



CITY OF CAMBRIDGE
COMMUNITY DEVELOPMENT DEPARTMENT

SUSAN B. SCHLESINGER
Assistant City Manager for
Community Development

MEMORANDUM

BETH RUBENSTEIN
Deputy Director for
Community Development

TO: Robert W. Healy, City Manager

FROM: Susan Schlesinger, Assistant City Manager for Community Development

DATE: May 27, 1998

RE: Council Order #012 dated 5/11/98 RE: Report on affordable housing project for Avon Hill.

A year ago, CASCAP, Inc. launched the Affordable Small Apartment Preservation (ASAP) initiative. The goal of ASAP is to develop and preserve affordable studio and one-bedroom apartments city-wide. At the end of January, 1998, CASCAP made an offer on an eight unit property at 11 Walnut Avenue/80 Upland Road. The property consists of studio, one and two bedroom apartments. CASCAP planned to purchase and rehab. the property for affordable housing under the ASAP initiative.

On January 30, 1998 CASCAP executed a Purchase & Sale Agreement with the owner and began to assemble financing for the project. The City provided a financing commitment of \$240,000 to CASCAP (see attached) and wrote a letter to the state in support of CASCAP's application for Low Income Housing Tax Credits.

At the end of February, a neighborhood resident also serving as attorney for two neighbors wrote a letter to the Building Commissioner maintaining that the eight unit multi-family use of the property was not a legal non-conforming use. Based on information provided by CASCAP and his own investigations, Commissioner Bersani concluded that there was no basis for taking enforcement action against the property. The attorney submitted additional information supporting his claim that the property as an eight unit structure was not legal. Mr. Bersani reviewed this information and on April 24th determined that there was no zoning violation and that the attorney had the right to appeal to the Board of Zoning Appeal. On May 22nd, the attorney appealed Commissioner Bersani's determination. The case is scheduled to be heard by the BZA on

July 9th. I have attached a memo from Commissioner Bersani outlining in detail the actions he took regarding the property.

On April 15th, CASCAP decided to exit the Purchase & Sale Agreement it had with the owner. They made this decision because of the potential for incurring substantial legal expenses due to the opposition of the neighbors, the overall high project costs, and the effect the potential legal challenges would have had on the project schedule and overall project costs.

In this volatile real estate market, non-profit housing developers are competing for properties against private developers, so timing is often critical to project success. A non-profit must balance the goals of securing a property, assembling financing, and keeping neighbors informed and gaining their approval for a project. It is not always possible to achieve these goals within a time frame and budget that makes an affordable housing project feasible.

Attachment



CITY OF CAMBRIDGE
CAMBRIDGE, MASSACHUSETTS 02139

TEL 349-4300
FAX 349-4307



EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

RICHARD C. ROSSI
Deputy City Manager

March 2, 1998

Michael Haran, Executive Director
CASCAP, Inc.
678 Massachusetts Ave., 10th floor
Cambridge, MA 02139

Dear Mr. Haran,

I am writing in support of your application for Low Income Housing Tax Credits and HOME funds from the Massachusetts Department of Housing & Community Development for the property at 11 Walnut Avenue/80 Upland Road in Cambridge.

Your plans to substantially rehabilitate and preserve this property as eight affordable studio, one, and two-bedroom apartments is an excellent one. There is a huge need for affordable housing for smaller sized households in the City, especially since the end of rent control. Rents on Avon Hill, the neighborhood of the proposed project are especially high. This factor inhibits the neighborhood's economic diversity.

The City is prepared to commit HOME funds for acquisition and permanent financing for the project up to a maximum of \$30,000 per unit. This commitment is contingent upon our final underwriting of the project and the receipt of commitments from other financing sources.

We look forward to working with you on expanding housing opportunities for Cambridge's low and moderate income residents.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert W. Healy", written over a horizontal line.
Robert W. Healy
City Manager



CITY OF CAMBRIDGE

INTEROFFICE CORRESPONDENCE

May 22, 1998

To: Susan Schlesinger, Assistant City Manager, CDD

From: Bob Bersani, Inspectional Services

Subject: Council Order #102, dated 5/11/98 RE: REPORT ON AFFORDABLE HOUSING PROJECT FOR AVON HILL(11 WALNUT AVE.)

The following input is submitted from ISD concerning the zoning enforcement aspects of this Council Order:

11 Walnut Avenue is a large residential multi-family structure located on the corner of Walnut Ave. and Upland Rd. (Avon Hill area) in the Residence B Zone. Multi-family housing is not permitted in a Residence B zone. However, prior to February, 1961, this address was zoned Residence C-1 where multi-family use was permitted. Thus, if the structure was in use as a multi-family at the time of the zoning change and continued in that use, such use is termed as preexisting non-conforming and is permitted. The owners of this property had never obtained a certificate of occupancy for this use from the City. However, there is not a requirement that they do so.

On 2/27/98, a letter was forwarded concerning 11 Walnut Ave by abutters alleging that the use of the property as an 8 unit residential building was not a legal non-conforming use based on the rationale that a permit or permission from the City was never granted for use of the property as an eight unit apartment house.

At that time, CASCAP was negotiating to purchase this property to use as eight affordable rental apartments. CASCAP provided to me information concerning prior use in order to show that the nonconforming multi-family use continuous and, therefore, a legally permitted use. This information consisted of a statement from the Licensing Board, Rent Control Board records, Election Commission Police Listings, and an affidavit from the rental agent for the property.

Based on that information together with my own investigation and consultation with other City Departments, I advised the attorney for the abutters on March 24th. that it appeared that the property was used continuously from the time of the rezoning as first a nine and then an eight unit apartment building and, therefore, there was not a basis for taking enforcement action.

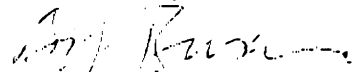
Additional information was then submitted by the attorney for the abutters consisting of records from the Assessor's Office, analysis of election Commission Police listings, phone books, and other

miscellaneous data. This information was reviewed and I also conducted a comprehensive inspection of the site viewing the apartment layouts, the type of construction, and the vintage of bath and kitchen fixtures and equipment in the units.

On April 24th, I advised the attorney for the abutters that it was my determination that there was not a zoning violation and, if they disagreed, they had the right to appeal to the BZA IAW the provisions of the Zoning Ordinance.

On May 22nd., the attorney for the abutters appealed my determination to the BZA. The case is scheduled to be heard by the Board on July 9th.

Sincerely,


R. R. Bersani

cc
Nancy Glowa



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CAMBRIDGE, MASSACHUSETTS 02139

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EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

RICHARD C. ROSSI
Deputy City Manager

June 1, 1998

To The Honorable, The City Council:

Please find attached a response to Awaiting Report Item No. 12, regarding a report on affordable housing project for Avon Hill, received from Assistant City Manager for Community Development Susan Schlesinger.

Very truly yours,

Robert W. Healy
City Manager

RWH/mec
Attachment

Consent Agenda #12

3905

A report on affordable housing
project for Avon Hill.

City Council June 1, 1998

PLACED ON FILE