Affordable Housing Trust

September 24, 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. Homeownership Report: an update on City homeownership programs

4. 161 First Street / Alexandria Zoning Petition: Alexandria Real Estate has filed a Zoning Petition which includes a proposal to convert an historic building at 161 First Street to affordable housing through a partnership between Alexandria and Beacon Communities; staff are reviewing a request from Beacon Communities for funding from the Trust to support the conversion of 161 First Street to affordable housing;

5. Adjournment

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

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CAMBRIDGE AFFORDABLE HOUSING TRUST
MEETING MINUTES
August 27, 2026 at 4:00 p.m.
Conducted via Zoom and in person (City Hall, Ackermann Room)

Trustees Present in Person:	Teresa Cardosi, Elaine DeRosa, Raffi Freeman, Krissandra Robinson, Jim Stockard
Trustees Present via Zoom:	Susan Schlesinger, Alyson Stein
Trustees Absent:	Yi-An Huang, Chair; Elaine Thorne
Staff Present:	Chris Cotter, Chief of Housing; Cassie Arnaud, Director of Housing Development; Alexis Turgeon, Senior Housing Development Planner; Christine Yu, Associate Housing Development Specialist
Others Present:	Councillor Catherine Zusy, Luke Smith, Jackie Mignone, Nahid Chowdhury, Justin Saif

The meeting was called to order at 4:01 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

Upon a motion moved, seconded, and approved by roll call of five in favor and three absent (Chair Huang, Mr. Freeman, and Ms. Thorne), it was voted to approve the minutes for the meeting of July 23, 2026.

HOUSING DEPARTMENT UPDATE

HomeBridge: 13 buyers have been approved for HomeBridge funding and are actively looking for a home on the market. 7 units are under agreement.

139 Bishop Allen Drive (Vail Court): Staff are working to prepare a Request for Qualifications to identify and select a developer for the development of Vail Court.

52 New Street: Tenants are continuing to move into the newly constructed building.

4 Mellen Street: Over 2,000 applications were received for the 29 units at 4 Mellen Street. Construction is expected to be completed by late November to early December.

Jefferson Park Federal: The first few buildings are wrapping up construction soon, and the second phase of buildings will be completed in 2027.

350 Rindge Avenue: This is a new proposed 92-unit Affordable Housing Overlay (AHO) development to be developed by Boston Communities. AHO community meetings are underway. Staff expect to receive a funding request which will be brought to the Trust at an upcoming meeting.

State Funding: Staff are expecting news soon on whether 28-30 Wendell Street, Corcoran Park, and 37 Brookline Street/240 Broadway received state funding awards in the current application round.

OTHER BUSINESS:

Community Preservation Act (CPA) Funds: The CPA process is underway. The Community Preservation Committee is scheduled to meet on August 31 to vote on the CPA allocation.

Incentive Zoning: An incentive zoning contribution of $16 million was received from the development at 320 Third Street and 585 West Kendall Street.

Social Housing Task Force: The Task Force held two meetings in August and is scheduled to meet again on September 23 to continue talking about social housing models.

Prior to moving to new business, Mr. Cotter informed the Trust that the unofficial Trust fund balance was roughly $12 million as of the end of FY26, subject to year-end closeout confirmations after the Trust committed a record $114 million in funding in FY26. Staff are expecting a total balance of $70 million in Trust funds to be available in FY27.

NEW BUSINESS

Inman/CAST I & II Funding Request

Mr. Cotter presented a funding request for up to $4,244,897 in funding to support renovation work at two existing affordable projects, CAST I and Inman Square Apartments/CAST II. HRI will be consolidating these two projects into a single scattered-site project, currently being referred to as Inman/CAST I & II. Both projects were former expiring-use properties which HRI purchased and preserved and together consist of five scattered-site buildings containing a total of 167 affordable rental units.

Staff noted that although the Trust does not frequently fund renovation work at existing affordable housing, it was noted there are cases where the scope of needed capital work exceeds what can reasonably be covered by project reserves. In the case of Inman/CAST I & II, limited work was done at the time of acquisition when the primary goal had been to purchase and preserve affordability. While HRI has used the projects' reserves for limited renovation work since purchase, neither property has had a major rehabilitation since their acquisition and are now in need of significant upgrades.

The scope of work for Inman/CAST I & II will address critical long-term capital repairs, including replacing the roofs and outdated systems, renovating bathrooms and kitchens as needed (some have been done upon unit turnover), swapping gas stoves with electric stoves, and updating handicapped units to meet MAAB codes. Energy efficient systems will be installed at the same time. In addition to deferring a portion of their development fee, HRI is providing $2.8 million of their own funds to support predevelopment activities and is prepared to bridge any gaps in the budget if they are unable to secure certain financing. The Trust funding being requested is the last major piece of financing needed for this consolidation and rehabilitation project.

Trust members expressed support for this request and agreed that this is a case where it makes sense for the Trust to support rehabilitation and upgrades in existing Trust-funded housing. Trust members agreed with staff's comments that as other existing developments age there will likely be similar requests in the future which will need to be balanced with proposals to acquire more properties for affordable housing development.

In response to a question regarding how rents will be set for tenants with vouchers, staff explained that households with vouchers pay 30% of their income as administered by the voucher-issuing agency, usually the Cambridge Housing Authority. Their rent maxes out at market rate if their income increases significantly.

In response to a question about when the affordability restriction will end, Ms. Arnaud responded that a new long-term affordability restriction will be placed on the property, as part of this transaction. In response to a question regarding what the relocation plan is, staff explained that tenants will be relocated in phases for two months at a time.

Trustees and staff discussed the hard costs of this project. Staff informed the Trust that part of the reason why the hard costs are so high is because Inman Square Apartments is a high-rise and the CAST apartments are historically significant buildings. Ms. Stein noted that it is typical to conduct only essential rehabilitation on a recently acquired property and to defer systemic rehabilitation to the future, which is what happened at the Inman/CAST properties.

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

VOTED: to approve the request for up to $4,244,897 in construction and permanent funding to assist with the rehabilitation of Inman/CAST I & II, as detailed in the memo provided.

2072 Massachusetts Avenue Funding Request

Mr. Cotter presented a funding request for up to an additional $17,055,000 in Trust funding to support the construction of 2072 Massachusetts Avenue, which would bring the total Trust funding for this project to $22,126,000, or $299,000 per unit. The development team, Capstone Communities and Hope Real Estate Enterprises, is also requesting that $2,410,288 of the new funding be available prior to construction closing to cover the cost of pre-construction work, including $891,520 for the building permit fee.

The development team acquired 2072 Massachusetts Avenue, an 8,515 square foot site with a restaurant and a parking lot, in 2018 with the assistance of the Trust. The project initially was expected to be advanced under 40B as a 9-story building, but the development team paused their plans due to uncertainty regarding their ability to gain approval under 40B. The team is now advancing the development under the provisions of the AHO.

Staff presented an overview of the current design, which has undergone a series of refinements as the development team worked to bring down costs. The current plan is to create a 12-story building with 74 rental units. The development has faced added costs related to high-rise construction, sunk costs related to advancing the original 40B proposal, and overall increases in construction costs. Staff explained that while the development team had planned to use cross-laminated timber (CLT), which was expected to be more cost-efficient than steel-frame construction, the team pivoted to a light gauge steel construction method when CLT estimates came in significantly higher than expected.

Staff reviewed other expected funding sources including permanent debt, federal and state low-income housing tax credits, state soft funding, Passive House energy rebates, deferred developer fee, and rental income from the restaurant located on the property during predevelopment stage.

In response to a question regarding how much funding the Trust has left after they approved the Inman/CAST I & II funding request, Mr. Cotter explained that if the 2072 Massachusetts Avenue funding request is also approved, and after the Trust receives its FY27 CPA allocation, there may be approximately $50 million. However, staff will work on updating that amount for the Trust for an upcoming meeting once all appropriations are completed and balances confirmed. Staff noted that the Trust will need to evaluate how to prioritize funding requests in the future given the number of developments in the pipeline as well as continuing receipt of new funding requests and new opportunities.

In response to a question regarding whether the design will change now that it will be constructed with light gauge steel instead of CLT, Ms. Arnaud responded that the exterior facade is expected to remain unchanged.

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

VOTED: to approve the request for up to $17,055,000 in construction and permanent funding to assist with the construction of 2072 Massachusetts Avenue, as detailed in the memo provided.

ADJOURNMENT

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

VOTED: to adjourn the meeting.

The meeting adjourned at 4:53 p.m.

The next meeting is scheduled for September 24, 2026 at 4:00 p.m.

Meeting Materials:

- Agenda
- Minutes from the Trust's July 23, 2026 meeting
- Project Update
- Inman/CAST I & II Funding Request – 8.27.2026 memo
- 2072 Massachusetts Avenue Funding Request – 8.27.2026 memo

