



CITY OF CAMBRIDGE
Community Development Department

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Affordable Housing Trust

April 25, 2024, 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

- Review of Meeting Minutes
- Update from the Community Development Department
- Homebuyer Buydown Assistance: recommended changes to assistance amounts and guidelines used for use of previously approved funds to reduce purchase prices for certain eligible homebuyers;
- Griffin Shepherd, et al. Zoning Petition: a zoning petition has been filed to amend provisions of the Zoning Ordinance which address the Affordable Housing Trust;
- Move to Enter Executive Session to Discuss:
 - A Request for Cambridge Housing Authority for Funding for Acquisition of New Property:
 - The acquisition and value of real property will be discussed in executive session as discussing it in open session could have a detrimental effect on negotiations;

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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 CDD office, by 5:00 p.m. the day before the meeting.

- all votes will be taken by roll call; and,
 - the Trust will not reconvene in open session.
- Adjournment

CAMBRIDGE AFFORDABLE HOUSING TRUST
MEETING MINUTES
March 28, 2024 at 4:00 p.m.

Conducted via Zoom and in person (City Hall, Ackermann Room)

Trustees Present in Person: Yi-An Huang, Chair; Teresa Cardosi, Alyson Stein, Jim Stockard, Bill Tibbs, Elaine Thorne

Trustees Present via Zoom: Florrie Darwin, Elaine DeRosa, Susan Schlesinger

Staff Present: Chris Cotter, Housing Director; Iram Farooq, Assistant City Manager for Community Development; Cassie Arnaud, Senior Manager for Housing Development; Janet Haines, Housing Planner; Christine Yu, Associate Housing Development Planner; Anna Dolmatch, Senior Manager for Homeownership; David Guzman, Asset and Compliance Manager

Others Present: Lee Farris, Sue Reinert, David Webster, Raffi Mardirosian, Susan Gittelman, Caleb Danforth

The meeting was called to order at 4:04 p.m. Mr. Cotter explained that this meeting of the Affordable Housing Trust would be held in a hybrid fashion pursuant to applicable requirements, that all votes would be taken by roll call, and that there would 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 and seconded, by roll call of nine in favor, it was voted to approve the minutes for the meeting of March 6, 2024.

CDD UPDATE

HomeBridge: There are 12 active buyers in this program looking for a home.

Resale Program: There are 22 resale units in process.

Jefferson Park Federal: Demolition is complete and initial site work is underway. Staff are working with CHA on the full construction closing.

Rindge Commons Phase 1: Construction is almost complete, and the lease-up process will begin soon. Staff are in discussions with JAS about the second phase of this project.

Walden Square II: Winn had its first Planning Board design advisory meeting on Tuesday, March 12th. Staff are reviewing a Trust funding request and will present that to the Trust at an upcoming meeting.

35 Cherry Street: Staff are in discussions with JAS about their plans to develop homeownership units at this site. Staff and Trustees discussed JAS's design and community process.

OTHER BUSINESS:

Homeownership: A new homeownership lottery application process for three units at 1055 Cambridge Street began on March 25th and will close on April 29th. Staff are also working on implementing the new policy changes that the Trust approved earlier this year.

Zoning Petition: A zoning petition was presented to the Council regarding potential changes to how the Affordable Housing Trust operates. Staff will put the petition on the agenda for the April Trust meeting.

Upcoming Housing Committee on Vouchers: The City Council Housing Committee will discuss the feasibility of municipal-funded housing vouchers on April 30th.

Ms. DeRosa asked how these vouchers will be funded. Mr. Cotter answered that that would be part of the discussion but that the funding could potentially be requested from the Trust.

NEW BUSINESS

Blanchard Road Funding Request

Mr. Cotter presented a funding request from B'nai B'rith Housing (BBH) for up to \$18,169,120 to assist with their plans to develop 110 units of affordable senior housing at 87-101 Blanchard Road. Although this project is BBH's first development project in Cambridge, BBH is an experienced affordable housing provider with a strong history of affordable housing development in the Boston Area and has a portfolio of senior housing developments.

The proposed project will be a six-story building, stepping down to 4 stories, with 110 one-bedroom units of affordable rental housing for seniors, community space, a fitness room, and other amenities. All units will be restricted to 60% AMI, with 33 of those units being offered to residents at 30% AMI. Supportive services will also be provided to residents, such as assistance with health care, transportation, and social programs.

This project will be the first senior project that the Trust has seen in several years. BBH has provided information from the Metropolitan Area Planning Commission (MAPC) on the existing demand for affordable senior housing in Cambridge, as well as information collected from local senior agencies.

BBH estimates this project's total development cost to be \$71,068,794 or \$646,080 per unit. Development will occur in two phases to maximize the allowable amount of state funding and project-based vouchers. BBH is proceeding with the project under the Affordable Housing Overlay (AHO) and has completed the AHO community process. They are in the design review stage with the Planning Board and had their first meeting in January 2024.

After Mr. Cotter provided an overview of the proposal, staff and Trustees discussed services that senior residents may benefit from and how the commercial space at the site will serve residents and the community. Ms. Cardosi suggested that coordinating veterinarian visits to the site might be a useful service to explore, since many seniors have pets.

Trustees commented on the increased need for senior housing and how the Trust should fund more of these types of projects. Ms. Schlesinger mentioned that inclusionary zoning typically produces more one-bedroom units, though those units may not provide enough supportive services for seniors. While the Trust has funded some senior housing in the past, the primary option for senior housing is the Cambridge Housing Authority.

Ms. Stein noted that there is a wave of seniors who want to age in place and suggested that the Trust might want to expand its prioritization to include housing for seniors. Staff and Trust members agreed that other proposals for similar service-enriched housing from experienced housing providers should certainly be considered when they arise. Mr. Cotter emphasized BBH's commitment to and experience in producing senior housing and agreed that staff are open to working with other experienced providers that can help address the housing needs here.

Ms. Stein asked why the Trust historically has prioritized family-sized units over smaller units. Several Trustees answered that there is a significant need for family-sized units in Cambridge that are explicitly affordable, which is not being met by the housing being produced in the market and by extension through the Inclusionary program. The housing produced by the market and made affordable through inclusionary zoning has been mostly smaller units, studios and one-bedrooms so the Trust has prioritized the production of larger units. It was also noted that the priority demand for family sized units has been a concern dating to the end of rent control when many families were displaced. Staff also noted the overall goal of maintaining families in Cambridge, given the well-resourced schools.

Prior to voting, staff responded to questions from some members regarding the amount of Trust funds available for requests like this. Staff noted that there were sufficient funds available to cover this request and that staff would prepare a more detailed update on the Trust's fund balance at an upcoming meeting and note amounts of funds that have been committed, obligated, and spent.

Upon a motion moved, seconded, and approved by roll call of nine in favor, it was:

VOTED: to approve the Trust funding request of up to \$18,169,120 from BBH to assist with their plans to develop 110 units of affordable housing at 87-101 Blanchard Road, as outlined and subject to the terms and conditions set out in the Trust briefing materials.

