CITY OF CAMBRIDGE | Housing Department

Affordable Housing Trust

October 22, 2026, 4:00 p.m.
Ackermann Room, City Hall, 795 Massachusetts Avenue
Cambridge, Massachusetts

OR

Webinar Registration - Zoom

To participate in this meeting through the Zoom video meeting platform, please register using this link in advance of the meeting.

AGENDA

1. Review of Meeting Minutes
2. Update from the Housing Department
3. 1648 & 1654 Massachusetts Avenue: request from Cambridge Housing Authority to change terms of funding;
4. Move to Executive Session:
    - The acquisition and value of real property will be discussed in executive session as discussing it in open session could have a detrimental effect on negotiations;
        - all votes will be taken by roll call; and,
        - the Trust will not reconvene in open session.
        - Executive Session Discussion:
            - Request from the Cambridge Housing Authority for Funding for Acquisition of New Property;
5. Adjournment

Members of the public can provide written comments to the Affordable Housing Trust by email sent to affordablehousingtrustcomment@cambridgema.gov, or by delivery to the Housing Department, by 5:00 p.m. the day before the meeting.

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CAMBRIDGE AFFORDABLE HOUSING TRUST
MEETING MINUTES
September 24, 2026 at 4:00 p.m.
Conducted via Zoom and in person (City Hall, Ackermann Room)

Trustees Present in Person: Teresa Cardosi, Raffi Freeman, Susan Scheslinger, Jim Stockard, Elaine Thorne

Trustees Present via Zoom: Yi-An Huang, Chair; Elaine DeRosa, Alyson Stein

Trustees Absent:	Krissandra Robinson
Staff Present:	Melissa Peters, Assistant City Manager for Community Development; Cassie Arnaud, Director of Housing Development; Anna Dolmatch, Director of Homeownership; Antonia Finley, Program Manager; Lara Plaskon, Homeownership Program Specialist; Emily Soloman, Homeownership Program Specialist; Christine Yu, Housing Development Specialist
Others Present:	Marc Levy, James Williamson, Alexandra Synder, Stella Saih, Lee Farris, Heather Hoffman

The meeting was called to order at 4:01 p.m. Ms. Dolmatch explained that this meeting of the Affordable Housing Trust is being held in a hybrid fashion pursuant to applicable requirements, and that all votes would be taken by roll call. She noted that there will be no public comment. She then confirmed via roll call that each remote participant could hear the meeting and was audible to others.

MEETING MINUTES

Upon a motion moved, seconded, and approved by roll call of six in favor and three absent (Chair Huang, Ms. Robinson, and Ms. Stein), it was voted to approve the minutes for the meeting of August 27, 2026.

HOUSING DEPARTMENT UPDATE

HomeBridge: 9 buyers have been approved for HomeBridge funding and are actively looking for a home on the market. 2 units are under agreement.

52 New Street: Tenants are continuing to move into the newly constructed building. Full occupancy is expected by the end of September.

37 Brookline Street/240 Broadway: This project was not funded in the most recent HLC funding round. Just A Start (JAS) plans to re-apply in the upcoming round in 2027.

4 Mellen Street: Homeowners Rehab, Inc. (HRI) held an open house on September 22, allowing City staff and other stakeholders to tour the development. Construction is expected to be completed by December 2026.

State Funding: Governor Healy announced in early September that HRI's 28-30 Wendell Street and the CHA's Corcoran Park Phase I were awarded financing from the state, which will allow them to begin construction in 2027.

In response to a question on whether 2072 Massachusetts was in this funding round, Ms. Arnaud answered that it was not, but will be in next year's funding round. Staff expect approximately two to three Cambridge developments to be submitted in next year's funding round.

In response to a question regarding whether the City can provide a bridge loan to projects that have been approved for state funding so that construction can start earlier, Ms. Arnaud responded that it is a possibility that staff can explore.

OTHER BUSINESS:

Community Preservation Act (CPA) Funds: On September 14, the City Council approved to allocate $19 million of CPA funds to the Trust.

Social Housing Task Force: The Task Force held a meeting on September 23 to continue talking about social housing models. The next meeting will be held on October 7.

Multi-Family Housing (MFH) Zoning: The Neighborhood & Long-Term Planning Committee held a meeting on September 16 to discuss some changes to the MFH Zoning.

Inclusionary Housing: The Inclusionary Housing Study is nearing completion and will be shared with the City Council soon. The City Council will hold meetings to discuss the study and its recommendations.

