks. The work was done by Peerless Property Services and American Wiring Corp. I will allow \$10,053.00 for this item with a fifteen year useful life.

3.1.3 Heating Systems \$12,572.00 1986 102-1,2,3, 4

This item is for installation of four new gas fired forced hot water boiler with one zone per unit. Submitted as documentation was a contract from T.M Clifford Plumbing and Heating Co. and copies of cancelled checks totalling \$12,000.00. In addition, the following items claimed in conjunction with this work was done by Peerless Property Services and are listed and are determined as follows:

Invoice #1782 prepare and deliver notices \$18.75 - disallowed as management.

Handyman II, help install heating system - \$225.00
I will allow the expense.

Handyman II help install heating system - \$27.00
I will allow the expense.

Misc. II - deliver notices concerning installation of heating system - \$11.25 - disallowed as management.

Invoice #1636 - Materials, push broom and trowel. - \$27.02 disallowed as a non-consumable tools.

Invoice #2072 take key to electrician to wire new boiler - \$18.00 disallowed as management.

Also included is \$320.00 for removal of depriss and two boilers from the basement. I will allow \$12,572.00 for this item with a fifteen year useful life.

3.1.4 Water Heater \$365.00 1986 102-2

This item is for installation of a new gas fired 40 gallon water heater. Submitted as documentation was a bill and cancelled check. The work was done by T.M. Clifford Plumbing and Heating Co. I will allow \$365.00 for this item with an eight year useful life.

3.1.5 Bathroom \$2,253.00 1986 102-2

This item is for removal and installation of new shower walls, tile and shower valve and painting the bathroom with two coats. The work was done by Peerless Property Services for a cost of \$1,439.17 as documented by bills and a copy of the cancelled check. In addition, electrical outlets were raised up because they were covered by the heating source and a bathroom fan and a separate 200 amp circuit and receptacle was installed. The work was done by American Wiring Corp. for a cost of \$813.46 and was documented by a bill and cancelled check. I will allow

3.1.5 Continued

\$2,253 for this item with a fifteen year useful life. Please note that an additional expense for \$264.21 from Beacon Hill Plumbing was incorrectly billed to unit 102-2. Chris Burns submitted a letter dated May 11, 1987 which stated that this bill was for unit 102-3.

3.1.6 Renovation \$576.00 1986 102-3

This item is for installation of a new kitchen faucet and bathroom faucet and repair of the shower valve. The work was done by Beacon Hill Plumbing and is documented by a bill for \$246.21. Of this amount an estimated \$25.00 has been removed for work that was performed in unit 102-4, "replacement of lift wire in water closet". In addition \$46.89 is included in this item for soap dish and paint materials and is documented by a bill from Peerless Property Services. Also included is \$308.00 of a \$1,121.46 bill from American Wiring Co. for installing a fan in the bathroom and installing a new 20 amp circuit and receptacle. The expense was documented by a bill and cancelled check. I will allow \$576.00 for this item with a fifteen year useful life.

3.1.7 Door locks \$587.00 1986 All

This item is for installation of new electric door locks. The work was done by Peerless Property Services and was documented by bills and cancelled checks. I will allow \$587. for this item with a fifteen year useful life.

3.1.8 Steps \$191.00 1986 All

This item is for rebricking the exterior steps. The work was done by Peerless Property Services. Petitioner claims \$198.94 but the submitted documentation totaled \$191.44. I will allow \$191.00 for this item with a fifteen year useful life.

3.1.A At the hearing the petitioner withdrew two improvements due to lack of documentation, #4 on the petition sink for 102-1 for \$195.00 #9 on the petition Apartment Renovation for 102-4 for \$1,000.00.

Respectfully submitted,

P.C. Myrick
Philip C. Myrick
Hearing Examiner

6/4/87

EXHIBIT "B" 123

Regulation to 76 Review Report

RE: RA686 364
100A-102 Hampshire Street

DATE: October 16, 1987

On July 16, 1987, this office received a letter written Jose A. Soares, on behalf of Luis Pires, a tenant at 102 Hampshire Street, #2 requesting that the above numbered case be presented to the Board for review.

Mr. Pires concerns consists of the following:

1) Door Locks

He checked at Inman Sq. Hardware store the cost for each electric lock at about #35 totalling \$70. It would take him one hour to install two locks. Peerless Property Services is overcharging R C G for one hour of labor (\$500).

2) Heating Systems

He claims he was already charged for this item in the fall of 86.

He disputes the charge for Peerless Property Services Handyman \$225 plus \$27 and \$320 for removal of boilers from the basement. Again P.P.S. is overcharging the landlord. To remove two boilers would take him no more than two hours work.

3) Steps

Rebricking of exterior steps was only done at 100A. \$191 should be attached only to 100A Hampshire Street.

4) Hallway Renovation

Again P.P.S. is overcharging LLD. Mr. Pires claims that materials could cost no more than \$1000. P.P.S. charged \$9000 for labor. He disputes this amount.

5) Mr. Pires disputes the amount of \$2,253. He claims that materials could not cost more than \$300. The work

was done by Peerless Property Services and they charged almost \$2,000 for labor.

Mr. Pires concerns are addressed in the order listed above.

3.1.7 Door Lock \$337 All

The petitioner submitted a total of four bills totalling \$351.45. All from Commonwealth Lock Company. Also included was a bill from Peerless Property Services totaling \$235.90 for installing the lock and cutting down jambs to fit. the expense still seems reasonable and this examiner recommends that the allowance stands as is.

3.1.3 Heating System \$12,572.00 102-1,2,3,4

Upon review of previous rent adjustment petitions for the property I saw that in petition RA286 160 that an allowance for new heating systems had been allowed for 100A units 1,2 and 3. There are no previously allowed capital improvements for heating systems for unit 1,2,3 or 4 at 102 Hampshire Street. The \$225.00 and the \$27.00 that Mr. Pires refers to as being for removal of the older boiler is actually for assisting the plumber in installing the new boilers.

I find that the expense for assisting the plumber to still be reasonable and recommend that it remain as part of the expense for this item. \$320.00 was allowed for removal of two boilers and cleaning up of debris. Submitted as documentation was a copy of the bill from Joseph Baker marked "paid" Mr. Pires states that it should take no more than two hours to remove two boilers. I find Mr. Pires estimate to be unrealistic. Even using two people, it would take more than two hours to break up the boiler and carry it out to a truck to take to a dump. I recommend that the expense for the removal of debris and two boilers remains as is.

3.1.8 Steps \$191.00

I called Chris Burns at R.C.G. and was advised that the rebricking of the steps was actually for the 100A portion of the building. I have therefore corrected the computer printout to reflect this. This correction results in a \$1.00 increase for unit 100A-1 and a \$1.00 decrease for units 100A-4, 102-2&3 with no change in the adjustment for units 100A-2&3 and 102-1&4. The 5% increase allowed in the 1987 general adjustment was added onto what the present rents were before this adjustment.

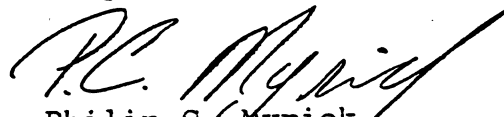
3.1.5 Bathroom

Again, Mr. Pires gives no argument or reasonable evidence to substantiate his claim of third expense being too high. Upon re-examination I find the expense for this item to be reasonable and recommend that the allowance remain as is.

3.1.2 Hallway Renovation

Mr. Pires gives no argument or evidence to support his claim of the expense being too high. Upon re-examination of the petitioner's documentation I found that the expense for this item still to be reasonable and recommend that the allowance for this items stands as is.

Respectfully Submitted,


Philip C. Myrick
Hearing Examiner

PCM/jmj



SECRET "D"

CITY OF CAMBRIDGE

678 MASSACHUSETTS AVENUE
CAMBRIDGE, MASSACHUSETTS 02139

TEL 498-9077

RENT CONTROL BOARD
D. MARGARET DRURY
EXECUTIVE DIRECTOR

Date: December 10, 1987

Case No.: RA686 364

Property: 100A-102 Hampshire Street

Notice of Ruling

(Please see Notice of Appeal Rights)

The Board at its meeting of December 2, 1987 voted by a 5-0 margin to affirm and adopt Hearing Examiner Philip Myrick's findings and recommendation in the above-entitled case. However, the Board also requested that Mr. Myrick inspect the common area hallway work and the bathroom work in unit 102-2. If as a result of his inspection Mr. Myrick believes that additional fact finding or consideration of the allowance for this work is required he may schedule another hearing or request additional documentation. If after inspection he finds no additional consideration is necessary, he shall so report to the Executive Director. The rents recommended by Mr. Myrick are final rents and shall stand as such unless he recommends reconsideration.

PER ORDER OF THE BOARD

D. Margaret Drury
D. Margaret Drury
Executive Director

DMD/jmj

cc: Case File
 Reg. File
 Docket Clerk
 Computer
 Cheryl Donohue
 Phylip Myrick

REPORT CONCERNING THE BOARD'S NOTICE OF RULING
Board Ordered Inspection ReportRE: RA6 86-364
100-102 Hampshire St.

January 27, 1988

The Board at its meeting of December 2, 1987 requested that I inspect the common area hallway work done at 102 Hampshire St. and the bathroom work in unit 102-2. The inspection was conducted on January 19, 1988.

Present for the inspection were the following:

Luis Pires Tenant at 102-2
Jose A. Soares Community Organizer / interpreter, C.F.O.C
Also present for the inspection was a representative from Peerless Property Services who stated at the inspection that this was the first time that he had ever been inside of 102 Hampshire St..

I first inspected the bathroom at 102#2. The petitioner claimed \$1439. for this item and was allowed to amend the amount to \$2253. to include an item for electrical work done to the unit. I saw that the tub area had ceramic tiles running approximately three feet (3') above the tub on three walls, approximately twenty-nine inches by fifty-nine inches by twenty-nine inches, (29" X 59" X 29"). The work was very unprofessional. The surface the tiles were applied to was not smooth, thereby causing the tiles to be uneven and bulging. Grouting was applied between the bottom row of tile and the tub instead of caulking which should have been used to allow for expansion. I consider that fact common knowledge to the least handy of handypersons or maintenance personnel. Because of this critical lack of professionalism, the grouting between the tub and the tiles is already loosening and starting to fall from the wall, thus allowing moisture to penetrate underneath the tiles and causing the adhesive to fail and eventually the tiles to become loose and fall off the wall. Although this might seem to be a small item, not doing it properly almost insures that the work will not last if the tub is to be used for baths as well as showers. I saw that one tile had already fallen from the wall and that others were loose. In short I found the tile work done around the tub something that no professional would care to take credit for.

The situation concerning the marlite I found equally disturbing. The marlite is installed from the baseboards to a height of approximately four feet (4') up the walls. This marlite was bulging and loose from the walls. A section of it located next to the toilet fell from the wall as I touched it. Upon closer inspection I saw that the section was held to the wall by two long nails into the plaster, these two nails also were used to

2

attach the toilet paper holder to the marlite.

I find that the expense claimed for the bathroom work is exorbitant. The expense claimed far exceeds the worth of the work and bears no reasonable relationship to the work that was done. The repair job and painting done to the walls I found to be professional, the repair to the ceiling adequate.

In regard to moving the electrical outlets up to allow for the installation of baseboard radiators; I saw that these outlets were moved on walls other than where the baseboards were installed. There were no electrical outlets on the walls where the baseboard radiators were installed. Further, Mr. Pires directed my attention to the wall next to the kitchen sink. I saw two electrical outlets. Mr. Peres stated that one of these outlets had always been there and that the electrician installed another one right next to it. Mr. Pires stated that he had no use for two outlets in that location and that he had not asked for it to be installed. I inspected the two outlets and found that one seemed to be recently installed and that the other was original or at least not recent.

I saw a hole approximately 3" X 4" located in what I have titled the children's room, as both bedrooms are off the kitchen. Mr. Pires stated that the electrician made the hole and left without installing the outlet. I saw the wiring still located within the wall. Mr. Pires had taped up the hole. He stated that it was done to prevent his children from reaching down there and touching the wires as he assumed them to be live. I could make no determination as to whether the wires were live as I did not have that type of testing equipment with me. The electrician installed one new outlet in the living room.

It is my opinion that much of the electrical work was unnecessary and of no benefit to the tenant and unprofessional in that a large hole was left in one of the walls by the electrician.

I next inspected the common hallways. I saw that 1/4" dry wall or blue board had been installed over the original plaster walls and ceilings. At the hearing Chris Burns stated that all walls and ceilings had been replaced. The invoices state that thirty-three and half hours were spent cutting out bad sections of walls and ceilings and that 188 L.F. of chair rail was removed and reinstalled. This evidence, along with the cost of the work, led me to believe that the walls and ceilings or at least a large majority had been replaced down to the studs. At the hearing Chris Burns stated that extensive repairs and replacement was done to the wainscoting in preparation for painting. I saw one small section on the stairwell leading up to the second floor that had been patched. This patch job was amateurish in that the patch did not blend with the existing surface.

There were nail holes that had not been filled and nails protruding from the surface that had been painted over.

I could make no determination as to whether the chair rails had been removed although if they had, I do not understand why. If the old plaster had been removed down to the studs and replaced removing the chair rails would make sense, that is the reinstalled chair rail would hide the place where the new drywall and old plaster behind the wainscoting met. However, this was not done here. Additionally it seems to this Examiner that spending some thirty-three hours cutting out bad sections of plaster is wasted labor in that new dry wall was installed over the originals.

I determined that very little or no preparation was done to the wainscoting and that simply a new coat of paint was applied over the original. I also note that at the hearing Mr. Pires stated that he had painted the wainscoting for the previous landlord about three years ago and that the wainscoting did not need repainting. I therefore find that the improvement as claimed was not made.

I next inspected the stairs. At the hearing Chris Burns stated that the stairs had to be jacked up because they were coming away from the wall and that this work might have incurred a lot of the expense. I saw that on the second floor landing there is in place a bracing system constructed of 2X4s attached to the stringers or stair carriage leading to the third floor. Both the second and third floor stairs had spaces between the stair threads and the wall. Between the stringer and this supporting brace I saw a space approximately 1/8", thus there is some question as to whether the brace is actually supporting the stairs. Mr. Pires stated at the inspection that the stairs are the same as they were before they were jacked up. The space between the stairs and the wall is approximately 1/4" at its widest. If Mr. Pires's statement is true concerning the stairs then I question what caused the owner to attempt to jack them up in the first place. The stairs coming away from the wall does not automatically mean a safety problem concerning the stairs. The separation from the wall could be caused by the building settling, a fault with the foundation, which might or might not impact on the safety of the stairs. I would suggest that the Board request that the landlord provide information as to why the work was done. I find at this point that the work did not benefit the tenants in that the same condition still exist.

The petitioner claimed \$714.65 to wire the common hallways with new wall light fixtures. I saw that there were already ceiling light fixtures installed in the ceiling at each landing thus I found the work to be duplicative and of no benefit to the

tenants.

I inspected the windows. Chris Burns stated at the hearing that some minor work was done to the common area windows.

In the documentation \$234. is claimed in labor alone for work done to the windows. I saw that most of the windows sashes were new or very recent and they were not painted. All sashes were very loose with ropes, pulleys and in some windows, counter weights missing. Window parting beads that seemed to be recently installed were unpainted, loose and away from their grooved seating. I saw that one sash had been installed upside down and backwards, that is, it was a top sash that was installed as a bottom sash and the puttied side of the sash was facing inside. Mr. Pires in an effort to demonstrate how poorly fitted the windows were, unlocked the windows meeting rails and the top sash came crashing down. This top sash had no pulleys or ropes and only Mr. Pires quick reflexes saved him from having his fingers smashed. A child might not have been as lucky. I saw that most of the window sills, where the bottom sash meets the sill were rotted through and there were gaps between the side stops and the interior casing. One window I inspected, I saw that instead of replacing the side stop to match, had a 1/2" X 2" stock of wood nailed in. The correct stock would of cost no more than \$2.. In short, whatever repair work that may have been done to the window was done in a very shabby manner and left in an unsafe condition.

It is clear to this Examiner that the work claimed, the documentation submitted and the testimony given did not accurately reflect the work that was done.

At the inspection Jose Soares requested that I inspect unit #3 because he felt that I would see much of the same conditions described in this report. I said to Mr. Soares that I had been instructed to inspect specific areas and I was not sure if I had the authority to go beyond that scope. I declined to inspect the unit. I recommended to Mr. Soares that he submit a written request to the Executive Director.

Additionally, I note that all tenants in the building are Portuguese and that the owner may have taken advantage of their status by filing a petition which upon inspection appears to be fraudulent. I do not believe that these same claims of work quality would of occurred in relation to a property such as 288-290 Harvard St. where english speaking tenants have the resources and ability to advocate on their own behalf without fear of reprisal.

FINDINGS

I find that the claimed amount for the bathroom work and the electrical work to be excessive.

I find that the quality of the work done in the bathroom with the exception of the plumbing and the refinishing of the walls to be shabby, unprofessional and unacceptable.

I find that the electrical work, moving the outlets up to allow for the baseboard radiators, to be of no benefit to the tenant in that the radiators were not installed on those walls where the work was done and that the work was in some part duplicative, and that, therefore the claimed improvement was never made.

I find that this Examiner was misled to believe, through the testimony at the hearing and the documentation, that the common area hallway walls and ceilings were replaced down to the studs.

I find that, contrary to Chris Burns's testimony, that very little to no preparation was done to the wainscoting.

I find that the windows were left in an unsafe condition.

I find that little to no repair was done to the windows and that contrary to what is listed on the bills, the windows were not painted.

I find that the electrical work done in the common area hallways to be duplicative in that lighting already existed.

I find that the jacking up and supporting the stairs to be of no benefit to the tenants in that the stairs are still away from the walls and the supporting structure installed does not seem to be supporting the stairs.

In addition if it is found that the wires inside the wall, where the hole was left by the electrician to be live, then I would find the electrician and the owner negligent and the work VERY unprofessional in that it is quite obvious that the room is that of a child.

RECOMMENDATIONS

I recommend that the increase allowed for "bathroom" in RA686-364 be rescinded retroactively and with prejudice.

I recommend that the increase allowed for "hallway renovation" in RA686-364 be rescinded retroactively and with prejudice.

I recommend that the rent increase allowed in RA686-364 be taken away until an inspection of all of the improvements claimed within said petition is made either by this inspector or Buddy Packer.

I recommend that this case be referred to The Board's General

Counsel for possible criminal prosecution.

I recommend that in all future rent adjustments involving R.C.G. or Peerless Properties that an inspection be performed of the capital improvements claimed.

Respectfully Submitted

Philip C. Myrick

Hearing Examiner

MEMORANDUM

To: Terry Morris
From: Buddy Packer
RE: rents at 19-25 Market St.

