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**CITY OF CAMBRIDGE**  
Community Development Department

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**IRAM FAROOQ**  
*Assistant City Manager for  
Community Development*

**SANDRA CLARKE**  
*Deputy Director  
Chief of Administration*

## **Affordable Housing Trust**

**January 31, 2018**  
**Ackerman Room**

### **AGENDA**

- Old Business
- Project Update
- New Business
  - Request for Funding – Squirrelwood
  - Mass and Main Affordable Housing
- Adjournment

# Cambridge Affordable Housing Trust

## Status of Active Commitments

January 31, 2018

	Active Projects	Sponsor	Rental Units	Ownership Units	Status	Total Cost	Trust Commitment	Loan Amount Per Unit	Trust Approval Date
1.	HomeBridge program	CDD	currently approved buyers: 5	2	53 scattered site units purchased by first time buyers to-date. New program rollout June 2017, new HomeBridge name, inclusion of "work in Cambridge" eligibility; pilot 120% AMI program. Tow units have closed in 120% pilot.	N/A	\$7,200,000	1-br: 40% sale 2-br: 45% sale 3-br: 50% sale	last recap: May 2011
2.	Homeownership Resale Program	CDD	currently active units:	13	Re-purchase, rehab and re-sale of affordable homeownership units to new homebuyers.	N/A	\$3,500,000		last recap: December 2011
3.	Harvard Properties	HRI	50 Trowbridge #6	Currently active units: 1	100-unit portfolio acquired. Rehab of units on-going upon first vacancy in each unit, building systems and exterior renovations ongoing per approved portfolio plan. ~86 units completed to-date.	\$7,220,999	\$750,000	\$7,500	March 1997
4.	Bedrick Properties	HRI	34 Willow St #3	Currently active units: 1	95-unit portfolio acquired. Rehab of units on-going upon first vacancy in each unit, building systems and exterior renovations ongoing per approved portfolio plan. ~64 units completed to-date.	\$15,615,000	\$5,586,000	\$58,800	November 1999
6.	Jefferson Park - State Public Housing	CHA	104		Relocation and demolition complete; construction underway; completion will occur in phases beginning in late 2017 into early 2018.	\$50,800,000	\$7,934,000	\$76,288	August 2013 October 2015
9.	Concord Highlands / 675 Concord Ave.	HRI	98		Comp permit approved; received funding in DHCD special mini-round; preparing to close on site work in April and full construction in late summer 2018	TBD	\$26,075,000	\$266,071	March 2016 October 2017
10.	Frost Terrace / 1791 Mass. Ave.	Capstone Hope	40		Comp permit approved on 1/11. Decision not yet filed. Preparing to submit One-Stop application in February.	TBD	\$7,210,000	TBD	March 2016 May 2017
11.	JAS Consolidated	JAS	112		Consolidation of 10 existing properties including former St. Patrick's Place into a single scattered site development closed; existing City and Trust loans refinanced along with closing of new funding - LIHTC, hard debt, and insurance proceeds. Rehab underway and construction has started on the rebuilding of the St. Patrick's site. \$325,385 interest was paid to the Trust on closing. Insurance proceeds in excess of amounts needed to rebuild St. Patrick's Place will be used to repay soft debt.	\$45,567,619	\$5,768,273 (refinancing of original loans)	\$51,502	April 2017
12.	Vail Court	TBD	TBD	TBD	Trust and City hosted public meeting on 7/24/17 to hear from the community on affordable housing needs and ideas for the redevelopment of Vail Court. Additional public meetings will be scheduled but are currently on hold pending the legal challenge to the City's taking of the property by eminent domain.	TBD	TBD	TBD	