NEW BUSINESS

Homeownership Program Report

Ms. Dolmatch presented a report on the Housing Department's work across all areas of homeownership, including updates on ongoing projects, current challenges, and areas for future Trust consideration. She informed the Trust that there are now more than 600 units in the City's affordable homeownership stock. Recent years have seen an increase in new three-bedroom units as a share of all units. This is due mainly to the success of the HomeBridge program. Ms. Dolmatch updated the Trust that staff continue to work on implementing the homeownership program term changes approved in January 2024. As owners sell under the new terms, staff will track data on the financial impact on the resale program. In response to a question on whether anyone has gone through the inheritance process yet, Ms. Dolmatch explained one person has and that the process went well.

Ms. Dolmatch provided an update on affordable homeownership development. Two all-affordable projects, 35 Cherry Street and 12-14 Laurel Street, are currently in process. 35 Cherry Street is expected to be ready for marketing of the ten units early in the new year, with completion in late spring 2027. 12-14 Laurel Street is anticipated to begin construction in 2027. The Cambridge Redevelopment Authority is also exploring other opportunities to create and develop new affordable homeownership units.

Ms. Dolmatch noted that the HomeBridge program remains very popular and staff have closed on eleven units this quarter already. However, the program is impacted by market conditions, and production may slow as interest rates continue to rise. In response to a question regarding what the average area median income (AMI) is a HomeBridge applicant, Ms. Dolmatch answered that most buyers are in the 90% to 100% AMI range. However, there continue to be successful buyers below 80% AMI, and demand continues for the over-100% program, with some buyers close to the maximum income of 120% of AMI.

The Resale Pool also continues to be busy with over 800 applicants waiting for a unit. The Trust has committed a total of $16 million to the revolving and sinking Resale Fund since 2008.

In response to a question regarding low-income homeowners with rehab needs, Ms. Dolmatch replied that the City funds the Home Improvement Program (HIP), which provides financial and technical assistance to eligible homeowners. She noted that HIP has loan limits and other program requirements and may not be able to meet all owners' needs. She also noted that the Department has a new Resident Engagement Manager who is working with homeowners to hear what kind of support would be helpful. Staff are also working on developing additional opportunities for homeowner post-purchase education and training, including around home maintenance and planning and budgeting for repairs.

In addition to individual unit owner needs, Ms. Dolmatch noted that as the stock of all-affordable buildings ages aging, staff expect to see more requests for funding for condo capital projects. The Trust previously adopted guidelines for reviewing funding requests for resident-controlled housing. Staff noted that the Trust may want to update and expand these guidelines to provide a framework for evaluating future requests. Trustees also

discussed the possibility to create an additional program for rehab needs to complement the existing HIP program and address some of the needs among homeowners.

In response to a question on where owners of affordable homes move when they sell their affordable unit, Ms. Dolmatch answered that there is a range of outcomes. More sellers are moving out of state, including many at retirement age. Many owners purchase a market-rate home in Greater Boston, although they typically move further out. While some sellers purchase a market home in Cambridge, it remains challenging.

Alexandria Real Estate Zoning Petition & 161 First Street Affordable Housing Conversion

Ms. Peters introduced the Alexandria Real Estate Equities (ARE) zoning petition, which would allow ARE to build an additional 250,000 square feet of commercial development in the Technology Square Transfer Receiving District in exchange for developing approximately 37,000 square feet of affordable housing at 161 First Street. 161 First Street is an existing historic building and would be converted into an estimated 31 affordable rental units under the provisions of the Affordable Housing Overlay (AHO). ARE plans to work with Beacon Communities, a well-known for-profit developer, on this project.

Ms. Peters informed the Trust that the Planning Board hearing on the petition had been scheduled for September 2026 but had been canceled due to a technicality regarding ARE's submission. In the meantime, staff are working with an economic development consultant who analyzes the impact of zoning petitions, including this one, to review the proposal. In addition to the Planning Board, the petition will also be discussed at the Ordinance Committee and the City Council.

Ms. Arnaud noted that staff have received preliminary development budgets and plans from Beacon and expect updated numbers in the coming weeks as they refine their construction pricing estimates. Their preliminary budget assumes a request of $5 million in Trust funding to support this conversion. Staff expect to bring a funding request to the Trust at an upcoming meeting.

Trustees shared reservations about the proposal and recommended that guidelines be set for this type of funding request, such as having a significantly lower Trust-subsidy-per-unit than other affordable housing projects. Staff agreed to share that feedback with Beacon as they continue to refine their development proposal ahead of submitting a formal request for Trust funding.

