Affordable Housing Trust

June 25, 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. Affordable Housing Overlay Five-Year Progress Report:

4. 65 Chilton Street: request from the Cambridge Housing Authority for $400,000 to assist with the reconfiguration and rehabilitation of 65 Chilton Street;

5. 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 Properties;

6. 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.

CAMBRIDGE AFFORDABLE HOUSING TRUST
MEETING MINUTES
May 28, 2026 at 4:00 p.m.
Conducted via Zoom and in person (City Hall, Ackermann Room)

Trustees Present in Person:	Yi-An Huang, Chair; Elaine DeRosa, Susan Schelsinger, Elaine Thorne
Trustees Present via Zoom:	Raffi Freeman
Trustees Absent:	Teresa Cardosi, Krissandra Robinson, Jim Stockard, Alyson Stein
Staff Present:	Chris Cotter, Director of Housing; Alex Bob, Housing Planner; Cassie Arnaud, Senior Manager of Housing Development; Janet Haines, Housing Development Planner; Alexis Turgeon, Housing Development Planner; Christine Yu, Associate Housing Development Planner
Others Present:	Councilor Cathie Zusy, Ed Henley, Marc Levy, Sue Reinert, Wallace Ford, Jean Hannon, Catiana Jean-Pierre, Manjushri Prakash

The meeting was called to order at 4:04 p.m. Mr. Cotter 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. He noted that there will be no public comment. He then confirmed via roll call that each remote participant could hear the meeting and was audible to others.

MEETING MINUTES

Prior to voting on the approval of the meeting minutes, Ms. DeRosa noted a typo in the attendance. Upon a motion moved, seconded, and approved by roll call of six in favor and three absent (Ms. Robinson, Mr. Stockard, and Ms. Stein), it was voted to approve the minutes for the meeting of April 30, 2026 as revised.

HOUSING DEPARTMENT UPDATE

52 New Street: JAS scheduled a ribbon cutting on June 8 at 1 p.m. to celebrate the near completion of the building.

4 Mellen Street: HRI is beginning to accept applications starting June 1st for its 29 units at 4 Mellen Street. Applications will be accepted until July 31st at 5 p.m.

Jefferson Park Federal: The construction of Jefferson Park Federal is nearing completion.

87-101 Blanchard Road: B'nai B'rith Housing (BBH) closed on construction financing in May 2026. Construction is expected to begin soon.

1648 & 1654 Massachusetts Avenue: With financial assistance from the Trust, the Cambridge Housing Authority (CHA) completed the acquisition of 1648 & 1654 Massachusetts Avenue on May 14, 2026.

Trustees commended Housing Staff for successfully acquiring several properties in the last couple of years.

In response to a question regarding the status of the Print Shop, Mr. Cotter noted that Housing Staff are working with the owners on the building scope and will provide a detailed update at an upcoming Trust meeting.

In response to a question regarding whether the City will look into acquiring the Cambridge Friends School, which is set to close at the end of the 2026-2027 academic year, Mr. Cotter replied that the City will look at it with other affordable housing developers.

NEW BUSINESS

Update on Vail Court Community Meeting and Next Steps

Ms. Arnaud updated the Trust on the Vail Court community meeting that was held on May 20, 2026. Over sixty people attended and nearly thirty unique comments and questions were collected. Staff led the presentation that outlined the project site and its history, an overview of Trust-funded projects, and information on the Trust's planned use of a Request for Qualifications (RFQ) to seek and select a developer for Vail Court.

Ms. Arnaud summarized the community meeting feedback, which included a variety of suggestions on what the redevelopment of Vail Court could be. Attendees of the community meeting also commented on the potential height of the building, what type of housing it should be, the qualifications that the developer should have, and its impact on nearby infrastructure and homes.

Ms. Schlesinger commented that she attended the meeting and thought it went well. Trustees thanked Housing Staff on the clear presentation as it laid out the possibilities of what the property could be and provided guidance on what participants can have input on.

In response to a question regarding whether the adjacent parking lot can be used to extend what could be done on Vail Court, Mr. Cotter responded that the adjacent parking lot has not been considered.

Trustees offered their opinions on what the future developer's qualifications need to be, such as seeing if the developer meets a readiness component and if they are using new technology.

In response to a question on what the next steps are, Ms. Arnaud responded that staff would like to have the RFQ published in the fall and to select a developer by early 2027.

240 Broadway (Broadway Park) – Follow Up to Planning Board Report

Mr. Cotter reminded the Trust that JAS's Broadway Park development completed the AHO Planning Board Advisory Design Review process. The Planning Board issued its final AHO advisory design report on April 6, 2026 after its required advisory design consultation was held on March 10, 2026, which was transmitted to the Trust in the April Trust meeting. As a result, the Trust held off on accepting the Planning Board report until JAS prepared their response to the Planning Board's comments.

Mr. Cotter informed the Trust that JAS shared a response to Housing Staff, which was shared in the May Trust materials, that summarizes the changes that JAS will be making to address the comments from the Planning Board. Staff recommend that the Trust accept the Planning Board Design Review Report and confirm that the condition of the Trust's funding has been satisfied.

Ms. Schlesinger commented that the revised design looks much better. She also noted that this may be an opportunity for the Planning Board, the Trust, and Housing Staff to address design concerns early on. Ms. DeRosa commented that the advisory design process is working as intended and that developers are taking the Planning Board's comments seriously.

Upon a motion moved, seconded, and approved by roll call of five in favor and four absent (Ms. Cardosi, Ms. Robinson, Mr. Stockard, and Ms. Stein), it was:

VOTED: to accept the Planning Board AHO Design Review Report for 240 Broadway (Broadway Park).

Request for Annual Appropriations for FY27

Mr. Cotter presented a funding request for $610,115 to support non-profit housing providers' affordable housing preservation and development programs, Housing

Department staff, and Housing Department program operations in FY2027. This is an annual request that supports various affordable housing efforts, such as inclusionary work and legal costs.

Upon a motion moved, seconded, and approved by roll call of four in favor, one abstains (Ms. DeRosa), and four absent (Ms. Cardosi, Ms. Robinson, Mr. Stockard, and Ms. Stein), it was:

VOTED: to approve the request for $610,115 to support affordable housing efforts, as detailed in the memo provided.

