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CITY OF CAMBRIDGE

COMMUNITY DEVELOPMENT DEPARTMENT

City Hall Annex Inman & Broadway EXTENSION 344

To David Vickery

From Betty Desrosiers **Date** September 14, 1979

Subject Report on Council Order #14 Awaiting Report:
Rental Housing Stock for Cambridge

The City of Cambridge has one of the highest proportions of rental units in the country at 78% of its housing stock. There are presently 31,181 rental units of which 4,608 units are publicly subsidized.

The presence of Harvard University and M.I.T. is a major factor in the make-up of the renter population in Cambridge. However, the demographic diversity of renters in the city is also reflective of the increasing number of immigrants of Spanish speaking, Portuguese, Haitian and Asian descent. Furthermore, there is a sizeable population of female-headed (approximately 2,658) and elderly (approximately 3,184) households which are largely dependent on the supply of rental units. This large and diverse pool of renters combined with the existing 0.5% vacancy rate create intense competition for the limited number of available rental units in the City.

Over the past several years, the housing market in Cambridge has been increasingly competitive for both those looking to rent and those interested in purchasing homes. This fact is predominately reflective of housing market trends across the country. The scarcity and high cost of land, the rising cost of construction and higher mortgage rates have nearly halted the development of moderately priced homes in urban areas. At the same time, the number of persons interested in purchasing homes is on the rise as many of the children of the "baby boom" years are now considering making such an investment.

The market across the country has responded to these pressures by creating new uses for its existing stock. The re-use of vacant, institutional or industrial buildings for residential development has been one approach that has proven successful. While Cambridge has developed some housing through this method (e.g. Close Building and Putnam School), there are a limited number of structures that are either available or suitable for this type of re-use.

Condominium conversion is another national market phenomena that Cambridge has and in all probability will continue to experience. Presently, condominiums are one of the few affordable housing options for many moderate income individuals and families in Cambridge. We do not yet know what, if any, is the saturation level for the condominium market in the City.

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CITY OF CAMBRIDGE

CAMBRIDGE, MASSACHUSETTS 02139
Tel. 498-9011

EXECUTIVE DEPARTMENT
JAMES L. SULLIVAN
City Manager

September 24, 1979

To the Honorable, the City Council:

With respect to Awaiting Report Item No. 6 relative to rental housing stock for Cambridge, enclosed please find copy of a report from the Community Development Department.

Very truly yours,

James L. Sullivan
City Manager

JLS/mbf
Enc.

Agenda #1

S-519

Response to Awaiting Report No. 6 re:
rental housing stock for Cambridge.

In City Council,

Sept. 24, 1979

9/24/79

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