

## 40R District Application – Preliminary Determination of Eligibility

### MASSACHUSETTS DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

#### 40R DISTRICT / ZONING APPLICATION FORM PRELIMINARY DETERMINATION OF ELIGIBILITY

Municipality: **City of Salem**

Name of District: **City of Smart Growth Overlay District and Sub-District 1**

☒ Smart Growth Zoning District (SGZD) ☐ Starter Home Zoning District (SHZD)

☐ Expedited Review (qualified SHZDs only; [see corresponding checklist](#))

Municipal contact person: **Elena Eimert**

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The undersigned, chief executive of a Municipality or duly authorized designee of the City/Town of **Salem**, hereby certifies that all information in this application is accurate and complete as of the date hereof.

Signed: \_\_\_\_\_

Name, title: **Dominick Pangallo, Mayor**

Date:

#### **Key Data from corresponding District Summary Information Spreadsheet**

*Complete the Smart Growth / Starter Home Residential Density Plan/Map and Density Data Spreadsheet prior to completing this application form and before completing the accompanying District Summary Information Spreadsheet, certain cells of which will automatically populate based on information from the Density Data Spreadsheet. It is highly recommended that the municipality submit a draft Smart Growth / Starter Home Residential Density Plan/Map to DHCD for informal review and feedback prior to submission of a formal application, particularly if the Developable Land within the proposed District includes land identified as Underutilized Land. Capitalized terms used but not defined in this document have the meaning set forth in the Density Data Spreadsheet and/or 760 CMR 59.02. Where other capitalized terms first appear, there is generally a corresponding hyperlink to the definitions section in the last portion of this document. Pressing the "Ctrl" key and clicking on the back arrow symbol [↩] that appears after the linked definition will bring you back to the corresponding reference in the application form.*

Type of Eligible Location (1.B, 1C, 1E or 1F): **1.B. Substantial Transit Access Area**

Estimated # of Incentive Units: **60 units**

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Estimated Zoning Incentive Payment: **\$180,000**

### 1. ELIGIBLE LOCATION

**1.A Locator Map(s).** Attach the Locator Map(s) of the proposed District, identifying the corresponding [Eligible Location](#), proposed District, and any other portions or features of the surrounding area or Municipality that may be relevant to the category of Eligible Location and type of 40R District. For applications seeking qualification as an Eligible Location under the [Area of Concentrated Development](#) (ACD) category, the Locator Map(s) should illustrate that at least 51% of the proposed ACD is Substantially Developed Land or Underutilized Land. See corresponding definitions at the end of this document or in the Density Data Spreadsheet and/or consult DHCD).

*The purpose of the Locator Map(s) is to support the Department's finding that the District is located in an Eligible Location. As such, collectively, the Locator Map(s) should include all information necessary to illustrate that the proposed District qualifies as an Eligible Location.*

*For example, the Locator Map(s) for Districts intended to qualify as all or part of a [Substantial Transit Access Area](#) (STAA), must, at a minimum, clearly show that, with the exception of any qualifying [Adjacent Area](#), at least a portion of all parcels within the proposed Smart Growth or Starter Home District are within a ½ mile or 1 mile distance, respectively, from the applicable transit facility (where further seeking qualification of an Adjacent Area(s), these distances may be extended up to an additional ½ mile, subject to applicable [Infrastructure](#) and [Pedestrian Access](#) requirements).*

*For Districts to qualify as within an Area of Concentrated Development (ACD), including an Existing Rural Village District (ERVD), the Locator Map(s) must clearly show the boundaries of both the proposed District and the boundaries of the applicable ACD/ERVD (i.e., area that includes the corresponding city or town center, other existing commercial district).*

*In addition, for Districts in certain areas to qualify under the Other Highly Suitable category, the Locator Map(s) may need to further demonstrate that such proposed Districts cannot otherwise qualify under the STAA or ACD Eligible Location categories. Consult DHCD's program staff for any questions on how to prepare the Locator Map(s)).*

**1.B Substantial Transit Access Area.** If the District is near to a transit station, identify the station: **Salem MBTA Commuter Rail**\_\_\_\_\_.

**1.C(i) Area of Concentrated Development - City / Town Center or Existing Commercial District.** If the municipality is seeking eligibility of the District as located within an Area of Concentrated Development that does not qualify as an existing rural village district (see below), is the ACD currently served (yes \_\_\_\_ no \_\_\_\_)

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\_\_\_\_) or scheduled to be served within five years of the application (yes \_\_\_\_ no \_\_\_\_)  
by public sewer(s) and/or private sewage treatment plant(s)?

*If the ACD is scheduled to be served by public sewer(s) and/or private sewage treatment plant(s), provide documentation in Attachment 7-1. Note that for Starter Home Zoning Districts, the District itself need not be served or scheduled to be served by public sewer(s) and/or private sewage treatment plant(s), so long as the associated ACD is so served or scheduled to be served (unless otherwise qualified as an existing rural village district).*

Briefly describe/summarize the primary current use and zoning (*consistent with the Underlying Zoning, see Attachments 2-1 & 2-2*) of land and buildings in both the ACD and the proposed District: \_\_\_\_\_ (note: see corresponding regulatory definition of ACD which must include a city or town center or other contiguous, previously developed portions of an existing commercial district where such portions are substantial in the context of the Municipality.)

Is the District within land designated as a commercial center under M.G.L. c.40, § 60 (yes \_\_\_\_ no \_\_\_\_)?

*If yes, attach a copy of the designation document from DHCD as Attachment 1-2.*

**1.C(ii) Area of Concentrated Development - Existing Rural Village District.** If the District comprises part or all of what would otherwise qualify an ACD under 1.C(i) above, but the area is not served or scheduled to be served within five years of the application by public sewer(s) and/or private sewage treatment plant(s), does the area include the Municipality's principal road intersection or other civic center point of the Municipality, preliminarily approved by DHCD (yes \_\_\_\_ no \_\_\_\_)?

Does it contain two or more of a town hall, post office, public library, public school, or public safety facility (yes \_\_\_\_ no \_\_\_\_)?

If yes, identify the facilities that it contains: \_\_\_\_\_.

Does it contain an existing village retail district (yes \_\_\_\_ no \_\_\_\_)?

If yes, briefly describe its characteristics: \_\_\_\_\_.

**1.D Adjacent Areas.** For Districts proposed as comprising part of all of the land within a STAA or ACD, does the District contain an Adjacent Area (yes \_\_\_\_ no X\_\_\_\_)? (*note: Adjacent Areas are not applicable to Districts qualifying as Eligible Locations under 1.E or 1.F*)

## 2. UNDERLYING ZONING

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**2.A Underlying Zoning.** Attach a copy of the text and map(s) as Attachments 2-1 and 2-2, respectively. The Underlying Zoning must be certified by the municipal clerk and the municipal clerk must also certify that such zoning was in effect one year prior to the application date. The Underlying Zoning provides the basis for determining the existing As-of-right residential densities and units that must be provided in the Density Data Spreadsheet.

### **3. SMART GROWTH RESIDENTIAL DENSITY PLAN/MAP(S) & DENSITY DATA SPREADSHEET**

**3.A Smart Growth Residential Density Plan/Map(s).** Attach the Smart Growth Residential Density Plan/Map(s) of the District as Attachment 3-1. The purpose of the Plan is to provide a summary illustration of the number of Existing Zoned, Future Zoned and Incentive/estimated Bonus Units on a parcel-by-parcel basis on the Developable Land / Underutilized Land and, as applicable, Substantially Developed Land, throughout the proposed District. The land plan/map should distinguish between parcels (or portions thereof) qualifying as Developable/ Underutilized Land and land that is considered Substantially Developed Land as defined in the regulations. If impractical, it is not necessary to include the corresponding unit numbers on the land plan/map, so long as individual parcels are uniquely identified and correspond to the parcel information provided in the Density Data Spreadsheet. Depending upon the scale and complexity of the proposed District, conveying this information clearly may involve more than one land plan/map. Attach the Smart Growth Residential Density Plan/Map(s) as Attachment 3-1. For Smart Growth Zoning District applications seeking qualification as an Eligible Location under the Area of Concentrated Development category, the Smart Growth Residential Density Plan/Map should illustrate that at least 51% of the proposed District is Substantially Developed Land or Underutilized Land.

**3.B Density Data Spreadsheet.** Attach the Density Data and District Summary Information Spreadsheets as Attachments 3-2 and 3-3.  
*The purpose of these spreadsheets is to calculate and document the number of Future Zoned and Incentive Units. These spreadsheets will also be used to estimate the number of potential Bonus Units as well as the amount of the Zoning Incentive Payment.*

### **4. SMART GROWTH/STARTER HOME ZONING, DESIGN STANDARDS & ADDITIONAL MUNICIPAL STANDARDS**

**4.A Smart Growth / Starter Home Zoning.** Attach a copy of the text and map(s) for the Smart Growth Zoning applicable to the District as Attachments 4-1 and 4-2. **The copy of the proposed SGZ text should be provided as an MS Word file with all changes to the most recent SGZ/SHZ template red-lined / made visible with track changes.**



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**4.B Mixed-use Development.** Does the Smart Growth / Starter Home Zoning allow Mixed-Use Development Projects As-of-right (yes X no   )? If yes, what is the minimum portion of such Mixed-use Development Projects that must be devoted to residential uses:       ? (this percentage must be used to calculate the minimum number of residential units that would be developed on parcels that will allow Mixed-use Development. If the proposed SGZ/SHZ will allow non-residential use outside of such Mixed-use Developments, the SGZ/SHZ must establish an overall minimum of the estimated developable square footage that will be devoted to residential use and overall maximum cap on developable square footage that can be devoted to non-residential use in order to calculate the number of Incentive Units which will be based on the minimum share of the developable square footage that must be devoted to residential use.)