Inclusionary Fractional Unit Monetary Contributions Funding Request

Mr. Cotter presented a funding request for up to $10,000 to compensate the developers of 75 First Street and 34 Wendell Street for the floor area contained in its inclusionary units that exceed the amount required by the Inclusionary Housing Ordinance. The Ordinance requires that 20% of a project's Affordable Dwelling Unit Net Floor Area (DUNFA) be devoted to inclusionary units. For these two properties, the affordable unit DUNFA exceeds the required square footage.. When a developer exceeds the required affordable DUNFA, the Trust has compensated developers for the excess square footage. The average affordable unit in these projects will be larger than the average size of units in the project overall. Once the building has completed construction, actual completed square footage will be verified, final excess square footage will be calculated, and funds will be released to the developers to compensate for actual excess floor area.

Upon a motion moved, seconded, and approved by roll call of five in favor and four absent (Ms. Cardosi, Ms. Robinson, Mr. Stockard, and Ms. Stein), it was:

VOTED: to approve the request for up to $10,000 to fund the excess inclusionary floor area at 75 First Street and 34 Wendell Street, as detailed in the memo provided.

ADJOURNMENT

Upon a motion moved, seconded, and approved by roll call of five in favor and four absent (Ms. Cardosi, Ms. Robinson, Mr. Stockard, and Ms. Stein), it was voted to adjourn the meeting.

The meeting adjourned at 4:47 p.m.

The next meeting is scheduled for June 25, 2026 at 4:00 p.m.

Meeting Materials:

- Agenda
- Minutes from the Trust's April 30, 2026 meeting
- Project Update
- Vail Court Update Memo 5.28.2026
- Vail Court Community Meeting Presentation 5.20.2026
- 240 Broadway – Update on Response to Advisory Design Review Comments 5.28.2026
- 240 Broadway – JAS Response Memo to HD 5.14.2026
- Funding Request for FY27 Program and Development Support 5.28.2026
- Funding Request for Fractional Inclusionary Unit Floor Area 5.28.2026

Cambridge Affordable Housing Trust

June 25, 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:*	17	123 scattered site units purchased by first time buyers to-date. Trust approved expanded subsidy share in August 2023. Five units under agreement.	N/A	$44,200,000	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 underway. Commuity 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 but withdrew their request at the September 2021 BZA hearing; they remain commited to creating affordable housing at this site and are 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. A request for additional Trust funding for construction will be brought to an upcoming meeting.	TBD	$5,071,000	TBD	February 2018 and June 2021
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. JAS received more than 2,000 applications and is in the process of selecting residents. JAS held a ribbon-cutting event on June 8, 2026. Lease-up is underway.	$90,359,816	$18,025,390	$170,051	October 2019, June 2021, and January 2022
6.	Broadway Park (240 Broadway)	JAS	16		In March 2021, the Trust approved funding to create 15 affordable homewnership units at this JAS-owned site. JAS began a community process but put the FTHB project on pause and is now planning to develop the site as rental housing in conjunction with 37 Brookline Street. JAS has applied for state funds for the scattered-site Broadway Park/Brookline St development. 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. JAS seeking to secure remaining financing needed to begin construction.	$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 on schedule to be completed in phases, starting this summer.	$309,675,326	$43,611,615	$156,876	September 2021
8.	4 Mellen / 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.	$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. After RFP, Just A Start selected as developer in October 2023. In the June 2025 meeting, Trust approved construction and permanent financing. All financing closed 12/10/2025. Construction underway.	$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 a meet and greet meeting on 4/25/24. AHO community meetings held 7/10/24 and 9/11/24. Design work is underway. Community meeting to update abutters on new design held on 4/16/26. JAS seeking to secure remaining financing needed to begin construction.	$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; HRI seeking to secure remaining financing needed to begin construction.	$95,595,872	$30,357,000	TBD	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 financing closed in May 2026 and construction beginning.	$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. Predevelopment work for second phase is ongoing.	TBD	$3,000,000	TBD	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 will be 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 an initial informal community meeting in October 2025 and will be holding another informal community meeting on June 30, 2026.	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
21.	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. CHA seeking to secure remaining financing needed to begin construction.	TBD	$14,405,000	$215,000	September 2025
22.	1648 & 1654 Massachusetts Avenue	CHA	TBD		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	TBD	December 2025
22.	(confidential until purchased)	CHA	TBD		Trust approved funding to assist with acquisition of new site.	TBD			December 2025
23.	16-28 Porter Street	CHA	TBD		Trust approved funding to assist with acquisition of 31-37 Mellen Street. Properties were acquired on 4/15/2026.	TBD	$6,000,000	TBD	January 2026
24.	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
			1,155		**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 Companie	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	First AHO community meeting held on 2/19/25.	TBD		AHO community meetings underway
14.	Broadway Park	Just-A-Start Corporation	AHO community meetings held on 7/24/25 and 11/6/25. First and only Planing 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	First AHO community meeting held on 9/11/25.		4	AHO community meetings underway
16.	336-350 Rindge Avenue	Boston Communities and Affordable Housing & Services Collaborative (AHSC	First AHO community meeting held on 6/3/26.	92		AHO community meetings underway
				1,035		**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. New ownership; reviewing application to amend building permit; under construction.	3		11.203 @ 20% of floor area

	Rental Units	Ownership Units
Under Development:	**105**	**0**
Completed Units:	**1,279**	**215**
All Units:	**1,384**	**215**
	1,599	

	Active Pipeline Projects	Developer	Status	Affordable Units	Market Units	Applicable zoning
1.	75 First Street	Urban Spaces	IHP plan approved; AHC recorded; building permit pending	16	90	11.203 @ 20% of floor area
2.	34 Wendell	ZRE	IHP plan approved; AHC recorded; building permit pending	8	43	11.203 @ 20% of floor area
3.	5 Craigie Circle	Rothman	IHP plan approved; AHC recorded; building permit pending	2	12	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.	3 Alewife Park	$216,710	$ 33.34	balance after exempted GFA
2.	125 Cambridge Park Drive	$1,292,292	$ 33.34	
3.	290 Binney	$14,023,037	$ 33.34	
		$15,532,039	**Total FY2026**	
		$17,751,365	**Total FY2025**	
Current Incentive Zoning Housing Contribution Rate pursuant to Section 11.202 (b):		$37.72 / per square foot		last update: 4/1/2026

Five-Year Progress Review of **the Affordable Housing Overlay**

CITY OF CAMBRIDGE
Housing Department

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Acknowledgements

City Council

Sumbul Siddiqui, *Mayor*
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Annie Shawn, *Communications Manager*
Kay Ingulli, *Graphic Designer*

Cover image of 4 Mellen (aka 1627 Mass Ave), 29 units — Status: under construction.

