

CAMBRIDGE AFFORDABLE HOUSING TRUST  
MEETING MINUTES  
October 23, 2014

City Manager's Office, City Hall  
795 Massachusetts Ave.

- Trustees Present: Richard Rossi, Chair; Peter Daly, Michael Haran, Cheryl-Ann Pizza-Zeoli, James Stockard, William Tibbs
- Trustees Absent: Florrie Darwin, Gwen Noyes, Susan Schlesinger
- Staff Present: Brian Murphy, Assistant City Manager for Community Development; Chris Cotter, Housing Director; Cassie Arnaud, Housing Planner; Anna Dolmatch, Housing Planner; Linda Prosnitz, Housing Planner;
- Others Present: Elaine DeRosa, James Williamson

The meeting was called to order at 4:00 pm.

Upon a motion moved and seconded, it was voted to approve the minutes from the September 18, 2014 meeting.

**PROJECT UPDATE –**

**Jefferson Park State Public Housing** – BZA voted to approve CHA's comp permit application. It was suggested that it could be a good idea for Trust members to meet with members of the BZA to discuss City housing policies and priorities, to help guide BZA members in evaluating affordable housing proposals in the future.

**Putnam Square/2 Mt Auburn** – All financing closed renovations underway.

**131 Harvard Street/Port Landing** – The project was funded in the most recent DHCD rental round. Closing on construction funds expected February 2015.

**117 Rindge Ave** – All financing has closed and construction is underway.

**Bishop Allen Apartments (aka Norstin)** – All financing has closed, construction underway.

**Temple Place Apartments** – Construction is underway with anticipated completion in 2015.

**New Business**

**Updates on Incentive Study & upcoming Inclusionary Study**

Trust members were updated on the status of two housing-related zoning studies. The Incentive Study is currently in progress, with a final report in early 2015. In response to questions for several Trust members, staff provided a brief overview of the work of the study team, the survey of employees undertaken, and some of the data and assumptions being used by the consultant team producing the Incentive Study.

Staff described a variety of ways in which the Inclusionary program could be updated to better reflect current city housing goals. Staff explained that the most advisable way to consider the current impacts and update the requirements of private developments was to conduct a new Inclusionary Study. Staff are working with the Law Department and others on finalizing an RFP for a consultant team for the new Inclusionary Study, and will bring a request for funding for the study to an upcoming Trust meeting. In response to questions around timing, and whether or not a study was necessary in order to increase the rate, the City Manager noted that while everyone, including staff, was equally eager to update the Ordinance as soon as possible, there were important legal considerations which need to be incorporated into the process to be sure the success to date could be carried forward and built upon.

### **Change to Policy for Overincome Tenants in Inclusionary Rental Housing**

Staff presented a proposal to update the policy on over-income tenants in Inclusionary rental housing by increasing the over-income limit to 100% of Area Median Income (AMI). By way of background, staff explained that the incomes of tenants in inclusionary rental units are recertified annually, and the City's longstanding policy to ensure that inclusionary units are available to income-eligible tenants requires tenants whose income upon recertification exceeds 80% of the calculated AMI ( i.e. "City 80%") to move into market housing within 12 months of their being determined "over-income" for the inclusionary program. The impetus behind this change is to continue to serve existing inclusionary tenants whose incomes have increased above the 80% income limit, but not enough to be able to afford market rents. . Trust members asked and were reassured that the income limit for entry to the program would remain at the City 80% AMI standard, and that tenants whose incomes exceeded the new 100% AMI standard would be subject to the over-income policy and would need to be relocated into market housing within a one year of exceeding this new income limit.

As the Trust has the authority to approve policies and standards for the Inclusionary Housing Program, staff recommended that the Trust approve this change in the Inclusionary Housing Program policies. Trust members requested that staff report back on the impact of this change, with the understanding that it should be revisited and reconsidered periodically from time to time.

Upon a motion moved and seconded, it was

VOTED: to approve the above-referenced change in the Inclusionary Housing Program policies to allow tenant households who were income-eligible at initial occupancy and whose incomes later exceed the program's income limit at a subsequent income recertification, to be considered eligible households so long as their household income does not exceed 100% of AMI and they otherwise remain eligible. All other policies and procedures of the Inclusionary Housing Program shall remain in effect for any affected tenant households. The approval was subject to the condition that staff members will monitor the impact of the change and report back to the Trust periodically with the understanding that the Trust may request that this change in policy be revisited at some point in the future.

### **Overview of Middle Income Survey Results**

Staff provided the Trust with a summary of the findings of the recently completed middle-income housing survey. As discussed at prior meetings, staff engaged a professional survey

company to conduct a survey, funded by the Trust, of middle-income households. The purpose of the survey was to better understand housing priorities of middle income residents and to understand how they might respond to typical affordable housing program requirements. The results of this survey will help inform the next steps needed to be taken to learn more about middle-income housing needs and the demand for middle-income affordable units.

Staff provided an overview of the survey, including the questions posed, responses received, and the findings, while cautioning that final conclusions may not yet be drawn given some of the limitations of survey response. Nevertheless, the results were revealing in that it appears that many of the same priorities and concerns are shared among different income groups. For example, 82% of respondents said housing affordability was important, and a majority of respondents stated they would accept all of the conditions currently required for inclusionary tenants, except for the occupancy standards that disallow extra rooms. There were differences among households with and without children with regards to some topics such as parking availability.

It was noted that the results were mostly hypothetical, since most respondents were homeowners who intend to stay in their homes. Households who are in need of housing would likely have had different responses. Staff intend to provide access to an electronic version of the survey on the City website and to conduct outreach to neighborhood groups, business organizations, and others to gather a broader range of responses.

### **Other Updates**

Trust members expressed interest in discussing the recent City Council Housing Roundtable at an upcoming Trust meeting. Trust members also raised some ideas of ways to further address housing needs, including exploring alternative housing types. It was suggested that this follow-up discussion could be held at the November or December Trust meeting.

Staff provided a quick update on the ongoing review of the City's resident selection policies. Staff reported that a subset of the Trust had met with staff on reviewing the resident selection policies, including preferences. Staff reported that the group would meet again with a goal of bringing a recommendation on possible changes to the Trust for further discussion.

Finally, staff announced that CDD would be hosting four specialized sessions in 2015 for existing limited-equity owners. There would be separate sessions for owners in Inclusionary developments, owners in non-profit developments, and owners of financial assistance program units as each type of resident faces different types of challenges. The purpose of the sessions would be to invite owners to share questions and ideas, meet staff and other owners, and help staff identify ongoing needs and issues being faced by these limited-equity owners.

### **Adjournment**

The meeting adjourned at 5:10 p.m. The next meeting is scheduled for Thursday, November 20 at 4:00 p.m.

### **OTHER MATERIALS**

- Meeting Minutes from the Trust's September 2014 meeting
- Project Update
- Memo on Middle Income Survey

- Memo on Updating Inclusionary Rationale Study
- Memo on Over-Income Tenants in Inclusionary Rental Units