

# ENVISION CAMBRIDGE

## Envision Cambridge Update



# Agenda

## Present Analysis of New Policy Ideas Generated from the Envision Cambridge Process

1. 100% Affordable Citywide Overlay Analysis
2. Super-inclusionary affordable housing
3. Environmental performance incentive

# Hundreds of new policy and program ideas were generated from a wide-reaching engagement process

- Advisory committee and working groups
- Public workshops
- Street team events
- Focus groups
- Youth workshops
- Online and paper surveys
- Digital engagement
- Walking tours





# We want to test the effectiveness of priority zoning-related ideas

- Some recommendations have a large-scale, measurable effect on development and its outcomes across all planning topics.
- Additional analysis is needed to understand range of impacts.

## Ideas to test include:

- Housing Ideas:
  1. 100% affordable housing overlay
  2. Super-inclusionary” housing
- Environment Ideas:
  1. Environmental performance incentive



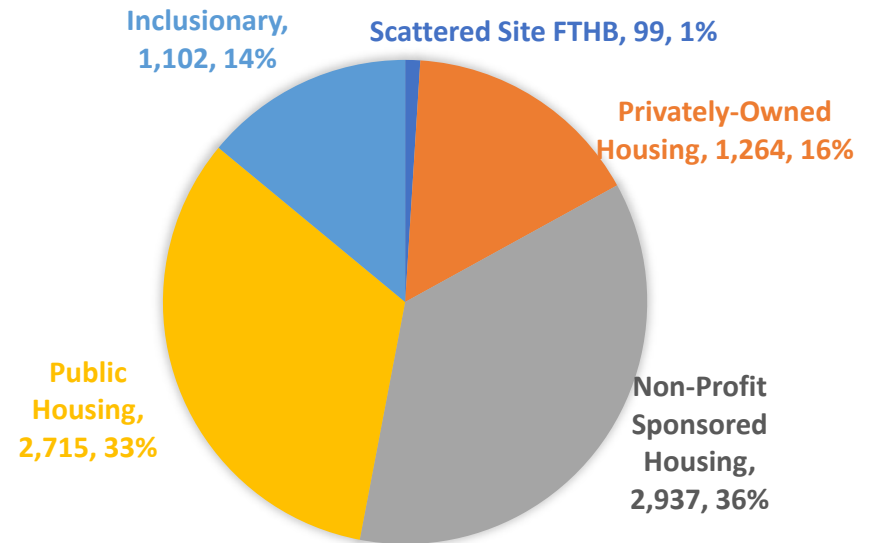
Members of the public discussed proposed recommendations at a public meeting in July.

# Affordable Housing Background



# What is affordable housing?

- Housing is "affordable" when the tenant or homeowner pays no more than 30% of their gross income for housing costs.
- Affordable housing in Cambridge serves low-, moderate-, and middle-income households
- Rental and ownership remain affordable through long-term deed restrictions.
  - For rental units, these restrictions set income eligibility and limit the amount of rent that can be charged for each unit.
  - For homeownership units, the restrictions limit the price of the unit and require that upon resale the unit is sold to a new income-eligible household.



8,177 affordable housing units, 14.84% of total stock

# Income limits for affordable housing eligibility

Most programs serve households earning less than 80% of Area Median Income adjusted for household size.

Household Size	50% of Median	80% of Median	100% of Median
1 person	\$37,750	\$60,400	\$75,500
2 person	\$43,150	\$69,040	\$86,300
4 person	53,900	\$86,240	\$107,800



# Main ways to produce affordable housing

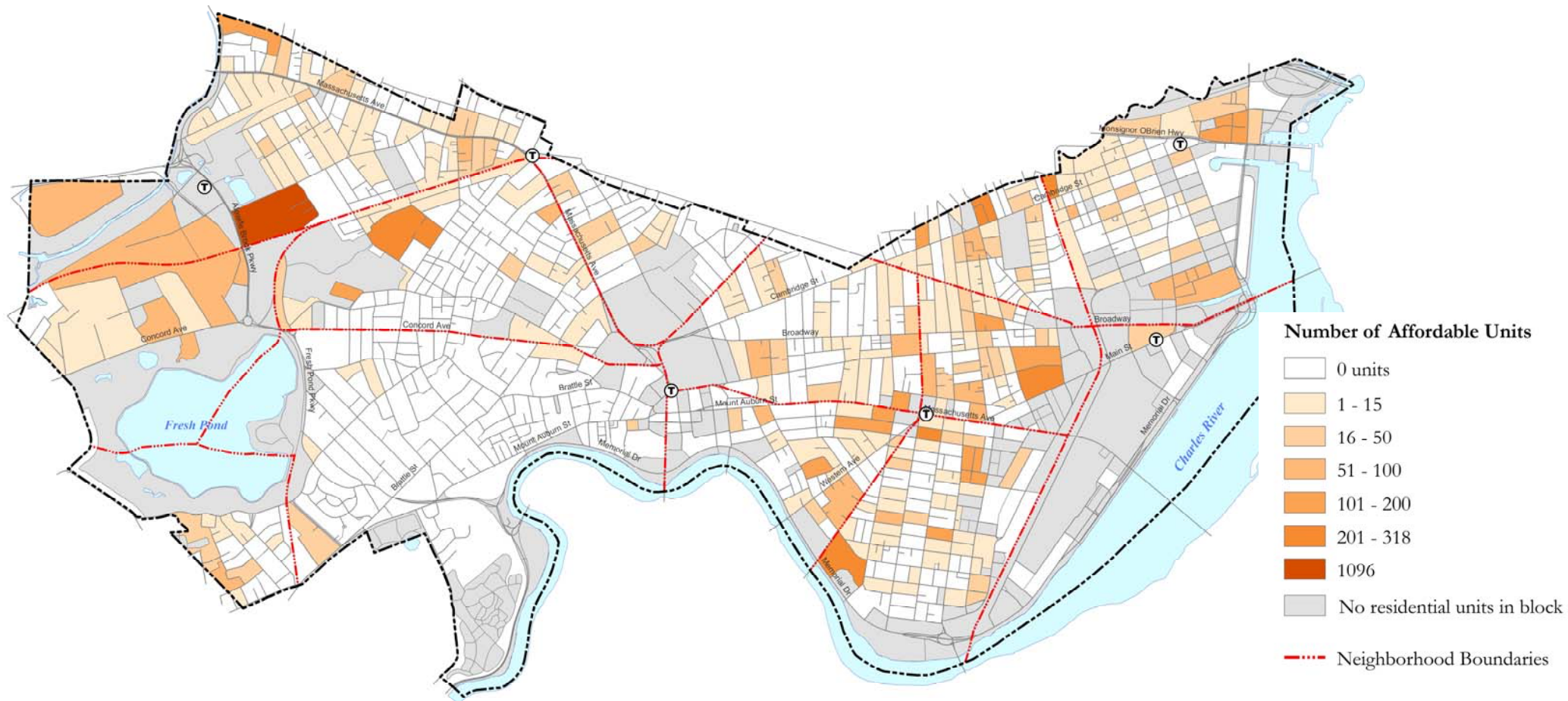
- City partners with affordable housing developers
  - Development is subsidized by federal, state, and city government.
  - City-funded affordable housing is created through acquisition of existing multi-family housing and new construction
  - Two or three projects are typically completed each year (approx. 50-60 affordable units)
  - FY19 funding for Affordable Housing Trust totals \$13.6 million in City funds
- Cambridge Inclusionary Housing Zoning Ordinance
  - Requires that 20% of new residential development is dedicated to affordable housing.
  - Gives a 30% density bonus