> **October 2025 marked the fifth anniversary of the adoption of the Affordable Housing Overlay (AHO). This landmark zoning provision supports the production of affordable housing. The AHO provides an as-of right permitting path with more flexible dimensional standards for new 100% affordable housing.**

The Affordable Housing Overlay provisions (AHO), Section 11.207 of the Zoning Ordinance, were first adopted in October 2020. The AHO was created to support the development of affordable housing by allowing for incremental increases in density and height and relaxing other zoning requirements for developments that are fully affordable to income-eligible residents.

The AHO also created a new approach to community and advisory review to provide a process for public discussion and comment on proposed AHO developments while allowing AHO developments to obtain building permits without discretionary approvals. Section 11.207.11 (b) states that the Housing Department shall provide a Five-Year Progress Review of the AHO.

Section 11.207.11 (b)

Five (5) years after ordination, the Housing Department shall provide to the City Council, Planning Board and the Affordable Housing Trust, for its review, a report that assesses the effectiveness of the Affordable Housing Overlay in increasing the number of affordable housing units in the city, distributing affordable housing across City neighborhoods, and serving the housing needs of residents. The report shall also assess the effectiveness of the Advisory Design Consultation Procedure in gathering meaningful input from community members and the Planning Board and shaping AHO Projects to be consistent with the stated Design Objectives. The report shall evaluate the success of the Affordable Housing Overlay in balancing the goal of increasing affordable housing with other City planning considerations such as urban form, neighborhood character, environment, and mobility.

49 Sixth Street, East Cambridge, 46 units — Status: under construction.

This report provides an overview of the impact and effectiveness of the AHO on its stated goal of producing affordable housing that is compatible with Cambridge's affordable housing and urban design objectives. Specifically, this report provides an overview of the AHO's effectiveness in increasing the number of affordable housing units in the city, distributing affordable housing across city neighborhoods, and serving the needs of Cambridge residents. This report also describes the effectiveness of the advisory design consultation process in "gathering meaningful input from community members and the Planning Board" and "shaping AHO projects to be consistent" with "stated Design Objectives."

The AHO provisions adopted in 2020 were updated in October 2023 and again in February 2025. Where useful, notes are made to indicate the impact of the two subsequent amendments to the AHO which both expanded the heights allowed under the AHO and changed aspects of the required review processes.

Background

The adoption of the AHO by the City Council in 2020 followed several years of discussions among City staff, elected officials and community members on how best to increase production of affordable housing in Cambridge.

The AHO addresses major challenges faced by developers. By providing an as-of-right path to developers of affordable housing, many affordable housing developments which once might have taken years to receive permits, or may never have been pursued due to the uncertainty of discretionary permitting approvals, became feasible. In addition to addressing the unpredictability of discretionary permitting processes, the AHO allows greater heights and other flexible development standards to facilitate affordable housing development. Incentives for fully affordable housing have been expanded with each amendment, first in October 2023 and again in February 2025.

While AHO projects can move forward without discretionary permit approvals, the AHO requires a design review process, which includes multiple opportunities for input from the community and the Planning Board to encourage good design and development outcomes.

> “The Affordable Housing Overlay allows HRI to pursue and acquire properties that would otherwise be financially infeasible to develop as affordable housing, because we know the height and density we can build on any given site. In addition, the by-right nature of the zoning gives non-profit, mission-based developers, like HRI, a clear roadmap for the community process and City reviews. This predictability streamlines our design development and financing, and helps our projects move faster. HRI acquired our first AHO project, 4 Mellen, in mid-2022, and we will complete construction by the end of 2026. The AHO makes an accelerated development timeline possible, and reduces the wait time for desperately needed affordable homes.”
>
> — **Sara Barcan,** Executive Director, Homeowners Rehab, Inc.

AHO's Effectiveness at **Increasing Production of Affordable Housing**

16 affordable housing developments were proposed under the AHO in its first five years. Additional AHO developments in the pipeline will advance in the coming months and years.

The 16 developments underway will produce more than 1,000 new permanently affordable homes for low- and moderate-income residents. This is a significant increase in affordable housing production activity from prior years. The pipeline of new 100%-affordable housing has never been so deep. For comparison, in 2015, there were two active new affordable housing projects underway. The robust pipeline of new affordable housing is directly attributable to the AHO and City funding dedicated to creating new affordable housing. The AHO has allowed affordable housing providers to compete with market-rate developers and successfully obtain sites they would not have had access to prior to the AHO.

The size of the AHO projects underway range from a small 4-unit affordable homeownership development to a 278-unit redevelopment of a large public housing complex. The average size of an AHO project, to date, is just over 70 units.

As we report on progress of the first five years of the AHO, one of these developments has been complete and is now occupied, five are in construction, four are preparing for construction, and the remaining six are at various stages of the AHO process, as shown in the table below:

	PB #	AHO Development	Units	Status
1	AHO–1	52 New Street	106	AHO Process complete; under construction
2	AHO–2	Jefferson Park Federal	278	AHO Process complete; under construction
3	AHO–3	Walden Square II	95	AHO Process complete; preparing for construction
4	AHO–4	49 Sixth Street	46	AHO Process complete; under construction
5	AHO–5	116 Norfolk Street	62	Construction complete; property occupied
6	AHO–6	4 Mellen/1627 Mass Ave	29	AHO Process complete; under construction
7	AHO–7	87-101 Blanchard Road	110	AHO Process complete; preparing for construction
8	AHO–8	28-30 Wendell Street	95	AHO Design Consultation complete
9	n/a	35 Cherry Street	10	AHO Process complete; under construction
10	n/a	37 Brookline Street	13	AHO Design Consultation complete
11	AHO–9	2072 Mass Ave	74	AHO Design Consultation complete
12	AHO–10	Corcoran Park – Phase I	67	PB Design Consultation underway
13	TBD	71 Cherry Street*	TBD	AHO community meetings underway
14	AHO–11	Broadway Park	16	PB Design Consultation underway
15	TBD	12-14 Laurel Street	4	AHO community meetings underway
16	TBD	1826-1840 Mass Ave	TBD	AHO community meetings underway
		Total Units	1,005	

