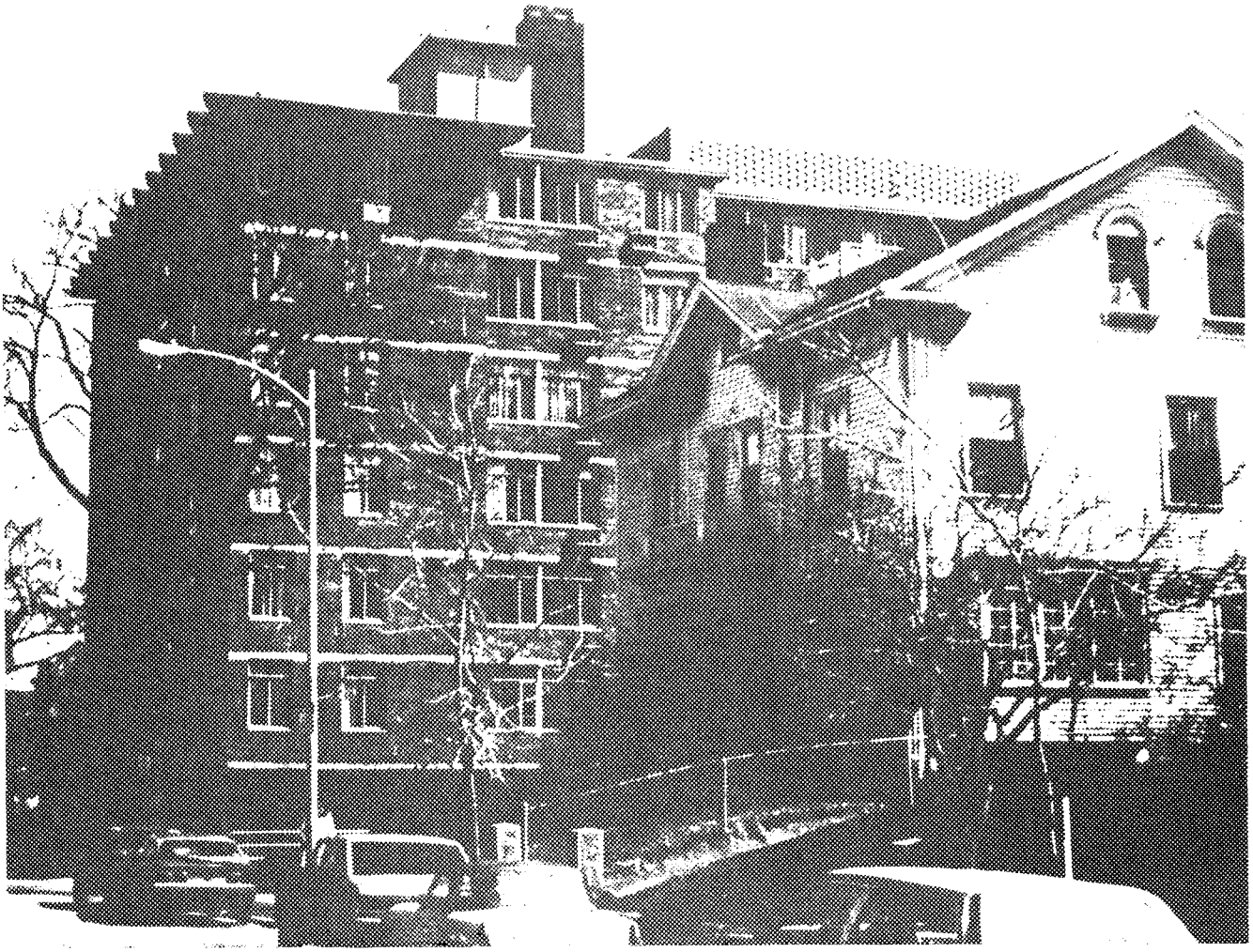


8 . Housing

Housing, its preservation and production, has been at the center of public policy discussions throughout the 1980s. As with many other land use and development issues, housing policy at the local level is constrained by many factors from past history to contemporary economic trends. As with all land use issues, however, there is room for choice and the potential to shape and guide the future.

