



City of Cambridge

39.

CALENDAR ITEM # 3

IN CITY COUNCIL
 February 28, 1994
 MARCH 7, 1994

COUNCILLOR TOOMEY

WHEREAS: For more than 20 years, Cambridge's rental housing stock has been regulated by its Rent Control Ordinance and implementing regulations; and

WHEREAS: The goal of the ordinance was to address a housing emergency and to provide affordable and decent housing for its low-to-moderate income individuals and families and seniors on fixed incomes as well as eliminate speculation by large investors in Cambridge's housing stock; and

WHEREAS: Through the years, many deserving tenants in need of affordable housing for whom rent control was meant to help have been shut out of rent controlled units while people with above average incomes have been benefiting from a social policy geared to help low-to-moderate income individuals and families and seniors on fixed incomes; and

WHEREAS: Our housing stock has continued to deteriorate because a number of small property owners lack the money to perform necessary repairs; and

WHEREAS: The perceived inequities of the rent control system must be addressed now before forces outside the control of Cambridge government mandate the termination of all protection of rents for low-to-moderate income individuals and families, and seniors on fixed incomes; therefore be it

ORDERED: That the City Manager be requested to develop a program that would provide a public benefit from the fact that any exemption for so-called "ordinance condo" owners would substantially increase the value of the condominium, said program to provide an exemption to any "ordinance condo" owner provided that said owner pay a fee calculated on the differential of the appraised value before and after exemption with all funds collected thereby used for a fund restricted to house low-to-moderate income individuals and families, and seniors on fixed incomes, and further provided that said program would include procedures to ensure that all property subject to the City's rent control ordinance lost by illegal removal be regained, including those so called "ordinance condos" for which the owner does not secure an exemption; and be it further

- ORDERED: That the City Manager be requested to develop rules and regulations which would provide owners with minimum rent controlled rents based on 75% of fair market value; and be it further
- ORDERED: That the City Manager be requested to develop a program which would ensure that no tenant in the City pay more than 30% of gross income for housing with the differential between the rent controlled rent and the tenant's share paid through a City supplement financed by such mechanisms as a transfer tax on the sale of industrial, commercial and luxury residential property, a fee paid by certain upper income tenants in rent controlled apartments or other financing mechanism; and be it further
- ORDERED: That the City Manager be requested to develop a program and necessary legislation to authorize, within the rent control system, the segregation and maintenance of rent payments in separate accounts to ensure both tenants and owners fiscal security upon the disposition of cases pending before the Rent Control Board; and be it further
- ORDERED: That the City Manager be requested to develop a program to allow for the deregulation of one unit in each owner occupied building of up to 6 units if said owner rents to person either age 65 or over, or physically challenged whose income falls below federally established low income guidelines; and be it further
- ORDERED: That the City Manager be requested to develop procedures whereby the City's full occupancy ordinance be strictly enforced, with eminent domain taking undertaken if required as a last resort, with necessary renovations to buildings acquired by eminent domain financed by the mechanism established by the City, with the return of said buildings to private ownership under rent control regulations through public auction; and be it further
- ORDERED: That the City Manager be requested to develop a program to provide for discount water and sewer rates to owners occupants who rent to low-to-moderate income tenants or seniors on fixed incomes at below established rent controlled rent; and be it further
- ORDERED: That the City Manager be requested to develop regulations and necessary legislation which will remove the institutional exemption of otherwise rent controlled units; and be it further
- ORDERED: That the City Manager be requested to develop a program which would develop a loan guarantee pool for improvements to rental units for the redress of code violations; and be it further

- ORDERED:** That the City Manager be requested to develop a loan program for de-leading, encapsulating or any other allowable alternatives for owner occupied buildings with rent controlled units; and be it further
- ORDERED:** That the City Manager be requested to develop a program to provide a City guarantee of reverse equity mortgages to allow low-to-moderate income owner occupants age 65 or over to renovate and maintain their owner occupied rent controlled property for the rest of their lives; and be it further
- ORDERED:** That the City Manager be requested to develop a program to provide tenants with limited equity options including shared equity with investors, and down-payments and renovation financing guaranteed by the City; and be it further
- ORDERED:** That the City Manager be requested to develop a program that would require tenants at or above average incomes living in rent controlled units to pay a fee to support programs for capital improvements, rent supplements and mortgage guarantees for rent controlled buildings; and be it further
- ORDERED:** That the City Manager be requested to develop a program and necessary legislation to provide for a transfer tax on industrial, commercial and luxury residential property, exempting the first \$300,000 of sales price to support programs for capital improvements, rent supplements and mortgage guarantees for rent controlled buildings.

REFERRED TO THE RENT CONTROL COMMITTEE.



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REFERRED TO THE RENT CONTROL COMMITTEE.

City of Cambridge

MASSACHUSETTS

In City Council 3-7 1994

C. Triantafillou - Moved the Question - Charter Right # 3

	YEA	NAY	ABSENT	PRESENT
Ms. Kathleen L. Born	✓			
Mr. Francis H. Duehay	✓			
Mr. Jonathan S. Myers	✓			
Mrs. Sheila T. Russell	① ✓	② ✓		
Mr. Michael A. Sullivan		✓		
Mr. Timothy J. Toomey, Jr.		✓		
Ms. Katherine Triantafillou	✓			
Mr. William H. Walsh		✓		
Mayor Kenneth E. Reeves	✓			

①	6	3	0	0
②	5	4	0	0

C.R. #3
C. C. 108

Com. on Bm suspension to go back to allow public who
wished to speak
City of Cambridge
in C.R. #3 the
right to speak

MASSACHUSETTS

In City Council 3/7 1994

C. Toomey - ^{Substitute} - Go Forward w/ Council Business

YEA	NAY	ABSENT	PRESENT	
	✓			Ms. Kathleen L. Born
✓				Mr. Francis H. Duehay
	✓			Mr. Jonathan S. Myers
	✓			^{V M} Ms. Sheila T. Russell
			✓	Mr. Michael A. Sullivan
✓				Mr. Timothy J. Toomey, Jr.
✓				Ms. Katherine Triantafillou
	✓			Mr. William H. Walsh
	✓			Mayor Kenneth E. Reeves

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Councillor Toomey

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CHARTER RIGHT WAS EXERCISED BY COUNCILLOR WALSH.

Non-Consent Order #39 CM-67

Councillor Toomey re: Develop
a program and necessary legislation
to provide for a transfer tax on
industrial, commercial and luxury
residential property.

Charter Right
was exercised
by Councillor
Walsh

3/7/94 Referred to the
Rent Control Committee

5-4-0.
3/9/94 Copy sent to Rent
In City Council, Control
Committee (a)

February 28, 1994