**4.C Substantially Developed Sub-districts.** Does the Smart Growth / Starter Home Zoning contain any Substantially Developed sub-district(s) within the District where maximum As-of-right residential densities differ from those applicable to the Developable Land sub-district(s) (yes    no X)? If yes, state the maximum As-of-right residential densities within such sub-district(s):        units/acre.

Identify the provisions of the Smart Growth / Starter Home Zoning that ensure the construction of infill housing on existing residential vacant lots: Sections 7.4.4, 7.4.5.

For SGZDs, identify the provisions of the SGZ that permit additional housing units in existing residential buildings and permit additional housing units for additions or replacement of such buildings: Sections 7.4.4, 7.4.5.

**4.D Affordability - Project requirements** For SGZDs only, does the SGZ establish a project-size threshold (e.g., 13 units) for Projects that are subject to the SGZ Affordability requirement (yes X no   )? If yes, what is that unit # threshold (cannot exceed 13) and identify the section of the SGZ containing that requirement: 6 units, Section 7.4.6.2. (the SGZ can only exempt Projects of 12 or fewer units from the Affordability requirements)

For SGZD only, does the SGZ contain provisions to ensure that Projects are not segmented to evade the size threshold for Affordability (yes X no   )? If yes, identify the section of the SGZ containing such provision: Sections 7.4.6.9, 7.6.4.12, and 7.6.4.16.

**4.E Affordability - District-wide Affordability target.** For SGZDs only, identify the provisions of the SGZ that ensure the total number of Affordable units constructed in the District equals not less than twenty percent (20%) of the total number of all units constructed within Projects in the District: Sections 7.4.6.1 and 7.4.6.2.

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*The following questions refer to the SGZ/SHZ attached as Attachment 4-1, or the [Design Standards](#) attached as Attachment 4-3.*

**4.G Categories of Project; Plan Approval Authority.** Does the SGZ/SHZ provide for [Plan Review](#) of Projects within the District (yes ☒ no ☐)?  
If yes, who is the [Plan Approval Authority](#): Salem Planning Board.

**4.H Design Standards.** Does the SGZ/SHZ contain Design Standards (yes ☐ no ☒)?

If no, have separate Design Standards been promulgated or drafted (yes ☐ no ☒)?

*If yes, attach a copy as Attachment 4-3.*

Have these Design Standards been previously applied to Affordable or mixed-income residential development in the community (for example, through the Underlying Zoning) (yes ☐ no ☐)?

If yes, briefly identify the project(s) that have been approved using these standards: \_\_\_\_\_.

Describe how the Municipality will ensure that its Design Standards will not Unreasonably Impair the development of Projects in the District: \_\_\_\_\_.

**4.I Waivers.** Does the SGZ/SHZ allow the Plan Approval Authority, through the Plan Review process, to waive specific dimensional and other standards (other than Affordability requirements) otherwise applicable to a Project (yes ☒ no ☐)?

**4.J Phased Project Reviews.** Does the SGZ/SHZ permit the Plan Review approvals of proposed Projects to be phased for the purpose of coordinating development with the construction of [Planned Infrastructure](#) upgrades that are identified in the application (yes ☒ no ☐) or that are required to mitigate any extraordinary adverse Project impacts on neighboring properties (yes ☒ no ☐)?

For Projects that are approved and developed in phases, identify the provisions of the SGZ/SHZ requiring that the percentage of Affordable units in each such phase is no less than the minimum percentage required for the Project as a whole: [Section 7.4.6.9](#) \_\_\_\_\_.

**4.K Additional Municipal Standards.** (For Starter Home Zoning Districts only) Will any [Additional Municipal Standards](#) apply to development that proceeds under the Starter Home Zoning (yes ☐ no ☐)? If yes, include copies of the Additional Municipal Standards as Attachment 4-4, together with one of the following, as applicable, as Attachment 4-5:

1. A Developer Certificate of Feasibility with respect to Additional Municipal Standards; or

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2. Documentation demonstrating that such Additional Municipal Standards do not Render Development Infeasible, certified by a Municipal official, civil engineer or other individual with appropriate expertise to evaluate and opine as to the feasibility of such development; or
3. Documentation substantiating the circumstances the Municipality asserts warrant the imposition of Additional Municipal Standards on development under the Starter Home Zoning in the proposed District, which shall be certified by a Municipal engineer or by a public works, board of health or conservation commission official with relevant expertise, unless otherwise substantiated in accordance with guidance issued by DHCD.

### 5. HOUSING PLAN REQUIREMENT

Subject to the requirements below, the housing plan requirement can generally be satisfied with a current [Comprehensive Housing Plan](#) (or acceptable equivalent) or current (i.e., approved by DHCD within the past 5 years) [Housing Production Plan](#). DHCD has active Housing Production Plans on file, so there is no need to resubmit such plans. Comprehensive Housing Plans (or equivalent plans) should be attached as Attachment 5-1. Municipalities that do not have such plans can fulfill the housing plan application requirement by completing a [Housing Production Summary](#). While any municipality can submit a Housing Production Summary, submission is only necessary and considered for the purposes of satisfying the housing plan requirement if the municipality does not have valid Comprehensive Housing Plan (or acceptable equivalent plan) or Housing Production Plan.

For Comprehensive Housing Plans or equivalent municipal plans, please confirm the following plan components:

☒ Housing needs within the Municipality (including the needs of households in protected classes). If covered, where in the plan can this be found: [Page 9](#)

☒ Housing Strategies (including strategies for the development of housing that serves and provides housing choice for those in protected classes): If covered, where in the plan can this be found: [Page 11](#)

For Housing Production Plans, Comprehensive Housing Plans or equivalent municipal plans, please confirm the following plan components:

☒ An explanation of how the proposed SGZ/SHZ will allow for the development of housing which is appropriate for a diverse population. If covered, where in the plan can this be found: [Page 19](#)

If any these components are not covered in the submitted plan, please provide an addendum to the plan that addresses the missing component(s) and attach as

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Attachment 5-2.

M.G.L. c. 40R additionally requires that the plan that summarize the Existing Zoned Units, Future Zoned Units, and Incentive Units of the proposed Smart Growth Zoning District. Because many otherwise valid housing plans will not contain this level of specificity and because certain figures/information provided in the application may be revised in the course of DHCD preliminary determination of eligibility, as part of any Final or Conditional Approval of an adopted District, the municipality will need to submit evidence that its housing plan has been amended to incorporate the preliminarily-approved SGZ/SHZ and the corresponding application for preliminary determination of eligibility, as ultimately accepted and approved by DHCD.

### 6. LOCAL PUBLIC NOTICE AND HEARING

6.A **Public Hearing.** Did the chief executive of the Municipality or designee hold a public hearing on the application as submitted to DHCD (including the draft SGZ/SHZ) for a preliminary determination of eligibility for the proposed Smart Growth District (yes \_\_\_ no \_\_\_)?

*If yes, attach copies of the notice of the hearing as Attachment 6-1. (note: this hearing should not be confused with or seen as a substitute for hearings that are otherwise required as part of the local zoning adoption process which should commence after DHCD has issued a Letter of Eligibility)*

6.B **Public Comments.** Attach copies of any written comments received by the Municipality on the proposed SGZ/SHZ and the District, including any letters of support/concern issued by the planning board, board of health, conservation commission, or other interested parties, as Attachment 6-2.

Attach any transcript or a summary of any oral comments received by the Municipality at the public hearing as Attachment 6-3.

Summarize briefly any modifications that were made in the proposed SGZ/SHZ or other documents in response to the comments received: \_\_\_\_\_,

### 7. INFRASTRUCTURE IMPACTS AND UPGRADES

*In order for a proposed District to ultimately receive Final (vs. Conditional) Approval and qualify for all or a portion, as applicable, of any corresponding Zoning Incentive Payment, the Municipality must document and certify that the impacts of Future Zoned Units within the District will not over burden transportation, water, public and/or private wastewater systems, and other relevant Infrastructure, as it exists or may be practicably upgraded. The purpose of this requirement is both to ensure*

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*consistency with Smart Growth principles by supporting growth in areas with sufficient existing or Planned Infrastructure and to ensure that any required Infrastructure that does exist or is insufficient and cannot be practicably upgraded is identified and addressed before the Department issues any associated Zoning Incentive Payment(s).*

*The attachment (7-1) must be certified by a municipal engineer or public works official.*

### **Check List of Attachments**

*Identify documents submitted with the Smart Growth / Starter Home application in the following manner:*

Submitted?	Attachment #	Description
<input type="checkbox"/>	1-1	Locator Map(s) of the Municipality, including, as applicable, a map showing the relationship of the proposed District to the applicable Area of Concentrated Development (required)
<input type="checkbox"/>	1-2	Copy of designation letter under M.G.L. c.40, § 60 (if applicable under 1.C(i))
<input type="checkbox"/>	1-3	Copy of relevant portions of plan document (if applicable under 1.F)
<input type="checkbox"/>	1-4	Copy of designation letter under M.G.L. c.40Q (if applicable under 1.F)
<input type="checkbox"/>	1-5	Evidence of District's consistency with statutory goals for smart growth (if applicable under 1.F)
<input type="checkbox"/>	2-1	Underlying Zoning Text (required)
<input type="checkbox"/>	2-2	Underlying Zoning Map(s) (required)
<input type="checkbox"/>	3-1	SG / SH Residential Density Plan/Map(s) of District (required)
<input type="checkbox"/>	3-2	Density Data Spreadsheet (required)
<input type="checkbox"/>	3-3	District Summary Information Spreadsheet (required)
<input type="checkbox"/>	4-1	Smart Growth Zoning / Starter Home Zoning
<input type="checkbox"/>	4-2	Smart Growth/Starter Home Zoning Map(s) (required)
<input type="checkbox"/>	4-3	Design Standards (if not contained within Smart Growth Zoning)
<input type="checkbox"/>	4-4 & 4-5	Additional Municipal Standards and associated documentation (SHZDs only)

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<input type="checkbox"/>	5-1	Comprehensive Housing Plan, Housing Production Plan or Housing Production Summary (required)
<input type="checkbox"/>	5-2	Plan enhancements/ updates (if applicable)
<input type="checkbox"/>	6-1	Notice of public hearing (required)
<input type="checkbox"/>	6-2	Written comments on Smart Growth Zoning and District (required)
<input type="checkbox"/>	6-3	Summary or transcript of oral comments on Smart Growth Zoning and District (required)
<input type="checkbox"/>	7-1	Information on Infrastructure impacts and Planned Infrastructure upgrades, certified by municipal official (required)

#### **EXPEDITED APPLICATION PROCESS FOR QUALIFIED STARTER HOME ZONING DISTRICTS ONLY PURSUANT TO 760 CMR 59.03(2)**

**Qualification.** In order to qualify for the expedited eligibility determination process pursuant to 760 CMR 59.03(2), a proposed Starter Home Zoning District must either meet the requirements in Qualifications A through F below, or must meet the requirements in Qualifications A through E plus the additional requirements in Qualifications G and H below. 5

**A.** Does the Starter Home Zoning conform substantially to the DHCD Starter Home Zoning template, to be submitted, with all changes indicated, with this application (yes\_\_\_ no\_\_\_)?

