

January 12, 2019

Kristy Senatori, Executive Director
Cape Cod Commission
PO Box 226
Barnstable, MA 02630

RE: Draft Cape Cod Regional Policy Plan – Draft Housing Technical Bulletin

Dear Ms. Senatori,

Housing Assistance Corporation (HAC) appreciates the hard work the Cape Cod Commission has done on the Regional Policy Plan and is pleased to offer the following feedback on the Draft Housing Technical Bulletin. We are happy to see the focus on affordable housing for seniors, people living with disabilities, and low-income residents. In order to achieve some of the strategies to meet the missing middle, here are some strategies we suggest.

As you may know, HAC recently authored a report, *Housing on Cape Cod: The High Cost of Doing Nothing*. The focus of that report was the lack of year-round housing and its impact on market rate prices wherein we made recommendations for zoning changes and other strategies to add to the supply of lower cost year-round rentals, of which there is a clear demand and need. On the supply side of the equation, we feel that regulatory agencies such as the Commission ought to be making it easier to build such units by a) reducing length of overall review, b) increasing predictability, and c) reducing risk to developers. Right now, the combination of those three factors makes lower cost year-round housing something difficult to finance and build. One suggestion the Commission could investigate is partnering with the towns to offer consolidated project permitting, such as a joint Planning Board and Commission public hearing conducted at the same time. Another is creating criteria that, if met, would allow (not require) a project to be approved at the staff level.

We fully support the inclusionary zoning and density. We suggest you consider other metrics to increase density and affordability. Some concepts being considered are:

- Non-luxury year-round housing with no short-term rentals
- Increasing the income threshold for the “affordable” units up to 120% of AMI with more units
- Agreeing to deed restrict rental units to “market rate today, affordable tomorrow” with minimal rental increase, protecting future affordability
- For each point above 25% affordable, greater density is granted

We appreciate how the Commission is trying to simplify and encourage smaller units. We suggest the Commission support and encourage residential subdivision developments that have Accessory Dwelling Units within the guidelines of your model bylaw.

It also seems the Commission is trying to encourage smaller units which are “lower case affordable” but we don’t believe some of the methods proscribed in the bulletin achieve that objective. For example in HOU4, the affordability requirement is waived if the “project provides 100% rental housing with units sizes of 1,200 square feet or less”. We believe 1,200 square feet is a relatively easy bar to meet. If the goal is to encourage small units, we don’t consider 1,200 square feet small.

And while Housing Assistance Corporation as an agency is concerned with the lack of market rate housing, our core mission compels us to comment on the need for more affordable housing.

We support idea of a cash-contribution as outlined in HOU4. However, due to economies of scale, requiring the cash-contribution result in an equal number of units in the same town may not be viable for whatever entity is receiving the contribution. A regional repository for cash contributions should be considered. There also needs to be more clarification on what an “acceptable plan” looks like. Housing Assistance Corporation’s team is willing to assist the Commission’s team in developing the criteria of what that plan looks like. That being said, the best outcome is that the affordable units to be built in the development being reviewed, so we encourage the Commission to make building them as feasible as possible for the developer.

Overall, we encourage the Commission to reframe affordable and low-cost housing. As you know, there is great demand for lower-cost year-round rentals but for the developer to propose such a project they must go in with confidence that the regulatory process will be conducted in a predictable, reasonable time-frame with reduced risks. In other words, the choice between a low-cost year-round development and high-end projects with 40B must at least be equal.

We very much appreciate the opportunity to weigh in as well as the availability of your team to answer specific questions.

Sincerely,

Alisa Magnotta Galazzi
Chief Executive Officer

Mark Forest
Chairman, Board of Directors