Cambridge Affordable Housing Trust

September 24, 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:*	9	135 scattered site units purchased by first time buyers to-date. Trust approved expanded subsidy share in August 2023. One unit under agreement.	N/A	$51,200,000	1-br: 50% sale 2-br: 60% sale 3-br: 65% sale	several, including most recent: March 2026
2.	Homeownership Resale Program	Housing Dept.	*currently active units:*	23	Re-purchase, rehab and re-sale of affordable homeownership units to new homebuyers. Two units under agreement with a new buyer.	N/A	$16,000,000		several, including most recent: March 2026
3.	Vail Court (139 Bishop Allen)	TBD	TBD	TBD	Trust and City hosted public meeting in 2017 to hear from the community on affordable housing needs and ideas for the redevelopment of Vail Court but that process was put on hold while the litigation was pending. Now that the litigation has been settled, planning for next steps underway. Community meeting held on 5/20/26; RFQ being drafted.	TBD	TBD	TBD	N/A
4.	2072 Mass. Ave.	Capstone Hope	74		Capstone/Hope purchased site in April 2018 and initially sought a comprehensive permit for an affordable housing development; now proceeding under the AHO. AHO community meetings held on 10/9/24, 10/30/24 (repeat of first meeting), and 5/29/25. Planning Board Advisory Design Consultations held on 10/7/25 and 3/3/26. Trust approved funding to support the construction of the project in August 2026, including a portion for additional predevelopment.	$71,860,506	$22,126,000	$299,000	February 2018, June 2021, August 2026
5.	52 New Street	JAS	106		JAS purchased the site in early 2020 and completed the AHO process in early 2022. Construction began in December 2023 and is underway. Full occupancy is expected by the end of September 2026.	$90,359,816	$18,025,390	$170,051	October 2019, June 2021, and January 2022
6.	Broadway Park (240 Broadway)	JAS	16		JAS is developing the site as rental housing in conjunction with 37 Brookline Street. AHO community meetings held on 7/24/25, 9/18/25 (repeat of first meeting), and 11/6/25. Planning Board Advisory Design Consultation held on 3/10/26. AHO process complete. JAS plans to combine 240 Broadway with 37 Brookline for financing purposes. The combined Brookline/Broadway project was not awarded state funding in the 2026 funding round; JAS plans to re-apply in upcoming round in 2027.	$12,391,000	$2,394,400	$149,650	May 2021 and April 2026
7.	Jefferson Park Federal (45-60; 61-75; 77-92; 93-108; Jackson Circle; 1; 2-19, 21-42; 109-124; 1000 Jackson Place)	CHA	278		In September 2021, the Trust approved funding to assist with the comprehensive modernization of Jefferson Park Federal. The CHA completed the AHO process in early 2022 and began construction of Phase 1 in early 2024 and began Phase 2 in August 2025. Construction is proceeding on schedule to be completed in phases, with the first buildings coming online in Fall 2026. Residents are beginning to move into one of the buildings. Two more buildings are expected to be complete by November 2026.	$309,675,326	$43,611,615	$156,876	September 2021
8.	4 Mellen Street (f/k/a 1627 Mass. Ave)	HRI	29		In January 2022, the Trust approved funding for the purchase of this property from Lesley University to create affordable housing. The Trust approved additional predevelopment funding in August 2022. HRI acquired the site in August 2022 and completed the AHO process in late 2023. State funding approved June 2024. HRI closed on construction on 5/16/25. Groundbreaking event held on 6/17/25. Construction underway. Tenant selection underway.	$33,034,091	$10,425,000	$359,483	Janaury 2022, August 2022, and January 2024
9.	35 Cherry Street	JAS		10	In March 2022, City Council approved the disposition of this property to the Trust for creation of affordable homeownership housing. Transfer from MIT complete. Just A Start selected as developer in October 2023. All financing closed 12/10/2025. Construction underway. Completion expected mid-2027.	$8,352,000	$7,734,000	$773,400 ($475,200 permanent)	March 2022, May 2024, June 2025
10.	49 Sixth Street	POAH	46		In October 2022, the Trust approved funding to assist in the conversion of a portion of the Sacred Heart church property to affordable housing. POAH has completed the AHO process. POAH is assembling remaining financing in advance of beginning construction in 2024. Increase of Trust funds request approved 3/6/24; increase of Trust funds approved at 8/1/24 meeting. POAH closed on construction on 6/16/25. Construction underway.	$44,050,313	$11,250,000	$244,565	October 2022, March 2024, and August 2024

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

24.	16-28 Porter Street	CHA	TBD		Trust approved funding to assist with acquisition of 16-28 Porter Street. Properties were acquired on 4/15/2026.	TBD	$6,000,000	TBD	January 2026
25.	729-755 Concord Avenue	HRI	TBD		Trust approved funding to assist with acquisition of new site. Six adjacent parcels were acquired on 6/1/2026.	TBD	$11,875,000	TBD	February 2026
26.	65 Chilton Street	CHA	2		Trust approved funding to assist with renovation of 65 Chilton Street.	TBD	$400,000	$200,000	June 2026
27.	(confidential until purchased)	CHA	TBD		Trust approved funding to assist with acquisition of new site.	TBD		TBD	June 2026
28.	CAST I, CAST II + Inman Square Apartments (Inman/CAST I & II)	HRI	167		Trust approved funding to support the rehabilitation of two existing affordable projects, CAST I and Inman Square Apartments/CAST II.	TBD	$4,244,897	$25,419	August 2026
			1,395		**Total Units**				

Cambridge Affordable Housing Trust

Status of Active Affordable Housing Overlay (AHO) Developments

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

15.	12-14 Laurel Street	Just-A-Start Corporation	AHO community meeting held on 9/11/25.		4	AHO Process in Progress
16.	336-350 Rindge Avenue	Boston Communities and Affordable Housing & Services Collaborative (AHSC	AHO community meetings held on 6/3/26 and 8/5/26.	~92		AHO community meetings underway
				943		**Total Units**

Status of Active Inclusionary Housing Developments

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

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

Incentive Zoning Contributions - FY2026

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

MEMORANDUM

TO: Cambridge Affordable Housing Trust

FROM: Christopher Cotter, Chief of Housing
Anna Dolmatch, Director of Homeownership

DATE: September 24, 2026

RE: Homeownership Program Update

Over the past few years, the Homeownership Division has worked with the Trust on a range of projects and programs, including the first term changes in more than 30 years; two new all-affordable developments, the first in more than ten years; funding for the expanding HomeBridge and Resale programs; and discussions of the Trust's role in the preservation of affordable resident-controlled housing.

We wanted to provide the Trust with a status report on the Department's work across all areas of homeownership, including updates on ongoing projects, current challenges, and areas for future Trust consideration. We hope that reviewing current work and potential future program needs holistically across all programs supports the Trust's strategic planning.

<u>Affordable Homeownership Stock Summary</u>

There are now more than 610 homeownership units subject to affordability restrictions held by the City. Across all programs, the City has a restriction on units in 184 different condominium associations, ranging from two units to more than 300. Affordable homeownership units are in 7% of all condominium associations in the City and represent 4% of all condominium units.

The ownership stock is approximately 27% units purchased on the open market with financial assistance from the City (e.g. HomeBridge). Non-profit developed units are still the largest share, at around 32%, followed by Inclusionary units at 31%. Approximately 9% were created through other zoning and permitting requirements, mostly predating the Inclusionary Housing Ordinance.

For many years, the homeownership stock was approximately 50% two-bedroom units; 30% one-bedroom, and 20% three-bedroom. Recent trends have shifted that distribution to increase the number of three-bedroom units to approximately 30%, with two-bedrooms at 43% and one-bedrooms at 27%.

Christopher Cotter | Director of Housing
344 Broadway, Cambridge, MA 02139
Ph. 617-349-4622
Email. housing@cambridgema.gov
Visit. Cambridgema.gov/housing

This change is driven by HomeBridge, which has been the source of most of the recent growth in units. Since January 2021, 47% of the 64 units purchased with HomeBridge have been three-bedrooms.

This report will discuss the current status of each program area in more detail.

Homeownership Program Term Changes

After a multi-year process, the Trust adopted new homeownership program terms in January 2024. The implementation of the new terms involved the development of new legal documents, including changes to form Covenants for new buyers and an option for current owners, as well as extensive outreach to let owners know how they could update to the new terms.

As you may recall, the new terms include a resale formula with an annual return of 2.5% of the affordable purchase price, and an option for direct inheritance by certain income-eligible beneficiaries. Owners may opt into the new terms at any time by requesting an Amendment to their affordability restriction. Approximately one-third of units have been updated to the new terms or are in the process, including units that have sold or resold since the implementation.

As anticipated and intended, the new terms are increasing the resale prices and proceeds to owners. We are continuing to monitor the financial impact on the program. Newer units, including middle-income units created through the current Inclusionary Housing Ordinance and HomeBridge, have higher initial affordable purchase prices, and therefore higher annual returns, than older units. We anticipate it will take several years to have sufficient data to fully assess the financial impacts. Options to mitigate that impact could include modifying the rehab investment in units at turnover, or capping the initial affordable price for units created through development or HomeBridge.

Development of All-Affordable Homeownership

There are currently two Trust-funded all-affordable homeownership projects in process, both with Just A Start (JAS) as the developer. The ten family-sized units at 35 Cherry Street are under construction, with an expected completion date of late spring 2027. We are beginning to plan for the marketing of these units to ensure broad outreach to the community. As you may recall, there are six two-bedroom and four three-bedroom units. Sales prices will be targeted to be affordable to a range of incomes, with half of the units restricted to buyers at or below 80% AMI and half to buyers at or below 100% AMI.

At 12-14 Laurel Street, JAS is completing bid review and relocation plans with the final remaining resident. Once those items are complete, the property will be transferred from the current non-profit owner, and we will close on the Trust funding so JAS can begin construction. Once complete, the project will have three three-bedroom units and one accessible one-bedroom unit.

These are the first all-affordable homeownership developments since 424-430 Windsor Street, completed in 2011. We continue to work with developers to explore opportunities that may be a good fit for homeownership projects.

HomeBridge

HomeBridge is the largest source of both newly created affordable units and purchasing opportunities in recent years. Since 2003, 135 units have been purchased through HomeBridge, and the predecessor Financial Assistance Program. The Trust has committed $51.2MM to the programs.

The pace of unit purchases with HomeBridge funding has picked up dramatically in recent years. Since the Trust increased the maximum HomeBridge subsidy percentage in November 2023, 45 buyers have purchased homes, one-third of the overall program total. The first quarter of FY27 saw 11 HomeBridge closings; this is more than in fiscal years 2014 through 2018 combined. We believe this indicates that current subsidy levels are well aligned with the market. However, high interest rates and constrained supply continue may further limit market options and HomeBridge production may become slower.

HomeBridge was initially developed to provide an option for households earning over 80% AMI who were not eligible for most other programs, or who would not receive highest preference in new unit lotteries or the Resale Pool. It is also the only affordable ownership program open to owners of affordable homes who need a larger or smaller unit. The expansion of HomeBridge to fund buyers earning up to 120% AMI has added an additional cohort of buyers. Currently, we see demand for HomeBridge from a wide range of applicants, including those who are also in the Resale Pool and applying for new unit lotteries.

HomeBridge currently provides up to 50% of the purchase price for a one-bedroom; 60% for a two-bedroom; and 65% for a three-bedroom. Maximum market purchase prices are set at least annually based on actual sales of condominiums in a certain size range. Current maximum assistance levels range from $322,500 to $715,000 in buyer subsidy. This represents an increase of more than 60% in the maximum subsidy amount for a three-bedroom unit since January 2023.

High subsidy need is one area of concern for HomeBridge. The current subsidy level is more per unit than recent Trust-funded homeownership developments. However, HomeBridge units do not require site acquisition, design, or permitting, so new affordable units can be created more quickly. These units are also frequently located in areas of the City with fewer affordable units.