**B.** Does the Starter Home Zoning District allow for no more than thirty (30) Starter Homes in the District (yes\_\_\_ no\_\_\_)?

**C.** Does the Starter Home Zoning District require that each Starter Home in the District contain at least three (3) bedroom (yes\_\_\_ no\_\_\_)?

**D.** Does the Starter Home Zoning District utilize Low Impact Development Techniques / Best Practices (yes\_\_\_ no\_\_\_)?

**E.** Does the Starter Home Zoning District utilize best practices for roadway and subdivision design (yes\_\_\_ no\_\_\_)?

**F.** Is this Application accompanied by a Developer Certificate of Feasibility (yes\_\_\_ no\_\_\_)?

**G.** If this Application is not accompanied by a Developer Certificate of Feasibility, do the Starter Home Zoning District Design Standards address no more than size and location of garages/carports, decks, or other non-living area structures associated with a Starter Home or Accessory Dwelling Unit (yes\_\_\_ no\_\_\_)?




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### **Key Definitions from 760 CMR 59.02**

**Additional Municipal Standards.** A Municipal environmental or health ordinance, bylaw or regulation that exceeds applicable requirements of state law or regulation.



**Adjacent Area.** An area that (1) is physically contiguous to an Eligible Location qualifying as a Highly Suitable Location under 760 CMR 59.04(1)(a)1. through 3.; (2) extends to a distance no more than ½ mile from an Eligible Location, except that if only a portion of a parcel of land lies within such a distance, the entire parcel may be included in the Adjacent Area; and (3) provides Pedestrian Access to a qualifying Eligible Location. To qualify as an Adjacent Area, the area must be currently served by Infrastructure or planned to be served within five years of the 40R Zoning Application by Planned Infrastructure. With respect to Starter Home Zoning Districts only, the Infrastructure or Planned Infrastructure required in an Adjacent Area need not include public sewer(s) or private wastewater treatment plant(s). 

### **Area of Concentrated Development.**

(a) An area:

(1) That includes a city or town center; contiguous, previously developed portions of an existing commercial district that are substantial in the context of the Municipality; or a rural village district; the boundaries of which are clearly identified and submitted on a corresponding map;

(2) That, except in the case of an existing rural village district as set forth in 760 CMR 59.02: Area of Concentrated Development (b), is currently served or scheduled to be served (as shown by sufficient documentation) within five years of the 40R Zoning Application by public sewer(s) and/or private sewage treatment plant(s) (applicable to Smart Growth Zoning Districts only);

(3) Of which at least 50 percent of the total land area is either Substantially Developed Land or Underutilized Land; and

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(4) Of which the primary current use (or, in the case of Underutilized Land, the primary current zoning) of land and/or buildings is commercial (including retail, office, or industrial businesses) or mixed-use. Land designated as a commercial center under M.G.L. c. 40, § 60 qualifies as an Area of Concentrated Development.

(b) Notwithstanding anything to the contrary in this definition, in areas that are not sewered or scheduled to be sewered, an existing rural village district will still qualify as an Area of Concentrated Development if:

1. it includes the Municipality's principal road intersection or other civic center point of the Municipality approved by DHCD and is characterized by the most Substantially Developed portions of the surrounding village area plus any land that would otherwise qualify as Substantially Developed Land or Underutilized Land within up to ½ mile distance of such principal road intersection or other approved civic center point;
2. it contains two or more of a town hall, post office, public library, public school, or public safety facility, or it contains an existing village retail district; and
3. at least 50 percent of the total land area within the existing rural village district is either Substantially Developed Land or Underutilized Land. See 760 CMR 59.04(1)(a)2. [↗](#)

**Cluster Development.** Development in which the buildings and associated roadways or parking are clustered together into one or more groups separated from adjacent property and/or other groups within the development by intervening Dedicated Open Space usable for passive or active recreational activities. [↗](#)

**Cluster Zoning.** Zoning in which (a) development density is determined for an entire specified area, rather than on a per-lot basis and (b) dimensional requirements such as lot area, frontage, setbacks of structures from lot lines and/or other structures and minimum lot area per dwelling unit are reduced for individual lots to allow concentration of construction on part of the land through Cluster Development, and which requires permanent conservation of Dedicated Open Space usable for passive or active recreational activities, including without limitation, Future Open Space, as provided in DHCD guidance. [↗](#)

**Comprehensive Housing Plan.** A document, prepared by a Municipality for review by DHCD, providing an assessment of the housing needs within the Municipality, and describing specific strategies, including but not limited to those contained in the 40R Zoning, to address these needs and ensure that the applicable approval standards of 760 CMR 59.04(1)(g), (i), (j) and (k) are satisfied. The Comprehensive Housing Plan shall identify the numbers of Existing Zoned Units, estimated Future Zoned Units, and estimated Incentive Units within the proposed District. A

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Comprehensive Housing Plan may be a community development plan, master plan, area specific plan, or equivalent Municipally prepared document that is supplemented as necessary to satisfy these requirements, as well as the requirements of 760 CMR 59.03(1)(h)1., regarding the proposed 40R Zoning. [↗](#)

**Design Standards.** Provisions of, or regulations adopted pursuant to, 40R Zoning, which are made applicable to Projects within the District that are subject to Plan Review by the Plan Approval Authority. See 760 CMR 59.04(1)(f). [↗](#)

**Developer Certificate of Feasibility.** Certification by a developer with [Site Control](#), or by an architect, engineer or other professional with appropriate expertise certifying on behalf of such developer, that (a) any Additional Municipal Standards applicable to development under the Starter Home Zoning do not Render Development Infeasible and/or (b) any Design Standards do not Unreasonably Impair development within the District. [↗](#)

**Eligible Location.** An area within a Highly Suitable Location that qualifies under the criteria set forth in 760 CMR 59.04(1)(a). If a portion of a parcel of land falls within an Eligible Location, then all of such parcel, to the extent of its legal boundaries, may also be deemed an Eligible Location in the discretion of DHCD. ([↗](#))

**Highly Suitable Location.** A location that, as determined by DHCD based on satisfactory documentation provided by the Municipality, is consistent with the statutory goals for [Smart Growth](#), including the production of Starter Homes, set forth in M.G.L. c. 40R, § 1 and 760 CMR 59.00.

(a) To qualify as a Highly Suitable Location, an area must, at a minimum, be one of the following:

1. within a Substantial Transit Access Area;
2. within an Area of Concentrated Development;
3. for Starter Homes, an area zoned for residential use that is not otherwise eligible to be a Highly Suitable Location, only if all or a portion of the Starter Home Zoning District has Pedestrian Access within a distance of no more than  $\frac{3}{4}$  mile to a Pedestrian Destination and the Starter Home Zoning incorporates Cluster Zoning so as to permit Cluster Development, and requires all development under the Starter Home Zoning to utilize Low Impact Development Techniques and to include features that encourage walking within Starter Home Projects; or
4. a location, not otherwise eligible to be a Highly Suitable Location, where residential or Mixed-use Development would nonetheless promote Smart Growth, as demonstrated by the Municipality through documentation satisfactory to DHCD, demonstrating the degree to which:

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- a. the location is near a rapid transit or commuter rail station or bus or ferry station terminal, though not within a Substantial Transit Access Area;
- b. the location has Pedestrian Access within a distance of  $\frac{3}{4}$  mile to a Pedestrian Destination;
- c. proposed zoning in the location and existing zoning near the location will encourage compact, land-use-efficient design, and Mixed-use Development;
- d. infill and redevelopment of previously-developed areas with Infrastructure are likely to occur that will help to preserve open space, farmland, natural beauty, and critical environmental areas elsewhere in the Municipality; and
- e. prior identification as an appropriate locus for higher-density housing or higher-density Mixed-use Development in an adopted regional or state plan.

(b) Factors DHCD may consider in determining whether a location that does not qualify under 760 CMR 59.04(1)(a) as being either within a Substantial Transit Access Area or an Area of Concentrated Development is nonetheless a Highly Suitable Location for a District include, without limitation, the extent to which the area is characterized by:

- 1. Infrastructure, including access to public facilities for storm water and wastewater transport, treatment and disposal and public water supply;
- 2. Multi-modal Access;
- 3. Existing Underutilized Facilities; or
- 4. a location within or immediately adjacent to a Priority Development Area.

(c) An area will not qualify as a Highly Suitable Location if more than 50% of the proposed District contains Prime Farmland Soils on state-owned land. If more than 50% of a proposed District has Prime Farmland Soils that are not state-owned, DHCD may take into account the availability of other potential Highly Suitable Locations in the Municipality, and may request additional information from the Municipality, to determine whether the proposed District qualifies as a Highly Suitable Location.