625 Putnam Ave is an example of a 100% affordable housing development built by a nonprofit developer in Cambridge.

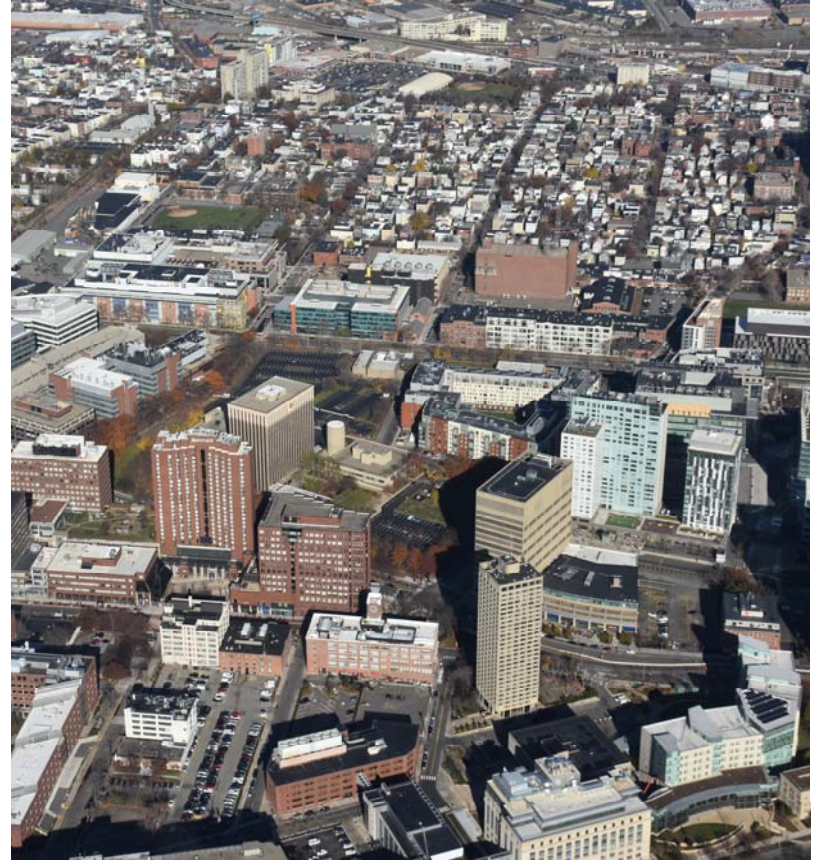


# Number of Affordable Units by Census Block



# Envision Cambridge Affordable Housing Goals

- Foster neighborhoods of opportunity and equitable distribution of affordable housing citywide.
- Provide a variety of housing options for people of different socioeconomic levels, life stages, and physical needs.
- Expand affordable rental and homeownership opportunities to enable Cambridge to thrive as a mixed-income community.
- Provide access to opportunities for all people regardless of differences.
- Work toward addressing race-based disparities and racial equity.
- Maintain the existing patterns of the city through a mix of preservation and complementary infill development.





# Housing Idea 1: 100% Affordable Citywide Overlay Analysis



# Why study a 100% Affordable Housing Citywide Overlay?

- Challenges to building affordable housing:
  - High land costs and competition from market-rate developers
  - Appeal of discretionary approvals can add significant cost, long delays, and significant risk to affordable housing developers.
  - More difficult to build affordable housing in some areas of the city given zoning limitations
- Main objectives of 100% affordable housing citywide overlay are to:
  - Expand affordable housing's viability in areas where it's been more difficult to create new affordable units
  - Enable affordable housing developers to better compete with market-rate developers in growth areas



## What would the 100% Affordable Housing Citywide Overlay entail?

### **For 100% affordable housing developments only:**

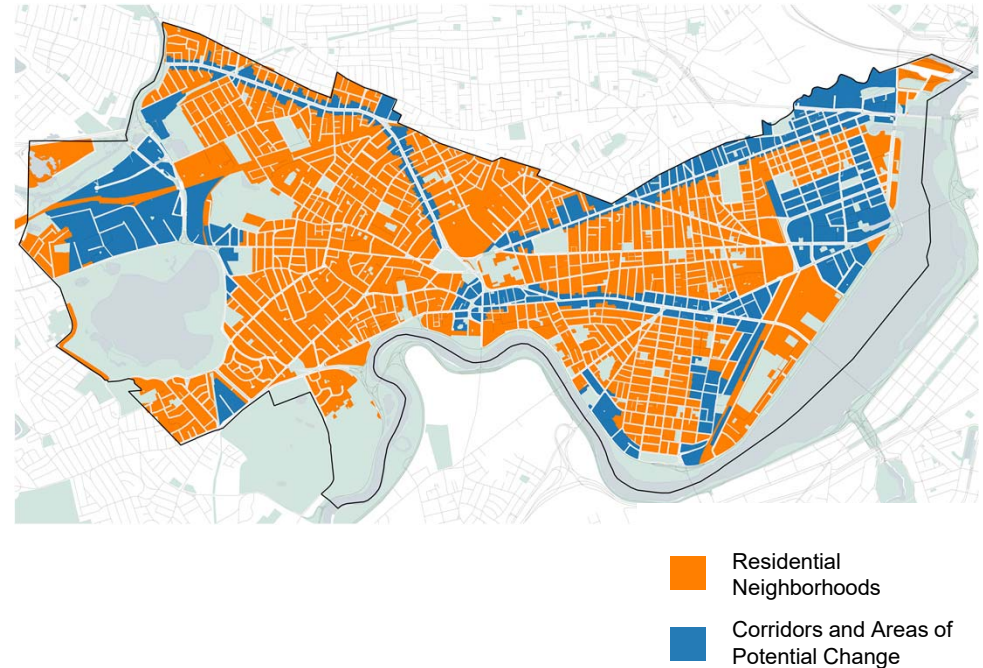
- Offer density bonuses and relief from dimensional standards (height, setbacks, open space) and parking where necessary (varies by zoning district)
- Allow for as-of-right approvals with required design review and community input instead of discretionary permitting approvals
- Allow affordable multi-family and townhouse developments in all districts
- Allow for conversion of any existing structure (including existing residential) to affordable multi-family housing
- A design review process would ensure good design without creating uncertainty about a project's fundamental viability



Huron Ave. at Vassal Ln. has different densities together in close proximity.