ADJOURNMENT

Upon a motion moved, seconded, and approved by roll call of seven in favor and two absent (Chair Huang and Ms. Robinson), it was:

VOTED: to adjourn the meeting.

The meeting adjourned at 5:03 p.m.

The next meeting is scheduled for October 22, 2026 at 4:00 p.m.

Meeting Materials:

- Agenda
- Minutes from the Trust's August 27, 2026 meeting
- Project Update
- Homeownership Program Report 9.24.2026
- ARE Zoning Petition & 161 First Street Memo 9.24.2026
- ARE Zoning Petition 8.3.2026
- CDD Memo Re: ARE Petition 9.17.2026
- ARE Petition – Planning Board Presentation 9.22.2026

Cambridge Affordable Housing Trust

October 22, 2026

Status of Active Commitments

	Active Projects	Sponsor	Rental Units	Ownership Units	Status	Total Cost	Trust Commitment	Loan Amount Per Unit	Trust Approval Date
1.	HomeBridge program	Housing Dept.	*currently approved buyers:*	5	137 scattered site units purchased by first time buyers to-date. Trust approved expanded subsidy share in August 2023. One unit under agreement.	N/A	$51,200,000	1-br: 50% sale 2-br: 60% sale 3-br: 65% sale	several, including most recent: March 2026
2.	Homeownership Resale Program	Housing Dept.	*currently active units:*	23	Re-purchase, rehab and re-sale of affordable homeownership units to new homebuyers. Two units under agreement with a new buyer.	N/A	$16,000,000		several, including most recent: March 2026
3.	Vail Court (139 Bishop Allen)	TBD	TBD	TBD	Trust and City hosted public meeting in 2017 to hear from the community on affordable housing needs and ideas for the redevelopment of Vail Court but that process was put on hold while the litigation was pending. Now that the litigation has been settled, planning for next steps is underway. Community meeting held on 5/20/26; RFQ being drafted.	TBD	TBD	TBD	N/A
4.	2072 Mass. Ave.	Capstone Hope	74		Capstone/Hope purchased site in April 2018 and initially sought a comprehensive permit for an affordable housing development; now proceeding under the AHO. AHO community meetings held on 10/9/24, 10/30/24 (repeat of first meeting), and 5/29/25. Planning Board Advisory Design Consultations held on 10/7/25 and 3/3/26. Trust approved funding to support the construction of the project in August 2026, including a portion for additional predevelopment.	$71,860,506	$22,126,000	$299,000	February 2018, June 2021, August 2026
5.	52 New Street	JAS	106		JAS purchased the site in early 2020 and completed the AHO process in early 2022. Construction began in December 2023 and is underway. Building fully occupied.	$90,359,816	$18,025,390	$170,051	October 2019, June 2021, and January 2022
6.	Broadway Park (240 Broadway)	JAS	16		JAS is developing the site as rental housing in conjunction with 37 Brookline Street. AHO community meetings held on 7/24/25, 9/18/25 (repeat of first meeting), and 11/6/25. Planning Board Advisory Design Consultation held on 3/10/26. AHO process complete. JAS plans to combine 240 Broadway with 37 Brookline for financing purposes. The combined Brookline/Broadway project was not awarded state funding in the 2026 funding round; JAS plans to re-apply in upcoming round in 2027.	$12,391,000	$2,394,400	$149,650	May 2021 and April 2026
7.	Jefferson Park Federal (45-60; 61-75; 77-92; 93-108; Jackson Circle; 1; 2-19, 21-42; 109-124; 1000 Jackson Place)	CHA	278		In September 2021, the Trust approved funding to assist with the comprehensive modernization of Jefferson Park Federal. The CHA completed the AHO process in early 2022 and began construction of Phase 1 in early 2024 and began Phase 2 in August 2025. Construction is proceeding on schedule to be completed in phases, with the first buildings coming online in Fall 2026. Residents are beginning to move into one of the buildings. Two more buildings are expected to be complete by November 2026.	$309,675,326	$43,611,615	$156,876	September 2021
8.	4 Mellen Street (f/k/a 1627 Mass. Ave)	HRI	29		In January 2022, the Trust approved funding for the purchase of this property from Lesley University to create affordable housing. The Trust approved additional predevelopment funding in August 2022. HRI acquired the site in August 2022 and completed the AHO process in late 2023. State funding approved June 2024. HRI closed on construction on 5/16/25. Groundbreaking event held on 6/17/25. Construction underway. Tenant selection underway.	$33,034,091	$10,425,000	$359,483	Janaury 2022, August 2022, and January 2024
9.	35 Cherry Street	JAS		10	In March 2022, City Council approved the disposition of this property to the Trust for creation of affordable homeownership housing. Transfer from MIT complete. Just A Start selected as developer in October 2023. All financing closed 12/10/2025. Construction underway. Completion expected mid-2027.	$8,352,000	$7,734,000	$773,400 ($475,200 permanent)	March 2022, May 2024, June 2025
10.	49 Sixth Street	POAH	46		In October 2022, the Trust approved funding to assist in the conversion of a portion of the Sacred Heart church property to affordable housing. POAH has completed the AHO process. POAH is assembling remaining financing in advance of beginning construction in 2024. Increase of Trust funds request approved 3/6/24; increase of Trust funds approved at 8/1/24 meeting. POAH closed on construction on 6/16/25. Construction underway.	$44,050,313	$11,250,000	$244,565	October 2022, March 2024, and August 2024