There are several HomeBridge policy areas that we would like to discuss with the Trust in future meetings. We would like to continue discussion about potentially limiting HomeBridge assistance to applicants with a certain level of need. This could set a maximum affordable price, which is the purchase price net of subsidy. We also recommend that the Trust consider possibly funding HomeBridge at a set annual amount versus the current as-needed basis. This could ensure steady funding as the Trust balances a large production pipeline and the needs of other programs and existing housing.

Resale Program

The Department's Homeownership Resale Program continues to preserve the affordable homeownership stock and offer homebuying opportunities by exercising the City's purchase right when an owner sells; investing in any necessary rehab; and re-subsidizing units when needed to maintain affordability to continue to serve a range of incomes. In the past five years, 40 buyers have purchased homes through the Resale Program.

Since 2010, the Trust has committed $16MM to the revolving and sinking Resale Fund. More than 180 units have been repurchased. The Fund has permanently expended almost $4.8MM. The average new subsidy per unit is currently approximately $29,000 per unit. While this average number remains low, this number has almost doubled since 2023.

The need for new subsidy at resale varies widely, and some units require no additional subsidy on turnover. The largest needs continue to be for units purchased decades ago that require major rehab. As the stock ages and more of these older units turn over, we expect to see more of these larger unit rehab projects. While these units have a significant impact on the balance of the Resale Fund, these units were typically created with very little public subsidy. The overall cost to create, preserve, and improve these units over time is typically much lower than the cost to create new units through HomeBridge or other publicly funded development, particularly for larger units.

Buyers for resale units are selected from the Department's Resale Pool. Applications are accepted on a rolling basis, and the pool is open to anyone, with preference for Cambridge residents and households with children. Demand continues to outpace supply. There are currently more than 800 applicants waiting, with more than 600 Cambridge residents. We typically have an average of 10 resale units available each year. The longest wait time continues to be for three-bedroom households, due to the smaller stock and a lower rate of turnover.

Other Homeownership Creation

Since January 2023, we have completed two lotteries for Inclusionary units for a total of eight units. We continue to see high demand for these lotteries for all unit sizes. There are currently three Inclusionary homeownership projects in the pipeline, with one expected to be completed in late spring 2027, around the same time as 35 Cherry Street. Two other projects are in predevelopment.

The Cambridge Redevelopment Authority (CRA) also continues to look at opportunities to create new affordable homeownership units. The CRA assumed Boston Properties' zoning commitment to create a minimum of 20,000 square feet of affordable homeownership, including middle-income and low-moderate affordability tiers. The CRA has looked at many possible projects to meet this requirement. They have recently selected a developer for a project on North Mass Ave that we anticipate will have three to four affordable units, which will be subject to an affordability restriction held by the City. We continue to work with the CRA to discuss other options for the creation of affordable homeownership opportunities.

Owner Support

Over the past few years, as we have worked to better connect with owners, we have heard from owners that they would like more support, with a focus on training and education. The Housing

Department recently hired a new Resident Engagement Manager who is surveying owners for specific feedback on what would best meet their needs. Initial results indicate that homeowners are looking for training focused on practical information on home maintenance and repair, as well as estate planning resources.

The Resident Engagement Manager is implementing a twice-yearly newsletter for program homeowners that will include resources and information. The Homeownership Division is working with the Resident Engagement Manager to develop a resource guide for owners that will include information on both program requirements, where to go within the City for specific services, and guidance on outside programs that support owners.

The City also continues to fund other support programs, including the JAS Housing Services program. This program provides mediation for conflict resolution and other assistance for individual owners. They also provide support to all-affordable condominium associations including meeting facilitation, help selecting a management company, and coaching and training for board members.

The City also continues to fund the Home Improvement Program (HIP) which is offered through both Homeowners Rehab Inc. (HRI) and JAS. HIP provides financing to assist income-eligible owners with home repair and improvements for unit rehab and condo assessments for common area work. We have seen an increase in cases where condo assessments for affordable units are tens of thousands of dollars per unit, often due in a short period of time. Even with the increase in the value formula, many owners of affordable units do not have sufficient equity to cover major assessments. Even for owners who can access home equity, high interest rates make this funding source unaffordable.

HIP is funded with CDBG funds, which are vulnerable to changing terms and requirements. The City is involved in litigation to protect access to Federal funding for this and other programs. If this funding source is reduced or restricted, HIP may be impacted.

HIP is an essential tool for the stability of owners of affordable homes, particularly for older owners on a fixed income. In the past five years, more than 65% of HIP cases involved City restricted units, including several cases where HIP was used to enable a large condo project to move forward by providing funding to multiple owners to pay assessments.

Preservation and Recapitalization of All-Affordable Buildings

The Trust's role in preservation of all-affordable resident-controlled housing is also a key area for future discussion. To date, the Trust has funded large rehab projects for the Park View Cooperative and the Print Shop Condominium. Both of these projects addressed critical building issues. We are currently working with the Switch House Condominium, the largest all-affordable condominium, on a plan to address major capital needs. We expect to request Trust funding for some of this work.

As you may remember, in January 2024, the Trust discussed affordable ownership condominium fees, capital costs, and affordability. Condo fees continue to increase rapidly, driven especially by rising insurance costs. In many cases, it is not feasible for owners to pay an assessment of tens of thousands of dollars. Not all owners are eligible for assistance programs such as HIP or qualify for a market home equity loan.

As the stock of all-affordable buildings ages, we expect to see more associations with capital projects beyond their financial capacity to address. Buildings with complex systems, such as the Switch House and the Print Shop, have higher costs, but the cost of construction materials is impacting every building. These major projects cannot be covered by reserves, even in associations that contribute the most and have the highest fees.

The Trust adopted guidelines for reviewing requests from resident-controlled housing, such as all-affordable condominiums and limited-equity cooperatives. In the future, we would like to discuss adding to these guidelines to provide an improved framework for the Trust to assess future requests.

We have also discussed piloting a program to provide funding for capital needs assessments and reserve studies for these buildings. These studies can help identify gaps between what work is likely to be needed and sustainable costs for owners. This information can help owners, the Trust, and the City assess options to assist owners in planning for needed future work and funding estimates.

Summary

The City's homeownership programs continue to provide options for residents to remain in the City in stable, affordable housing. Program demand continues to be strong, with a large increase in HomeBridge applications and buyers in recent years. Costs to create homeownership units have risen, resulting in an increase in the amount of subsidy needed for both creation and preservation of these units.

We would like to further explore the following areas at future Trust meetings:

- Developing additional guidance for funding preservation of affordable resident-controlled housing;
- Revisiting proposals for capping the maximum affordable price for HomeBridge units at purchase; and,
- Discussing strategic planning for homeownership funding.

To: Affordable Housing Trust

From: Melissa Peters, Assistant City Manager for Community Development

Cassie Arnaud, Director of Housing Development

Date: September 24, 2026

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

Alexandria Real Estate Equities (ARE) has filed a Petition to amend Section 13.59.42 of the Zoning Ordinance to allow for the transfer of 250,000 square feet of Gross Floor Area from the PUD-4C Zoning District to a newly created “Technology Square Transfer Receiving District” within the Industry B (IB) Zoning District in exchange for the conversion of the existing commercial brick and beam structure at 161 First Street (~37,394 sq ft) into 100% Affordable Housing Overlay (AHO) project under Section 11.207. ARE’s Zoning Petition has been referred to the Planning Board for a hearing on September 22, 2026 and to the Ordinance Committee which has scheduled a hearing on it on October 6, 2026.

The Petition would allow ARE to build an additional 250,000 sq ft of commercial development at Technology Square subject to the issuance of a building permit for the creation of approximately 37,000 square feet of affordable housing at 161 First Street. If the Petition is adopted, ARE plans to partner with Beacon Communities, a private affordable housing developer and operator, to convert the historic building at 161 First Street into approximately 31 affordable rental housing units through an AHO development to be developed and owned by Beacon Communities. ARE’s Zoning Petition along with materials prepared for the Planning Board, including CDD Staff’s analysis of the Petition, are attached for reference.

Housing Staff have had preliminary discussions with ARE and Beacon Communities about the conversion of 161 First Street, and staff have provided comments to the development team on the conceptual AHO development and financing plan. In exchange for the Zoning Petition, ARE is proposing to make the vacant building available to Beacon. Beacon would then assemble funding needed to convert the vacant building to affordable housing. Beacon is now working on its development and financing plan and refining their estimated development budgets.

In the meantime, Beacon has shared a preliminary budget with Housing Staff in advance of submitting a full application for an expected $5,000,000 from the Affordable Housing Trust to support this conversion.

At this time, Beacon's plan assumes a 31-unit affordable housing development with a mix of unit sizes. All units would be affordable to households earning at or below 60% of the area median income. Assuming a 31-unit project, a Trust request of $5 million would equal $161,290 per unit. It is possible that unit mix and number of units may shift as the development plan is refined.

Beacon's financing strategy is designed to avoid reliance on competitive funding from the state and instead assumes a mix primarily of low-income housing tax credit equity, state and federal historic tax credit equity, and private bank debt, as well as Trust funding. The budget also includes a $10 million "seller's note" which is offset by $10 million acquisition cost, which Housing Staff understand is being used to maximize the amount of tax credit equity the project is eligible to receive.

Housing Staff will continue review of Beacon's initial budget while we await their full funding request, with a plan to review and bring the request to the Trust for discussion later in the year.

There is no action the Trust needs to take at this point. However, we wanted to make the Trust aware of the creative opportunity put forward by ARE to create the possibility for a new AHO development through their Zoning Petition given that a primary piece of the AHO development plan is the conversion of 161 First Street to affordable housing with funding requested from the Affordable Housing Trust. Discussion of the ARE plan and Zoning Petition will be happening at the Planning Board, Ordinance Committee and City Council.

We will update the Trust as discussions of the Zoning Petition continue, and prepare for discussion of the Beacon funding request with the Trust at an upcoming meeting.

City of Cambridge

PET 2026-03
FIRST IN COUNCIL
August 3, 2026

A Zoning Petition Has been received from Michelle Lower of Alexandria Real Estate Equities, Inc. transmitting a proposed Zoning Ordinance to amend the provisions of Section 13.59.42 if the Zoning Ordinance to allow for the transfer of 250,000 square feet of Gross Floor Area from the PUD-4C Zoning District on the Industry B Zoning District in exchange for the conversion of the existing brick and beam structure at 161 First Street into Affordable Housing. The Petition seeks to amend the Zoning Map by creating the "Technology Square Transfer Receiving District."

A true copy;

ATTEST:-

Paula M. Crane,
Interim City Clerk

ALEXANDRIA.