<u>DATE</u>	<u>AVG. RENT</u>	<u>notation</u>
1-92	\$709	1992 GA
1-91	\$682	1991 GA
11-90	\$609	RA2-89-138
1-90	\$552	1990 GA
9-89	\$536	RA6-89-023 (capital improvements only)
3-89	\$473	1989 GA
2-89	\$450	RA2-88-016
3-88	\$436	RA2-87-141
6-85	\$290	1985 GA
4-83	\$312	RA2-81-272
3-82	\$217	1982 GA
11-80	\$158	1980 GA
8-79	\$145	1979 GA
6-75	\$152	1975 GA
9-73	\$129	1973 General Adjustment
1967	\$91	rents registered, accepted as actual

The current average rent of \$709 consists of roughly:

Net Operating Income	\$151
Capital Improvement Allowance	\$91
Water	\$100
Taxes	\$24
Heat	\$97
Insurance	\$36
Management Allowance	\$45
Electricity	\$7
Maintenance repair, etc.	\$158

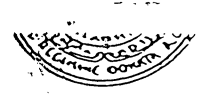
The above figures are based on RA2-89-138 the most recent rent adjustment for this property. The regular hearing process took place for this adjustment. The landlord alleged, in a brief to the Superior Court, that the length of time to process the petition deprived him of a fair net operating income. The Court stated that "the ... petition was unusually complex. The Board's examiners reviewed voluminous documentation, conducted three hearing and evaluated six prior rent adjustments."

The most notable expenses are:heat, water, and maintenance, etc.

A- the heat is limited by the Board,s energy efficiency regulation, this limit was appealed to court by the landlord. The Board was upheld. without the limit the expense would by roughly 19% higher

B- the water expense was taken from the Water Department's billings. the previous years water expense was about the same. It is worth noting that the two thirds of the 12% increase in the 1991 GA was a result of the increased allowance for water expenses.

C- the landlord petitioned for an annual allowance of \$34,365 in 1988 dollars. After holding lengthy hearing and reviewing large amounts of documentation the examiner recommended and the Board approved the following amounts: \$1,100 was not allowed; \$25,265 was allowed and built into the rents as an annual maintenance, repair and painting budget; the remaining \$8,000 was allowed at the rate of \$2,667 a year for three years. This amount, (roughly \$14 a month per unit) will be removed from the rent structure after 1992.



RENT CONTROL BOARD

Date of Notice: September 28, 1990

Form 1

In Re: Case No.: RA 2 - 89 - 138

Property: 19-25 Market Street

Current Occupants
of Affected Units,
and Petitioner:

RCB Property No.: 14910

- Attachment(s): Computer print-out of rents
- Supplemental Notice - Special Conditions
- Supplemental Notice - Board Amendments

* * *

NOTICE OF BOARD RULING AND RENT ADJUSTMENT

Board, after hearing on September 26, 1990, has approved the maximum lawful rent levels contained in this notice (see attached computer print-out). The reasons for the determination of these rent levels are set forth in the Assistant Counsel's/Hearing Examiner's report, a copy of which has previously been made available to you. The Board hereby affirms and adopts the findings and recommendations in the report and incorporates them into this notice, or to the extent that the Board amended the Hearing Officer's findings, the amendments indicated in the attached Supplemental Notice of Ruling Concerning Board Amendments.

Effecting the Increase: Please note that this Notice of Board Ruling and Rent Adjustment does not increase the rent a tenant must pay. Only an agreement between the landlord and tenant can increase the rent. A tenant cannot be required to pay rent in excess of the maximum lawful rent level. If a tenant refuses to pay an increase in rent, not exceeding the maximum rent, the landlord may have "just cause" to evict the tenant if 1) the tenant is a tenant-at-will and the landlord has given proper notice to terminate pursuant to Chapter 186, Section 12, of the General Laws of Massachusetts and offered a new tenancy to the tenant at a new rent level, not exceeding the maximum lawful rent level; or 2) the tenant is a tenant under an existing valid lease and the landlord has given proper notice of a new rent level, not exceeding the maximum lawful rent level, in accordance with the terms of the lease.

Special Conditions, if any: Collection of these new rents may be subject to the correction of state sanitary code violations or other conditions. The nature of these special conditions, if applicable, is as follows:

- Common areas, affecting all units subject to this case; and/or
- Individual units: _____

NEW MAXIMUM RENTS AND SERVICES
 RA289-138 19-25 Market Street

Services Incl.

UNIT#	APT#	#ROOMS	EX	SERVICES					PRESENT RENT	INCR	NEW MONTHLY MAX	APPROVED ADDITIONAL CHARGES	
				C T	H W	F U	F R	P A				FURN	PARK
1	19-1	5		X	X			\$515	\$82	\$597			
2	19-2	5		X	X			\$505	\$87	\$592			
3	19-3	5		X	X			\$529	\$73	\$602			
4	19-4	5		X	X			\$547	\$41	\$588			
5	21-1	5		X	X			\$622	\$9	\$631			
6	21-2	5		X	X			\$530	\$72	\$602			
7	21-3	5		X	X			\$584	\$49	\$633			
8	21-4	5		X	X			\$576	\$89	\$665			
9	23-1	5		X	X			\$536	\$58	\$594			
10	23-2	5		X	X			\$536	\$70	\$606			
11	23-3	5		X	X			\$602	\$26	\$628			
12	23-4	5		X	X			\$536	\$58	\$594			
13	25-1	5		X	X			\$607	\$17	\$624			
14	25-2	5		X	X			\$518	\$80	\$598			
15	25-3	5		X	X			\$535	\$59	\$594			
16	25-4	5		X	X			\$554	\$47	\$601			

ADDENDUM

CASE NO: RA2 89 138

ADDRESS: 19-25 Market Street

HEARING OFFICER: Ann Sullivan Fahey

HEARING DATES: May 12, 1989; June 28, 1989; July 12, 1989.

PARTIES: Owner - Christopher Burns, Resource Capital Group Realty Trust ("RCG"), Controller (5/12, 6/28/ & 7/12)
Alex Stienberg, RCG, Trustee (6/28)

Carmen Williams - Tenant, 19 Market St. #1 (5/12)
Jose Perez - Tenant, 19 Market St. #2 (5/12)
Louis Vital - Tenant, 19 Market St. #4 (5/12 & 6/28)
Norma Longmore - Tenant, 25 Market St. #3 (6/28)

OTHER PERSONS PRESENT: Isabel Merriman - friend of Carmen Williams
(5/12)

EXHIBITS: (The following exhibits have not been reproduced,
but are available in the case file.)

Examiner:

A: RA2 88016: 19-25 Market St.
B: RA2 88017: 266-270 Windsor St.
C: RA2 89147: 266-270 Windsor St.

Owner:

A: "Other Information"
B: Interest Rate Claimed for Capital
Improvements
C,D & E: Documentation of Operating Expenses

and

Capital Improvement Claims

I. PROCEDURE:

The hearing was conducted pursuant to the Administrative Procedure Act (Massachusetts General Laws, Chapter 30A.) I

explained to the parties that this hearing would be their only opportunity to present evidence; that appeal of the decision would be limited to a review of the Rent Control record; and that all parties had the right to legal representation, to call and examine witnesses, and to submit rebuttal evidence. I administered the oath to all parties who testified.

3.4 Base Year Rents and Services:

In RA281277, the Base Year was established as 1967. In RA288016, hearing examiner Buddy Packer corrected a mistake made in RA281277 and he changed some base year rents and adjusted the 1967 gross accordingly. I accept the base year rents established in RA281277 and corrected in RA288016.

4.0 Base Year Expense:

In RA288016, the hearing examiner accepted base year expenses determined in RA281277 and RA287141 for all expenses, except insurance, electricity, and maintenance and repair; he increased those expenses (which were taken from the Redbook percentage of gross income) to reflect the corrections he made in the base year income. (See. section 3.4 above.) I accept the base year expenses used in RA288016.

5.1 Decrease in Services and Space:

The tenants testified that the Landlord had removed their belongings from a common hallway area. Mr. Burns said that the maintenance man, Pierre Sylverra, had been instructed to remove these things from the hallways because they were creating a hazard. I did not adjust the rent because this did not constitute a decrease in services or space.

The tenants testified that tenants had formerly been able to rent parking spaces from the Landlord in a nearby garage, and that the garage was torn down. Mr. Burns said that some tenants in this building rented "non-controlled" spaces in a garage at 80R Hampshire St. which was in the middle of four buildings owned by the former owner of this property, Mr. Chicarelli. Mr. Burns said that the current owner bought the lot at the same time that they bought this building, and that the garage was never covered by rent control or an included service. A review of the registration file indicates that Mr. Burns is correct, therefore a decrease in the rents is not appropriate.

5.3 Failure to Maintain:

On 5/12/89, Carmen Williams (19 Market St., Unit #1), who had lived in the building one year, testified that the Landlord took away her screens and storm windows in January during an earlier

rent adjustment case, but never fixed them or replaced them. She also said that the downspouts do not function; that her window ledges are "eaten away"; and that there is a draft around her doors.

On 5/12/89, Jose Perez (19 Market St., Unit #2), who had lived in the building eight years, testified that that the plaster on ceilings in his unit was coming down; that there were no screens in his unit; and no weatherproofing around the windows. He said that he had reported these conditions to RCG, but they never came back to correct them. He also said that he does many repairs himself.

On 5/12/89, Louis Vital (19 Market St., Unit #4), who had lived in the building eleven years, testified that there was a smell of sewerage in the building, and that there has been a gap in his door since 1988. He also complained that there was so much heat in the building that it was necessary to open the windows. Mr. Burns responded that RCG was trying to respond to complaints about the heating system which is old and has only one thermostat. He said the radiators have been adjusted so that they automatically shut down.

On 5/12/89, the tenants complained generally that no one had been sweeping the building. According to Petitioner's testimony, in February 1988, Kyle Gael was responsible for overseeing the maintenance of the building, and he visited the building once every one or two weeks. At that time, he was supervising Pierre Sylvera who cleaned the common areas. According to Mr. Gael, Mr. Sylvera's work was good in 1988, and continuing until the beginning of 1989. In the Spring of 1989, after discussions during the winter with Mr. Burns, they fired Mr. Sylvera and hired Jesus Marin. They pay Mr. Marin about \$70/week for 6 to 9 hours of general maintenance work. Mr. Burns said that the common areas are swept weekly, and mopped monthly. However, he said, it is not part of this person's duties to remove the tenants' possessions from the common areas or to do daily maintenance of the dumpster area.

Regarding the general complaints of failure to maintain, Mr. Burns testified that he agreed that the building had been in a dilapidated state. He said that the bills from all of the rent adjustments for this property since 1986 show that the landlord has been at the building every week doing work, and that the inspections from the rent adjustment cases filed in 1987 and 1988 show that the Landlord has cured the conditions complained of. He said that in situations where tenants claimed that conditions were not cured, the Landlord went back again and did whatever was necessary.

On 6/28/89, Norma Longmore (25 Market St. #3) testified that there was a leak in her apartment from the pipes upstairs. She said that the Landlord had done some repairs to this, but the leak

overheated, and that the consumption of fuel in this property is inefficient.

Mr. Burns' second claim correctly asserts that the one-half of the basement area should be included in the calculation.

Based on the diagram of third floor provided by the Petitioner and the Petitioner's breakdown of the area into one large rectangle, four bay areas, and a basement (See, page 40 of Petitioner's documentation), I have calculated the square footage of the property as 20,410.6 sq. ft., using the following calculation:

Total Area of One Floor:

- a) Rectangle: = 4473.2 sq. ft.
- b) 4 bays: = 62.5 sq. ft.
4535.7 sq. ft. One Floor
x4 floors
18142.8 sq. ft.
- c) basement (one-half of a & b) 2267.8
20410.6 sq. ft. Entire Property

Using the building square footage of 20,410.6 sq. ft., and the actual usage of 28,397 ccf, the efficiency factor is 1.39 ccf (28397 divided by 20,410.6), which is also above the Board limit of 1.35 ccf annual usage per square foot.

Thus, the maximum usage allowable is 27,545, which is 97% (1.35 ccf divided by 1.39 ccf) of 28,397 ccf, the actual usage. I allow \$15,124.62, which is 97% of the actual charge of \$15,592.40.

6.4 Water - Expense Year: Petitioner submitted water bills covering the period from 12/11/87 to 12/14/88. The water usage for this 369 day period is 4770. Based on these bills, I estimate the annual usage to be 4653 (4700 times 365 divided by 369). I allow the water expense of \$10,519, based on the following calculations, which I made pursuant to current Board policy:

$$\begin{aligned} \text{Annual usage } 4653 \text{ divided by } 16 \text{ units} &= 290.81 \text{ per unit} \\ 40 \text{ ccf} \times 2.14 &= \$85.60 \\ 250.81 \text{ ccf} \times 2.28 &= \underline{\$571.85} \\ &657.45 \\ &\underline{\times 16 \text{ units}} \\ &\$10519.20 \end{aligned}$$

6.8 Painting and Decorating - Expense Year: Petitioner claimed \$2,628 in this category. After reviewing the testimony and the documentation, I allow the amount claimed.

was still there.

Ms. Zelia Pacheco-Kelleher inspected the building at the request of the tenants. (Her inspection report is attached.) I recommend that the collection of new rents be contingent upon the correction of conditions cited by Ms. Pacheco-Kelleher.

5.4 Other Issues:

The owner claimed the higher interest rate available only to owners of less than thirty five units for all capital improvements completed after March 17, 1987. Mr. Burns submitted written materials in support of this claim. I deny the petitioner's claim based on Regulation 72-10(d) and the Board's policy.

6.3 Heating Fuel - Expense Year:

Petitioner submitted gas bills from 1/7/88 to 1/6/88, and claimed a total expense of \$16,884.61. The actual charges for that 12 month period total \$15,592.40 (The remainder of \$1291.98 is a balance which has been carried forward on the bill, and I have not included it in the claim.) The actual usage for the same period was 28,397 ccf. The Board's records show that the square footage for this property is 19,200 sq. ft. Based on that square footage, the efficiency factor for the property is 1.48, which is above the Board limit of 1.35.

Petitioner claims that the Board's measurement of the heated area is inaccurate. (See Landlord's Computation of the Floor Area, pages 35-40 of Petitioner's documentation.) He claims that the Board's calculation of 19,200 sq. ft. is incorrect for two reasons. His first claim is that the calculation should include the enclosed rear stair tower. He testified that although there are no radiators in this area, it is heated in the same way that areas in the apartment that do not have radiators are heated. The tenants pointed out that the front hall and stairway area of the building is "heated" as that term is conventionally used, while the rear stair tower is not.

Mr. Burns argued that the Board's Guide to Computation requires that enclosed areas be counted. However, the Guide on page 3 states that only heated areas are computed, and it does not say that this includes de facto heated areas.

I have not included the rear stair tower, which is an unheated enclosed area, in the calculation of square footage for this property. In the best circumstances, there would be some heat in this area. However, the evidence in this case is that there is too much heat in the building, and that although the Landlord is working to improve an old heating system, there are still complaints about this. (See, section 5.3 above.) If the square footage of the stair tower is included in the calculation, the effect is to obscure the problem that the apartments are

of the work was not ordinary ("annually recurring") maintenance and repair.

The Petitioner might argue that these claims should be allowed because they represent the reasonable expense involved in maintaining an aging, sixteen unit building. However, the significant increase between the 1987 expense year claim and the 1988 expense year claim, the type of work done, and the history of the property indicate that a large portion of the cost of maintaining this building in 1988 was attributable to repairing code violations and making other repairs that were made necessary by the prior owner's failure to maintain the building, i.e. as a result of deferred maintenance.

It is well-established in prior rent adjustment cases that when the Petitioner bought this property and the adjacent property at 266-270 Windsor Street in January 1987, both properties were in deplorable condition as a result of the prior owner's failure to provide the most basic maintenance. RA1981272 indicates that the 19-25 Market Street was under the receivership of the 3rd District Court of Middlesex from April 1979 to February 1980 due to the condition of the property. In RA1981-277, the Board allowed \$22,132 for repairs made in 1980 at 19-25 Market Street as a result of a court order, and in RA1981-283, it allowed \$15,750 for court-ordered repairs at the Windsor Street property.

Rent control records show that, notwithstanding the court involvement with the properties, the prior owner continued to neglect the maintenance of the buildings. In RA287141, Zelia Pacheco-Kelleher cited conditions on December 14, 1987 in the common areas and in eight of the sixteen units at Market St. Based on Ms. Pacheco-Kelleher's reports and the testimony of the tenants, the examiner in RA287141 found that there had been a failure to maintain and repair the property in 1986.

The Petitioner notified the Board that the conditions cited by Ms. Pacheco Kelleher in RA287141 were corrected by June 1988. RA288016 was filed on January 19, 1988 and fifteen tenants at Market Street filed responses that alleged extensive code violations; presumably, the owner began correcting those conditions early in 1988, after receiving notice of them. This history suggests that much of the maintenance and repair budget for 1988, the expense year in this case, was spent to correct code violations cited in RA287141 and RA288016 so that increases from those cases would be collectable.

On similar facts, the Board decided in RA288017 (266-270 Windsor Street) that tenants in the Windsor St. property should not have to pay for the prior owner's neglect, and ruled that some of the the 1987 expense year maintenance and repair claim would be treated as deferred maintenance; the Board allowed \$10,381 for maintenance, and deferred \$3460 per year over three years. In

6.9 Expense Year Maintenance & Repair: Petitioner claimed \$31,737 in this category. After reviewing the testimony and the documentation, I disallow a total of \$1100, and the remaining claim is \$30,637. (The disallowed items are set forth below) I compared this \$30,637 to the \$19,586 allowed in RA288016, and found that the maintenance and repair amount for the 1988 expense year has increased 57% over the 1987 expense year allowance.¹ Not only was the maintenance and repair claim high, but much of the work done was very extensive. For example, by this examiner's estimate at least 25% of the amount claimed on Peerless invoices involved extensive repairs to windows. These claims include the following:

19-3: 3/15/88-3/16/88; Repair windows in ktchn, lvrn & bdrms and install wthrstrp; 7 hrs; \$140.²

19-3: 10/25/88; Replaced all broken sash cords; 7 hrs; \$140.

19-4: 10/16/88; Replaced sash cords & weatherstrp; 6 hrs; \$120.

21-4: 3/28/88; Repair windows in ktchn, lvrn; 8 hrs; \$160.

21-3: 2/28/88; Repair windows in ktchn, lvrn, bdrm; 6 hrs; \$120.

21-3: 4/7/88; Repair windows in ktchn, bthrm, lvrn; 7 hrs; \$161.

21-3: 4/14/88 - 4/16/88; Install wthrstrp, replace sash cords & balances; 12.5 hrs; \$240.

21-4: 3/1/88- 3/18/88; Window repair including replace sash cords & balances; install casings; 21 hrs; \$420.

23-2: 4/19/88; Install windows and window stops (Peerless invoice #5793 noted, "Windows rotted,. Entire window needed replacing."); 8 hrs; \$160.

25-1: 10/5/88; Remvd windows in ktchn & bdrm, repaired & installd w/ new casings; 9 hours; \$177.

There was also extensive ceiling repair, prep and paint of ceilings, repair of exterior doors and replacements of locks. The amount of the claims and the nature of the work suggests that much

¹ It has increased 434% over the 1986 expense year maintenance and repair allowance in RA287141 of \$5743

² These figures represent labor costs only and do not include materials.

allowance would not be reasonable within the meaning of Regulation 72-04 (a). The Petitioner is, however, clearly attempting to bring the building up to Code, and I allow the remaining \$8000, which represents deferred maintenance, as a capital improvement over three years without interest. By treating the remainder of the claim in this manner, the Petitioner is not unfairly denied recovery of his expenses, and the tenants are not unfairly burdened with what would be an extraordinary maintenance and repair allowance attributable in large part to years of neglect by the prior owner.

