



CITY OF CAMBRIDGE
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EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

RICHARD C. ROSSI
Deputy City Manager

June 2, 1997

To The Honorable, The City Council:

This is to notify the City Council of an action to be considered by the Affordable Housing Trust at its next meeting on June 12, 1997 at 4:00 p.m. This action will adjust for inflation the amount of the fee to be charged to developers of certain commercial projects over 30,000 square feet under the Incentive Zoning Provisions of the Zoning Ordinance [Section 11.203(a)].

Pursuant to an amendment to the Zoning Ordinance enacted in July, 1988, the City Council empowered the Affordable Housing Trust to adjust for inflation the amount of the Incentive Zoning fee annually based on changes to the CPI. The initial fee in the zoning amendment was set at \$2.00 per square foot, with the first 30,000 square feet exempt. The Trust has not made any adjustments to the initial fee since 1988. Since the inception of the Trust in 1988, slightly over \$5,000.00 in fees has been collected.

We have analyzed the inflation rate since 1988, based on changes to the CPI-Housing Index. This index has increased by almost 33%. The Trust may apply this inflation factor to the Incentive Zoning fee, which would result in an increase from \$2.00 per square foot to \$2.65 per square foot. The new fee would take effect as of July 1, 1997 for commercial projects subject to the Incentive Zoning Provisions. Those project which have applied for a Special Permit by July 1, 1997 will be charged the original fee of \$2.00 per square foot.

The fees generated by the Incentive Zoning Provisions are contributed to the Affordable Housing Trust, which uses them to create and preserve affordable housing opportunities for Cambridge residents.

Very truly yours,

Robert W. Healy
City Manager

RWH/mec

Regarding notification of an action to be considered by the Affordable Housing Trust to adjust for inflation the amount of the fee to be charged to developers of certain commercail projects over 30,000 square feet under the Incentive Zoning Provisions of the Zoning Ordinance.

In City Council June 2, 1997

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