

Affordable Housing Trust Fund Board Meeting
Approved Meeting Minutes
May 4, 2021

A meeting of the Salem Affordable Housing Trust Fund Board was held on Tuesday, May 4, 2021 at a Remote Zoom meeting at 6:00 p.m.

Members present: Mayor Kim Driscoll, Mickey Northcutt, Councilor Christine Madore, Filipe Zamborlini, Councilor Patricia Morsillo, Caroline Watson-Felt and Councilor Ty Hapworth.

Staff present: Amanda Chiancola, Acting Deputy Director of Planning and Community Development.

Chair Mayor Kim Driscoll called the meeting to order with a roll call vote at 6:02 p.m.

NEW BUSINESS

A. Status of the affordable housing units in the pipeline.

Amanda shares the below chart and provides an overview of affordable housing units created since 2010. A more detailed breakdown of these units can be found on the housing tracking excel sheet in the sharepoint file. There are 99 affordable units have been built another 65 are currently under construction meaning a building permit has been issued but not a certificate of occupancy, lots of nuances it's pretty common for projects to change. Conceptual projects that we know of are listed, there could be more that we are not aware of. It is difficult to put numbers on the conceptual projects because unit counts change a lot from concept to submittal. Mayor Driscoll notes that when you look at the last four years of all the categories, we are at about 17% affordable.

Affordable Housing Status	
Status	Total
Built	99
Under Construction	65
Permitted	165
Proposed	53
Grand Total	382

Conceptual

- Leefort Terrace
- Court House Project
- Former COA Reuse
- New NSCDC project (tbd)

Built: A certificate of occupancy has been issued.

Under construction: Received a building permit but has not received a certificate of occupancy.

Permitted: It has been permitted by at least on Board or Commission. Please be advised that most often development proposals require approval from multiple boards and the number of units could change between board reviews.

Proposed: Submitted to a board or commission for approval. Please be advised that the proposed number of units could change through the permitting process.

Conceptual: Projects that the City is aware but have not formally been submitted to a board or commission for approval. A breakdown of the projects the City is aware of can be found on the left. The total number of units could change between now and when the project is submitted to the for approval. Also, there could be more projects in the pipeline that the City is not aware of.

Filipe Zamborlini notes that the are capital A affordable, he asks if we able to look at the lower case a affordable (naturally occurring affordable units), do we have data on those units? Ms. Chiancola responds that we do not have numbers on how many there are.

Mickey Northcutt says he is wondering if people were asked about the levels of affordability.

Ms. Chiancola responds that most of the units listed are at 80% of the Area Median Income (AMI) there is one 60% AMI project in the permit list the projects with lower AMIs are the NSCDC and the Harborlight Community Partner projects. The conceptual projects are proposing lower AMIs as well. Mr. Northcutt asks if any of the projects have been added to the list since the Planning Board adopted the inclusionary housing policy. Ms. Chiancola responds no, because the Planning Board has not received an application for a new multi-family development project since the policy was adopted.

Councillor Madore asks if the pace of production is keeping up with need, she feels that these numbers are very low. Ms. Chiancola responds no. Mayor Driscoll says there an opportunity as part of the Housing Production Plan to look at that in more detail and look at comparisons with other communities. As we finish our Housing Production Plan we should have an overarching community housing goal so we don't get stuck in hand to hand combat with every project and not get stuck at percentages but look at the goal overall.

Mr. Northcutt says that this is not new information at all but it is a reminder that units being created 30% and 50% AMI are what the community desperately needs but there is no market option for those levels folks at 80% have options there have pressures but people below 50% are by definition at risk of homelessness. At the extent that this board has money and other boards have resources we should be priorities for projects that provide deep affordability. For example the Community Preservation Committee has no real policy that requires deep levels of affordability, the board goes in that direction but there is nothing that requires them to do so.

