

CITY OF CAMBRIDGE
COMMUNITY DEVELOPMENT DEPARTMENT
City Hall Annex Inman & Broadway EXTENSION 344

To James L. Sullivan, City Manager
From ^{DRV} David R. Vickery, Assistant City Manager **Date** December 15, 1978
for Community Development
Subject Report Gentrification Order June 12, 1978

Over the last several months, the department has been engaged in an effort to address the issue of neighborhood stabilization in the East Cambridge neighborhood. More specifically, the department has focused on the development of a strategy to deal with gentrification, that is, the displacement of long-term residents by younger, wealthier professionals. Thus far, the Department's work has been concentrated along two lines: 1) The long-term overall issue of stabilization including gentrification as an element, and 2) The development of innovative programs to deal specifically with gentrification. Simply put, we are examining gentrification itself and how it relates to the overall stabilization process and in turn are working on the most effective means to deal with it. The following has occurred to date:

1. An examination of the current literature
 1. a. Crown Heights Area Maintenance Program; New York City Planning Department (A Pilot Stabilization Program)
 1. b. Displacement, City Neighborhoods in Transition; The National Urban Coalition
 1. c. Neighborhood Preservation in New York City; New York City Planning Department
 1. d. Upper West Side Neighborhood Stabilization Program; New York City Planning Department
 1. e. HUD's Role in the Displacement of Inner City Low Income Residents; The National Housing Law Project
 1. f. Miscellaneous Articles, papers and reports dealing with neighborhoods and stabilization
2. An Ongoing Series of East Cambridge neighborhood meetings:
 2. a. To develop a protective neighborhood zoning program: meetings September 21, October 19, and November 16, 1978
 2. b. To Discuss A Stabilization Effort: meetings in conjunction with the Planning Team, Oct. 19, Nov. 16, and Dec., 13 - others to be announced shortly.

3. Creation of a Neighborhood Stabilization Work Plan
 3. a. Community Development Memo Oct. 3, 1978 (see attached)
 3. b. Hiring of Neighborhood Stabilization Planner Nov. 6, 1978
 3. c. Neighborhood Wide Survey December 14, 1978
 3. d. Formation of a Committee to establish priorities for expenditure of Year 1 Stabilization Funds
 3. e. Investigation into creative and innovative Grant and Program funding from State and Federal Sources.
4. Development of special Gentrification Legislation and Programming
 4. a. Meeting with Dr. Phillip Clay, gentrification researcher and author, December 4, 1978.
 4. b. Meeting with Professor James Greene; researcher, author, and Boston neighborhood stabilization participant December 5, 1978
 4. c. Meeting with City of Cambridge Board of Assessors November 30, 1978
 4. d. Preparation of a report by Attorney John F. Bok regarding potential tax stabilization and assistance programs, Nov. 30, 1978

The above outlines some of the department's major research and discussions in developing a strategy which would ensure preservation of the East Cambridge neighborhood and protect the neighborhood from any possible displacement pressures arising from the UDAG-Riverfront Plan. The department has created a comprehensive and expanding work plan, sought expert advice and input, devised a protective zoning scheme, hired personnel to implement a stabilization program and are currently working with neighborhood residents to educate and enlist involvement in the stabilization effort. Much of the department's work has led to the conclusion that a strong sense of community and broad based participation are the most effective means of resisting displacement pressures. The level of commitment and eagerness to participate observed thus far is encouraging indeed. The department will make all efforts to reinforce such an attitude and cultivate even greater participation.

Finally, the latest literature on the subject of stabilization and gentrification by the National Urban Coalition, titled Displacement-City Neighborhoods in Transition recommends that government take the following series of actions to promote stabilization and resist displacement:

1. Provide increased access to program information
2. Increase resources for rehabilitation
3. Improve legislation for the disadvantaged
4. Improve the use of existing government programs and policies.

I believe our efforts to date have addressed these areas, and I am confident that we are well underway in a comprehensive and effective program to discourage displacement and in fact, strengthen the sense of neighborhood in East Cambridge.



CITY OF CAMBRIDGE
COMMUNITY DEVELOPMENT DEPARTMENT

City Hall Annex

Inman & Broadway

EXTENSION 344

To David Vickery

From Alan Zimlicki

Date October 3, 1978

Subject Draft-Neighborhood Stabilization Program
for East Cambridge

The enclosed draft work program is designed as a preliminary paper to be used in the planning team neighborhood meeting scheduled for October 19th. Each major objective must be addressed with care and program formation coordinated with the Neighborhood, City Housing specialists, Public facilities staff, the Assessors and the Block Grant personnel. Obviously, the City is restricted by law in some areas and must rely on existing state, city and federal programs in other areas.