DISALLOWED MAINTENANCE AND REPAIR CLAIMS:⁴

1. \$40 for service charge on Com Gas account number 34-327-4710507 (p. 64). This account number is different than 34-311-14001-5, the one under which other Com Gas service charges and utility bills for this property were billed. Mr. Burns could not explain the discrepancy, and speculated that it was included in error.

2. \$30 on Peerless Invoice #5253 (p. 69). Petitioner claimed \$60, for two and one-half hours, "to replace pull chain on light switch to kitchen pantry. Checked light switch in kitchen and trouble shoot." The amount of time claimed to complete the work described seems unreasonable, and I allow one-half of the claim.

3. \$201 on Peerless Invoice #5258 (p. 73). Petitioner claimed \$357 on this invoice. \$312 of that amount was for maintenance of the dumpster area, including removal of furniture and debris from next to the dumpster. Mr. Burns said that he did not know why the bill had not been allocated between this property and the adjacent Windsor St. property which the dumpster also serves, and said that he would check into it. At the hearing on 7/12/89, he requested that one-half of the dumpster-related claim be allocated to this property.

On 6/28/89, Alex Steinbergh testified regarding the issue of the amount of time spent by Peerless employees cleaning up around the dumpsters. He said that this property had been their biggest problem with respect to keeping it clean⁵, and that for this reason he has taken a personal interest in it. He stated that he himself

⁴ In prior rent adjustment cases, it has been determined that there is a less than arms-length relationship between Peerless Properties and RCG. and that as a result, close scrutinization of Peerless Invoices is warranted. See, e.g., RA288017 (266-270 Windsor Street) RA287140 (1245-1269 Cambridge St.).

⁵ The Peerless claims involving picking up around the dumpster, moving furniture, and cleaning debris from hallways is approximately \$800 for this property versus approximately \$500 for the Windsor Street property in RA287149.

RA288016, which was for 19-25 Market Street, the hearing examiner agreed in principle with deferred maintenance, but stated,

I do not recommend that this building be treated in the same manner (as the Windsor St. property) because I accept the petitioner's argument that the landlord's effort at code corrections has already resulted in a \$5026 reduction in annual insurance costs . . . I recommend allowing the entire \$19,586 for maintenance. I note that the \$24,634 combined maintenance and insurance costs allowed for this building is not substantially greater than the same combined costs for Windsor St. (\$22, 917).

However, with the instant rent adjustment petition, the \$36,747 combined maintenance (\$30,637) and insurance (\$6110) costs for 19-25 Market St. exceed the \$25,102 combined maintenance (\$20134) and insurance (\$4968) costs allowed in RA289147, the most recent Regulation 72 case for 266-270 Windsor St., by 46%: the single largest difference in the maintenance and repair claims for these two properties is in the the Peerless invoice claims which total \$17,281 for this property and \$9125 for Windsor St. in RA289147. The maintenance and repair costs for this building are substantially greater than the same costs for the Windsor Street building³, and based on my review of the rent adjustment cases for both of these properties, I find that this is due in large part to deferred maintenance that was completed at the Market Street property in 1988, particularly extensive repair of windows throughout individual units, ceiling repair, and repair of exterior doors and locks.

Based on all of these factors, I allow \$22,637 as maintenance and repair for 1988. In RA288016 (19-25 Market St.), after carefully scrutinizing the documentary evidence, and after considering the arguments of the tenants and the Petitioner, the examiner allowed \$19,586 as the reasonable maintenance and repair allowance for Market St. for expense year 1987. The \$22, 637 which I allow in this case, gives the Petitioner a generous 16% increase for maintenance and repair for expense year 1988. A larger

³ In RA289147 (266-270 Windsor St.) the Petitioner claimed \$24, 020.26 for maintenance and repair for the 1988 expense year. After deducting all disallowed expenditures, the hearing examiner arrived at a reduced total of \$20, 133.72. Upon remand, the Petitioner submitted 1989 maintenance and repair documentation and after deducting all disallowed expenditures, the reduced total was \$16,755.50. As the result of the remand, the Board allowed the entire \$20, 133.72 as 1988 expense year maintenance and repair for the Windsor St. property on the basis that the 1989 expenses were comparable to the 1987 (\$19,011.94) and 1988 maintenance and repair costs for that buidling.

6. \$10 on Peerless Invoice #5374 (p. 85). Petitioner claimed \$10 for Peerless employee meeting with electrician to check fuses. I disallow this amount as it is a management expense.

7. \$13 on Peerless Invoice #5377. Petitioner claimed \$39 for "No heat in apt. so boiler was adjusted and heat restored." The labor charge of 1.5 hours at \$26/hr is excessive for the job described, and I disallow one-half hour.

8. \$26 on Peerless Invoice #5509 (p. 95). Petitioner claimed \$52 (\$26/hr. x 2 hours) to replace washer on a bathtub cold water handle, and to replace a stem on the bathroom faucet. The amount of time claimed is excessive for the work described, and I disallow one-half of the claim.

9. \$40 on Peerless Invoice #5511 (p. 97). Petitioner claimed \$40 (2 hours at \$20/hr.) for "work with Plumber on leaky heating pipes." There is no indication that the Peerless employee did any remedial work, and I disallow this claim as a management function.

10. \$30 on Peerless Invoice #5557 (p. 114). Petitioner claimed this amount to " Inspect hot water heater" (\$20/hr x 1.5 hours). The description on the invoice is inadequate to support this claim , and I disallow the entire amount.

11. \$63 on Peerless Invoice #5681 (p. 123). Petitioner claimed \$130 (\$20/hr x 6.5 hours on 4/15/88) to "repair a front door lock, loose. Replace broken glass in window (20x30)." A tenant argued that this amount of time seemed excessive for the work described. Mr. Burns responded that the materials in this invoice included eight window balances, and that the invoice taken as a whole suggests that these balances were installed in four hours on 4/14/88 and an additional 6.5 hours on 4/15/88. While conceding that the description of the work might be inadequate, he said that these units generally required a lot of work on wooden windows, which were old and loose. Mr. Burns did not have personal knowledge of the work done, and did not research this particular item. The description on the invoice is the only basis for the claim, and the description does not justify the amount claimed, I disallow 2.5 hours of the labor charge or \$50.

This invoice also included a claim for \$26 (\$26/hr x 1 hour) to "replac(e) washer in bathroom and kitchen sinks." The amount claimed for the work described is excessive and I disallow \$13 of the claim.

12. \$20 on Peerless Invoice #5791 (p. 135). Petitioner claimed \$20 to "inspect work needed to be done in unit. Notwithstanding that someone wrote "measured for tiling work" this is a management expense.

13. RE: Peerless Invoice # 5799 (p. 147). The Petitioner claimed

has cleaned the complete grounds at least four times. He thinks there are two reasons for the extent of the problem in this building: 1) there is greater waste per apartment, and 2) certain tenants in these units tend to throw things out. (He testified that on two occasions he has observed tenants dropping garbage bags out of the windows and the bags splattering on the sidewalk.) According to Mr. Steinbergh, sometimes the problem is with the tenants, other times the dumpsters get filled before the trash removal company empties the dumpster.

According to Mr. Steinberg, there is also a problem with junk mail and other papers cluttering up the halls. He also said that some of the tenants are scavengers who bring supermarket carts, and at one point in January there were seven of them on the property. Another tenant collects car parts. He believes that all of this results in a higher than average cost for maintaining this building, and he thinks that the bills will be even higher if they are to keep the property clean.

I allow the \$312 claimed for dumpster-related maintenance, and allocate one-half (\$156) to this property. The invoice also includes a claim of \$45 for a Peerless employee to "work with an exterminator" for two and one half hours. Absent any description of what work this person did, this appears to this examiner to be a management function.

4. \$31.50 on Peerless Invoice #5376 (p. 75). Petitioner claimed \$31.50 for installation of a storm window. I disallow this work as ordinary maintenance and repair; I will allow it as a capital improvement.

This invoice also included a claim for \$128.10 to "repair sash cord in windows and weather-proof windows." \$90 of the claim was for 4.5 hours at \$20/hr; the remaining \$38.10 was for 1 sash cord and six weatherstrips. I find that the labor charge is excessive and I disallow 2 hours or \$40.

5. \$4 on Peerless Invoice # 5372 (p.83). Petitioner claimed \$13 for caulking a tub faucet to prevent leak at the the Plumbing I labor rate of \$26/hr. This rate is excessive for a job that does not require a plumber's skill.⁶ I allow the 1/2 hour claimed at the handyman rate of \$18/hr.

⁶ In RA288016 (19-25 Market St.), Rod Butry of Peerless Properties testified that workers' receive the same compensation for their labor no matter what job function they perform, and that Peerless bills at different rates depending on the job performed. In that case, Chris Burns testified that bills from Peerless do not claim to be electrician or plumber bills but rather bills for electrical or plumbing work.

management expense.

23. \$180.49 on Peerless Invoice #6920 (p. 237). Petitioner claimed this amount to, " Put flood light in back of building,. Built new threshold and installed new lock on basement door." I disallow this amount as it is not ordinary repair and maintenance. I will allow it as a capital improvement.

24. \$40 on Peerless Invoice #6921 (p. 240). Petitioner claimed this amount (\$20/hr x 2 hrs.) under "Assisted plumber in basement. Waste pipe had rotted." I disallow this amount as a management function for the reason set forth in no. 22 above.

25. \$20 on Peerless Invoice #6990 (p. 245). Petitioner claimed this amount (\$20/hr x 1 hr.) under "Waste pipe backed up in the bathroom. Responded and called ADT Drain." I disallow this amount as a management function for the reason set forth in no. 22 above.

26. \$10 on Peerless Invoice #7154 (p. 258). Petitioner claimed this amount (\$20/hr x .5 hr.) under "Check bathroom floor. Needs to be replaced. Also looked for leak under sink. Could not find any leak." I disallow this amount as a management expense for the same reason set forth in no. 22 above.

27. \$40 on Peerless invoice #7155 (p. 260). Petitioner claimed \$40 (\$40/hr x 1 hr.) for a Peerless employee to unlock a door for the Gas company on a saturday. Mr. Burns testified that this would normally be a management expense, but since management does not work on saturday, it is a maintenance and repair item. I do not accept Mr. Burns' argument. This job is a management function even if the owner chooses not to have management coverage on saturday, and it should not be passed on as a maintenance and repair expense. I disallow the entire amount.

28. \$13 on Peerless Invoice #7228 (p. 267). Petitioner claimed \$26 for one hour of labor, which is the "plumber" rate to tighten nuts on radiators that were leaking in the kitchen and middle bedroom. The claim appears to be excessive for the work described as it does not involve a plumber's skill, and I disallow one-half.

29. \$14 on Peerless Invoice #7230 (p. 270). Petitioner claimed \$28 for two hours of labor to " pic(k) up marlite with Jerry." This claim appears excessive for the work described and I disallow one-half.

30. \$13 on Peerless Invoice #7231 (p. 273). Petitioner claimed \$26 (\$26/hr x 1 hr.) to turn down heat blower on the boiler. The claim appears excessive for the work described and I disallow one-half. (See. invoice # 7437 where \$13 is claimed for same work.)

31. \$65 on Peerless Invoice #7303 (p. 276). Petitioner claimed this amount (\$52/hr x 1.25 hrs.) under "Plumbing Emergency evening

\$10 for installing window locks in the bedroom and covering heating pipes in the bathroom on 4/22/88, and \$40 to insulate "bedroom" heating pipes on 4/25/88. The tenant objected that the pipes in his bedroom had not been insulated. Mr. Burns said that this was a typo on the invoice and that the 4/25/88 entry should have said "bathroom". He also pointed out that the Sommerville Lumber invoice for the insulation was dated 4/25/88. The tenant acknowledged that his bathroom pipes were insulated. I find Mr. Burns explanation reasonable, and I allow the entire amount claimed on this invoice.

14. \$50 on Peerless Invoice #5801 (p. 152). Petitioner claimed the following which I disallow as management expenses: Inspect boiler with ComGas - \$15; Inspect heating problem, refer to ComGas - \$20; and Inspect code violation with Building Manager - \$15.

15. \$20 on Peerless Invoice #5857 (p.155). Petitioner claimed \$20 for delivering a mailbox key. I disallow the claim as it is a management expense.

16. \$10 on Peerless Invoice #5934 (p. 163). Petitioner claimed this amount to "check storm windows on all windows." I disallow it as a management expense.

17. \$10 on Peerless Invoice # 5986 (p. 167). Petitioner claimed this amount to, "check leak coming from roof, tenant request." I disallow it as a management expense.

18. \$20 on Peerless Invoice #6115 (p. 181). Petitioner claimed this amount (\$20/hr x 1 hour) to "Pick up weedwhacker for superintendent.". I disallow this claim as a management expense.

19. \$15 on Peerless Invoice #6217 (p. 183). Petitioner claimed \$15 for Peerless employee to deliver a hot plate to a tenant when stove was not working. This item was charged at \$20/hr. x .75 hour. I disallow this claim as it is a management expense.

20. \$10 on Peerless Invoice #6439 (p. 201). Petitioner claimed this amount under "Went to fix ceiling tile above toilet, but Tenant had her own second lock on door." I disallow it as a management expense.

21. \$10 on Peerless Invoice #6650 (p. 213). Petitioner claimed this amount for a trip to pick up a screen that apparently was not ready. An additional \$20 was claimed for a return trip the next day and installation. I disallow the first claim as a management expense.

22. \$26 on Peerless Invoice #6841 (p. 225). Petitioner claimed this amount (\$26/hr x 1 hr.) under "Leak going into unit below. Checked it out and found no leak. May happen when tenant is showering. Told tenant to use shower curtain." There was no indication that any remedial action was taken, and I disallow this claim as a

Notice of the hearing went out within two weeks of filing, and the three hearings were held within two months, which was as expeditiously as this examiner's schedule would allow. However, due to understaffing in the summer of 1989, including the resignation of two Assistant Counsels and the promotion of a third, the examiner developed a backlog of cases. Early in 1990, my position changed to Deputy Counsel, with new responsibilities that included time-consuming litigation support work.

This case required more than three weeks of virtually uninterrupted work time, and involved reviewing approximately 400 pages of Petitioner's documentation, testimony from three hearings, and six prior rent adjustment cases with supporting documentation.

before Veteran's Day - Went over to repair drain but needed special part and could not get at night. (An additional \$65 was charged for a call the next day to replace the sink drain, which together with silicone seal cost \$12.74) I disallow the \$65 for the first call as it is a management expense.

32. \$13 on Peerless Invoice #7580 (p. 290). Petitioner claimed this amount under "Leak under kitchen sink. Faucet needs to be replace." No remedial work is described, and I disallow this claim as a management expense.

33. \$13 on Peerless Invoice #7693 (p. 292). Petitioner claimed one-half hour of labor at \$26/hr. under "Kitchen and bath faucet leaking. Tenant was not home and we could not go in. (Tenant has own lock.)" I disallow this claim as a management expense.

TOTAL MAINTENANCE AND REPAIR DISALLOWANCES: \$1100

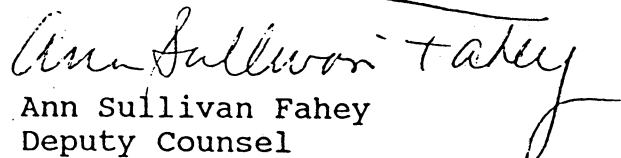
6.12 Insurance - Expense Year: At the hearing, the Petitioner amended the claim for this expense to \$6110.16, which is the amount I allow.

7.0 Capital Improvements:

7. Security Light; 1987; \$300; All:

7.59 This claim is for a high sodium security light at the rear of 19 Market St. I allow \$300 with a 15-year useful life.

Respectfully submitted,


Ann Sullivan Fahey
Deputy Counsel

NOTE: This case was not processed within six months of filing.

MEMORANDUM

To: Terry Morris
From: Buddy Packer
RE: rents at 266-270 Windsor St.

RENTAL HISTORY 16 units

<u>DATE</u>	<u>AVG. RENT</u>	<u>notation</u>
1-92	\$644	1992 GA
1-91	\$615	1991 GA
7-90	\$580	RA2-89-147
1-90	\$486	1990 GA
3-89	\$468	1989 GA
11-88	\$459	RA2-88-017
4-88	\$416	RA2-87-140
6-85	\$269	1985 GA
4-83	\$303	RA2-81-283
3-82	\$247	1982 GA
11-80	\$199	1980 GA
8-79	\$198	1979 GA
8-77	161	1977 GA
6-75	\$154	1975 GA
9-73	\$132	1973 General Adjustment
1970	\$130	rents registered, accepted as actual

It is worth noting that the landlord has petitioned for an additional rent increase for capital improvements. The claim of \$12,500 spent has the potential to increase the average rent by roughly \$10 to \$12.

The current average rent of \$643 consists of roughly:

Net Operating Income	\$201
Capital Improvement Allowance	\$84
Water	\$48
Taxes	\$35
Heat	\$78
Insurance	\$28
Management Allowance	\$41
Electricity	\$5
Maintenance repair, etc.	\$123

The above figures are based on RA2-89-147, the most recent rent adjustment for this property. The regular hearing process took place for this adjustment, two fact-finding hearing were held and the Board heard the case twice.

The most notable expenses are:heat, maintenance, etc.

A- the heat allowance is based actual usage figures submitted in the General Adjustment process. The usage was below the limited imposed by the Board,s energy efficiency regulation.

B- the landlord petitioned for an annual allowance of \$25,522 in 1988 dollars. After holding hearings and reviewing large amounts of documentation the examiner recommended the following: \$11,569 allowed as an annual budget and \$10,067 allowed over three years as deferred maintenance. The remaining \$3,886 was not allowed. The Board affirmed the disallowance of the \$3,886 but did not place the \$10,067 into a three year allowance. Instead, the Board approved \$21,636 as the annual allowance and has required the owner to submit the maintenance and repair costs for 1990 and 1991 in June of 1992. The decision was based on the Board's belief that high maintenance costs are the norm for this building.

Rent Summary

Property Address: 266 Windsor Street

Unit #	1989 Rent	1992 Rent
1	291	408
2	485	713
3	466	666
4	451	637
5	458	637
6	469	602
7	474	656
8	487	612
9	466	658
10	477	595
11	490	720
12	458	642
13	476	660
14	486	669
15	520	706
16	530	715

Property Address: 19-25 Market Street

Unit #	1989 Rent	1992 Rent
1	466	694
2	472	687
3	486	699
4	509	683
5	509	733
6	496	699
7	519	735
8	497	781
9	502	690
10	502	704
11	496	737
12	502	690
13	478	725
14	455	706
15	501	690
16	518	698

 Cambridge Rent Control Board
 Per Property Capital Improvement List
 ...as of 07-14-92 ...

Property#: 14204

Block: 77 Addr: 266-270 WINDSOR ST 02139
 Lot: 69 00000
 Unit: ** 00000

016 Units
 (16 DU, 0 CM)
 (16 Ctld, 0 Ex)

Cap Cat Description	UL	Yr	Yr	Total	Yearly	Applies to Units...
-----	---	---	---	Cost	Allow	-----

 Case: RA2 89 147

045 117 kitchen floor	8	88	90	484	98	11
046 137 repaint bedroom	8	88	90	499	101	11
047 117 kitchen floor	8	88	90	333	67	15
048 123 kitchen sink+cabinet	15	88	90	476	72	15
049 117 kitchen floor	8	88	90	393	79	16
050 136 kitchen window	15	88	90	296	45	16
051 127 plumbing work	15	89	90	469	71	14
052 104 new rear porches ste	15	88	90	23,354	3,546	ALL
053 125 concrete walls in bs	15	88	90	587	89	ALL
054 109 new main electric se	15	89	90	11,575	1,757	ALL
055 -3 Flng Fee:RA289-147	3	90	90	710	237	ALL

Total of 53 caps from the case RA2 89 147 .