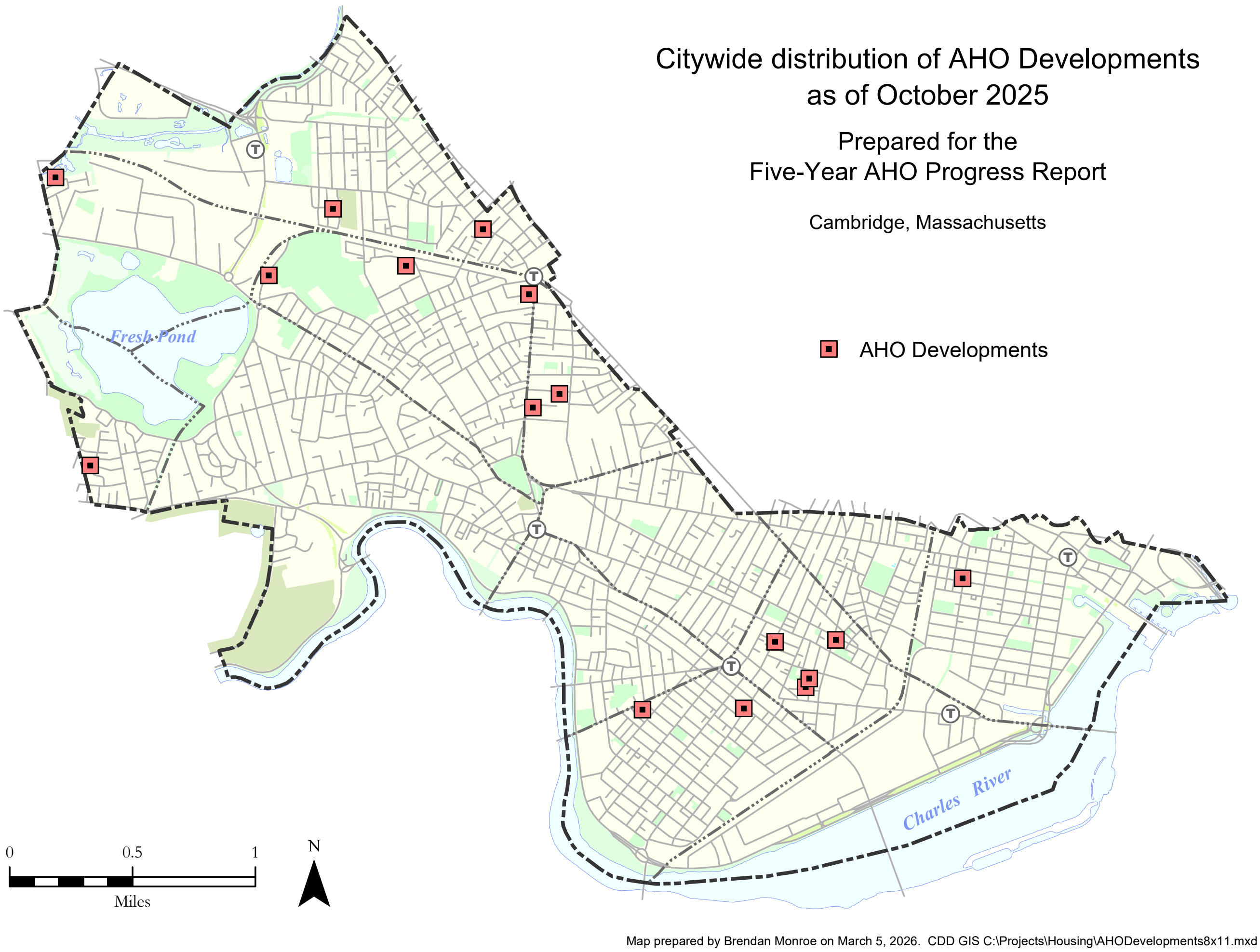
*began AHO process but may not proceed under AHO

AHO developments are located throughout Cambridge, in eight of the city's thirteen neighborhoods, from Cambridge Highlands to East Cambridge. The AHO has been successful in bolstering opportunities for development in areas of the city where there have historically been fewer affordable housing opportunities. For example, the AHO has unlocked opportunities in Strawberry Hill, Cambridge Highlands, and the Baldwin neighborhoods where there are now four AHO projects actively underway with additional AHO developments anticipated in the coming years. In addition to the neighborhoods where there are AHO projects actively moving forward, affordable housing developers have evaluated sites in all neighborhoods of the city for potential AHO development, with the sole exception of the Area 2/MIT neighborhood.

The following table provides information on the tenure, type, and neighborhood distribution of affordable housing under the AHO to date:

AHO Development	Units	Tenure	Type	Neighborhood
116 Norfolk Street	62	Rental	PSH/Homeless	The Port
52 New Street	106	Rental	Family	Neighborhood 9
Jefferson Park Federal	278	Rental	Family	North Cambridge
Walden Square II	95	Rental	Family	Neighborhood 9
49 Sixth Street	46	Rental	Family	East Cambridge
4/Mellen/1627 Mass Ave	29	Rental	Family	Baldwin
87-101 Blanchard Road	110	Rental	Older Adult	Cambridge Highlands
28-30 Wendell Street	95	Rental	Family/Older Adult	Baldwin
35 Cherry Street	10	Ownership	Family	The Port
37 Brookline Street	14	Rental	Family	Cambridgeport
2072 Mass Ave	74	Rental	Family	Neighborhood 9
Corcoran Park – Phase I	67	Rental	Family	Strawberry Hill
71 Cherry Street*	TBD	TBD	TBD	The Port
Broadway Park	16	Rental	Family	The Port
12-14 Laurel Street	4	Ownership	Family	Cambridgeport
1826-1840 Mass Ave	TBD	Rental	TBD	Neighborhood 9
Total Units	1,005			

*began AHO process but may not proceed under AHO



"The AHO has enabled Just A Start to successfully compete for sites with market-rate developers. There are at least 3 sites, on which we will develop nearly 200 affordable apartments, that we were able to secure thanks to the AHO. Our 106-unit New Street project, which will open soon, probably would have taken 2 years longer to permit and finance and would have had 50% fewer apartments if not for the AHO. The community process and Planning Board oversight built into the AHO have assured that you can have both an expedited process and good, community-influenced design."