11.	37 Brookline Street	JAS	13		JAS acquired the site in July 2023 and held AHO community meetings 7/10/24 and 9/11/24; additional meeting held 4/16/26 re design uodates. AHO process complete (project is below threshold requiring PB design review) JAS plans to combine 37 Brookline with 240 Broadway for financing purposes. The combined Brookline/Broadway project was not awarded state funding in the 2026 funding round; JAS plans to re-apply in upcoming round in 2027.	$12,542,258	$3,407,586	$262,122	March 2023 and April 2026
12.	650 Concord Ave	Neville Communities Inc (NCI)	71		In May 2023, the Trust approved funding to assist with capital repairs at Neville Place, the affordable assisted living portion of its campus. Increase of Trust funds request approved 3/28/24. Neville closed on the refinancing of their existing mortgage and Trust funding in February 2025. The initial capital repairs underway include the replacement of the roof and the replacement of immediate building system components, including two HVAC chillers. Initial work complete.	$5,670,500	$5,670,500	$79,866	May 2023 and March 2024
13.	28-30 Wendell Street	HRI	95		HRI purchased 30 Wendell Street from Lesley University on 11/30/23 and purchased 28 Wendell from Lesley on 6/7/24. An inital AHO meeting for the 30 Wendell site was held 2/14/24. HRI restarted the process with AHO community meetings for the combined sites held 6/20/24, 11/14/24, and 3/6/25. Planning Board Advisory Design Consultations held on 8/5/25 and 11/18/25. Trust approved funding for construction at its February 2026 meeting. State funding awarded in September 2026.	$95,595,872	$30,357,000	$319,547	August 2023, March 2024, and February 2025, February 2026
14.	87-101 Blanchard Rd	B'nai B'rith	110		In March 2024, the Trust approved $18,169,120 in funding to BBH for the new construction of 110 affordable rental units for seniors. BBH completed the AHO process on 6/18/24. State funding awarded in February 2025. Construction underway.	$75,055,215	$18,169,120	$165,174	August 2023 and March 2024
15.	Print Shop Condominiums	Print Shop Condominiums		24	In October 2023, the Trust approved up to $3,000,000 to assist this all-affordable condominium building with building envelope repairs starting with the replacement of the roof. First phase of loan (up to $820,000) closed 11/21/24. Roof replacement complete. Bids in process for second phase.	TBD	$3,000,000	$125,000	October 2023
16.	102 Sherman St/Walden Square Apartments II	Winn	95		Trust approved funding for the construction of two new buildings containing 95 affordable rental units on a portion of the existing Walden Sq I site; Winn completed the AHO community process in Fall 2023 and presented the proposed to the Planning Board at the two Advisory Design Consultations on 3/12/24 and 7/2/24. Planning Board final design report issued on 8/1/2024 and accepted by Trust on 10/24/24. State funding award in July 2025. Beginning to prepare for construction closing.	$80,413,447	$18,750,000	$197,368	June 2024
17.	Rindge Commons South	JAS	77		JAS will be seeking the remaining financing needed to begin construction on the second phase of their two-phase Rindge Commons development which received a comprehensive permit in August 2020. The Trust approved funding of $9,051,615 for the second phase, Rindge Commons South, at its September 2024 meeting. JAS seeking to secure remaining financing needed to begin construction.	TBD	$9,051,615	$117,553	September 2024
18.	1826 & 1840 Massachusetts Avenue	JAS	TBD		Trust approved funding for JAS to purchase two parking lots from Lesley University to develop into new affordable housing, as well as some predevelopment funding. Properties were acquired 11/26/24. JAS has held informal community meetings in October 2025 and on June 30, 2026. Preparing to being AHO Community meetings.	TBD	$10,900,000	TBD	September 2024
19.	1, 3, 5 Frost Street & 20, 22, 28 Roseland Street/ Frost Terrace II	Capstone Hope Zahler	TBD		Trust approved funding for the development team behind Frost Terrace I Apartments to purchase six sites in Porter Square to develop a second affordable housing development, Frost Terrace II Apartments, as well as some predevelopment funding. Properties were acquired 12/13/24.	TBD	$19,839,500	TBD	September 2024
20.	12-14 Laurel Street	JAS		4	Trust approved funding to assist with predevelopment activites related to the development of 12-14 Laurel Street. Predevelopment funding closed 1/12/26. Construction and permenant financing committed April 2026.	TBD	$2,290,584	$572,646	June 2025 and April 2026
21.	31-37 Mellen Street	CHA	TBD		Trust approved funding to assist with acquisition of 31-37 Mellen Street. Properties were acquired on 12/31/25.	TBD	$9,800,000	TBD	September 2025
22.	Corcoran Park - Phase 1	CHA	67		Trust approved funding to assist with the construction of 67 rental units in this first phase. The CHA held AHO community meetings on 2/13/25 and 10/9/25. Planning Board Advisory Design Consultations held on 12/16/25 and 3/10/26. State funding awarded in September 2026.	TBD	$14,405,000	$215,000	September 2025
23.	1648 & 1654 Massachusetts Avenue	CHA	79		Trust approved funding to assist with acquisition of new site. Properties were acquired on 5/14/2026 and will be transitioned to affordable housing on unit turnover.	TBD	$18,565,000	$235,000	December 2025

