

**Affordable Housing Trust Fund Board**  
**Approved Meeting Minutes**  
**July 22, 2019**

A meeting of the Salem Affordable Housing Trust Fund Board was held on Monday, July 22, 2019 in the first-floor medium room at the City Hall Annex, 98 Washington Street, Salem, Massachusetts at 6:00 p.m.

- 1. Roll Call: Members present:** Mayor Kim Driscoll, Christian Bednar, John Boris, Councillor Christine Madore, Councillor Arthur Sargent, Councillor Steve Dibble, Ben Anderson and Cynthia Nina-Soto.

Absent: Grace Napolitano and Rebecca Curran.

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

Mayor Kim Driscoll called the meeting to order at 6:11pm.

- 2. Approval of the minutes:**

*Cynthia Nina-Soto makes a motion to approve the June 7, 2019 Affordable Housing Trust Fund Board meeting minutes, seconded by John Boris and the motion carries unanimously.*

- 3. Review City of Salem Code of Ordinance Article IX, Division 4 Sec. 2-1365 (d)(11).**

- a. Amanda Chiancola explains this agenda item is per the request of Councillor Dibble. It is regarding selling surplus land for less than the appraised value. Ms. Chiancola reads the section:

*“The city council may waive the provisions contained in subsections (d)(4) [the appraisal], (5)a [the lowest acceptable bid amount (equal to the appraisal)], and (6)a [purchase price] of this section and sell the land at the minimum price required to satisfy all indebtedness incurred by the city in acquiring such land, if any, upon approval by a two-thirds affirmative vote of the city council, for any request for proposal to build affordable, low income, elderly, or veterans' housing in the city.”*

Councillor Dibble suggests that the language be amended to include a definition of “affordable” based on a percentage of area median income and identify how many units must be affordable. The Mayor responds that in addition to this, the City must follow the uniform procurement process which includes a solicitation where we can include a definition and percentage of affordable units within the competitive criteria.

Councillor Madore comments that this ordinance has potential but notes she is uncomfortable with municipal land being declared surplus for use of affordable housing with this section alone. Councillor Madore recommends that the AHTF Board be the pass through, in that if municipal land is declared surplus with the intention of being leveraged for affordable housing, the land should be transferred to the AHTF Board so that this body can provide oversight of the land. Mayor Driscoll concurs explaining that the declaration of the trust gives it the ability to accept and receive real property, this can include accepting land donations and transfers from the City Council.

Mickey Northcutt arrives at 6:20pm.

Councillor Madore suggests that if the board is involved in the process, the board can ensure that affordable units are not created in isolation- this board must play a role in the process.

Councillor Dibble says that in 30 plus years the City has not taken advantage of this section. He says it should be sharpened, he wants it defined. The Mayor notes that nothing precludes the City Council from transferring land to the AHTF.

**b. *Municipal and Religious Reuse Ordinance Update:***

Ms. Chiancola informs the board that the City Council tabled the vote on whether to refer the Municipal and Religious Reuse Zoning Amendment to the City Council Subcommittee on Ordinance, Licenses and Legal Affairs (OLLA) until a special City Council meeting on August 1, 2019. At that meeting the City Council will vote on whether to refer to refer it to OLLA, they may also consider first passage.

Mayor Driscoll informs the trust of the timing- the ordinance would need to be adopted between now and September 15 to meet the 90-day requirement set forth in Mass General Law. Mayor Driscoll explains that we are up against a tight deadline given that first and second passage would need to occur and there are noticing requirements between the passages.

Councillor Dibble says he is upset that it was not referred to Committee in June. He asks the Mayor to respond to that. Mayor Driscoll informs Councillor Dibble of the procedure, noting she does not have a vote, the Council decides whether an ordinance goes to committee. Discussion ensues. Councillor Dibble says he wants a committee meeting for the zoning experts to attend, he asks Councillor Madore to explain her vote. Councillor Madore explains that she wanted to vote first passage then send to committee, she also comments that Tom Daniel is a zoning expert and had been at every meeting.

Councillor Sargent suggests that if they voted first passage it would have lost 5-4. He explains that while he is not in favor, he wants a fair vote. Without the full Council in attendance it would not have been a fair vote.

Councillor Madore responds the ordinance has been discussed, there were only three minor changes, she did not feel there is a need to revise beyond that and wants to move forward with first passage.

Councillor Dibble says that he wants a round table discussion at the OLLA subcommittee to talk about the ordinance with the zoning experts, he says he agrees with Councillor Madore that Tom Daniel is one of the experts but explains he also wants the people to working on zoning every day to attend, specifically Tom St. Pierre and the Zoning Board members. Mayor Driscoll notes that the special permit would be enforced by the Planning Board not the Zoning Board.

Tom Daniel asks Councillor Dibble why he wants Tom St. Pierre to attend since the Councillor has already met with Tom St. Pierre. Councillor Dibble explains he wants to discuss changes with the zoning experts.

The Mayor asks Councillor Dibble what changes he wants to make. Councillor Dibble responds that he does not have his notes in front of him but he wants an affordability component in the ordinance. Councillor Dibble explains that he heard from many people at the hearings that they support this ordinance because of the affordability component.

Mayor Driscoll responds that we have to keep this ordinance separate from the first version because it was denied, further we did not want to complicate this one given that an inclusionary zoning ordinance is in the pipeline. The NorthShore CDC will be developing the two religious schools and the City's sale of 5 Broad Street requires 10% of the units to be deed restricted for households who earn no more than 80% of the area median income, lastly we have the Planning Board as a final backstop which would require 10% of the units at 80 ami, so while there is not an affordability component written in the ordinance, all three developments will include affordable housing.

