



CITY OF CAMBRIDGE
COMMUNITY DEVELOPMENT DEPARTMENT

SUSAN B. SCHLESINGER
Assistant City Manager for
Community Development

BETH RUBENSTEIN
Deputy Director for
Community Development

TO: Robert W. Healy, City Manager

FROM: Susan Schlesinger, Assistant City Manager for Community Development *JS*

DATE: October 15, 1997

RE: Council Order #025 dated 9/29/97
REPORT ON THE POSSIBILITY OF TAKING 324 FRANKLIN
STREET BY EMINENT DOMAIN FOR THE PUBLIC PURPOSE OF
AFFORDABLE HOUSING

In response to Council Order #025, regarding the feasibility of taking the property at 324 Franklin Street by eminent domain, we believe that taking the property may not be the most expeditious course, and could result in greater time and expense with regard to the preservation of the property.

Significant and conclusive progress has been made towards the preservation of 324 Franklin Street as affordable housing. CASCAP, Inc. and the staff of the Community Development Department have been working intensively over the past two months on plans for the purchase of the property. With financial support from the Cambridge Affordable Housing Trust, CASCAP plans to buy the property and renovate it.

CASCAP has been negotiating a purchase price with the owners, Billmark, LLC. They are in agreement regarding the purchase price and anticipate having a signed and accepted Offer to Purchase by October 17, 1997. CASCAP would then have an option period in which to assemble financing, work with the existing tenants, and develop a rehabilitation plan. Once acquisition financing is in place, CASCAP will buy the property from the owner and, upon securing all necessary financing, will renovate the property.



CITY OF CAMBRIDGE
COMMUNITY DEVELOPMENT DEPARTMENT

SUSAN B. SCHLESINGER
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BETH RUBENSTEIN
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Community Development

MEMORANDUM

TO: Robert W. Healy, City Manager

FROM: Susan Schlesinger, Assistant City Manager for Community
Development *SMS*

DATE: October 15, 1997

RE: Responses to Council Orders and Report on CITYHOME
Initiative

The purpose of this memo is to provide responses to four recent Council Orders on housing and related issues, report to you on progress made under our new CITYHOME Initiative, and inform you of a new grant awarded to the City by the state's Department of Housing and Community Development.

1. Responses to Council Orders

We are forwarding to you responses to several Council Orders related to housing and community development issues. These orders include the following:

- Communication #025 regarding a letter from Gerald Bergman regarding the purchase and renovation of the "LinPro Site" as affordable housing or active open space;
- Council Order #029 regarding a report on City programs to assist people with credit problems who wish to purchase a home in Cambridge;
- Council Order #035 regarding a report on the practices and procedures which HRI and Just-A-Start use in tenant/purchaser selection; and,

The new City funding, combined with existing federal CDBG and HOME funds, has provided critical financing in the development of 452 units in completed projects over the period of FY96 - 98 (July 1, 1995 - September 30, 1997). This activity includes the completion of six rental projects comprising one hundred and sixteen (116) affordable units. In addition, we have completed the development of sixty one (61) units of affordable rental housing through the CNAHS Affordable Housing Rehab Loan Program. On the homeownership side, we have completed the development of eight projects, comprising forty (40) affordable units and have provided financing to twenty-two (22) first-time homebuyers through the Condo Buyer Initiative. Finally, we have assisted low-income homeowners in the phased rehabilitation of two hundred and thirteen (213) units through the Home Improvement Program (HIP). The HIP Program offers below-market rehab loans and technical assistance for low- and moderate-income, often elderly, owner-occupants, of 1-4 family properties. In total, these affordable housing programs have produced four hundred and fifty-two (452) affordable units over the past 2.25 years.

We currently have a total of seven hundred (700) affordable rental units under development, including thirteen projects comprising six hundred and eighty (680) units and an additional twenty (20) units being developed under the CNAHS program. This includes the two preservation of expiring use projects, 808-812 Memorial Drive and 402 Rindge Avenue, under development by HRI and Just-A-Start Corp. In addition, we have four (4) condos in process under CCBI, and fifty-nine (59) units being rehabbed through the HIP Program. In total, we have an additional seven hundred and sixty-three (763) affordable units under development at the current time.