24.	16-28 Porter Street	CHA	TBD		Trust approved funding to assist with acquisition of 16-28 Porter Street. Properties were acquired on 4/15/2026.	TBD	$6,000,000	TBD	January 2026
25.	729-755 Concord Avenue	HRI	TBD		Trust approved funding to assist with acquisition of new site. Six adjacent parcels were acquired on 6/1/2026.	TBD	$11,875,000	TBD	February 2026
26.	65 Chilton Street	CHA	2		Trust approved funding to assist with renovation of 65 Chilton Street.	TBD	$400,000	$200,000	June 2026
27.	(confidential until purchased)	CHA	TBD		Trust approved funding to assist with acquisition of new site.	TBD		TBD	June 2026
28.	CAST I, CAST II + Inman Square Apartments (Inman/CAST I & II)	HRI	167		Trust approved funding to support the rehabilitation of two existing affordable buildings, CAST I and Inman Square Apartments/CAST II. Inman Square Apartments requires minor zoning relief (adding insulation to the exterior will slightly increase the already non-conforming setback), which they will obtain under the AHO.	TBD	$4,244,897	$25,419	August 2026
			1,391		**Total Units**				

Cambridge Affordable Housing Trust

Status of Active Affordable Housing Overlay (AHO) Developments

	AHO Development	Developer	AHO Status & Activity	Rental Units	Ownership Units	Development Status
1.	52 New Street	Just-A-Start Corporation	AHO Community meetings held on 2/25/21, 3/25/21, and 4/15/21. Planning Board Advisory Design Consultations held on 10/26/21 and 1/4/22. Final Planning Board report issued 1/20/22 and was transmitted to the Trust on 1/27/22.	106		AHO Process Complete; see above
2.	Jefferson Park Federal (45-60; 61-75; 77-92; 93-108; Jackson Circle; 1; 2-19, 21-42; 109-124; 1000 Jackson Place)	Cambridge Housing Authority	AHO Community meetings held on 3/2/21, 4/1/21, and 10/19/21. Planning Board Advisory Design Consulations held 11/9/21 and 2/15/22. Final Planning Board report issued 3/9/22 and transmitted to the Trust on 3/24/22.	278		AHO Process Complete; see above
3.	Walden Square II (102 Sherman Street)	WinnDevelopment Companies	AHO Community meetings held on 3/23/21, 4/13/21 and 5/27/21. Submission for first Planning Board Advisory Design Consultation was withdrawn by developer on 11/16/21. Design revised based on community comments. Community meetings held 2/23/22, 8/29/23 (rescheduled from 8/1/23) and 9/14/23. Planning Board Advisory Design Consultations held 3/12/24 and 7/2/24. Final Planning Board report issued 7/24/23 transmitted to the Trust on 8/1/24.	95		AHO Process Complete; see above
4.	49 6th Street	POAH & Urban Spaces	AHO Community meetings held on 7/27/21 and 11/3/21. Planning Board Advisory Design Consultations held 4/5/22 and 6/28/22. Planning Board report issued 7/14/22 and transmitted to the Trust on 8/4/2022.	46		AHO Process Complete; see above
6.	1627 Mass. Ave./4 Mellen	Homeowner's Rehab Inc	AHO community meetings held 9/15/22 and 3/15/23. Planning Board Advisory Design Consultations held 7/18/23 and 12/5/23. Final Planning Board report issued 12/20/23 and transmitted to the Trust on 1/25/2024.	29		AHO Process Complete; see above
7.	87-101 Blanchard Road	B'nai Brith Housing	AHO community meetings held 10/4/23 and 11/10/23. Planning Board Advisory Design Consultations held 1/23/24 and 6/4/24. Final Planning Board report issued 6/18/24 and transmitted to the Trust on 6/27/24.	110		AHO Process Complete; see above