Assumption

> ***Cambridge's traditional neighborhoods should be maintained and pre sewed at their historic scale, density and character.***

This has been an evolving, but de facto, City policy for at least two decades. With rare exceptions, for those twenty years rezoning in residential neighborhoods, from Mid-Cambridge to North Cambridge, have resulted in lowering permitted densities and heights to match more closely the existing development pattern and scale. The Townhouse Ordinance, through its several revisions from 1976 to 1989, was specifically developed and intended to encourage a scale and character of development more sympathetic to the wood-frame, two-and three-story building pattern that predominates in most residential districts in Cambridge. The adoption of two neighborhood conservation districts (in Mid-Cambridge and in Neighborhood 10) in the mid 1980s provided a very strong non zoning tool to limit significantly alteration to the prevailing character of these neighborhoods.

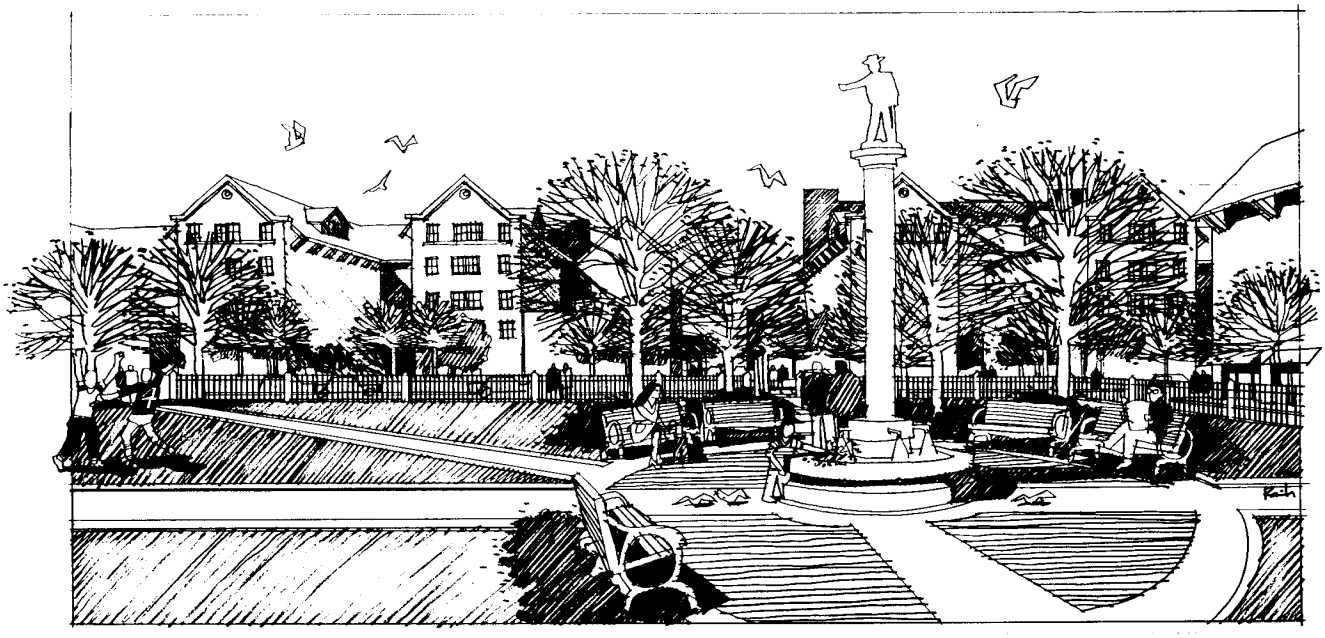
Harvard Street provides a particularly vivid representation of the massive disruption to the existing neighborhood fabric the successive rezonings of the 1970s and 1980s were designed to prevent; 295 Harvard Street and 334 Harvard Street are primary examples of this.

Assumption

> The opportunities to expand Cambridge's inventory of housing, market rate or affordable, are severely limited in existing residential neighborhoods.

