



CITY OF CAMBRIDGE

Community Development Department

IRAM FAROOQ
*Acting Assistant City
Manager for Community
Development*

To: Richard C. Rossi, City Manager
From: Iram Farooq, Acting Assistant City Manager for Community
Development
Date: April 21, 2015
Re: Council Order #1 dated November 3, 2014 re: preference points
for affordable housing units for City employees

In response to the above-referenced Council Order, this memo provides a brief overview of the City's current procedures for making available affordable housing units, and outlines ways in which the City's current resident selection preference policies could be expanded to prioritize serving City employees and/or other targeted groups.

As discussed at the October 2014 Affordable Housing Roundtable Meeting, CDD staff have been working with the Affordable Housing Trust to review the selection preference policies to be sure that they continue to reflect current City goals. The Trust has authority to adopt policies for inclusionary housing units as well as units receiving financial assistance from the Trust.

Current Applicant Preferences

The City uses an established system to prioritize applicants for available units based on the following preferences:

- Current Cambridge residents (the "local preference")
- Families with children under the age of 18
- Additional preference for families with children under the age of 6
- Applicants facing emergency housing needs (rental applicants only)
- Cambridge-based employees (after all resident applicants have been considered)

The most significant preference in the policy is the "local preference" category through which Cambridge residents now receive top priority. Preferences for families with children, and for rental housing applicants with an emergency need, are secondary preferences which determine the order in which resident applicants are considered.

The local preference criteria of "Cambridge resident" has been defined very tightly to include only applicants who are Cambridge residents at the time of the eligibility review to ensure that current residents have the best access to affordable units. In addition, once all resident applicants have been considered, Cambridge-based employees are given secondary preference based on the same criteria. Given the demand for units from residents, Cambridge-based workers who do not live in the city are rarely offered units.

Under the current system, all Cambridge resident applicants will be served before any non-resident applicants are considered, notwithstanding other preferences. For instance, an all-adult household (such as a couple living with an elderly parent) who live in Cambridge will be considered before a non-resident household with young children, or a non-resident household in an emergency housing situation. Similarly, applicants who work in Cambridge, including municipal employees, will not be offered housing until all residents have been considered.

Options for Expanding Current Applicant Preferences

The current selection policies have been in place for a number of years and determine who, among many hundreds of applicants, is offered housing through the CDD rental and ownership applicant pools. The preference policies were designed to be aligned with the City Council goals and Trust priorities and provide maximum advantage to current Cambridge residents.

City Council goals guide specific policies of staff and the Trust. We want to be sure that the preference system reflects the priorities of the Council. The specific request in the above-referenced Council Order asks how the system could be expanded to serve City employees. While the current system does not distinguish City employees from other Cambridge-based workers, we could incorporate that distinction into the resident selection system. We could also expand “local preference” to include City employees and/or all Cambridge-based workers which would result in workers being prioritized equally with current residents.

There are many ways in which communities grant “local preference” to advantage certain types of applicants for affordable housing programs. For instance, some communities more broadly define eligibility for their local preference. Local preference criteria can be defined narrowly (as has been the case in Cambridge), or expanded to include a range of options based on the different types of ties, connections, or priorities of the community. The Cambridge Housing Authority, for example, includes Cambridge-based workers and veterans in their local preference group.

There are many good reasons to expand local preference categories. For instance, extending greater preference to City employees, or even all Cambridge-based employees, would assist with City’s climate action and transit goals by helping reduce commuting trips into the city. Expanding greater preference to non-residents with young children would help further goals of encouraging families with school age children to live in the city. Expanding preference to non-resident holders of CHA housing vouchers, an idea raised recently and also currently under review, would help keep CHA rental subsidies in Cambridge and could be a manageable way to provide preference to some former Cambridge residents. However, there are implications, challenges, and issues of equity to consider before making any of these changes.

Considerations

The City has flexibility in setting its preference policies and defining its “local preference” criteria; however, there are limitations on certain aspects of these policies – for instance we cannot set minimum durational requirements on how long an applicant must have lived in Cambridge in order to be considered a resident, nor can we create neighborhood-level selection preferences.

Other challenges relate to the feasible and fair implementation of such policies. For instance, providing preference to non-resident CHA voucher holders would help some applicants who have been displaced in the current market, but would not help other former residents who have similarly been displaced but do not have CHA vouchers. While expanding local preference to include all former residents might address this inequity, and be easier to understand, it would be nearly impossible to administer given the challenges of documenting past residency and the number of former residents who might be eligible.

The biggest consideration in expanding local preference is that advantaging one type of applicant will disadvantage other applicants. Expanding “local preference” will disadvantage current resident applicants who will then need to compete with a greater number of “local preference” applicants. Changing preference criteria will not result in more households being served, it will only result in changing prioritization among applicants.

We will continue to discuss with the Affordable Housing Trust whether and how the resident selection policies might be modified to best meet City policy goals and needs. The City Council’s discussion and policy guidance will be helpful as we continue this process. As we look at making any change to the City’s longstanding selection priorities, we want to ensure that any changes help to advance City Council goals.