(d) DHCD may from time to time issue guidance as to other factors that are relevant to the determination of whether a location is Highly Suitable. [↗](#)

**Housing Production Plan.** An affordable housing plan adopted by a Municipality and approved by DHCD in accordance with 760 CMR 56.03(4). [↗](#)

## 40R District Application – Preliminary Determination of Eligibility

**Housing Production Summary.** A detailed summary, consistent with guidance and/or templates issued by DHCD regarding format and content, of the Municipality's: (1) affordable housing production history; (2) housing needs and housing demand assessment; (3) analysis of development constraints and capacity; (4) current housing goals and strategy for achieving those goals; and (5) proposed locations for affordable housing production. [↗](#)

**Infrastructure.** The basic facilities, services, and installations needed for the functioning of the area of the Municipality within which the District is to be located, including: Pedestrian Access and vehicular access; public and private facilities for storm water and wastewater transport, treatment and disposal; and water and power supply lines. For purposes of a Starter Home Zoning District only, Infrastructure shall not be required to include public sewer and/or public water supply. [↗](#)

**Low Impact Development Techniques.** Development techniques suitable to a particular site that protect the natural features of the site, including, without limitation, (a) natural resource oriented site design, (b) appropriately scaled and decentralized stormwater management techniques that limit the rate of off-site storm water runoff (both peak and non-peak flows) to levels substantially similar to natural hydrology (or, in the case of a redevelopment site, that reduce such flows from pre-existing conditions), through means including, bioretention/rain gardens, infiltration/permeable pavements, stormwater planters, vegetated swales, vegetated buffers, cisterns, rain barrels, and green roofs; and (c) appropriately scaled roads. [↗](#)

**MassGIS.** The Massachusetts Office of Geographic Information. [↗](#)

**Mixed-use Development.** A Project containing: (a) for Smart Growth Zoning Districts, a mix of Multi-family Residential, two- and three-family residential, or single-family residential uses, together with commercial, institutional, industrial, or other non-residential uses; or (b) for Starter Home Zoning Districts, a mix of any Starter Home units with commercial, institutional, industrial, or other non-residential uses; in which the applicable residential densities set forth in 760 CMR 59.04(1)(d)3. and 760 CMR 59.04(1)(d)4., respectively, apply proportionally to the residential portion of the Mixed-use Development Project in accordance with 760 CMR 59.04(1)(d)1. [↗](#)

**Pedestrian Access.** Safe, practical and continuous access for walking by means of a sidewalk, path, or a roadway with a design speed of 20 miles per hour or less. [↗](#)

**Pedestrian Destination.** A location that pedestrians frequently use, such as an elementary or high school; a college or university; a hospital; a Municipal office building, public library, post office, public safety facility, or other civic facility; a general or neighborhood commercial or business area with substantial employment, retail or entertainment activity; an active recreational facility open to the public; public transit or a bus stop along a route serving an Eligible Location or Adjacent Area at a minimum of hourly frequency during peak periods. [↗](#)

## 40R District Application – Preliminary Determination of Eligibility

**Plan Approval Authority or Approving Authority.** A unit of Municipal government designated by the Municipality to review projects and issue approvals under M.G.L. c. 40R, § 11. See 760 CMR 59.04(1)(f). [↗](#)

**Plan Review.** The standards and procedures by which a proposed Project within a District is made subject to review by the Plan Approval Authority under the provisions of the 40R Zoning, in accordance with M.G.L. c. 40R, § 11 and 760 CMR 59.00. See 760 CMR 59.04(1)(f). [↗](#)

**Planned Infrastructure.** Infrastructure for which certification by a Municipal engineer or public works, board of health or conservation commission official or other person with similar expertise pursuant to 760 CMR 59.03(1)(j) has been submitted to establish the timing for completion of the improvements (to be within five years of the 40R Zoning Application date, or other reasonable time period approved by DHCD), the identity of the entities responsible for completing the improvements, and that the District will not be overburdened by the build-out of the Future Zoned Units within the District as the Infrastructure exists or may be practicably upgraded. [↗](#)

**Project.** A residential development or Mixed-use Development undertaken within a District pursuant to the approval of a Plan Approval Authority in accordance with the requirements of the 40R Zoning. Within the boundaries of a District a developer may elect either to develop a Project in accordance with the requirements of the 40R Zoning, or to undertake development in accordance with the requirements of the Underlying Zoning. [↗](#)

**Render Development Infeasible.** To prevent or make physically or economically impracticable the development of residential or Mixed-use Development Projects at the As-of-right residential density set forth in the Starter Home Zoning. [↗](#)

**Site Control.** Fee ownership of, a long-term leasehold interest in, or a right to develop one or more sites that, in the aggregate, comprise at least 50% of the Developable Land Area of a proposed Starter Home Zoning District. Site Control shall be demonstrated, as to each such site, by means of one or more of the following: a recorded deed; a lease with a term of at least 30 years, as to which a notice of lease has been recorded; or an executed, legally enforceable purchase agreement or option to purchase. [↗](#)

**Smart Growth.** A principle of land development that furthers, on balance, the following goals set forth in M.G.L. c. 40R, § 1 and 760 CMR 59.00:

- (a) Increasing the availability of Affordable housing by creating a range of housing opportunities in neighborhoods;
- (b) Emphasizing mixing land uses;



## 40R District Application – Preliminary Determination of Eligibility

- (c) Taking advantage of compact design;
- (d) Fostering distinctive and attractive communities;
- (e) Preserving open space, farmland, natural beauty and critical environmental areas;
- (f) Strengthening existing communities;
- (g) Providing a variety of transportation choices;
- (h) Making development decisions predictable, fair and cost effective; and
- (i) Encouraging community and stakeholder collaboration in development decisions. [↗](#)

**Substantial Transit Access Area.** A location that comprises:

- (a) In the case of a Smart Growth Zoning District, part or all of the land located within ½ mile distance of any rapid transit or commuter rail station, bus or ferry terminal (measured from the entry point(s) to the passenger platforms); and
- (b) In the case of a Starter Home Zoning District, part or all of the land located within a 1 mile distance of any rapid transit or commuter rail station, bus or ferry terminal (measured from the entry point(s) to the passenger platforms). [↗](#)

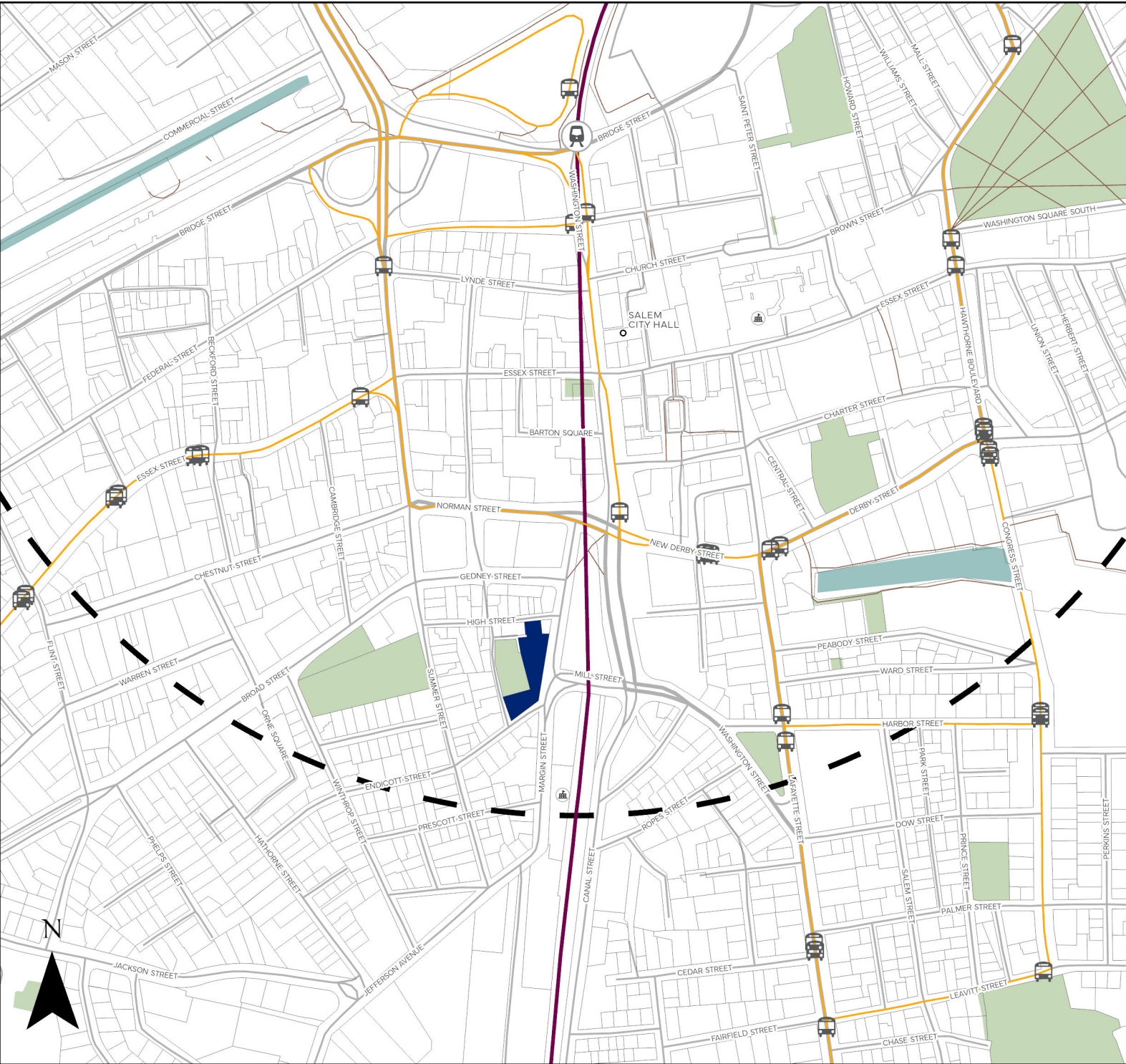
**Unreasonably Impair.** To add unreasonable costs or unreasonably diminish the economic feasibility of proposed Projects in a District by means of a provision of 40R Zoning or a Design Standard. [↗](#)






