

Affordable Housing Trust Fund Board Meeting
Approved Meeting Minutes
September 22, 2020

A meeting of the Salem Affordable Housing Trust Fund Board was held on Tuesday, September 22, 2020 at a Remote Zoom meeting at 6:00 p.m.

Members present: Mayor Kim Driscoll, Mickey Northcutt, Filipe Zamborlini, Rebecca Curran, John Boris, Ben Anderson, Councilor Patricia Morsillo, Councilor McCarthy, and Councilor Ty Hapworth.

Staff present: Tom Daniel, Director of Planning and Community Development; and Amanda Chiancola, Senior Planner.

ULI Members present: Marty Jones, Dick Lampman, Alma Balonon-Rosen, Juwanna Brown, Greg Minott, Mark Wixted, Michelle Landers, Sara Marsh, and Michael Hoban.

Chair Mayor Kim Driscoll called the meeting to order with a roll call vote at 6:03 p.m.

NEW BUSINESS

Mayor Driscoll explains that the Boston Chapter of the Urban Land Institute has selected Salem for a Technical Assistance Panel (TAP) to assist the AHTF Board in evaluating the potential of creating affordable homes geared towards teachers at the High School property. The Urban Land Institute has previously conducted TAPs in Salem and every time they have been in Salem we have benefited from taking the information they provided and putting it to good use, so we are very grateful for the technical assistance and wealth of information and expertise they bring together to evaluate the potential of developing affordable homes at the High School site. Particularly knowing the desire of the community to increase the number of affordable housing here we are looking for unique and innovate ideas and certainly looking at all every public land fits in that category.

The Mayor asks Marty Jones to introduce the ULI member panel. Ms. Jones of MLJ Insights has been in the housing development business for most of her career and was the CEO at MassDevelopment for a number of years working on economic development challenges in the Commonwealth. She is thrilled to be Co-Chairing the panel with Dick Lampman. Dick Lampman from Berkley Building Company which is a construction management firm serving Eastern Massachusetts and Southern New Hampshire, he is honored to be part of the panel. Alma Balonon-Rosen from the Massachusetts Housing Partnership (MHP) is a Senior Relations Manager, her background is in affordable housing finance and community development. Mark Wixted from Bohler which is a civil engineer and architecture firm, he is a civil engineer reviewing the plan. Juwanna Brown works for Community Buildings Inc., a non-profit real estate developer they own and operate about 11,000 units across the nation, but their home base is in Boston. Prior to working as a development project associate there she worked in city government in the mid-west. Greg Minott is the managing principal of Dream Collaborative, an architecture and development firm based in Boston. Michelle Landers is the Executive Director of ULI Boston, and Sara Marsh manages the ULI Boston TAP program and all the programming. Mike Hoban is a commercial real estate writer and will be writing up the TAP report, it will be ready in 8-10 weeks.

Ms. Jones explains that this is ULI Boston's first virtual technical assistance panel. Mr. Lampman begins the presentation with a quick rundown of the Urban Land Institute (ULI). ULI is one of the largest groups

devoted to the responsible use and conservation of land, that is their primary mission. They do research and education. They have 36,000 members worldwide. Boston/New England District Council governs all of New England and it has more than 1,400 members which covers all facets of the real estate industry. The technical assistance panel (TAP) are a vital part of ULI's mission. They do them nationwide, primarily working with municipalities and public agencies. They have done several panels in Salem they find Salem to be a dynamic and interesting City. In a traditional format the TAP the panel would convene in the community for an entire day and work on a set of questions in person. This TAP was an experiment in that they did it virtually in the context of COVID-19. The process is to look at a range of options from an unbiased opinion. The panelists include public and private sector experts based on the project being studied. All panelists are volunteers donating their time- they are happy to do it because they enjoy meeting with new communities and helping the communities address their issues. The final deliverable will be a written report which will be available at <http://boston.uli.org>. The project is sponsored by the City of Salem and the Massachusetts Housing Partnership (MHP). In addition to the panel that was introduced, the TAP is also supported by ULI staff including Manikka Bowman and John Wilson who were not in attendance the night of the presentation.

The ULI TAP looked at three questions asked by the City:

The rest of the discussion will focus on what we found, what we think the options are and how we think the City can proceed to next steps. Mr. Lampman turns the presentation over to Ms. Brown.