This policy assumption flows directly from the previous one. Existing residential neighborhoods are fully developed in the sense that there is not much vacant land available for new housing construction. However there are examples of the very occasional vacant lot passed over in the 1980s boom years or a non conforming industrial building that might be converted to residential use. Even with the systematic reductions in the permitted zoning envelope in residential neighborhoods, there are occasional developed lots which could legally accommodate an additional unit or two or a townhouse cluster in the back yard. In total, however, the potential of such opportunities cannot be expected to account for more than one or two hundred new units in any given decade. As the 1980s have located the most available of those development opportunities the potential for new development sites is likely to be even slimmer in the future.
The Agassiz neighborhood illustrates the result of the two decade long effort to reduce permitted density in the city's residential neighborhoods. In a portion of that neighborhood two successive rezonings, in 1979 and 1982, altered the applicable district zoning from the high-density Residence C-3 to Residence C-1 and then to its current lower-density Residence B designation. In the course of those rezonings the allowed residential unit density has been reduced eight fold from 144 housing units per acre to just 17 units per acre. This is certainly a very dramatic change not typical in its scale, but surely typical in its trend.

In such constrained circumstances new housing construction may result in the loss of some important neighborhood asset. An attempt to increase the potential for more housing may result in the trade off of some other necessary or desirable public or community benefit.



This design sketch is a study of the possibilities for new housing and open space in a former industrial area. To make such a vision become a reality, many parties must reach agreements and work together over many years.

Assumption

> The greatest, and perhaps only, opportunity for construction of significant quantities of new housing is to be found in those areas which have been traditionally used and developed for non residential, principally ***industrial, uses.***

This policy premise is a natural and inevitable corollary to the above propositions. While the fabric of the city's residential neighborhoods has been reinforced over the past two decades, the city's industrial districts have been undergoing a significant physical transformation in response to regional and national economic development trends. Old line industries have declined and new enterprises have gained ascendancy. This transitional period has created opportunities for redevelopment of industrial properties that has not been possible or desired in established residential neighborhoods. In addition, the zoning envelope in non residential districts has traditionally permitted a greater intensity of development than the city's residential districts; when residential development is permitted in a non residential district the scale of development and number of units constructed is likely to dwarf that which would be constructed in any residential neighborhood today under current City development policy.

The development history of the 1980s vividly illustrates the point. Those developments accounting for the vast majority of the housing units constructed during the decade have been built in areas currently zoned non residential or in areas used for industry prior to their redevelopment to residential use.

The list of these developments is a lengthy one and includes the following major projects: Graves Landing, 170 units; Rivercourt,170 units; The Esplanade, 206 units; The Pavilion, 114 units; Thorndike Place and Spring Street Condominiums, 90 units; Bay Square, 110 units; 931 Massachusetts Avenue, 50 units; Cambridgeport Commons, 100 units; Charles Square, 94 units; University Green, 70 units; University Park, 142 units; Church Corner, 85 units; Richdale Terrace, 40 units; fourteen hundred units constructed in areas traditionally zoned and/or used for non residential use, fully 70% of the units constructed during the decade.

Assumption

> Cambridge's existing housing stock is and will continue to remain its principal housing resource and its greatest opportunity for retaining and expanding affordability .

The city's existing housing inventory will remain the vast preponderance of all housing in Cambridge in any foreseeable future. At an average of 2,000 units of new housing in each recent decade, each future decade's incremental addition to the housing stock, now at 42,000 units in 1990, is going to be very modest. Past additions reflecting robust market conditions, strong public subsidy, and available land have probably come more easily than will additions in the future.

Assumptions

> Every effort should be made to encourage an expansion of the city's housing inventory.