## **40R District Application – Preliminary Determination of Eligibility**


# PROPOSED SMART GROWTH OVERLAY SUBDISTRICT-1 (SGO-1)

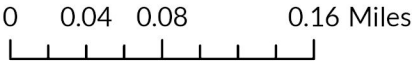
JM GOLDSON

Attachment 1-1 Locator Map



-  Proposed Smart Growth Overlay Subdistrict-1 (SGO-1)
-  MBTA Bus Stops
-  MBTA Bus Routes
-  Commuter Rail Station
-  MBTA Commuter Rail

 Area Within 1/2 Mile of MBTA Commuter Rail Station



Attachment 2-1

Link to the Text of the City of Salem's Underlying Zoning:






















[https://library.municode.com/ma/salem/codes/zoning\\_ordinance](https://library.municode.com/ma/salem/codes/zoning_ordinance)



# ZONING DISTRICT AND OVERLAY MAP

*Salem, Massachusetts*

**Legend**

 Bridge Street Neck Overlay District	 Waterfront Industrial Overlay	 B5 - Central Development	 R1 - Residential One-family	 RC - Residential Conservation
 Flood Hazard Overlay	 B1 - Business Neighborhood	 BPD - Business Development	 R2 - Residential Two-family	 Parcels
 Entrance Corridor Overlay	 B2 - Business Highway	 I - Industrial	 R3 - Residential Multi-family	 Building Footprints
 Conservation Overlay	 B4 - Business Wholesale and Automotive	 MRCC - North River Canal Corridor		 Street Grid Index
				 Fire Stations
				 Salem Schools

[illegible]



40R ZONING DISTRICTS APPLICATION ATTACHMENT - Density Data proposed Districts containing NO Sub-Districts

Instructions: Please complete **YELLOW CELLS** in the tables below with relevant information for each parcel. The remaining blue and clear cells in each table will self-populate based on the information entered. This spreadsheet is for proposed Districts that Will NOT contain any Sub-Districts. For proposed Districts that will contain Sub-Districts, please consult DHCD for the corresponding spreadsheet. For Underutilized Land containing buildings that are proposed for reuse, please contact DHCD for guidance on corresponding calculations. To add one or more parcels containing Developable/Underutilized Land or one or more Substantially Developed Parcels, insert new row(s) between two existing parcel in the corresponding section so as to include additional parcels in the existing formulas.

		LAND AREA DATA (BY ACREAGE)						UNIT DATA													NOTES / EXISTING LAND USE, ETC. (as applicable to document Developable/ Underutilized Land)
PARCEL #	STREET ADDRESS	GROSS ACREAGE (GA)	ENVIRONMENTALLY CONSTRAINED LAND (ECL) (e.g., wetlands, steep slope)	GROSS BUILDABLE LAND (GBL) (GBL = GA less ECL)	SUBSTANTIALLY DEVELOPED LAND (SDL)	DEVELOPABLE LAND (DL)		EXISTING AS- OF-RIGHT DENSITY (EAD) (Units/Acre)	40R AS-OF- RIGHT DENSITY (40RAD) (Max. Units/Acre)	ON GROSS BUILDABLE LAND (i.e., INCLUDING SDL)						ON DEVELOPABLE LAND (DL) ONLY					
						GROSS DL	ANY SUBSET OF DL QUALIFYING AS UNDERUTILIZED LAND (UL)			TOTAL OCCUPIED EXISTING UNITS (OEU)	TOTAL UNITS DEVELOPABLE AS-OF-RIGHT UNDER EXISTING / UNDERLYING ZONING (UDAEUZ) (UDAEUZ = GBL x EAD)	TOTAL EXISTING ZONED UNITS (EZU) (EZU = > of OEU and UDAEUZ)	TOTAL FUTURE ZONED UNITS (FZU) (FZU = GBL x 40RAD)	TOTAL POTENTIAL BONUS UNITS ON GBL (= FZU less EZU)	FZU ON DL	OEU ON DL	EZU ON DL	INCENTIVE / BONUS UNITS			
Salem Smart Growth Overlay District																					
Parcels containing DEVELOPABLE LAND (DL - including Underutilized Land)																					
25-0595-0	24 Endicott Street (Parcel A)	0.13	0	0.13		0.13	0	2	200	0	0	0	26	26	26	0	0	0	26		
25-0597-801	54 Margin Street (Parcel B)	0.55	0	0.55	0.55	0	0	2	200	5	1	5	110	105	0	0	0	0	0		
			0	0		0	0				0	0	0	0	0	0	0	0	0		
			0	0		0	0				0	0	0	0	0	0	0	0	0		
District DL Sub-totals:		0.68	0	0.68	0.55	0.13	0			5	1	5	136	131	26	0	0	0	26		
Parcels within District that DO NOT CONTAIN ANY DEVELOPABLE LAND and consist of ONLY SUBSTANTIALLY DEVELOPED LAND and/or other land that does not qualify as Developable Land																					
Parcel #	Street Address	0	0	0	0			0	0	0	0	0	0	0							
Parcel #	Street Address	0	0	0	0			0	0	0	0	0	0	0							
Parcel #	Street Address	0	0	0	0			0	0	0	0	0	0	0							
Parcel #	Street Address	0	0	0	0			0	0	0	0	0	0	0							
Sub-Total for SDL Parcels :		0	0	0	0					0	0	0	0	0							
District Totals (all parcels):		0.68	0.00	0.68	0.55	0.13	0			5	1	5	136	131	26	0	0	0	26		

TERMS

Gross Acreage	total parcel acreage
Environmentally Constrained Land	For the purposes of calculating the portion of Gross Acreage that qualifies as Gross Buildable Land, Environmentally Constrained Land generally includes Dedicated Open Space, Future Open Space, areas of state-owned land that contain Prime Farmland Soils, and any other areas Areas exceeding ¼ acre of contiguous land that are: 1. protected wetland resources (including buffer zones) under federal or state laws plus any additional areas that are protected wetlands resources (including buffer zones) under applicable Additional Municipal Standards, if any, but not federal or state laws; 2. rare species habitat designated under federal or state law, unless granted an exception consistent with requirements established by the Massachusetts Executive Office of Energy and Environmental Affairs and the Department of Fish and Game that all or part of such areas can accommodate development consistent with the proposed 40R Zoning; 3. characterized by steep slopes with an average gradient of at least 15 percent; or 4. subject to any other Municipal ordinance, by-law, or regulation that would prevent the development of residential or Mixed-use Development Projects at the As-of-right residential densities set forth in the 40R Zoning.
Gross Buildable Land (GBL)	All Developable Land (including Underutilized Land) plus all other buildable (non-environmentally constrained) land that would otherwise qualify as Developable Land but has been deemed Substantially Developed Land. A parcel's Gross Buildable Acreage should generally consist of the Gross Acreage to which the Smart Growth Zoning will apply minus Environmentally Constrained Land.
Substantially Developed Land (SDL)	760 CMR 59.02: Land within a District that is currently used for commercial, industrial, institutional, or governmental use, or for residential use consistent with or exceeding the densities allowable under the Underlying Zoning, and which does not qualify as UL. Any land located within a Historic District shall be presumed to be Substantially Developed, unless the Municipality can show that all or a portion of such land qualifies as DL.
Developable Land (DL)	760 CMR 59.02: All land within a District that can be feasibly developed into residential or Mixed-use Development Projects. Developable Land shall not include: (a) Substantially Developed Land; (b) Dedicated Open Space; (c) Future Open Space; (d) The rights-of-way of existing public streets, ways, and transit lines and, in a Starter Home Zoning District, new public and private roadways that would be necessary to meet minimum applicable requirements under Municipal law including the proposed 40R Zoning and, to the extent applicable within the proposed District, Municipal subdivision control requirements; (e) Land currently in use for governmental functions (except to the extent that such land qualifies as Underutilized Land); or (f) Areas exceeding ½ acre of contiguous land that are: 1. protected wetland resources (including buffer zones) under federal or state laws plus any additional areas that are protected wetlands resources (including buffer zones) under applicable Additional Municipal Standards, if any, but not federal or state laws; 2. rare species habitat designated under federal or state law, unless granted an exception consistent with requirements established by the Massachusetts Executive Office of Energy and Environmental Affairs and the Department of Fish and Game that all or part of such areas can accommodate development consistent with the proposed 40R Zoning; 3. characterized by steep slopes with an average gradient of at least 15 percent; or 4. subject to any other Municipal ordinance, by-law, or regulation that would prevent the development of residential or Mixed-use Development Projects at the As-of-right residential densities set forth in the 40R Zoning. (g) Areas of state-owned land that contain Prime Farmland Soils.
Underutilized Land (UL)	760 CMR 59.02: Developable Land within a District that would otherwise qualify as Substantially Developed Land, consistent with guidance issued by DHCD, but which: (a) is characterized by improvements that have a marginal or significantly declining use, as measured by such factors as vacancy rates, extent of operation, current and projected employment levels, market demand for the current uses or the uses to which the existing improvements could readily be converted, low value of improvements in relation to land value, and low floor area ratio in relation to the floor area ratio that would be permitted under the applicable Underlying Zoning; (b) as demonstrated by existing or anticipated market conditions, may have reasonable potential to be developed, recycled, or converted into residential or Mixed-use Development consistent with Smart Growth; and (c) for a Starter Home Zoning District, solely for purposes of determining whether the District consists of not less than 3 contiguous acres of Developable Land area, DHCD may also include in the calculation of Underutilized Land certain additional land that would otherwise qualify as Substantially Developed Land, where DHCD determines that there is reasonable potential for such land to be more intensively developed in accordance with Starter Home Zoning.
Existing As-of-right Density	The maximum number of units per acre allowed As-of-right under the Underlying Zoning which includes any existing zoning applicable to the parcel.
40R As-of-right Density	The applicable maximum number of units per acre allowable As-of-right on the parcel under the proposed Smart Growth (40R) Zoning.
Occupied Existing Units (OEU)	Any existing occupied housing units on the parcel regardless of whether they could be developed As-of-right under currently applicable Underlying Zoning (for example, lawfully nonconforming existing occupied housing units).