# 100% Affordable Housing Overlay Idea for Discussion

- The 100% Affordable Housing Overlay could apply to the entire city
  - In higher-density areas such as commercial corridors and areas of potential change, affordable developments would need 2.5 times the density allowed by current base zoning to be competitive in the market
  - In residential neighborhoods and other areas, affordable developments would need a floor area ratio (FAR) of 2.0 to be financially feasible in all areas



Porter Square hypothetical example:  
Current zoning allows 3-5 story buildings  
Overlay would need 7-8 story building to be competitive

# What is Floor Area Ratio (FAR)?

Ratio of gross floor area divided by the area of the lot

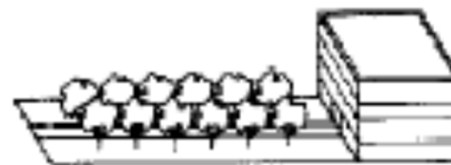
Example of FAR 1.0



**1 story building that covers the entire lot**



**2-story building that covers half of the lot**

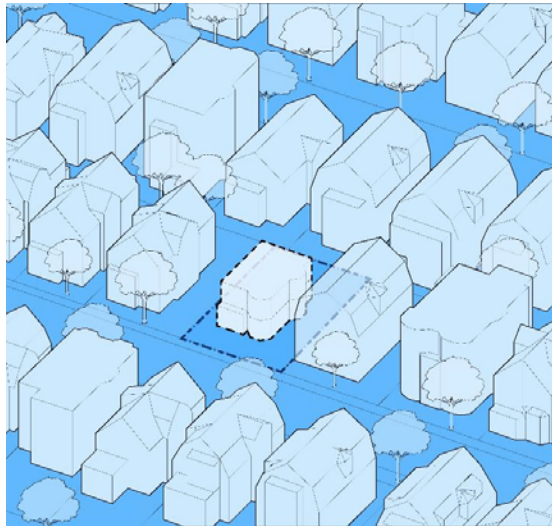


**4-story building that covers  $\frac{1}{4}$  of the lot**

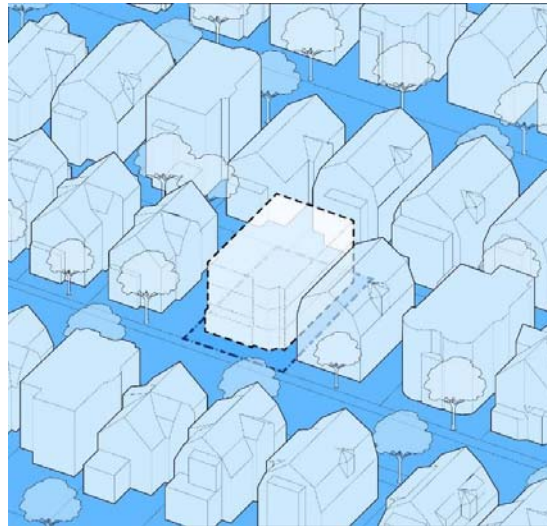
# Residential Neighborhoods

100% Affordable Housing developments in residential zoning districts would take the form of mid-rise multifamily buildings, consistent with the historic mix of densities found throughout Cambridge.

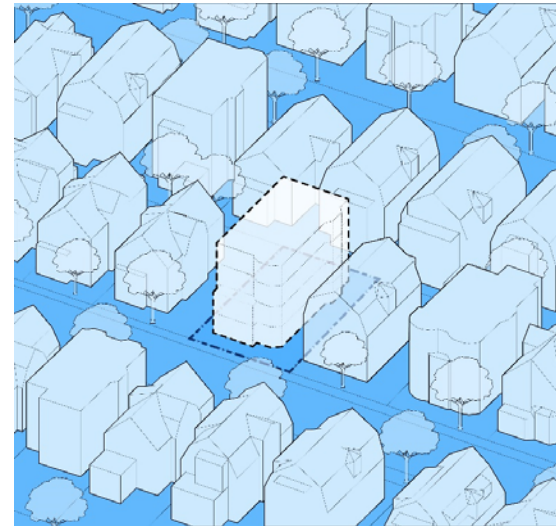
## Examples of hypothetical buildout on small parcels (<5,000sf):



**Maximum allowed under current zoning**  
(many existing buildings are non-compliant)  
2 units, 2 stories



**Example of buildout under 100% Affordable Citywide Overlay**  
7 units, 3 stories



**Example of buildout under 100% Affordable Citywide Overlay**  
8 units, 4 stories

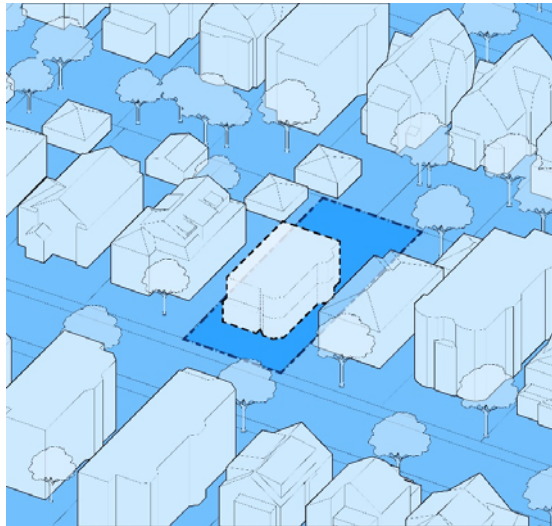
69% of existing buildings in residential neighborhoods are not zoning compliant, due to height, density, or both



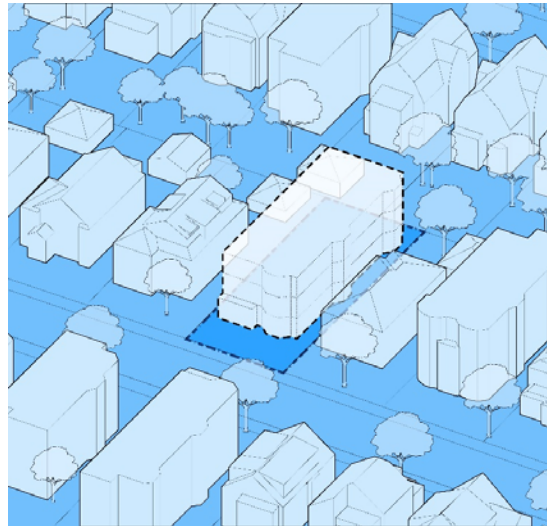
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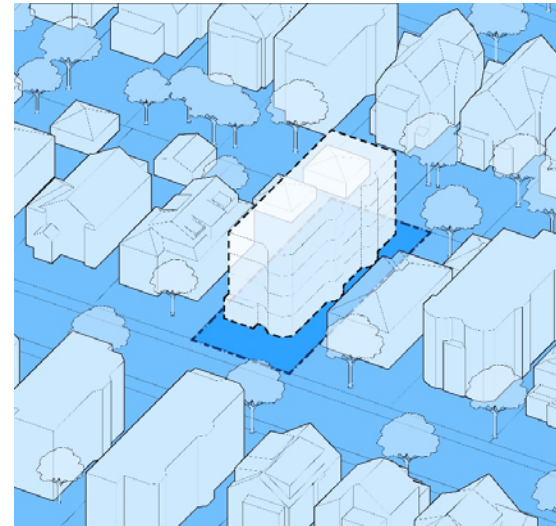
## Examples of hypothetical buildout on medium-sized parcels (5,000sf – 10,000sf):