Please note that we consider projects as being under development from the time of securing either initial financing commitments or site control. Most projects have a development period of at least one year, and many larger, more complex projects have multiyear development periods. For instance, the development efforts leading to the recent acquisition of 808-812 Memorial Drive began in the early 1990's, when the City funded a resident organizer to begin working with tenants on the possible purchase of the property. The acquisition process took five years, and the property is now undergoing renovations that will last another year. Projects are considered completed at the end of the acquisition and rehabilitation/construction process, and when the units are occupied by residents.

A breakdown of this affordable housing development activity follows:

- Council Order #025 regarding a report on the possibility of taking 324 Franklin Street by eminent domain for the public purpose of affordable housing.

2. Report on CITYHOME INITIATIVE

We are pleased to provide you with a report on the activities under the CITYHOME Initiative. As you know, we embarked on the CITYHOME Initiative in FY 96 (July 1995) with the City's initial allocation of \$2 million to the Affordable Housing Trust. In FY 97, the City made a second year allocation of \$2.25 million to the Trust. We are beginning the third year of the Initiative, with a FY 98 allocation of \$4.5 million.

The CITYHOME Initiative represents the City's primary response to the major changes occurring in the Cambridge housing market, including both the termination of rent control and policy changes in federal housing programs. The goal of the Initiative is to preserve and increase affordable rental and homeownership opportunities for low and moderate income residents of the City. The main programs undertaken in this Initiative include:

Non-Profit Acquisition and Development of Multifamily Properties: With financial support from the Trust, the City's non-profit housing organizations have acquired existing formerly rent controlled properties for long term affordable housing use, as well as taken advantage of rare opportunities for new development;

Affordable Housing Rehab Loan Program: Working with our non-profit partner, Cambridge Neighborhood Apartment Housing Services, Inc. (CNAHS), this program provides rehab financing to private owners of multifamily properties in return for a set-aside of units at affordable rents for low and moderate income tenants;

Condo Buyer Initiative: This homeownership program provides financial and technical assistance to first time homebuyers purchasing units in Cambridge;

Preservation of Expiring Use Restriction Properties: The City has devoted significant resources to preserving the existing stock of federally-assisted rental housing facing expiring use restrictions. These resources include technical and financial assistance to tenants and owners of these properties. These efforts have succeeded in preserving the long-term affordability of three of these expiring use properties with a total of 590 affordable units.

FY96-98 Completed Projects:

Rental Housing:	
Non-profit or CHA Development	116 units
CNAHS Rehab Loan Program	<u>61 units</u>
Subtotal	177 units
Homeownership:	
Non-Profit Development	40 units
Condo Buyer Initiative	<u>22 units</u>
Subtotal	62 units
Home Improvement Program:	
Subtotal	<u>213 units</u>
GRAND TOTAL	452 units

FY 98 Projects Under Development:

Rental Housing:	
Non-profit or CHA Development	160 units
Inclusionary Units in Private Development	35 units
CNAHS Rehab Loan Program	20 units
Preservation of Expiring Use Properties	<u>485 units</u>
Subtotal	700 units
Homeownership:	
Condo Buyer Initiative	
Subtotal	4 units
Home Improvement Program	
Subtotal	<u>59 units</u>
GRAND-TOTAL	763 units

Beyond this development activity, we are currently looking at the feasibility of another eight sites with the potential for over 130 additional units. These projects are not yet considered under development as they have neither financing commitments nor site control.

In terms of the financial activity related to the CITYHOME Initiative, the Affordable Housing Trust has expended or committed 98% of the FY96-97 allocation, and is beginning to commit funds from its FY 98 allocation.

CITYHOME Initiative Financial Summary

YEAR	BUDGET	EXPENDED OR COMMITTED	REMAINING BALANCE
FY96	\$2,000,000	\$1,914,401	\$ 85,599
FY97	\$2,250,000	\$2,231,528	\$ 18,472
FY98	\$4,500,000	\$ 757,205	\$3,742,795

In addition to this high level of affordable housing development, the Community Development Department continues to run its first time homebuyer programs. A summary of the homebuyer activity is found in the attached response to Council Order #029.

Finally, we have also spent a considerable amount of time identifying, analyzing, and proposing new affordable housing policies designed to increase the resources available to meet the City's housing needs. We are transmitting a proposal for an inclusionary zoning policy shortly. We anticipate that this policy will bolster these development efforts and steadily increase the stock of affordable housing in the City.