8.	28-30 Wendell Street	Homeowner's Rehab Inc	First AHO community meeting held 2/14/24. HRI restarted the AHO community meeting to include 28 Wendell Street. AHO community meetings for combined sites held 6/20/24, 11/14/24, and 3/6/25. Planning Board Advisory Design Consultations held on 8/5/25 and 11/18/25. Final Planning Board report issued 12/11/25 and transmitted to the Trust on 1/22/26.	95		AHO Process Complete; see above
9.	35 Cherry Street	Just-A-Start Corporation	AHO community meetings held 5/15/24, 6/26/24, and 8/21/24.		10	AHO Process Complete; see above
10.	37 Brookline Street	Just-A-Start Corporation	AHO community meetings held 7/24/24 and 9/11/24.	13		AHO Process Complete; see above
11.	2072 Massachusetts Avenue	Capstone Communities	AHO community meetings held on 10/9/24, 10/30/24 (repeat of first meeting), and 5/29/25. Planning Board Advisory Design Consultations held on 10/7/25 and 3/3/26. Final Planning Board report issued 3/24/26 and transmitted to the Trust on 4/30/26.	74		AHO Process Complete; see above
12.	Corcoran Park - Phase 1	Cambridge Housing Authority	AHO community meetings held on 2/13/25 and 10/9/25. Planning Board Advisory Design Consultations held on 12/16/25 and 3/10/26. Final Planning Board report issued 3/31/26 and transmitted to the Trust on 4/30/26.	67		AHO Process Complete; see above
13.	71 Cherry Street	Cambridge Redevelopment Authority	AHO community meeting held on 2/19/25.	TBD		AHO Process in Progress

14.	Broadway Park	Just-A-Start Corporation	AHO community meetings held on 7/24/25 and 11/6/25. First and only Planning Board Advisory Design Consultation held on 3/10/26. Final Planning Board report issued 4/6/26 and transmitted to the Trust on 4/30/26.	16		AHO Process Complete; see above
15.	12-14 Laurel Street	Just-A-Start Corporation	AHO community meeting held on 9/11/25.		4	AHO Process in Progress
16.	336-350 Rindge Avenue	Boston Communities and Affordable Housing & Services Collaborative (AHSC)	AHO community meetings held on 6/3/26 and 8/5/26. Planning Board Advisory Design Consultation and Special Permit for retail use to be held on 11/10/26.	~92		AHO Process in Progress
				943		**Total Units**

Status of Active Inclusionary Housing Developments

	Approved Active Projects	Developer	Status	Rental Units	Ownership Units	Applicable zoning
1.	121 Broadway	Boston Properties (BXP)	Covenant recorded 12/28/23. Building permit issued 3/21/24. Under construction.	102		MXD zoning - 20% Inclusionary + 5% Middle-Income
2.	8 Winter Street	S. Jafry	Covenant recorded 7/18/2024. Building permit issued 1/6/25. New ownership; reviewing application to amend building permit; under construction. 19 total units	3		11.203 @ 20% of floor area
3.	34 Wendell Street	ZRE	Covenant recorded 4/23/2026. Building permit issued 6/15/26. 43 total units		8	11.203 @ 20% of floor area
4.	5 Craigie Circle	Rothman	Covenant recorded 4/24/2026. Building permit issued 6/24/26. 12 total units	2		11.203 @ 20% of floor area
5.	235 Third Street	DND Homes	Covenant recorded 8/13/2026. 55 total units	11		11.203 @ 20% of floor area
			Under Development:	**118**	**8**	
			Completed Units:	**1,279**	**215**	
			All Units:	**1,397**	**223**	
				1,620		