July 28, 2026

Paula Crane
City Clerk
Cambridge City Hall
795 Massachusetts Avenue
Cambridge, MA 02139

Re: PUD-4C Affordable Housing Zoning Petition

Dear Madam Clerk:

Please find enclosed for filing on behalf of Alexandria Real Estate Equities, Inc. a Zoning Petition to amend the provisions of Section 13.59.42 of the Zoning Ordinance to allow for the transfer of 250,000 square feet of Gross Floor Area from the PUD-4C Zoning District into the Industry B Zoning District in exchange for the conversion of the existing brick and beam structure at 161 First Street into Affordable Housing. An image of 161 First Street is attached.

Please note the Petition also seeks to amend the Zoning Map by creating the "Technology Square Transfer Receiving District."

We look forward to working with the City Council, the Planning Board and the Community to create this opportunity for the creation of much needed family friendly affordable housing in Eastern Cambridge.

Very truly yours,

Michelle Lower
Alexandria Real Estate Equities
Vice President - Real Estate Development and Community Relations

Alexandria Real Estate Equities, Inc.
400 Technology Sq, Suite 1001 | Cambridge, MA 02139
617.661.6962 | www.are.com


LEFT TURN YIELD ON GREEN
NO TURN ON RED

PUD 4C Affordable Housing Zoning Amendment

The undersigned owners of land to be affected by this Petition, hereby petitions the Cambridge City Council as follows:

1. To see if the City Council will vote to amend the Zoning Map by adding the Technology Square Transfer Receiving District, as shown on the map attached hereto.

2. To see if the City Council will vote to amend Article 13 of the Zoning Ordinance of the City of Cambridge by adding the following text:

13.59.42 Transfer of Development Rights

Upon the issuance of a Building Permit to convert an existing Commercial Building of not less than 37,394 square feet to an Affordable Housing Overlay (AHO) Project, an applicant may transfer density from the PUD 4-C Zoning District to certain land in the Industry B Zoning District bordered on the north by Broadway, on the east by the Grand Junction Railroad, on the south by Main Street and the west by Portland Street (the Technology Square Transfer Receiving District). The applicant, or their assignee, may construct up two hundred and fifty thousand (250,000) Gross Floor Area within the Industry B Zoning District, in excess of the Gross Floor Area otherwise permitted under the Industry B Zoning District.

Said Gross Floor Area may be constructed as a new building, or an addition to an existing building, and is otherwise subject to the use regulations of Article 4.000 for the Industry B Zoning District and the dimensional requirements of Article 5.34.

The conversion of 161 First Street from a Commercial use to Residential shall be allowed as a Minor Amendment to the Final Development Plan. The conversion of the building into Affordable Housing Overlay (AHO) Project shall also be subject to the provisions of the Section 11.207.

Construction, use and development under this Section at the receiving lot shall be authorized by Special Permit granted by the Planning Board. In granting a Special Permit under this Section, the Planning Board shall find that the converted structure supports the Purpose of the PUD 4C Zoning District.

Respectfully submitted,

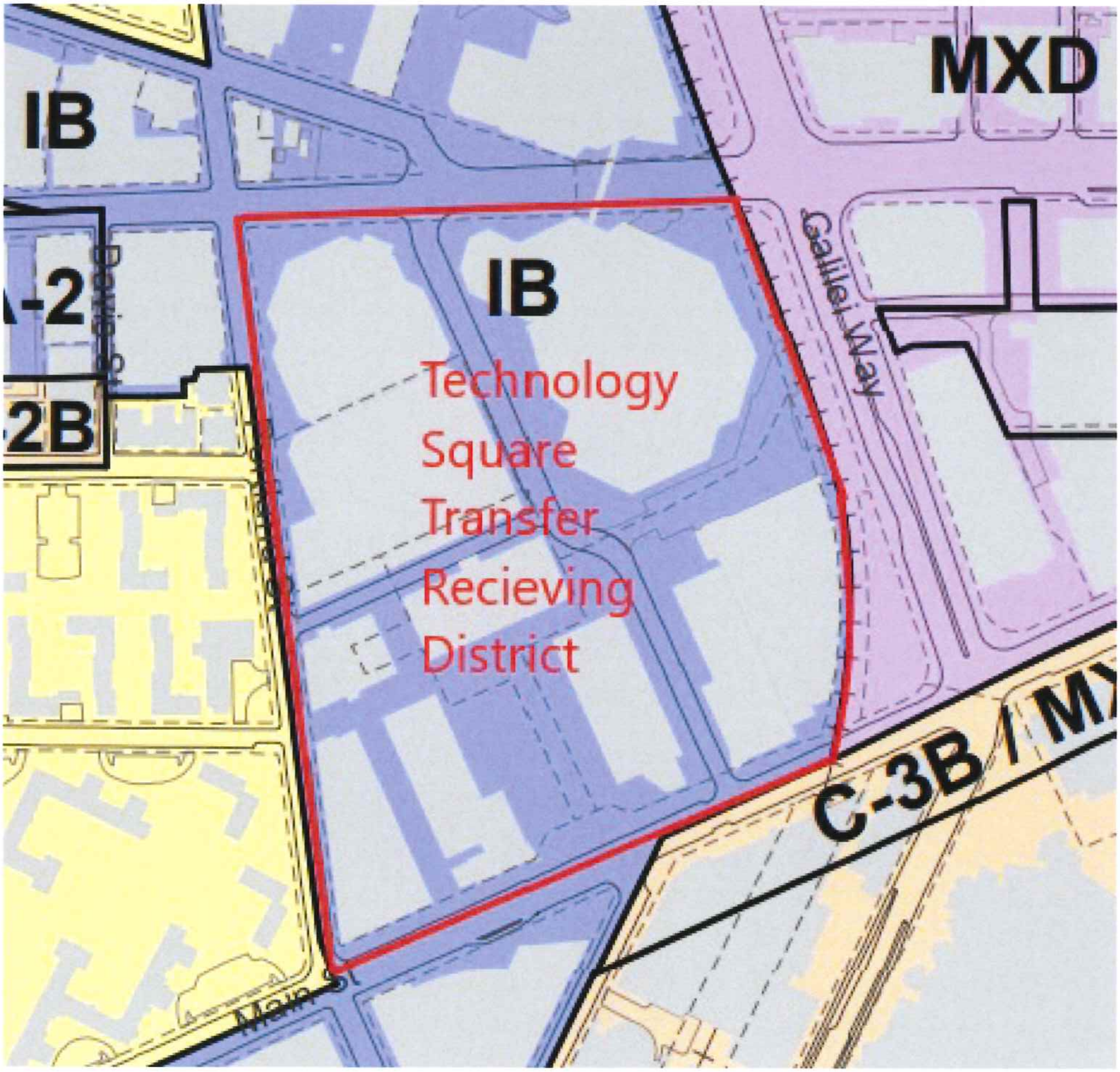
161 First Street
Map 16, Lot 35
By its Owner,

ARE-MA REGION NO. 21, LLC,
a Delaware limited liability company

By: Alexandria Real Estate Equities, L.P.,
a Delaware limited partnership,
managing member

By: ARE-QRS. Corp.,
a Maryland corporation,
general partner

By: Allison Grochola
Name: ____________________
Title: ____________________
Allison Grochola
Senior Vice President
Real Estate Legal Affairs


MXD
IB
IB
A-2
2B
Technology
Square
Transfer
Recieving
District
Galilei Way
Main St
C-3B / MX

CITY OF CAMBRIDGE | CDD Community Development

To: Cambridge Planning Board

From: Community Development Department (CDD) Staff

Date: September 17, 2026

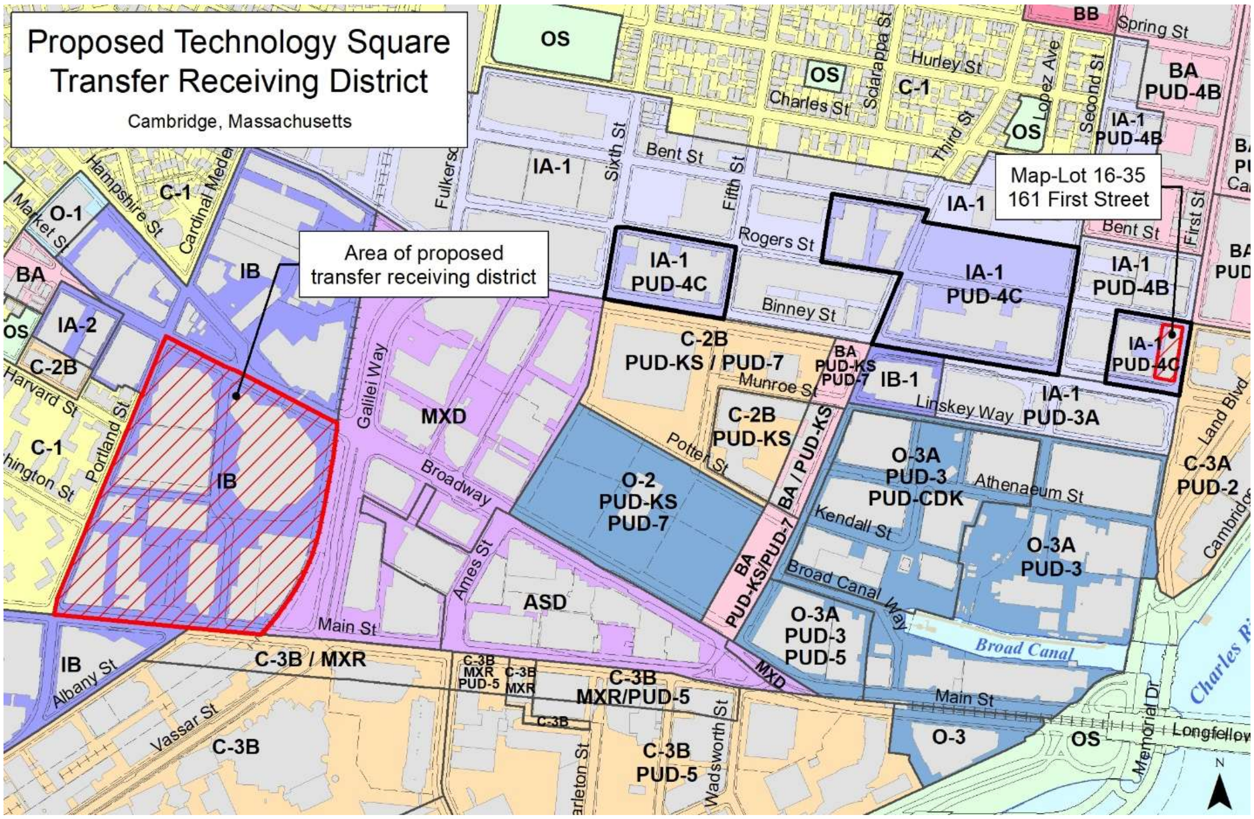
Re: Alexandria TDR Zoning Petition

Overview

Petitioner:	**Alexandria Real Estate Equities**
Zoning Article:	Article 13.000 and Zoning Map
Petition Summary:	Amend Section 13.59.42 to allow for the transfer of 250,000 square feet of Gross Floor Area from the PUD-4C Zoning District to a newly created "Technology Square Transfer Receiving District" within the Industry B (IB) Zoning District in exchange for the conversion of the existing commercial brick and beam structure at 161 First Street (~37,394 sq ft) into 100% Affordable Housing Overlay (AHO) project under Section 11.207.
Planning Board Action:	Recommendation to City Council.
Memo Contents:	Summary of the proposed zoning, background information on the topic of the Petition, and considerations and comments from staff.