3. New Grant from Massachusetts Department of Housing and Community Development

We have received notice from the state of a new grant from the Department of Housing and Community Development's Housing Stabilization Fund (HSF). This grant in the amount of \$500,000 will be used as part of the financing package for the purchase and rehabilitation of 100 units of Harvard's former rent controlled portfolio.

With this new grant, the City has received an allocation of \$1.6 million from the HSF municipal fund (out of \$7.6 million total state allocation, or over 20% of state total), and the non-profits have received allocations of \$1,456,000 from the HSF non-profit fund (out of \$13.1 million total state allocation, or over 10% of state total). In total, Cambridge has received over \$3 million from the state HSF program over the past two years.

We continue to pursue all other available housing resources from the federal and state levels, as leverage for the significant investment made by the City into affordable housing. During FY97, the City received almost 10% of the national total

(\$30 million) of federal Expiring Use Preservation funds in the program's final year of existence.

Attachment

FY96-FY98 Completed Projects			
Project	# of Affordable Units	Type of Project	Construction Type
Allston Street	6	rental	rehab
Auburn Court	46	rental	new construction
Garfield Street	8	rental	new construction
Prospect Street	6	rental	rehab
Swartz/Cambridge Community Properties	41	rental	rehab
Webster/Bristol Street	9	rental	rehab
Bolton Street	7	first-time homebuyer	new construction/rehab
Fulkerson Street	2	first-time homebuyer	rehab
Hampshire/Columbia Condominiums	16	first-time homebuyer	new construction
Hampshire Homes	6	first-time homebuyer	new construction/rehab
Hurley Street	1	first-time homebuyer	rehab
Jefferson Street	4	first-time homebuyer	rehab
Norfolk Street	1	first-time homebuyer	rehab
Seventh Street	3	first-time homebuyer	rehab
CNAHS Rehab Loan Program	61	rental	rehab
Cambridge Condo Buyer Initiative	22	first-time homebuyer	NA
HIP Cases	213	existing homeowner	rehab
TOTAL	452		
FY98 Projects Under Development			
Project	# of Affordable Units	Type of Project	Construction Type
402 Rindge Avenue	274	rental, expiring use	rehab
808-812 Memorial Drive	211	rental, expiring use	rehab
54 Berkshire Street	6	rental	rehab
Cardinal Medeiros	6	rental	rehab
CHA Condo Acquisition Program	2	rental	NA
72 Elm Street	6	rental	rehab
77 Elm Street	6	rental	rehab
Harvard Housing	100	rental	rehab
Harvard Manor	21	elderly supportive housing	rehab
Lechmere Residences	2	rental, inclusionary	rehab
North Point/Museum Towers	33	rental, inclusionary	new construction
Webster Phase 2	5	rental	new construction, rehab
Western Avenue	8	SRO rental	rehab
CNAHS Rehab Loan Program	20	rental	new construction, rehab
Cambridge Condo Buyer Initiative	4	first-time homebuyer	NA
HIP Cases	59	existing homeowners	rehab
TOTAL	763		



CITY OF CAMBRIDGE
COMMUNITY DEVELOPMENT DEPARTMENT

SUSAN B. SCHLESINGER
Assistant City Manager for
Community Development

BETH RUBENSTEIN
Deputy Director for
Community Development

MEMORANDUM

TO: Robert W. Healy, City Manager

FROM: Susan Schlesinger, Assistant City Manager for Community Development *SS*

DATE: October 14, 1997

RE: Communication #025 dated 9/22/97 RE: COMMUNICATION FROM GERALD BERGMAN REGARDING THE PURCHASE AND RENOVATION OF THE "LINPRO SITE" AS AFFORDABLE HOUSING OR ACTIVE OPEN SPACE

The Community Development Department (CDD) has worked with residents of the Area Four neighborhood and the Area Four Neighborhood Coalition to plan and make formal recommendations for use of the 46,461 SF privately-owned vacant lot located at 206-210 Broadway. Based on recent discussions and actions taken by the Coalition, the preferred use of the site is not as open space.

In January and February of 1997, the Area Four Neighborhood Coalition and the CDD conducted a planning process for Area Four Neighborhood improvements. The planning took place over 3 successive weeks and more than 60 Area Four residents participated in making recommendations with regard to housing, employment opportunities, and community development activities in the neighborhood. During that process, the site at 206-210 Broadway was recommended for either affordable housing development or as a possible site for a library.