— **Carl Nagy-Koechlin,** Executive Director, Just A Start

AHO's Effectiveness at **Serving Residents' Housing Needs**

Affordable housing projects advanced under the AHO serve a range of resident needs and will offer a range of housing types.

Of the sixteen AHO developments actively underway or completed, eleven are designed as "family housing" where a majority of the units will have multiple bedrooms and features designed to accommodate the needs of larger households, particularly families with children. Three AHO developments will include components which serve special populations, such as the development at 28-30 Wendell Street which will include housing for older adults as well as for families, the development at 87-101 Blanchard Road, which will be fully for older adults, and the development at 116 Norfolk Street, which is now occupied and providing "permanently supportive housing" serving formerly unhoused residents. In addition to serving a range of populations, AHO developments also include a mix of tenures, including two proposed affordable condominium developments for first-time homebuyers.

Jefferson Park Federal, North Cambridge, 278 units — Status: under construction.

Rendering of 87-101 Blanchard Road, Cambridge Highlands, 110 units — Status: AHO Process complete, preparing for construction.

35 Cherry Street, The Port, 10 units — Status: under construction.

“With the help of the Affordable Housing Overlay, we are in a position to develop a state-of-the-art, fully electric new residential community [in Cambridge] that addresses the growing demand for affordable housing among low and very low income seniors, allowing residents to age with dignity in their community through the provision of a service-enriched program.”

— **Susan Gittelman,** Executive Director, B’nai B’rith Housing

Effectiveness of the **Advisory Design Consultation Procedure Process**

> **The AHO was designed to balance the goal of moving affordable housing developments into construction efficiently through a process that provides meaningful input so that AHO buildings are built reflecting City's standards for urban design.**

A primary objective of the AHO was to remove discretionary review and approval processes to provide affordable housing developers with a clearer and more predictable path to move affordable housing developments into construction. Prior to the adoption of the AHO, most affordable housing developments were permitted under the state's Chapter 40B statute, which allows developers to seek a "comprehensive permit" when developing certain eligible affordable housing. Comprehensive permit projects require approval from the Board of Zoning Appeals (BZA) and are subject to appeal. The review and approval process for comprehensive permit "40B" projects includes opportunities for review by the community and the Planning Board before going to the BZA for consideration. While many projects were successfully permitted in this manner, the discretionary nature of the approval process added time, complexity, and unpredictability. In the years before the AHO, we saw several developments approved with comprehensive permits be tied up in litigation for years, resulting in costly delays. There were also cases where developers were compelled to reduce the number of affordable units, including family-sized units, in order to attain BZA approval.

When drafting the original 2020 AHO zoning provisions, care was taken to find ways to retain the benefits of design input from the community and the Planning Board, while not impeding the ability of affordable housing providers to advance

> "The AHO was an important tool in enabling the adaptive reuse and conversion of the historic Sacred Heart rectory and school in East Cambridge as 46 units of affordable family housing. Without the AHO's streamlined process and its flexibility for zoning requirements, construction would likely not have happened for this project. Thanks to the AHO, 46 families will have permanently affordable homes in the heart of Cambridge, and a historic landmark will be revitalized in a thoughtful way that honors its architectural significance and reimagines its future."
>
> — **Vita Shklovsky,** Senior Project Manager, Preservation of Affordable Housing

AHO projects in a predictable and timely way. To accomplish this, the AHO process includes multiple requirements aimed at addressing this concern including: specific design-related requirements in the zoning itself; required public meetings for community review and input; review by City staff throughout the process; design consultations by the Planning Board; and the development of written design guidelines to help shape AHO plans and guide advisory design review processes. A final required step, transmittal of the Planning Board's "Final Report of AHO Design Consultation" to the Cambridge Affordable Housing Trust, provides an additional opportunity for review of each AHO development by the City board that provides much of the subsidy funding for new AHO developments. The Cambridge Affordable Housing Trust has made review and acceptance of the Planning Board advisory design reports a condition of its funding for AHO developments.

The AHO zoning includes specific design-related requirements which must be met in order for an AHO project to receive a building permit. Examples of these design requirements include setting standards for the amount of glazing to encourage good window to wall ratios, orienting buildings so that front entrances are visible from the street, and incorporating architectural features, such as vertical projections or recesses to visually break up long facades. Over the first five years since its adoption, the design requirements of the AHO have been updated but continue to provide the intended certainty that AHO projects will meet these design thresholds.

As a companion to the mandatory design requirements, a set of design guidelines was developed by City staff to supplement the fixed requirements in the AHO. The Affordable Housing Overlay Design Guidelines were developed as a resource for affordable housing developers as they designed their AHO projects, as well as a guide for the design review conducted by City staff and the Planning Board. These guidelines have been an effective tool in helping ensure that new buildings created under the AHO provisions are designed in ways which are compatible with and reflect the City's urban design objectives. In 2025, following the City's adoption of the Multi-Family Housing (MFH) zoning amendments, the AHO design guidelines were updated to apply more broadly as "Design Guidelines for Multi-Family Housing" as a resource for all multi-family residential development in the city.

The AHO procedures include an advisory design review process. The AHO provisions, as originally adopted in 2020, required at least two community meetings to discuss and receive input from the public on proposed AHO developments followed by two advisory design consultations at the Planning Board. In 2025, the AHO design review process was updated to align with the new review process for other multi-family residential development, as discussed in more detail below.

The mandated community engagement process under the AHO has been taken seriously by affordable housing developers. To date, most AHO developers have chosen to exceed the minimum of two AHO community meetings to ensure that the design and development plans they are pursuing have been thoroughly reviewed by the community before advancing to the Planning Board for advisory design review.