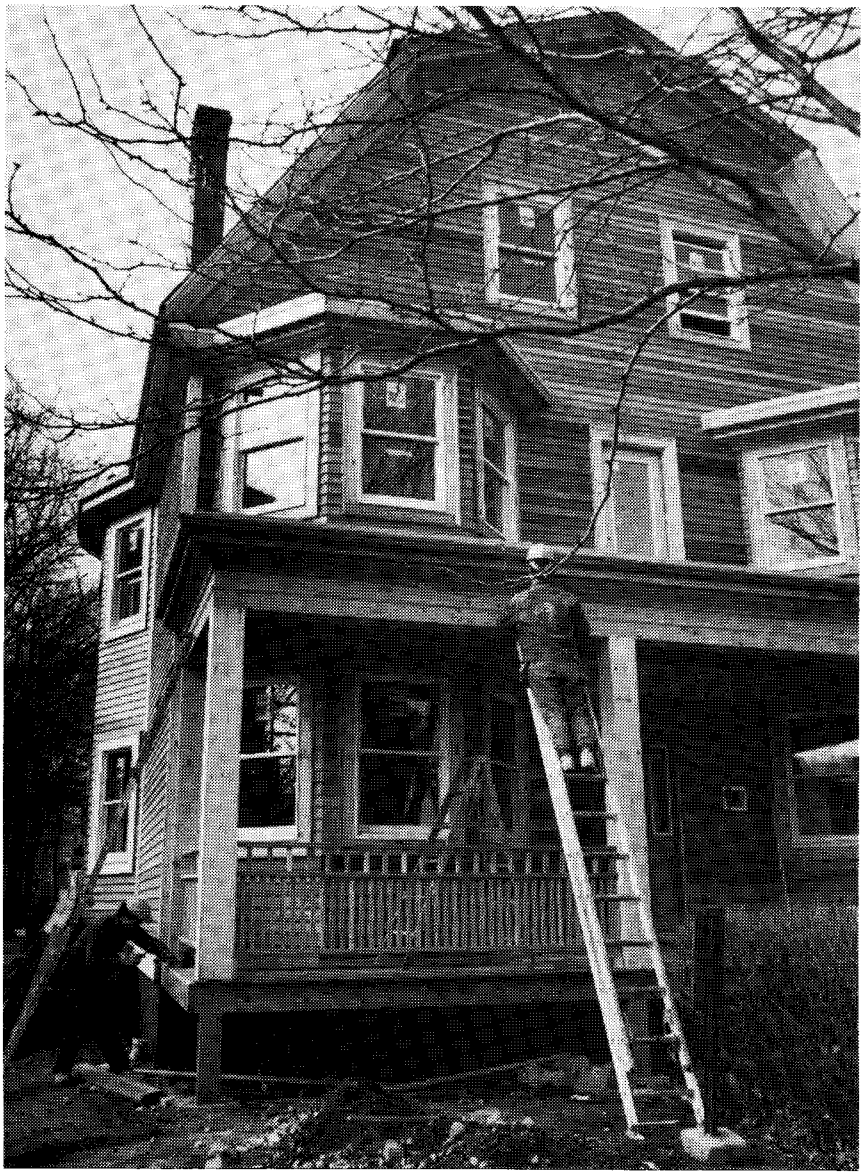
> In order to maintain the city's diverse population, every effort should be made to assure the preservation and creation of affordable housing units.

Despite the limitations and inherent conflicts that may arise, it is important that new housing be constructed within the city in the future. Cambridge lies at the heart of a large metropolitan area and is, and has been for more than a century, a significant industrial, and now, commercial center. It is clear that new commercial construction generates some additional demand for new housing and places pressure on the housing stock that already exists. It is also clear that the closer people live to their place of employment the greater the opportunity to choose other than an automobile trip to get there. By its very nature residential development, as a substitute for alternate commercial development schemes, generates much less peak hour commuter traffic. It is a long standing urban planning truism that the presence of housing in mixed-use developments adds an important element of activity that improves the safety and livability of predominantly non residential districts.

Many factors quite beyond the control of the City of Cambridge determine where people choose to live and how they commute to work; but the more benign options from Cambridge's perspective: living close to work, taking the "T", or walking to the job, will become increasingly less likely or possible if some measure of new housing is not constructed along with the new additions to the commercial and industrial component of the city's land use. Cambridge's role as a regional employment center undoubtedly means that a perfect match between job creation and housing will not be achieved; but a reasonable approximation can be attempted. Tough policy choices are not always inevitable. East Cambridge has shown that housing can be a significant component of a mixed-use district that also generates many new jobs and significant City revenues. In other areas of the city, as along the old railroad corridors in North Cambridge, the industrial zoning is an anachronism that does not offer the potential for significant new jobs or City revenue but does offer the potential for appropriate new housing construction. Many techniques have been employed in zoning to encourage housing in non residential areas or as a component of mixed use development. Those efforts, in the right real estate market have proven quite successful. Similar and more creative techniques should be employed in the future. Cambridge's large institutions, which place a heavy demand on the city's housing supply, also have an opportunity to contribute significantly to the supply of new housing at higher densities and at locations that may not be disruptive to their adjacent residential neighbors.