Print Shop Condominium Request

Mr. Cotter presented a request to amend a condition for the funding request for the Print Shop Condominium. In October 2023, the Trust approved up to \$3,000,000 in funding for exterior work at the Print Shop to address its water issues in order to preserve the building. During the preparation for loan closing, staff determined that making funds available with a 50-year loan term is not the most advisable approach for this loan, and that a loan term of less than 50 years will give flexibility to work with the condo association to select a term that works best for the condominium structure and the Trust's terms and conditions.

In response to questions regarding the need for the amendment as well as what repairs are needed, staff answered that the repairs were primarily needed for the exterior of the building, such as the roof. Additionally, this amendment is needed because the affordability is already in place going forward for these the units, but the term is associated with the loan. Ms. Schlesinger asked if the Trust has done this

type of funding before. Mr. Cotter answered that the Trust has not done this type of funding before. Ms. Dolmatch noted that with long-term affordability in place already, having a long-term loan may impede their ability to finance other needed work in the future.

Upon a motion moved, seconded, and approved by roll call of nine in favor, it was:

VOTED: to approve an amendment to Item #11 in the conditions for the funding request for the Print Shop Condominium voted and approved on October 26, 2023.

Neville Communities Funding Request

Mr. Cotter presented a request from Neville Communities, Inc. (NCI) for an additional \$3,225,500 in Trust funding to assist with capital work at their 71-unit assisted facility, Neville Place. He reminded the Trust that Neville Place is separate from NCI's adjacent skilled nursing facility, Neville Center, and that both were part of a partnership of several public agencies, including the Trust, which together formed Neville Communities, Inc. This funding increase would bring the total requested Trust funding for Neville Place to \$5,670,500.

The Trust's 2023 funding approval was subject to several conditions, such as obtaining a commitment to refinance the existing mortgage, forming a working group to review and update the tenant selection procedures, and the creation of a plan to increase utilization of the project-based voucher resources. Some of the funding would be available early for immediate capital needs while the remaining funding would be disbursed over time, once specific funding conditions are met. Staff recommended that these conditions remain and that an additional condition be added to require a new Capital Needs Assessment (CNA) by a third-party professional to determine both the scope and priority of future capital needs.

This current request for \$5,670,500, an increase of \$3,225,500 to the \$2,445,000 approved last year, will help complete planned capital repairs for over the next five years. The need for additional Trust funding is due to increases in capital costs, as well as an expanded scope of work.

Chair Huang provided an overview of the history of the property, its unique relationship with the City, and its importance as a housing resource. Mr. Stockard provided background information based on his experience sitting on the Neville Board, as the Trust's representative to the Board. Both Mr. Stockard and Chair Huang commended the staff for their diligent work to find ways to resolve and address a complicated problem.

Ms. Thorne asked if Neville only takes Cambridge residents. Mr. Cotter answered that anyone can apply for housing at Neville but that the resident selection policy includes a preference for Cambridge residents.

Staff and Trustees discussed Neville Manor's cash flow, debt service coverage ratios, and the size of their loans. Staff informed Trustees that the pandemic negatively impacted Neville Manor's finances to the point where their DSRC dropped below desired ratios, but that cash flow seemed to now be returning to normal, healthy levels. It was noted that the cash flow at Neville Center, the nursing facility, was more strained. Trustees expressed concerns about NCI's ability to refinance given this but agreed that having the Trust's funding approval for capital work at Neville Manor will show good faith to lenders who might refinance the existing mortgage.

Upon a motion moved, seconded, and approved by roll call of nine in favor, it was:

VOTED: to approve the Trust funding increase request of up to \$5,670,500 from NCI to assist with renovation work at their 71-unit assisted living facility, Neville Place, as outlined and subject to the terms and conditions set out in the Trust briefing materials.

MOVE TO EXECUTIVE SESSION

Mr. Cotter indicated that the next item for discussion before the Trust pertained to details regarding the potential acquisition of real estate. Due to the sensitive information to be discussed, continuing in open session might have a detrimental effect on the negotiations. At 4:57 PM, Mr. Cotter entertained a motion to go into Executive Session to discuss this matter and indicated that the Trust would adjourn at the conclusion of the Executive Session.

Upon a motion moved, seconded, and approved by roll call of nine in favor, it was:

VOTED: for the meeting to go into Executive Session.

ADJOURNMENT

Upon a motion moved and seconded, by roll call of nine in favor, it was voted to adjourn the meeting.

The meeting adjourned at 4:44 p.m.

The next meeting is scheduled for April 25, 2024 at 4:00 p.m.

Meeting Materials:

- Agenda
- Minutes from the Trust's March 6, 2024 meeting
- Project Update
- Blanchard Road Funding Request Memo 3.28.2024
- Print Shop Condominium Term Update Request Memo 3.28.2024
- Neville Communities Inc. Funding Request Memo 3.28.2024

