Date: February 18, 2020

Subject: Incentive Zoning Contribution Rate Zoning Petition

Recommendation: The Planning Board recommends ADOPTION.

To the Honorable, the City Council,

On February 11, 2020, the Planning Board (the “Board”) held a public hearing on a City Council zoning petition (the “Petition”) to amend Article 11.000 of the Zoning Ordinance to increase the Housing Contribution Rate for “Incentive Projects” as defined in Article 2.000. The Petition would amend Section 11.202(b) to increase the Housing Contribution Rate from $17.10 per square foot to $19.10 per square foot. At the public hearing, the Board received a presentation and testimony from the Community Development Department (“CDD”) staff and Karl F. Seidman, the author of the December 2019 Cambridge Incentive Zoning Ordinance Nexus Study Final Report (the “Study”), and heard testimony from members of the public.

Following discussion of the Study and the Petition, the Board voted to strongly recommend that the City Council adopt the Petition. The Board enthusiastically supports the City’s efforts to increase funding for affordable housing production in the City. Further, Board members agreed that the contribution rate should be substantially larger and encouraged the City Council to consider further increases. Board members raised questions about the various assumptions that provided the basis for the Study’s recommendations and urged consideration of other issues, such as displacement of residents in existing housing and the effects of commercial demand on new housing production in Cambridge. Board members also urged consideration of how substantially raising the fee could discourage development, cause increases in commercial rents, or otherwise affect Cambridge’s overall economic balance and competitiveness in a regional market.

Respectfully submitted for the Planning Board,

Catherine Preston Connolly (ss)

Catherine Preston Connolly, Chair.