**Maximum allowed under current zoning**  
(many existing buildings are non-compliant)  
2 units, 2 stories



**Example of buildout under 100% Affordable Citywide Overlay**  
10 units, 3 stories



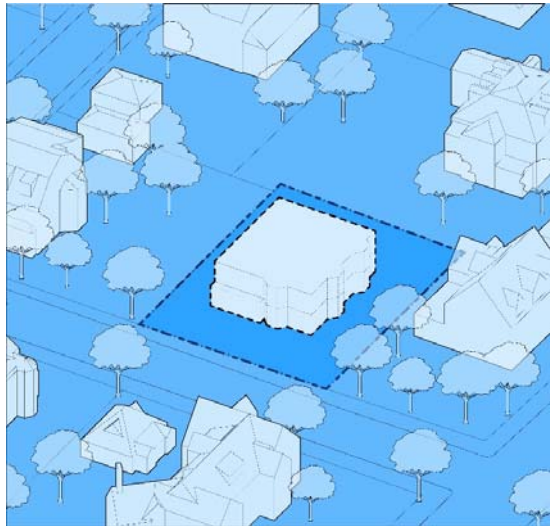
**Example of buildout under 100% Affordable Citywide Overlay**  
12 units, 4 stories

69% of existing buildings in residential neighborhoods are not zoning compliant, due to height, density, or both

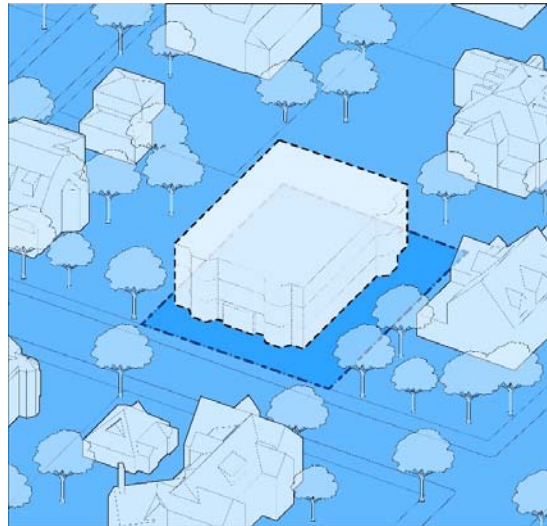
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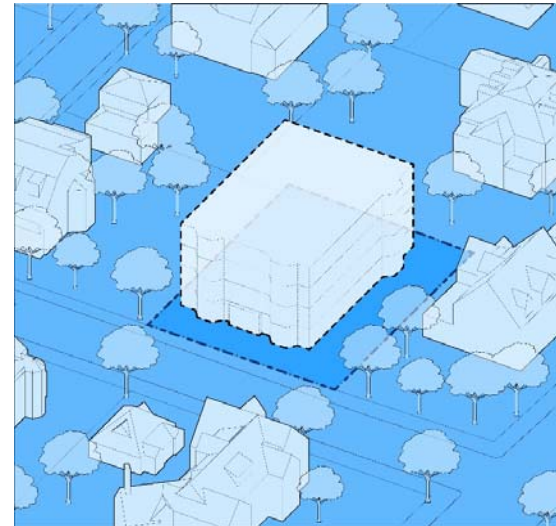
## Examples of hypothetical buildout on large parcels (>10,000sf):



**Maximum allowed under current zoning**  
(many existing buildings are non-compliant)  
1 unit, 2 stories



**Example of buildout under 100% Affordable Citywide Overlay**  
17 units, 3 stories



**Example of buildout under 100% Affordable Citywide Overlay**  
23 units, 4 stories

69% of existing buildings in residential neighborhoods are not zoning compliant, due to height, density, or both



# Examples of recent infill development in Cambridge

In these examples, the new developments are at a higher density than the surrounding buildings.



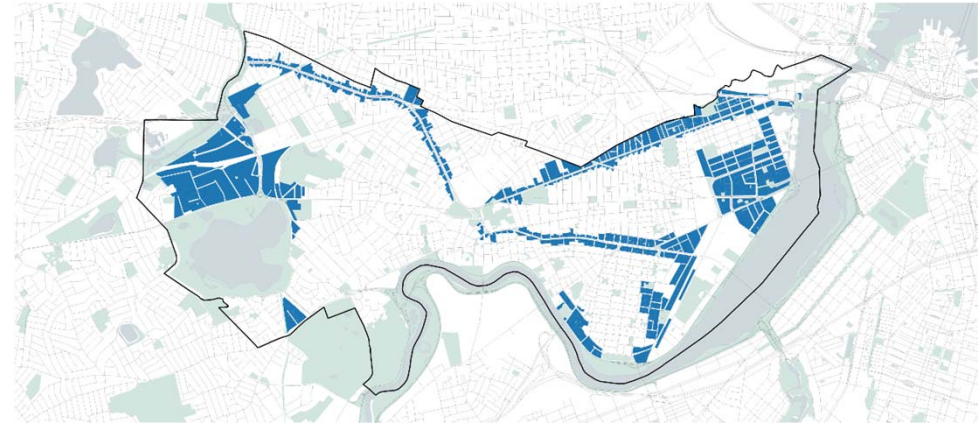
# Housing Idea 2: Super-Inclusionary Affordable Housing





## What is the “super-inclusionary” housing idea?

- Super-Inclusionary would be a voluntary program that provides a larger density bonus in exchange for additional affordable housing beyond the city’s current requirements
  - Like the existing policy, it would only apply to new residential buildings or conversions which create 10 or more new units or more than 10,000 square feet of residential space
- Special permit rules would not be changed. The present approval process would be maintained.

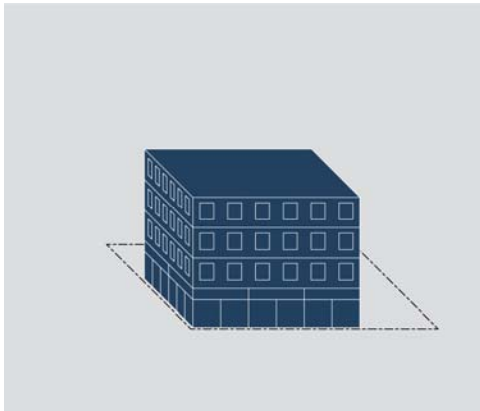


Super-Inclusionary Housing was tested along corridors and in areas of potential change.