Cambridge Affordable Housing Trust

April 25, 2024

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	CDD	<i>currently approved buyers:</i>	13	92 scattered site units purchased by first time buyers to-date. Trust approved expanded subsidy share in August 2023. Online application now available. One unit closed this month. One unit under agreement.	N/A	\$24,200,000	1-br: 50% sale 2-br: 60% sale 3-br: 65% sale	several, including most recent: February 2023
2.	Homeownership Resale Program	CDD	<i>currently active units:</i>	22	Re-purchase, rehab and re-sale of affordable homeownership units to new homebuyers. Two units under agreement.	N/A	\$10,000,000		December 2011
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. Additional public meetings will be scheduled but are currently on hold pending the legal action taken by former owner.	TBD	TBD	TBD	N/A
4.	2072 Mass. Ave.	Capstone Hope	TBD	TBD	Capstone/Hope purchased site in April 2018 and sought a comprehensive permit to enable the construction of a new 48 unit affordable housing building but withdrew their request at the September 2021 BZA hearing; they remain committed to creating affordable housing at this site and are assessing next steps and options.	TBD	\$5,071,000	TBD	February 2018 and June 2021
5.	52 New Street	JAS	106		JAS purchased the site in early 2020 and is permitting the project through the Affordable Housing Overlay. After JAS held 3 AHO community meetings, the proposal was reviewed by the Planning Board at the two advisory design review meetings on 10/16/21 and 1/4/22 and a final Planning Board report has been issued. Construction closing completed in December 2023; construction underway.	TBD	\$18,025,390	\$170,051	October 2019, June 2021, January 2022
6.	Park View Coop (24-26 Corporal McTernan Street)	Park View Coop		12	Funds committed May 2021; closing completed October 2022; renovations nearing completion.	\$4,986,321	\$4,199,215	\$349,935	March 2019 and May 2021
7.	Rindge Commons - Phase 1 (site of 402 Rindge Ave)	JAS	24		In June 2020, the Trust approved funding for the first phase of Rindge Commons. Project received a comprehensive permit in August 2020 and began construction in June 2022. The CAHT loan at closing was \$3,706,358 or \$154,444 per unit. This is a \$543,342 reduction from the original loan commitment. Construction complete; lease-up underway with first tenants already moved in.	\$17,307,771	\$4,250,000	\$177,083	June 2020
8.	Broadway Park (240 Broadway)	JAS		15	In March 2021, the Trust approved funding to create 15 affordable homeownership units. JAS has had several community meetings to review its proposal with the intention of seeking a comprehensive permit for this development. JAS also will be seeking to assemble remaining funding needed for this development.	TBD	\$3,600,000	\$240,000	March 2021
9.	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. After the CHA held 3 AHO community meetings, the proposal was reviewed by the Planning Board at the two advisory design review meetings required by the AHO, first on 11/9/21, and again on 2/15/22. A final Planning Board report has since been issued. The CHA completed a 'dry closing' in late December 2023, in preparation of the full construction closing to occur in early 2024. Demolition complete; site work underway. Preparing for full construction closing.	TBD	\$43,611,615	\$156,876	September 2021
10.	35 Harvey Street	HRI / Cascap	12		In November 2021, the Trust approved funding to assist with the renovation and reconfiguration of Harvey Street from SROs to studio apartments. HRI has closed on funding November 2023 and work is now underway.	TBD	\$3,339,437	\$243,139	November 2021
11.	4 Mellen / 1627 Mass. Ave.	HRI	29		In January 2022, the Trust approved funding to assist with 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 held first AHO Community meeting on 9/15/22. Second community meeting held 3/15/23. First advisory design consultation with Planning Board held 7/18/23 and second advisory design consultation held 12/5/23. Planning Board final design report issued on 12/20/23. State funding application submitted.	TBD	\$10,425,000	TBD	January 2022 and August 2022
12.	116 Norfolk Street	CHA	62		In August 2022, the Trust approved funding to assist in the renovation and expansion of an existing 38-unit SRO to create 62 studio apartments for individuals moving beyond homelessness. CHA completed AHO advisory design review in late 2022 and closed on funding in December 2022; construction is underway.	TBD	\$10,161,150	\$163,890	August 2022
13.	35 Cherry Street	TBD	TBD	TBD	In March 2022, the City Council approved the disposition of this property to the Trust for creation of affordable homeownership housing. Transfer from MIT complete. After RFP, Just A Start selected as developer at its October Trust meeting. JAS preparing for community process.	TBD	TBD	TBD	March 2022
14.	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.	TBD	\$10,750,000	\$233,696	October 2022
15.	37 Brookline Street	JAS	TBD	TBD	JAS acquired the site in July 2023 and will begin a community process in 2024 to review design and development plans for the site.	TBD	\$2,064,000	TBD	March 2023
16.	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. Staff are working with NCI on due diligence items in advance of closing, including the forming of a working committee to review tenant selection procedures. Increase of Trust funds request approved 3/28/24.	\$2,445,000	\$5,670,500	\$34,437	May 2023
17.	30 Wendell Street	HRI	TBD	TBD	HRI completed the acquisition of 30 Wendell Street from Lesley University on 11/30/23. First AHO meeting held 2/14/24.	TBD	\$6,357,000	TBD	August 2023
17.	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 plans to permit the site under the AHO. First AHO PB meeting held in January 2024; BBH preparing for second AHO PB meeting.	TBD	\$18,169,120	\$34,437	August 2023
Total Units			800						

Cambridge Affordable Housing Trust

Status of Affordable Housing Overlay (AHO) Developments

AHO Development	Developer	AHO Status & Activity	Rental Units	Ownership Units	Development Status
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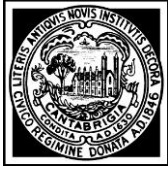
1.	52 New Street	Just-A-Start Corporation	AHO Community meetings held on 2/25/21, 3/25/21, and 4/15/21. Planning Board design consultation held on 10/26/21 and 1/4/22. Design consultation completed January 2022; Final Planning Board report issued 1/20/22 and was transmitted to the Trust on 1/27/22. Construction closing occurred on 12/29/2023.	106		Design Consultation 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 design consultation held 11/9/21 and 2/15/22. Final Planning Board report issued 3/9/22 transmitted to the Trust on 3/24/22. Preparing for construction loan closing.	278		Design Consultation 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. First Planning Board advisory design meeting held 3/12/24.	95		Original submission withdrawn; AHO community meetings complete; preparing to begin Design Consultation process underway.
4.	49 6th Street	POAH & Urban Spaces	AHO Community meetings held on 7/27/21 and 11/3/21. First Planning Board advisory design consultation meeting held 4/5/22. Second design consultation meeting was held on 6/28/22; Planning Board report issued 7/14/22 and transmitted to the Trust on 8/4/2022. Assembling remaining funding needed to begin construction.	46		Design Consultation Complete; see above
5.	116 Norfolk Street	Cambridge Housing Authority	First AHO community meeting held 2/10/22. Second community meeting held 4/26/22. First Planning Board advisory design consultation meeting was held on 11/16/21. Second advisory design consultation held 9/13/22. Planning Board report issued on 10/28/22 and transmitted to the Trust on 11/17/2022. Closed 12/2022; under construction.	62		Design Consultation Complete; see above
6.	1627 Mass. Ave./4 Mellen	Homeowner's Rehab Inc	First AHO community meeting held 9/15/22. Second community held 3/15/23. First advisory design consultation with Planning Board held 7/18/23, second design consultation held 12/5/23. Final Planning Board report issued 12/20/23 and transmitted to the Trust on 1/25/2024. Assembling remaining funding needed to begin construction.	29		Design Consultation Complete; see above
7.	87-101 Blanchard Road	B'nai Brith Housing	AHO community meetings held 10/4/2023 and 11/10/2023. First Planning Board advisory design meeting held 1/23/2024.	110		AHO community meetings complete; Design Consultation process underway.
8.	30 Wendell Street	Homeowner's Rehab Inc	First AHO community meeting held 2/14/24.	TBD		AHO community meetings underway.