Summary of Petition Facts

The petition requests a text amendment to Section 13.59.42 and a map amendment establishing the “Technology Square Transfer Receiving District,” bounded by Broadway, Main Street, Portland Street, and the Grand Junction Railroad. This petition would allow an additional 250,000 sq ft of commercial development at Technology Square subject to the creation of approximately 37,000 square feet of affordable housing at 161 First Street.



Map prepared by Brendan Monroe on September 15, 2026. CDD GIS

The proposed petition does not establish a calendar deadline or phased construction schedule. Instead, the procedural sequence established in the petition triggers the receiving district rights upon the issuance of a Building Permit to convert 161 First Street into an Affordable Housing Overlay (AHO) residential project.

Prior to a Building Permit for 161 First Street, which would come before the unlocking of the additional 250,000 sq ft of commercial development at Tech Square, both a Minor Amendment to the PB-243 Final Development Plan and a Planning Board Special Permit for proposed new development would be required. If the development rights from 161 First Street are “transferred” as suggested, it would remove most remaining commercial development capacity from PB-243.

Background

Alexandria PUD (PUD-3A/PUD-4C District; Special Permit PB-243)

In 2001, the areas just to the north and south of Binney Street were rezoned following the Eastern Cambridge Planning Study ("ECaPS") process. The new zoning reduced allowed commercial density while maintaining a higher residential density to encourage housing. It also established planning goals and design guidelines for review.

In 2007, Alexandria Real Estate Equities ("ARE") proposed a rezoning of sites that it had acquired along Binney Street. In 2009, the City Council adopted the PUD-3A and PUD-4C Overlay Districts, which restored higher commercial densities for those sites (including a 3.0 FAR limit) and included several public commitments, including:

- Minimum of 220,000 square feet of housing, including units for low, moderate and middle income households
- Conveyance of about 2.3 acres of land and funding to the City for public open space, which have now been completed as Timothy J. Toomey Park on Rogers Street and Triangle Park at the intersection of Binney Street and Edwin Land Boulevard
- Conveyance of the Foundry Building at 101 Rogers Street to the City
- Preservation and adaptive reuse of four buildings, including 161 First Street

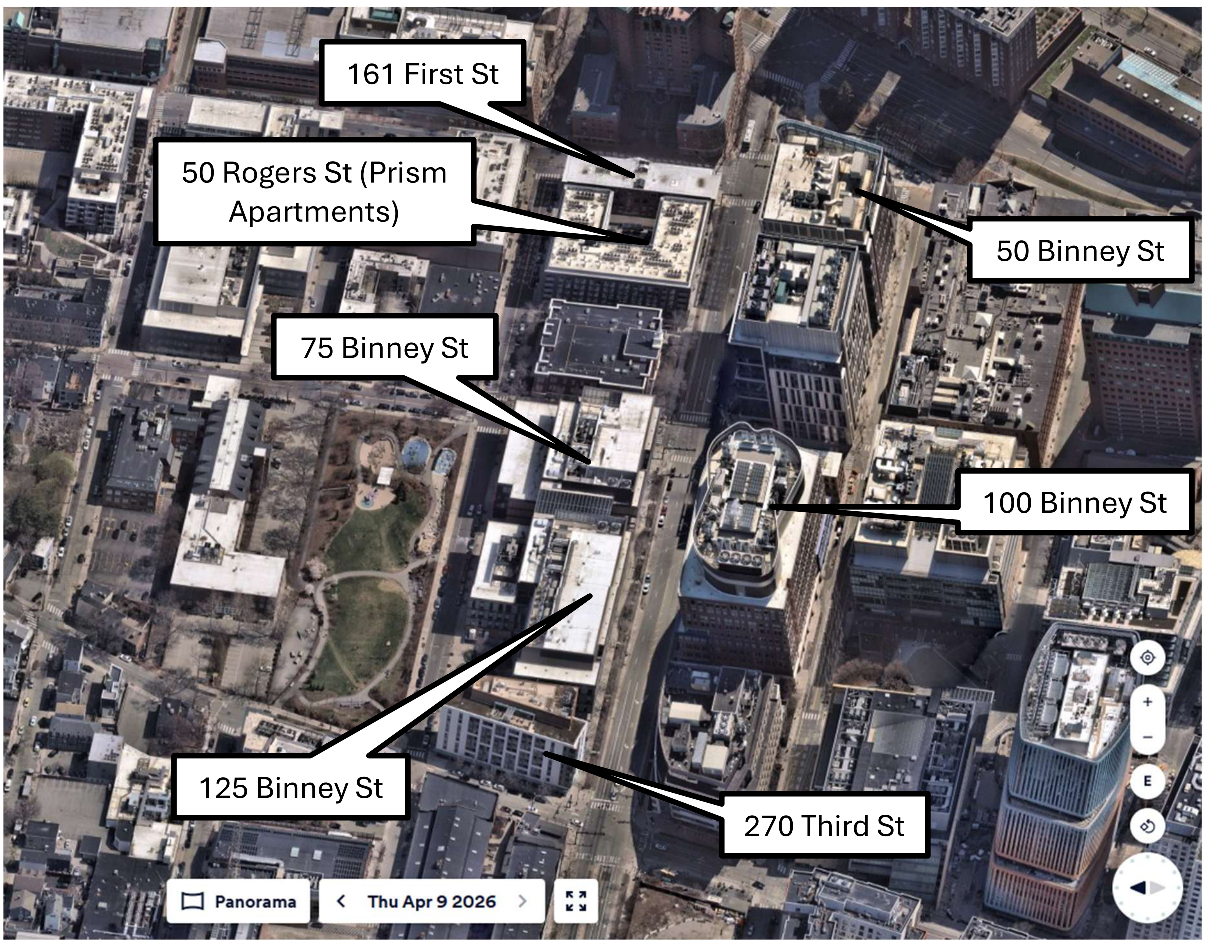
In 2010, the Planning Board approved a Planned Unit Development (PUD), now called "Alexandria Center," with six commercial buildings (1,533,200 total square feet of GFA) and two residential buildings (220,000 total square feet of GFA) in the PUD-3A and PUD-4C Districts. Construction occurred in phases throughout the 2010s and the project is now largely complete, including the committed land conveyances, funding contributions, and transportation improvements and mitigation.

161 First Street

The remaining undeveloped site in the PUD is 161 First Street, which contains a 19th-century brick-and-beam industrial structure considered historically significant by the Cambridge Historical Commission. Immediately prior to the 2010 PUD Special Permit, this building was used for various commercial uses. The 2010 Final Development Plan would have preserved the historic structure for residential use, while demolishing a rear 3-story addition from the 1980s and surface parking to construct a new residential-use annex to the existing building.

In 2017, the City Council adopted a zoning amendment requested by ARE that would enable an additional 10,000 square feet of exempted commercial GFA for "innovation space," or commercial space set aside for smaller companies on more flexible leases, within the existing building at 161 First Street. In 2018, the Planning Board approved an amendment to special permit PB-243 that allowed the historic portion of 161 First Street (documented at the time as having 30,319 square feet of floor area) to remain in commercial use with approximately 10,000 square feet of innovation space. A new building site, 50 Rogers Street, was created on the western portion of the lot to accommodate a standalone residential building with 132,231 square feet of residential GFA.

The 50 Rogers Street residential building (called "Prism Apartments") was completed in 2022, which fulfilled the minimum residential requirement for the PUD District (along with 270 Third Street). The 161 Rogers Street building remains undeveloped, as the demand for office space has waned in the period following the COVID-19 pandemic.



Aerial view of Binney Street showing key buildings in the Alexandria Center PUD (PB-243)

The current proposal envisions reverting the proposed use of 161 First Street to residential, and developing it as an all-affordable adaptive reuse project. The project would be planned in accordance with the standards of the Affordable Housing Overlay (AHO), which allows flexible zoning standards and as-of-right permitting for all-affordable housing developments.

While ARE would own the development, their stated intent is to partner with an experienced affordable housing developer who would seek financing through conventional sources such as tax credits and public grants. The developer, Beacon Communities, has had discussions with the Housing Department and is now preparing a request for funding from the Cambridge Affordable Housing Trust which is expected to be discussed by the Trust later this year.

Technology Square (Industry B District; Special Permit PB-144)

In 1963, the first office/R&D building in Technology Square was completed. Technology Square was Cambridge's first "urban renewal" project, undertaken by Cabot, Cabot & Forbes in partnership with MIT. Starting in the 1950s, existing development was cleared in the block bounded by Main Street, Portland Street, Broadway, and the Grand Junction Railroad. Over the following decades, the R&D complex grew to include a total of three nine-story buildings and one three-story building framing a large courtyard along Main Street. A larger building was later built on the northeast corner of the block, which became (and remains) occupied by Draper Laboratory. The uses were originally served by surface parking. Later, adjoining parking garages for Technology Square and Draper Laboratory were built on the block's northwest corner.

In 1999, the Planning Board issued a special permit (PB-144) for an expansion of Technology Square, including four new commercial buildings and demolishing the one existing three-story building. This special permit was an Interim Planning Overlay Permit (IPOP) process, a predecessor to the Project Review Special Permit (Section 19.20) that was created during the study process leading to the 2001 Citywide Rezoning.

