

City of Cambridge

The Committee on Housing and Community Development conducted a public hearing on Thursday, August 2, 1990 beginning at 7:42 p.m. in the Sullivan Chambers, City Hall.

Councillor Ed Cyr, Chair of the above referenced Committee convened the hearing and stated that the purpose of this date's proceedings was to consider the need for an Affordable Housing Land Bank, issues about the operations of a Land Bank and a draft proposal for the Land Bank. Present at the hearing were: Vice Mayor Kenneth E. Reeves, Councillor Francis H. Duehay, Councillor Jonathan S. Myers, Councillor William H. Walsh and Deputy City Clerk John E. Flynn.

To begin the proceedings, The Chair introduced Mr. Stephen Krasner to outline a draft proposal for the creation of an Affordable Housing Land Bank. In his presentation, Mr. Krasner outlined the roles and functions to be performed by the City Council, Affordable Housing Trustees, the Planning Board, the individual Neighborhood, the Site Advisory Committee and Developers (A copy of the proposal is attached as well as a flow chart diagraming the Land Bank Process.)

Basically the areas surrounding the decision making process will be two-fold: 1) To what extent to construct real soon and 2) To what extent to wait to construct to better realize a stated want. The City Council would determine the appropriateness of a particular site and the Affordable Housing Trust in consultation and involvement by the affected neighborhood would determine what is to be built.

Presently city staff have identified between 13 - 15 sites suitable for transfer to this proposed Affordable Housing Land Bank.

Councillor Cyr stated that the key issue facing the City is to develop a mechanism that will insure the attaining of the stated goal of encouraging the development of affordable housing. The chief obstacle, according to Councillor Cyr, is the cost of land.

At this time the Committee heard from Mr. James Stockard, a member of the Affordable Housing Trust Board, for his comments regarding this proposal. Mr. Stockard stated his enthusiastic support and like for the proposal due to the extent of neighborhood involvement and the guideness of the proposal.

Mr. Stockard further provided the following statistical data to the Committee regarding the factors that are incorporated to ensure affordability:

1) No subsidies at all:	Rent \$1,000./month
2) Free Land:	Rent \$950./month
3) 25-30 year mortgage:	Rent \$650./month
4) Grant(s) to cover cost of building the units or big subsidies to tenant (Section 8; Chapter 707):	Rent \$300./month

Mr. Stockard stated that the Trustee will use the land for the neediest of the citizenry.

Councillor Walsh questioned the amount of units to be built given the 13 identified sites and the time it would take to construct and complete the units.

Mr. Stockard in response stated between 120-130 units (excluding parking garages) over 3-4 years. Councillor Walsh further inquired about abandoned housing and greater involvement by neighborhood banks. Mr. Stockard stated that both suggestions were reasonable for future consideration.

At this time the Committee heard from Ms. Terry Lurie representing Mr. Daniel J. Wuenschal, Executive Director of the Cambridge Housing Authority who read a brief statement endorsing the proposal. (copy of statement is attached)

Also endorsing the proposal was Mr. Joseph Nigro, Jr. Secretary-General Agent Boston Building Trade Council. Mr. Nigro stated that the AFL-CIO had recently endowed the John Dunlop Chair for Affordable Housing at Harvard University and suggested it as a resource to be used in the future by the City. Mr. Nigro also stated that the Trade Council does offer an Affordable Housing residential rate to those developers in the building of those specified units.

Vice Mayor Reeves citing the leadership of Local 26 (Hotel Employees Restaurant Employees International Union AFL-CIO) in establishing a housing trust fund and inquired if it would spread to other locals. In response, Mr. Nigro stated that other locals would be introducing it in future negotiations.

Also speaking in support of the proposal were several members of the International Brotherhood of Electrical Works Local 103 who also urged that the units be constructed by union personnel.

Ms. Ellen McBride also a member of Local 103 voiced support for the proposal but also wanted some mechanism to ensure that union Cambridge residents be given a preference in constructing these units.

Ms. McBride also wanted assurance that Single Parent Head of Household be extended opportunities for inclusion under this proposal. Councillor Duehay inquired what the average annual income was for this family classification. In response, Ms. McBride stated that for families with children over 5 years of age it is between \$18,000 - \$20,000 per annum and under 5 years of age \$7,000 per annum.

Mr. John Lowry, a member of the Affordable Housing Trust Fund, also stated his endorsement of the proposal citing the neighborhood involvement component and the site specific component.

At this time the Committee heard from Reverend Nelson Fox, Rector of St. Bartholomew's Church who read a prepared statement entitled Affordable Housing: A Theological Appeal. A Joint Statement by Cambridge Clergy for Affordable Housing, dated August 1990. (Copy attached)

Also reading prepared statements were Reverend Cynthia Holsman representing the Harvard Square Ministers Association and Reverend Lois Pinkin representing the Central Square Ministers Association both associations supporting the proposal but suggested that priorities be set in order to provide housing to the city's neediest.

The Committee also received written testimony of which copies are attached from Reverend Jeffrey Brown, Pastor of the Union Baptist Church, representing the Cambridge Black Pastor's Conference and from Mr. Gordon Gottsche, Executive Director, Just-A-Start Corporation.

The Committee then heard from Mr. Jeff Purcell, representing the Cambridge Housing Alliance who stated the endorsement of the land trust idea but the highest priority should be in providing resource to very low income families and to low income families. He further stated that no resources should be provided to moderate income families.

Councillor Duehay questioned Mr. Purcell on the median income range for the Greater Boston Area. Mr. Purcell stated \$40,000 per annum for a family of 4 and very low would be \$20,000 per annum for a family of 4.

Councillor Cyr questioned Mr. Purcell that given the fact that the rent would not pay for the housing (25 - 40% median) should the City land bank it for the future. Mr. Purcell responded probably until such times as it can serve the lowest of the low.

The Committee then heard from Mr. David G. Pearson, a current resident of the First Church Shelter, who requested that the proposal be broaden to include provisions for the incomeless homeless.

Councillor Cyr stated that the proposal will provide for the homeless since it is an absolute priority of the City Council.

Councillor Walsh questioned Mr. Pearson on the length of his homelessness, and if he has applied to the Cambridge Housing Authority for housing. Mr. Pearson stated that he has been homeless for 9 months and he was on the list waiting placement.

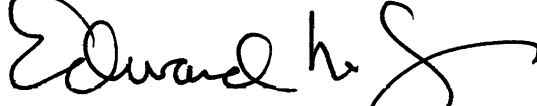
Vice Mayor Reeves questioned Mr. Pearson on what type of housing - apartment, single room occupant or house with support services - he would find beneficial to his plight and that of others. Mr. Pearson responded that all three would be beneficial to the solution.

The Committee then heard from Mr. Neil Rohr who questioned certain aspects of the proposal such as the SMSA range and the money concept.

Councillor Cyr closed the hearing by stating that the proposal would structure in some commitment for under 50% of the SMSA and would seek expansion of the membership of the Affordable Housing Trust to reflect the diversity of the community.

The hearing was adjourned at 10:25 p.m.

For the Committee

A handwritten signature in black ink, appearing to read "Edward N. Cyr", with a large, stylized flourish at the end.

Councillor Edward N. Cyr, Chair

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F-468

COMMITTEE REPORTS

Housing and Community Development Committee
Report for a hearing held on Thursday,
August 2, 1990 to consider the need for an
Affordable Housing Land Bank, issues about
the operations of a Land Bank and a draft
proposal for the Land Bank.

In City Council,

Sept. 17, 1990

Report Accepted

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Placed on file