The market does not create affordable housing. It is another reason why public property disposition is such an important thing because you know we only have a limited number of properties in the city but the ones that we own in downtown can be priorities for not just 10% or 15% affordability but 100% affordability because if we do not do that he doesn't know what the plan is to make a meaningful dent in the need. He also notes that there is no zoning benefit to create housing for seniors at 30% and 50% AMI very poor seniors. There is no zoning difference between projects that the NSCDC proposes and the condos across the street. The NSCDC has to beg and plead with boards to show them deeply poor people don't drive as much. Some sort of zoning relief, such as parking reductions for 30% AMI units is not unreasonable for downtown. Mayor Driscoll responds that this is a good segway to next item on the agenda, priorities for 2021.

UNFINISHED BUSINESS

A. Discussion of housing priorities for 2021

Mayor Driscoll says there are service industry employees who cannot afford market rate homes but do not qualify for a subsidy, there is a real need at all income levels. This agenda items is a discussion on what to prioritize in 2021, should we be looking at a different set of rules for hiring degrees of affordability? We also looked at condo conversions and other strategies and community land trusts but of the things on the list we only have so much staff time and resources to devote to these so how to we allocate resources, we are trying to get focus from this board on what gets moved forward. It took three years to get an ADU passed and 18 months for an adaptive reuse ordinance, these things take a lot of time. Councillor Madore

responds that we have discussed this since January, it is May, we need to move something forward. Internally staff should let the AHTF Board know what we need to do to move things forward. The Housing Choice legislation opened up a lot of tools, reducing parking requirements to incentive affordable units, we can do that, can we consider a zoning change in this quadrant. She is not sure it will make more projects more financially feasible but if it is a tool then why not use it. Mayor Driscoll says we can add that but we need to identify the priorities every meeting we add more but what do we want to put muscle behind to end up with policies that result in more affordability. Mr. Northcutt responds his priority is the public land disposition ordinance. That is really important, it is the only thing that the city controls that can create meaningful quantities of affordable housing. He wonders if there are other communities that have created low or no parking requirements for very low affordability, if there is a model ordinance we can look so someone the members outside Amanda work on this, if there is a model idea we can start there and borrow ideas, he is mindful of adding more to the list. Councillor Madore says in the interest of moving things forward public land disposition could be done now maybe insert parking changes, that is a way to package the work. Outside of inclusionary housing has not seen anything specific to parking incentives for affordable units. Some communities discuss parking maximums rather than minimums.

Mr. Zamborlini says we discuss how each ordinance is a “tool” in the box but asks if it is time to go bold and have an omnibus bill that looks at it from a bigger and bolder perspective rather than a piecemeal approach- an approach to solving the housing issues in Salem through multiple projects.

Councillor Morsillo says she does not want to lose sight of the condominium conversion/tenant rights ordinance. There are so many multifamily apartments being converted, she feels very strongly about this as a need, it is not zoning, it could probably be adopted this year. The SSU South Campus is going to happen regardless of whether we focus on it or not so condo conversion and land disposition are the priorities she wants to move forward with. Councillor Hapworth agrees, the condo conversion ordinance is an example of controlling what they can control it could discourage flipping rental units as condos then walking away from Salem and adds rights for renters it feels that this is a less painful project to get through. The land disposition ordinance – there is public land available, rather than ad hoc fight it out on each individual project he would like to see parameters around what we are looking for. If we do this as an omnibus that could work or biting off small chunks could, it is dangerous that adding something that folks do not want could torpedo the whole thing, so he sees pluses and minuses with both. He would like to see a draft ordinance of the land disposition and condo conversion in the near future. Mayor Driscoll loves the idea of an omnibus, they all have to be taken up separately because they exist separately in the code of ordinances, so the mechanics still mean individual processes, but we can submit the package together.

Mayor Driscoll leaves the meeting at 6:37pm, Mr. Northcutt presides as Vice Chair.