Total Active Units 369

**Cambridge Affordable Housing Trust**  
**Status of Active Inclusionary Housing Developments**  
**January 31, 2018**

	Approved Active Projects	Developer	Status	Rental Units	Ownership Units
1.	61 Loomis Street	JF Trust	Covenant recorded 3/2011. Building complete. Converting to homeownership.		1
2.	130 Cambridge Park Drive	Hanover Company	Covenant Recorded 8/12/15. Tenant selection underway	25	
3.	88 Ames Street	Boston Properties	Covenant Recorded 1/28/16. Under construction. Expected completion spring 2018.	36	
4.	262 Monseigneur O'Brien Highway	Minco Corp.	Covenant Recorded 3/8/16. Under construction. Expected completion spring 2018.		6
5.	Avalon North Point	Avalon	Covenant Recorded 5/5/16. First phase complete. Tenant selection to begin soon.	31	
6.	77 New Street	Abodez	Covenant Recorded 9/14/16. Under Construction.	11	
7.	88 Cambridge Park Drive	Hanover Company	Covenant Recorded 9/30/16. Under Construction.	30	
8.	253 Walden Street	Observatory Hill Apartments LLC/ Eric Hoagland	Covenant Recorded 11/18/2016. Under Construction	3	
9.	95 Fawcett Street	Ed Doherty	Covenant Recorded 12/29/2016. Under Construction		5
10.	10 Essex Street	Morris Naggar	Covenant Recorded 3/9/2017. Under Construction.	5	
11.	1699 Mass. Ave.	Lotus Harvard Enterprise	Covenant Recorded 3/30/2017. Building Permit issued. Revised plans under review.	2	
12.	305 Webster Ave.	305 Webster Ave. Condominiums LLC	Covenant Recorded 8/11/17.		4
13.	47 Bishop Allen	Twining	Covenant Recorded 10/13/17. Under Construction	3	
14.	St. James - Mass Ave/Beech	Oak Tree	Covenant Recorded 11/21/17	5	
15.	Mass & Main	Twining	Covenant Recorded 11/24/17	58	
16.	249 Third Street	Equity	Covenant Recorded 12/22/17	12	
<b>Total:</b>				<b>221</b>	<b>16</b>

**Grand Total Units under IHP Covenants:**

846	rental
211	ownership
1057	total

	Active Pipeline Projects	Developer	Status	Rental Units	Ownership Units
1.	300 Putnam Ave.	Biotech Realty Investors	Approved; Covenant being executed		2
2.	Lanes and Games	Criterion	Approved; Covenant being executed	44	
3.	16-18 Elliot Street	Charles River Holdings	IHP plan under review	2	
4.	18-26 Chauncy Street	Chestnut Hill Realty	IHP plan under review	1	
<b>Total:</b>				<b>47</b>	<b>2</b>



DRAFT  
CAMBRIDGE AFFORDABLE HOUSING TRUST  
MEETING MINUTES  
November 29, 2017

Ackerman Room, Cambridge City Hall  
795 Massachusetts Ave.

Trustees Present: Louis DePasquale, Chair; Peter Daly; Cheryl-Ann Pizza-Zeoli; Susan Schlesinger; William Tibbs

Trustees Absent: Florrie Darwin, Gwen Noyes; James Stockard; Elaine Thorne;

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

Others Present: E. Denise Simmons, Mayor

The meeting was called to order at 4:07.

Upon a motion moved and seconded, it was voted

VOTED: To approve the minutes for the meeting of Thursday, October 26, 2017, as submitted.

### **PROJECT UPDATE**

**Jefferson Park State Public Housing** – Construction is almost complete.

**Concord Ave** – HRI is waiting to hear from DHCD about their application for state funding in the October special mini-round.

**Porter Square** – All sites have been required. Site eligibility for 40B was submitted to the state. Project will be heard by the Planning Board in December and then the ZBA.

**HomeBridge Program** – One unit has closed and a second is scheduled to close.

**Inclusionary Program** - With the approval of Mass & Main, more than 1,000 inclusionary units have been approved. There are now 1,048 approved inclusionary units. Staff is preparing a campaign, which will last several months and culminate in the spring, to mark the milestone. The campaign will use the testimonials of tenants and owners impacted by the program.

Trust discussed 55 Wheeler Street which is at the Planning Board. The project will potentially have 100 inclusionary units. The issues being discussed are concerns about traffic and flood plain, the planned traffic flow through Fawcett Street, and the possibility of sharing open space. The project may contain both ownership and rental units. The

Trust discussed sending a letter to the Planning Board about their support of projects that will create affordable housing, however not having reviewed the Wheeler Street project did not want it to be specific to that project.