The approved new development increased the commercial GFA within the block from about 1.04 million square feet (1.80 FAR) to about 1.64 million square feet (2.53 FAR). Because one of the buildings was later reduced in size, the GFA currently built on the block is about 1.53 million square feet (2.22 FAR).

Most of the surface parking was removed as part of this expansion, but the total structured parking was increased to 2,596 spaces, about 1.7 off-street parking spaces per 1,000 square feet of commercial GFA. Because the project was permitted before the 2001 Citywide Rezoning, the structured parking does not count as GFA for the purpose of zoning limitations.

The expansion slightly reduced the size of the courtyard but maintained its orientation along Main Street. The courtyard was improved with plantings and pathways to make it more usable and inviting, plus restaurants and retail were added along Main Street to activate the space. The resulting development is documented as having 40% open space. However, there is no minimum requirement for open space in the Industry B district and no "special" zoning, like a PUD overlay, that would require publicly beneficial open space.

In 2001, MIT acquired Technology Square (excluding Draper Laboratories, which continues to own its land independently) as an investment property, and assumed responsibility for building out the permitted expansion. In 2006, MIT sold Technology Square to ARE through a long-term ground lease arrangement, in which MIT retains fee ownership of the land but ARE effectively controls the development. Apart from some renovation and rehab of facilities, there has not been substantive development since that time.

After the expansion was permitted, the 2001 Citywide Rezoning reduced the allowable commercial FAR in the Industry B district from 4.00 to 2.75. The height limit remains 120 feet and there are no minimum requirements for setbacks or open space.

Planning Considerations

Though brief, this zoning proposal touches on a range of planning issues. This section is organized into three major parts – the change in use at 161 First Street, the increase in commercial GFA at Technology Square, and the mechanics of the proposed "transfer" between the two districts.

161 First Street – Commercial to Residential GFA

The proposal to convert 161 First Street to affordable housing is strongly supported by the City's planning objectives. It also aligns closely with the planning for Kendall Square and the Alexandria rezoning, all of which treat housing development, affordability, and historic preservation as important public objectives that should complement future commercial growth.

It is typically the Planning Board's role to determine whether a change to a PUD is considered a major or minor amendment. However, this proposed change would likely be treated as a minor amendment because it is a very small component of the PUD, the change in use does not impact its built form, the residential use was approved as part of the original PUD, and changes in use to residential are conventionally treated as minor amendments so long as they conform to zoning.

It is also likely that the proposed change to affordable housing does not require a zoning change at all, although there is some ambiguity that is helpful to clarify. There is no obligation under zoning to develop commercial uses, only a limit on non-residential FAR.

The AHO provides wide latitude to develop affordable housing under flexible regulations, including by not counting residential GFA as part of the FAR limitations of the district.

However, the PUD-4C zoning contains the provision that "Residential Gross Floor Area approved in the Final Development Plan exceeding 220,000 square feet of Gross Floor Area shall be subject to the FAR limitations of the PUD Districts and shall be subject to the provisions of Section 11.200" (Section 13.59.4). The zoning amendment should be worded to clearly resolve that ambiguity.

Technology Square – Additional Commercial GFA

The larger effect of the proposed zoning would be the addition of 250,000 SF of commercial GFA capacity at Technology Square. The proposed "receiving district" currently contains about 1.53 million square feet of commercial GFA, with an existing FAR of about 2.22, below the current Industry B FAR limit of 2.75. The proposed addition of 250,000 SF of allowed GFA would effectively raise the allowed FAR to about 3.12, which would generally align with the effective commercial FAR in nearby areas like the Alexandria Center PUD. It would raise the total limit on commercial GFA to about 2.15 million square feet, or about 618,000 SF more than existing development (excluding structured parking). A chart on page 10 summarizes these figures.

It is not clear from the Petition how the allowed new GFA would be used in a future development plan. Given the current state of the commercial laboratory market, there are probably no immediate plans to build a large amount of additional space. Representatives from Alexandria discussed possibly using the additional GFA to build additions or reconstruct portions of existing buildings to meet tenant needs, which is logical because many of the current buildings in Technology Square are smaller in both GFA and footprint area than more recent commercial laboratory/office buildings.

Technology Square, despite its history as a prototype for Kendall Square's modern economic and urban development, has not had the same level of planning study as other redevelopments in Kendall Square over the past quarter century. The Alexandria Center PUD, MIT's Kendall Square Initiative ("SoMa" and "NoMa"), Boston Properties' "Kendall Center," Biomed Realty's "Canal District" (once known as "Cambridge Research Park"), and MIT's more recent Volpe Site Redevelopment ("Kendall Common") have all been subject to focused planning discussions and the adoption of PUD zoning or similar mechanisms that incorporated planning objectives into the development process. Technology Square remains subject to the Industry B base zoning, which is the most unrestricted zoning classification in Cambridge. However, Citywide project review by the Planning Board is one mechanism that has helped to incorporate general planning and urban design objectives into the development process, and helped shape the most recent phase of development.

CDD staff, in consultation with other departments, have identified some issues that might be incorporated into thinking about future development at Technology Square. Other issues may emerge during the hearing process.

- **Transition Area**. The 2001 Citywide Rezoning identified the planning objective of mitigating transitions between higher-density commercial districts and lower-density residential districts. Article 19.000 includes standards to ensure gradual changes in height and to shift density away from residential areas. Technology Square is one of the few instances of a high-density commercial district directly abutting a lower-density residential neighborhood, including public housing at Newtowne Court and Washington Elms. Expectations for how additional development can help improve the interface between the commercial district and the neighborhood will be an important aspect of any future development review. Specific objectives might include public realm permeability, active ground-floor amenities, and pedestrian access to break down historical barriers between public housing residents and the commercial campus.
- **Historic Development / Courtyard.** Post-war, mid-century development has not always been treated as "historic," but the form of Technology Square reflects an approach to planning and architecture that has historic significance 60+ years later as a starting point in Kendall Square's transition to a worldwide high-tech center. The original arrangement of buildings around a courtyard is an ensemble that continues to have relevance as a space that blends the public and private realms, even as it was retained and updated as an important amenity during the latest phase of redevelopment. Under current zoning, there are no explicit protections or provisions that encourage the retention of open space. There are also no historic protections, though Cambridge Historical Commission staff have indicated that it may take an interest in plans that would impact the original courtyard configuration.
- **Retail / Activation.** The most recent phase of redevelopment notably incorporated retail and restaurant space along the ground story of Main Street, though it was not required by zoning. In other parts of Kendall Square, ground floor activation has been incorporated as an objective in zoning, in some cases with specific standards to be met. Flexibility is important to adapt to market conditions for retail, but it would be important to continue to prioritize ground floor activation in the future.

- **Transportation.** Redevelopment at a large scale would be subject to citywide Project Review, requiring a Transportation Impact Study (TIS), but the zoning for other districts in Kendall Square incorporate other provisions that advance transportation planning goals. Notably, the current off-street parking ratio at Technology Square is higher than typically allowed for new commercial development in the area, so it could be helpful to make lowering the parking ratio an explicit objective similar to other areas in Kendall Square.
- **Infrastructure.** The Department of Public Works (DPW) has identified critical infrastructure needs along Hampshire Street and Galileo Galilei Way to connect stormwater separation systems to the Broad Canal under the City's long-term Combined Sewer Overflow (CSO) plan. Although infrastructure is typically discussed not at the zoning stage but as part of later development review, it may be helpful to discuss high-level expectations before any designs are undertaken.

The current Petition proposes as the only special permit consideration that “the Planning Board shall find that the converted structure supports the Purpose of the PUD 4C Zoning District,” which may be appropriate for approving the change in use on the 161 First Street site but may not provide adequate guidance for reviewing future development plans for Technology Square.

The Petition also states that new development would be “subject to the use regulations of Article 4.000 for the Industry B Zoning District and the dimensional requirements of Article 5.34.” Presumably, this is intended to encompass regulations that would apply to all development of its scale, including Project Review in Article 19.000, sustainable development requirements in Article 22.000 including Green Building Requirements, Green Roof Requirements, Flood Resilience Standards, and Green Factor Standard, and Incentive Zoning contributions to the Affordable Housing Trust in Section 11.202. The latter point may be important to clarify, because development under the PUD-3A and PUD-4C standards is explicitly exempt from Incentive Zoning contributions.

Transfer of Development Rights Mechanism

The wording of the Petition is that “an applicant may transfer density from the PUD 4-C Zoning District to certain land in the Industry B district [designated on the map as the Technology Square Transfer Receiving District].” The concept of “transfer of development rights” (or “TDR”) has been included in Cambridge’s zoning since at least the late 1990s. TDR usually has procedures for development that is allowed in a “donating district” to be built instead in a “receiving district,” often subject to a special permit that controls permitted development on both sites. It is similar to a PUD mechanism that allows development on non-contiguous sites to be treated as one development parcel, but applicable across different districts.

Amount of Transferred GFA

Sometimes, there are incentives incorporated into the TDR mechanism. For example, some TDR districts permit all of the allowable commercial development to be transferred from a donating site while still allowing housing to be built on the donating site. For this Petition, as shown in the table below, the remaining allowable commercial GFA in the Alexandria PUD would be roughly 42,000 square feet. That assumes that the GFA of the proposed affordable housing would not be counted (which should be clarified, see above) and that the remaining commercial development would no longer be available within the PUD-4C District (which is not explicitly stated in the Petition, leaving some ambiguity as to whether the additional commercial development could still be utilized elsewhere in the PUD-4C district). The additional allowable commercial GFA in the Technology Square Transfer Receiving District would be 250,000 square feet. In that sense, the proposal might be viewed as a strong incentive or "bonus" to facilitate the creation of affordable housing.

	PUD-3A + PUD-4C (PB-243)	**Technology Square Transfer Receiving District (PUD-144)**	**Total**
Land Area	491,320 SF	689,534 SF	1,180,854 SF
Max. Non-Residential FAR	3.00 (plus bonuses for land transfers)	2.75	N/A
Total Allowable Non-Residential GFA	1,533,000 SF (1,474,000 SF + 59,000 SF bonus)	1,896,000 SF	3,429,000
Existing Non-Residential GFA	1,491,000 SF	1,528,000 SF	3,019,000
Remaining Non-Residential GFA (before transfer)	42,000 SF	368,000 SF	410,000
Remaining Non-Residential GFA (after transfer)	0 (assumed, unless only the 37,000 SF of the existing building is transferred)	618,000 SF	618,000

ALL FIGURES APPROXIMATE, GFA ROUNDED TO NEAREST 1,000 SF

Given the nature of the proposal, CDD has engaged its on-call Development Economics consultant to provide a report to the City Council comparing the rough financial value of the zoning proposal to the property owner to the financial value of the benefit to the public, in this case the commitment to affordable housing. The Council would consider this information as part of its policy deliberations.