Total of 53 caps from the property 14204

 Cambridge Rent Control Board
 Per Property Capital Improvement List
 ...as of 07-14-92 ...

Property#: 14204

Block: 77 Addr: 266-270 WINDSOR ST 02139
 Lot: 69 00000
 Unit: ** 00000

016 Units
 (16 DU, 0 CM)
 (16 Ctld, 0 Ex)

Cap	Cat	Description	UL	CL	Yr	Yr	Total	Yearly	Applies to Units...																	
							Cost	Allow																		

Case: RA2 89 147																										

001	29	new roof	15	86	88		4,800	806	11	12	13	14	15	16												
002	35	water heater	8	86	88		2,376	512	ALL																	
003	9	electrical service	15	86	88		538	90	3																	
004	138	fire alarm system	5	87	88		3,400	867	ALL																	
005	4	deleading	15	80	83		750	126	9																	
006	27	major plumbing	15	80	83		3,169	532	ALL																	
007	3	heating boiler	15	80	83		11,297	1,897	ALL																	
008	-10	debris removal	10	80	83		430	43	ALL																	
009	-10	code correction	10	80	83		15,750	1,575	ALL																	
010	9	electrics	15	86	88		495	83	ALL																	
012	109	INTERCOM	15	87	88		2,434	314	ALL																	
013	104	APT RENOVATION	15	87	88		718	93	11																	
014	127	dumpster platform	15	87	88		529	68	ALL																	
015	134	stove	10	88	88		463	83	11																	
016	128	REFRIGERATOR	10	87	88		357	57	16																	
017	104	APT RENOVATION	15	87	88		774	100	16																	
018	127	TOILET	15	87	88		351	45	15																	
019	127	TOILET	15	87	88		118	15	16																	
020	4	UNIT ENTRY DOOR	15	87	88		172	27	9																	
021	127	KITCHEN FAUCET	15	87	88		118	15	9																	
022	137	painting common	8	87	88		566	103	5	6	7	8	9	10												
023	104	locks	15	87	88		1,354	175	ALL																	
024	137	PAINTING COMMON	8	87	88		742	135	1	2	3	4														
025	137	PAINTING COMMON	8	87	88		819	149	11	12	13	14	15	16												
026	137	PAINTING 270#1	8	87	88		960	175	11																	
027	137	PAINTING 270#5	8	87	88		256	47	15																	
029	-3	Flng Fee:RA288-017	3	89	89		710	237	ALL																	
030	117	kitchen floor	8	88	90		639	129	2																	
031	117	bathroom floor	8	88	90		622	125	2																	
032	109	rewire apartment	15	89	90		1,753	266	2																	
033	117	kitchen floor	8	88	90		594	120	3																	
034	117	kitchen floor	8	88	90		356	72	1																	
035	123	kitchen cabinets	15	88	90		519	79	1																	
036	117	bathroom floor	8	88	90		741	149	1																	
037	137	paint apartment	8	88	90		706	142	6																	
038	117	kitchen floor	8	88	90		588	119	8																	
039	102	bathroom tiles	15	88	90		484	73	9																	
040	105	bathroom ceiling	15	88	90		145	22	10																	
041	136	new hallway window	15	88	90		266	40	ALL																	
042	134	new stove	10	88	90		513	92	11																	
043	123	kitchen sink+cabinet	15	88	90		476	72	11																	
044	102	new toilet	15	88	90		236	36	11																	

Remand Hearing Report

Case No.: RA2-89-147
Address: 266-270 Windsor St.

Hearing Examiner: John R. Puricelli

Owner: Resource Capital Group

Introduction

The above named case was remanded to the hearing examiner on April 25, 1990 for a determination as to whether the cost of maintenance and repair in 1989 was comparable to the cost for the two preceding years. The petitioner submitted documentation on May 11, 1990 and the maintenance and repair budget represented by such documentation is examined below.

Disallowances and Capital Improvements

The following expenditures were determined to be excludable from a maintenance and repair budget as management expense or as capital improvements.

Check #629 -- disallowed as a management expense the following work involving one hour of labor at a rate of \$24/hour: "No lights in bedroom. Bad wire in wall. Refer to McNelly Electric."

#629 -- disallowed as a management expense the following work involving one half-hour of labor at a rate of \$48/hour: "No electric in hallway. I thought fuse went for all hallway but when I got there bulbs were just out."

#631 -- disallowed as a management expense the following work involving one hour of labor at a rate of \$52/hour: "Attempted to find broken fuse in apt. Could not. Will send Electrician on next working day."

#631 -- disallowed the invoice from Peerless Property Services dated July 15, 1988 and November 9, 1988 in full (\$705.06) because the expenditures did not involve work done in the expense year and the latter invoice primarily documents an expenditure to construct a basement partition wall, a capital expense.



CITY OF CAMBRIDGE

831 MASSACHUSETTS AVENUE
CAMBRIDGE, MASSACHUSETTS 02139
TEL 499-6161

RENT CONTROL BOARD

TERRENCE P. MORRIS, EXECUTIVE DIRECTOR

Date of Notice: May 22, 1990

Case No: RA2 89 147

Property: 266-270 Windsor St

Prop. No: 14204

SUPPLEMENTAL NOTICE OF RULING CONCERNING BOARD AMENDMENTS

The Board voted to amend the recommendation as follows:

1. To allow the full request for repairs to the porches;
2. The owner shall submit 1989 maintenance and repair documentation to the hearing examiner. Within two weeks of receipt the hearing examiner shall determine whether the cost of maintenance and repair is comparable to the cost for the two preceding years. If it is comparable the entire allowed maintenance and repair cost shall be included as an operating expense rather than partially as a short term capital improvement.

Per Order of the Board

Judith A. Stalus

Judith A. Stalus,
Assistant Director

cc: case, reg. files
computer, docket

3. Corrected Notice of Board Ruling and Rent Adjustment dated April 20, 1988, Supplemental Notice of Ruling Concerning Board Amendments dated April 14, 1988, Memorandum to the Board dated March 28, 1988, Addendum, Notice of Ruling dated July 5, 1988, and Notice of Ruling dated July 27, 1988 for case no. RA2-87-140; 266-270 Windsor St.
4. Notice of Board Ruling and Rent Adjustment dated December 22, 1988, Corrected Supplemental Notice of Ruling Concerning Board Amendments dated January 6, 1989, Addendum and Corrected Notice of Ruling dated March 14, 1989 for RA2-88-017; 266-270 Windsor St.
5. Notices of Ruling dated February 22, 1989 and January 10, 1989 and Hearing Report for EVO-88-115, 116, and 124; 268 Windsor St. #3 and 266 Windsor St. Nos. 1 & 3
6. Notices of Ruling dated February 23, 1989 and December 14, 1988 and Hearing Report for EVO-88-119-121; 270 Windsor St. Nos. 1, 4, and 5
7. Notices of Ruling dated February 17, 1989 and January 10, 1989 and Memorandum dated January 6, 1989 for EVO-88-117-118; 268 Windsor St. Nos. 1 and 6
8. Inspection Summary Sheet, Common Area and Exterior Conditions form, Common Area and Exterior Inspection Reports for 266 and 270 Windsor St., and Unit Inspection Reports for 266#1, 266#2, 268#3, 268#6, 270#2, and 270#3 in regard to case no. RA*-89-343; 266-270 Windsor St.
9. Inspection Summary Sheet, Common Area and Exterior Conditions form, Common Area and Exterior Inspection Reports for 266, 268 and 270 Windsor St. and Unit Inspection Reports for 268#6 and 270#2 in regard to case no. RA2-89-147; 266-270 Windsor St.

Procedure:

The hearings were conducted pursuant to M.G.L. c. 30A. I explained to the parties present that the hearing process for this case would be their only opportunity to present evidence, that appeal of the decision would be limited to a review of the Rent Control record, and that all parties had a right to bring a legal representative, to call and examine witnesses, and to submit rebuttal evidence. I administered the oath to all persons intending to testify. The hearings were audiotape-recorded.

All amounts were rounded-off to the next nearest dollar amount prior to the preparation of the computer report for the instant case.

Preliminary Matters

On July 12, 1989 I received a letter from Steve Meacham of Cambridge Economic Opportunity Counsel (CEOC) requesting that the scheduled hearing date for the instant case on July 19, 1989 be rescheduled. Because the hearing date was originally scheduled

Addendum

Case No.: RA2-89-147
Address: 266-270 Windsor St.
Examiner: John R. Puricelli

Hearing Dates: July 19, 1989 and August 2, 1989

Persons Present:

Hearing on July 12, 1989

Michael Fisher, representative of Resource Capital Group and party

Alex Selman, tenant at 268 Windsor St. #6 and party
Cynthia DePietro, tenant at 270 Windsor St. #3 and party
Edwina Kenney, tenant at 270 Windsor St. #2 and party

Hearing on August 2, 1989

Michael Fisher, RCG and party

Jose Soares, CEOC and party
Alex Selman, tenant at 268#6 and party

Exhibits:

Owners' Exhibits:

1. Attachments to Petition entitled "Exhibit A. Other Information," "Interest Rate Claimed for Capital Improvements" and "Sources of Financing for Improvements"
2. Floor Plan for 266-270 Windsor St.
3. Copy of Form 1099-Misc for Jesus Marin and document entitled "Summary of 1989 Billings by Jesus Marin"
4. Summary of expenses for construction of rear porches from Jeff Miller of Cambridge Construction
5. Memorandum of Michael Fisher dated August 14, 1989

Hearing Examiner's Exhibits:

1. Page No. 1 of Landlord's Registration Form for 226-270 Windsor St. filed on June 11, 1973; Supplemental Registration Form filed on January 6, 1987
2. Notice of Rent Adjustment dated May 13, 1983, Supplemental Notice of Ruling dated May 13, 1983, Addendum, and Inspection Report dated June 15, 1982 for case no. RA1981-283

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4.0 Base Year Operating Expenses

Expenses were based on the Redbook figures adopted by the Board, with the exception of the categories for water and taxes in which actual figures were used.

5.0 Building Services and Conditions

Tenant response forms were submitted by Alex Selman (268#6) and Edwina Kenney (270#2) regarding unit and common area conditions. In addition, Mr. Selman testified that the ceiling in the common hallway at 268 Windsor St. still has water leaks and that some of the tiles are missing. Inspector Pacheco-Kelleher will conduct an inspection of the property and all conditions must be repaired before the rent increases to the affected units may be implemented.

6.0 1988 Operating Expenses

6.2 Electricity

The petitioner claimed an expenditure of \$805 for common area electricity during the expense year and submitted twelve bills from Commonwealth Electric to document this claim.

6.4 Water

The petitioner submitted a statement of water and sewer charges for the periods of 12/22/87 to 6/2/88 and 6/2/88 to 12/19/88. Pursuant to Board policy, I recalculated the expense using the correct billing rate. The following is a summary of the calculations used in arriving at the total allowed of

Consumption per unit

Consumption (364 days - above period) = 2641 ccf
365 days = 2641 X 365/364 or 2648 ccf
Consumption per unit 2648/16 = 165.5

Rate per unit

for 1st 40 ccf	40 X 2.14 =	85.60
for 2nd 400 ccf	125.5 X 2.28 =	286.14
	TOTAL	<u>371.74</u>

Total for Building

371.74 X 20 = \$5948

Although 1988 was a leap year I have calculated the

on May 24, 1989 and the request for a continuance was not made until one week prior to July 19th, I denied such request.

To ensure that the tenants would be given a full opportunity for representation, however, discussion of the four questions relating generally to the maintenance of the property was delayed until the second hearing date on August 2, 1989. Landlord and tenant representatives were so notified. In addition, the tenants and their representative were given full opportunity at the second date to cross-examine the landlord's representative regarding any matters of which he had testified at the first hearing date.

2.0 Present Rents and Services

Mr. Fisher requested that the following corrections be made in the database (Owner #1):

a. 268 Windsor St. Nos. 2 and 4 have three (3) rooms and not four (4) rooms.

b. 270 Windsor St. #1 has 4 rooms and not 3 rooms.

In addition, Alex Selman, tenant in 268 Windsor St. #6, testified that his unit has 3 and not 4 rooms. Mr. Fisher agreed with this observation. Based on the above testimony, as well as on the detailed floor plans submitted by the petitioner and included as Owner #2, I have changed the room counts for 268 Windsor St. Nos. 2, 4, and 6 and 270 Windsor St. #1.

In the petition Mr. Fisher stated that 266 Windsor St. #B has three rooms but is "significantly smaller than the other three 3-room units as well as being less desirably located." (Owner #1) He therefore proposed that unit #B be listed as a two-room apartment. After reviewing the floor plans submitted, I determined that the proposal was reasonable and have so changed the room count for 266 Windsor St. #B.

3.0 Base Year Rents and Services

266-270 Windsor St. has had a 1970 base year in all prior rent adjustments. The same base year had been used in the General Adjustments of rent.

I have reviewed the base year rents and found the gross yearly amount to be within the parameters of a fair rent pursuant to Regulation No. 72-02(c). Based on this finding I determined that Regulation No. 72-03 is not applicable to the instant case. The .8 check was therefore rendered moot by the inclusion of hypothetical expenses.

notified."

14. PPS inv. #6784 -- disallowed \$20 as a management function for work described as follows: "Flood in apt. Owner requested 2 people to go over because tenant is not home and cannot be notified." No remedial action was apparently taken by workers.

15. PPS inv. #6851 -- disallowed \$3.00, the estimated cost of a scraper, as other than a M & R expense.

16. PPS inv. #6853 -- disallowed \$10 as a management function for work described as follows: "Refridge did not work. Went over, tenant had badly rotten food in it. Could not repair. Called Sherman Appliances."

17. PPS inv. #7242 -- disallowed \$10 to receive a telephone call from a tenant regarding a problem with heat with no action taken as a management function.

18. PPS inv. #7316 -- disallowed \$21.50 as a management function for work described as follows: "Tenant called, toilet not working. Got to apt. and found it to be O.K." and "Tenant called and said they caught a cold because it was too cold in apt."

19. PPS inv. #7317 -- disallowed \$10 as a management function for work described as follows: "Tenant called and said it was cold."

20. PPS inv. #7392 -- disallowed \$20 as a management function for work described as follows: "Took call from tenant requesting drain to be fixed. They have no phone and when arrived N/A 10:30 A.M."

21. PPS inv. #7393 -- disallowed \$13 as a management function for work described as follows: "Kitchen drain clogged. Sent plumber over but could not get in."

22. PPS inv. #7447 -- disallowed \$26 as a management function for work described as follows: "Check heat, it was on, just not hot enough for her taste."

23. PPS inv. #7449 -- disallowed \$10 to receive a "no heat call from tenant" as a management expense.

24. PPS inv. #7508 -- disallowed \$10 for a "no heat call from tenant" as a management expense.

25. PPS inv. #7600 -- disallowed \$26 or one-half of cost to reset a breaker switch.

26. PPS inv. #7604 -- disallowed \$36 to determine that a boiler needed plumbing work and to call the appropriate tradesman as a

Disallowances

I have disallowed the following expenditures which were submitted with the maintenance and repair budget:

1. Peerless Property Services (PPS) invoice #5142 -- disallowed \$48 to inspect heating system as a management expense where there was no indication that any actual repair was undertaken.
2. PPS inv. #5144 -- disallowed \$4.47 for the cost of a thermometer since it was not a M & R expense
3. PPS inv. #5145 -- disallowed \$9.00 to "inspect radiator in bathroom, no heat" and "referred to Pann Plumbing" as a management expense.
4. PPS inv. #5221 -- disallowed \$18 to "inspect clogged bathtub and refer to ADT Drain Co." as a management expense.
5. PPS inv. #5331 -- disallowed \$30 to "inspect leaky roof, unable to identify leak, refer to Roofers" and \$20 to "let electricians into apartment" as management expenses.
6. PPS inv. #5411 -- disallowed \$20 for the following as a management expense: "work with Lancer Plumbing on bathtub leak. Had to let in Lancer because they couldn't find Pierre's apt."
7. PPS inv. #5574 -- disallowed \$45.50, or one-half of the cost, involving 3 1/2 hours of labor for following work: "No heat in apt. 6, turned the boiler on and checked the radiator" and "Boiler was off again, so turned it back on."
8. PPS inv. #5576 -- disallowed \$10 to "pickup and deliver mice traps" as a management expense.
9. PPS inv. #5578 -- disallowed \$30 to "inspect roof leak, caused by snow" with no other work done as a management expense.
10. PPS inv. #5696 -- maintenance costs reduced by \$2 as a result of arithmetical error.
11. PPS inv. #5882 -- disallowed \$20 to "inspect kitchen sink; sink rusting needs enameling" when there is no indication that the specific problem was remedied as a management expense.
12. PPS inv. #6128 -- disallowed \$10 for work described as "delivered weed wacker to Pierre" as a management expense.
13. PPS inv. #6718 -- disallowed \$39 for following with no description of any remedial work as a management function: "Checked leak coming from apartment. Found out it was clothes dryer. Needed two people; tenant was not home, couldn't be

6.9 Maintenance and Repair

Extermination Costs

Included in the total amount claimed for maintenance and repairs costs (\$24,020) was an expenditure of \$3240 for extermination services. Mr. Fisher testified that in 1988 the landlord had an "ad hoc" arrangement regarding pest control services for a number of properties and as a result determined that it was necessary to enter into a specific contract for each building. In regards to 266-270 Windsor St., the landlord entered into a contract with A&H Exterminating Co. at a monthly cost of \$270 to commence in March, 1989. Mr. Fisher therefore argued that the landlord should be allowed the monthly cost of such contract in the instant petition as a foreseeable and prospective expense.

At the second hearing date for the instant case Mr. Fisher testified that RCG had decided to discontinue the contract with A&H Exterminating Co. He subsequently submitted three bills for pest control services at the building in 1988, totaling \$835, as the actual cost incurred for extermination services during the expense year.

Janitorial Costs

The petitioner claimed a total expenditure of \$3640 (\$70 per week) for the janitorial services of Jesus Martin but did not provide invoices or payment records to document this amount. In case nos. EVO-88-115, 116, and 124; 266 Windsor St. Nos. 1 and 3, 268 Windsor St. #3 the hearing examiner found that "Guy Nelson, the tenant who was cleaning the building for RCG, was put on probation in the summer of 1988 because he was doing an unacceptable job, and was terminated in September, 1988 when he was found storing trash in the building." (Hearing Examiner #3)

Because of the obvious contradiction between the claimed janitorial services of Jesus Martin and the evidence regarding the termination of another individual I requested that the petitioner provide additional documentation. Mr. Fisher subsequently submitted a copy of a 1989 Internal Revenue Service Form No. 1099-MISC for Jesus Marin which indicated total compensation in the amount of \$3275 and a monthly summary of payments made to Mr. Marin for janitorial services at 266-270 Windsor St. during the calendar year 1989 totaling \$2387.93. (Owner #3) Since the above mentioned documentation reliably demonstrates the most current, actual costs for janitorial services, I have included the latter amount in the maintenance and repair budget.

expenditure for water using a year of 365 days, a period which is more representative of prospective expenses in this category.