Carolyn Watson-Felt says she echoes the supportive comments of what she has heard thus far. There is a good opportunity to combine the land disposition ordinance and land evaluation since they go hand and hand. The condo conversion/tenant rights ordinance is in important. There is a need to clearly communicate how all these individual projects works towards the housing needs collectively, so cross referencing when we talk about one project who it works with the others,

having all-inclusive conversations about the projects so people are mindful that these are meant to all work together. Councillor Madore is happy to volunteer her time to prepare a memorandum around condo conversion ordinances. There is a legislative act that all cities and towns have to comply with but she can put together a list of what other communities have done that we can learn from. Ms. Chiancola responds that would be helpful, she has had conversions with staff from Somerville about their ordinance and can share that information. It is a heavy touch that they have but there is good stuff in there. When we talked about a condo conversion ordinance a few years back that was the strategy that folks had the most concern about it, there were concerns about property rights. How could we frame out the ordinance, what is the time frame, what does the landlord need to do, who is the reviewing board etc. There is a lot that goes into it and then it should be work shopped to figure out what we need and what would be acceptable. Councillor Madore says that over the past few years her impression is that people want to stop or slow down the pace so her impression is there is significant support around the idea but maybe not that details, Councillor Morsillo agrees. There have been several properties turned into condos over the past several years, recently a single developer bought up two multifamily homes flipped them and that is the kind of thing that people don't like. This is an easy lift. Ms. Watson-Felt adds that the social message by and large seems to be that but when these conversations happen there are owners that come to the table so when we put the pedal to the metal, we need to make sure renters are engaged. Mr. Northcutt says that the owners of Shetland Park will probably be redeveloping at some point in the near future and that puts a threat to the naturally occurring affordable units in the Point Neighborhood. From a capacity perspective if Councillor Madore can support planning staff with writing a proposal, with us prioritizing one of our meetings on this issue we can do public outreach and engagement and this board can recommend an ordinance to city council that is a venue to provide good public engagement and the NSCDC could assist with the engagement. We have 6-7 meeting left, this condo conversion ordinance seems to be a low barrier given Christine's capacity. Exactly what shape the land disposition takes is unknown but that seems to be in quadrant 1. Aside from those three things are there other things that come up. Ms. Chiancola notes the due now is the housing production plan, the ADU ordinance is almost wrapped up, then the question is what is the big project. Are we looking at the condo conversion ordinance next or the land disposition ordinance next? Also, do we want to establish the ADU loan program – we need to set up the program the framework for it and the funding that takes time or do we want to work on the ADU design toolkit first. They can happen simultaneously. Councillor Madore responds that public land disposition is more imminent and #2 being condo conversion because we need research time to craft recommendations. Ms. Watson-Felt hears that the sense of urgency is around land disposition and condo conversions. She would rather see the model/design supersede the loan program. Is there a sense of urgency around other things that she is not aware of? Mr. Zamborlini says the 40R is worth looking into. Mr. Zamborlini asks if the vision is we do one at a time, Ms. Chiancola responds that she can start working on the land disposition ordinance while the condo conversion research is being done by MHP so somethings can be done simultaneously while others will need to be done one at a time. Mr. Zamborlini suggests splitting into working groups to assist with the workload:

- Councillor Hapworth and Mickey Northcutt agree to participate on the land disposition ordinance working ordinance.
- Councillor Madore, Filipe Zamborlini, Caroline Watson-Felt and Councillor Morsillo will work on the condominium conversion ordinance.

Mr. Northcutt notes that if we finish the year with these two policies being passes that would be great, so we can pursue these in parallel. If we fly through this we can pick a third priority in October.

APPROVAL OF THE MINUTES

A. April 6, 2021 draft minutes

Motion to approve the minutes by Caroline Watson-Felt, seconded by Councillor Hapworth and passes unanimously with a roll call vote.

PUBLIC COMMENT

No public comment.

ADJOURNMENT

Motion to adjourn by Councillor Hapworth, seconded by Filipe Zamborlini—passes unanimously by a roll call vote.

Meeting adjourned at 7:11 p.m.

Approved by the Affordable Housing Trust Fund Board **on 7/6/2021**

Respectively submitted,
Amanda Chiancola, AICP
Deputy Director

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