40R ZONING DISTRICTS APPLICATION ATTACHMENT - Density Data proposed Districts containing NO Sub-Districts

<b>Total Units Developable As-of-Right Under Existing / Underlying Zoning (UDAUEZ)</b>	The maximum absolute number of units allowable As-of-right on the specific parcel under the Underlying Zoning which includes any other overlay zoning that may exist in addition to the base zoning.
<b>Existing Zoned Units (Ezu)</b>	The greater of the Occupied Existing Units (OEu) and Total Units Developable As-of-Right Under the Existing / Underlying Zoning (UDAUEZ). See also 760 SMR 59.02: For a given parcel or area of Developable Land within a District, the maximum number of housing units that could feasibly be developed As-of-right under the Underlying Zoning through new development, the substantial rehabilitation of existing residential buildings, or the conversion to residential use of existing buildings. Units that are proposed or developable within the geographic area of a District under a comprehensive permit pursuant to M.G.L. c. 40B for which the project eligibility letter was issued to the developer prior to the Municipality's 40R Zoning Application shall be included as Existing Zoned Units if (a) the comprehensive permit is issued prior to the date of the Municipality's 40R Zoning Application, or (b) the subject land makes up all or substantially all of the Developable Land within the proposed 40R District. For purposes of determining the Zoning Incentive Payment and the Bonus Payment, (1) absent any application of the 40R Zoning to Substantially Developed areas, the Existing Zoned Units within any District or Project site shall be determined upon the basis of the allowable As-of-right residential density per acre shown on the plan submitted under 760 CMR 59.03(1)(c), multiplied by the acreage of Developable Land area, and (2) Existing Zoned Units shall include any existing occupied housing units within a District regardless of whether they could be developed As-of-right under currently applicable Underlying Zoning (for example, lawfully nonconforming existing occupied housing units).
<b>Future Zoned Units (Fzu)</b>	For a given parcel, the FZUs are the maximum absolute number of actual units allowed As-of-right under Smart Growth Zoning. See also 760 CMR 59.02: For a given parcel or area of Developable Land within a District, the maximum number of housing units that could be developed As-of-right under the 40R Zoning through new development, the substantial rehabilitation of existing residential buildings, or the conversion to residential use of existing buildings, except that an Accessory Dwelling Unit shall not qualify as a Future Zoned Unit.
<b>Bonus Units</b>	The net number of new, additional units allowed As-of-right under the Smart Growth Zoning on the parcel after deducting the corresponding number of Existing Zoned Units (i.e., FZU minus EZU on the parcel's GBL). See also 760 CMR 59.02: A housing unit developed as part of a Project within a District, either through new construction, the substantial rehabilitation of an existing residential building, or the conversion to residential use of an existing building, in excess of the number of Existing Zoned Units for the same parcel. Units proposed or developed under a comprehensive permit pursuant to M.G.L. c. 40B for which the project eligibility letter was issued to the developer prior to the Municipality's 40R Zoning Application to DHCD shall not qualify as Bonus Units if the development that is the subject of the comprehensive permit comprises all or substantially all of the Developable Land within the proposed 40R District. Otherwise, units developed within a District under a Comprehensive Permit issued pursuant to M.G.L. c. 40B after the submission of a 40R Zoning Application, in excess of the number of Existing Zoned Units for the same parcel, shall qualify as Bonus Units.
<b>Incentive Units</b>	On Developable Land only, the Future Zoned Units less the Existing Zoned Units (generally the same as the subset of estimated Bonus Units associated Developable Land). See also 760 CMR 59.02: For a given parcel or area of Developable Land within a District, the number of Future Zoned Units, less the number of Existing Zoned Units for the same parcel or area of land, except that an Accessory Dwelling Unit shall not qualify as an Incentive Unit.
<b>As-of-Right</b>	760 CMR 59.02: Housing development allowed under the Underlying Zoning or 40R Zoning without recourse to a special permit, variance, zoning amendment, discretionary waiver, or other form of zoning relief. Units that require Plan Review shall be considered As-of-right, subject to review and approval by DHCD of any Municipal 40R regulations, guidelines, forms of application materials, or other requirements applicable to review of Projects by the Plan Approval Authority under 760 CMR 59.00.
<b>Future Open Space</b>	760 CMR 59.02: Areas within a District which a Municipality may designate or require to be designated to be set aside in the future as Dedicated Open Space through the use of a conservation restriction as defined in M.G.L. c. 184, § 31 or other qualifying means. Such Future Open Space may be subject to requirements under the 40R Zoning for Projects to set aside a fixed percentage of the site area as Dedicated Open Space, and, for Districts other than Starter Home Zoning Districts eligible pursuant to 760 CMR 59.04(1)(a)3., allowing such Projects to deduct the Dedicated Open Space when calculating housing densities. Notwithstanding the foregoing, the total Future Open Space may not exceed 10 percent of what would otherwise be the Developable Land area if the Developable Land would be less than 50 acres; it may not exceed 20 percent of what would otherwise be the Developable Land area if the Developable Land area would be 50 acres or more; and it shall be consistent with the current Municipal Dedicated Open Space plan.
<b>Dedicated Open Space</b>	760 CMR 59.02: Land dedicated in perpetuity to protect one or more of the following: land for existing and future well fields, aquifers, and recharge areas; watershed land; agricultural land; grasslands; fields; forest land; fresh and salt water marshes and other wetlands; ocean, river, stream, lake and pond frontage; beaches, dunes, and other coastal lands; lands to protect scenic vistas; land for wildlife or nature preserves; land for active or passive recreational use; parklands, plazas, playgrounds, and reservations; and cemeteries. Dedicated Open Space may be in public, private, or non-profit ownership. Any land subject to protection under Article 97 of the Massachusetts Constitution shall be deemed Dedicated Open Space for the purposes of 760 CMR 59.00. In any case where such Dedicated Open Space is not conveyed to the Municipality, a restriction enforceable by the Municipality shall be recorded providing that such land be preserved as Dedicated Open Space pursuant to a conservation restriction as defined in M.G.L. c. 184, § 31.
<b>Historic District</b>	760 CMR 59.02: A district in a Municipality characterized by the historic and or architectural significance of buildings, structures, and sites, and in which exterior changes to and the construction of buildings and structures are subject to regulations adopted by the Municipality pursuant to M.G.L. c. 40C or other state law. Within any such Historic District, the provisions and requirements of the Municipal Historic District regulations may apply to existing and proposed buildings. A District may include all or part of one or more existing Historic Districts, and it may be coterminous or non-coterminous with the Historic District. A Municipality may establish or enlarge an Historic District within an Approved District, but whether such Historic District renders the District non-compliant with the provisions of M.G.L. c. 40R and 760 CMR 59.00 shall be subject to DHCD review in accordance with 760 CMR 59.05(5). DHCD's review of such a new or enlarged Historic District shall be limited to compliance with M.G.L. c. 40R and 760 CMR 59.00. See also 760 CMR 59.02: Substantially Developed Land.
<b>Underlying Zoning</b>	760 CMR 59.02: The Municipal zoning requirements adopted pursuant to M.G.L. c. 40A (or, in the case of the City of Boston, other applicable law) that are otherwise applicable to the geographic area where a District is located or proposed. The Underlying Zoning shall include all zoning and existing overlays applicable to such geographic area and shall not be limited to the base zoning layer. Solely for the purposes of calculating existing residential densities under 760 CMR 59.03(1), the Underlying Zoning shall be deemed to be the zoning which was in effect one year prior to the date upon which the 40R Zoning Application was submitted to DHCD.

Instructions: Please first complete yellow cells in the Density Data Spreadsheet (1st Worksheet/Tab) with the relevant information followed by the yellow cells in the District Summary Information worksheet below. The remaining, blue and clear cells in each table will self-populate from the inputted information. The blue cells below contain information populated from data entered in or generated from the Density Data Spreadsheet which is why that spreadsheet should be completed first. Explanations/definitions of various headings are contained in the table/glossary that appears below the Density Data Spreadsheet and as a separate tab. Additional information is contained in the accompanying application form, regulations and guidelines. If you have questions, please don't hesitate to contact Bill Reyelt (william.reyelt@mass.gov / 617.573.1355) or Elaine Wijnja (elaine.wijnja@mass.gov / 617.573.1360) at DHCD.

Note: All acreage calculations are to exclude open water bodies.

