

CITY OF CAMBRIDGE

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TERESA S. NEIGHBOR

Dear Cambridge Voter,

The Board of Election Commissioners, in accordance with M.G.L. Chapter 630 of the Acts of 1989, submits to the voters of Cambridge the text of Ballot Question #1 as it will appear on the <u>NOVEMBER 4, 2003, MUNICIPAL ELECTION</u> ballot, as well as arguments for and against the question. Also included in this mailing are specimen ballots for City Council and School Committee and a description of proportional representation.

BALLOT QUESTION #1					
Do you approve of a measure summarized below:	Yes	[]	No	[]	
Question Summary					

A YES VOTE WOULD REQUIRE the Cambridge City Council to submit this initiative petition to the State Legislature. The Legislature would be asked to pass a special act allowing Cambridge to regulate residential rents and evictions.

The Act would establish maximum rents for residential rental units, with certain exceptions. The exceptions include most tourist accommodations, public institutions, units owned or regulated by a governmental agency, units constructed or converted from a non-housing use on or after February 1, 1999, and units in two or three family houses otherwise occupied by all beneficial owners as their permanent residence.

The maximum rent of any controlled rental units would generally be the rent lawfully charged the occupants of such units on September 1, 2002. However, maximum rents would be adjusted further to establish base rent levels consistent with the principle of fair rents based on costs of operating each controlled rental unit, while assuring the owner a fair net operating income, which as a rule could result in reductions in rents to February 1, 1999 rent levels

The Act would create a five person Rent Board appointed by the City Manager. The Board would hold rent adjustment hearings upon request of either a landlord or tenant, or on its own initiative. The Board could on its own make a general adjustment, by percentage, of the rent levels for any class of controlled rental units, after holding a public hearing. Under certain conditions, the Board could temporarily exempt certain units from the maximum rent and rent adjustment provisions for those landlords who rent other units to eligible low- and moderate-income households. The Board could also grant such temporary exemptions to owners of six or fewer rental units in the case of extreme financial hardship experienced because of financial obligations incurred before the effective date of the Act. The Act would prohibit evictions from controlled rental units unless the landlord has first obtained a certificate of eviction from the Board. Evictions would not be permitted unless the tenant had violated certain obligations of the tenancy such as failing to pay rent, creating a nuisance, damaging the unit, or refusing to sign a lawful lease renewal after an existing lease has expired, or for other just cause.

Evictions would also be permitted if the person in the unit at the end of the lease term is an unapproved subtenant, or to enable the landlord or his immediate family to live in the unit. Evictions from a condominium unit would similarly be permitted if the owner or his immediate family wanted to live in the unit so long as the initial lease or tenancy agreement obligated the tenant to vacate the unit for this purpose.

An owner could not remove a controlled rental unit from the rental housing market unless the Rent Board after hearing had granted a removal permit. An owner could obtain a removal permit to live in a condominium unit if the eviction of a tenant is not required, or if a tenant is living in the unit pursuant to an initial lease or tenancy agreement which obligates the tenant to vacate the unit to allow the owner or his immediate family to resume occupancy.

If an owner intends to sell a controlled rental unit, either as a single condominium or as a building with controlled units for the purpose of condominium conversion, tenants would be given the right of first refusal to purchase the unit or building. If the tenants did not exercise their right to purchase, the Community Development Department, the Cambridge Housing Authority, or any non-profit designee of either would have the right to purchase. A tenant, or the Rent Board, could sue a landlord who has overcharged a tenant. Willful violations of the Act could result in triple damages or could be criminally punished by a fine of up to \$500.00 or by imprisonment up to ninety days, or both; subsequent offenses would be punishable by a fine of up to \$3,000.00 or by imprisonment up to one year, or

The Superior Court would have jurisdiction over appeals from the Rent Board's orders.

The Act would take effect in Cambridge upon enactment by the Legislature and would be effective despite the existence of any General Law or Special Act to the contrary. Once passed by the Legislature, the City would have continuing local authority to repeal or re-accept the Act by majority vote of the City Council or by ballot measure.

If any provision of the law is later found to be invalid, the remainder would remain in effect.

According to Massachusetts General Laws, Chapter 630 of the Acts of 1989, the Election Commission is required to print arguments of proponents and opponents of a question submitted solely to the voters of Cambridge. Below are such arguments:

ARGUMENT IN FAVOR OF THE PROPOSAL TO REGULATE RENTS AND EVICTIONS

The Committee for Cambridge Rent Control, formed by Cambridge tenants, property owners, community groups and service agencies, proposes this new law to address the housing emergency declared by the Cit Council in 1999.

Why Rent Control now?

Since 1995 Cambridge rents have soared, displacing residents, disrupting neighborhoods and closing schools. Large expenditures of city property tax money have failed to solve the housing crisis. 20% of Cambridge tenants pay more than 50% of their income for rent. Rents increase faster than incomes, forcing many longtime residents to leave the city. Only rent control can effectively relieve this enormous strain on our residents and communities.

This new law protects tenants. What about small property owners?

Owner occupied buildings of three units or fewer are not affected. It allows exemptions to owners with six units or fewer who have difficulty meeting expenses.

Can tenants be evicted?

This law protects tenants from being evicted without a just reason. It does not prevent the eviction of tenants who are disruptive, destroy property or fail to pay rent.

Will I be able to live in my condominium?

This law does not prevent an owner from occupying their own condominium as their primary residence.

Will the law help tenants who really need it?

The law encourages owners to rent to means tested, low and moderate-income tenants. In exchange for choosing those tenants, owners will be able to charge market rents to high-income tenants on other units.

Vote YES for Fair Rents and Strong Communities.

ARGUMENT AGAINST THE PROPOSAL TO REGULATE RENTS AND EVICTIONS

Question 1 asks voters to send the legislature a petition re-instituting rent control in the City of Cambridge. A **NO** vote tells the Cambridge City Council to not approve this petition. The petition prohibits someone purchasing a condominium unit from evicting a tenant in order to live in their own unit, and re-establishes public control over private rents for all covered tenants, regardless of their income or ability to pay — unjustly rewarding higher-income tenants. It mandates a return to at least February 1999 rent levels, or yet lower rent levels, and creates a locally-funded rent control board within Cambridge to control rents, evictions and sales of privately owned rental property. **Non-owner occupied single-, two- and three-family homes are also regulated.**

It effectively prohibits the eviction of tenants for non-payment of rent or nuisance behavior, by forbidding Cambridge owners from initiating eviction suits without approval from the City. The petition imposes controls on all housing units built before February, 1999. It authorizes a new "tax" through a yearly surcharge on tenants to fund the rent control bureaucracy. Low rents will substantially eliminate owners' incentive to invest in their properties, will promote housing deterioration and will substantially reduce the city's tax base. Non-controlled properties will see tax increases as a result. A **NO** vote promotes additional housing, ensures safe and available rental units, and prevents housing deterioration. A **NO** vote means that your property taxes will not increase because of less taxes collected from lower-assessed rent-controlled properties and condo units.