

2017-07-15

Housing Working Group #3

Committee Attendees

Lee Farris, Mark Boyes-Watson, Kathryn Carlson, Margaret Moran, Steve Cohen, Cheryl-Anne Pizza Zeoli, Eva Martin Blythe, Leonardi Aray, Robert Winters, Esther Hanig, Sean Hope, Kelley Brown, Ellen Schacter, Deborah Morse, Anthony Galluccio

Staff / Consultant Present

Staff: Melissa Peters, Gary Chan, Chris Cotter, Cassie Arnaud, Cliff Cook, Linda Prosnitz

Utile: Nupoor Monani

HR&A: Kyle Vangel, Sara Brown

Four members of the public present.

Meeting overview

Chris Cotter presented housing statistics about the city relating to questions from previous working group meetings. Thereafter, Sara Brown led a facilitated discussion to confirm the list of strategies and actions generated through the working group process and fill any gaps. Kyle Vangel followed with a presentation of what makes a successful indicator and presented ideas for what Cambridge could track to measure progress along housing goals. The presentation is available here.

Committee Discussion

• In response to the presentation by Chris Cotter, some members wanted to know more about the historic trends in the number of children in large households.

Strategy discussion

Strategy 1:

Expand capacity to develop housing by reviewing current regulatory and zoning requirements in order to identify opportunities to facilitate production and exploring new housing typologies.

- Committee members went around the room and voiced their opinions on both the goal and specific ways to achieve the goal.
- The idea of upzoning the corridors was raised and supported by multiple members. Some
 members added that it was uncertain, but possible, that the community would support allowing 35 story buildings along the corridors if the scale and density of existing residential neighborhoods
 remained largely protected.
- One member noted that they did not believe that the Inclusionary Zoning Ordinance affordability set-aside ratio of 20% should be further increased at this time. Members generally agreed, noting that the Ordinance includes language requiring that the provisions be reviewed in 3 years to assess impact on overall housing production, among other factors.
- Several members suggested that actions A (upzoning corridors) and C (supporting transit oriented development) could be combined since they address overlapping geographies in Cambridge.



- o In response, one member pointed out that areas along corridors and around transit nodes have differently sized and proportioned lots. They advocated for this to be looked at with more specificity before combining the actions. Committee members said they felt the outcomes of these actions would generally depend on the development capacity of each area.
- City staff noted the next phase of working group meetings would include a focused discussion of areas of growth.
- There were a few differing opinions on whether there should be a goal focused on overall housing production at all.
 - o One member said they did not feel a particular need to increase housing overall, only the diversity of affordable options, including for middle income households
 - Another countered that it was important to keep this goal, as the city was currently out of balance with respect to housing and jobs; and because the market is not producing the kind of housing people want – it is too expensive for most and need increased supply to balance.
 - Another agreed the goal should remain, noting that the strategies will be prioritized down the road.
- One member asked the City to consider strategies that require more housing units and less commercial space in large developments like Volpe. Another member, while agreeing with the sentiment, noted that it was important to understand the tax consequences and other impacts of changing the commercial vs residential balance.
- A few members said that it would be hard to rely only on increased housing supply to achieve broad housing affordability for housing of different sizes and types. They advocated for specific policies that ensure delivery of 2 and 3 bedrooms which are the city's greatest need.
- They further noted that the City's existing policies already incentivize housing production and that there are other hurdles that prevent height and density. Overall, the base zoning allows for much more density than is visible on the corridors. They advocated to use the Envision Cambridge process to help market and message the need for housing and the importance of the overall housing goals for Cambridge to the community and elected officials.
- One member pointed to the "<u>Housing a Changing City</u>" report by the City of Boston as a
 precedent for Cambridge. They commented that in <u>Imagine Boston</u>, the citywide plan, used
 Boston's total projected population to set the 2030 housing target. This member recommended
 that Cambridge should do the same.
 - City staff noted that the plan can use projections to guide housing policy, but that an alternative framing to the question of housing is asking what outcomes in housing policy the working group would like to see, and working backwards from there to determine the right policies.
- One member felt that the strategies across the board were hard to understand for a lay-person.
 They suggested simplifying the language throughout.

Strategy 2:

Use regulatory and zoning incentives to encourage affordable housing production.

 Members supported keeping action J (maintaining focus on diverse representation on City boards and commissions) even if it reflects existing and ongoing City efforts and is covered in a different Envision Cambridge focus area. They added that diversity in representation should also reflect diversity of tenure type, encouraging representation by both owners and renters.



- Regarding Action G (relaxing dimension standards for affordable housing development) members
 asked what the upper limit to that relaxing of standards would be. One suggestion was to use this
 action to incentivize 100% affordable housing developments by only relaxing dimensional
 standards in overlay districts for fully affordable housing.
- Members strongly agreed that reduced setbacks, reduced parking, and other dimensional relaxations should be directed at affordable housing. They would also like to see zoning amendments in residential neighborhoods that allow small multifamily housing developments that are compatible with the surrounding neighborhood in terms of scale and form.
- Some members strongly supported the City's prioritization of family-sized housing production, and suggested the City direct its efforts toward supporting developments that are 100% affordable in perpetuity.
- Another member asked to be specific about the income levels at which this housing would be affordable, noting that none of the actions in the list address housing accessible to the lowest income families.
- Some members pointed out that housing affordability also involved job and income support, that
 there must be a suite of services (like job training) that could lead to more stable employment,
 and thus more housing security.
- One member noted that, in general, economic housing insecurity is increasingly a part of life in Cambridge, especially since the end of rent control. Another member noted there should be more education on the suite of benefits that can help keep people in Cambridge and not become displaced.