6.5 Heating Fuel

The Commonwealth Gas bills submitted by the petitioner demonstrated that the expenditure for gas during the expense period was \$11,389.16. Fuel efficiency was checked. The consumption, expressed in ccf's, was 20,735. The square footage of the property is 17,325. The efficiency ratio is therefore 1.19. Pursuant to Board policy I find that the property is fuel efficient.

6.8 Painting and Decorating

The petitioner claimed \$1502.42 to touch-up areas of the common hallways and to paint single rooms or parts of rooms in individual units. In case no. RA2-88-017 the Board allowed the following capital improvements involving the painting of common areas at the property:

1. \$565.90 for the painting of the front and back common hallways at 268 Windsor St.
2. \$741.89 to paint the front and back common hallways at 266 Windsor St.
3. \$818.89 to paint the front and back common hallways at 270 Windsor St.

The petitioner has claimed the following amounts to paint the common hallway areas as painting and decorating expenses in the instant petition:

1. \$22.20 to prime and paint over graffiti in the common hallway at 266 Windsor St.
2. \$134.48 to paint sections of the walls and ceilings in all of the common hallways
3. \$40.79 to paint over stained tiles in all common areas

Mr. Fisher testified that one of the means by which the landlord prolongs the life of a paint job is to do touch-up work. I determined that it is often necessary for a landlord to do annual maintenance work to maintain the integrity of a capital improvement and therefore allowed the above mentioned expenses as reasonable painting and decorating costs. I have also allowed the unit specific painting work claimed by the petitioner. However, the high number of painting jobs related to ceilings and the possible relation between this work and the overall condition of the property is discussed in Section No. 6.9 below.

The history of the property indicates that Anna Chiccarelli, the former owner of the property from at least June 11, 1973 to its purchase by Resource Capital Group as of December 31, 1986, failed to provide even a basic level of routine maintenance. (Hearing Examiner #1) The Supplemental Notice of Ruling for case no. RA1981-283, which documents thirteen separate common area violations and sixty-four unit specific violations, demonstrates the negligent manner in which the building was managed. In her inspection report for the above mentioned case Zelia Pacheco-Kelleher observed "that the building is in such a deplorable condition that I have referred it to the Building Dept. and Health Dept. for inspections." That inspection documented the extensive damage in the property due to water leakage. Further, the hearing examiner noted in the case report that repairs conducted at the property in 1980 were done pursuant to a court order. Finally, the serious condition of the building was also illustrated by the following supplemental ruling of the Board in RA1981-283:

Each affected tenant is also given a choice of either:

- a) filing a tenant complaint to ascertain the actual reduction in services or amenity to his/her unit as a result of the landlord's failure to provide ordinary repair and maintenance, or
- b) deducting \$150 from future rent payments to account for common area disrepair and an additional \$100 by tenants whose apartments were found to have Sanitary Code violations.

Further, the legal maximum rents approved by the Board will be reduced by \$15 for each month after April, 1983 that the common area conditions remain uncorrected. (Hearing Examiner #2)

The noticeable response by tenants in case no. RA2-87-140 regarding continuing code violations, in which an expense year of 1986 was claimed by the present owners, indicates that the former owner did not increase the level of maintenance for the property. In her memorandum to the Board the hearing examiner observed that "the tenants uniformly claimed that the former owners rarely visited the property for the purpose of maintenance, repair and cleaning." (Hearing Examiner #3) Even though the previous owner spent \$15,750 to correct code violations in 1980 pursuant to a court order, an amount that was allowed as a capital improvement in RA1981-283, the hearing examiner in case no. RA2-88-017 observed "that a substantial portion of the conditions in the early 1980's have recurred." (Hearing Examiner #4) In brief, it is evident that the current landlord purchased a property that had lacked proper maintenance for a number of years. Undeniably, even the most rudimentary rehabilitation of a 16-unit apartment

management function.

27. PPS inv. #7710 -- disallowed \$39 to check boiler on five different occasions with call eventually made to plumber as a management function.

Analysis of Maintenance Budget

In the most recent prior rent adjustment case for 266-270 Windsor St. (RA2-88-017) the hearing examiner adjusted the 1970 redbook allowance for the maintenance of a similarly sized property (\$2615 X CPI factor = \$6799) and compared this amount to the allowed expenditures claimed by the landlord (\$19,011.94). She attempted to explain the astonishing discrepancy between these two amounts and to fashion an equitable solution as follows:

Based on the fact that a majority of the first hearing in this case concerned code violations, the fact that the last Reg. 72 also revealed numerous code violations and that there is some dispute as to whether those violations were ever cured, the fact that Ms. Kelleher found many violations in the thirteen (13) apartments which she inspected, and the fact that the maintenance and repair claim was so high and the work so extensive, and the fact that much of the work claimed was not of the nature of "annually recurring", I allowed only \$6799 as maintenance and repair for 1987. I found that the remaining \$12,213 was actually deferred maintenance and repair to a building which was in very poor shape when purchased by the petitioners. However, given that the petitioners performed the work and are attempting to rectify the violations and bring the building back up to Code, I allowed the remaining amount of \$12,213 as a capital improvement over a generous three years without interest. (Hearing Examiner #4)

The total amount claimed by the petitioner to maintain the property in 1988 was \$24,020.26. After deducting all disallowed expenditures and adding the amounts disallowed as capital improvements and discussed in Section No. 7, I reduced the total to \$20,133.72. Seemingly, the petitioner could argue that the maintenance costs have remained high for the building simply because such costs are reasonable and expected for an older structure containing twenty units. No doubt he would also point out that only two tenants reported code violations in the instant case, which in turn might indicate that the property is now in acceptable condition and the claimed costs are not deferred maintenance. (Hearing Examiner #9) However, a more complete analysis demonstrates the complexity of the issue.

replaced because of its age and cost of maintenance. In addition, a number of the claimed repairs involved the patching and painting of ceilings damaged by plumbing or roof leaks, which is in turn indicative of serious problems in major building systems. It should also be noted that more than one half of the expenditures included in the painting and decorating budget involve the painting of ceilings. Finally, inspections conducted pursuant to case no. RA*-89-343 demonstrated that conditions were present in the common areas and in at least six units as of January 24, 1990. (Hearing Examiner #8)

Nevertheless, and as the hearing examiner in case no. RA2-88-014 observed previously, the landlord is attempting to address the condition of this building. In recognition of the landlord's efforts to maintain a property which was severely neglected by previous owners, I have allowed \$10,067, or 50% of the total cost, in the maintenance and repair budget, with the remaining amount allowed as a capital improvement over three years with no interest. In so doing I have adopted the solution formulated by the Board in deciding case no. RA2-88-017. If the owner continues to remedy the serious structural problems of the building the operating budget will hopefully stabilize at some future date and will cease to reflect the high costs related to deferred maintenance.

6.12 Insurance

The insurance policy for the building submitted demonstrated a yearly expenditure of \$4968.

6.13 Real Estate Taxes

The amount attributed to the building takes into account the 1990 fiscal tax rate in accordance with Board policy.

7.0 Capital Expenses

In an attachment to the petitioner the owner argued that the claimed capital improvements should be amortized at the interest rate allowed for small landlords. Such claim was ostensibly made as a means of preserving legal rights in the context of the ongoing litigation between Resource Capital Group and the Rent Control Board. After some review I determined that the petitioner had not presented a sufficiently compelling reason to deviate from the interest rates enumerated in Regulation No. 72-10 for landlords owning more than 35 units.

In his memorandum of August 14, 1989 Michael Fisher withdrew the capital improvement termed "upgrade basement electrical" in

building in which the goal is simply to eliminate code violations can take several years and would significantly increase a maintenance and repair budget during that period.

In 1988 the landlord filed applications for Certificates of Eviction pursuant to Section 9(a)(1) of the Act against the tenants in nine units at 266-270 Windsor St. With the exception of the matter which was mediated, the Board granted the following rent abatements in those cases:

1. EVO-88-118; 268 Windsor St. #6 -- total abatement of \$813.06 for code violations in 1988 and a loss of space as a result of the porch removal (Hearing Examiner #7)
2. EVO-88-117; 268 Windsor St. #2 -- total abatement of \$216.58 for porch removal (Hearing Examiner #7)
3. EVO-88-124; 268 Windsor St. #3 -- total abatement of \$657.87 for porch removal, peeling paint in the kitchen, rat and rodent infestation, and an accumulation of trash in 1987 and 1988 (Hearing Examiner #5)
4. EVO-88-115, 116; 266 Windsor St. Nos. 1 and 3 -- total abatements of \$604.49 and \$521.96 respectively for porch removal, rat and rodent infestation and an accumulation of trash in 1987 and 1988 (Hearing Examiner #5)
5. EVO-88-119, 120, and 121; 270 Windsor St. Nos. 1, 4, and 5 -- total abatements of \$338.40, \$243.90, and \$302.40 respectively for porch removal (Hearing Examiner #6)

Based on the above summary of rent abatements claimed by tenants in the course of eviction cases and the two tenant response forms filed in the instant matter it is evident that code violations continued to be a problem at 266-270 Windsor St. in 1988, the expense year claimed by the petitioner here. In fact, conditions reported by tenants in RA2-87-140 were determined to have been corrected as of May 31, 1988 (conditions in 270#3 were not corrected until the first week of June, 1988), while the violations reported in the context of case no. RA2-88-017 were corrected as of January 1, 1989. (Hearing Examiner Nos. 3 and 4) In brief, it is evident that a sizable portion of the maintenance and repair budget for 1988 was spent to correct code violations so that rent increases pursuant to Regulation 72 petitions filed in 1987 and 1988 could become collectable. This scenario would in turn suggest that the property remains in poor condition and that the expense year budget includes a high proportion of work which could be termed deferred maintenance.

This conclusion is further supported by a review of the documentation submitted. Approximately \$2500 was spent to maintain a heating system which, according to Mr. Fisher, must be

old tiles in the bathtub area, rebuild the underlying wall and install new tiles. Approximately 21 square feet of wall area was retiled. I examined the documentation submitted and determined that this was a reasonable capital expense.

7. common area window

The petitioner submitted a claim of \$281 to install a third-floor hallway window. Included in this cost was an expenditure of \$30 for a handyman to measure and order the window. Because I determined that this cost was excessive, I have allowed \$15 for the task. Total allowed is therefore \$266.

8. new kitchen sink and cabinet

The petitioner submitted a claim in the amount of \$475.98 to install a new kitchen sink with required plumbing (drain pipe, trap, coupling and elbow) and base cabinet. I examined the documentation submitted and determined that this was a reasonable capital expense.

9. preparation and painting of bedroom and front door - 270#1

The petitioner submitted a claim in the amount of \$644 to patch and paint the bedroom walls and front door of 270#1. Further, the petitioner stated that such work was not duplicative of the capital improvement allowed in case no. RA2-88-017 because the earlier expenditure involved the painting of a different bedroom, which had been damaged by fire, in the same unit. I examined the documentation submitted and determined that the correct expenditure was \$499.14.

10. plumbing work - 270#4

The petitioner submitted a claimed expenditure in the amount of \$469.29 to rebuild the cold water supply including the replacement of a corroded tee, the v-trap, and a galvanized nipple. I examined the documentation submitted and determined that the cost was a reasonable capital expense.

11. demolish and construct rear porches and stairs

The petitioner submitted an expenditure in the amount of \$23,354 to demolish the three porches at 266, 268 and 270 Windsor St., each of which was three stories in height, and construct replacements using pressure-treated lumber. Mr. Fisher submitted Owner #4 as an itemization of the completed work.

In case no. RA2-87-140 the hearing examiner recommended that only 50% of the cost of such work should be allowed "based on the testimony claiming a severe lack of maintenance for the property

the amount of \$1,065 because of his determination that the work had actually been done at 19-25 Market St., the landlord's adjacent property. (Owner #4)

I have specifically discussed the following capital improvements to describe disallowances or to provide greater detail as to the nature of the work.

1. kitchen floor - 266#1

The petitioner claimed an expenditure of \$659.40 to replace the subfloor and vinyl covering in the kitchen of 266 Windsor St. #1. Included in the amount is a cost of \$20 for a "handyman" to "inspect kitchen floor" and "instruct workers on laying new floor." Since it is apparent that the handyman did no significant work as to this capital improvement I disallowed the cost as a management expense. Total allowed was \$639.40.

2. bathroom floor - 266#1

The petitioner claimed an expenditure of \$652 to replace the subfloor and vinyl covering for a bathroom floor. However, a review of the documentation submitted indicates that the correct cost for the work was \$621.66.

3. rewire apartment - 266#1

The petitioner claimed an expenditure of \$1752.78 to rewire 266#1, including the installation of new lines from the main panel together with new plugs, switches, boxes, and ceiling lights. I examined the documentation submitted and determined that the cost was a reasonable capital expense.

4. new vinyl kitchen floor - 266#B

The petitioner claimed an expense of \$376 to install new vinyl covering in a kitchen. I examined the documentation submitted and determined that the correct expenditure was \$356.33.

5. painting apartment - 268#2

The petitioner claimed an expenditure of \$706 to scrape and paint the kitchen, bathroom, and bedroom walls and to strip the wallpaper and paint the walls of the front room. I examined the documentation submitted and determined that this was a reasonable capital expense.

6. replace bathroom tiles - 268#5

The petitioner claimed an expenditure of \$484.20 to remove

examined the documentation submitted and determined that this was a reasonable capital expense.

13. new main electric service

The petitioner claimed an expenditure in the amount of \$11,575 for a new main electric service including the installation of 400 amp. service, new meters and circuit breaker panels, and fluorescent lights in each basement. I examined the documentation submitted and determined that this was a reasonable capital expense.

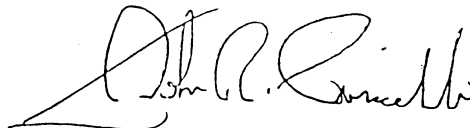
Disallowed Capital Improvements

In general, a capital improvement should represent the replacement or rebuilding of all or a substantial portion of a major system. The dollar amount, relative to whether the improvement affects one unit or is building-wide, usually reflects the extent of the work. Finally, the total size of a property is a consideration when determining whether an expenditure would normally be contained in a building-wide maintenance budget.

Using the above factors as a system of analysis I determined that the following expenditures should more properly be included in the maintenance and repair budget for the property:

1. replacement of bedroom door in 266#3 - \$81
2. vinyl covering on bathroom floor in 268#2 - \$106
3. installation of bi-fold bedroom door - \$124

Respectfully submitted,



John R. Puricelli
Assistant Counsel

as a whole." (Hearing Examiner #3) The Board, however, allowed the landlord to preserve this issue until a later rent adjustment case. The capital improvement was not allowed in case no. RA2-88-017 because the work was not completed at the time of filing or by the date of the first hearing. (Hearing Examiner #4)

Mr. Fisher argued that the full cost of the work should be allowed because the substantial deterioration of the porches was due to their age. In support of his contention he attached an Inspectional Services report which stated that "these porches show numerous attempts at trying to keep them together."
(Owner #5)

Nevertheless, and as partly discussed in Section No. 6.9 above, the property had not been maintained properly by Anna Chiccarelli, the owner from at least June 11, 1973 to its sale as of December 31, 1986, requiring the present landlords to expend an inordinate amount to remedy the past neglect. In case no. RA2-87-140 the tenants testified that "no maintenance, repair, or cleaning was ever performed by the former owners" and that "they claimed the buildings themselves." (Hearing Examiner #3) The longstanding lack of maintenance by the prior owners is further demonstrated by the Supplementary Notice of Ruling for case no. RA1981-283 which documents the extraordinary number of code violations present in all areas of the property. During the inspection for that rent adjustment case Ms. Pacheco-Kelleher found that the "back halls and porches are full of junk and debris" and "back porches have missing railings and loose and rotting floor boards." (Hearing Examiner #2)

Undeniably, the evidence regarding an almost total lack of maintenance at 266-270 Windsor St. prior to its acquisition by the present owners effectively rebuts Mr. Fisher's argument that the porches necessitated replacement simply because of age. Although some deterioration of an exterior structure is inevitable it is very likely that the porches would not have had to be demolished and completely rebuilt had normal maintenance been practiced on a periodic basis by the prior owners.

Regulation No. 72-04(c) permits the disallowance of capital improvements which are made necessary by the "failure of the owner to perform ordinary repair, replacement or maintenance." In accordance with the hearing examiner's original recommendation in case no. RA2-87-140, I have therefore allowed \$11,677, which is 50% of the total cost, for the replacement of the back porches and stairs.

12. concrete walls in basement

The petitioner claimed an expenditure in the amount of \$587 to construct two concrete partition walls in the basement areas of 268 and 270 Windsor St. as a means of increasing security. I

NEW MAXIMUM RENTS
RA2-89-147 266-270 Windsor St.

Ser#	Apt#	#rooms	Present		New Monthly Maximum
			Rent	Increase	
1	266-B	2	\$303	\$64	\$367
2	266-1	4	\$504	\$138	\$642
3	266-2	3	\$485	\$112	\$597
4	266-3	4	\$469	\$107	\$576
5	268-1	4	\$476	\$100	\$576
6	268-2	3	\$488	\$53	\$541
7	268-3	4	\$493	\$99	\$592
8	268-4	3	\$506	\$44	\$550
9	268-5	4	\$485	\$109	\$594
10	268-6	3	\$496	\$39	\$535
11	270-1	4	\$510	\$139	\$649
12	270-2	4	\$476	\$104	\$580
13	270-3	4	\$495	\$101	\$596
14	270-4	4	\$505	\$99	\$604
15	270-5	4	\$541	\$96	\$637
16	270-6	4	\$551	\$93	\$644

MEMORANDUM

To: Terry Morris
From: Buddy Packer
RE: rents at 205-211 Harvard St.

RENTAL HISTORY 12 units

<u>DATE</u>	<u>AVG. RENT</u>	<u>notation</u>
1-92	\$1,241	1992 GA
1-91	\$1,116	1991 GA
9-90	\$1,116	final rents from RA2-88-082
1-90	\$1,037	1990 GA
9-89	\$1,037	RA6-89-277 (capital improvements only)
4-89	\$1,026	interim rents from RA2-88-082
3-89	\$959	1989 GA
6-88	\$889	RA6-86-340 (capital improvements only)
8-87	\$745	1987 GA
5-87	\$731	RA2-86-264
6-85	\$504	1985 GA
7-82	\$448	1982 GA
11-80	\$419	1980 GA
8-79	\$368	1979 GA
6-75	\$331	1975 GA
9-73	\$320	1973 General Adjustment
1967	\$243	rents registered accepted as actual

The current average rent of \$1,241 consists of roughly:

Net Operating Income	\$568
Capital Improvement Allowance	\$382
Water	\$42
Taxes	\$69
Heat	\$0
Insurance	\$33
Management Allowance	\$79
Electricity	\$9
Maintenance repair, etc.	\$59

Notes:

- 1- the base year rents are much higher than the norm. This leads to an extraordinary net operating income for the property.
- 2-the capital improvement allowance is very high. Costs were reviewed by an examiner after lengthy hearings, they were supported by documentation and the tenants were given notice of all hearings.
- 3-in one instance the Board disallowed expenses because the Board determined that the work was done to further the plans for condominiums at the property and had no benefit to the tenants. The landlord appealed that decision and won in Superior Court.