# Ideas for Discussion

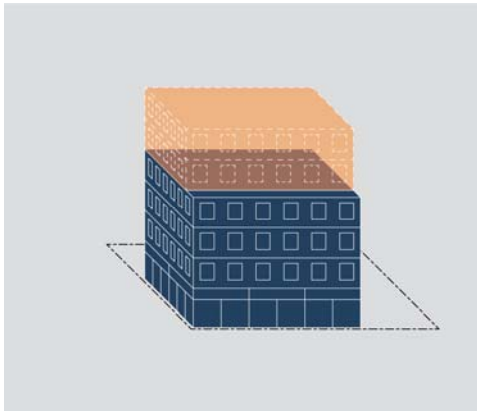
Several different tiers of super-inclusionary incentives were analyzed

Current Zoning under Inclusionary Housing



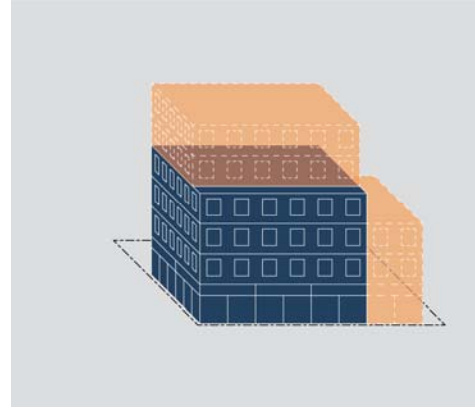
**20% of floor area is affordable**  
30% density increase  
13 units / 2 affordable units

Super-Inclusionary Tier A (Voluntary)



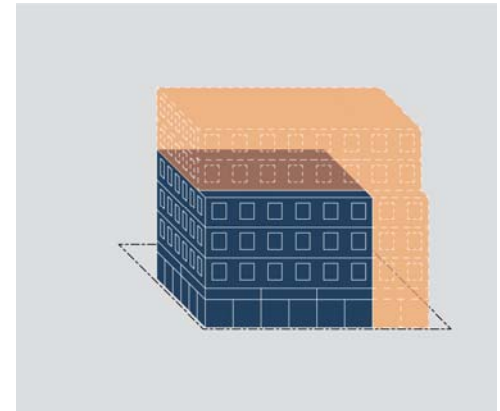
**30% of floor area is affordable**  
70% density increase  
17 units / 5 affordable units

Super-Inclusionary Tier B (Voluntary)



**35% of floor area is affordable**  
100% density increase  
20 units / 7 affordable units

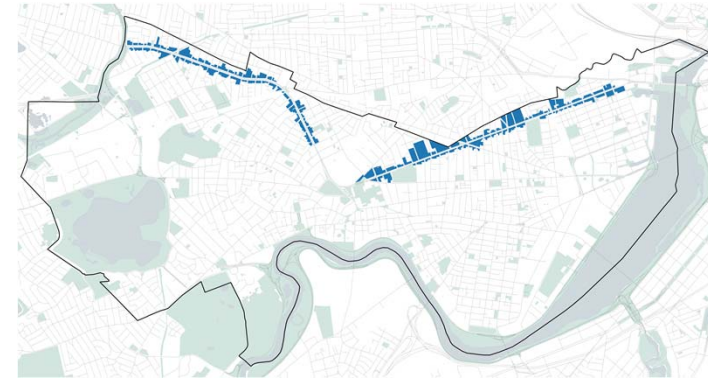
Super-Inclusionary Tier C (Voluntary)



**40% of floor area is affordable**  
130% density increase  
23 units / 9 affordable units

Building size and unit counts are not to scale and are meant only to illustrate how these policies work generally.

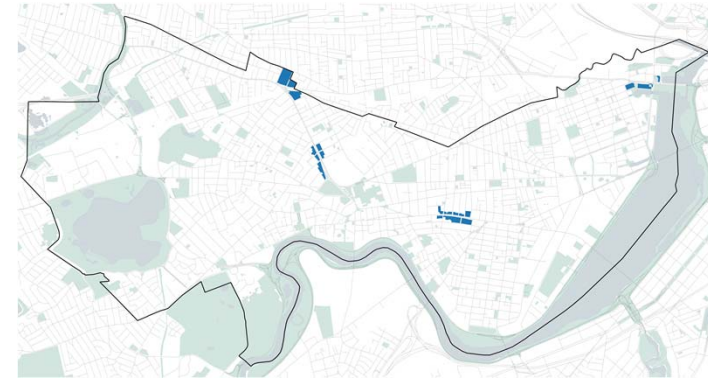
# Urban Form Outcomes: Hypothetical Corridor Block under Super-Inclusionary – Tier A



Study areas shown in the map have maximum super-inclusionary densities that might result in the density shown.

Hypothetical 4 story building

# Urban Form Outcomes: Hypothetical Corridor Block under Super-Inclusionary – Tier B

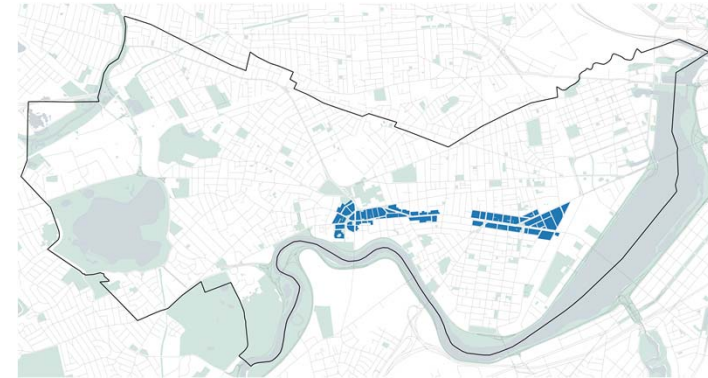


Study areas shown in the map have maximum super-inclusionary densities that might result in the density shown.

Hypothetical 6 story building



# Urban Form Outcomes: Hypothetical Corridor Block under Super-Inclusionary – Tier C



Study areas shown in the map have maximum super-inclusionary densities that might result in the density shown.

Hypothetical 12 story building

# Environment Idea: Environmental Performance Incentive



# What is an environmental performance incentive policy?

- A voluntary program that provides a density bonus in exchange for improved environmental building performance, such as:
  - Net zero construction ahead of the requirements set forth by the Net Zero Action Plan
  - Net positive construction after net zero construction is required
  - District energy
  - Resiliency measures



Cambridge's 2015 *Getting to Net Zero Framework* is an action plan to get all buildings to net zero GHG emissions by mid-century.