Ms. Brown explains they received an extensive amount of information from the City, everything from demographics to utility and site plans. They also interviewed stakeholders which allows them to obtain multiple perspectives about the land use challenges and use it as a basis to inform the recommendations. They heard that Salem is a great place to live, people have a desire to live in Salem and people in the community have a desire to stay. They also heard that there is a demand for affordable housing with a desire and need for affordable housing, overall, there is a general agreement among stakeholders that a strategy to retain and recruit teachers needs to be connected to a housing strategy. Another thing they heard more related to the high school is the school was built for a population in the thousands, but the current student population doesn't come close to meeting that capacity, so the school could be positioned for long term growth opportunities. City owned land is a major asset and opportunity. From a developer's perspective conveyance of land is looked favorably upon so leveraging public land is a big asset for the site. Combined with that, the City's motivation to get affordable housing built. City Officials see the value in housing as it relates to attracting talent. The City's motivation aligns with the stakeholders that there is a demand and need for affordable housing. Another opportunity is when school is not in session it is a quiet site and there is plentiful land and there is proximity to amenities. Challenges of the site include extensive ledge which has a high development cost, along with powerline constraints, the traffic flow on the site is a challenge- there is only one entryway and two exits all of which is on Wilson Street. We heard there is a lot of congestion so mitigating that with additional development is something to consider. Another big challenge is there really are not any funding programs for educator specific housing. Most of the models are housing for all with a discount or preference. The current zoning does restrict the density that is available onsite which is a big issue, it is a huge challenge. There is unreliable public transit to the site, it is very car dependent- it is a very internal site. You do not see the High School when you drive up, and it would be the same situation if you were to build housing on the site. There were different perceptions among City stakeholders of what affordable housing is, questions such as 10% of units at 60% of the area median income, is that considered affordable or are we looking at extremely low income. Some clarity would be needed around what affordable housing is. There were specific observations on teacher housing. Ms. Brown explains that they found that the community supports housing options for

teachers, as well as housing options period- not exclusively for teachers but for workforce employees. The biggest issue for teachers specifically, the starting salary restricts the housing options. Ms. Brown notes that a household is housing burdened if they pay more than 30% of their income on rent. A stakeholder shared an experience of starting out after completing their master's program they were paying 50% of the income towards housing, Ms. Brown says that example is probably not a unique one given the starting salary and it is a huge challenge. They also observed the needs for starting teachers versus teachers with 10-15 years of experience, young professionals and families have different housing needs. We heard questions on how would career changers be considered. Rental is probably the best option, the biggest gap in teachers is that group who are just getting started. The turnover rate for teachers is 22-25% the biggest challenge is recruiting and retaining newer teachers. We hear that rental is the best option for that targeted demographic. We also heard there are support staff, Americorps members etc. who are having trouble finding housing here. Amenities could include multipurpose community spaces to include spaces for professional learning and amenities seen in similar rental housing. Ms. Brown says they also heard it could be a challenge of living in proximity to the high school environment. There is concern expressed with the type of culture that could be created, you want teachers to interact with a range of professionals, the concern is what is sort of environment would be created given that it is an inclusive site.

Ms. Brown hands the presentation off to Ms. Jones who provides a summary of recommendations. After speaking with so many people, they struggled with the questions. It felt like their approach was piecemealed. They realized this needs context and this incredible asset needs a long-range master plan that takes circulation into consideration, programmatic needs that need to be considered for the school and the students. They have heard there is a phase 2 of the high school thinking about how that would be integrated with additional development needs to be considered along with the current and future recreation needs. Ms. Jones says that she is aware that engaging with the community is part of Salem's culture but nevertheless notes it is important as community stakeholders have a lot to add and are an important part of any process. They also looked at how the goals align with Imagine Salem, there has been a lot of thinking about priorities and this site could tie into some of those priorities including housing.

Ms. Jones says the TAP recommends a deeper dive into the big feasibility challenges as a next step, e.g. the ledge. Getting a handle on the extent of the ledge and cost associated with removing it and the targeted development areas would be very important and something that would makes sense for the City to do early in the process. Work on market demand and feasibility is another helpful step to see what can happen. We looked at an idea with access through the golf course. Also, talking to National Grid about usage under the powerlines, such as parking. Key feasibility review of these things would need to be done early on to see of possible some of the development ideas are. Continue to research and identify best practices and models on affordable housing for educators that would be consistent with the Salem market. Continue to make sure the City's partners in the educational field know the City is thinking about this in case they have ideas. Once some of that work has been done, the best way to develop any housing at the site would be through a private developer through a competitive process, whether it is for profit or non-profit, is the best way to implement housing development. Consider creating housing resource service for teachers which provides information on homeownership funding programs, it could be a home ambassador to help link educators with resources.