Rent Summary

Property Address: 205-211 Harvard St

Unit #	1989 Rent	1992 Rent
1	1440	1695
2	1348	1621
3	893	1087
4	888	1086
5	1144	1366
6	846	1032
7	886	1084
8	1048	1280
9	910	1091
10	945	1151
11	1079	1314
12	893	1087

3. Corrected Notice of Board Ruling and Rent Adjustment dated April 20, 1988, Supplemental Notice of Ruling Concerning Board Amendments dated April 14, 1988, Memorandum to the Board dated March 28, 1988, Addendum, Notice of Ruling dated July 5, 1988, and Notice of Ruling dated July 27, 1988 for case no. RA2-87-140; 266-270 Windsor St.
4. Notice of Board Ruling and Rent Adjustment dated December 22, 1988, Corrected Supplemental Notice of Ruling Concerning Board Amendments dated January 6, 1989, Addendum and Corrected Notice of Ruling dated March 14, 1989 for RA2-88-017; 266-270 Windsor St.
5. Notices of Ruling dated February 22, 1989 and January 10, 1989 and Hearing Report for EVO-88-115, 116, and 124; 268 Windsor St. #3 and 266 Windsor St. Nos. 1 & 3
6. Notices of Ruling dated February 23, 1989 and December 14, 1988 and Hearing Report for EVO-88-119-121; 270 Windsor St. Nos. 1, 4, and 5
7. Notices of Ruling dated February 17, 1989 and January 10, 1989 and Memorandum dated January 6, 1989 for EVO-88-117-118; 268 Windsor St. Nos. 1 and 6
8. Inspection Summary Sheet, Common Area and Exterior Conditions form, Common Area and Exterior Inspection Reports for 266 and 270 Windsor St., and Unit Inspection Reports for 266#1, 266#2, 268#3, 268#6, 270#2, and 270#3 in regard to case no. RA*-89-343; 266-270 Windsor St.
9. Inspection Summary Sheet, Common Area and Exterior Conditions form, Common Area and Exterior Inspection Reports for 266, 268 and 270 Windsor St. and Unit Inspection Reports for 268#6 and 270#2 in regard to case no. RA2-89-147; 266-270 Windsor St.

Procedure:

The hearings were conducted pursuant to M.G.L. c. 30A. I explained to the parties present that the hearing process for this case would be their only opportunity to present evidence, that appeal of the decision would be limited to a review of the Rent Control record, and that all parties had a right to bring a legal representative, to call and examine witnesses, and to submit rebuttal evidence. I administered the oath to all persons intending to testify. The hearings were audiotape-recorded.

All amounts were rounded-off to the next nearest dollar amount prior to the preparation of the computer report for the instant case.

Preliminary Matters

On July 12, 1989 I received a letter from Steve Meacham of Cambridge Economic Opportunity Counsel (CEOC) requesting that the scheduled hearing date for the instant case on July 19, 1989 be rescheduled. Because the hearing date was originally scheduled

Addendum

Case No.: RA2-89-147
Address: 266-270 Windsor St.
Examiner: John R. Puricelli

Hearing Dates: July 19, 1989 and August 2, 1989

Persons Present:

Hearing on July 12, 1989

Michael Fisher, representative of Resource Capital Group and party

Alex Selman, tenant at 268 Windsor St. #6 and party
Cynthia DePietro, tenant at 270 Windsor St. #3 and party
Edwina Kenney, tenant at 270 Windsor St. #2 and party

Hearing on August 2, 1989

Michael Fisher, RCG and party

Jose Soares, CEOC and party
Alex Selman, tenant at 268#6 and party

Exhibits:

Owners' Exhibits:

1. Attachments to Petition entitled "Exhibit A. Other Information," "Interest Rate Claimed for Capital Improvements" and "Sources of Financing for Improvements"
2. Floor Plan for 266-270 Windsor St.
3. Copy of Form 1099-Misc for Jesus Marin and document entitled "Summary of 1989 Billings by Jesus Marin"
4. Summary of expenses for construction of rear porches from Jeff Miller of Cambridge Construction
5. Memorandum of Michael Fisher dated August 14, 1989

Hearing Examiner's Exhibits:

1. Page No. 1 of Landlord's Registration Form for 226-270 Windsor St. filed on June 11, 1973; Supplemental Registration Form filed on January 6, 1987
2. Notice of Rent Adjustment dated May 13, 1983, Supplemental Notice of Ruling dated May 13, 1983, Addendum, and Inspection Report dated June 15, 1982 for case no. RA1981-283

4.0 Base Year Operating Expenses

Expenses were based on the Redbook figures adopted by the Board, with the exception of the categories for water and taxes in which actual figures were used.

5.0 Building Services and Conditions

Tenant response forms were submitted by Alex Selman (268#6) and Edwina Kenney (270#2) regarding unit and common area conditions. In addition, Mr. Selman testified that the ceiling in the common hallway at 268 Windsor St. still has water leaks and that some of the tiles are missing. Inspector Pacheco-Kelleher will conduct an inspection of the property and all conditions must be repaired before the rent increases to the affected units may be implemented.

6.0 1988 Operating Expenses

6.2 Electricity

The petitioner claimed an expenditure of \$805 for common area electricity during the expense year and submitted twelve bills from Commonwealth Electric to document this claim.

6.4 Water

The petitioner submitted a statement of water and sewer charges for the periods of 12/22/87 to 6/2/88 and 6/2/88 to 12/19/88. Pursuant to Board policy, I recalculated the expense using the correct billing rate. The following is a summary of the calculations used in arriving at the total allowed of

Consumption per unit

Consumption (364 days - above period) = 2641 ccf
365 days = 2641 X 365/364 or 2648 ccf
Consumption per unit 2648/16 = 165.5

Rate per unit

for 1st 40 ccf	40 X 2.14 =	85.60
for 2nd 400 ccf	125.5 X 2.28 =	286.14
	TOTAL	<u>371.74</u>

Total for Building

371.74 X 20 = \$5948

Although 1988 was a leap year I have calculated the

on May 24, 1989 and the request for a continuance was not made until one week prior to July 19th, I denied such request.

To ensure that the tenants would be given a full opportunity for representation, however, discussion of the four questions relating generally to the maintenance of the property was delayed until the second hearing date on August 2, 1989. Landlord and tenant representatives were so notified. In addition, the tenants and their representative were given full opportunity at the second date to cross-examine the landlord's representative regarding any matters of which he had testified at the first hearing date.

2.0 Present Rents and Services

Mr. Fisher requested that the following corrections be made in the database (Owner #1):

a. 268 Windsor St. Nos. 2 and 4 have three (3) rooms and not four (4) rooms.

b. 270 Windsor St. #1 has 4 rooms and not 3 rooms.

In addition, Alex Selman, tenant in 268 Windsor St. #6, testified that his unit has 3 and not 4 rooms. Mr. Fisher agreed with this observation. Based on the above testimony, as well as on the detailed floor plans submitted by the petitioner and included as Owner #2, I have changed the room counts for 268 Windsor St. Nos. 2, 4, and 6 and 270 Windsor St. #1.

In the petition Mr. Fisher stated that 266 Windsor St. #B has three rooms but is "significantly smaller than the other three 3-room units as well as being less desirably located." (Owner #1) He therefore proposed that unit #B be listed as a two-room apartment. After reviewing the floor plans submitted, I determined that the proposal was reasonable and have so changed the room count for 266 Windsor St. #B.

3.0 Base Year Rents and Services

266-270 Windsor St. has had a 1970 base year in all prior rent adjustments. The same base year had been used in the General Adjustments of rent.

I have reviewed the base year rents and found the gross yearly amount to be within the parameters of a fair rent pursuant to Regulation No. 72-02(c). Based on this finding I determined that Regulation No. 72-03 is not applicable to the instant case. The .8 check was therefore rendered moot by the inclusion of hypothetical expenses.

6.9 Maintenance and Repair

Extermination Costs

Included in the total amount claimed for maintenance and repairs costs (\$24,020) was an expenditure of \$3240 for extermination services. Mr. Fisher testified that in 1988 the landlord had an "ad hoc" arrangement regarding pest control services for a number of properties and as a result determined that it was necessary to enter into a specific contract for each building. In regards to 266-270 Windsor St., the landlord entered into a contract with A&H Exterminating Co. at a monthly cost of \$270 to commence in March, 1989. Mr. Fisher therefore argued that the landlord should be allowed the monthly cost of such contract in the instant petition as a foreseeable and prospective expense.

At the second hearing date for the instant case Mr. Fisher testified that RCG had decided to discontinue the contract with A&H Exterminating Co. He subsequently submitted three bills for pest control services at the building in 1988, totaling \$835, as the actual cost incurred for extermination services during the expense year.

Janitorial Costs

The petitioner claimed a total expenditure of \$3640 (\$70 per week) for the janitorial services of Jesus Martin but did not provide invoices or payment records to document this amount. In case nos. EVO-88-115, 116, and 124; 266 Windsor St. Nos. 1 and 3, 268 Windsor St. #3 the hearing examiner found that "Guy Nelson, the tenant who was cleaning the building for RCG, was put on probation in the summer of 1988 because he was doing an unacceptable job, and was terminated in September, 1988 when he was found storing trash in the building." (Hearing Examiner #3)

Because of the obvious contradiction between the claimed janitorial services of Jesus Martin and the evidence regarding the termination of another individual I requested that the petitioner provide additional documentation. Mr. Fisher subsequently submitted a copy of a 1989 Internal Revenue Service Form No. 1099-MISC for Jesus Marin which indicated total compensation in the amount of \$3275 and a monthly summary of payments made to Mr. Marin for janitorial services at 266-270 Windsor St. during the calendar year 1989 totaling \$2387.93. (Owner #3) Since the above mentioned documentation reliably demonstrates the most current, actual costs for janitorial services, I have included the latter amount in the maintenance and repair budget.

expenditure for water using a year of 365 days, a period which is more representative of prospective expenses in this category.

6.5 Heating Fuel

The Commonwealth Gas bills submitted by the petitioner demonstrated that the expenditure for gas during the expense period was \$11,389.16. Fuel efficiency was checked. The consumption, expressed in ccf's, was 20,735. The square footage of the property is 17,325. The efficiency ratio is therefore 1.19. Pursuant to Board policy I find that the property is fuel efficient.

6.8 Painting and Decorating

The petitioner claimed \$1502.42 to touch-up areas of the common hallways and to paint single rooms or parts of rooms in individual units. In case no. RA2-88-017 the Board allowed the following capital improvements involving the painting of common areas at the property:

1. \$565.90 for the painting of the front and back common hallways at 268 Windsor St.
2. \$741.89 to paint the front and back common hallways at 266 Windsor St.
3. \$818.89 to paint the front and back common hallways at 270 Windsor St.

The petitioner has claimed the following amounts to paint the common hallway areas as painting and decorating expenses in the instant petition:

1. \$22.20 to prime and paint over graffiti in the common hallway at 266 Windsor St.
2. \$134.48 to paint sections of the walls and ceilings in all of the common hallways
3. \$40.79 to paint over stained tiles in all common areas

Mr. Fisher testified that one of the means by which the landlord prolongs the life of a paint job is to do touch-up work. I determined that it is often necessary for a landlord to do annual maintenance work to maintain the integrity of a capital improvement and therefore allowed the above mentioned expenses as reasonable painting and decorating costs. I have also allowed the unit specific painting work claimed by the petitioner. However, the high number of painting jobs related to ceilings and the possible relation between this work and the overall condition of the property is discussed in Section No. 6.9 below.

notified."

14. PPS inv. #6784 -- disallowed \$20 as a management function for work described as follows: "Flood in apt. Owner requested 2 people to go over because tenant is not home and cannot be notified." No remedial action was apparently taken by workers.

15. PPS inv. #6851 -- disallowed \$3.00, the estimated cost of a scraper, as other than a M & R expense.

16. PPS inv. #6853 -- disallowed \$10 as a management function for work described as follows: "Refridge did not work. Went over, tenant had badly rotten food in it. Could not repair. Called Sherman Appliances."

17. PPS inv. #7242 -- disallowed \$10 to receive a telephone call from a tenant regarding a problem with heat with no action taken as a management function.

18. PPS inv. #7316 -- disallowed \$21.50 as a management function for work described as follows: "Tenant called, toilet not working. Got to apt. and found it to be O.K." and "Tenant called and said they caught a cold because it was too cold in apt."

19. PPS inv. #7317 -- disallowed \$10 as a management function for work described as follows: "Tenant called and said it was cold."

20. PPS inv. #7392 -- disallowed \$20 as a management function for work described as follows: "Took call from tenant requesting drain to be fixed. They have no phone and when arrived N/A 10:30 A.M."

21. PPS inv. #7393 -- disallowed \$13 as a management function for work described as follows: "Kitchen drain clogged. Sent plumber over but could not get in."

22. PPS inv. #7447 -- disallowed \$26 as a management function for work described as follows: "Check heat, it was on, just not hot enough for her taste."

23. PPS inv. #7449 -- disallowed \$10 to receive a "no heat call from tenant" as a management expense.

24. PPS inv. #7508 -- disallowed \$10 for a "no heat call from tenant" as a management expense.

25. PPS inv. #7600 -- disallowed \$26 or one-half of cost to reset a breaker switch.

26. PPS inv. #7604 -- disallowed \$36 to determine that a boiler needed plumbing work and to call the appropriate tradesman as a

Disallowances

I have disallowed the following expenditures which were submitted with the maintenance and repair budget:

1. Peerless Property Services (PPS) invoice #5142 -- disallowed \$48 to inspect heating system as a management expense where there was no indication that any actual repair was undertaken.
2. PPS inv. #5144 -- disallowed \$4.47 for the cost of a thermometer since it was not a M & R expense
3. PPS inv. #5145 -- disallowed \$9.00 to "inspect radiator in bathroom, no heat" and "referred to Pann Plumbing" as a management expense.
4. PPS inv. #5221 -- disallowed \$18 to "inspect clogged bathtub and refer to ADT Drain Co." as a management expense.
5. PPS inv. #5331 -- disallowed \$30 to "inspect leaky roof, unable to identify leak, refer to Roofers" and \$20 to "let electricians into apartment" as management expenses.
6. PPS inv. #5411 -- disallowed \$20 for the following as a management expense: "work with Lancer Plumbing on bathtub leak. Had to let in Lancer because they couldn't find Pierre's apt."
7. PPS inv. #5574 -- disallowed \$45.50, or one-half of the cost, involving 3 1/2 hours of labor for following work: "No heat in apt. 6, turned the boiler on and checked the radiator" and "Boiler was off again, so turned it back on."
8. PPS inv. #5576 -- disallowed \$10 to "pickup and deliver mice traps" as a management expense.
9. PPS inv. #5578 -- disallowed \$30 to "inspect roof leak, caused by snow" with no other work done as a management expense.
10. PPS inv. #5696 -- maintenance costs reduced by \$2 as a result of arithmetical error.
11. PPS inv. #5882 -- disallowed \$20 to "inspect kitchen sink; sink rusting needs enameling" when there is no indication that the specific problem was remedied as a management expense.
12. PPS inv. #6128 -- disallowed \$10 for work described as "delivered weed wacker to Pierre" as a management expense.
13. PPS inv. #6718 -- disallowed \$39 for following with no description of any remedial work as a management function: "Checked leak coming from apartment. Found out it was clothes dryer. Needed two people; tenant was not home, couldn't be

The history of the property indicates that Anna Chiccarelli, the former owner of the property from at least June 11, 1973 to its purchase by Resource Capital Group as of December 31, 1986, failed to provide even a basic level of routine maintenance. (Hearing Examiner #1) The Supplemental Notice of Ruling for case no. RA1981-283, which documents thirteen separate common area violations and sixty-four unit specific violations, demonstrates the negligent manner in which the building was managed. In her inspection report for the above mentioned case Zelia Pacheco-Kelleher observed "that the building is in such a deplorable condition that I have referred it to the Building Dept. and Health Dept. for inspections." That inspection documented the extensive damage in the property due to water leakage. Further, the hearing examiner noted in the case report that repairs conducted at the property in 1980 were done pursuant to a court order. Finally, the serious condition of the building was also illustrated by the following supplemental ruling of the Board in RA1981-283:

Each affected tenant is also given a choice of either:

- a) filing a tenant complaint to ascertain the actual reduction in services or amenity to his/her unit as a result of the landlord's failure to provide ordinary repair and maintenance, or
- b) deducting \$150 from future rent payments to account for common area disrepair and an additional \$100 by tenants whose apartments were found to have Sanitary Code violations.

Further, the legal maximum rents approved by the Board will be reduced by \$15 for each month after April, 1983 that the common area conditions remain uncorrected. (Hearing Examiner #2)

The noticeable response by tenants in case no. RA2-87-140 regarding continuing code violations, in which an expense year of 1986 was claimed by the present owners, indicates that the former owner did not increase the level of maintenance for the property. In her memorandum to the Board the hearing examiner observed that "the tenants uniformly claimed that the former owners rarely visited the property for the purpose of maintenance, repair and cleaning." (Hearing Examiner #3) Even though the previous owner spent \$15,750 to correct code violations in 1980 pursuant to a court order, an amount that was allowed as a capital improvement in RA1981-283, the hearing examiner in case no. RA2-88-017 observed "that a substantial portion of the conditions in the early 1980's have recurred." (Hearing Examiner #4) In brief, it is evident that the current landlord purchased a property that had lacked proper maintenance for a number of years. Undeniably, even the most rudimentary rehabilitation of a 16-unit apartment

management function.

27. PPS inv. #7710 -- disallowed \$39 to check boiler on five different occasions with call eventually made to plumber as a management function.

Analysis of Maintenance Budget

In the most recent prior rent adjustment case for 266-270 Windsor St. (RA2-88-017) the hearing examiner adjusted the 1970 redbook allowance for the maintenance of a similarly sized property (\$2615 X CPI factor = \$6799) and compared this amount to the allowed expenditures claimed by the landlord (\$19,011.94). She attempted to explain the astonishing discrepancy between these two amounts and to fashion an equitable solution as follows:

Based on the fact that a majority of the first hearing in this case concerned code violations, the fact that the last Reg. 72 also revealed numerous code violations and that there is some dispute as to whether those violations were ever cured, the fact that Ms. Kelleher found many violations in the thirteen (13) apartments which she inspected, and the fact that the maintenance and repair claim was so high and the work so extensive, and the fact that much of the work claimed was not of the nature of "annually recurring", I allowed only \$6799 as maintenance and repair for 1987. I found that the remaining \$12,213 was actually deferred maintenance and repair to a building which was in very poor shape when purchased by the petitioners. However, given that the petitioners performed the work and are attempting to rectify the violations and bring the building back up to Code, I allowed the remaining amount of \$12,213 as a capital improvement over a generous three years without interest. (Hearing Examiner #4)

The total amount claimed by the petitioner to maintain the property in 1988 was \$24,020.26. After deducting all disallowed expenditures and adding the amounts disallowed as capital improvements and discussed in Section No. 7, I reduced the total to \$20,133.72. Seemingly, the petitioner could argue that the maintenance costs have remained high for the building simply because such costs are reasonable and expected for an older structure containing twenty units. No doubt he would also point out that only two tenants reported code violations in the instant case, which in turn might indicate that the property is now in acceptable condition and the claimed costs are not deferred maintenance. (Hearing Examiner #9) However, a more complete analysis demonstrates the complexity of the issue.

replaced because of its age and cost of maintenance. In addition, a number of the claimed repairs involved the patching and painting of ceilings damaged by plumbing or roof leaks, which is in turn indicative of serious problems in major building systems. It should also be noted that more than one half of the expenditures included in the painting and decorating budget involve the painting of ceilings. Finally, inspections conducted pursuant to case no. RA*-89-343 demonstrated that conditions were present in the common areas and in at least six units as of January 24, 1990. (Hearing Examiner #8)

Nevertheless, and as the hearing examiner in case no. RA2-88-014 observed previously, the landlord is attempting to address the condition of this building. In recognition of the landlord's efforts to maintain a property which was severely neglected by previous owners, I have allowed \$10,067, or 50% of the total cost, in the maintenance and repair budget, with the remaining amount allowed as a capital improvement over three years with no interest. In so doing I have adopted the solution formulated by the Board in deciding case no. RA2-88-017. If the owner continues to remedy the serious structural problems of the building the operating budget will hopefully stabilize at some future date and will cease to reflect the high costs related to deferred maintenance.