	Active Pipeline Projects	Developer	Status	Affordable Units	Total Units	Applicable zoning
1.	75 First Street	Urban Spaces	IHP plan approved; AHC recorded; sitework permit approved; building permit pending	16	90	11.203 @ 20% of floor area
2.	1740 Mass Ave	SGL Development	Finalizing IHP plan; AHC in process; litigation filed	14	71	11.203 @ 20% of floor area
3.	9 Wyman Road	DND Homes	Reviewing IHP plan	10	56	11.203 @ 20% of floor area
4.	86 Ellery Street	DND Homes	Reviewing IHP plan	13	72	11.203 @ 20% of floor area
5.	29 Sargent Road	ESG Group	IHP plan approved; AHC in process	2	10	11.203 @ 20% of floor area
6.	315 Rindge Ave	315 Rindge Invest LLC	Reviewing IHP plan	5	25	11.203 @ 20% of floor area
7.	49 Sheridan Street	Odessit Capital	Reviewing IHP plan	TBD	32	11.203 @ 20% of floor area
Current subsidy amount needed to create Affordable Dwelling Unit Net Floor Area for Inclusionary Housing not created pursuant to Section 11.203.3 (i):				$534 / per square foot		last update: 1/23/2025

Incentive Zoning Contributions - FY2026

	Development	Contribution Amount	Rate	
1.	320 Third aka 585 Kendall	$16,433,853	$ 33.34	
2.				
3.				
		$16,433,853	**Total FY2027**	
		$15,532,039	**Total FY2026**	
Current Incentive Zoning Housing Contribution Rate pursuant to Section 11.202 (b):		$37.72 / per square foot		last update: 4/1/2026

CITY OF CAMBRIDGE | Housing Department

To: Affordable Housing Trust

From: Cassie Arnaud, Director of Housing Development
Alexis Turgeon, Senior Housing Development Planner

Date: October 22, 2026

Re: 1648 & 1654 Massachusetts Avenue (Marathon Sports Buildings) - Request to Change Rent-Setting Approach

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The Cambridge Housing Authority (CHA) is requesting approval to temporarily change the rent-setting approach at their recently acquired property located at 1648 and 1654 Massachusetts Avenue by shifting from income-based rents (i.e. rents set at 30% of household income) to a flat rent structure to improve unit marketability, as described in more detail below.

BACKGROUND:

In December 2025, the Trust approved up to $18,565,000 to support the Cambridge Housing Authority (CHA) and its affiliate organization Essex Street Management, Inc. (ESMI) with the acquisition of two market-rate residential buildings located at 1648 and 1654 Massachusetts Avenue. The long-term plan is to complete a tax credit syndication process in five years that supports a full rehabilitation and utilizes project-based vouchers to ensure deep levels of affordability. In the interim, CHA is converting units to affordable housing upon turnover and completing modest repairs.

CHA Marathon LLC, an affiliate of ESMI, acquired the properties on May 14, 2026. In addition to Trust funds, the CHA, through its lending arm, Cambridge Affordable Housing Lending LLC (CHAL), provided $6,879,365 in permanent and $19 million in short-term bridge financing to cover remaining acquisition costs, soft costs, and immediate repairs. The CHA intends to refinance the bridge loan with permanent bank debt in 2027.

The Trust vote required that at least 80% of the units (64 units) be rented to households at or below 80% area median income (AMI) and that all units be rented to households at or below 100% AMI.

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Following the Trust's standard restriction language, the rents for both income tiers (80% AMI and 100% AMI) are required to be based on 30% of a household's actual income.

CHA expected that most units would be filled by mobile voucher holders with rents at 110% of fair market rent but the expected demand among voucher holders has not yet materialized. The CHA reports that more units have turned over than they expected, and few voucher holders have submitted applications to date, despite their marketing and outreach.

CHA reports challenges with non-voucher holders as well. The CHA has shared the following reasons for why prospective non-voucher applicants have turned down units or chosen not to apply:

- Income-based rents are confusing for prospective applicants unfamiliar with the process
- Prospective applicants do not want to move forward with the process without knowing exactly what rent to expect and whether they can afford it
- For households at the upper end of income-eligibility, 30% of the household income is closer to market-rate rent and may not provide enough of a rent advantage to be subject to an income certification process

As a result, CHA is requesting a temporary waiver from the existing income-based rent requirements to allow them to set and offer rents using a flat rent methodology until the tax credit syndication occurs. It is expected that the rent-setting method will be revisited at the time of the tax credit syndication so that it meets the affordability requirements of any new financing sources.