## **NEW BUSINESS**

### **1791 Mass. Ave.**

Staff updated the Trust on the status of this development, specifically the pending request for a comprehensive permit that is now being reviewed. The developer has requested approval to build 40 new affordable units in Porter Square. This request will be discussed but the Planning Board and heard by the Board of Zoning Appeal next month. The developers have conducted a process to review their proposal which has gone well. Residents from across the city have come out to support the project. The Trust will send a letter of support to the BZA.

### **Mayor's Comprehensive Housing Plan**

The Housing Committee held a meeting in October to discuss the Mayor's Comprehensive Housing Plan. Several Trust members attended that meeting, and staff and Trust members reported on the meeting. It was noted that some items, such as supportive housing for homeless, will be added and that additional data is also needed.

The Trust then discussed the Mayor's plan. Some of the issues raised in the plan are the need for additional funding, potential zoning changes, including housing overlay districts and inclusionary units in existing buildings. Other areas discussed were housing for homeless, the Central Square parking lots, the balance between commercial and residential development and assistance for tenants at-risk of displacement in the city.

Some of the proposed changes would require a Home Rule petition. It was noted that Boston and Somerville are also talking about Home Rule petitions. There are efforts at promoting regional cooperation underway. Some caution was expressed that only a limited number of Home Rule petitions should be pursued at once.

Some of the Mayor's plan mirrors what is being discussed in the Envision Cambridge process where the Housing Working Group is discussing many of these ideas. Items will need to be prioritized and those with the most impact should have the highest priority.

Reducing barriers and achieving higher density - The Trust discussed ways to reduce barriers to new developments and create support for affordable housing projects. Transparency and working with the community is critical. A project should be presented with good visuals and detailed design so people can understand it. There is also a need to communicate what is feasible. A small group could work on modeling density and how to communicate this.

Permitting - Other issues to continue discussing are expedited permitting and/or by right permitting.



Incentive Zoning – The Zoning Ordinance requires that the incentive study be started no less than three years from the time the Ordinance was last amended. The revisions to the incentive provisions were passed in September 2015. City staff will soon begin the process of preparing for the next Incentive Study.

Inclusive Planning - The Trust also discussed another aspect of the Mayor's plan – how to create an inclusive planning process to increase the participation of underrepresented communities, including lower income tenants, families who experience homelessness and people for who English is not their first language. There are programs which focus on training lower income households to serve on municipal committees. The City could look at the composition of current commissions and committees and conduct outreach and provide training to promote inclusivity. In addition to promoting board memberships, more general participation by underrepresented groups should be encouraged. Participation needs to be inclusive to represent issues from a variety of viewpoints.

### **Mass & Main**

The discussion of the distribution of units for Mass & Main will be discussed at the next Trust meeting.

### **ADJOURNMENT**

The meeting adjourned at 5:10 PM

#### **Materials:**

- Meeting Minutes from the Trust's October 26, 2017 meeting.
- Project Update
- Mayor's Comprehensive Housing Plan
- Draft Letter of Support to BZA 1971 Massachusetts Ave. and 2 Frost Terrace
- Mass & Main Inclusionary Unit Selection Memo



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**CITY OF CAMBRIDGE**  
Community Development Department

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**Iram Farooq**

Assistant City Manager for  
Community Development

**Sandra Clarke**

Deputy Director  
Chief of Administration

**MEMORANDUM**

**To:** Cambridge Affordable Housing Trust  
**From:** Project Review Committee *CL*  
**Date:** January 31, 2018  
**Re:** Squirrelwood Apartments – Permanent Funding Request

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Just A Start (JAS) is requesting up to \$4,600,000 in permanent financing from the Trust to create 23 units of affordable housing on the Linwood Court property. This infill project would be accomplished as a component of an overall plan to rehab, preserve and consolidate its 45-unit Linwood Court development with its 20-unit Squirrel Brand Apartments development.

Located between Broadway, Columbia and Market streets in the Port neighborhood, Linwood Court consists of eight detached buildings that were substantially renovated and converted to affordable housing in 1973. Squirrel Brand Apartments, located across the street from Linwood in the former home of the Squirrel Nut manufacturer, was purchased by JAS in 1999 and includes 18 units in the converted factory and two units on Boardman Street.

Just A Start's plan involves creating a new consolidated entity, Squirrelwood Apartments, which would include both the new construction at Linwood as well as the renovation of the existing housing at both sites. Consolidation of Linwood and Squirrel will enable them to bring in new resources to address existing capital needs, as well as finance the new construction.