6.12 Insurance

The insurance policy for the building submitted demonstrated a yearly expenditure of \$4968.

6.13 Real Estate Taxes

The amount attributed to the building takes into account the 1990 fiscal tax rate in accordance with Board policy.

7.0 Capital Expenses

In an attachment to the petitioner the owner argued that the claimed capital improvements should be amortized at the interest rate allowed for small landlords. Such claim was ostensibly made as a means of preserving legal rights in the context of the ongoing litigation between Resource Capital Group and the Rent Control Board. After some review I determined that the petitioner had not presented a sufficiently compelling reason to deviate from the interest rates enumerated in Regulation No. 72-10 for landlords owning more than 35 units.

In his memorandum of August 14, 1989 Michael Fisher withdrew the capital improvement termed "upgrade basement electrical" in

building in which the goal is simply to eliminate code violations can take several years and would significantly increase a maintenance and repair budget during that period.

In 1988 the landlord filed applications for Certificates of Eviction pursuant to Section 9(a)(1) of the Act against the tenants in nine units at 266-270 Windsor St. With the exception of the matter which was mediated, the Board granted the following rent abatements in those cases:

1. EVO-88-118; 268 Windsor St. #6 -- total abatement of \$813.06 for code violations in 1988 and a loss of space as a result of the porch removal (Hearing Examiner #7)
2. EVO-88-117; 268 Windsor St. #2 -- total abatement of \$216.58 for porch removal (Hearing Examiner #7)
3. EVO-88-124; 268 Windsor St. #3 -- total abatement of \$657.87 for porch removal, peeling paint in the kitchen, rat and rodent infestation, and an accumulation of trash in 1987 and 1988 (Hearing Examiner #5)
4. EVO-88-115, 116; 266 Windsor St. Nos. 1 and 3 -- total abatements of \$604.49 and \$521.96 respectively for porch removal, rat and rodent infestation and an accumulation of trash in 1987 and 1988 (Hearing Examiner #5)
5. EVO-88-119, 120, and 121; 270 Windsor St. Nos. 1, 4, and 5 -- total abatements of \$338.40, \$243.90, and \$302.40 respectively for porch removal (Hearing Examiner #6)

Based on the above summary of rent abatements claimed by tenants in the course of eviction cases and the two tenant response forms filed in the instant matter it is evident that code violations continued to be a problem at 266-270 Windsor St. in 1988, the expense year claimed by the petitioner here. In fact, conditions reported by tenants in RA2-87-140 were determined to have been corrected as of May 31, 1988 (conditions in 270#3 were not corrected until the first week of June, 1988), while the violations reported in the context of case no. RA2-88-017 were corrected as of January 1, 1989. (Hearing Examiner Nos. 3 and 4) In brief, it is evident that a sizable portion of the maintenance and repair budget for 1988 was spent to correct code violations so that rent increases pursuant to Regulation 72 petitions filed in 1987 and 1988 could become collectable. This scenario would in turn suggest that the property remains in poor condition and that the expense year budget includes a high proportion of work which could be termed deferred maintenance.

This conclusion is further supported by a review of the documentation submitted. Approximately \$2500 was spent to maintain a heating system which, according to Mr. Fisher, must be

old tiles in the bathtub area, rebuild the underlying wall and install new tiles. Approximately 21 square feet of wall area was retiled. I examined the documentation submitted and determined that this was a reasonable capital expense.

7. common area window

The petitioner submitted a claim of \$281 to install a third-floor hallway window. Included in this cost was an expenditure of \$30 for a handyman to measure and order the window. Because I determined that this cost was excessive, I have allowed \$15 for the task. Total allowed is therefore \$266.

8. new kitchen sink and cabinet

The petitioner submitted a claim in the amount of \$475.98 to install a new kitchen sink with required plumbing (drain pipe, trap, coupling and elbow) and base cabinet. I examined the documentation submitted and determined that this was a reasonable capital expense.

9. preparation and painting of bedroom and front door - 270#1

The petitioner submitted a claim in the amount of \$644 to patch and paint the bedroom walls and front door of 270#1. Further, the petitioner stated that such work was not duplicative of the capital improvement allowed in case no. RA2-88-017 because the earlier expenditure involved the painting of a different bedroom, which had been damaged by fire, in the same unit. I examined the documentation submitted and determined that the correct expenditure was \$499.14.

10. plumbing work - 270#4

The petitioner submitted a claimed expenditure in the amount of \$469.29 to rebuild the cold water supply including the replacement of a corroded tee, the v-trap, and a galvanized nipple. I examined the documentation submitted and determined that the cost was a reasonable capital expense.

11. demolish and construct rear porches and stairs

The petitioner submitted an expenditure in the amount of \$23,354 to demolish the three porches at 266, 268 and 270 Windsor St., each of which was three stories in height, and construct replacements using pressure-treated lumber. Mr. Fisher submitted Owner #4 as an itemization of the completed work.

In case no. RA2-87-140 the hearing examiner recommended that only 50% of the cost of such work should be allowed "based on the testimony claiming a severe lack of maintenance for the property

the amount of \$1,065 because of his determination that the work had actually been done at 19-25 Market St., the landlord's adjacent property. (Owner #4)

I have specifically discussed the following capital improvements to describe disallowances or to provide greater detail as to the nature of the work.

1. kitchen floor - 266#1

The petitioner claimed an expenditure of \$659.40 to replace the subfloor and vinyl covering in the kitchen of 266 Windsor St. #1. Included in the amount is a cost of \$20 for a "handyman" to "inspect kitchen floor" and "instruct workers on laying new floor." Since it is apparent that the handyman did no significant work as to this capital improvement I disallowed the cost as a management expense. Total allowed was \$639.40.

2. bathroom floor - 266#1

The petitioner claimed an expenditure of \$652 to replace the subfloor and vinyl covering for a bathroom floor. However, a review of the documentation submitted indicates that the correct cost for the work was \$621.66.

3. rewire apartment - 266#1

The petitioner claimed an expenditure of \$1752.78 to rewire 266#1, including the installation of new lines from the main panel together with new plugs, switches, boxes, and ceiling lights. I examined the documentation submitted and determined that the cost was a reasonable capital expense.

4. new vinyl kitchen floor - 266#B

The petitioner claimed an expense of \$376 to install new vinyl covering in a kitchen. I examined the documentation submitted and determined that the correct expenditure was \$356.33.

5. painting apartment - 268#2

The petitioner claimed an expenditure of \$706 to scrape and paint the kitchen, bathroom, and bedroom walls and to strip the wallpaper and paint the walls of the front room. I examined the documentation submitted and determined that this was a reasonable capital expense.

6. replace bathroom tiles - 268#5

The petitioner claimed an expenditure of \$484.20 to remove

examined the documentation submitted and determined that this was a reasonable capital expense.

13. new main electric service

The petitioner claimed an expenditure in the amount of \$11,575 for a new main electric service including the installation of 400 amp. service, new meters and circuit breaker panels, and fluorescent lights in each basement. I examined the documentation submitted and determined that this was a reasonable capital expense.

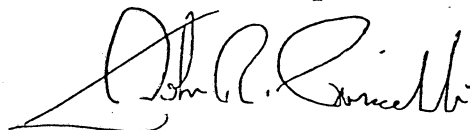
Disallowed Capital Improvements

In general, a capital improvement should represent the replacement or rebuilding of all or a substantial portion of a major system. The dollar amount, relative to whether the improvement affects one unit or is building-wide, usually reflects the extent of the work. Finally, the total size of a property is a consideration when determining whether an expenditure would normally be contained in a building-wide maintenance budget.

Using the above factors as a system of analysis I determined that the following expenditures should more properly be included in the maintenance and repair budget for the property:

1. replacement of bedroom door in 266#3 - \$81
2. vinyl covering on bathroom floor in 268#2 - \$106
3. installation of bi-fold bedroom door - \$124

Respectfully submitted,



John R. Puricelli
Assistant Counsel

as a whole." (Hearing Examiner #3) The Board, however, allowed the landlord to preserve this issue until a later rent adjustment case. The capital improvement was not allowed in case no. RA2-88-017 because the work was not completed at the time of filing or by the date of the first hearing. (Hearing Examiner #4)

Mr. Fisher argued that the full cost of the work should be allowed because the substantial deterioration of the porches was due to their age. In support of his contention he attached an Inspectional Services report which stated that "these porches show numerous attempts at trying to keep them together."
(Owner #5)

Nevertheless, and as partly discussed in Section No. 6.9 above, the property had not been maintained properly by Anna Chiccarelli, the owner from at least June 11, 1973 to its sale as of December 31, 1986, requiring the present landlords to expend an inordinate amount to remedy the past neglect. In case no. RA2-87-140 the tenants testified that "no maintenance, repair, or cleaning was ever performed by the former owners" and that "they claimed the buildings themselves." (Hearing Examiner #3) The longstanding lack of maintenance by the prior owners is further demonstrated by the Supplementary Notice of Ruling for case no. RA1981-283 which documents the extraordinary number of code violations present in all areas of the property. During the inspection for that rent adjustment case Ms. Pacheco-Kelleher found that the "back halls and porches are full of junk and debris" and "back porches have missing railings and loose and rotting floor boards." (Hearing Examiner #2)

Undeniably, the evidence regarding an almost total lack of maintenance at 266-270 Windsor St. prior to its acquisition by the present owners effectively rebuts Mr. Fisher's argument that the porches necessitated replacement simply because of age. Although some deterioration of an exterior structure is inevitable it is very likely that the porches would not have had to be demolished and completely rebuilt had normal maintenance been practiced on a periodic basis by the prior owners.

Regulation No. 72-04(c) permits the disallowance of capital improvements which are made necessary by the "failure of the owner to perform ordinary repair, replacement or maintenance." In accordance with the hearing examiner's original recommendation in case no. RA2-87-140, I have therefore allowed \$11,677, which is 50% of the total cost, for the replacement of the back porches and stairs.

12. concrete walls in basement

The petitioner claimed an expenditure in the amount of \$587 to construct two concrete partition walls in the basement areas of 268 and 270 Windsor St. as a means of increasing security. I

Remand Hearing Report

Case No.: RA2-89-147
Address: 266-270 Windsor St.

Hearing Examiner: John R. Puricelli

Owner: Resource Capital Group

Introduction

The above named case was remanded to the hearing examiner on April 25, 1990 for a determination as to whether the cost of maintenance and repair in 1989 was comparable to the cost for the two preceding years. The petitioner submitted documentation on May 11, 1990 and the maintenance and repair budget represented by such documentation is examined below.

Disallowances and Capital Improvements

The following expenditures were determined to be excludable from a maintenance and repair budget as management expense or as capital improvements.

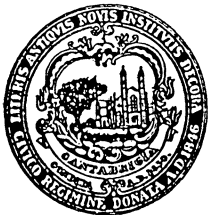
Check #629 -- disallowed as a management expense the following work involving one hour of labor at a rate of \$24/hour: "No lights in bedroom. Bad wire in wall. Refer to McNelly Electric."

#629 -- disallowed as a management expense the following work involving one half-hour of labor at a rate of \$48/hour: "No electric in hallway. I thought fuse went for all hallway but when I got there bulbs were just out."

#631 -- disallowed as a management expense the following work involving one hour of labor at a rate of \$52/hour: "Attempted to find broken fuse in apt. Could not. Will send Electrician on next working day."

#631 -- disallowed the invoice from Peerless Property Services dated July 15, 1988 and November 9, 1988 in full (\$705.06) because the expenditures did not involve work done in the expense year and the latter invoice primarily documents an expenditure to construct a basement partition wall, a capital expense.

H.E. #2



CITY OF CAMBRIDGE

831 MASSACHUSETTS AVENUE
CAMBRIDGE, MASSACHUSETTS 02139
TEL 499-6161

RENT CONTROL BOARD
TERRENCE P. MORRIS, EXECUTIVE DIRECTOR

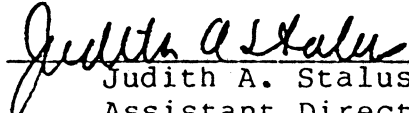
Date of Notice: May 22, 1990
Case No: RA2 89 147
Property: 266-270 Windsor St
Prop. No: 14204

SUPPLEMENTAL NOTICE OF RULING CONCERNING BOARD AMENDMENTS

The Board voted to amend the recommendation as follows:

1. To allow the full request for repairs to the porches;
2. The owner shall submit 1989 maintenance and repair documentation to the hearing examiner. Within two weeks of receipt the hearing examiner shall determine whether the cost of maintenance and repair is comparable to the cost for the two preceding years. If it is comparable the entire allowed maintenance and repair cost shall be included as an operating expense rather than partially as a short term capital improvement.

Per Order of the Board



 Judith A. Stalus,
 Assistant Director

cc: case, reg. files
computer, docket

dumpsters with trash to \$18 as an excessive cost.

#720 -- reduced cost of \$147 for 6.5 hours of labor to sweep sidewalks and gutters and clean junk mail out of hallways to \$100 based on following: 1) excessive labor rate; 2) the petitioner has a janitor to clean interior hallways; 3) invoice indicates that some of work was done at another property.

#720 -- reduced cost of \$135 for 6.5 hours of labor to cut grass, pull weeds and clean walkway and gutters to \$117 because of excessive labor rate.

#720 -- disallowed \$21 for one hour of work (268 Windsor St #2) for the following as a management expense: "Met with tenant. Checked out work that needs to be done in unit."

#720 -- disallowed \$21 for one hour of work (270 Windsor St. #3) for the following as a management expense: "Met with tenant. Checked out work that needs to be done in unit."

#720 -- disallowed \$21 for one hour of labor for the following as a management expense: "Met with tenant. Checked out damage to walls and ceilings from radiators overflowing."

#720 -- disallowed \$31.50 for one hour of labor for the following as a management expense: "Respond to call; water leaking from bathroom ceiling. Did not see any water leaking but ceiling was wet. Ran water in sink and tub upstairs but still did not see any water leaking."

#720 -- disallowed \$42 as the labor cost to replace lightbulbs in the common hallways and basement because the landlord has a janitor to whom such tasks can be assigned.

#749 -- disallowed \$21 as the labor cost for one hour of work for the following as a management expense: "Responded to call from tenant; no electricity. Tenants did not speak English. Switched circuit breakers back on and left note explaining not to plug so much stuff in."

#750 -- determined that the total cost of \$528.12, involving five separate invoices, for bathroom work involving the replacement of a medicine cabinet, sheetrocking a six square foot area, sanding, priming and painting the walls and ceiling in 268 Windsor St. #3 was a capital improvement.

#750 -- determined that the total cost of \$828.58, involving six separate invoices, for the scraping, patching and painting of the walls and ceilings in the living room and two bedrooms in 268 Windsor St. #1 was a capital improvement.

#750 -- disallowed \$90 as the labor cost for 5 hours of work for

#639 -- disallowed the claimed expenditure of \$43.04 because of the lack of documentation.

#654 -- reduced cost of \$63 involving 1.5 hours of labor to unclog a toilet with a "ram gun" to \$20 because of excessive labor cost.

#655 and #669 -- determined that expenditures in the amounts of \$606.70 and \$142.50 to repair and rebuild intercom system at 268 Windsor St. were collectively a capital improvement because of dollar amount and fact that work was not annually reoccurring in nature.

#663 -- disallowed \$13 for the following as a management expense: "Kitchen drain clogged. Sent plumber over but could not get in."

#670 -- disallowed \$21 for the following as a management expense: "Met Pann Plumbing. Let him into unit--showed him where leak was and where water main was."

#671 -- disallowed \$70 for janitorial work completed between November 27 - December 3, 1988 because work was not done in the expense year.

#699 -- disallowed \$10.50 for one-half hour of labor for the following as a management expense: "Worked with Tom Clifford. Learning about heating systems. Bled boiler."

#699 -- disallowed \$10.50 for one-half hour of labor for the following as a management expense: "Tenant called about leaking toilet. Tank, shutoff valve and cold water pipe were sweating. No leak."

#699 -- reduced cost of \$126 involving 3 hours of labor to make a temporary repair of leaking pipe to \$63 because of excessive cost.

#699 -- disallowed \$42 for one hour of labor for the following as a management expense: "Responded to no electricity in common areas. Went over; basement had power; front and rear hall lights were out. Called McNelly Electric. They responded and found wires ripped out of the ceiling."

#720 -- reduced cost of \$21 for one hour of labor to clean "dumpster area" to \$18 as an excessive cost.

#720 -- disallowed \$21 for one hour of labor for the following as a management expense: "Checked out bathroom ceiling. Took measurement for new drop ceiling."

#720 -- reduced cost of \$21 for one hour of labor to fill

office."

#806 -- disallowed \$11.25 as the labor cost for the following as a management expense: "Inspected ceilings in all rooms for possible damage from roof leak. Reported back to Stan."

#806 -- disallowed \$11.25 as the labor cost for the following as a management expense: "Inspected damage to bathroom ceiling inside apt. #3. Could not get into apt. #5. We don't have a key to the top lock."

#806 -- disallowed \$22.50 as the labor cost for the following as a management expense: "Inspected water damage to ceilings with Stan (from roof leak). Also checked out kitchen floor."

#806 -- disallowed \$16 as the labor cost for the following as a management expense: "Delivered extermination notices to all residences and posted in hallways."

#811 -- disallowed claimed expenditure of \$28.29 because of a lack of documentation.

#854 -- determined that expenditure of \$464.14 to overhaul the boiler including the installation of a use heat timer and new safety controls was a capital expense.

#AE9 -- disallowed \$44.50 as the labor cost for the following as a management expense: "Worked with exterminators using keys to gain entry to units where no one was home."

#AE9 -- disallowed \$18 as the labor cost for the following as a management expense: "Checked leak in bathroom ceiling. Ran water in tub in apt. #6."

#AE9 -- disallowed \$22.50 as the labor cost for the following as a management expense: "Checked out leak in bathroom. Tub drain from apt. 6 leaking. Also made list of repairs that need to be done." The invoice does not indicate than any work was undertaken other than an inspection of various problems in an individual unit.

#AE9 -- disallowed \$4.50 as the labor cost to deliver extermination notices as a management expense.

#AE10 -- disallowed \$22.50 as the labor cost for the following as a management expense: "Checked out radiators in back bedroom and living room. The pipes leading to them were hot but radiators were cold. Valves need to be repaired."

Based on the above analysis of the maintenance budget, I determined that a total dollar amount of \$6763.84 involved

the following as a management expense: "Worked with exterminators." There was no indication from the invoice that the worker did any substantial work other than admitting the exterminators to individual units.

