



100%-Affordable Housing Zoning Overlay

Why it Matters: It's About Access and Equity

Displacement and increasing rents has been of growing concern for Cambridge residents, who have consistently ranked the lack of affordable housing as the community's #1 issue. The City Council has made creating and preserving affordable housing its #1 priority goal. Several factors make this goal challenging to achieve:

- Land and construction costs continues to climb
- Cuts at the federal level have reduced resources (despite increased funding at the City level)
- Current zoning severely limits where new affordable housing can be built. In many neighborhoods, zoning does not allow existing structures to be rebuilt, let alone the multi-family or townhouse units that are affordable to working families.

By reforming our zoning, we can help the City's affordable housing partners **access new neighborhoods** and opportunities, streamline the permitting process to **cut down on costly delays, use public funding more effectively**, 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.

For 100%-affordable projects only, this would allow the following:

- As-of-right* permitting
- Density bonuses (greater number of units and total floor area) with more flexible zoning dimensional standards (height, setbacks**, open space) and parking
- Multi-family and townhouse developments in areas where they are not currently allowed
- Conversion of larger residential buildings to affordable multi-family housing
- Community input and design review by the Planning Board

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

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

Anticipated Process & Timeline*

Council's Housing Committee discusses policies to address housing crisis. A key idea was a citywide affordable housing overlay concept. **(2014 - Present)**



Envision Cambridge Housing Working Group discusses and recommends the idea. With analysis by consultants and input from staff and the community, the concept begins to take shape. **(2017 - 2018)**



Housing Committee to weigh priorities and tradeoffs and discuss what should be included in a citywide overlay. **(January - March 2019)**



Develop a 100%-Affordable Housing Overlay zoning petition and design & development standards for consideration by City Council. **(Spring 2019)**



Public hearings at Ordinance Committee and Planning Board; modifications and amendments considered before any decision is made. **(Late Spring - Summer 2019)**

*Public input will be incorporated throughout each stage.

What is Affordable Housing?

- Permanently deed-restricted so residents generally pay no more than 30% of their income for rent or a mortgage
- For income-eligible households, typically earning less than 80% of area median income (AMI), but up to 100% AMI in some cases
- For a range of people, from formerly homeless individuals to middle-class families

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

How tall would new buildings be in residential neighborhoods? What about other dimensional standards (such as setbacks and open space) and parking?

Height, setbacks, open space, and parking are interrelated. For example, a taller building can have larger setbacks that can allow for more parking or open space compared to a shorter building of the same floor area. Keeping in mind such tradeoffs, changes to dimensional standards are currently being discussed based on the density bonus needed to incentivize 100%-affordable housing projects.

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

Affordable housing developers would be required to hold community meetings to review their proposals with neighbors. Design review would be done by the Planning Board based on design standards and guidelines and would include additional public input. Projects that do not meet the 100% affordable housing overlay standards would have to utilize existing permitting processes.

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.

Affordable Housing Distribution by Neighborhood

as of 6/30/2018

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

What would happen to street level retail space?

Neighborhood retail provides an important amenity to residents, and creating new housing benefits small retailers by growing their customer base. Affordable housing developments built in active corridors often incorporate street level retail. Overlay provisions could also require that ground floor retail be included in key locations and on properties that previously had active ground floor retail.

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

Most of the 100%-affordable projects in Cambridge are currently developed by non-profit (e.g. Homeowners Rehab, Inc. and Just-A-Start) and public (Cambridge Housing Authority) entities.

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

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 City, State, and Federal sources. Based on current projections, the City aims to fund 600-650 new affordable housing units by 2030 in addition to those created through inclusionary zoning in market rate buildings. However, meeting this target will be difficult without zoning intervention to support affordable housing.

Currently, affordable housing development is financially viable only in certain parts of the city. Properties being sold on the market often receive multiple bids – from affordable housing developers as well as market rate developers (who can afford to pay more in anticipation of profit from creating high-end market-rate housing). If we change zoning to create greater predictability and allow more affordable housing units on a property (compared to market rate units), affordable housing developers would be more competitive in acquiring land and the land cost would be spread over more units. Therefore, City funding would be more effective and efficiently utilized to help us reach our affordable housing goals more quickly.

Questions or Comments?

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