A companion concern, interwoven with the issue of housing production, is that of affordability. Since the 1970s, demographic, economic and real estate trends have combined to make a Cambridge home less and less affordable for Cambridge residents, particularly for low-and moderate income families with children. The income required to rent a market rate two-or three-bedroom apartment is beyond the reach of more than half of Cambridge households. A single family home on average is affordable by only 18 percent of those households. The shedding of housing support programs, first by the federal government beginning in the 1980s and now by the state government as fiscal resources become even more limited, has made it increasingly difficult to ameliorate the cost impact of the high demand for Cambridge housing by prosperous households. This demand has been facilitated in part by the recently popular condominium form of ownership and aggravated by the limited opportunities to expand the housing supply and by the basic cost of the land and labor needed to build housing.

Much of the past decade has been spent developing options for addressing the affordability problem: at the local level through linkage payment requirements in the zoning ordinance, the establishment of the Affordable Housing Trust, inclusionary housing requirements in some zoning districts, strong support for a number of local non profit housing agencies, and most recently a proposal to establish a land bank of City owned land for use as housing sites in the future.



The Affordable Housing Trust provided funds to help create a group home for ten low and moderate income mentally ill adults. This architecturally attractive project builds bridges between neighbors and differently abled persons.

Housing Policies

These housing policies define the City's commitment to maintaining Cambridge neighborhoods as places where households of great diversity can continue to live.

Neighborhood Character

Maintaining and preserving the rich and diverse physical character of Cambridge's residential neighborhoods is among the more significant policy objectives of the City. That physical diversity, from colonial era mansions on Brattle Street and working class three deckers in Wellington Harrington, to sixties era apartment buildings on Harvard Street, sustains the social diversity of income, class and ethnicity that is a Cambridge trademark, particularly when that physical diversity is combined with efforts to develop or preserve affordable housing. Nevertheless, the question invariably arises as to the extent to which that physical diversity should be maintained, modified or compromised in the face of perennial demands for additional housing, in particular affordable housing, and for additional development to increase City tax revenues.

The Lincoln School was renovated to provide 20 units of housing with one quarter of these for subsidized home-ownership. Reusing this historic structure helped make the housing fit comfortably in the established neighborhood.

Neighborhood preservation, however, has been a growing priority in Cambridge since the late 1970s. The Townhouse Ordinance of 1976 {and its subsequent refinements) was adopted precisely to encourage small-scale developments that are compatible with existing neighborhood patterns. The special authority sought by Cambridge, {and granted by the legislature in 1979), to control institutional uses was motivated by the same objective: prevention of wholesale expansion and encroachment of institutional uses into residential areas. Other measures advancing that same objective have included adoption of the Demolition Ordinance in 1979, the Institutional Use Regulations amendment to the Zoning Ordinance in 1981, and creation of the Half Crown and Mid-Cambridge Conservation Districts in 1984 and 1985 respectively.

POLICY 26

Maintain and preserve existing residential neighborhoods at their current density, scale, and character. Consider exceptions to this policy when residents have strong reservation about existing character, are supportive of change, and have evaluated potential changes in neighborhood character through a planning process.

Urban blight, dilapidated housing, or general deterioration naturally are not among those neighborhood attributes that the City seeks to preserve. Therefore, Policy 26 suggests that positive changes in neighborhood character can be brought about by a participatory planning process with neighborhood residents that will result in physical alterations that are desirable, necessary and consistent with the principal objective of the policy.

New Affordable Housing and Target Populations
in Existing Neighborhoods

High demand for the city's housing inventory and the city's appeal to an increasingly professional, higher income population escalated both the sale price and rents for existing housing in the 1980s. Without policies that contribute to the preservation and development of mixed-income housing, Cambridge faces the distinct possibility that the existing diversity of its population will be eroded or lost. Twelve percent of the city's housing stock is available to lower income households through a variety of government subsidies. Another 40 percent is subject to rent control but there is no guarantee that those units will be occupied by low-or moderate-income residents. The city's objective is not necessarily to increase the proportion of units available to low-and moderate-income citizens, but merely to compensate for the loss of such units to higher income households, through new affordable housing construction or substantial rehabilitation of existing units. That being the case, the city must then thread a path between the continuing need for new affordable housing units and the desire to preserve the essential character of the neighborhoods as they now exist.