At the July 11, 1997 meeting of the Area Four Neighborhood Coalition, a majority of those in attendance voted to set aside \$200,000 in Area Four UDAG funds to "assist in the possible purchase of the currently vacant 206-210 Broadway site for an as yet to be determined use in the Area Four neighborhood." The Coalition members in attendance also voted not to set aside funds for purchase of the same site specifically for an open space use.

City Hall Annex
57 Inman Street
Cambridge, MA 02139
Voice: 617 349-4600
Fax: 617 349-4669
TTY: 617 349-4621

Previously, in 1992, a 12-member Area Four Study Committee appointed by the City Manager had recommended that the site “would be appropriate as open space.” The Committee also recommended that the Community Development Department (CDD) “conduct an inventory of privately-owned, vacant parcels and abandoned buildings in the neighborhood and approach the owners with the intent of developing housing.” The recent actions of the Coalition, however, have indicated that today uses other than open space are preferred by the community.



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SUSAN B. SCHLESINGER
Assistant City Manager for
Community Development

ELIZABETH EPSTEIN
Deputy Director for
Community Development

To: Robert W. Healy, City Manager

October 14, 1997

From: Susan Schlesinger, Assistant City Manager, CDD *SSS*

Re: Council Order #029, dated 9/22/97, Re: REPORT ON PROGRAMS THE CITY HAS TO ASSIST PEOPLE WITH CREDIT PROBLEMS WHO WISH TO PURCHASE A HOME IN CAMBRIDGE

The City of Cambridge's Community Development Department (CDD) has established a comprehensive first time homebuyer program, which includes buyer training and counseling, affordable financing, and the development of affordable homeownership in partnership with the City's non-profit organizations. These efforts have assisted hundreds of Cambridge household in purchasing a home in the City.

The CDD has acknowledged the fact that credit problems are one of the biggest hurdles facing working families trying to purchase their first homes. In order to address these problems, CDD has incorporated a number methods of helping potential buyers cope with credit issues as they relate to homeownership.

The City's First Time Homebuyer (FTHB) Course, consisting of four, two hour sessions, offers each of the program participants access to a free credit report. The first session includes an hour long presentation about identifying and resolving credit issues, and later presentations by local bankers reiterate the important role credit plays in qualifying for a mortgage. The First Time Homebuyer Course is free and available for all Cambridge residents. The course is held throughout the year with the next session beginning on November 5th (see attached flyer). Over 300 families graduated from this program during fiscal year 1997, and almost 2,200 families have graduated over the past four years.

In addition to the City's FTHB Course, individual counseling is offered by the CDD Staff which includes a credit history review as well as instructions on how to resolve legitimate credit issues and how to identify and eliminate errors on credit reports. CDD staff work with local lenders to help program participants address credit issues as they are identified and advocates on behalf of the first time buyers to help them reach their goal of homeownership. Over 200 buyers received individual counseling during the last fiscal year, which was the first year of this service.

The individual counseling is a starting off point for the many residents who participate in the City's Condo Buyer Initiative Program and the City's Soft Second Loan Program which together have assisted 40 Cambridge families in becoming homeowners last year.

Potential buyers who identify outstanding credit issues often have to re-establish their credit history. In recent years, mortgage industry credit standards have become more flexible. However, even with this added flexibility buyers must show at least a year's worth of clean credit records after they have resolved any outstanding issues. The importance of identifying and resolving potential credit problems early on in the process is stressed by CDD staff, so the would be buyers can begin the work necessary to show the banks that they are capable of handling mortgage debt.

Some families have accumulated credit problems over a number of years, and those problems may take several years to resolve. For those residents whose credit problems require longer terms solutions, referrals are made to the non-profit Consumer Credit Counseling Service where more extensive credit rehabilitation programs are customized to the individual needs of the consumer.

Many of the families who have gone on to become owners through programs administered by the CDD started out the process with credit problems. For example, CDD recently worked with a family comprised of two brothers who were originally rejected for a mortgage because they had no established conventional credit history. CDD staff worked with the family, helped them to convince a local bank to accept some non-traditional sources of credit, and ultimately helped them to purchase a two family home in Cambridge. Another lower income woman worked with CDD staff for over a year and a half period to correct credit problems and re-establish her credit history, eventually becoming the proud owner of a Cambridge condo unit.

