

CAMBRIDGE AFFORDABLE HOUSING TRUST  
MEETING MINUTES  
June 22, 2016

Ackerman Room, Cambridge City Hall  
795 Massachusetts Ave.

Trustees Present: Richard Rossi, Chair; Peter Daly, Florrie Darwin, Michael Haran, Gwen Noyes, Cheryl-Ann Pizza-Zeoli, Susan Schlesinger

Trustees Absent: James Stockard, Bill Tibbs

Staff Present: Iram Farooq, Assistant City Manager for Community Development; Chris Cotter, Housing Director; Cassie Arnaud, Housing Planner; Anna Dolmatch, Housing Planner; Linda Prosnitz, Housing Planner

The meeting was called to order at 12:08pm.

**OLD BUSINESS –Inclusionary Zoning Recommendations**

Trust members convened a special meeting to discuss and finalize their recommendations for changes to the Inclusionary Zoning provisions. To facilitate discussion, staff distributed an updated draft set of recommendations which incorporated comments received from Trust members at prior meetings.

After a short introduction from staff summarizing the process to date, and sharing feedback received on each Inclusionary issue area, Trust members began their discussion of what language should be incorporated into the final Trust recommendation letter to the City Council.

Trust members went through the draft recommendations and discussed each issue area. Once they reached consensus on what language should be in their recommendation letter for each topic, they moved on to the next issue area as outlined below:

Set-aside Ratio: Trust members all agreed that the ratio should be increased to 20% and supported seeking higher ratios in certain special cases.

Income targeting: Trust members all agreed that the income eligibility limit for rental should remain at 80% and that the limit for homeownership should be increased to 100% AMI. In making this recommendation, Trust members noted the report's findings of a significant decline in the number of 50%-100% AMI households, and the fact that Inclusionary is one of the few remaining resources for this income group. It was also noted that the program is successfully able to serve low and very low income households, as more than half of the rental units are occupied by tenants with mobile rental vouchers.

Density Bonus. Trust members supported the recommendation to retain the current 30% density bonus but said that consideration should be given to finding ways to make accessing the bonus easier, based on feedback that developers are not always able to access the full bonus. Trust members discussed what types of zoning or other changes this might include, as well as what other reasons might be behind a project's inability to access the full density bonus available. For instance, developers may elect not to build to maximum allowable heights or

density for project-specific cost reasons or in response to community feedback in favor of lower density. They noted that more research on this might be helpful.

Family Sized Units. There was a consensus among Trust members that there is a dire need for more family-sized housing, however members differed initially on what language best described their collective recommendation. After a detailed conversation, it was agreed that the recommendation language should read as follows:

*“Increasing the number of two- and three-bedroom units is a major goal of the Trust. We support looking at inclusionary housing compliance by building area rather than by unit count in order to increase the number of two-bedroom and three-bedroom units by in certain circumstances. This approach would allow for trading square footage associated with smaller units and result in fewer, larger units. We recommend that the City develop clear criteria for how this flexibility would work as we do not think the creation of family units is appropriate in every building – it would be difficult to imagine affordable two- and three-bedroom units fitting well within a building where the market units are designed for individuals. Developing clear regulations for when and how this option might be utilized will help both developers and CDD staff create more units for families while maintaining the consistency and predictability of the inclusionary provisions and compliance process. We recommend that these standards be adopted through regulations promulgated by the Trust, rather than within the Ordinance, so that these regulations can be revisited from time to time to best advance City housing goals.*

*Given how important this goal is, we also support other efforts that could result in creating new units for families, through other zoning provisions or incentives and/or other mechanisms that could lead to building more new units for families, both market-rate and affordable, in new buildings.”*

Studio units. There was agreement among Trust members that changes should be made with respect to how studio units are treated in the IZ program. After a detailed conversation, it was agreed that studio units could be provided at lower rents to make them a more affordable option for residents.

Threshold project size. Trust members agreed that the threshold of 10 units or 10,000 should remain unchanged.

Partial units/rounding. Trust members recommended that rather than rounding the number of IZ units up or down, that a payment for partial units be made to the Trust based on the fractional cost of producing a new affordable unit.

Trading Premium Units for additional units. Trust members discussed this idea at length. While they recognized the benefits of obtaining additional and/or larger units in exchange for forgoing premium units, they were unsure how best to implement such flexibility, and expressed concerns about possible unintended negative consequences. They expressed willingness to further explore the idea, if clear criteria are established to ensure intended positive outcomes.

Timing. Trust members agreed that some level of phasing makes sense given the impact which the proposed changes would have on developments already in process. They recommended

that the changes be implemented in a thoughtful way so as not to disrupt current development, ideally by setting a date after which change would begin to apply.

Before concluding the meeting, Trust members briefly discussed the demand for affordable rental housing at different income levels. One member noted that the response to the recent Port Landing marketing, in which more than 1,000 applications were submitted, demonstrates ongoing strong demand at the low- and very low-income levels.

Trust members also discussed the potential funding expected from the recently-passed increase in the Incentive Zoning rate. Staff stated that while the rate is higher and funds should increase, it is not expected to approach the levels of CPA funding. The receipt of funds will also not be predictable and will be based on market economic cycles. Trust members requested that a future meeting include a more detailed financial update, including projections for funding from the Incentive ordinance.

The meeting adjourned at 1:15 p.m. The next meeting is scheduled for June 23, 2016 at 4:00 p.m.