D R A F T

Neighborhood Stabilization Work Program for East Cambridge

(October 3, 1978)

GOAL: To preserve the existing residential mix of East Cambridge and provide opportunities for the children of present residents to live and work in East Cambridge (as generally outlined in the City Council's gentrification order).

OBJECTIVE A: Provide Homeownership Opportunities

Tools -

- 312 homeownership program
- Mass. Housing Finance bonds
- acquisition of home by Housing Authority
- insured mortgages
- capital gains tax
- acquisition by the City or other public agency and sell back of houses with a balloon mortgage
- housing acquisition grants
- community education programs

OBJECTIVE B: Maintain rent levels which are affordable by existing tenants.

Tools -

- maintain existing rent control law
- encourage landlords to be reasonable with those tenants not covered by rent control
- provide Section 8 and Section 701 leased housing subsidies
- acquire buildings when they go up for sale and convert apartments into condominiums

OBJECTIVE C: Make the neighborhood an inviting place to live and a place where young people will want to stay.

Tools -

- upgrade the declining industrial and commercial areas in the Lechmere Triangle.
- rewrite zoning to protect the residential community and stop the intrusion of industrial and commercial uses into the neighborhood
- upgrade the public facilities such as parks, roadways, the Lechmere Canal, the MBTA Station, the abandoned Courthouse, streets, sidewalks, street trees, etc.

- upgrade existing housing stock by CDBG rehab loans, grants, Section 312 loans and grants, historical rehab loans and grants, special neighborhood revitalization programs developed with local banks and federal home loan bank board programs.

OBJECTIVE D: Maintain tax levels of existing homeowners and their children at rates on par with existing rates.

Tools -

- establish tax agreement with assessors that sets up a program where, after 100% valuation, a home is valued at a rate that does not reflect speculative house prices in East Cambridge that result from neighborhood improvements. This could be done by abatements, valuation policies, establishing a special valuation procedure or grants. The legality and technical aspects of this program must be reviewed.
- establish certification procedure to determine who would be eligible for such a program and procedures for implementing this program.

- WORK PROGRAM -

(each item will have a specific step-by-step work program as the project is developed)

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| June 1978 | Approval of UDAG Grant |
| October 1978 | Formulation of a working "Neighborhood Stabilization Committee" (Perhaps a committee of the East Cambridge Planning Team) |
| October 1978 | Hiring of associate planner for UDAG program to be primarily responsible for implementing the neighborhood stabilization program. |
| October 1978 -
January 1979 | Development of the strategy objectives and policy for the East Cambridge neighborhood stabilization program with the planning committee. |
| October 1978 -
February 1979 | Data collection, i.e.: <ul style="list-style-type: none">- survey of literature "City Neighborhoods in Transition" National Urban Coalition- condition of housing stock- survey of owner occupants, non-rent controlled renters and rent controlled renters. |
| October 1978 - | Establishing a bi-monthly newsletter to allow the Neighborhood Stabilization Committee and the City to keep the neighborhood informed of the progress of the UDAG project and the progress and direction of the stabilization program. |

- October 1978 - Survey of buildings for the possible development of an historical
January 1979 area in East Cambridge
- October 1978 - Analysis of how existing CDBG and City funds are presently being
January 1979 spent in East Cambridge so as to integrate the programs
- November - Discussion with the City's assessors to establish a tax strategy
December 1978 and program guidelines
- October 1978 - Work with existing State, Federal and City housing programs to
June 1979 establish a definite strategy, apply for additional funds, meet
with banks start working on and formulating new programs and
approaches. Establish program priorities
- November 1978 - Design and develop funding mechanisms for public improvements such
June 1979 as open space and streets and sidewalks.
- July 1979 - Full scale implementation of Neighborhood Stabilization Program.



CITY OF CAMBRIDGE

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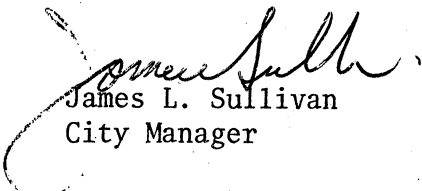
EXECUTIVE DEPARTMENT
JAMES L. SULLIVAN
City Manager

December 18, 1978

To the Honorable, the City Council:

With reference to Awaiting Report Item No. 1 of this date, I transmit herewith self-explanatory communication from David R. Vickery, Assistant City Manager for Community Development, relative to the City's strategy for dealing with the potential problem of gentrification.

Very truly yours,


James L. Sullivan
City Manager

JLS/b

Agenda #6

S-541

Response to Awaiting Report No. 1 re: city's
strategy for dealing with the potential problem
of gentrification.

In City Council,
December 18, 1978

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