By educating Cambridge residents about the importance of good credit, helping them identify and resolve credit issues, and advocating on their behalf during the mortgage process, the CDD has enabled hundreds of Cambridge residents to become homeowners.

The attached chart provides you with a summary of activities in our first time homebuyer program.

Cambridge residents who would like additional information on these homebuyer programs may contact Penelope Pelton, CDD's Housing Access Counselor. Ms. Pelton can be reached at 349-4642

Attachment:

CAMBRIDGE COMMUNITY DEVELOPMENT DEPARTMENT

HOMEBUYER PROGRAM ACTIVITIES

FISCAL YEAR 1997

<i>DESCRIPTION OF MEASURES</i>	<i>UNITS SERVED</i>
Number of 4 - session home buyer classes	10 set of classes
Number of participants in 4-session homebuyer class	308 households
Number of Condo Buyer Initiative information sessions	10 sessions
Number of units purchased under Condo Buyer Initiative	20 units
Number of buyers receiving individual counseling	240 households
Number of Soft Second Mortgages committed	40 mortgages
Number of households buying unsubsidized units with City technical assistance	15 households
Number of affordable home ownership units developed	15 units

Total households served by homebuyer training and individual counseling	548
Total units purchased through City Programs	55*

** 20 households used both the CCBI program and the Soft Second Mortgage Program.*



CITY OF CAMBRIDGE
COMMUNITY DEVELOPMENT DEPARTMENT

SUSAN B. SCHLESINGER
Assistant City Manager for
Community Development

ELIZABETH EPSTEIN
Deputy Director for
Community Development

September 26, 1997

Dear Cambridge Resident:

The First Time Homebuyer (FTHB) course for November 1997, is scheduled for:

Wednesday, November 5th at 6:00 PM

Wednesday, November 12th at 6:00 PM

Wednesday, November 19th at 6:00 PM

Wednesday, December 3rd at 6:00 PM

The classes are free and all Cambridge residents are welcome. Each class lasts approximately two hours and will be held at:

The Cambridge Community Center
5 Calendar Street, in Central Square, Cambridge


To get to the Center from Central Square, go down Western Avenue past the Police Station to the third set of lights. At the lights, before the RCCC building, turn right onto Howard Street and then left onto Calendar. The Center is on your right. (Map on back.)

If you plan to take the course, please complete and return the enclosed application, or you can bring it with you to the first meeting. I have also included instructions on how to send for your free credit report. You are going to need one, I suggest you send for it immediately, as sometimes it takes as long as three weeks to arrive. Don't forget to include a copy of your drivers license or a utility bill (that's to prove that you are you).

Please call Michelle Maher, 349-4622, if you need interpreter or childcare services, we need at least two days notice on that.

I look forward to seeing you!

Sincerely,



Penelope Pelton



CITY OF CAMBRIDGE
COMMUNITY DEVELOPMENT DEPARTMENT

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Community Development

BETH RUBENSTEIN
Deputy Director for
Community Development

MEMORANDUM

TO: Robert W. Healy, City Manager

FROM: Susan Schlesinger, Assistant City Manager for Community Development *SSS*

DATE: October 15, 1997

RE: Council Order #035, dated 9/15/97 RE: REPORT ON THE
PRACTICES AND PROCEDURES WHICH HRI AND JUST-A-
START USE IN TENANT/PURCHASER SELECTION.

The purpose of this memo is to provide a report in response to City Council Order #035 on the practices and procedures used by HRI and Just-A-Start Corp. in their tenant and buyer selection processes. These selection processes are highly regulated both by federal, state, and local fair housing laws, as well as requirements of the various public financing sources, including the City's Affordable Housing Trust. The primary goal of these selection plans is to provide a fair and objective process for allocating affordable housing units, and, to the extent allowable, to increase affordable housing opportunities for low- and moderate-income Cambridge residents.

There are several key factors which determine the selection policies for a given affordable housing development, including the following:

- sources of public financing and subsidy;
- type of housing tenure, that is, homeownership or rental;
- income tier to be served in the development.