Strategy 3:

Maintain and expand existing funding and resources available to support affordable housing production and preservation in Cambridge, including identification of new funding sources.

- The establishment of a new real estate transfer tax (Action M) requires legislative action through a home rule petition and while generally supported by the group, there were varying levels of optimism/scepticism over whether it could be successful.
 - One member noted that the action will need to be more specific to move forward. They
 asked if it should be statewide or local, and that perhaps it should be part of the City's
 regional goals to establish such a tax.
 - Members debated the scale of the transfer tax. One member suggested a 2% tax on all real estate transfers. Another suggested the tax only apply to transfers over \$1 million.
 - One member felt the \$1m threshold would create a significant political fight. That member also stated the City is missing an opportunity in directly taxing new growth, since new growth is exempt from a cap on how much the City can tax; the member suggested a 3% tax on new growth that would be dedicated to affordable housing production.
 - Another member asked if the tax would only apply to commercial property.
 - Another member felt it was too early to determine these details.
- One member suggested raising the linkage fee and enabling alternative types of housing (like roommate coops) through special financing. They also suggested applying the vacancy tax to investor-owned extended-stay units in multifamily buildings.
- Several members agreed the City should leverage its AAA credit rating to take out housing bonds



Strategy 4:

Maintain a sufficient range of housing options to enable "ladders of opportunity" that allow households to transition to units that fit their housing needs as their circumstances change.

- One member suggested doing case management with residents—providing jobs, increased access to neighborhood amenities and City services, or other help that they needed.
- Another member said they wouldn't want housing assistance to be conditioned on being productive (noting that is how the system is designed now).
- One member pointed out that the biggest challenge is for families to get into housing assistance programs in Cambridge. Actions should be developed that enable them to stay in in the city. One member suggested this work could fall under Strategy 6 (displacement prevention).

Strategy 5:

Develop a broader coalition of public and private entities and residents to support housing production, especially affordable housing, in Cambridge and the region.

- Members asked to include actions that encourage large employers to assist with regional transit by providing shuttle services, etc.
- There were differing opinions on student housing.
 - One member suggested the language of action R (Encourage universities to use their assets to build housing) should be edited to replace encourage with 'require.' Another member agreed, and suggested similarly requiring universities to provide residents with transit assistance.
 - Others felt that the plan should consider options for non-campus partnerships with private developers to provide student housing that may be more cost efficient and attractive to students in terms of rent, though they noted it may take the place of affordable housing that could be developed otherwise.

Strategy 6:

Maintain and expand tools and resources to prevent displacement and housing insecurity.

- One member suggested introducing a City-run housing voucher program as a time-limited gap assistance (noting Somerville has a 24-month voucher), and to have the City educate landlords on how to accept Section 8.
- One member suggested a no-fault eviction home rule petition, incentives for landlords to house
 the formerly homeless, a program to notify of the City when sending an eviction notice, for a seller
 to give notice when housing is sold, a new Office of Housing Stability, right of first refusal for
 tenants and non-profits when rental units are converted to condos, and increased funding for
 legal services (not just for very-low-income tenants).

Strategies 7 and 8:

Promote mixed-income development projects; and prepare housing to be more sustainable and resilient.

- New actions suggested by the group include
 - o Increasing awareness about flood risk by requiring legal notifications in leases and homeowner purchase contracts or signs on buildings.
 - o Putting signs on buildings to notify residents of disaster risk and disaster relief.



 Using zoning to require schools or preschools in new neighborhoods like Alewife to keep neighborhoods age-diverse.

Targets and indicators discussion

- Some members expressed that targets and indicators should move the city toward a desired
 population mix at a future point in time—one that includes people across demographic categories
 such as race, age, and income.
 - Several members emphasized the housing's role in attracting and retaining diverse residents.
 - Several members noted a particular need to attract and retain middle-income residents.
 - One member suggested measuring the number of homes that are affordable to a person with the average teachers' salary might be one way to do so.
 - One member felt this approach (basing targets on a desired future population mix) is distinct from older approaches, which they felt attempted to preserve the population mix exactly as it was.
- One member noted the indicators don't track social mobility, and that social mobility should be more embedded in the indicators. Others agreed.
 - One member noted housing cost burden is an inadequate measure for tracking social mobility, citing middle income people in public housing.
- The planning team asked the group to consider whether indicators should be at the level of goals
 or strategies, and whether they should measure socio-economic progress or just progress along
 housing targets.
- One member asked how often the City would measure progress along the indicators once the plan has been released.
 - City staff responded that the goal is to come up with 25-30 indicators for the whole plan which would be tracked annually. The plan would also be updated every 3-5 years to keep up with the city's progress.
- One member suggested measuring rates of home ownership among lower income families. They
 would like the City to provide youth and low-income families education about benefits of
 homeownership to make progress on this front.
- One member suggested tracking the positive outcomes of permitted units and affordable housing units as a way to measure supply. They would like to understand population projections and projected household increase to better estimate the effect of City policies.
- One member brought up maintaining the diversity of household type an important goal for the City and asked to measure the number or percentage of family households.
- One member asked to measure all socio-economic indicators by income category.