Status of Active Inclusionary Housing Developments

	Approved Active Projects	Developer	Status	Rental Units	Ownership Units	Applicable zoning
1.	95-99 Elmwood	95-99 Realty	All units have been sold to new homebuyers.		4	Ordinance prior to revision
2.	55 Wheeler Street	Toll Brothers	Covenant recorded 3/12/21. Building Permit issued 3/16/21. Under Construction. First phase complete. Residents moving in; tenant selection continuing.	99		Revised ordinance at 20% sf requirement
3.	40 Thorndike Street, Court House	Leggat/McCall	Covenant recorded. Building Permit issued. Under construction	48		All units are affordable
4.	605 Concord Ave.	Abodez Acorn	Covenant recorded; Building Permit issued 12/9/21. Under Construction.	7		Revised ordinance at 15% sf requirement
5.	3-5 Linnaean	Willow Land Corp.	Covenant recorded; Tenant selection underway.	1		Zoning for basement housing overlay
6.	1043-1059 Cambridge St.	418 Real Estate	Covenant recorded. Building permit issued 7/11/22. CDD currently accepting applications through April 29.		3	Revised ordinance at 20% sf requirement
7.	121 Broadway	Boston Properties (BXP)	Covenant recorded 12/28/23. Building permit issued 3/21/24.	102		MXD zoning - 20% Inclusionary + 5% Middle-Income

Under Development:	257	7
Completed Units:	1124	211
All Units:	1381	218
	<hr/>	
	1599	

	Active Pipeline Projects	Developer	Status	Rental Units	Ownership Units	Applicable zoning
1.	8 Winter Street	8 Winter St LLC, DND Homes	Inclusionary Housing Plan approved; preparing Covenant	3		Revised ordinance at 20% sf requirement
Subsidy amount needed to create Affordable Dwelling Unit Net Floor Area for Inclusionary Housing not created pursuant to Section 11.203.3 (i):				\$450 / per square foot		



CITY OF CAMBRIDGE

Community Development Department

MEMORANDUM

To: Affordable Housing Trust

From: Christopher Cotter, Housing Director
Anna Dolmatch, Senior Manager for Homeownership

Date: April 25, 2024

Re: Homebuyer Buydown Assistance Changes

In 2010, the Affordable Housing Trust approved updated guidelines and \$500,000 in funding for Buydown Assistance. This assistance is used to write down the price of an affordable unit for potential buyers whose incomes are slightly too low to meet the required affordability ratio, but who are otherwise well-qualified first-time homebuyers. Buydown Funding Assistance is a permanent subsidy that reduces the price of each unit at purchase and at resale.

The approved guidelines limit the funds to the lower of \$50,000 or 25% of the purchase price for a unit with two or more bedrooms, and the lower of \$25,000 or 25% for a one-bedroom. These limits have not changed since 2010. Buydown Assistance is used to fill the gap between the actual monthly costs and an affordable price for the buyer.

We have factored in Buydown Assistance when reviewing applicants for lottery and resale units. However, most buyers who qualified using Buydown Assistance do not end up needing it because they are often able to obtain lower interest rates than anticipated. Since 2010, less than \$120,000 of the \$500,000 has been used.

Potential homebuyers are reviewed and approved for Buydown Assistance based on a set of guidelines approved by the Trust. These guidelines look at qualifications such as consistent employment history; strong savings; and low debt. Even with a lower price, there are still costs to own a home that will not be reduced with buydown, so the purpose of the guidelines is to reduce the chances that a buydown-assisted buyer will face financial instability.

At this time, we recommend changes to the Buydown Assistance program. First, we recommend increasing the assistance limits. In addition to the increases in interest rates, area median income (AMI) targets have also increased so much that prices for the three-bedroom units targeted to 65% AMI now regularly exceed \$300,000. With the change in the Inclusionary Ordinance to price new units to be affordable to buyers earning for 90% of AMI, the units available in the current lottery are priced starting at \$399,000 for a two-bedroom and go up to

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more than \$450,000 for a three-bedroom. The maximum current amount of buydown assistance would reduce the income needed for this lottery by approximately \$13,000. In order to better align with price increases in the last 14 years and serve more qualified buyers, we recommend increasing the buydown maximums to the lesser of \$100,000 or 25% of the purchase price for two or more bedrooms, and to the lesser of \$50,000 or 25% of the purchase price for a one-bedroom.

Buydown Assistance is provided only in the amount necessary to bridge the difference between affordability for the identified buyer and the monthly costs for each unit. Most buyers who have used Buydown Assistance have not received the maximum amount.

In addition to increasing the maximum funding amount, we recommend that the Trust approve updated guidelines for the use of Buydown Assistance to reflect how we think best to consider use the funds for individual buyers. The criteria for approval remain consistent employment income; strong savings history; and low consumer debt. We have added specific objective qualifications for each of these criteria.

Draft updated Buydown Assistance guidelines are attached. These guidelines include the method for calculating buydown, which has been updated to reflect current underwriting standards and an increased liquid asset cushion.

Updating the Buydown Assistance program will enable us to better deploy these funds to increase affordability and help certain well-qualified buyers to purchase.

First-Time Homebuyer Buydown Assistance Guidelines

The following guidelines will be used to evaluate which applicants qualify for Buydown Assistance.

- Assistance is only available to applicants who qualify for Cambridge residency preference
- Assistance is only available to applicants who meet all eligibility requirements to purchase other than having sufficient income
- For two- and three-bedroom units, the maximum assistance is \$100,000 per unit or 25% of the original unit sales price, whichever is lower.
- For one-bedroom units, the maximum assistance is \$50,000 per unit or 25% of the unit original sales price, whichever is lower.
- Applicant's current minimum debt service payments may be no more than 5% of gross monthly income for non-student loan or medical debt and no more than 8% of gross monthly income for all combined debt.
- Income, as demonstrated by prior year tax returns, current pay stubs, and other documentation, must be consistent.
 - Current gross income not more than 10% below income documented in tax return submitted for the prior year.
 - For applicants with self-employment, the most recent two years of tax returns must show income after deductions fluctuates by not more than 10% of highest year's income.
- After subtracting the required 3% down payment and an estimated \$4,000 for closing costs, applicants must have liquid assets totaling a minimum of \$10,000. The minimum balance must have been maintained for at least three months as shown on the most recent bank statements.
- Applicants must contribute any liquid assets in excess of \$50,000 after subtracting the required 3% down payment and an estimated \$4,000 for closing costs.
- If an applicant is qualified for Buydown Assistance, the amount of assistance is determined using the following:
 - Calculate the maximum affordable mortgage for the applicant based on:
 - 33% of gross monthly income for housing using:
 - Insurance, taxes, and condo fees used to determine base price;
 - Interest rate in applicant commitment letter or other documentation acceptable to staff
 - Subtract the applicant maximum affordable mortgage from the purchase price
 - Subtract the required buyer asset contribution or 3% downpayment, whichever is greater
 - The remainder is the amount of Buydown Assistance
 - A Buydown Calculation Worksheet shall be completed for all recipients

- Buydown Assistance funds permanently reduce the Affordable Price as defined in the Affordable Housing Covenant. The funds will be documented in the AHC or the Acknowledgement of AHC signed by the buyer at closing. The funds may remain in the unit upon resale. Funds shall not be considered downpayment assistance or buyer equity. The affordable value will appreciate based on the initial purchase price as reduced by Buydown Assistance.