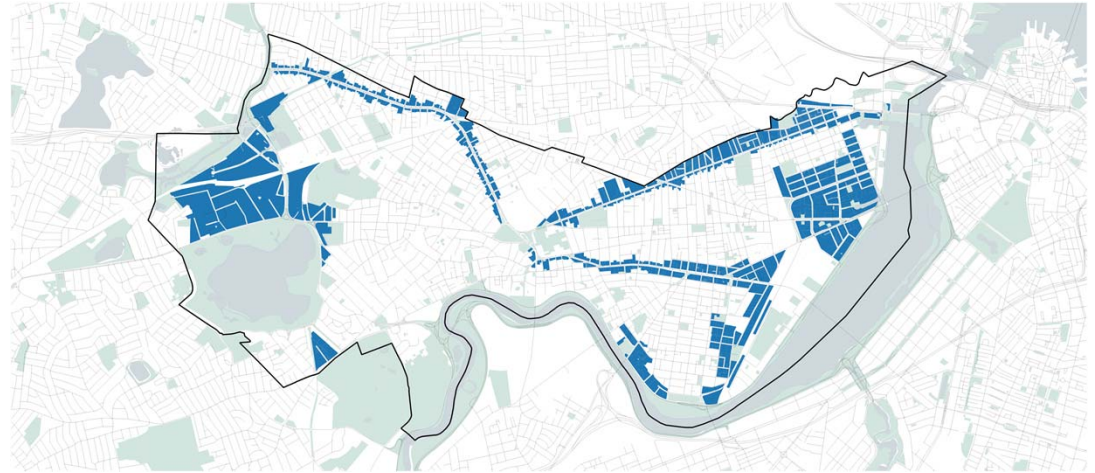
## Current Net Zero Action Plan requirements by use:

Type:	Municipal	Small Residential (1-4 units)	Multifamily	Commercial	Institutional	Laboratory
Target Year:	2020	2022	2025	2025	2025	2030



## Environmental Performance Incentive Policy: Testing

- This analysis tested a version of a Environmental Performance Incentive bonus that offers a bonus to both residential and non-residential development
- Additional allowable density under this bonus:
  - Residential: 10%
  - Commercial: 15%
- Adoption of the bonus is assumed to be:
  - Residential: 70%
  - Commercial:
    - 40% in areas with higher density
    - 80% in areas with lower density



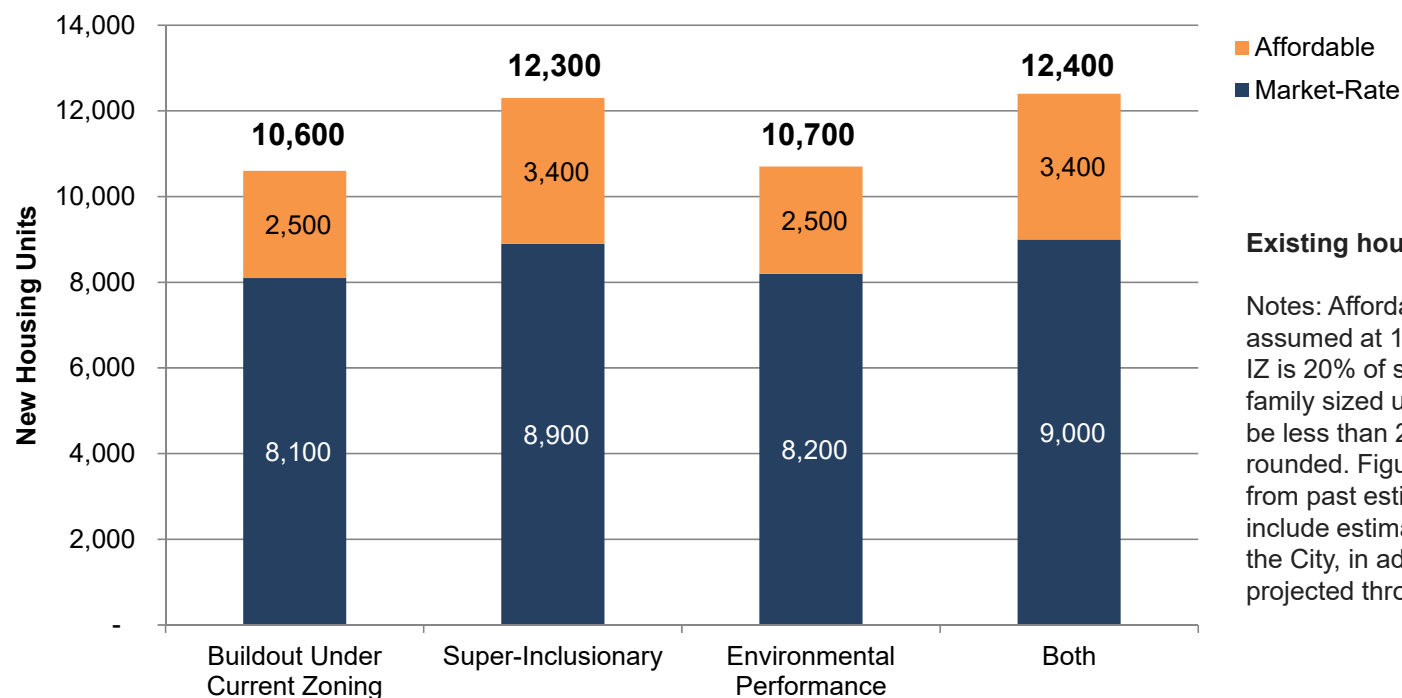
The Environmental Performance Incentive was tested along corridors and in areas of potential change.

# Comparison of Development Outcomes



# Comparison of Potential Housing Production

**Net New Housing Units through 2030**



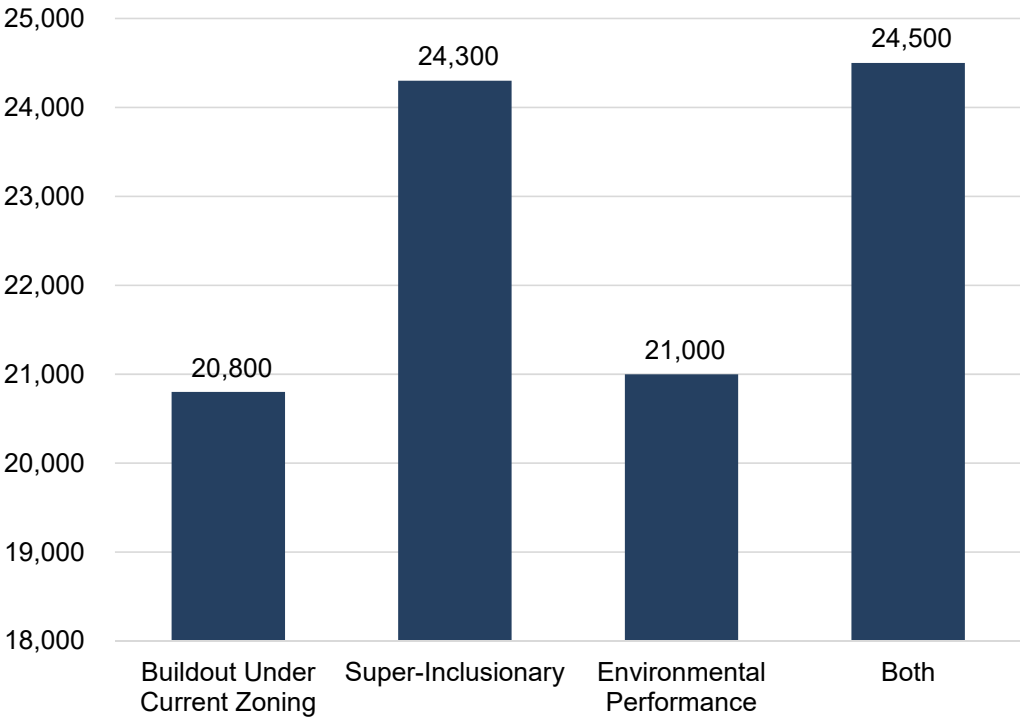
**Existing housing stock: approximately 53,000 units**

