



CITY OF CAMBRIDGE  
COMMUNITY DEVELOPMENT DEPARTMENT

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OFFICE OF THE CITY MANAGER

SUSAN B. SCHLESINGER,  
Assistant City Manager for  
Community Development

To: Robert W. Healy, City Manager

From: Susan Schlesinger *sm*

RE: **Council Order #6, dated November 20, 1995  
Inclusionary housing/linkage requirements in the Zoning Ordinance.**

January 3, 1996

There are five instances in the Zoning Ordinance where either the payment of money or the provision of an affordable housing unit is required as a condition of the issuance of a building permit. In each instance, except one, those requirements are imposed in exchange for the granting of additional development on a lot above that which is permitted as-of-right, through the issuance of a special permit. An inclusionary housing requirement is one that mandates the actual construction of an affordable housing unit within a larger, market rate housing development. An incentive/linkage requirement, on the other hand, applies to non residential development. In this case a payment of money is made to a housing fund in lieu of the actual construction of housing units; however, the construction of housing units in fulfillment of the requirement is not prohibited. Both approaches are employed in various provisions of the Cambridge Zoning Ordinance.

The required inclusionary housing units or those housing units built with linkage money payments, i.e. affordable housing units, are intended for low and moderate income households. Such households are generally defined as those with an income at 80% or less of the median income for similar households in the Boston metropolitan area (specifically the Boston Standard Metropolitan Statistical Area).

A linkage payment or inclusionary housing construction is mandated in the following instances in the Cambridge Zoning Ordinance:

- \* Various special permits, applicable to non residential development, in zoning districts throughout the City, as outlined in Section 11.200 - Incentive Zoning Provisions of the Zoning Ordinance.
- \* Certain higher density housing construction in the **Residence C Zoning District**, the designated district in most of the residential neighborhood in Cambridgeport.
- \* Certain higher density housing construction in **Special Districts 9 and 10** in the Cambridgeport Industrial District.

**\* Housing construction in the North Point Planned Unit Development District 6.**

**\* Affordable housing requirements at University Park, the Cambridgeport Revitalization Development District (CRDD).**

The detailed requirements of each of these provisions of the Ordinance are described below.

### **Incentive Zoning Provisions - Section 11.200**

Section 10.48 (general provisions applicable to special permits) and Section 11.200 of the Zoning Ordinance enumerate a wide range of special permits, including all special permits issued in any Planned Unit Development District (which are located in East Cambridge, Alewife, and Harvard Square) and many special permits issued in the Parkway, Harvard Square, and Central Square Overlay Districts. Each of those enumerated permits grants some additional benefit to development on a site, which might be in the form of greater height, more gross floor area, reduced parking or setback requirements, or a greater range of permitted uses. Section 11.200 requires that, for the office or retail components of a development seeking any one of the enumerated special permits, a payment of \$2.00 be made to the City's Affordable Housing Trust for each square foot of office or retail development approved above the exempt first 30,000 square feet of such development (Section 11.200 also allows the option of construction of actual dwelling units, if the applicant so chooses). The payment is required before an occupancy permit is issued for the approved construction.

To date one payment of \$5,000 has been received for the Lotus Development Company office building addition at the Cambridgeside Galleria Mall; a recently approved office building in North Point will be obligated to a payment of \$258,000 in two years should construction proceed as currently anticipated. Other development proposals in Alewife and elsewhere in the City, now only in the early discussion stages, could generate additional incentive zoning payments should they advance to the official approval stage.

Section 11.200 was adopted in 1988 in response to the concern that the extensive office and retail development to which the City was host at the time was placing great demand pressure on the limited stock of housing in Cambridge. The link between the increased number of new employees in these buildings and an increased demand for housing in Cambridge was analyzed; the resulting cost, in terms of increased housing prices, was documented. The provisions of Section 11.200 were designed to partially mitigate the impact of that escalating cost of housing for the most vulnerable, low and moderate income households in the City.

Section 11.200 also establishes the standards for affordable housing unit construction, the income limits and other standards for tenants or home buyers eligible to occupy such units, and the mechanism by which actual housing unit construction may be substituted for the required incentive payment; these standards are frequently referenced by other sections of the

Zoning Ordinance. In addition Section 11.200 establishes the City's Affordable Housing Trust, which is authorized to receive monies generated by the requirements of Section 11.200 and from any other source and whose Board manages their expenditure in the creation of actual housing units.