CATEGORY/CHARACTERISTICS OF ELIGIBLE LOCATION	Select the Most Applicable Eligible Location				
Substantial Transit Access Area	<input checked="" type="checkbox"/>				
Area of Concentrated Development - City/Town Center, Existing Commercial District	<input type="checkbox"/>	% of Underutilized Land and Substantially Developed Land in Area of Concentrated Development	#DIV/0!	% of Land Zoned or Used for Commercial/Mixed-Use in Area of Concentrated Development	#DIV/0!
Area of Concentrated Development - Existing Rural Village District	<input type="checkbox"/>				
Other Highly Suitable Location	<input type="checkbox"/>				
ACD Characteristics (generally NOT same boundaries as 40R District - see definitions & recommend consulting w/ DHCD)	Acres				
Total Size of Area of Concentrated Development	0	(Total for proposed District plus parcel acreage for balance of ACD)			
Underutilized Land:	0	(Total for proposed District plus estimated balance w/in ACD)			
Substantially Developed Land:	0	(Total for proposed District plus estimated balance w/in ACD)			
Land or Used for Commercial/Mixed-Use:	0	(Total for proposed District plus balance w/in ACD)			
SG Zoning & Infrastructure Characteristics					
Mixed-Use	<input checked="" type="checkbox"/>				
Design Standards	<input type="checkbox"/>				
Planned Infrastructure Upgrades	<input type="checkbox"/>				
DISTRICT SIZE & PROPORTION TO TOTAL LAND AREA	Acres	% of Municipality			
Total Land Area of Proposed District	0.68	0.01%			
Total Land Area of All Previously Approved / Existing 40R Districts in Municipality	0	0.00%			
Total Land Area of both Proposed & Existing 40R Districts	0.68	0.01%			
Total Land Area of Municipality	11,713				

Zoning Incentive Payments	
Incentive Units	Payment
Up to 20	\$10,000
21 to 100	\$75,000
101 to 200	\$200,000
201 to 500	\$350,000
501 or more	\$600,000

	# of each type of unit on Developable Land (including Underutilized Land)	# of each type of unit on parcels that will allow residential use under the 40R Zoning but <b>DO NOT</b> contain any land qualifying as Developable/ Underutilized Land (e.g., parcels that consist entirely of Substantially Developed Land)	Total Units for each type of unit ( <b>will be more than sum of Column B and Column D if there are units associated with SDL on parcels w/ DL</b> )
ANTICIPATED BUILD-OUT			
Number of Existing Zoned Units	0	0	5
Number of Future Zoned Units	26	0	136
Number of Incentive Units	26	N/A	26
Potential Bonus Units (Estimated)	131	0	131

DISTRICT CHARACTERISTICS (IN ACREAGE)	Acres	% of District
Underutilized Land (a subset of Developable Land)	0.00	0.00%
Other Developable Land	0.13	19.12%
All Developable Land	0.13	19.12%
Substantially Developed Land	0.55	80.88%
Environmentally constrained land (e.g., wetland, rare species habitat, steep slopes, state-owned prime farmland soils) or Other Non-Developable Land	0	0.00%
Historic District(s)	0	0.00%
Existing Dedicated Open Space	0	0.00%
Future Open Space	0	0.00%
Rights-of-way of (public) streets, ways, and transit lines	0	0.00%
Land currently in use for governmental functions	0	0.00%
Land not exclusively zoned for residential use (current zoning/use is commercial or mixed-use)	0	0.00%

FUTURE OPEN SPACE AND DEVELOPABLE LAND AREA	Acres	Future Open Space as % of what would otherwise be total Developable Land
Future Open Space	0	0.0%

Underutilized & Substantially Developed Land as % of District	80.88%
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**City of Salem Draft Zoning Amendment**

**Section 7.4 – SMART GROWTH OVERLAY DISTRICT**

Draft Dated 07182024

**7.4.1 PURPOSE.** The purposes of this 7.4 section are to:

1. Establish a Smart Growth Overlay District, to encourage sustainable development and mobility in accordance with the purposes of G.L. Chapter 40R and to the extent the following other purposes are not in conflict with the Governing Laws;
  - a. Enable an increase in housing production in resource-rich areas of the City that will provide for a full range of housing choices for households of all incomes, ages, and sizes in order to preserve the City of Salem’s multi-faceted community character.
  - b. Ensure high quality site planning, architecture, and landscape design.
  - c. Ensure predictable, fair, and cost-effective development review and permitting.
  - d. Generate positive tax revenue.
  - e. Enable the City to receive Zoning Incentive Payments and/or Density Bonus Payments in accordance with G.L. Chapter 40R, 760 CMR 59.06, and G.L. Chapter 40S arising from housing development in the smart growth overlay district.

**7.4.2 DEFINITIONS.**

1. For the purposes of this Section 7.4, the following definitions shall apply. All capitalized terms shall be defined in accordance with the definitions established under the Governing Laws. To the extent not defined herein, refer to Section 10 of the Salem Zoning Ordinance. With respect to their application to this Section 7.4, to the extent that there is any conflict between the definitions or terms set forth in, or otherwise regulated by, the Governing Laws and those defined or used in this Section 7.4 inclusive of any applicable Design Standards, Planning Board Regulations, or any other applicable associated local zoning requirements, the terms of the Governing Laws shall govern.

***Affordable Homeownership Unit*** - an Affordable Housing unit required to be sold to an Eligible Household.

***Affordable Housing*** - housing that is affordable to and occupied by Eligible Households.

***Affordable Housing Restriction*** - a deed restriction of Affordable Housing meeting the statutory requirements in G.L. Chapter 184, Section 31 and the requirements of Section 6.6 of this ordinance.

***Affordable Rental Unit*** - an Affordable Housing unit required to be rented to an Eligible Household.

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**Applicant** – the individual or entity that submits a Project application for Plan Approval.

**As-of-right** - a use allowed under Section 7.4 without recourse to a special permit, variance, zoning amendment, or other form of zoning relief other than waivers issued hereunder Section 7.4.3.1. A Project that requires Site Plan Approval by the Planning Board pursuant to Section 7.4 shall be considered an as-of-right Project, subject to review and approval by EOHLC of any Municipal 40R regulations, guidelines, application forms, or other requirements applicable to review of Projects by the Plan Approval Authority under the 40R Zoning and 760 CMR 59.00.

**EOHLC or Secretariat** - the Massachusetts Executive Office of Housing and Livable Communities, or any successor agency.

**Design Standards** – provisions of Section 7.4 made applicable to Projects within the Smart Growth Overlay District that are subject to the Plan Approval process.

**Dwelling Unit** — A building or portion thereof providing complete housekeeping and cooking facilities for one (1) family, as defined by the Commonwealth of Massachusetts State Building Code Regulations & Standards 780 CMR.

**Eligible Household** - an individual or household whose annual income is less than or equal to 80 percent of the area-wide median income as determined by the United States Department of Housing and Urban Development (HUD), adjusted for household size, with income computed using HUD's rules for attribution of income to assets.

**Governing Laws** - G.L. Chapter 40R and 760 CMR 59.00.

**Mixed-Use Development Project** – a Project containing a mix of one or more residential uses and one or more non-residential uses, as allowed in Section 7.4.5, and subject to all applicable provisions of this Section 7.4.

**Multifamily** – A building designed for or occupied by three (3) or more households, with separate housekeeping and cooking facilities for each.

**Monitoring Agent** – the local housing authority or other qualified housing entity designated by the municipality [the Planning Board, chief executive, or other designated municipal official], pursuant to Section 7.4.6.8, to review and implement the Affordability requirements affecting Projects under Section 7.4.6.

**Planning Board Regulations** – the rules and regulations of the Planning Board adopted pursuant to Section 7.4.7.3.

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**Plan Approval** - standards and procedures which Projects in the Smart Growth Overlay District must meet pursuant to Sections 9.0 through 13.0 and the Governing Laws.

**Project** - a Residential Project or Mixed-use Development Project undertaken within the Smart Growth Overlay District in accordance with the requirements of this Section 7.4.

**Rooming, boarding or lodging House** – A residence where lodgings are rented to four (4) or more persons not within second degree of kindred to the person conducting it, rental of which is based on a contractual agreement between owner and an individual or household for rent of a rooming unit and use of shared facilities.

**Rooming Unit** – Rooming Unit means the room or group of rooms used for sleeping and living in a rooming, boarding, or lodging house that are rented to an individual or household.

**Shelter** – a facility for individuals and families experiencing homelessness that provides them with temporary shelter and supportive services, such as food, medical care, workforce development, and social services. May operate in concert with supportive housing.

**Smart Growth Overlay Subdistrict** – A specific defined area that is subject to the provisions of Section 7.4 with provisions applicable to individual districts identified in Section 7.4.3.

**Supportive Housing** - Housing with no limit on length of stay, that is linked to onsite or offsite services that assist the resident with some or all of the following activities: retaining housing, improving their health status, establishing economic stability, and maximizing their ability to live and/or work in the community. May include dormitories, separate apartments, Single-Room Occupancy (SRO), rooming, boarding or lodging houses. May have common spaces including common kitchen, gathering rooms, and treatment rooms.

**Subzone** – A specific defined area within a subdistrict subject to the provisions of Section 7.4 where each subzone may have varying use and dimensional requirements.

**Waiver** - A predetermined type of deviation from specific provisions of this Ordinance as specifically indicated elsewhere in this Ordinance.