52 New Street, Neighborhood Nine, 106 units — complete; lease-up underway.

> “The AHO is a critical tool for preserving and expanding access to affordable homes in Cambridge. Over the last five years, the CHA has used the AHO to start construction on 340 deeply-affordable homes for families and individuals exiting homelessness. Of the 340 homes, 128 are new, deeply-affordable homes added to Cambridge’s affordable housing stock. It’s safe to say that many of these units would not be under construction without the AHO. As a long-term landlord in Cambridge (we are celebrating our 90th anniversary this year!), the CHA especially appreciates how the AHO balances the need for high quality design and meaningful community engagement with an as-of-right permitting process. These elements are critical for the success of buildings, residents and neighbors, and the Cambridge community at large.”
>
> — **Michael J. Johnston,** Former Executive Director, Cambridge Housing Authority

Many AHO developers have also hosted multiple other community engagement opportunities in addition to the formally-noticed AHO public meetings.

Prior to the MFH zoning amendments in February 2025, all AHO projects were required to complete two Planning Board Advisory Design Consultations. The purpose of these meetings was for the Planning Board to provide feedback on the designs presented, consider input provided by City staff in memos describing the degree to which the proposals were consistent with the AHO Design Guidelines with respect to urban form and neighborhood character, as well as consistency with other urban design objectives including sustainability, mobility, accessibility, landscape design, and open space. The staff memos also described the proposals’ compliance with AHO zoning requirements, as well as the other requirements AHO projects must meet, including Article 22 Green Building Review and Green Factor scoring.

Each Planning Board consultation begins with a presentation of the proposed designs by the development team, followed by public comment, and then Planning Board discussion. While some public comments on AHO developments have been intended to share the commenter’s general support or opposition to the proposed affordable project, many comments and questions have focused on specific aspects of the proposed designs and site plans, ranging from comments around height and scale to locations for drop off spaces and procedures for trash operations. The bulk of comments have focused on massing, site layout, open space designs, façade treatments, and parking. Questions and recommendations shared at the first Planning Board Advisory Design Consultation were expected to be addressed at the second meeting.

Following the second meeting, the Planning Board issues a Final Report of AHO Design Consultation report, which summarizes the discussion at the meeting and may include suggestions for continued design review with City staff as the development moves forward. Affordable housing developers will often continue to meet with City staff following the end of the formal design review process to discuss their final plans and, prior to applying for a building permit, will walk through how they have responded to any remaining design recommendations.

In February 2025, the City adopted the MFH zoning amendments which now allow multi-family housing to be created in all areas of the city. The new MFH zoning extended many of the features of the AHO provisions, including as-of-right development and advisory review procedures, more broadly to all new multi-family housing. The AHO review process

2072 Mass Ave, Neighborhood Nine, 74 units — Status: Planning Board Design Consultation complete.

was also then updated and aligned with the new process for other multi-family development, reducing the required number of community meetings from two to one and raising the project size threshold for projects needing advisory review at the Planning Board.

As of April 2026, nine AHO projects have completed the Advisory Design Consultation process at the Planning Board. Two AHO projects (35 Cherry Street and 37 Brookline Street) became exempt from the Planning Board Advisory Design Consultation as they fall below the threshold for this review following the 2025 zoning amendments. To date, all AHO projects which were in process during and after the 2025 zoning changes have continued to hold at least two community meetings, notwithstanding the change, on a voluntary basis.

The AHO advisory design review process has operated as intended and has been successful in gathering input from the community, City staff, and the Planning Board. The fact that many of the elements of the AHO provisions, including the advisory design review processes, were extended to all residential development demonstrates the effectiveness of the AHO processes in balancing Cambridge's goals for advancing housing production while ensuring a predictable process so that the buildings created are consistent with Cambridge's urban design objectives.

Rendering of 35 Cherry Street, The Port, 10 units — Status: under construction.

Rendering of Broadway Park, The Port, 16 units — Status: Design Consultation underway.

Rendering of Corcoran Park – Phase I, Strawberry Hill, 67 units — Status: Planning Board Design Consultation underway.

116 Norfolk Street, The Port, 62 units — Status: complete and occupied.

116 Norfolk Street

In the case of 116 Norfolk Street, the Cambridge Housing Authority (CHA) wanted to expand one of their affordable developments by adding a significant addition to the existing historic property on Norfolk Street while converting a historic building that had provided affordable single-room occupancy (SRO) units to larger units with in-unit kitchen and bathrooms. Prior to beginning the formal AHO community process, the CHA conducted engagement with the residents living at 116 Norfolk Street, as well as nearby neighbors to introduce their plans and to solicit questions, concerns, and ideas from those who would be most impacted by the change. The CHA reported that this early community engagement activity directly informed the designs they developed for size and location of the building addition, as both residents and neighbors shared that one of their top priorities was the preservation of as many of the existing mature trees on the site as possible. The discussions with residents also informed interior upgrades pursued. The CHA also met individually with an abutter who did not support building the new addition in open yard areas and had specific concerns regarding the location of the proposed addition and its impact on one of the existing trees. The CHA tried to mitigate the impact by modifying their plans to shift the footprint of the addition away from the impacted neighbor and to retain the tree. The CHA's redevelopment plan did not include parking for residents but, in response to comments from both the public and the Planning Board during their advisory design consultation, the CHA agreed to explore ways to address the potential parking needs of staff and service-providers. CHA offered enhanced PTDM benefits to residents and to make off-site parking at a nearby CHA property available to full-time staff, supportive service providers, and other caregivers. The building is now complete and occupied.

Rendering of 21 Walden Road (Walden Square II), Neighborhood Nine, 95 units — Status: preparing for construction.