Notes: Affordable percentage for non-pipeline projects is assumed at 17.5% since 1) not all projects trigger IZ and 2) the IZ is 20% of square footage, not units. Given our emphasis on family sized units, the percentage of affordable units is likely to be less than 20% of total new housing units. All figures are rounded. Figures, including those for current zoning, will vary from past estimates due to changes in methodology. Figures include estimated affordable development that is funded through the City, in addition to the market and affordable development projected through this analysis.

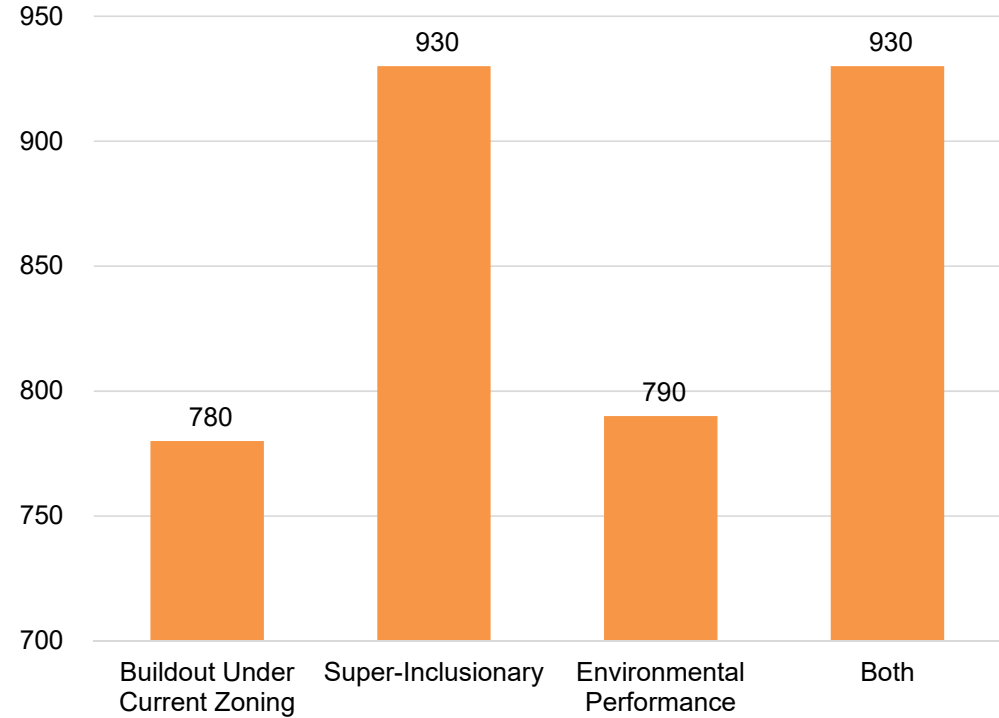


# Comparison of Potential New Residents and Public School Students

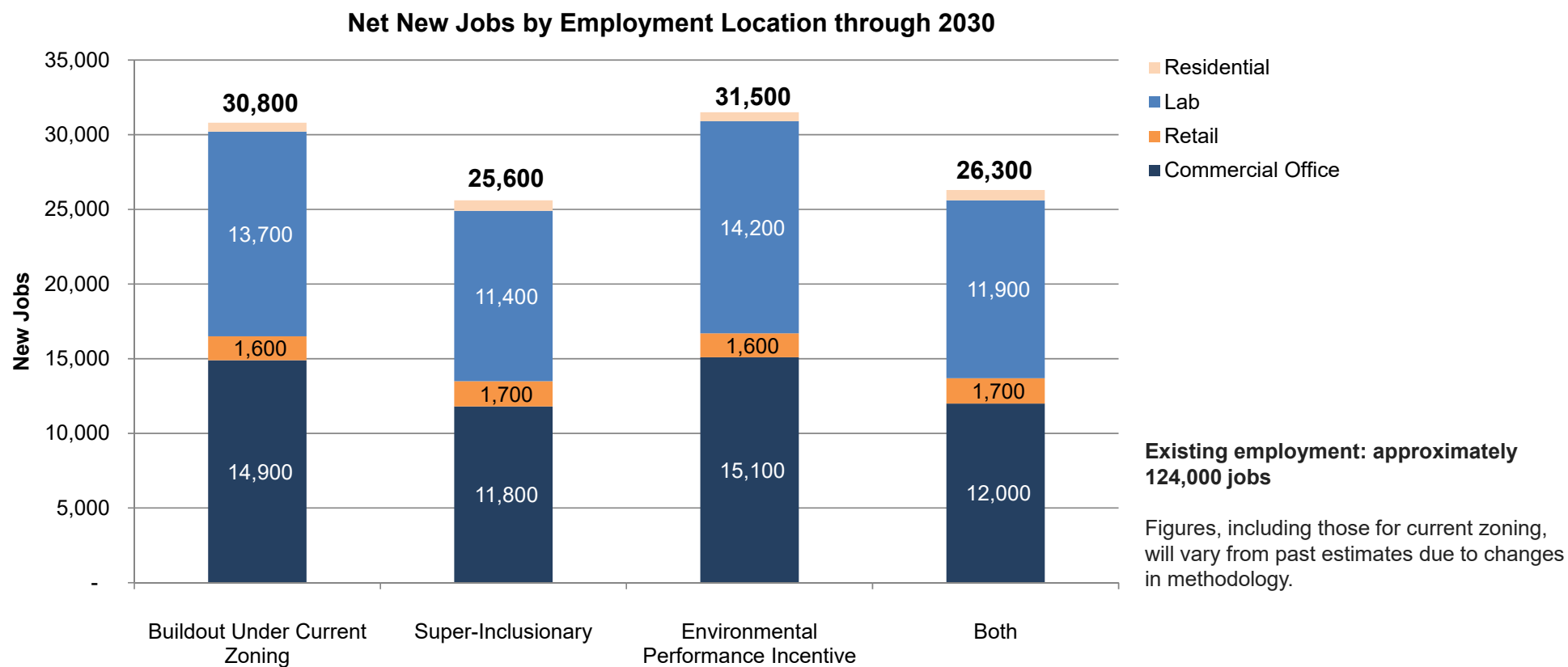