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CITY OF CAMBRIDGE

Community Development Department

MEMORANDUM

To: Affordable Housing Trust

From: Christopher Cotter, Housing Director

Date: April 25, 2024

Re: Griffin-Sheperd et al. Petition regarding the Affordable Housing Trust

As noted at our last meeting, a petition to amend the Zoning Ordinance provisions which address the Affordable Housing Trust was filed with the City Council by several residents last month. This petition, known as the Griffin-Sheperd et al. Petition, is attached for your review.

The purposes of the petition as stated in the material submitted to the City Council include:

- Allowing the Trust to fund rental housing vouchers or other rental subsidies;
- Allowing the Trust to support unhoused residents by funding low-threshold shelter, transitional and permanent supportive housing and services to support residents housed there;
- Increasing membership on the Trust from 9 to 13 members and requiring that at least 6 members who have experienced housing instability or live in affordable housing;
- Paying a stipend to Trust members;
- Establishing a requirement for quarterly updates to the City Council on Trust activities.

Petitions to amend the Zoning Ordinance are referred to both the Ordinance Committee and Planning Board for public hearings. Each body may then make recommendations to the City Council regarding the changes proposed through the petition. Hearings for this petition have been scheduled and will be:

- Planning Board: Tuesday, May 7, 2024 at 7:00 p.m.
- Ordinance Committee: Tuesday, May 21, 2024 from 3:00 p.m.- 5:00 p.m.

The Affordable Housing Trust was established with provisions in the Zoning Ordinance as well as enabling legislation approved by the state in 1991. Many provisions in the Zoning Ordinance are mirrored in the enabling legislation. We asked the Law Department provide an opinion on how a change to the Zoning Ordinance might impact or be limited by the enabling legislation; that opinion is also attached for reference.

IRAM FAROOQ
Assistant City Manager for
Community Development

SANDRA CLARKE
Deputy Director
Chief of Administration



2024 MAR 20 AM 10:03

OFFICE OF THE CITY CLERK
CAMBRIDGE, MASSACHUSETTS

CITY OF CAMBRIDGE
CAMBRIDGE CITY HALL, 795 MASSACHUSETTS AVENUE
CAMBRIDGE, MASSACHUSETTS 02139

TO THE CITY COUNCIL OF THE CITY OF CAMBRIDGE:

~~Lisa Griffin~~ Khalida Griffin-Shepherd hereby petitions the City Council of the City of Cambridge to amend the Zoning Ordinance of the City of Cambridge, as amended, as follows:

- Amend the Zoning Map in the area(s) set forth in the attached text description(s) and map(s) by
 - changing the base Zoning District(s) from _____ to a new zoning designation(s) of _____
 - creating a new Overlay Zoning District(s) entitled _____
 - deleting or amending the boundaries of the current Overlay Zoning District(s) entitled _____
- Amend the text of the Zoning Ordinance as set forth in the attached text by
 - inserting a new Article(s) and/or section(s) numbered and entitled _____
 - deleting the current Article(s) and/or section(s) numbered and entitled _____
 - amending the current Article(s) and/or section(s) numbered and entitled 11.206.1 and 11.206.2

with the intent of adding two explicit additional purposes for the Trust's funding, requiring the Trust to include members affected by housing instability, and expanding the Trust board ☒

Contact Person: Kavish Gandhi
Street Address: 376 Windsor St #1, Cambridge, MA, 02141
Telephone Number: 6176104726
E-mail Address: kmbraandhi@gmail.com

Attach the following materials:

- Signatures of 10 or more Cambridge residents registered to vote in Cambridge (if applicable – see attached page template)
- Map Amendments: a map and text description describing the exact boundaries of the area to be rezoned
- Text Amendments: a document providing the exact wording of all inserted, deleted, or amended sections (also provide in a word processing format to cityclerk@cambridgema.gov)

FOR CITY CLERK USE ONLY – Zoning Petition Number: ID # 22407
Submission Date: March 20, 2024

Affordable Housing Trust Zoning Petition

Summary

The Affordable Housing Trust (Trust) in Cambridge determines how city funds will be used to build and repair affordable housing. The Trust is run by a nine-person board appointed by the City Manager. This residents' petition aims to address the housing emergency by changing the Trust in three ways. First, it would allow the Trust to directly fund city rental vouchers for vulnerable residents and support for unhoused residents. Second, it would expand the Trust board to require some people affected by housing instability. Third, it would require the board to regularly report on its progress, establishing accountability. The specific voucher and other programmatic activities would be accomplished by separate Council ordinances.

Petition Purpose:

- **Fund City Rental Vouchers:** allow Trust funds to fund local rent subsidy programs. This allows the Trust to more directly prevent displacement of vulnerable Cambridge residents.
- **Fund Support for the Unhoused:** allow Trust funds to be allocated towards low-threshold non-congregate shelter, transitional housing, and permanent supportive housing for unhoused Cambridge residents. Trust funds could also be used for services to support residents after being housed.
- **Require Representation:** Increase the Trust board size from 9 to 13 members. At least six board members must have experienced housing instability or live in affordable housing.
- **Pay a Stipend:** all Trust members will be paid an annual stipend for their time. This allows for those affected by housing instability to more easily participate.
- **Establish Accountability Measures:** Require quarterly updates by the City Manager to the City Council about the Trust's activities.

Affordable Housing Trust Zoning Petition

AMEND 11.206.1 as follows:

11.206.1 Board of Trustees.

- (a) The City Manager shall appoint and chair a ~~nine (9)~~ thirteen (13) member Board of Trustees of the Affordable Housing Trust. The Board of Trustees shall be composed of the City Manager and representatives from different sectors of the community concerned with housing policy, including members of City boards and agencies, individuals affiliated with Cambridge non-profit housing organizations, and Cambridge community representatives. The Board of Trustees shall include at least six individuals who have lived experience with housing instability and/or Cambridge's housing assistance programs, from at least four of the following categories at the time of appointment or re-appointment:
- Individuals with experience being unhoused in Cambridge
 - Individuals who live in CHA buildings
 - Individuals who live in other 100% subsidized buildings in Cambridge
 - Individuals with housing vouchers who live in Cambridge, including (but not limited to) Section 8
 - Individuals who live in Inclusionary Housing in Cambridge
 - Individuals who live in affordable homeownership units in Cambridge.
 - Individuals who live in market rate housing in Cambridge and are on the CHA waitlist or the Inclusionary Housing waitlist.
- (b) The Trustees shall establish regulations for the operations of the Trust.
- (c) The Trustees shall administer the Affordable Housing Trust, whose activities shall include but not be limited to the following:
- i. Disburse funds and property pursuant to the provisions of Sections 11.200 to 11.206;
 - ii. Review and approve or disapprove proposals submitted for use of funds and property;
 - iii. Advise on the establishment of new programs designed to meet the City's affordable housing needs;
 - iv. Provide assistance and reports where appropriate to any special permit granting authority authorized to issue a special permit for any development making use of funds from the Affordable Housing Trust; and
 - v. Advise on policies, standards, and procedures for the implementation of the provisions of Sections 11.200 to 11.206.
- (d) The City Manager shall make quarterly presentations to the City Council that include information on the business of the Affordable Housing Trust, Trustee perspectives on issues relevant to council business, and CDD updates including (but not limited to)

information on HomeBridge, the Homeownership Resale Program, and Inclusionary Housing.