Walden Square II

In the case of Walden Square II (also known as 21 Walden Road), Winn Companies wanted to add roughly 100 new affordable units to their existing Walden Square I development. In their initial design, all 100 units were located in a single building on the site. Following mixed reaction from the community during the AHO community process, Winn decided to revise their initial plan and designed a two-building scheme before coming to the Planning Board for an advisory design consultation. The two-building design was better received by both Walden Square I residents, as well as the broader community. Overall, Winn held a total of seven official AHO community meetings, as well as conducted additional engagement with residents and close neighbors, before bringing their proposal to the Planning Board for advisory design review. While the Planning Board expressed its support for creating affordable housing at this location, the proposal received significant design feedback, including questions regarding site layout, façade treatments, and landscape design. At the second meeting, Planning Board members acknowledged that Winn had made positive changes between the first Planning Board meeting and the second Planning Board meeting, but felt that the project could benefit from continued design consultation with the Community Development Department (CDD) and other City staff about certain aspects of the proposed development with regard to circulation through the site, particularly by pedestrians and cyclists, as well as continued refinement to the exterior facades and landscape designs. Following the issuance of the Planning Board's Final Report of AHO Advisory Design Consultation for Walden Square II, Winn's development team continued to work in collaboration with City staff from CDD, Housing, Public Works, and Transportation to further refine their design and development plans to address the recommendations outlined in the Planning Board's report. The Affordable Housing Trust also delayed its acceptance and approval of the Planning Board's final report to be sure that Winn refined their proposed design with City staff to address Planning Board comments. Winn's updated designs reflect changes made in response to the recommendations and comments made by the Planning Board in its final design report.

Rendering of 28-30 Wendell Street, Baldwin, 95 units — Status: preparing for construction.

28-30 Wendell Street

In another example, 28-30 Wendell Street, sponsored by Homeowners Rehab., Inc (HRI), HRI began a community process following their purchase of 30 Wendell Street, a former tennis court. After their separate purchase of the adjoining property at 28 Wendell Street, the next year HRI restarted the community process. In addition to the formal AHO community meetings, HRI hosted several informal “meet and greet” opportunities with neighbors, including a neighborhood walking tour led by HRI staff and their design team to engage neighbors in conversations about various landscape, streetscape, and architectural elements. HRI initially proposed a nine-story 110-unit building in their early AHO community meetings with the neighborhood. In response to opposition from several neighborhood residents, HRI revised its proposal to reduce the height of the building to eight floors, reducing the number of units proposed to 95 new units. Prior to finalizing what would be submitted to the Planning Board for their advisory design review, HRI hosted a third official AHO community meeting in an open-house fashion, allowing participants to provide feedback on the proposed building design, potential programming, and landscape, including a review of materials and exterior colors. While the community process took more than a year to complete, the project was well-received by the Planning Board who commended HRI for the “thorough and responsive community process.” The Planning Board shared additional comments at its first meeting, including suggestions for changes to the open space design and ways to improve the façade, which HRI addressed at the second Planning Board meeting. The final report issued by the Planning Board following the second meeting noted that HRI’s revised designs were responsive to the Board comments and recommended that HRI continue to work with CDD staff on some final refinements to the design including the treatment of the ground floor exterior and landscape design.

Conclusion

First Five Years of the Affordable Housing Overlay

When the AHO was adopted in 2020, it was a new idea to allow 100% affordable housing developments to take advantage of relaxed density standards and allow affordable housing developers to obtain a building permit by-right after following a prescribed review process. While the goal was clear, it was not certain whether this novel approach to assist affordable housing developments would be successful in bolstering the production of new affordable housing.

Five years later, with more than 1,000 units in the pipeline, the AHO has become an essential tool for affordable housing providers in their work with the City to create new affordable housing. The AHO is facilitating the production of affordable housing built throughout the city to meet a range of needs in the community. The advisory design consultation review process has been effective in collecting meaningful input from the community, the Planning Board, and City staff, which has been incorporated into designs for new affordable housing developed under the AHO.

We look forward to seeing the continued impact of the AHO as more new affordable units are completed, including more than 300 new affordable units expected to be completed in 2026, and other new AHO proposals come together in the coming months and years. The AHO will remain a key strategy in advancing the City's affordable housing goals and that it will continue to facilitate a robust pipeline of new affordable housing.

CITY OF CAMBRIDGE | Housing Department

To: Affordable Housing Trust

From: Cassie Arnaud, Senior Manager of Development

Christine Yu, Associate Housing Development Planner

Date: June 25, 2026

Re: 65 Chilton Street – Request for Construction Funding

The Cambridge Housing Authority (CHA), on behalf of its affiliated non-profit Essex Street Management, Inc. (ESMI), is requesting up to $400,000 in Trust funding to support the renovation and reconfiguration of 65 Chilton Street, a former hospice facility currently owned by the VNA Care Inc.

BACKGROUND:

Located in West Cambridge, 65 Chilton Street is currently a vacant former affordable hospice which wound down operations following the pandemic, due to difficulties maintaining occupancy. The property was originally a two-family building that was converted into an affordable five-room hospice facility in the early 1990s. The hospice facility underwent a substantial renovation in 2010, which included upgrades to systems and the addition of an elevator. The property is currently vacant but in good condition, according to a Capital Needs Assessment (CNA) done in 2024.

The property was funded with a variety of sources including $30,000 in funding from the City and $125,000 in Housing Innovations Fund (HIF) financing from the Community Economic Development Assistance Corporation (CEDAC) . A loan from the Cambridge Trust Company of $225,000 from 1991 was repaid and discharged in 1998, but both the City of Cambridge and CEDAC funding remain as deferred payment loans. The property is subject to a forty-year City affordability restriction which runs through February 2034 and a CEDAC affordability requirement which expires in November 2033.

When the City learned that the VNA planned to cease operating the property as a hospice, the City worked with the VNA to find and identify a new affordable user for the property and has been working with the CHA to develop a viable plan for re-use of 65 Chilton Street. Given the requirements of the HIF financing that the property serve a special needs population, the CHA conducted extensive outreach to a range of potential program operators and service providers but could not find a viable supportive-service option, largely given the property's small size.

As a result, CEDAC has agreed to grant the CHA a waiver to allow them to reconfigure the building from the current five-room facility into two self-contained fully accessible three-bedroom units. Both units will be affordable to households making at or below 60% AMI and will be subsidized with Project Based Vouchers (PBVs) from the CHA. All units will have a spacious layout, all electric appliances, in-unit laundry, and access to the existing elevator.

On top of the reconfiguration of the interior, the CNA identified additional work that needs to be completed, including replacing the HVAC system, constructing front and rear private entrances, and moving one of the staircases. Many of the building's systems are at or are approaching the end of their expected useful life, so they will need to be replaced in the near future. The exterior is in good condition and will not need any work. The existing driveway, which can fit up to three vehicles, will remain in place to allow residents with mobility needs to access the property. The CHA continues to work through potential renovation designs with City staff.