In general, the following criteria are used by both HRI and Just-A-Start Corp. in selecting tenants or buyers of the housing developed by the non-profits:

Income Eligibility: Applicants must demonstrate that they meet the income rules of a particular development. These income rules establish not only the maximum income limits for a given development, but in many cases also establish a minimum income needed to afford the housing. In certain cases, this "window of eligibility" between maximum and minimum incomes may be quite small (i.e. at

least \$32,000 but no more than \$34,800). Minimum income rules are typical for homeownership developments in which the buyer will need to qualify for a mortgage. But even certain rental developments will have rent structures that require that families have a certain minimum income to ensure that they will not be paying more than thirty percent (30%) of their gross monthly income in rent. The maximum income limits are typically eighty percent (80%) of the Boston area median income, as adjusted for household size (see attached). These income limits are adjusted on an annual basis by HUD. Applicants with incomes above the established maximum income limits typically are not eligible for this housing.

Household Composition: In general, applicants must have the appropriate household size for the size of the housing unit. These rules ensure that affordable housing is efficiently allocated, and to avoid cases of under- or overhousing.

Preferences for Selection: Certain categories of preferences have been established for affordable housing projects. Applicants whose household characteristics meet these preference categories have a higher priority in the selection process. Typically preferences are granted for applicants who face an emergency need for housing. Emergency status is provided to applicants who live in substandard housing, pay a rent greater than 50% of gross monthly income, live in overcrowded situations, or face no-fault eviction. Cambridge residency is also a preference category when possible.

Other Criteria: There are also several other important factors taken into account in selection plans. These include applicants demonstrating a history of satisfactory tenancy and rent paying, as well as a credit history. In certain cases, units are reserved for Section 8 certificate holders. Upon a vacancy in one of these units, the Cambridge Housing Authority refers applicants from the CHA Section 8 waiting list. The non-profit selects an applicant from among the referrals from the CHA.

Different types of public financing and subsidy bring a variety of standards and eligibility factors. City financing typically plays a role as gap funder, and may only comprise a small portion of an overall financing package. Larger projects, such as Linwood Court or 808 Memorial Drive, are usually financed with federal or MHFA funding and have less ability to be controlled locally. Both HUD and MHFA retain approval rights over the tenant selection plan as a condition for their financing. These plans need to comply with federal and state fair housing laws to ensure that applicants are not discriminated against on the basis of race, religion, national origin, age, sex, sexual orientation, marital status, source of income, and disability, among other factors. Thus, preference for City residents must be balanced against the requirements of the primary financing source.

In other projects where there is no other public funding and City financing is the major source, there is a greater ability to establish preferences for eligible and qualified Cambridge residents. For instance, recent lease-ups on smaller projects developed by HRI or Just-A-Start (i.e. Webster-Bristol or Prospect Street) have

established preferences for Cambridge residents, and, in fact, all of the selected tenants were eligible Cambridge residents.

In homeownership projects, applicants are ranked according to a point system. Following determination of eligibility for the housing (income, household size, sound credit), points are awarded for different preference categories. For instance, points may be awarded for Cambridge residency, length of residency, neighborhood residency, families with young children, or households facing a housing emergency. The waiting list is then established based on point totals. In the case of a tie, a lottery is held to determine the order of the waiting list. All applicants are informed at the time of application of the process.

Marketing efforts are as important as the selection plan for a given project. Both HRI and JAS have conducted affirmative fair marketing to ensure that households facing the greatest barriers, such as minority and non-English speaking persons, have equal opportunity to apply for these housing units. These marketing efforts are always targeted to City residents, as well as media and organizations serving various minority and ethnic groups. A recent example of an affirmative fair marketing effort was the process used to select buyers of the homeownership units at the Hampshire-Columbia Condominium (Blouin project). Major marketing was targeted to Area IV and City residents, in conjunction with homebuyer training efforts. The result was a racially and ethnically diverse group of buyers who were Cambridge residents, two-thirds of whom were Area IV residents.

Both HRI and JAS have a long and successful track record in selecting tenants and buyers in their developments. They have been able to balance the requirements of public lenders with their stated purpose of increasing housing opportunities for local residents.

For additional information on applying for affordable housing opportunities, residents may contact the following:

Community Development Department

For homeownership information, Penelope Pelton at 349-4642

For rental information, Chantal Labossiere at 349-4620

Housing Information Line: 349-HOME

Homeowner's Rehab, Inc.