Greg Minott and Mark Wixted present a plan with potential options to study. Mr. Wixted. walks through the plan which shows townhouses parallel to Highland Avenue on the tennis Court area and on the hill area above the tennis courts. The town house model could work given the aggressive topography. Larger buildings would be difficult to site. The plan shows relocating the tennis courts to the bus parking area, putting them closer to the basketball courts and athletic fields. The two fields were looked at upper and

lower field. Lower field is used by several entities including private groups. Upper field is used by the High School sports including football. Both fields do not have the best drainage and do not have bathroom facilities so low value fields compared to others. The lower field is larger and could be improved, they heard a turf field would be more useful, it could be a practice field with room left over for other activities, or a residential building could go there with conceptually 185 units. It is far removed from the roadway network so the better field to replace would probably be upper field. It is closer to the exit driveway and close to the golf course parking lot so could potentially have its own circulation in and out from there, that is shown at around 121 units with parking under the building. Lastly, there are a couple more areas on site, a stakeholder mentioned the area just south of the powerlines (northeast of the school). There is about 40 feet of grade change which is dramatic. It is close to the road but the topography and amount of rock to be removed appears to be challenging but another study could be done to further look at it. Another area that could be looked at is the parking area, it is heavily used but we wonder if there is a more efficient way to lay it out that is closer to the school. Mr. Minott discusses the importance of various housing choices. He shows two different housing styles including traditional townhouses about two stories with pitched roofs for where the current tennis courts. The TAP thinks the townhomes would fit well with the context of the neighborhood and a traditional 4-5 story low-rise apartment building where one-story apartments, mix of bedrooms within that style where the current fields are. Townhomes are typically larger in size and bedroom mix and tend to be oriented towards families. It is important that the buildings fit into the neighborhood. The area is removed from the downtown urban core, it would be important to reflect the neighborhoods in the surrounding area. It is an insular site, there should be open space available, it should be walkable and accessible. Construction types are discussed wood frame for the townhomes and podium for the low-rise would be economical choices.

Alma Balonon-Rosen with the Massachusetts Housing Partnership (MHP). MHP is a lender for affordable housing, they oversee a program for first time homebuyers, and they have a technical assistance team that offers technical assistance for municipalities and developers. Ms. Balonon-Rosen notes that MHP is pleased to be a sponsor for this TAP. The prior panelists outlined some models, Ms. Balonon-Rosen is going to review various finance options. This could be done through State grants such as MassDevelopment, MassWorks, and the Department of Housing and Community Development. Financing could occur through MassDevelopment, Mass Housing Workforce, MHP, there is an expectation that there would need to be City support, and possibly conventional bank support. To get affordable housing financed there is an alphabet soup to get a project to work, it could be through Community Preservation Act funding and tax credits and Opportunity Zones could help attract private financing. This is very high level; it would take an experienced sophisticated developer to put a financing package together from the alphabet soup of options. Ms. Balonon-Rosen hands off the presentation to Mayor Driscoll.

Mayor Driscoll thanks Alma and the entire technical assistance panel. TAPs from her perspective help us entertain the hypotheticals. Mayor Driscoll asks Ms. Jones to share a little bit more about the types of individuals they spoke to that helped inform their initial thoughts. Ms. Jones replied they spoke with several people from the school including teachers, the superintendent, the athletic director, they toured the site with the Principal. They also spoke with Dean Cambone from Salem State to hear about the interaction there, some residents, Ben Anderson as a Planning Board member and as the Affordable Housing Trust Fund Board, a local realtor, etc. Mayor Driscoll explains we wanted a large cross section of stakeholders. Filipe Zamborlini thanks the technical assistance panel for their presentation. Mr. Zamborlini asked if any principals of complete neighborhoods could be implemented as part of this process of figuring things out. There are businesses that can be driven to around there, but he wonders if there is an opportunity to consider restaurants, health clinics, bodegas, and other neighborhood serving businesses to create more walking areas and a real neighborhood. Mr. Lampman explains that what they

found is the two major constraints are the powerline easement which bisects the site and the vast amount of ledge, with aggressive topography. Theoretically is possible but whether it is economical with the high development costs would need to be looked at. Ms. Jones replies that the other question is would there be enough demand. Although they did not look at that specifically, the number of people that would be added to the site is not a significant number of people, so it is unlikely to be enough to support a business establishment. Ms. Jones explains that she did not walk down Wilson Street or go across the pedestrian bridge, so she did not get a good sense of whether or not there are enough people in walkable proximity to make this a destination for non-residential additional uses, because it really is about demand if you are trying to make it walkable, if it is car oriented you are just compounding the traffic and circulation issues. It would be worth thinking about, are there enough people in walkable distances to make something work. Mr. Lampman notes that from a business standpoint there are visibility issues, you cannot see inside the site from the streets which is always important.

