M.G.L. CHAPTER 40V
Housing Development Incentive Program (HDIP)

CERTIFICATE OF APPROVAL

HDIP Zone: City of Salem Downtown HD Zone and Plan
Properties: As set forth in Exhibit A
Date: June 7, 2017

Pursuant to its authority under Chapter 40V, §2, of the General Laws, the Department of Housing and Community Development hereby certifies that it has approved the Downtown Salem HD Zone and Plan submitted by the City of Salem and dated April 2017.

Executed as of this 7th day of June, 2017.

COMMONWEALTH OF MASSACHUSETTS,
through the Department of Housing and Community Development
By: Chrystal Kornegay
Its Undersecretary

THE COMMONWEALTH OF MASSACHUSETTS

Suffolk, ss.

On this 7th day of June, 2017, before me, the undersigned notary public, personally appeared Chrystal Kornegay, the Undersecretary of the Department of Housing and Community Development of the Commonwealth of Massachusetts, proved to me through satisfactory evidence of identification, which was my personal knowledge of the identity of the principal, to be the person whose name is signed on the preceding document, and acknowledged the foregoing instrument to be the free act and deed of the Commonwealth of Massachusetts.

Bertha Borin
Notary Public
My Commission expires on: 3/11/2022
<table>
<thead>
<tr>
<th>Street Address</th>
<th>Map &amp; Lot</th>
<th>Acreage</th>
<th>Owner of Record</th>
</tr>
</thead>
<tbody>
<tr>
<td>65 Washington St</td>
<td>Map 35, Lot 0600</td>
<td>0.515</td>
<td>Essex County</td>
</tr>
<tr>
<td>29 Federal St</td>
<td>Map 35, Lot 0409</td>
<td>0.25</td>
<td>Salem RA</td>
</tr>
<tr>
<td>15 Federal St</td>
<td>Map 35, Lot 0196</td>
<td>1.29</td>
<td>Salem RA</td>
</tr>
<tr>
<td>32-50 Federal St</td>
<td>Map 26, Lot 0413</td>
<td>1.96</td>
<td>Essex County</td>
</tr>
<tr>
<td>252 Bridge St</td>
<td>Map 26, Lot 0408</td>
<td>0.84</td>
<td>City of Salem</td>
</tr>
<tr>
<td>50 Washington St</td>
<td>Map 35, Lot 0023</td>
<td>0.55</td>
<td>Tabernacle Church</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5.41</td>
<td></td>
</tr>
</tbody>
</table>

City of Salem
The Honorable Kimberly Driscoll, Mayor
Salem City Hall
93 Washington Street
Salem, MA 01970

RE: Downtown Salem HD Zone & Plan – Approval

Dear Mayor Driscoll:

The Department of Housing and Community Development (the Department) is in receipt of the City of Salem’s application under the Housing Development Incentive Program (HDIP) for approval of its Downtown Salem HD Zone and HD Zone Plan substantially submitted on April 27, 2017.

As further detailed in the city’s application, the Downtown Salem HD Zone is comprised of six parcels totaling approximately 5.4 acres in the northern section of the Downtown Salem Urban Renewal Area, near the intersection of Bridge and Washington Streets. The close proximity to the Salem MBTA Intermodal Station and the associated potential for transit-oriented development of an area characterized by relatively underutilized, publicly-owned properties offer a strong rationale for the proposed HD Zone as a mechanism to catalyze housing development. While the city’s application documents that the proposed HD Zone would support several potential redevelopment opportunities, the concurrent 62-unit, mixed-use redevelopment proposal for the site of Salem’s former District Court at 65 Washington Street is tangible evidence of both the need for multifamily housing and the type of reinvestment that the establishment of the HD Zone will support.

Pursuant to M.G.L. Chapter 40V and 760 CMR 66.00 the Department has reviewed the proposed HD Zone designation and HD Zone Plan and makes the following findings:

- The application is complete;
- There is a documented need for multi-unit market rate housing in the proposed HD Zone;
- The proposed HD Zone is appropriately located to support the objectives of the HD Zone Plan;
- Implementation of the proposed HD Zone Plan will meet the goals of the HDIP, including increasing residential growth, expanding diversity of housing stock, supporting economic development, and promoting neighborhood stabilization in the proposed HD Zone; and
- The HDIP Area Median Income used by the City to calculate the Target Household Income for pricing market rate housing units in HD Projects is appropriate.

The Department approves the Downtown Salem HD Zone and HD Zone Plan.
Please be advised that pursuant to 760 CMR 06.14(3) the Department’s approval of the HD Zone and HD Zone Plan becomes effective upon the recording of the Department’s Certificate of Approval, including attachments, with the appropriate registry of deeds and/or land court registry. The timely recording of the Certificate of Approval and forwarding of a copy to the Department is the responsibility of the municipality. A determination on the Preliminary or Conditional Certification of the initial HD Project may be delayed until the Department has received this documentation.

Please contact Bill Reyelt, Principal Planner, Smart Growth Programs, at (617) 573-1355 or at william.reyelt@state.ma.us if you have any questions or need assistance. We look forward to working with you on implementation of the city’s first HD Zone Plan.

Sincerely,

Chrystal Kornegay
Undersecretary

cc: Senator Joan B. Lovely
    Representative Paul F. Tucker
    Elaine Milo, City Council President
    ✓ Tom Daniel, Director of Planning & Community Development