Donating/Receiving Districts

"Donating districts" tend to have planning objectives such as encouraging more modest development or creating and preserving open space. "Receiving districts" tend to be areas with characteristics that would accommodate or encourage additional development, such as taller height limits, a wider range of allowed uses, or availability of transportation infrastructure.

In those respects, the proposed assignment of "donating" and "receiving" areas makes logical sense as housing and historic preservation are objectives explicitly stated in the PUD-4C district, while the Industry B district has a taller height limit and broader range of allowed uses that makes it suitable for additional development.

Procedures

As part of the 2001 Citywide Rezoning efforts, TDR provisions were consolidated into Article 21.000 of the Cambridge Zoning Ordinance, which is not referenced in the Petition. In addition to identifying donating/receiving districts, Article 21.000 helps to provide a structured process for TDR approvals, including guidance on the following:

- Required application materials, including schematic plans for development on both sites, calculation of GFA reductions on the donating lot(s) and GFA increases on the receiving lot(s), and sequencing of development on both sites.
- Potential special permit conditions, including limitations on sequencing and regulation of interim conditions, legal instruments to ensure that public benefits are secured over the long-term if needed to enable additional development rights, and processes of approving final development plans.

The Petition states that the transfer of density is allowed "Upon the issuance of a Building Permit to convert an existing Commercial Building of not less than at least 37,394 square feet to an Affordable housing Overlay (AHO) Project." That helps provide some information about intended sequencing. However, it would be helpful to lay out in somewhat greater detail how the Planning Board approval process would work. The procedures could be similar to Article 21.000 with modifications tailored to this proposal, or could directly reference the procedures in Article 21.000.

ALEXANDRIA REAL ESTATE EQUITIES, INC.

161 FIRST STREET REZONING PETITION

September 22, 2026 | Proprietary & Confidential

ALEXANDRIA®

Building the Future of Life-Changing Innovation®

BINNEY STREET FINAL DEVELOPMENT MASTERPLAN (2019)

Planning Board Special Permit #243

PUD 243 Properties

161 First Street

Existing Buildings

BINNEY STREET / PUD 243 MITIGATION

Timothy J. Toomey, Jr. Park, Rogers Street and Second Street

2.3-acre
open space + $9.5M
for park construction

Opened to the public:
Fall 2021

BINNEY STREET / PUD 243 MITIGATION

The Foundry Building, 101 Rogers Street

52,000 SF Building conveyed to the City of Cambridge

Opened September 2022

BINNEY STREET / PUD 243 MITIGATION

Triangle Park, Binney Street and First Street

0.3-acre
open space

Opened
Fall 2023

BINNEY STREET / PUD 243 MITIGATION / HISTORIC RENOVATION

Multimodal Transportation Hub - 90 Binney Street (2011)

BINNEY STREET / PUD 243 MITIGATION / HISTORIC RENOVATION

Multimodal Transportation Hub - 90 Binney Street

Opened
Fall 2025

Winner of the
Cambridge Historic
Commission
Preservation Award
2025

BINNEY STREET / PUD 243 MITIGATION / HISTORIC RENOVATION

Multimodal Transportation Hub - 90 Binney Street

Publicly Accessible Transportation Hub highlighted by artwork from local mixed-media artist Natalie Miebach

BINNEY STREET / PUD 243 MITIGATION

225 Binney Street Historic Building Restoration (2008)

225 BINNEY STREET SITE

140 SIXTH STREET / 225 BINNEY STREET SITE

BINNEY STREET / PUD 243 MITIGATION

225 Binney Street Historic Building Restoration

Delivered
October 2013

161 FIRST STREET

AFFORDABLE HOUSING REDEVELOPMENT PROPOSAL

161 FIRST STREET (PROPOSED)

View from Binney Street and First Street

161 FIRST STREET (PROPOSED)

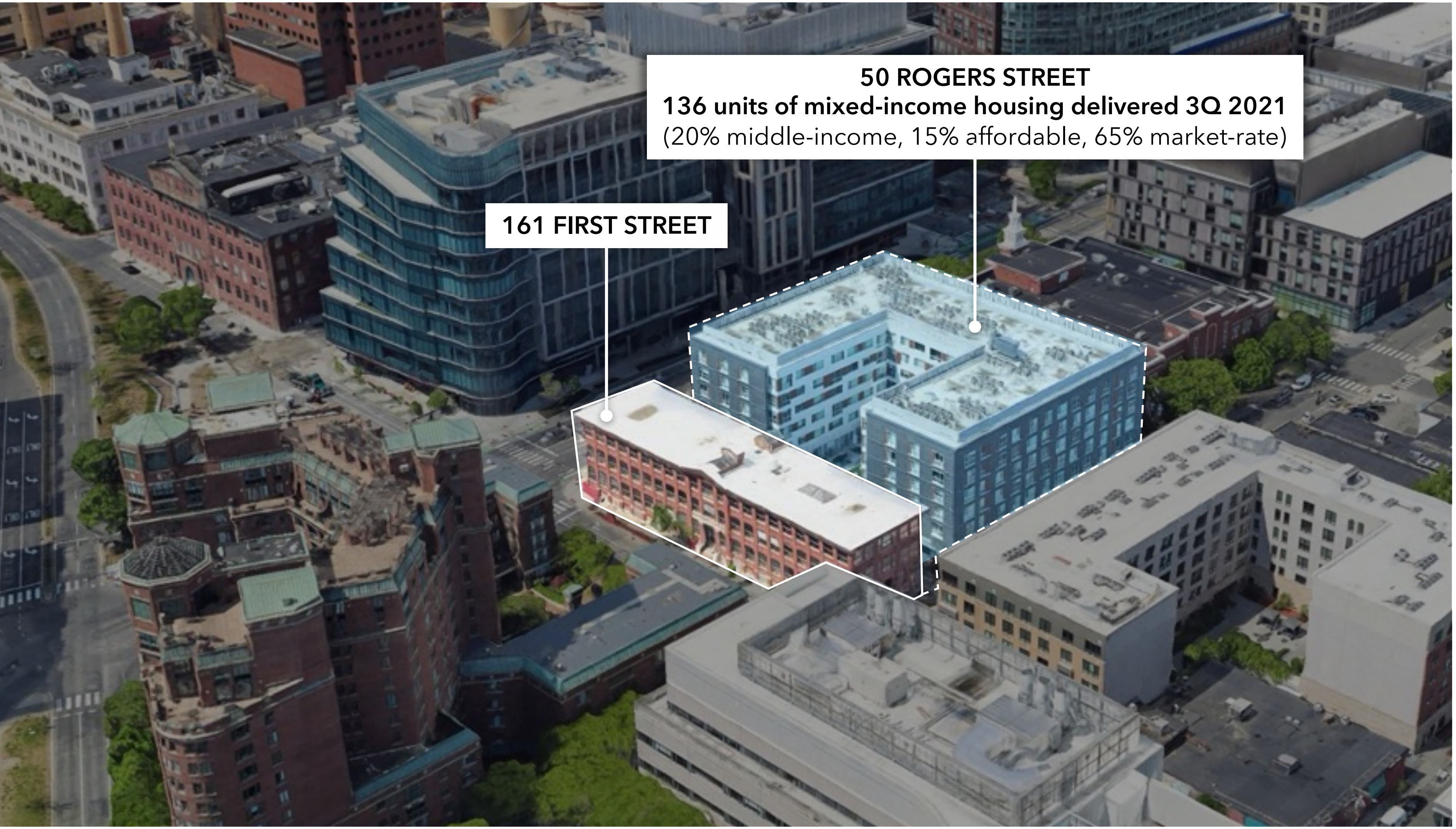
View from Rogers Street and First Street

