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To: Somerville Board of Aldermen
May 2, 2016

Affordable Housing Organizing Committee (AHOC) Position on Inclusionary Zoning Proposal

* AHOC continues to support an inclusionary zoning requirement of **20% for all developments with six or more units citywide**, with the idea that a developer can seek parking relief and/or a density bonus if necessary to ensure financial viability. However, if the Board of Aldermen chooses to designate a lower inclusionary requirement for smaller developments in order to achieve passage of a 20% requirement, we would urge the following:

6-12 units: 15%

13 units and above: 20%

We chose this breakdown because reducing the inclusionary requirement from 20% to 15% for developments of 6-12 units would mostly not affect the total number of affordable units developed. It would lessen or eliminate those developers' obligation to make a cash payment where the IZ requirement works out to less than .5 of a unit. Starting at 13 units, reducing the inclusionary requirement from 20% to 15% would reduce the affordable housing contribution by a full unit.

Size of project	15%	20%
13	2 units	3 units
14	2 units + 0.1 payment	3 units
15	2 units + 0.25 payment	3 units
16	2 units + 0.4 payment	3 units + 0.2 payment
17	3 units	3 units + 0.4 payment
18	3 units	4 units
19	3 units	4 units

* AHOC does not support automatically exempting the future Assembly Row housing development from the new 20% rate, since it will provide a large number of affordable housing units. With 832 new housing units planned for Assembly Row, an exemption would cost the City 62 affordable units. If Federal Realty wishes to do so, they may petition the Planning Board for a waiver.

* One of the goals of our proposal is to substantially increase the amount of affordable units created for all income tiers: low-, moderate-, and middle-income. We recommend that 1 out of every 6 inclusionary units be allocated to the middle-income tier (tier 3) for rental projects, with the other units distributed between the low- and moderate-income tiers.