

Affordable Housing Trust Fund Board
Approved Meeting Minutes
May 7, 2019

A meeting of the Salem Affordable Housing Trust Fund Board was held on Tuesday, May 7, 2019 in the Board Room at the Community Life Center, 401 Bridge Street, Salem, Massachusetts at 6:00 p.m.

Members present: Mickey Northcutt, Councillor Christine Madore, Councillor Arthur Sargent, Councillor Steve Dibble, Ben Anderson, John Boris, Christian Bednar and Cynthia Nina-Soto.

Absent: Mayor Kim Driscoll, Rebecca Curran, Grace Napolitano.

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

Vice Chair Mickey Northcutt called the meeting to order at 6:00 pm.

Ms. Chiancola provided a summary of April 23rd Housing Workshop. Approximately 50 community members attended the workshop. At the workshop staff provided an overview of the recommendations of both the draft Inclusionary Zoning ordinance and the Accessory Dwelling Unit ordinance. Then asked for the community members to discuss and provide input. Overall, a majority of the workshop attendees are supportive of the proposed amendments.

Mr. Northcutt expressed concern with the recommendation that ownership units be for households at 80% of the area median income (AMI). Mr. Northcutt explains that households at 80% of the area median income wouldn't take advantage of the units if they would also qualify for market rate housing options. This is because if these households can afford a market rate unit, thus they would not want to be locked into an affordable unit since it would not provide future equity. Conversation among the board members regarding the appropriate area median income for ownership units ensues. Councillor Dibble says that 80% is not affordable so the threshold should be lower. Ms. Chiancola notes that it is unlikely for households at 60% AMI to qualify for a mortgage. Mr. Anderson asks about the status of the data analysis the AHTF Board asked MAPC about at the last meeting. Mr. Anderson explains that if there is a large enough gap between market rate products for households to take advantage of the affordable units, it could be demonstrated through data. He would need to see that data before making a recommendation. Ms. Chiancola responds that staff is working with MAPC on getting that data, she expects it to be ready by the next meeting in June. Councillor Sargent notes he is concerned that homeowners do not get incentives, just the developer gets the incentive (through HDIP).

Mr. Anderson asks whether other cities or towns that have inclusionary have allowed market rate products to set aside their affordable units as rentals. If the 80% AMI to market rate delta is too narrow and 60% is too low for qualifications and the City cannot get to a middle ground, perhaps the ordinance could allow the affordable units within an ownership project to be rentals.

Ms. Chiancola reviews the accessory dwelling unit recommendations. Short term rentals are discussed, staff recommends not allowing the units to become short-term rentals. Mr. Northcutt understands why staff is making that recommendation but notes it is limiting. Mr. Anderson explains the City already has an ordinance that deals with short term rentals for single-family homes. Several trust members

recommend expanding the accessory dwelling unit ordinance beyond single-family homes. Ms. Nina-Soto and Mr. Northcutt explain that there are duplexes and triple decker's that have accessory units in them already, and these types of units should be able to create a unit as well.

Councillor Sargent recommends including local preference- noting it is important to create housing for the people of Salem. Councillor Madore notes that the people who are moving in to condominiums in Ward II are Salem people, they have just moved from one type of housing to another. Ms. Nina-Soto explains that people typically relocated within two miles of their current location. Mr. Northcutt notes that the advertisement for lotteries are posted at Salem locations, e.g. in the library and the Council on Aging. In his experience, most of the applicants who apply and end up getting housing in the NSCDC units are Salem residents.

Councillor Sargent and Councillor Dibble suggest that they look at City owned land for veterans. Ms. Chiancola notes that any preference would need to be approved by the Department of Housing and Community Development, including preference on City owned land. Councillor Dibble asks Ms. Chiancola to bring in the ordinance regarding disposition of surplus land, he would like the Trust to look changing the language to allow the land to be sold for less than the appraised value if it is for affordable housing. Ms. Chiancola says that City owned land will be on the next agenda.

Mr. Anderson says that the City has to inform people what the benefits are of affordable housing. Not just the benefits to the income eligible households- but how it positively impacts the community. Ms. Nina-Soto responds that she has data from the Realtors Association that she can share with staff regarding benefits of creating new housing, including the jobs created etc.

Approval of the minutes:

- a. *Ben Anderson makes a motion to approve the October 16, 2018 Affordable Housing Trust Fund Board meeting minutes, seconded by Councillor Madore and the motion carries unanimously.*
- b. *Cynthia Nina-Soto makes a motion to approve the March 26, 2019 Affordable Housing Trust Fund Board meeting minutes, seconded by Christian Bednar and the motion carries unanimously.*
- c. *John Boris makes a motion to approve the April 10, 2019 Affordable Housing Trust Fund Board meeting minutes, seconded by Cynthia Nina-Soto and the motion carries unanimously.*

Meeting adjourned at 7:15pm.

Approved by the Affordable Housing Trust Fund Board on 06/04/2019

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