#767 -- disallowed \$22.50 as the labor cost for one hour of work for the following as a management expense: "Checked out work that needs to be done in unit."

#767 -- determined that the installation of new doors in the bedroom and a bathroom window in 268 Windsor St.#3, involving a total cost of \$370.50, was a capital improvement.

#767 -- disallowed \$90 as the labor cost for 5 hours of work for the following as a management expense: "Worked with exterminators and keys." There was no indication that the worker did no substantial work other than admitting the exterminators into individual units.

#785 -- disallowed \$22.50 as the labor cost for 1 hour of work for the following as a management expense: "Met roofer. Checked out leaks in 268 hallway. Measured roof for future reference."

#786 -- determined that the installation of a section of rubber roofing with flashing on the building, involving an apparent cost (the invoice is confusing as to whether the cost included work on another building) of \$1225, was a capital improvement. Although the landlord claims that only a limited part of the roof was affected by the work, the dollar cost of the expenditure necessitates its treatment as a capital expense.

#794 -- determined that expenditure in the amount of \$240.03 to install new electrical circuits in a unit was a capital improvement.

#794 -- determined that expenditure in the amount of \$231.13 to install electrical receptacle in 270 Windsor St. #2 was a capital improvement.

#806 -- disallowed \$72 as the labor cost (4 hours) for the following as a management expense: "Worked with exterminator using keys to get into unit." The invoice indicated that the worker did no substantial work other than admitting exterminators into individual units.

#806 -- reduced excessive labor cost from \$90 to \$42 (2 hours) to replace a broken window.

#806 -- disallowed \$11.25 as the labor cost for the following as a management expense: "Tenant told us he would leave his top lock open so we could look at his plumbing problem. When I arrived top lock was locked. Left note for tenant to contact

#854 -- overhaul of boiler in the amount of \$464.14 involving the following work: "1) install used heat timer; 2) clean boiler and surrounding area 3) install new safety controls; 4) fire and test boiler." Even if not considered deferred maintenance, this expenditure would be considered a capital improvement as noted above because of the dollar amount and the fact that it is not annually-reoccurring in nature.

#NP-RCG -- expenditure of \$68.92 to replace steam vents.

Labor Costs

The hourly rates paid to workers at 266-270 Windsor St. in 1988, primarily involving employees of Peerless Property Services, were not analyzed in the Addendum for the instant case. The documentation submitted by the landlord to document maintenance expenses for 1989 includes only \$966.49 paid to Peerless. In contrast, \$6,983.07 was paid to employees of Resource Capital Group to work at the building in 1989 at hourly rates from \$18 to \$52. For instance, employees were billed at the following hourly rates to do various handyman-type tasks:

1. \$24 per hour -- shovel snow on November 25, 1989 and December 17, 1989 (#AE9)
2. \$33.75 per hour -- snow removal on November 25, 1989 and December 17, 1989 (#AE9)
3. \$18 - \$21 per hour -- sweep exterior and clean-up around dumpster area on numerous dates

The labor rates summarized above are significantly above those usually allowed by the Board for unskilled work. A complete analysis of such rates cannot be made in the context of the instant report but would be a relevant issue in a future rent adjustment case.

Analysis and Recommendation

The landlord previously claimed amounts of \$24,333 and \$24,020 for the maintenance and repair budgets in 1987 and 1988 respectively for 266-270 Windsor St. Those expenditures were subsequently reduced to \$19,011.94 for the expense year of 1987 and \$20,133.72 for 1988. As detailed above the total claimed expenditure for 1989 was reduced to \$16,755.50 as a result of disallowances for management expenses and the subtraction of capital expenses.

The significant reduction in the amount claimed was made

management costs or capital improvements.

Deferred Maintenance

As noted in the Addendum for the instant case, Michael Fisher of RCG reported that the building's heating system must be replaced because of its age and the cost of maintenance. Approximately \$2500 was spent to maintain the system in 1988. The following is a partial summary of the expenditures incurred in 1989 to overhaul and prolong the life of an aging boiler and related plumbing:

#621 -- no heat call by T.M. Clifford Plumbing and Heating Co. in the amount of \$50.

#654 -- expenditure in the amount of \$293 for work by T.M. Clifford Co. described as follows: "Make repairs to steam boiler at Windsor St. Actual time was 15 hours. Time spent trying to locate parts and otherwise get boiler running. Comgas couldn't solve or fix problems."

#702 -- expenditure in the amount of \$21 for the following done on 4/28/89: "Shut down heating system. Turned heat back on at the end of the day.

#702 -- expenditure in the amount of \$21 for work done on 4/27/89 to shut off heating system.

#702 -- expenditure in the amount of \$21 for work done on 4/26/89 to shut off heating system.

#702 -- expenditure in the amount of \$21 for work done on 4/25/89 to shut off heating system.

#702 -- expenditure in the amount of \$21 for work described as follows: "Responded to no heat call. When I arrived pilot was lit but system was not working. Went over list of things to do that Tom Clifford gave me. System came back on when I tapped the relay switch."

#720 -- expenditure in the amount of \$31.50 for following done on 5/3/89: "Turned off boiler first thing in the morning. Drained system. Turned heat back on at the end of the day."

#720 -- expenditure of \$42 for boiler check similar to above done on 5/1/89.

#720 -- expenditure of \$42 for following done on 4/30/89: "Responded to call from Tom saying water was leaking out of a heating pipe. System was flooded. Drained it; then turned it back on."



CITY OF CAMBRIDGE

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A.G.#4.1

RENT CONTROL BOARD

TERRENCE P. MORRIS, EXECUTIVE DIRECTOR

Date: June 15, 1990

Case No: RA2 89 147

Property: 266-270 Windsor St

SUPPLEMENTAL NOTICE OF RULING CONCERNING BOARD AMENDMENTS

The Board at its meeting on June 13, 1990 voted 4-1 (Connor) to amend the hearing examiner's remand report as follows:

1. Addendum, Page 12, Item 6.9 Maintenance and Repair: allocate 100% of the \$20,134 to maintenance and repair.

2. Notice is hereby given that the owner is required to submit, in two years (June, 1992), maintenance and repair expenses for 1990 and 1991. This condition is being instituted because the Board's action in paragraph #1 is predicated on its belief that a high cost of maintenance appears to be the norm. However the Board is concerned that this conclusion is based on only three years (1987-89) of expenses for a property on which long-term maintenance was neglected by the prior owner.

Per Order of the Board, by:

Terrence P. Morris

Terrence P. Morris
Executive Director

CC: Principal Clerk
Computer File
Registration File
Ms. Kelleher
Assistant Director/Hrgs

without the benefit of the greater scrutiny afforded in the hearing process. The computation also does not address the possibility addressed above that the labor rates claimed by the petitioner, particularly for cleaning and other menial work, are excessive. Again, this matter can be analyzed only in the context of a future rent adjustment case. Although the inclusion of costs involving deferred maintenance was exhaustively examined in the Addendum for the instant case, the continued presence of such costs, whether in an old heating system or another major building system, cannot be fully examined without a hearing in which all parties are given an opportunity to participate. I, therefore, urge the Board to accept the original recommendation of this hearing examiner to allow 50% of the total cost of maintenance with the remaining amount allowed as a capital improvement over three years with no interest.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "John R. Puricelli". The signature is fluid and somewhat stylized, with a large initial "J" and "P".

John R. Puricelli
Assistant Counsel

City of Cambridge

The Rent Control Committee conducted a public hearing on Tuesday, July 14, 1992 beginning at 5:35 p.m. in the Sullivan Chamber, City Hall.

Councillor Jonathan S. Myers, Chair of the above referenced Committee, convened the hearing and stated that the purpose of this date's proceedings was to begin discussions on high rent situations with the focus being on the premises numbered 266-270 Windsor Street, 19-25 Market Street and 205-211 Harvard Street. Present at the hearing were: Councillor Francis H. Duehay, Councillor Timothy J. Toomey, Jr., Councillor William H. Walsh and Deputy City Clerk John E. Flynn.

To begin the discussion, the Chair outlined to those assembled in the Chamber and to those viewing the proceedings on Cable a historical overview of the conditions and facts as they relate to the above referenced properties. He also commented that the Committee on July 13, 1992 toured the property at 268-270 Windsor Street and that the findings revealed some health code violations, lead paint conditions and some other troubling conditions. In spite of these conditions, rent increases have been granted by the Rent Control Board.

The Chair also noted for the record the presence of Deputy City Manager Richard C. Rossi, Inspectional Services Commissioner Joseph J. Cellucci and Rent Control Executive Director Terrence P. Morris in the Chamber.

To begin the presentation, the Chair recognized Commissioner Cellucci for a report on the three properties. In his report to the Committee, the Commissioner outlined the number of inspections made from 1987 to 1992, the types of violations found and the number of times Inspectional Services communicated with Rent Control regarding their findings. (A copy of the report is attached).

Councillor Myers inquired of the Commissioner if the number of violations cited by his department represented a high or low number in relation to other properties in the City.

Commissioner Cellucci stated the number of violations cited represented an average number.

Councillor Myers, in noting repeat citing of the same types of violations, asked if it was symptomatic of a larger enforcement problem.

Commissioner Cellucci in response stated that it indicates a band-aid approach being taken by the Inspectional Services Housing Inspector. He also cited a situation in East Cambridge where water was draining into an electrical ceiling fixture and that the Housing Inspector did not refer the matter to an Electrical Inspector.

Councillor Toomey inquired of the possibility of a tenant going without heat for a two week period of time without intervention by Inspectional Services.

Commissioner Cellucci quoted from the State Sanitary Code that calls for a twenty-four hour turnaround time to rectify this situation and that a card outlining the tenants' rights should have been supplied.

Councillor Walsh inquired of the qualifications needed to be appointed a Housing Inspector as well as any formalized training.

Commissioner Cellucci in response stated that the applicant only needs to pass the Civil Service requirements and examination for appointment. He also stated that a strong need exists for a formalized training process to be instituted due to a wide latitude for interpretation in the enforcement of the Code.

Councillor Walsh further inquired of the number of Housing Inspectors included in the fiscal year 1993 operating budget for his department.

In response, the Commissioner stated that funding exists for five positions and that presently two positions are vacant. He also stated that a need exists for greater supervision, greater training and more staffing is needed in this area of enforcement.

Commissioner Cellucci concurred with Councillor Walsh in his identification of the following problem areas as they relate to the Housing Inspectors:

- Quality of Work;
- Ability to understand the Code;and
- Staffing shortages.

Councillor Walsh requested of the Commissioner to provide the Committee with the statistics regarding the length of time it takes from when a violation is cited to when it is corrected.

Commissioner Cellucci noted that the files for the three addresses were incomplete and that the record does not indicate what happened or when.

Councillor Duehay stated that the personnel issue as described by the Commissioner is a serious matter and that a memorandum should be forwarded with recommendations to the City Manager as soon as possible by the Commissioner.

Councillor Duehay then inquired of the automation of the records of the records of the Inspectional Services Department.

Commissioner Cellucci stated that the records now are computerized along with a history for the past six months.

Upon conclusion of the Commissioner's presentation, Councillor Myers recognized Mr. Jean Charles, a member of the Steering Committee for the Eviction Free Zone for the next presentation.

At this time Mr. Charles introduced Ms. Carmen Perez, 164 Western Avenue, formerly of 23 Market Street and aided by Ms. Ada Navarro, 25 Market Street, to outline to the Committee her experiences and the conditions of her unit during her tenancy. Ms. Perez moved into her unit in June, 1991 at a rent of \$679 per month. She outlined to the Committee the condition of her bathroom complete with plumbing problems causing leaks and overflows. She showed a picture of the bathroom to illustrate the conditions. She also told of her experiences with the Rent Control Board in reporting the deficiencies to them. The Rent Control Board ordered repairs to be made to rectify the situation. Ms. Perez stated that the repairs were not made and that pressure was exerted upon her to sign a statement stating that the necessary repairs were made satisfactorily. She also stated that prior to the fire, a notice of a rent increase was received allowing for a new rent of \$712 per month.

Councillor Myers inquired of the type of form Ms. Perez signed as well as who asked her to sign it.

Ms. Navarro in response stated that the form was an Affidavit of Conditions and a worker on behalf of the property owner brought the form to her.

Mr. Romanes Firma, 2 Mildred Hamilton Place, formerly of 270 Windsor Street, aided by Mr. Erhl Lafontant, outlined to the Committee the experiences he endured during his tenancy. Mr. Firma stated that his apartment had many code violations and that some repairs were made in the kitchen but nothing was done in the bedroom and living room. He also outlined to the Committee a similar experience as Ms. Perez did regarding the signing of an Affidavit of Condition. Mr. Firma stated that the workers left some equipment in his apartment and that he thought the statement he was signing was in regards to that equipment. He also stated to the Committee that he is unable to read or speak English. The rent increased from \$644/month to \$715/month during his tenancy.

Councillor Duehay inquired if pressure was exerted to sign the Affidavit of Condition.

Mr. Firma stated that he was not physically forced to sign it.

Mr. Alex Selman, 268 Windsor Street #6, a tenant for the past thirteen years, stated that there always existed problems with repairs. He stated that his rent has gone from \$202/month in 1985 to \$595/month in March of 1992. He also noted that the repairs that have been made to his apartment were at his initiative and at his expense. He asked for justice to be done.

Ms. Edwina Kenney, 270 Windsor Street, spoke of the significant rent increases she has witnessed since 1985. She stated that the outside of the property surrounding the building shows no visible improvements. She spoke of the rodent problem caused by inadequate trash pick-up and that she does her own renovations to her unit.

Councillor Myers inquired of Ms. Kenney if she had any heat problems.

In response Ms. Kenney stated that for a ten day period in April.

Councillor Toomey inquired if Inspectional Services was called and if they provided Ms. Kenney with her rights.

Ms. Kenney responded in the affirmative.

To conclude the tenant presentation, Ms. Julia Gregory, 11 Market Street, Eviction Free Zone, recapped the testimony and presented to the Committee a packet of materials outlining the conditions, rents, inspection reports and some considerations for Rent Control reform (A copy of the material is attached).

At this time, Mr. Morris and Mr. Buddy Packer, Senior Hearing Examiner, outlined to the Committee three memorandums providing the rental history of the three locations under review. The rental history for 19-25 Market Street depicts the period 1967 - January, 1992. The rental history for 266-270 Windsor Street is from 1970 through January, 1992. The rental history for 205-211 Harvard Street is for the period 1967 through January, 1992. (A copy of the material is attached). Mr. Morris further stated that the single most contributing factor in the rent allowed for 205-211 Harvard Street is the 1967 Base Year Rent of \$243. He also stated that the maintenance and repair allowances for 266-270 Windsor Street was also higher than the norm and it should be around \$78 or lower. He also outlined the procedures to be followed in the rent adjustment process. At the present time the onerous is on the tenant to inform the Rent Control Department of the conditions of the unit.

Councillor Toomey inquired of the workings of the affidavit process.

Mr. Morris in response stated that the affidavit process is used in the determination of the General Adjustment. Basically two forms are employed: one before entitled Affidavit of Conditions and one after entitled Affidavit of Compliance.

In a follow-up to the discussions regarding 268-270 Windsor Street and its \$123 repairs and maintenance allowance, Mr. Packer noted footnote B of the memorandum and stated further review by the Rent Control Board will be undertaken in August of 1992. In regards to 19-25 Market Street, the monthly allowance for repairs and maintenance were termed outrageous by Mr. Packer and he pointed to footnote C of the memorandum for a greater explanation.

Councillor Myers inquired of the communication vehicle employed between Inspectional Services and Rent Control Department.

Mr. Packer in response stated that for a Reg 76 adjustment a sign off by Inspectional Services is needed but not for Reg 72 or Reg 75 adjustments.

At this time Mr. Alex Steinbergh, 3 Clinton Street, Principal, Resource Capital Group, stated that his Group only owns the Harvard Street property and manages the other two properties. He stated that some distortions have been forwarded to the Committee regarding the monthly rent charged to the tenants in this building. He stated that actual rents represent 63% of the allowed rent control rents. (He stated that the actual monthly rents for some two bedroom units was \$575.). He also noted that some units are rented by the Cambridge Housing Authority and that the rents charged a fair set either by the marketplace or through negotiations. In 1984 heavy capital improvements were done to the building and in 1992 it was offered for sale to the Cambridge Housing Authority.

In 1986 RCG purchased the property located at 266 Windsor Street. The property was extremely run down at the time of purchase. Some units were sold in 1989 and presently RCG manages the property.

With regards to 25 Market Street, Mr. Steinbergh stated that the high maintenance costs are attributable to 1) Large number of families; 2) Rubbish refuse; and 3) High turnover of tenants.

Mr. Steinbergh acknowledged that problems have and do exist in the properties and that the nature of the complaints differ between the properties. He denied any intimidation of tenant in the

signing of the Affidavit of Compliance. He also stated that serious code violations existed in three units on Market Street and that they were being addressed before the fire.

Councillor Myers stated that the most troublesome was the fact that rents continued to increase while conditions continued to decline.

Mr. Steinbergh stated that the numbers were not padded and said that what needs to be done is a large influx of cash to address the conditions.

Councillor Myers stated the need for a comprehensive inspection to be done of the units.

At this time Councillor Myers opened the floor for public comment.

Mr. William Noble, 188 Franklin Street, noted his appreciation for the work done by the Eviction free Zone in this area. He suggested to the Committee that it review the files regarding these properties and called for a greater enforcement effort by the City.

Ms. Lenore Schloming, 102R Inman Street, stated that capital improvements are not included in the rent and that the present system is unfair to both tenants and landlords.

Mr. Skip Schloming, 102 Inman Street, stated that some of the pictures shown depicting the conditions of the units could be remedied easily by the tenant. He also was critical of the inspection reports.

Ms. Linda Levine, 26 Mount Auburn Street, stated her belief that the Market Street property was being used as a smoke screen so that the Committee would not review the issue of Fair Net Operating Income. She also requested a change in the dialogue.

Mr. Charles Christensen, 540 Columbia Street, spoke of his personal experiences as a property owner.

Ms. Constance Thibault, 42 Linnaean Street, stated that she visited the properties in February, 1992 and cannot emphasize how bad the conditions were at Market Street.

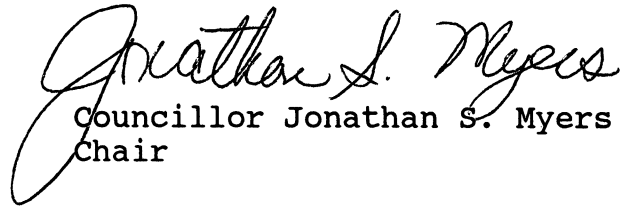
Ms. Sharon McLeod, formerly of 268 Windsor Street, stated that she got tired of fighting and moved.

Mr. John Natale, 92 Fourth Street, stated the belief that this is a conspiracy to get Mr. Steinbergh and that a rent of \$709. for a three bedroom unit is nonsense.

Councillor Myers thanked all for their comments at this hearing.

The hearing adjourned at 9:35 p.m.

For the Committee,


Councillor Jonathan S. Myers
Chair

COMMITTEE REPORT # 8

S-625

Rent Control Committee Report for a hearing held on Tuesday, July 14, 1992 relative to high rent situations with the focus on 266-270 Windsor Street, 19-25 Market Street and 205-211 Harvard Street.

In City Council,

Aug. 3, 1992

*Report accepted.
Placed on file.*