161 FIRST STREET (PROPOSED)

View from Binney Street toward First Street

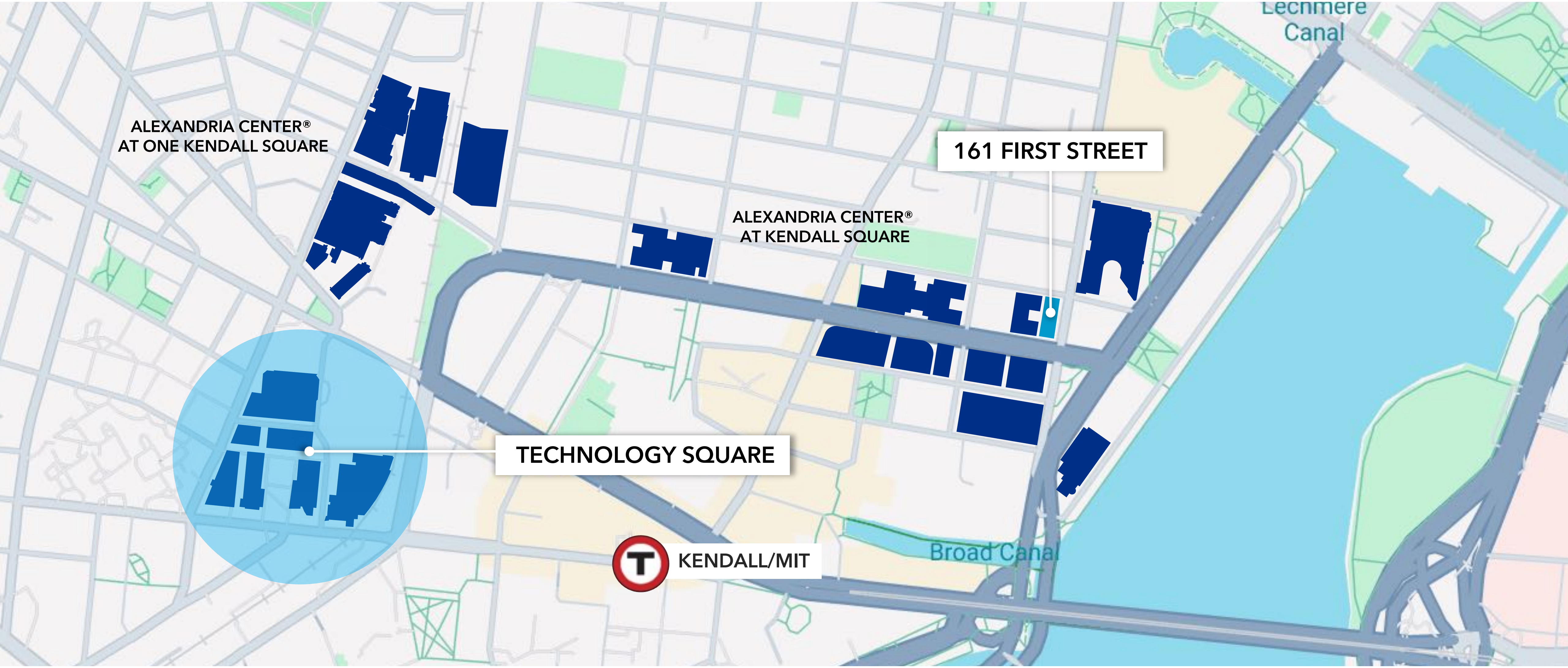
161 FIRST STREET

Existing Conditions



ALEXANDRIA'S KENDALL SQUARE PORTFOLIO

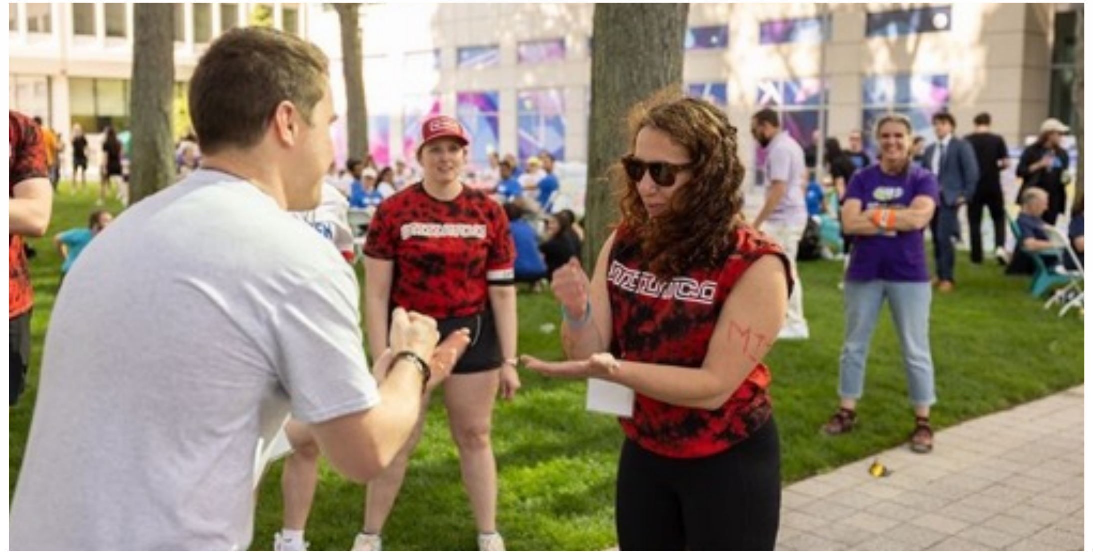
161 First Street Proximity to Technology Square



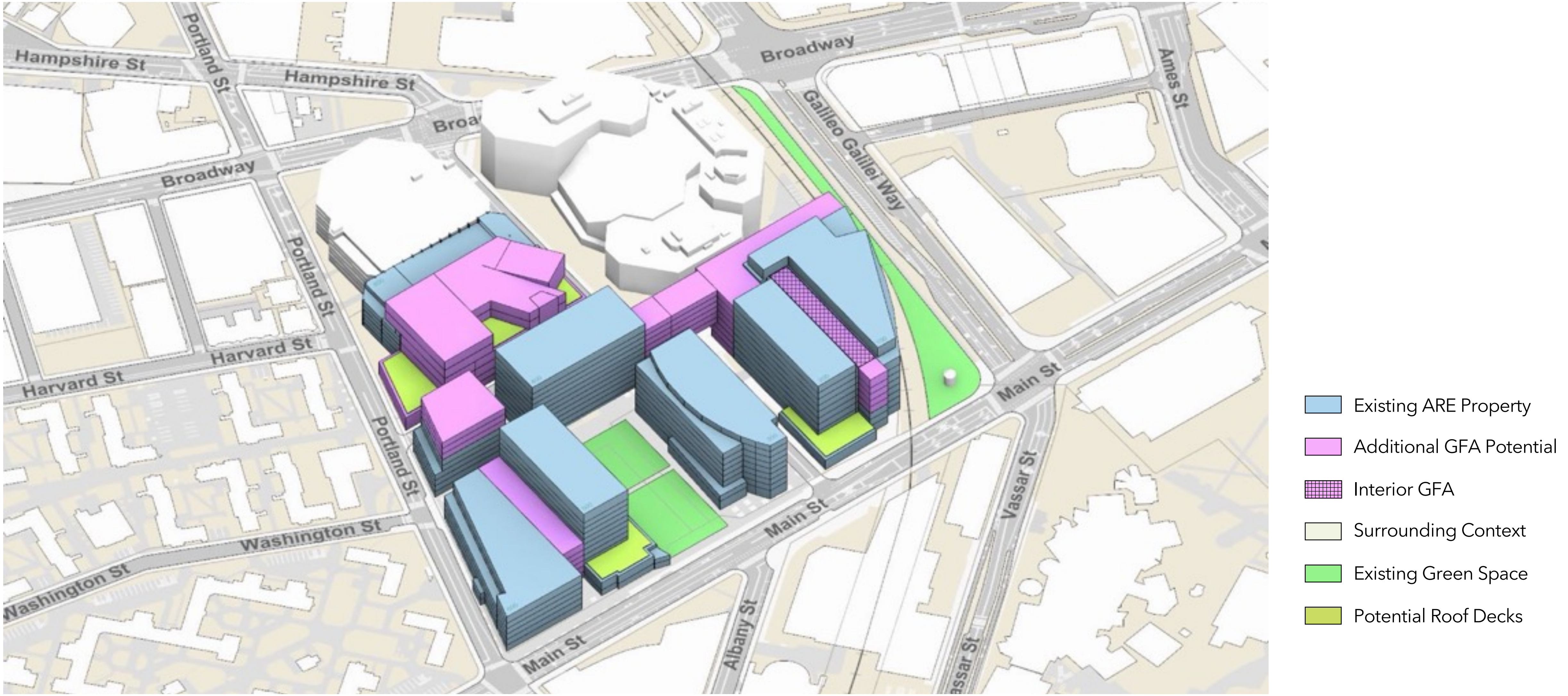
TECHNOLOGY SQUARE

TECHNOLOGY SQUARE

TECHNOLOGY SQUARE



CAMPUS STUDY:
Technology Square



ABOUT BEACON COMMUNITIES

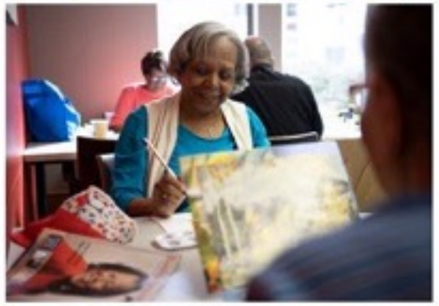
Our Mission

To create and nurture healthy, vibrant and sustainable communities that positively impact the lives of our residents and make enduring contributions to the vitality of our cities and towns.

20,000+	135+	10	800+	45+
Apartment Homes	Locations	States	Team Members	Years Experience

BEACON communities

ABOUT BEACON COMMUNITIES



Beacon Residential Management

Beacon Residential Management provides professional on-site property management and maintenance support. We focus on affordable and mixed-income housing, leveraging local, state, and national subsidies to provide high-quality homes to our residents.

Beacon Development

Beacon Communities Development is a full-service multifamily residential development and acquisition company with offices in Massachusetts, New York, and Pennsylvania. We are focused on locating deals where we can make a real impact and help the most vulnerable, with an emphasis on existing affordable and mixed-income housing.

Beacon Concepts

Beacon's in-house design department, Beacon Concepts, creates sustainable, functional, and beautiful designs for all our communities. We encourage quality living through our design decisions while reducing our residents' utility bills and minimizing environmental impact.

Community Engagement

Our Community Engagement team builds and maintains relationships with our residents, creates connections with service providers in our neighborhoods, and coordinates programming and activities in our communities. This specialized focus allows our residents to stay housed and thrive and helps keep our properties stable and successful.

BEACON communities

161 FIRST STREET

Redevelopment Proposal

- Adaptive reuse of existing historic building into 31 units of affordable family housing
- New amenity spaces, including a management office, laundry, lounge spaces, and an outdoor courtyard
- Financing from 4% Low-Income Housing Tax Credits, State and Federal Historic Tax Credits and Cambridge Affordable Housing Trust

PROPOSED UNIT MIX

TYPE	UNITS	AVG. SIZE
Studio	3	400 SF
1 Bedroom	8	600 SF
2 Bedroom	14	920 SF
3 Bedroom	6	1,200 SF

161 FIRST STREET

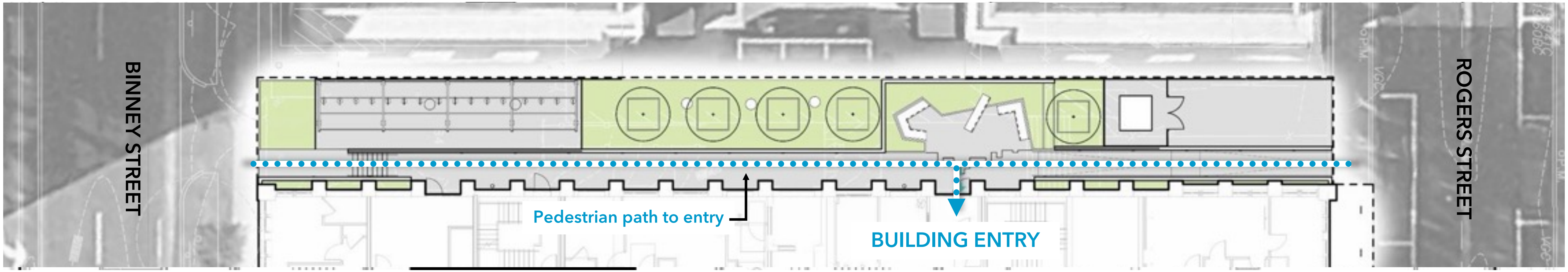
Level 1 Floor Plan

161 FIRST STREET

Levels 2–4 Floor Plans

161 FIRST STREET

Site Plan



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