



# Citywide 100%-Affordable Housing Zoning Overlay

## Why it Matters: Its About Access and Equity

Displacement and increasing rents has been a growing concern for many residents and families in Cambridge, who have consistently ranked the lack of affordable housing as the community's #1 issue in the City's biannual resident surveys. Accordingly, the City Council has made creating and preserving affordable housing its #1 priority goal over multiple terms.

The City has increased its funding to create affordable housing, but cuts at the federal level have reduced resources, even as land and construction costs continue to climb. Current zoning also severely limits where new affordable housing can be built. In many neighborhoods, zoning would not allow existing structures to be rebuilt, let alone the multi-family or townhouse units that are affordable to working families. If construction of new affordable housing is only possible in denser areas of the city affordable housing choices for residents are limited to those areas.

By reforming our zoning, we can help the City's affordable housing partners **access new neighborhoods** and opportunities, streamline the permitting process to reduce costs and use public funding more effectively, **cut down on costly delays**, and allow for a more **equitable approach to growth to enhance the diversity of our community**.

## The Idea: Zoning Overlay for 100%-Affordable Development

- Create a citywide **zoning overlay** to enable 100%-affordable housing development to better compete with market-rate development. This will allow an **as-of-right\*** permitting option for projects that are 100%-affordable
- Allow **density bonuses** for new affordable housing with more flexible zoning dimensional standards (height, **setbacks\*\*\***, open space) and parking
- Allow affordable multi-family and townhouse developments in areas where they are not currently allowed
- Allow the conversion of larger residential buildings to affordable multi-family housing
- Ensure opportunities for community input and design review by the Planning Board for new affordable housing developments

\***As-of-Right Development:** Complies with all applicable zoning regulations and does not require any discretionary action by the Planning Board or Board of Zoning Appeals.

\*\* **Density bonus:** greater number of units and total floor area

\*\*\***Setback:** The distance between a building and property line.

## Process & Timeline

### 2014 - Present

Council's Housing Committee discusses policy changes to address housing crisis including affordable housing zoning overlay concept.

### 2017 - 2018

Envision Cambridge Housing Working Group discusses and recommends the idea. Following input from CDD staff and the community, the concept begins to take shape.

### Early 2019

Final Envision Cambridge report delivered to Council with Housing Working Group recommendations.

### January - March 2019

Housing Committee hears public comment, discusses what should be included in a zoning petition.

### Spring 2019

Zoning petition to enact the 100%-Affordable Housing Overlay filed for consideration by City Council.

### Spring / Summer 2019

Public meetings to discuss petitions by City Council and Planning Board, modifications and amendments considered.

## What is Affordable Housing?

Affordable housing is deed-restricted housing for income-eligible households where residents generally pay no more than 30% of their income for rent or a mortgage. Affordable housing funded by the City ranges from housing designed for formerly homeless individuals to homeownership units for families. Most City-assisted affordable rental housing is targeted to low and moderate income residents earning less than 80% of area median income (see chart). Homeownership housing is typically targeted to be affordable to moderate and middle income residents earning less than 100% AMI.

## Area Median Income (AMI) by Household

Household Size	80% AMI	100% AMI
1 Person	\$56,800	\$75,500
2 People	\$64,900	\$86,300
3 People	\$73,000	\$97,100
4 People	\$81,100	\$107,800
5 People	\$87,600	\$116,500
6 People	\$94,100	\$125,100



## FAQs

### 1. How tall would new buildings be in residential neighborhoods? What about other dimensional standards such as setbacks, openspace, and parking?

Height, setbacks, open space, and parking are interrelated. For example, a taller building with the same floor area as a shorter building can have larger setbacks that can allow for more parking or open space. Based on the density bonus needed to incentivize 100%-affordable housing projects, City staff have been gathering public input about these parameters. Nothing has been decided yet. Additional analysis and discussion is needed to weigh these considerations.

### 2. Will there be community input? How can we ensure good design?

Affordable housing developers would be required to review proposals in community meetings. Design and development requirements would be created. Design review would be done by the Planning Board and would include public input. Projects that do not meet the overlay district requirements for as-of-right permitting could utilize the City's special permit process or the State's 40B permitting process.

### 3. Would this mean historic buildings would be torn down to build new housing?

All buildings that are more than 50 years old are subject to the City's demolition review ordinance, which would not be impacted by the 100%-Affordable Housing Zoning Overlay. Local affordable housing developers also have a long and successful track record of working with the Cambridge Historical Commission to preserve, renovate, expand and re-use historic buildings as affordable housing.

### 4. Who would be able to take advantage of this zoning overlay?

Any developer – public, non-profit, or private – building 100%-affordable housing, would be able to utilize the overlay zoning. Private developers building market-rate housing (with required inclusionary housing) would not receive incentives through 100%-affordable housing overlay. Affordable housing created through the overlay would have deed restrictions to ensure permanent affordability.

### 5. How much new development would result from this zoning overlay? How would it help create affordable housing?

100%-affordable housing developments require significant public funding from the City, State, and Federal sources. City funding at current levels typically produces 50-60 new units per year, and based on projections, the City expects to fund 600-650 new affordable housing units by 2030 in addition to those created through inclusionary zoning in market rate buildings. However, without zoning intervention to support affordable housing, meeting this target will be difficult.

Currently, affordable housing development is financially viable only in certain parts of the city, and properties being sold on the market often receive multiple bids – from affordable housing developers as well as market rate developers who are willing to pay more. Allowing an affordable housing development to create more housing units on a property will enable affordable housing providers to be more competitive with market-rate developers. This will result in City funding to be utilized in a more effective and efficient manner and will help the City reach its affordable housing goals more quickly. In other words, reduced development costs will mean more affordable housing can be created with available public funding.

### 6. What would happen to street level retail space?

This idea is not intended to impact active retail space. Creating new housing benefits small retailers by growing their customer base, and affordable housing developments built in active corridors often incorporate street level retail. Overlay provisions could require ground floor retail in key locations and properties that have had active ground floor retail use. Where retail is feasible, the City, the Affordable Housing Trust, and local affordable housing developers would then work to include it

## Affordable Housing Distribution by Neighborhood

as of 6/30/2018

	Afford-able Units	% of All Affordable Housing	Total Hous-ing Units	Affordable Housing %
1. East Cambridge	932	11.5%	7,553	12.3%
2. MIT	36	0.4%	1,542	2.3%
3. Wellington-Harrington	620	7.6%	3,015	20.6%
4. The Port	1,107	13.6%	3,206	34.5%
5. Cambridgeport	1,296	16%	6,491	20%
6. Mid-Cambridge	455	5.6%	6,736	6.8%
7. Riverside	669	8.2%	4,016	16.7%
8. Agassiz	111	1.4%	2,086	5.3%
9. Neighborhood 9	586	7.2%	6,004	9.8%
10. West Cambridge	53	0.7%	4,210	1.3%
11. North Cambridge	1,862	22.9%	7,612	24.5%
12. Cambridge Highlands	233	2.9%	1,108	21%
13. Strawberry Hill	157	1.9%	1,134	13.8%
	8,117	100%	54,713	14.84%

### Questions or Comments?

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