PROPOSED BUDGET & FUNDING REQUEST:

The CHA is estimating the total development cost (TDC) will be $955,000 or $477,500 per unit, which includes $155,000 of existing assumed City and CEDAC debt. Hard costs, including a 10% contingency, are budgeted at $553,202, or $241 per square foot. Soft costs are estimated at $174,071, or $87,035 per unit. The CHA will include $500 per unit annually in the operating budget for replacement reserves. This amount will likely not be sufficient to cover the projected capital needs as noted in the CNA, so the CHA is also proposing that up to 100% of net cash flow be used to fund the replacement reserves, as necessary.

In addition to the $400,000 in Trust funding being requested, the CHA will be contributing $400,000 of their own funds to support the project. The existing affordability restriction sets a maximum transfer price at the value of the outstanding debt, which is $155,000 as both loans are interest-free. The CHA is assuming both existing mortgages on the same terms and conditions as originally approved. In advance of loan closing, Housing staff will work to ensure that the existing City and new Trust funding is at least pari passu, if not senior, to the existing CEDAC funding. The new CHA funding will be subordinate. There will be no private bank loan. Below is a breakdown of the sources and uses.

Uses	Total Uses	Per Unit
Acquisition/Existing Assumed debt*	155,000	77,500
Total Hard Costs	553,202	276,601

Total Soft Costs	174,071	87,035
Capitalized Reserves	0	0
Fees/OH	72,727	36,364
TDC	955,000	477,500
TDC w/o Acq*	800,000	400,000

*Acquisition refers to the assumption of the existing debt from CEDAC and CAHT.

Sources	Total Sources	Per Unit
Existing City Funding	30,000	15,000
New CAHT Funding	400,000	200,000
Existing CEDAC/HIF Funding	125,000	62,500
New CHA Soft Loan	400,000	200,000
TOTAL SOURCES	955,000	477,500

NEXT STEPS AND PROJECT SCHEDULE:

The VNA and the CHA are working through the property transfer process and would like to close as soon as possible. Following acquisition, the CHA will prepare for renovations which are expected to take approximately six months.

RECOMMENDATION:

65 Chilton Street is ideally located in close proximity to many amenities including the restaurants and shops in Huron Village, the Tobin Montessori and Vassal Lane Upper School, and transit. The renovation of this property is an opportunity to create deeply affordable, fully accessible family-sized housing in an area in the City with very few affordable housing opportunities.

Staff recommend that the Trust approve the CHA's request for up to $400,000 in funding, as described in more detail above, to support the renovation and reconfiguration of 65 Chilton Street and approve the CHA assuming the existing City debt.

The funding should be made contingent on the following terms and conditions:

1. Staff approval of final reconfiguration and renovation plan;
2. Staff approval of final renovation and operating budgets, including twenty (20) year operating proforma;
3. Environmental assessment and/or remediation plan, as applicable;
4. Staff approval of tenant selection and marketing plan, which shall be consistent with the City's marketing preferences including but not limited to maximum preferences for Cambridge residents, as may be modified to be consistent with the CHA's tenant selection

preferences (TSP); the tenant selection plan will also include the City's demographics reporting requirements, as requested and in a form acceptable to Staff;

5. Staff approval of the terms of CHA funding of approximately $400,000, including a requirement that CHA funding be subordinate to Trust finding and that the interest rate be no more than 3% compounding or such other rate approved by Staff;
6. Staff approval of construction plans and specifications;
7. Submission of final construction bid and trade items from general contractor along with construction contract Borrower has entered into with contractor, as requested;
8. Zoning approval and permitting necessary to project, as applicable;
9. Standard Trust terms and conditions, including but, not limited to, the following:
    - All affordable units shall be subject to the Trust's affordable housing covenant to be signed at or prior to loan closing. (The City's existing affordable restriction will be amended and restated to extend the term to be coterminous with new Trust covenant);
    - The term of the affordable housing covenant shall be the longest period allowable by law, or fifty (50) years or one year longer than the longest restriction on the property now or in the future, as approved by Staff;
    - All units shall be restricted to households earning at or below 80% AMI, as defined in the affordable housing covenant;
    - The Trust loan shall be secured as a shared first mortgage loan of up to $400,000 with the existing City of Cambridge loan if CEDAC agrees to subordinate; in no event shall the Trust loan be of lower priority than e pari passu with the existing City of Cambridge and CEDAC loans, all on terms approved by Staff;
    - The Trust loan shall have an interest rate of 3% compounding annually, or such other rate approved by Staff at or prior to loan closing;
    - The term of the Trust loan shall be fifty (50) years;
    - The Trust loan shall be subject to a penalty rate of 8% compounding annually; applicable upon violation of the affordability housing covenant;
    - Execution of all loan documents, including but not limited to the Loan and Security Agreement;
    - All principal and accrued interest shall be due and payable at the end of the term; however, the repayment date may be extended for an additional term upon approval by the Trust and extension of the affordability period;
    - The loan documents shall provide for the Trust's standard requirement of repayment of principal and interest from 50% of net cash flow from the development, or through other means, or other terms acceptable to Staff. Notwithstanding the foregoing, it is anticipated that up to 100% of cash flow will be allocated to replacement reserves to the extent necessary, as will be reviewed and approved by Staff at closing and periodically thereafter. Any withdrawal from replacement reserves in excess of $10,000 shall require prior Staff review and approval;
    - Loan shall be non-recourse; and,

- Any reductions in project costs or increases in non-Trust funding sources shall be used to reduce the amount of the Trust commitment.

During the construction period, the Borrower shall comply with the following requirements:

- Notify Lender's Construction Manager of proposed renovations, construction meetings, and copy on meeting minutes;
- Copy Lender on all change orders;
- Copy Lender on all funding requisitions to other sources; and,
- Submit requisitions in form acceptable to Lender.

Following lease-up, the Borrower shall comply with the following requirements:

- Provide required demographic information per approved tenant selection plan; and,
- Provide data on the project's as-built and operating costs in format acceptable to Housing Staff.