It is recognized that opportunities for the City to expand the housing inventory in existing neighborhoods is severely limited. Even with limited opportunities, however, newly constructed housing is possible but it must be designed to fit existing development patterns. Additionally it should serve to maintain the mixed-income, culturally diverse nature of the city's neighborhoods. Nevertheless, such infill housing opportunities are estimated to produce not likely more than 200 units in any given decade.

Policies 27 and 28 are also motivated by an increasing concern that demographic, economic, and real estate trends have combined to make a Cambridge home less and less affordable for current Cambridge residents.

POLICY 27

Where possible, construct new affordable housing that fits neighborhood character. In existing residential neighborhoods housing should be built at a scale, density, and character consistent with existing development patterns. Permit reconstruction of affordable housing (defined as more than 50% of units rented or owned by households at 80% or less than median income) that serves a wide range of incomes and groups at previous nonconforming density where reconstruction is less expensive than rehabilitation. Emphasize construction of affordable housing designed for families with children.

The University Park project will include 400 units of housing. Of these, 150 units of mixed-income housing are proposed along Brookline Street. The residences are being designed to respect the character of the Cambridgeport neighborhood.

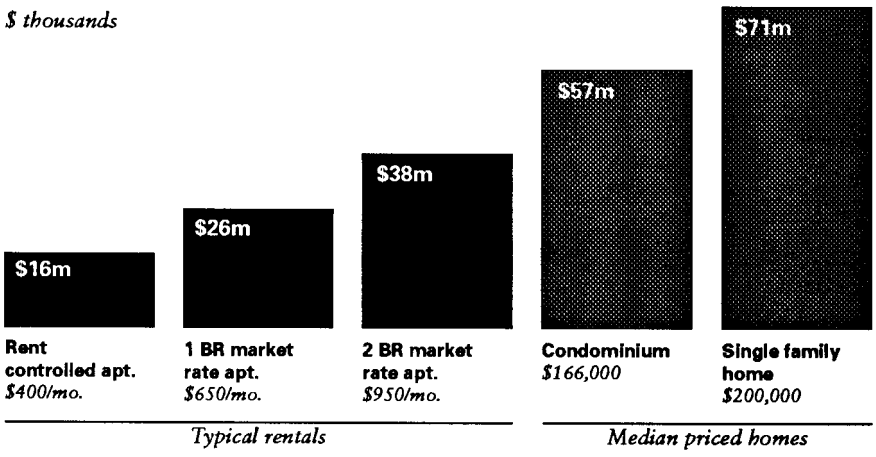
That trend is particularly acute for low-and moderate-income households with children. The income required to rent a market-rate two-or three bedroom apartment is beyond the reach of more than 50% of Cambridge's households. A single family house is affordable to only 18% of those households. The near abandonment of housing support programs by the federal and state governments has made it extremely difficult for cities such as Cambridge to narrow that "affordability gap". That gap is an especially important issue in Cambridge where over 50% of households have low-or moderate-incomes.

In an effort to prevent wholesale gentrification and displacement in Cambridge's existing neighborhoods, the City devoted much of the past decade to developing options for addressing the "affordability gap". Those range from linkage payment requirements in the zoning ordinance and the establishment of the Affordable Housing Trust, to inclusionary housing requirements in certain zoning districts and strong City support for a number of local non profit housing agencies. The policies are meant to affirm the City's commitment to stabilize the current diverse, mixed income nature of Cambridge's neighborhoods.

POLICY 28

Affordable housing in rehabilitated or newly constructed buildings should serve a wide range of households, particularly low-and moderate-income families, racial minorities, and single persons with special needs.

Minimum household income required to rent or buy housing in Cambridge



Assumes 30% of household income towards housing costs.

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Rehabilitation of the Existing Stock of Housing

Cambridge's existing housing inventory is and will continue to be its principal housing resource and greatest opportunity for retaining neighborhood diversity. If the dual objectives of preservation of existing neighborhoods and stabilization of the existing variety of households are to be met without serious conflict, the City must focus much of its housing effort on the renovation and rehabilitation of the existing housing stock.

The motivation behind these rehabilitation policies (Policy 29 and 30) is largely that of enabling present Cambridge residents, particularly those with low-and moderate-incomes as well as the elderly, to remain in their homes despite adverse economic circumstances. Towards that end the City, in partnership with non profit housing agencies, administers a wide range of programs designed to lessen the financial burden on homeowners of upgrading their homes.