FLAT RENT PROPOSAL:

CHA is proposing to switch from income-based rents to flat rents set at 30% of 65% AMI for both income tiers. The use of a flat rent structure is not atypical for Trust-funded properties that have other funding sources such as Low-Income Housing Tax Credits. CHA expects flat rents to help new residents by providing predictable rents for non-voucher applicants and deepening affordability for households earning more than 65% AMI.

The flat rent proposal would also enable the CHA to expand access to a lower income tier of applicants. Under the income-based rent structure, CHA established a minimum income requirement of 70% AMI to ensure that, at a minimum, they could rely on rents at 30% of 70% AMI to support property operations. While this minimum income limit supported the financial feasibility of the project, it also created a narrow band of eligibility for the 64 units at the 80% AMI tier which has added to their lease-up challenges. This screening criteria would no longer be necessary with a flat rent structure, opening the opportunity to offer the units to non-voucher holders at lower incomes and increasing the number of eligible households.

The flat rent structure would also simplify marketing by setting a clear, fixed rent amount. Income-based rents at the property can currently range from $1,944 to $4,029, with the one-bedroom rents capping out at $3,207. The flat rents would be set at $1,933 for a one-bedroom unit and $2,321 for a two-bedroom unit. The below table compares various rents for the property, including what current market-rate tenants are paying, what the CHA-commissioned market study estimated as achievable market rents, what the 110% AMI contract rent would be for voucher holders, and the rent ranges under the two rent-setting methodologies:

	1-Bedroom	2-Bedroom
Rents paid by existing market-rate tenants	$2,382 - $ 2,756	$3,092
Maximum achievable market- rate rents per market study	$2,725 - $3,300	$3,300
Income-based rents (30% of actual household income)	$1,944 - $3,207	$1,944 - $4,029
Mobile voucher rents at 110% FMR	$2,697	$3,223
Flat rents set at 65% AMI	$1,933	$2,321

Under CHA's flat rent proposal, rents could be as low as 20% of household income. To qualify, CHA has proposed that the rent payment ratio would need to be at or below 40% of household income. This change broadens eligibility from the current minimum income of 70% AMI down to approximately 50% AMI, expanding the pool of qualified applicants. The table below illustrates the affordability of flat rents set at 65% AMI for households ranging from 50% to 100% AMI:

Rent as a Percentage of Household Income						
	50% AMI	**60% AMI**	**70% AMI**	**80% AMI**	**90% AMI**	**100% AMI**
1-Bedroom	37%	31%	28%	23%	22%	20%
2-Bedroom	37%	31%	28%	23%	22%	20%

While switching to flat rents would simplify marketing and make the property more affordable at some income ranges, it would also reduce rental income and therefore reduce the amount of debt the project can support. At acquisition, it was anticipated the project could support $19 million in debt. Current projections indicate the property would only be able to support $9.85 million in debt at the flat rents. The CHA is prepared to fill any gap that may exist between the bridge loan refinance in 2027 and the tax credit syndication.

NEXT STEPS AND PROJECT SCHEDULE:

In the coming weeks, the CHA plans to undertake additional marketing activities at the flat rents, if approved. They also plan to prepare a traditional marketing plan similar to what is done for new construction projects.

Provided the additional marketing and flat rent structure improves unit marketability, CHA plans to complete the bridge loan refinancing in 2027.

RECOMMENDATION:

Staff recommend approval of CHA's request to temporarily set flat rents at 30% of 65% AMI, as described in more detail above, to support lease-up and the property's transition to affordable housing. It is recommended that this approval be considered a waiver from the rent-setting requirements in the affordable housing restriction until the tax credit syndication is completed. Staff have reviewed and discussed the request for flat rents with Raffi Freeman, Susan Schlesinger, Alyson Stein, and Jim Stockard, who agreed with the recommendation to bring this request to the Trust for further review and discussion.

The waiver should be made contingent on the following conditions, including but not limited to:

1. Staff approval of an operating pro-forma of at least five years at the flat rents;
2. CHA acknowledgment that a portion of the bridge loan from the CHA-affiliated Cambridge Affordable Housing Lending LLC may need to remain in the project until the tax credit syndication;
3. CHA agreement to provide updates on the status of the property's conversion to 100% affordable use, as requested by Staff;
4. CHA agreement to update the minimum income screening criteria in the tenant selection plan to the 40% rent to income payment ratio described above; and
5. CHA agreement to develop and implement a comprehensive marketing plan, including conducting a lottery to establish a waitlist, by June 1, 2027.