Jay Crowell at 868-4858, who will then refer residents to:

John Kuppens at Winn Management or Pat Lorion at 808-812 Memorial Drive

Just-A-Start Corp.

Matt Shurtleff at 494-0444 x334

**FEDERAL, STATE, AND CAMBRIDGE INCOME LIMITS
FOR HOUSING PROGRAMS
effective 12/26/96**

		HOME	HIP		
	SECTION 8	SECTION 8	SECTION 8	CITY RCO	
HOUSEHOLD SIZE	CDBG 50% @ MEDIAN	CDBG 60% @ MEDIAN	CDBG 80% @ MEDIAN	CITY 95% @ MEDIAN	MHFA 1ST TIME HOMEBUYER
1 Person	20,850	25,020	30,450	39,600	50,000
2 Person	23,850	28,620	34,800	45,300	50,000
3 Person	26,800	32,160	39,150	50,950	57,000
4 Person	29,800	35,760	43,500	56,600	57,000
5 Person	32,200	38,640	47,000	61,150	57,000
6 Person	34,550	41,460	50,450	65,700	57,000
7 Person	36,950	44,340	53,950	70,200	57,000
8 Person	39,350	47,220	57,400	74,700	57,000

FOOTNOTES FOR 1997 INCOME LIMITS TABLE

1. EFFECTIVE DATE

The effective date for all but the MHFA income limits is 12/26/96. These revised income limits supersede those that became effective 12/14/95.

2. DEFINITION OF "MEDIAN"

The Boston Metropolitan Area median family income as estimated by HUD for use in its 1997 (effective 12/26/96) income limits is \$59,600. HUD uses this figure as the four-person family median, and all income limits in the above table, except the 80%-of-median limits are derived from this \$59,600 figure.

3. 80% OF MEDIAN

As stated in the above "Definition of Median," the Boston Metropolitan Area's "80%-of-Median" limits are not derived from HUD's \$59,600 four-person-family median. Instead, they are derived from a \$43,500 nationwide ceiling that Congress has placed on this year's four-person-family 80%-of-Median income limit. This mandated ceiling is 8.77% below the \$47,700 that would apply were there no artificial ceiling imposed on the Boston Metropolitan Area. The income limits for the smaller and larger family sizes are derived by moving down from the four-person limit at 10% of that limit (\$4,350) for each smaller family size, and up from the four-person limit at 8% (\$3,480) for each larger size – always rounded to the nearest fifty dollars.

4. 50%, 60%, AND 95% OF MEDIAN

As stated in #2 above, the 50%, 60% and 95%-of-Median figures in the above table are derived from the HUD-determined four-person family median of \$59,600. Again this year, HUD has rounded the 60%-of-median limits to the nearest ten dollars, rather than use the standard fifty-dollar rounding. The 95%-of-Median is used for the City of Cambridge Resident Cooperative Ownership (RCO) Program. Income limits for this program are set by City policy, as neither CDBG nor HOME funds are being used.

5. OTHER DEFINITIONS

Low-Income Families -
Moderate-Income Families -
Lower-Income Families -

Incomes not above the "50% of Median" ceiling.
Incomes between the "50% and 80% of Median" ceilings.
All families in the Low Income and Moderate Income groups.

9/97

LIST OF AFFORDABLE RENTAL HOUSING IN CAMBRIDGE

The privately owned rental housing listed below is set aside for low and moderate income families and individuals. Most of this housing is currently occupied but it is a good idea to get on the waiting lists, so when an apartment does come free you have a chance of getting it.

Low and moderate income is defined annually by HUD, and currently is set at the following gross annual household income:

	Low	Moderate
1 person household*	\$25,020	\$30,450
2 person household	\$28,620	\$34,800
3 person household	\$32,160	\$39,150
4 person household	\$35,760	\$43,500

* Household, includes all income earning adults who live with you.