POLICY 29

Encourage rehabilitation of the existing housing stock. Concentrate City funds and staff efforts on rehabilitation that will provide units for low- and moderate-income residents.

The Home Improvement Program (HIP), is one such effort and is designed to stabilize present occupancy for low-and moderate-income homeowners. The program works through extending financial and technical assistance to those homeowners who are primarily elderly couples or single parent households. They may be people who live alone and are unable to cope with the required repairs or cannot get financing for the repairs. Often the loans and technical assistance provided through the program enable elderly residents to remain in houses they might otherwise be forced to vacate. Due in part to HIP, which has been operated in the city for the last twenty years, low-and moderate-income Cambridge homeowners have not been the targets of unscrupulous mortgage lenders as has occurred in other communities.

POLICY 30

Concentrate rehabilitation efforts in the city's predominantly low-and moderate-income neighborhoods.

Another example is the Cambridge Neighborhoods Apartment Housing Service (CNAHS), which is a partnership of owners, tenants, lenders, and City officials. Its job is to promote investment and improvements in multi-family, rent controlled buildings, while keeping the rents affordable. CNAHS administers a loan pool through which money for improvements is loaned at different interest rates, depending on the tenant income. Landlords are required, through deed restrictions, to rent to low-income families. This approach has been successful in meeting the twin objectives of preserving the housing stock and maintaining the affordability of the units.

Homeownership

Cambridge is predominantly a city of renters, as only 30% of its house holds own their homes. The trend in Cambridge over the past decade has been one of rapidly escalating housing values which make homeownership increasingly out of reach for all low-and moderate-income households in the city. But homeownership often acts as a stabilizing force in neighborhoods. Therefore, widening the options for homeownership benefits both the larger community and the individual households involved. Non profit and tenant ownership of housing is another way of achieving those benefits while also ensuring fair access of low and moderate income households to affordable housing.

Ownership of some of the multi-family housing stock by either non profit housing agencies or by tenants is one way to ensure access to these units for low-and moderate-income residents. Under either arrangement, tenants can have a larger role in the management of the buildings in which they live. In addition, the non profit agencies have a strong track record in financing rehabilitation without resort to unaffordable rent increases.

POLICY 31

Promote affordable homeownership opportunities where financially feasible.

POLICY 32

Encourage non profit and tenant ownership of the existing housing stock.

The Community Development Department, working with Homeowner's Rehab, developed six townhouses on Columbia Street for ownership by low- and moderate-income families.

Redevelopment of Industrial Areas

If existing neighborhoods are not fertile ground for significant quantities of new housing units, the redevelopment of Cambridge's industrial areas offers major opportunities for expanding the city's housing inventory. The city's industrial areas have been undergoing significant physical transformation in response to national and global economic trends. As old industrial sectors decline, the notion of creating new mixed-use districts where those industries once thrived becomes a distinct possibility. The choice faced by the city, however, is how that land resource should be allocated between competing demands for its use: job creation, open space, housing, tax revenue.

The redevelopment of the East Cambridge riverfront is a good example of the creation of a of new mixed-use environment in a former industrial district where housing, in this case market-rate housing, has played a prominent role. Indeed, the vast majority of housing built in the 1980s was constructed in areas then currently zoned for nonresidential use or in areas used industrially prior to redevelopment.

It cannot be expected that housing is suitable in every corner of every industrial district or that every lot or development upon it in such districts should have a component of housing. However, it can be expected that new housing can be appropriate, and not in conflict with other uses, in some portions of most industrial areas, particularly where the edge of an existing residential neighborhood can be strengthened and extended or where alternate commercial uses particularly compatible with residential activity are anticipated.

POLICY 33

Encourage where appropriate, recognizing housing's possible impact on desirable industrial uses, the construction of new affordable housing through requirements, incentives, and zoning regulations, including inclusionary zoning provisions, in portions of the city traditionally developed for nonresidential, principally industrial, uses. Create effective, well designed transitional zones between residential and industrial uses.

Zoning incentives encouraged housing on the sites of the Esplanade and River Court projects; residential use was allowed to be one quarter more dense than permitted office use. Because the housing market was stronger than the office market in the late 1980s, housing was built.