- (e) The City Manager shall make sufficient funding available to provide each member of the Affordable Housing Trust with an annual stipend intended to offset the out-of-pocket costs incurred by Trust members in connection with participation on the Trust, including (but not limited to) meeting time, advance preparation time, travel, and child care expenses.

AMEND 11.206.2 as follows:

11.206.2 Receipt and Use of Funds and Property.

- (a) The Affordable Housing Trust may receive funds and property generated by the provisions of Sections 11.200 to 11.206 as well as funds and property generated from other sources.
- (b) The funds and property of the Affordable Housing Trust may be used for, but shall not be limited to, the following:
- (i) Creation of rental or owner-occupied Affordable Dwelling Units through such mechanisms as favorable financing terms, capital grants to write down project costs, subsidies for land and acquisition, subsidies for acquisition of existing structures, and subsidies for acquisition of Affordable Dwelling Units within a larger development;
 - (ii) Substantial rehabilitation of distressed multifamily residential properties in a manner that preserves the affordability of units through favorable financing terms or capital grants to write down project costs, interest rate subsidies, and loan guarantees with priority funding consideration given to multifamily housing owned by non-profit housing entities that ensure maximum long-term affordability;
 - (iii) Acquisition and rehabilitation of potential limited equity housing cooperatives or condominium conversions using low interest loans, share loans, or capital grants to write down project costs;
 - (iv) Preservation of existing affordable housing by providing acquisition and/or financing assistance for Affordable Dwelling Units that are part of a larger development
 - (v) Financing of any local subsidy programs, including (but not limited to) City-funded voucher programs established by the City Manager or by City Ordinance for the purpose of expanding housing affordability, access, and opportunity for people at no-, low-, and moderate-income levels;

- (vi) Creation of low-threshold non-congregate shelter, transitional housing, or permanent supportive housing for individuals experiencing homelessness in Cambridge, including any related supportive services;
- vi(vii) **Reasonable administrative expenses necessary to support Affordable Housing Trust activities, including but not limited to payment for consulting services such as legal, appraising, or engineering services, and other project related expenses.**

Cambridge Affordable Housing Trust Zoning Amendment Petition



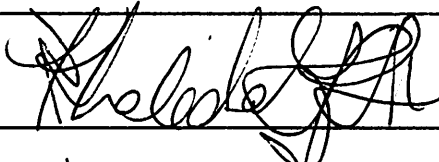
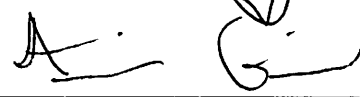

To view the full petition text and other information, visit <https://sites.google.com/view/ahtpetition/home>

The Affordable Housing Trust is a 9-member board of Cambridge residents that decides how city funds will be used to build and repair affordable housing. This residents' petition would enable the Trust to directly house and support low- and moderate-income residents.

If passed by the City Council, this petition would:

- 1) **Expand the affordable housing options** available to the Trust in two ways:
 - a) Fund city rental vouchers for low-income persons
 - b) Fund non-congregate shelter and other housing for unhoused Cambridge residents

- 2) **Expand the Trust board** by adding 6 members who live in affordable housing or who are experiencing housing instability

Signature	Printed Name	Street Address
	Khalida Griffin-Shepherd	565 Putnam Ave. Cambridge
✓ 	Karish Gandhi	376 Windsor St #1
	Dan ie Totten	54 Bishop Allen Dr #2

Cambridge Affordable Housing Trust Zoning Amendment Petition



To view the full petition text and other information, visit <https://sites.google.com/view/ahtpetition/home>

Signature	Printed Name	Street Address
✓ Nancy M. Ryan	Nancy M. Ryan	4 Ashburton Pt. #2
✓ Jonathan King	Jonathan King	40 Essex St
✓ Jacqueline King	Jacqueline King	40 Essex St.
✓ Phyllis Bretholz	Phyllis BRETHOLTZ	65 APTREIM ST.
✓ Charles Franklin	Charles Franklin	162 Hampshire St 1R
✓ Lee Farris	Lee FARRIS	269 NORFOLK ST.

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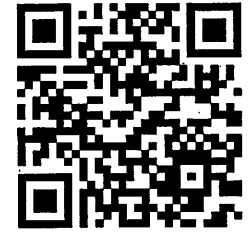
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Signature	Printed Name	Street Address
✓ <i>Rochelle P. Wortis</i>	ROCHELLE P. WORTIS	106 Berkshire St, Cambridge 02141
✓ <i>Henry H. Wortis</i>	HENRY H. WORTIS	106 Berkshire St. 02141
✓ <i>Rena H. Leib</i>	RENA H. LEIB	10 ARNOLD CIRCLE Camb 02139

Cambridge Affordable Housing Trust Zoning Amendment Petition



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Signature	Printed Name	Street Address
✓ <i>Matthew Schreiner</i>	MATTHEW SCHREINER	26 Grozier Rd Camb.
✓ <i>Cathy</i>	CATHERINE HOFFMAN	67 Pleasant St
✓ <i>Phyllis Ewen</i>	PHYLLIS EWEN	17 Kelly Rd
✓ <i>Mary Baine Campbell</i>	Mary Baine Campbell	36 Luncheon St #10
✓ <i>Richard Krushnic</i>	RICHARD KRUSHNIC	20 Oak St, Cambridge 02139

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Signature	Printed Name	Street Address
	Glenna M. Wyman	25 8th St #66 Cambridge 02141
	Joseph Moriarty	25 5th St. Apt 26 Cambridge 02141
	Rubia PALMA	25 8TH ST APT 60 02141

Cambridge Affordable Housing Trust Zoning Amendment Petition



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Signature	Printed Name	Street Address
Lu Kun Hou	25 侯 鲁 路	25 8 th Apt 61 02141
Arne Brattoya	Arne Brattoya	25 8 th Apt 67 02141
Jonathan Reed	Jonathan Reed	25 8 th St Apt 42
Node	Ashraf Master Asraf reel	25 8 th St, Apt 48 02141
Heather Hoffman	Heather Hoffman	213 Hurley Street 02141
Rhonda Massie	Rhonda Massie	211 Charles Street
Edwin	EDWIN SANTIAGO	25 eighth St Apt 62
Lynida Brattoya	LYNIDA BRATTOYA	25 8 th ST Apt 67
Node	Aicha Belabbas	25 8 th St Apt 80