Development	# Units	Special Notes
<u>Briston Arms</u> 247-255 Garden St. Phone: 868-2400	15 Studio 44 1 Bedroom 88 2 Bedroom 7 3 Bedroom	73 low income 32 moderate income
<u>Cast 1</u> 4 Columbia Terrace Phone: 424-1300	42 units mixed bedroom size	12 CHA units 5 low income 25 moderate
<u>Cast 2</u> 51-53 Columbia Phone:492-7818	9 units	project-based Section 8
<u>Cambridge Court</u> 411 Franklin St. Phone:497-6220	91 studio & 1 bedrooms	Elderly & Disabled Housing
<u>Church Corner</u> 10 Magazine St. Phone:547-9556	23 units mixed	
<u>Chapman Arms</u> 4 University Rd. Phone: 864-7334	25 1 & 2 bed room units	waiting list with Cambridge Housing Authority 497-4040
<u>Kennedy Biscuit Lofts</u> 129 Franklin St. 494-4796	64 units mixed bedroom size	36 low income 28 moderate income

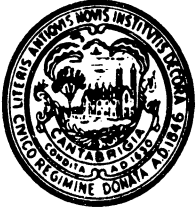
<u>Inman Square</u> <u>Apartments</u> 1233 Cambridge St. Phone: 492-7818	152 studio & 1 bedrooms mixed	
<u>808 Memorial Drive</u> 808-812 Memorial Phone: 868-0808	212 1&2&3 bedrooms mixed	76 low income
<u>Norstin Apartments</u> Norfolk & Bishop Phone: 492-6650	32 1 & 2 bedroom units	
<u>929 Mass Ave.</u> 929 Mass Ave Phone: 661-6980	56 studio & 1 bedrooms mixed	32 low income
<u>Rindge Towers 1</u> 360-364 Rindge Phone: 492-6650	128 1 bedrooms 336 2 bedrooms 42 3 bedrooms	338 low income/Section 8
<u>Rindge Towers 2</u> 402 Rindge Ave Phone: 876-5855	Studios & 1 & 2 bedrooms	126 low income
<u>Walden Square</u> 104 Sherman St. Phone: 492-3020	194 1 bedrooms 46 4 bedrooms	46 low income 148 moderate

To apply for these affordable housing units, request an application form.

If you have already been on a waiting list for a year, or more, and have not been offered an apartment, phone and make sure you are still on that list. You need to check your waiting list status once a year.

MORE AFFORDABLE RENTAL HOUSING

There is additional rental housing owned by Homeowner's Rehab, Inc. and Just A Start, both are non profit housing corporations. To place your name on the waiting list for this housing complete the enclosed form (Form #1). Once you have completed and returned this form you will be on the City's Housing Mailing List and on the Affordable Rental Housing mailing list. Again, most of this housing is presently occupied and only comes available as tenants leave.



EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

RICHARD C. ROSSI
Deputy City Manager

CITY OF CAMBRIDGE
CAMBRIDGE, MASSACHUSETTS 02139

TEL 349-4300
FAX 349-4307



24.

October 20, 1997

To The Honorable, The City Council:

Please find attached responses to **Awaiting Report Item No. 12**, regarding a report on the practices and procedures which HRI and Just-A-Start use in tenant/purchaser selection; **Awaiting Report Item No. 15**, regarding a communication from Gerald Bergman concerning the purchase and renovation of the "Linpro Site" as affordable housing or active open space; **Awaiting Report Item No. 16**, regarding a report on programs the City has to assist people with credit problems who wish to purchase a home in Cambridge; and **Awaiting Report Item No. 21**, regarding a report on the possibility of taking 324 and 340 Franklin Street by eminent domain for the public purpose of affordable housing, received from Assistant City Manager for Community Development Susan Schlesinger.

Also included in this response is a report on the progress made under the new CITYHOME Initiative and information on a new grant awarded to the City by the state's Department of Housing and Community Development.

Very truly yours,

Robert W. Healy
City Manager

RWH/mec
attachment

Relative to Awaiting Report Item Number Twelve, regarding a report on the practices and procedures which HRI and Just-A-Start use in tenant/purchaser selection; Awaiting Report Item Number Fifteen, regarding a communication concerning the purchase and renovation of the "Linpro Site" as affordable housing or active open space; Awaiting Report Item Number Sixteen, regarding a report on programs the City has to assist people with credit problems who wish to purchase a home in Cambridge; and Awaiting Report Item Number Twenty-one, regarding a report on the possibility of taking 324 and 340 Franklin Street by eminent domain for the public purpose of affordable housing, as well as a report on the progress made under the new CITYHOME Initiative and information on a new grant awarded to the City by the state's Department of Housing and Community Development.

In City Council October 20, 1997

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*Reports referred to the
City's Goals and
objectives scheduled
for December 15, 1997.
December 15, 1997*

PLACED ON FILE