Net New Residents through 2030



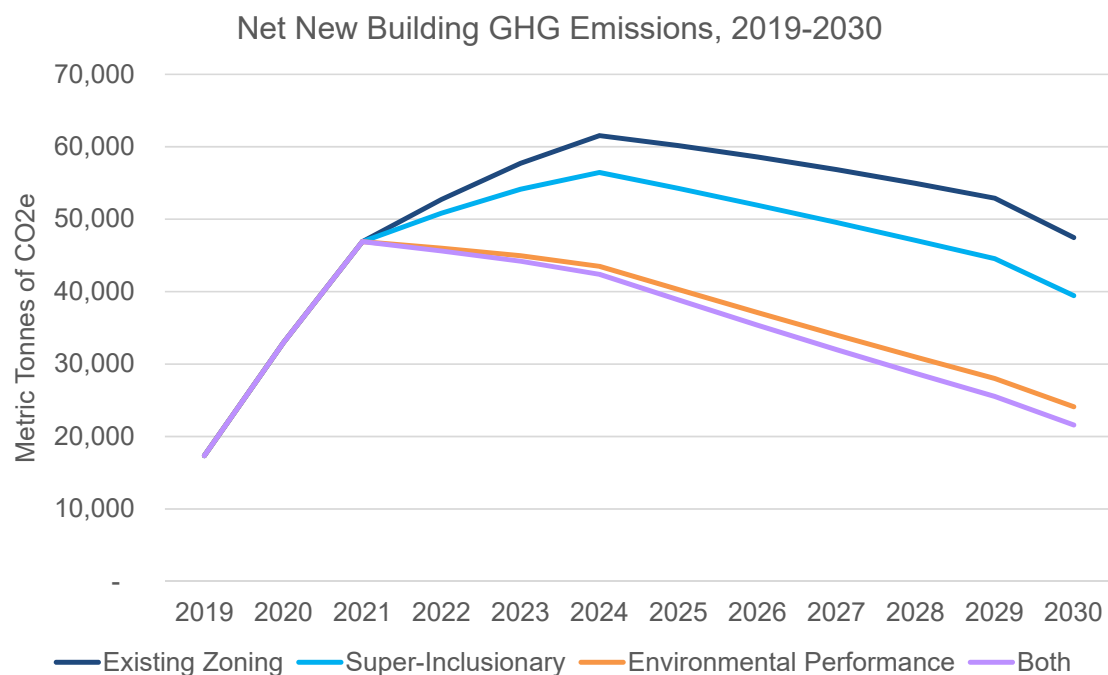
Net New Public School Students through 2030



# Comparison of Potential New Jobs



# Comparison of GHG Emissions

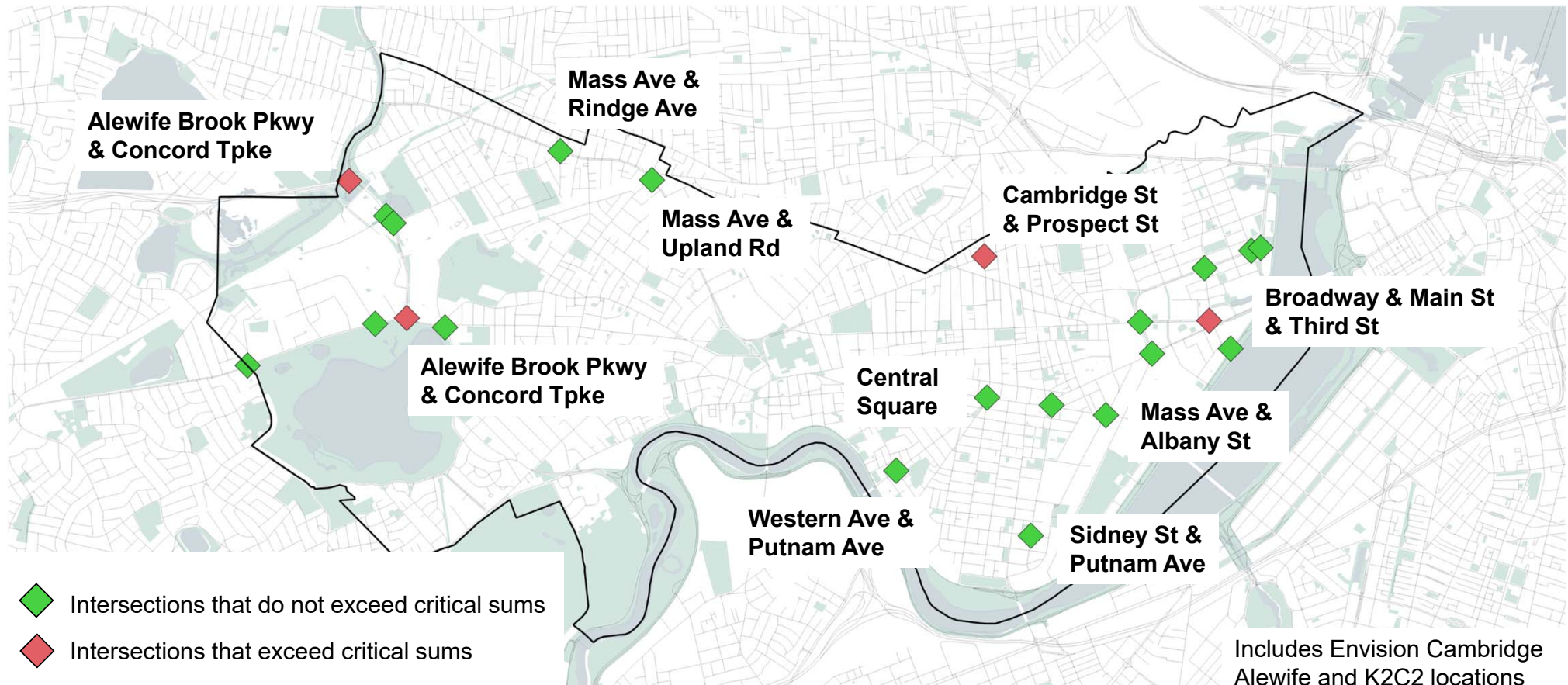


## Existing Building Emissions: approx. 1 million tonnes

Figures assume individual electrification of buildings (using Cambridge's Low Carbon Energy Supply Strategy scenario 1), improvements in the electric grid, and the energy use intensity targets called for in the Net Zero Action Plan. Figures show GHG emissions from operations.



# Mobility Comparison: Critical Sums at Key Intersections



# Questions & Comments