Cambridge Affordable Housing Trust Zoning Amendment Petition



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Signature	Printed Name	Street Address
<i>Janet Tibbs</i>	Janet Tibbs	25 eighth St Apt 85
<i>Deborah Chaplin</i>	Deborah Chaplin	25 Eighth St. Apt 35
<i>Elaine Preston</i>	ELAINE PRESTON	25 Eighth St apt 37
<i>Almaza Asfaw</i>	ALMAZE ASFAW	25 eighth st Apt 36
<i>Bernadette Peronne</i>	Bernadette Peronne	25. 2th st. Apt 20
<i>Dorothy J. ONeal</i>	Dorothy J. ONeal	15 Lambert st. # 312
<i>Betty M. Paige</i>	Betty M. Paige	15 Lambert St #1502
<i>Patricia McCarty</i>	Patricia McCarty	15 Lambert St. #414
<i>Karen Penrose</i>	Karen Penrose	244 Western Ave, Cambridge, MA #1

Cambridge Affordable Housing Trust Zoning Amendment Petition



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Signature	Printed Name	Street Address
	Michael J Riley	15 Lambert St apt # 1118
	Carol Ann M ^{CD} Donald	15 Lambert St # 1110
Florence S. Williamson	Florence S. Williamson	15 Lambert Street, Apt. 1107
	Marc Anderson Strauchmeyer	15 Lambert St # 1415
	Amy Rippy	15 Lambert St # 1105
	JUANITA DANIELS	1 Whittamore Ave # 110
	SANDRA MIDDLETON	54 MARKET STREET APT 102
	John M. Rathiff	218 Thonklike St. # 106
	Elaine V. Harrington	7 Cameron Ave # 308

Cambridge Affordable Housing Trust Zoning Amendment Petition



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Name	PRINTED NAME Email Address	STREET ADDRESS Phone Number
Ann Marie Lupacchino	ANN MARIE LUPACCHINO	411 FRANKLIN ST #308
Linda Montgomery	LINDA MONTGOMERY	2 Corcovan Lane Cambs, Ma
Abdulmalik Jackson	ABDULMALIK JACKSON	808 MEM DR B10, CAMBRIDGE, MA
Sonia Andujar	Sonia Andujar	217 Auburn St #2 Cambridge, MA 02139
Wasson Rashed	WASSON RASHED	20 MASS. AVE, #218
Casalyn Carleton	Casalyn Carleton	929 Mass Ave, #10A
William B. Cunningham	William B. Cunningham	6 Newtowne Ct #166
Ralph D'Orlando	Ralph D'Orlando (Jr.) CAMB 3 HARWELL DR APTC 02141	APT C CAMB 3 HARWELL DR 02141
Ralph D'Orlando	CAMB MASS 25 8TH ST APT 4M 02141	Ralph D'Orlando

STREET ADDRESS

PRINTED NAME

Megan B. Bayer
Acting City Solicitor

Elliott J. Veloso
First Assistant City Solicitor



Assistant City Solicitors
Paul S. Kawai
Sean M. McKendry
Diane O. Pires
Kate M. Kleimola
Sydney M. Wright
Evan C. Bjorklund
Franziskus Lepionka
Andrea Carrillo-Rhoads

Public Records Access Officer
Seah Levy

CITY OF CAMBRIDGE

Office of the City Solicitor
795 Massachusetts Avenue
Cambridge, Massachusetts 02139

April 22, 2024

Planning Board
City Hall Annex
344 Broadway
Cambridge, MA 02139

Affordable Housing Trust
City Hall Annex
344 Broadway
Cambridge, MA 02139

Re: *Griffin-Sheperd, et al. Zoning Petition regarding the Affordable Housing Trust*

Dear Members of the Planning Board and Trustees of the Affordable Housing Trust,

I am writing in response to Assistant City Manager for Community Development Iram Farooq's request that the Law Department provide guidance to the Planning Board and Affordable Housing Trust concerning the Griffin-Sheperd, et al. Zoning Petition (the "Petition"), which is a citizen zoning petition that seeks to amend Section 11.206 of the Cambridge Zoning Ordinance as it relates to the composition, powers, and duties of the Affordable Housing Trust. The Petition seeks to amend or add five sub-sections of Section 11.206 of the Zoning Ordinance, and I will address those five changes below.

A. Background re: the Affordable Housing Trust

In Cambridge, the Affordable Housing Trust ("AHT") was established in 1989, and in 1991 the Legislature and Governor approved the City's Home Rule Petition and enacted Chapter 482 of the Acts of 1991 entitled "An Act Authorizing the Establishment of a Housing Trust Fund in the City of Cambridge" ("the Special Act"). Two other relevant pieces of legislation are the Community Preservation Act, enacted in 2000, and the statewide Municipal Affordable Housing Trust Fund Law, G.L. c.44, §55C, which was enacted in 2005 and is a local acceptance law that allows municipalities to establish an affordable housing trust without having to submit a Home Rule Petition.

The AHT is authorized by the Special Act, and its powers and duties are further defined by Section 11.206 of the Zoning Ordinance and the AHT's Declaration of Trust. The Zoning Ordinance and Declaration of Trust can further define and expand on the AHT's powers and

duties, but they cannot contradict or go beyond the purposes that are authorized in the Special Act.

B. Griffin-Sheperd, et al. Zoning Petition

1. Amendments concerning the composition of the Board of Trustees of the AHT

The Petition seeks to increase the number of Trustees of the Board of Trustees of the AHT from 9 Trustees to 13 Trustees and to require at least 6 of the Trustees to have “lived experience with housing instability and/or Cambridge’s housing assistance programs.” As explained below, increasing the number of Trustees conflicts with, and is preempted by, the Special Act. Changing the number of Trustees would require the Special Act to be amended.

The Special Act provides that the Board of Trustees consists of 9 Trustees. To increase the number of Trustees, the City Council must submit a Home Rule Petition seeking to amend the Special Act to increase the number of Trustees. An amendment to the Special Act must happen before the Zoning Ordinance can be amended.

If the City Council amends Section 11.206.1(a) to require that at least 6 of the Trustees have “lived experience with housing instability and/or Cambridge’s housing assistance programs,” I recommend that the AHT amend the Declaration of Trust to be consistent with that requirement. If the number of Trustees is increased, the Declaration of Trust should also be increased to reflect the new number of Trustees. Additionally, I recommend the below underlined and strikethrough changes to the Petition’s language to clarify the intent and enforceability:

The Board of Trustees shall include at least six individuals who have lived experience with housing instability and/or Cambridge housing assistance programs as demonstrated by qualifying as one of, from at least four of the following categories at the time of appointment or re-appointment, with at least four of the following categories represented on the Board at any one time:

- Individuals with experience being unhoused in Cambridge
- Individuals who live in CHA buildings
- Individuals who live in other 100% subsidized buildings in Cambridge
- Individuals with housing vouchers who live in Cambridge, including (but not limited to) Section 8
- Individuals who live in Inclusionary Housing in Cambridge
- Individuals who live in affordable homeownership units in Cambridge
- Individuals who live in market rate housing in Cambridge and are on the CHA waitlist or the Inclusionary Housing Waitlist.