### **Residence C Zoning District**

Much of the Cambridgeport residential neighborhood was rezoned in 1987 to the newly created Residence C Zoning District, from its previous Residence C-1 district designation. The new district reduced as-of-right residential densities by approximately 30%. However, development at the higher Residence C-1 density is allowed by special permit from the Board of Zoning Appeal if half of the additional dwelling units permitted at the higher density is dedicated as affordable units. Howard Industrial Lofts at Putnam Avenue and Pleasant Street, making partial use of the Residence C provisions, has provided four affordable units in the twenty unit development.

The downzoning was initially proposed by neighborhood residents and the affordable housing provisions incorporated into the Residence C District's regulations specifically reflects their housing objectives, as well as the City's.

### **Special Districts 9 and 10**

In these districts, which center on Brookline Street and Sidney Street in Cambridgeport, the provisions of the Residence C district are also applicable. However, separate provisions which further increase height, density and floor area bonuses for housing construction are included in these districts, with the condition that a certain percentage of the units constructed (a minimum of 16.5% is required) be affordable as defined in these two districts.

Special Districts 9 and 10 were developed as a part of the larger rezoning, adopted in 1991, affecting the industrial and commercial areas in Cambridgeport south of Pacific Street. The districts' provisions are intended to encourage the conversion of the existing non residential uses that now predominate, to residential use.

### **North Point PUD-6**

The North Point PUD-6 grants considerable gross floor area and height bonuses to residential development in that district. As a condition of granting those considerable incentives, PUD-6 requires that 7.5% of the approved units be affordable units and that an additional 7.5% be offered to the City of Cambridge, at market rate, for inclusion in any City sponsored affordable housing program.

At present 425 units of housing have been authorized in PUD-6. Of that total 32 units will be made available as affordable units within the restrictions imposed by Section 11.200 of the Zoning Ordinance. Initiation of construction of those units is anticipated in the near future.

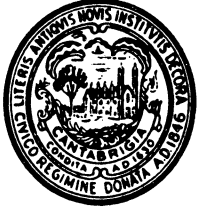
The North Point area was rezoned in 1988. Strong incentives were incorporated into the PUD-6 to encourage the construction of housing. Because of the limited access available into North Point, all of which is off of already busy highways, housing is viewed as the better development option to minimize peak hour automobile trips into and out of the area in the morning and evening.

### **University Park**

The Cambridgeport Revitalization Development District is atypical of zoning districts in the City, as it regulates development on land owned by a single property owner and is based on a master plan, worked out in much detail by the property owner and the City, that is an integral part of the Zoning Ordinance. Therefore, development is allowed to proceed as-of-right without the issuance of a discretionary special permit. However, affordable housing requirements, which might be a condition of a special permit in any other zoning district, are made explicit in the text of the CRDD zoning regulations.

Four hundred housing units are required to be constructed in the District before all authorized non residential development can be realized. At various interim stages, as the master plan is implemented, 150 of those housing units must be constructed for low and moderate income families. Sixty-four of the 130 units already constructed in the mixed income Kennedy Lofts adaptive reuse project on Franklin Street and forty-six of the seventy-seven units now under construction along Brookline Street provide a significant number of those required affordable housing units.

The Cambridgeport Revitalization Development District was adopted in 1988.



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CITY OF CAMBRIDGE  
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EXECUTIVE DEPARTMENT  
ROBERT W. HEALY  
City Manager

RICHARD C. ROSSI  
Deputy City Manager

January 22, 1996

To The Honorable, The City Council:

Please find attached a response to Awaiting Report Item No. 7, regarding a report of all currently existing linkage/incentive ordinances pertaining to development in Cambridge, received from Assistant City Manager for Community Development Susan Schlesinger.

Very truly yours,

Robert W. Healy  
City Manager

RWH/mec  
attachment

Consent Agenda #8

CM-19

Relative to Awaiting Report Item  
Number Seven, regarding a report  
of all currently existing linkage/  
incentive ordinances pertaining  
to development in Cambridge.

In City Council January 22, 1996

*Placed on file*