Ben Anderson says that we are losing the forest to the trees, explaining that these are underutilized buildings and questions why the City Council is debating over technicalities of committee meetings and zoning expert discussions. Mr. Anderson suggests it is a simple decision, just move the ordinance forward. It is baffling to him that we are arguing about minor technicalities, he does not understand why it is not resolved.

Cynthia Nina-Soto asks Councillor Dibble, if there is no committee meeting, is he in opposition? Councillor Dibble says the committee meeting could happen by August 8th which would provide time for first and second passage by Sept. 15. Ms. Nina-Soto asks if they have the committee meeting and they decided to not include an affordability component, would he vote no. Councillor Dibble says he would keep an open mind.

Ms. Nina-Soto explains why she thinks an affordability requirement should be citywide, rather than being in this zoning ordinance. She asks if a committee meeting is what is needed to move this forward? Ms. Nina-Soto asks who she should advocate to, to make it happen, because she says this ordinance has to pass.

Mr. Anderson explains to Councillor Dibble that he can discuss the ordinance with experts outside of the hearing then bring a summary of the discussion to the City Council meeting to discuss with his colleagues. Mr. Anderson suggests getting his answers and concerns addressed prior to the meeting rather than waiting for the zoning experts to attend a meeting. Ms. Nina-Soto concurs.

Mr. Daniel asks Councillor Dibble to let him know if there are concerns so staff can address them, noting he has an open door, as does Tom. St. Pierre. Mr. Anderson reiterates that there is no reason that the City Council shouldn't be proactive in getting answers ahead of time. Questions can be answered in advance so that information can be provided to the City Council.

Councillor Dibble says he wants ten percent of the units to be restricted to 60% ami, he asks Tom Daniel to put draft language together to incorporate in the ordinance. The Mayor notes that would not work for 5 Broad Street, the sale is contingent on a requirement of 10% of the units at 80% ami. Councillor Madore notes that affordability should be in an inclusionary zoning ordinance. Councillor Madore explains that we need a bigger picture, rather than trying to shoehorn affordability in this ordinance.

Mr. Anderson explains that his sense is the majority of people who spoke at the meeting in favor of affordability, did not have the overall picture of what the city is working on for affordable housing. To try and put affordability requirements in here will create conflict.

Councillor Sargent says people are confused about affordable housing and low-income housing.

c. *Accessory Dwelling Unit Ordinance Update:*

Ms. Chiancola informs the AHTF that there was a joint public meeting between the Planning Board and City Council on July 8th, the hearing was continued to August 15th. That means the public comment period is still open.

Councillor Dibble says there are a fair amount of people in opposition to non-family members. The Mayor requests that if there are concerns or questions folks let planning staff know ahead of time so we can respond and/or adjust the ordinance.

d. *Municipal Land Update:*

The City Solicitor is getting quotes for the cost from a third party to run the at title review of 56 Memorial Drive, 5R Frederick, 77 Willson Street (Salem High School site), Mack Park and Gallows Hill. Staff will bring said quotes to the August AHTF Board meeting as we may need funding to cover the cost of the title review.

Councillor Dibble requests that the private property next to the High School be evaluated.

e. *Inclusionary Zoning Data Analysis Update:*

The data analysis is being finalized. Staff will share the results with recommendations on the inclusionary zoning ordinance for the trust to consider and discuss at the August AHTF Board meeting. Ms. Chiancola notes that the IZ ordinance will not be complete within the next week and asks the AHTF if they want to reschedule the August meeting (scheduled in two weeks) so they have time to review and give input prior to the trust meeting. The AHTF agrees. Ms. Chiancola says she will send a doodle poll to the group.

Councillor Dibble questioned why HDIP is only used for market rate housing. Mr. Daniel responded that 80% of the units are required to be market rate; however, the remaining 20% of units could be affordable. Mr. Daniel explained that the Council can leverage the 20% to negotiate for more affordable units during TIE discussions. Councillor Dibble responded that he did not see this information in the documents that were presented to Council regarding HDIP. Councilor Dibble asks why HDIP is used. Mickey Northcutt explains that affordable housing cost the same to build in Salem as it does in Boston but the rent is not allowed to be the same, sometimes and often the price you are allowed to

sell it for cannot even pay for to build it. Developers will not build in many City's without a subsidy such as HDIP, noting if construction costs were lower things might be different. Mr. Northcutt explains that the NSCDC typically pays more per square foot to build an affordable unit than a market rate unit because they are held to high standards. Councillor Sargent notes that the Church's did not have to pay for their land or building, since they already own it shouldn't the rate be less. Mr. Northcutt responds that they are not getting the buildings for free.

#### **4. New Business**

##### **a. 5 Year Consolidated Plan**

Ms. Chiancola says the City has hired a consultant, Community Opportunities Group, Inc. (COG) to undertake the development of the City of Salem's next 5 year Consolidated Plan (July 1, 2020 through June 30, 2025). To develop the Consolidated Plan, city staff and COG will be seeking input from residents, businesses, social service organizations and civic groups, including the Affordable Housing Trust Fund Board. She asks if the AHTF Board would be willing to host a Consolidated Plan meeting at the October 1st AHTF regularly scheduled meeting. COG will provide a brief overview of the consolidate plan, then ask for input from the AHTF Board members and the public. The Trust is in favor.

Motion to adjourn by Councillor Madore, seconded by John Boris—passes unanimously.

Meeting adjourned at 7:42 p.m.

Approved by the Affordable Housing Trust Fund Board on 8/22/2019

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