The proposed 23-unit new development will include 2 new buildings and an addition to an existing building, designed to fit into the existing fabric of the Linwood community. The plan also calls for enhanced landscaping to make the green spaces more usable and inviting. Just A Start has held several well-attended community meetings where the project was generally well-received by both residents and neighbors. All new construction will be energy efficient and sustainable. The new buildings will include a mix of bedroom sizes and be affordable to a range of incomes, as described in more detail below.

The scope of work for improvements to the existing 65 units on the Linwood and Squirrel Brand sites will include new roofs on all buildings, new siding and insulation on the wood frame buildings, repointing at Squirrel Brand, energy efficiency upgrades to all building including new boilers, compartmentalization, LED lighting and some foundation and internal stairs structural work.



Consolidation will also allow parking to be shared among Squirrel Brand and Linwood residents. This will be helpful as there is currently a waitlist for parking at Linwood, and unused spaces at Squirrel. An additional 4 parking spaces will be added with the new construction, bringing the total parking ratio at the combined sites to a 0.51 spaces per unit. In addition, total of 68 long term and 22 short term bicycle parking spaces will also be added to the two sites.

The new units will serve a range of incomes, including 13 for low and moderate income residents, and ten which will be available to households up to 100% AMI through funding from MassHousing's Workforce program.

As the table below indicates, the majority of the existing units (92%) are 2, 3 and 4+ bedrooms. Over-housing has been an issue at Linwood, as there has been nowhere for families to move when their household sizes decrease. At present, there are 14 units of over-housed tenants between these two sites. With the consolidation, and the addition of the new 1 and 2-bedroom units, there will be flexibility to move tenants around the development to allow for "right-sizing" and freeing up large units for families that need them. The following table identifies the existing and proposed bedroom mix:

Property	Units	Studios	1BRs	2BRs	3BRs	4/5BRs
Linwood	45	2	0	11	28	4
Squirrel	20	1	2	13	4	0
<b>Subtotal:</b>	<b>65</b>	<b>3</b>	<b>2</b>	<b>24</b>	<b>32</b>	<b>4</b>
New Buildings	23	0	12	8	3	0
<b>Total:</b>	<b>88</b>	<b>3</b>	<b>14</b>	<b>32</b>	<b>35</b>	<b>4</b>

Plans also include the addition of an elevator in one of the new buildings and 3 new accessible units allowing for a more accommodating environment for tenants with mobility impairments.

Just A Start has applied for a comprehensive permit and is scheduled to present their request to the BZA in February. They shared their plans with the Planning Board last week. While the Planning Board had a number of design-focused comments, the Board voted unanimously to send a recommendation in strong support of the project to the BZA, with the recommendation that Just A Start work to further refine designs based on feedback provided at the meeting. Staff are now reviewing design comments with JAS in preparation for the BZA hearing.

Just A Start plans to continue discussions with the residents and community on how the open space will be reconfigured and improved. It is anticipated that they will have at least a year to complete this process as the current schedule anticipates closing on the construction financing in summer 2019, with occupancy of new units in mid-late 2020.



The estimated total development cost for the renovations, preservation and new construction is approximately \$43 million, or \$489,000/unit for the full 88-unit project. Of this, Just A Start has estimated that the cost for the new construction component will be roughly \$14 million, or \$488,000 per unit for the 23 new units and the renovation of 6 of the units in the building receiving the new addition.

It should be noted that these numbers are based on preliminary designs and cost estimates and may change. Staff will work with Just A Start to isolate, to the extent possible, the cost for the new construction separate from the renovations.

Recommendation:

Given the need for new affordable housing and the lack of suitable sites, we value and support Just A Start's efforts to not only maintain existing affordable units but to create new affordable opportunities at their existing sites. The proposed consolidation will enable JAS to complete needed upgrades to the existing 65 units of affordable housing, as well as build the much needed additional 23 units for 23 households that cannot afford market rate rentals in Cambridge.

However, given that the budget is still preliminary, and that design is still in process, the PRC recommend that this request be approved on a conditional basis, with a plan to bring the project back to the Trust for final review and approval. At that time, there will also be a proposal for how existing City and Trust loans for Linwood and Squirrel will be treated and transferred to the new Squirrelwood entity.