Councillor Hapworth also thanks for TAP for their presentation. He echoes Mr. Zamborlini's concerns regarding the complete neighborhood. He asks if the high school was considered, such as small retail, bodegas, health clinics. Have they considered more innovative models such as the Riverwalk in Concorn that is centered around a community. He asks about percentages of housing that would go towards teachers, or affordable and if that was quantified. Mr. Minott replies that the mixed-use neighborhood is something they could add to the recommendation as something to study further. In parallel the challenges in having the critical mass to make that successful, it is challenging on the site but could be considered with the overall master plan for the school. Connectivity to the existing neighborhoods would need to be looked at too. Ms. Brown says the product types they recommend with the townhome and multifamily, they have seen a trend towards both mixed income and mixed use. The multifamily could neighborhood commercial on the ground floor is not out of the question but it would need additional analysis about how successful that would type of use be for the demographic that would be living in the multifamily housing. Ms. Balonon-Rosen also says there could be a partnership with the high school, e.g. business training and skill training. Councillor Hapworth asks whether the high school could be factored in whether there is demand for a commercial use, noting that there are students, teachers, aids etc. Ms. Jones says that is an interesting question to think about because it is a large group of people. It would be interesting to do a survey to see how many people would stop for something. She notes that they did not get into a lot of conversation about uses outside of the school; knowing there are special events, but they are sporadic. They do not know if there are enough special events that would support commercial/retail. Ms. Jones explains that the townhouse grouping shown on the site plan has potential to be a community, one of the advantages to have that housing in that location is the walkway over Highland is there so there are opportunities there. Mr. Lampman also notes that the school has a lot of space, they did not look at uses that might take place inside the school itself that might be worth looking at.

Mr. Zamborlini asks if any of the area in the vicinity could be used as hiking trails. Ms. Jones replies that looking into whether the hiking trails from the Salem Woods could be extended onto the site would be a great think to look at through the master plan. That seems like a resource that is enjoyed and could be a way to bring people in at least through a recreation standpoint.

Mayor Driscoll says they have been thinking about this as teacher housing and as a recruitment strategy but asks if recommendations would have change if they considered senior housing, if that is another constituency that could be served thinking about amenities including the golf course next door, a connection to the school. Ms. Jones points out that Swampscott has their senior center in the high school. That would be an interesting model to think about whether there is something to be learned from that. Ms. Balonon-Rosen also says the City could think about programming with the high school and looking at

a model with educational options for seniors and it could be multigenerational, not just seniors to still satisfy the need for teacher housing. Ms. Brown explains that the programming would be different, and the City would need to think about how to allow older adults to age in place, it is an interesting idea. Mayor Driscoll says that while it doesn't change the physical attributes it could be a way to create the connectivity suggested by Mr. Zamborlini and Councillor Hapworth. Mayor Driscoll explains there is funding in the school capital plan to look at phase 2 of the high school. How it is incorporated into improvements what does that scope of work entail. What sorts of programs does the school have, what are the building needs moving forward. Mayor Driscoll opens up the presentation to the public. Mr. Zamborlini notes that this is City land so we should think about the best way to maximize affordable housing. Ben Anderson is struck by the comment of master planning the high school, he thinks that is a great idea. He thinks an opportunity is the efficiency of the roadways and parking around the site, there seems to be opportunity in those zones. The commercial could draw from Castle Hill, Witchcraft Heights, there could be a bigger draw than we are thinking of if there is an opportunity to redesign the parking. In thinking about the master plan there are also four properties right adjacent to it, there is a huge opportunity to create more connectivity and a larger site.

Public Comment:

Steve Kapantais 23A Wisteria Street thanks for the opportunity and says he was interviewed as part of this project. Mr. Kapantais notes that as we get more serious about affordable housing, we need to look at creative solutions in a mature city. He asks if the wetlands were looked at because 60 feet behind the tennis court where the townhomes are proposed have 8/10 of an acre that are wetlands and contain a pond. Mr. Kapantais sent a wetland map to Amanda Chiancola to be included as part of the record. Mr. Wixted replies that they did review the GIS wetland mapping, they avoided the wetlands with everything proposed. But the area with the bus parking does have nearby wetlands. It would need to be field delineated to identify the exact limits.

Ms. Chiancola says another way to provide comment is by emailing her at achiancola@salem.com and she will read the comment into the record. No were comments provided through email.

ADJOURNMENT

Motion to adjourn by Filipe Zamborlini, seconded by Ben Anderson—passes unanimously.

Meeting adjourned at 7:42 p.m.

Approved by the Affordable Housing Trust Fund Board on 11/4/2020

Respectively submitted,
Amanda Chiancola, AICP
Senior Planner

Know your rights under the Open Meeting Law M.G.L. c. 30A § 18-25 and City Ordinance § 2-2028 through § 2-2033.