2. Amendment adding AHT quarterly reporting to the City Council

The Petition includes a requirement that the City Manager shall make quarterly reporting to the City Council concerning the AHT. If the Zoning Ordinance is amended to include this

requirement, I recommend that the AHT amend the Declaration of Trust to be consistent with this requirement.

3. Amendment adding payment of stipends to Trustees of the AHT

The Petition includes a requirement that the City Manager make funding available to provide each Trustee with an annual stipend. Under the Conflict of Interest Law, G.L. c.268A, §20, a City employee generally may not be paid for two positions with the City. The AHT Board of Trustees includes the City Manager. Therefore, I recommend the below underlined changes to the Petition's language to ensure that City employees are not eligible for a stipend:

(e) The City Manager shall make sufficient funding available to provide each member of the Affordable Housing Trust with an annual stipend intended to offset the out-of-pocket costs incurred by the Trust members in connection with participation on the Trust, including (but not limited to) meeting time, advance preparation time, travel, and child care expenses, except as prohibited by the Conflict of Interest Law, G.L. c.268A.

Additionally, if the Zoning Ordinance is amended to include this requirement, the AHT must also amend the Declaration of Trust because the Declaration of Trust currently provides that each Trustee shall serve without compensation.

4. Amendment adding that AHT funds may be used to fund a local rent subsidy program

The Petition seeks to expand the purposes for which AHT funds may be used to include funding a local rent subsidy program, including but not limited to a voucher program. Pursuant to the Special Act “[t]he purpose of the Trust is to assist in the creation and preservation of affordable housing for the benefit of low and moderate income households.” As explained further below, creation and preservation of affordable housing does not include funding a local rent subsidy program. As such, this use of funds cannot be added to the Zoning Ordinance without first amending the Special Act to expand the purposes of the AHT.

While “creation” and “preservation” are not defined in the Special Act, we can determine, pursuant to the rules of statutory construction, their meaning from the “plain and ordinary meanings” of the words as well as by analogy from definitions in other statutes. The Miriam-Webster definition of “creation” is “the act of creating. Especially: the bringing of the world into existence out of nothing.” In G.L. c.40R, the Smart Growth Zoning and Housing Production statute, the definition of “new construction” is “construction of new housing units, the substantial rehabilitation of existing buildings or the conversion to residential use of existing buildings to **create** additional housing units” (emphasis added). These definitions support that the meaning in the Special Act of “creation of affordable housing” is bringing new affordable housing units into existence through new construction or rehabilitation of existing buildings.

The Miriam-Webster definition of “Preservation” is “the act, process, or result of preserving something.” The Community Preservation Act, G.L. c.44B, §2, defines “preservation” as “protection of personal or real property from injury, harm or destruction.” These definitions support that the meaning in the Special Act of “preservation of affordable housing” is protecting affordable housing from ceasing to exist as affordable housing.

The terms “creation” and “preservation” of affordable housing do not include funding a local rent subsidy program. This is further supported by comparing the Special Act to the Community Preservation Act, which authorizes the use of CPA funds for the creation, preservation, and support of affordable housing. The CPA defines “support of community housing [which is affordable housing]” as “programs that provide grants, loans, rental assistance, security deposits, interest-rate write downs or other forms of assistance directly to individuals and families who are eligible for community housing or to an entity that owns, operates or manages such housing, for the purpose of making housing affordable.” *Id.* Therefore, a rental assistance program falls under support of affordable housing instead of “creation” or “preservation” of affordable housing, which is not a permissible purpose of the AHT.

By further comparison, municipal affordable housing trusts established pursuant to the statewide Municipal Affordable Housing Trust Fund Law, G.L. c.44, §55C, are authorized to use CPA funds that have been appropriated to the affordable housing trust to support affordable housing. This is because the stated purpose of an affordable housing trust pursuant to G.L. c.44, §55C is “the **creation and preservation of affordable housing** in municipalities for the benefit of low and moderate income households **and the funding of community housing [which is defined as low and moderate income housing for individuals and families], as defined and in accordance with the provisions of chapter 44B [the CPA].**” (emphasis added). That statute includes creation and preservation of affordable housing as authorized purposes, but also goes further and lists the purpose of funding community housing, which is affordable housing, in accordance with the CPA. The CPA specifically authorizes providing rental assistance programs and other forms of assistance to qualifying individuals and families as a way to fund/support community housing.

Therefore, the AHT may only use funds for the creation and preservation of affordable housing. CPA funds that have been appropriated to the AHT can only be used for creation and preservation of affordable housing because of the language in the Special Act. The Petition’s proposed amendment to authorize the local rent subsidy programs, such as a municipal voucher program, is not allowed because it is not permitted by the Special Act.

The following alternative options may allow the City to have a municipal voucher program:

- The City Council could submit a Home Rule Petition to seek to amend the Special Act to add funding rental assistance programs such as municipal voucher programs with CPA funds specifically, or all AHT funds generally, as an authorized purpose of the Special Act;
- The City Council could vote to adopt the statewide Municipal Affordable Housing Trust Fund Law, G.L. c.44, §55C, direct the City Manager to amend and reestablish the AHT

pursuant to that statute and make necessary amendments to the Zoning Ordinance, and request that the AHT adopt an Amended Declaration of Trust. That would allow the AHT to use CPA funds that have been appropriated to the AHT for the support of affordable housing, which includes rental assistance programs or other forms of assistance (of note, City staff would have to further review what effect having the AHT be authorized pursuant to G.L. c.44, §55C rather than the Special Act may have on the way the AHT presently operates);

- The City's Community Preservation Committee could recommend the City Council appropriate CPA funds for a municipal voucher program, which could include partnering with a non-profit or the Cambridge Housing Authority to administer the program;
- The City Council could appropriate general funds to the Cambridge Housing Authority, which the CHA could use to fund a municipal voucher program;
- The City may be able to use other federal or state funds to fund a municipal voucher program.

5. Amendment adding that AHT funds may be used to create housing for individuals experiencing homelessness

The final proposed amendment in the Petition would expand the purposes for which AHT funds may be used to include the "creation of low-threshold non-congregate shelter, transitional housing, or permanent supportive housing for individuals experiencing homelessness in Cambridge, including any related supportive services." The creation of transitional housing or permanent housing for individuals experiencing homelessness is already a permissible use of AHT funds as long as the transitional housing or permanent supportive housing is only available to individuals who qualify as low or moderate income. However, AHT funds cannot be used to fund shelter services or related support services. As a result, this proposed amendment to the Zoning Ordinance would conflict with the Special Act. Therefore, I recommend the below strikethrough changes:

~~Creation of low-threshold non-congregate shelter, transitional housing, or permanent supportive housing for individuals experiencing homelessness in Cambridge, including any related supportive services.~~

Please let me know if you have any questions and I can be available to discuss further.

Very truly yours,


Megan B. Bayer