The PRC recommends that the Trust approve the request from Just A Start for up to \$4,600,000 in Trust funding for review and conditional approval, as described above and subject to the following conditions:

- Obtaining necessary zoning and permitting to complete project;
- Trust and CDD staff approval of the final development and operating budgets;
- CDD staff approval of construction plans and specifications, including new construction and renovation work;
- Firm written commitments from all project funding sources;
- CDD staff approval of the tenant selection and marketing plan;
- Standard Trust terms and conditions



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**SANDRA CLARKE**

Deputy Director  
Chief of Administration

**MEMORANDUM**

**To:** Cambridge Affordable Housing Trust  
**From:** Christopher Cotter, Housing Director  
Linda Prosnitz, Housing Planner *HC*  
**Date:** January 31, 2018  
**Re:** Mass & Main Inclusionary Unit Selection

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Mass & Main is a 285-unit rental project in Central Square being developed by Twining Properties. An Inclusionary Covenant has been recorded for 58 units – 49 low/moderate (under 80% AMI) and 9 middle (80-120% AMI) income units. Mass & Main is subject to special zoning provisions which require 17% low- and moderate-income units and 3% middle-income units. While we have approved the inclusionary housing component for this development, we are still reviewing whether we might modify the component to increase the number of family-size units under an alternate inclusionary scenario we are discussing with the developer.

The developer proposed two different scenarios for the distribution of the inclusionary units. The Inclusionary Housing Covenant, which has been recorded, proportionately distributes the affordable units among unit types and throughout the buildings. However, the developer has also suggested an alternate scenario. This alternative is a "disproportionate" distribution of units with more family-sized units and fewer studios. The tradeoff is that units would be located lower in the high-rise building with fewer units on higher floors and no units on some of the highest floors.

The Mass + Main development is subject to the former inclusionary zoning provisions and the Mass + Main zoning which increased the set-aside ratio and required middle-income units. These provisions call for the inclusionary units to mirror the market rate units. The alternative proposal, a disproportionate distribution of the affordable units, addresses policy objectives which are embedded in the revised inclusionary provisions – the provision of more family sized units. While we are reviewing the policy and programmatic implications, we are also considering whether we could approve this disproportionate distribution under this zoning. Nonetheless this development highlights tradeoffs we expect to see in developments subject to the 2017 inclusionary housing provisions which would allow such disproportionate distribution of unit types. Hearing the perspective of the Trust on how units are located in buildings, especially when forgoing higher value units would result in an increase the number of family-size units, will help us in implementing the new provisions.



Since the developer is willing to provide more three-bedroom units than proportionately required, staff felt it important to review this alternative approach. While we have approved the development with the standard distribution of affordable units, we have left open the possibility of revising this distribution after we further review the impact and implications of an alternate distribution. The perspective of the Trust will help as we consider this alternative.

The development consists of two buildings: a 225-unit building with 18 residential floors and a 60-unit building with 5 residential floors. There are a total of 88 studios (31% of all the units) and 41 three-bedroom units (14% of all the units). Under the even scenario, there are 18 affordable studios and 9 affordable three-bedroom units. The units are distributed proportionately on all floors.

Compared to the proportional distribution, the developer's proposal for an alternate distribution has three fewer studios, one additional two-bedroom unit and two additional three-bedroom units. In the 18-story tower, no affordable units would be located on the top 4 floors (floors 16-19), one affordable unit per floor on the two floors (floors 14-15) below that. Sixty-nine percent of all units are located on the first 10 residential floors; under the disproportionate distribution proposal 91% of all affordable units would be located on the first 10 floors. In a second, smaller building with five residential floors, there would be no affordable unit on the top floor and only one on the fourth residential floor.

We would appreciate the perspective of the Trust on this proposed alternative distribution. If Trust members agree that that we should explore an alternate distribution to create more three-bedroom units, we will continue to work to determine how we might approve this alternative. We will work, with the developer to refine the proposal with the goal of achieving additional three-bedroom units and fewer studios, albeit with few or no affordable units on the top floors of the building. If we move forward with this, the Inclusionary Housing Covenant would then be amended to reflect the alternative unit selection.