

CAMBRIDGE CITY COUNCIL

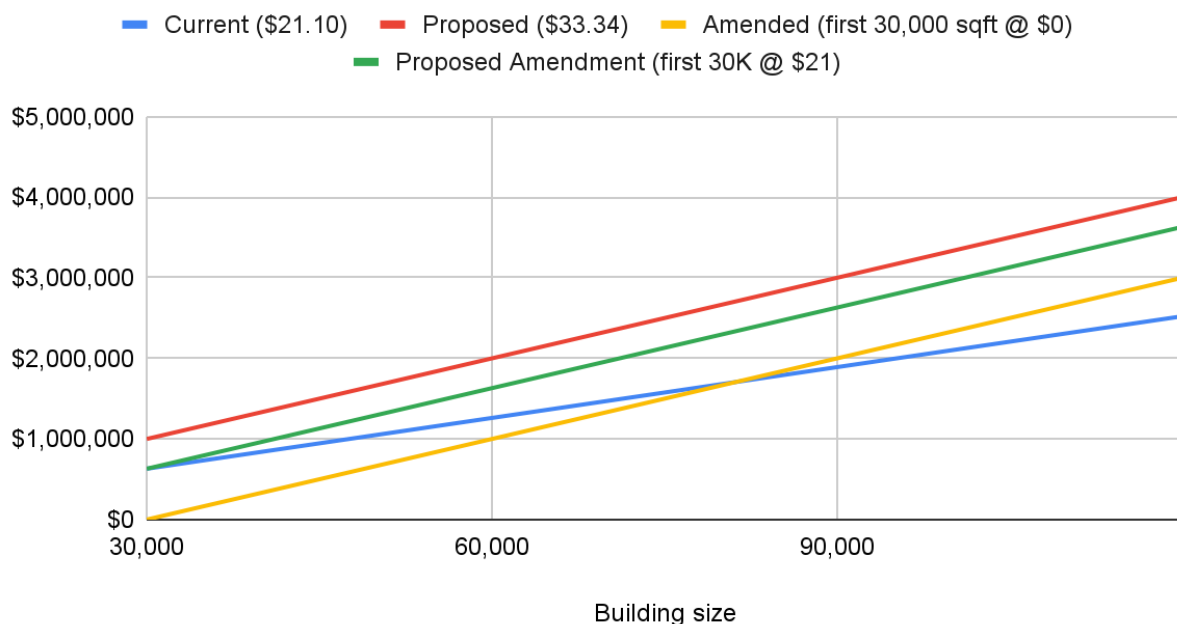
Quinton Y. Zondervan

City Councillor, Ordinance Committee Co-Chair

To my colleagues:

This memo contains a further amendment to the Linkage Fee Petition which I mentioned would be coming at our recent hearing. The version of the petition which passed favorably out of committee would result in smaller developments receiving a discount on their required linkage payment as compared to what is currently on the books. This is illustrated in the graph below of contribution amount per building size, where blue represents the current contribution rate, red represents what was originally proposed by this petition, yellow represents the version of the petition that advanced favorably out of Ordinance Committee, and green represents my further amendment as proposed in this document.

Affordable Housing Contribution Based on Linkage Fee



While I certainly can appreciate the intent behind the amended version, the carveout is too sweeping and needs further refinement. As amended it would, for example, have the effect of discounting (by hundreds of thousands of dollars) the linkage fee owed by the lab development at Smith Place, which was approved at 58,456 square feet.

I am proposing a further amendment so that the first 30,000 square feet will be charged at the current rate of \$21.02 before jumping to an across the board increase to \$33.34 for everything above 30,000 square feet. This adjustment accomplishes the council's intent by giving a substantial break to smaller developers and accounting for the difference between small and large commercial development while still holding every developer accountable for the impact of their projects on housing affordability.

Additionally, this further amendment would seem to decrease the odds that the ordained petition would be successfully challenged as a fundamental change, because it ensures that everybody will see an increase, which is in line with the intent of the original petition.

Sincerely,



Quinton Y. Zondervan
Cambridge City Councillor

ORDERED: That section 11.202(b) of Article 11.000, entitled SPECIAL REGULATIONS, of the Zoning Ordinance of the City of Cambridge, be amended by substitution with the following text:

(b) Housing Contribution Rate. The Housing Contribution Rate effective upon ordination shall be twenty-one dollars and two cents (\$21.02) per square foot of Gross Floor Area (GFA) for the first thirty thousand (30,000) square feet of GFA, and thirty-three dollars and thirty-four cents (\$33.34) per square foot of the remaining GFA~~Gross Floor Area, excluding the first 30,000 sqft.,~~ devoted to the uses that qualify the new development as an Incentive Project. The effective rate shall be subject to an Annual Adjustment of two dollars (\$2) per square foot of Gross Floor Area devoted to the uses that qualify the new development as an Incentive Project, plus an annual escalation equal to annual percentage increases in the Consumer Price Index (CPI) Housing Index for Boston-Brockton-Nashua, MA-NH-ME-CT or similar index to reflect changes in dollar values over time; however, annual decreases in CPI shall not cause the contribution rate to be decreased. The table below is intended to administratively track changes to the Housing Contribution Rate as it is adjusted over time.