**Zoning Ordinance** - the Zoning Ordinance of the City of Salem.

#### 7.4.3 SMART GROWTH OVERLAY SUBDISTRICTS



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#### 1. Smart Growth Overlay Subdistrict-1

- a. Establishment. The Smart Growth Overlay Subdistrict-1, hereinafter referred to as the "SGO-1," is an overlay district having a land area of approximately 0.7 acres in size that is superimposed over the underlying zoning district and is shown on the official City Zoning District Map as set forth in Sec. §7.4 of this chapter.
- b. Permitted Uses. Uses set forth in Section 7.4.5 are permitted as-of-right for Projects within the SGO-1.
- c. Dimensional and density requirements.
  - i. Table of Requirements. Notwithstanding anything to the contrary in this Zoning Ordinance, the dimensional requirements applicable in the SGO-1 are as follows:

Maximum units per acre	115
Maximum height of buildings (feet)	60
Maximum lot coverage by all buildings (percent)	75%
Minimum open space (percent)	25%
Minimum width of front yard (feet)	0
Minimum width of side yard (feet)	0
Minimum depth of rear yard (feet)	0

- d. Parking Requirements. Unless otherwise approved by the Planning Board, the following are the minimum numbers of off-street parking spaces that may be provided by use, either in surface parking, within garages or other structures:

Use	Minimum Off-Street Parking Spaces Permitted
Dwelling Unit	.05 per unit
Supportive Housing	.05 per unit
Medical	1 for every 5,000 square feet of gross floor area
Educational	1 for each 5,000 square feet of floor space
Office	1 for every 5,000 square feet of gross floor area

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Research and development	1 per 5,000 square feet of gross floor area
Recreational/Civic	1 per 5,000 square feet of gross floor area
Retail	1 per 5,000 square feet of gross floor area of the building, excluding storage area
Club or lodge, civic	1 space per 5,000 square feet of gross floor area

- i. The Planning Board may allow for additional visitor parking spaces beyond the two per residential unit maximum spaces per unit if deemed appropriate given the design, layout and density of the proposed residential or other development.
  - ii. Location of parking. Any surface parking lot shall, to the maximum extent feasible, be located at the rear or side of a building, relative to any principal street, public open space, or pedestrian way.
  - iii. Waivers. Recognizing that the Dimensional, Parking and Design Standards cannot anticipate all circumstances or innovative approaches, a waiver may be requested from Sections 7.4.3.1.c, 7.4.3.1.d, and 7.4.3.1, to provide the ability to create appropriate variations.
- e. Affordability.
- i. Number of Affordable Housing Units. For all Projects in SGO-1 containing at least 6 residential units, not less than seventy five percent (75%) of housing units constructed shall be Affordable Housing.
  - ii. Area Median Income of Affordable Housing Units. Affordable units in the SGO-1 shall be made available to eligible households with incomes at or below sixty (60) percent of Area Median Income (AMI) at purchase prices or rents that adhere to the income limits determined by the U.S. Department of Housing and Urban Development (HUD) applicable to the City of Salem, and shall comply with the Massachusetts Local Initiative Program regulations.

2. Smart Growth Overlay Subdistrict-2 (will not be included in initial proposal)

3. Smart Growth Overlay Subdistrict-3(will not be included in initial proposal)

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#### **7.4.4 APPLICABILITY OF SMART GROWTH OVERLAY DISTRICT SCOPE AND AUTHORITY**

1. Underlying Zoning. The Smart Growth Overlay District is an overlay district superimposed on all underlying zoning districts.
2. Applicability of Smart Growth Overlay District.
  - a. An applicant may elect either to develop a Project in accordance with the requirements of the Smart Growth Overlay District in accordance with the provisions of the Governing Laws and this Section 7.4, or to develop a Project in accordance with requirements of the regulations for use, dimension, and all other provisions of the Zoning Ordinance governing the underlying zoning district(s).
  - b. In such case that the applicant elects to develop a Project in accordance with Section 7.4, notwithstanding anything to the contrary in the Zoning Ordinance, such application shall not be subject to any other provisions of the Zoning Ordinance, including limitations upon the issuance of building permits for residential uses related to a create of development or phased growth limitation or to a local moratorium on the issuance of such permits, or the other building permit or dwelling unit limitations, with the exception of Sections 8.9 of the Salem Zoning Ordinance which shall remain in effect.
  - c. To the extent that there is any conflict between the Governing Laws and this Section 7.4, inclusive of Design Standards, Planning Board regulations, and any applicable associated local zoning requirement (e.g. zoning requirement contained in another section of the Zoning Ordinance that is nonetheless incorporated by reference), the Governing Laws shall govern.
3. The regulations for use, dimensions, and all other provisions of the Zoning Ordinance governing the underlying zoning districts shall remain in full force, except for those Projects undergoing development pursuant to this Section 7.4. Within the boundaries of the Smart Growth Overlay District, an Applicant may elect either to develop a Project in accordance with the requirements of the regulations for use, dimension, and all other types of Zoning Ordinance governing the underlying zoning districts.
4. Administration and Enforcement. The provisions of this Section 7.4, shall be administered by the Building Commissioner, except as otherwise provided herein.

#### **7.4.5 PERMITTED USES -- GENERAL**

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Uses that are allowed by right in all Smart Growth Subdistricts established under Section 7.4.3 include:

1. Residential Projects. A Residential Project may include:
  - a. Multifamily residential use(s);
  - b. Supportive Housing;
2. Mixed-Use Development Projects. A Mixed-Use Development Project may include:
  - a. Multifamily residential use, provided that the minimum allowable as-of-right density requirements for residential use specified in Section 7.4.3 shall apply to the residential portion of any Mixed-Use Development Project;
  - b. Supportive Housing;
  - c. Retail;
  - d. Educational;
  - e. Commercial;
  - f. Office;
  - g. Club or lodge, private;
  - h. Shelter;
  - i. Civic; and
  - j. Medical.
3. Parking accessory to any of the permitted uses in 7.4.5, including surface, garage-under, and structured parking (e.g., parking garages); and
4. Accessory uses customarily incidental to any of the permitted uses in 7.4.5.

#### **7.4.6 HOUSING AND HOUSING AFFORDABILITY**

1. General Requirements. Affordable Housing Units required by this Section 7.4.6 shall be made available to eligible households with incomes at or below eighty (80) percent of Area Median Income (AMI) at purchase prices or rents that adhere to the income limits determined by the U.S. Department of Housing and Urban Development (HUD) applicable to the City of Salem, and shall comply with the Massachusetts Local Initiative Program regulations.
2. Number of Affordable Housing Units. For all Projects containing at least 6 residential units, not less than twenty percent (20%) of housing units constructed shall be Affordable Housing. Unless the Planning Board provides a waiver on the basis that the Project is not otherwise financially feasible, not less than twenty-five percent (25%) of rental dwelling units constructed in a Project containing rental units must be

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Affordable Rental Units. For purposes of calculating the number of units of Affordable Housing required within a Project, any fractional unit shall be deemed to constitute a whole unit. A Project shall not be segmented to evade the Affordable Housing threshold set forth above – this provision is only necessary if certain Projects (those with 5 or fewer units as may be specified in the Smart Growth Overlay District) are exempt from the Affordable Housing requirement.

3. Nothing in this Section shall preclude an applicant from providing additional Affordable units, or greater affordability, or both, than the minimum requirements.
4. Number of Housing Units with Three or More Bedrooms. Except as provided for below and consistent with the Interagency Agreement Regarding Housing Opportunities for Families with Children or any successor agreement, for all Projects containing at least 6 residential units and not otherwise subject to an eligible state or federal housing subsidy program under EOHLC's Subsidized Housing Inventory guidelines, not less than ten percent (10%) of housing units constructed shall contain three or more bedrooms. This requirement shall not apply to Projects designated exclusively for the elderly, assisted living, supportive housing for individuals, single room occupancy or other Projects for which the requirement is not appropriate for the intended residents, as determined by EOHLC.
5. Affordable Housing Submission Requirements. As part of any application for Plan Approval for a Project within the Smart Growth Overlay District submitted under this Section 7.4, the Applicant must submit the following documents to the Planning Board and the Monitoring Agent:
  - a. evidence that the Project complies with the cost and eligibility requirements of Section 7.4.6.5:
  - b. Project plans that demonstrate compliance with the requirements of Section 7.4.6.10; and
  - c. a form of Affordable Housing Restriction that satisfies the requirements of Section 7.4.6.13.

These documents in combination, to be submitted with an application for Plan Approval (or, for Projects not requiring Plan Approval, prior to submission of any application for a Building Permit), shall include details about construction related to the provision, within the development, of units that are accessible to the individuals with disabilities and appropriate for diverse populations, including households with children, other households, individuals, households including individuals with disabilities, and the elderly.

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6. Cost and Eligibility Requirements. Affordable Housing shall comply with the following requirements:
  - a. Affordable Housing required to be offered for rent or sale shall be rented or sold to and occupied only by Eligible Households.
  - b. For an Affordable Rental Unit, the monthly rent payment, including applicable utility allowances, shall not exceed 30 percent of the maximum monthly income permissible for an Eligible Household, assuming a family size equal to the number of bedrooms in the unit plus one, unless another affordable housing program methodology for calculating rent limits, as approved by EOHLC, applies.
  - c. For an Affordable Homeownership Unit the monthly housing payment, including mortgage principal and interest, private mortgage insurance, property taxes, condominium and/or homeowner's association fees, and insurance, shall not exceed 30 percent of the maximum monthly income permissible for an Eligible Household, assuming a family size equal to the number of bedrooms in the unit plus one, unless another affordable housing program methodology for calculating the maximum monthly housing payment, as approved by EOHLC, applies.
7. Prior to the granting of any building permit for a Project, the Applicant must demonstrate, to the satisfaction of the Monitoring Agent, that the method by which such affordable rents or affordable purchase prices are computed shall be consistent with state or federal guidelines for Affordable Housing applicable to the City of Salem.
8. Monitoring Agent. A Monitoring Agent which may be the local housing authority or other qualified housing entity shall be designated by the chief executive. In a case where the Monitoring Agent cannot adequately carry out its administrative duties, upon certification of this fact by the designating official or by EOHLC such duties shall devolve to and thereafter be administered by a qualified housing entity designated by the designating official. In any event, such Monitoring Agent shall ensure the following, both prior to issuance of a Building Permit for a Project within the Smart Growth Overlay District, and on a continuing basis thereafter, as the case may be:
  - a. prices of Affordable Homeownership Units are properly computed; rental amounts of Affordable Rental Units are properly computed;
  - b. income eligibility of households applying for Affordable Housing is properly and reliably determined;
  - c. the housing marketing and resident selection plan conform to all requirements, have been approved by EOHLC specifically with regard

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- to conformance with the Governing Laws, and are properly administered;
- d. sales and rentals are made to Eligible Households chosen in accordance with the housing marketing and resident selection plan (a.k.a., Affirmative Fair Housing Marketing Plan (AFHMP)) with appropriate unit size for each household being properly determined and proper preference being given; and
  - e. An Affordable Housing Restriction (AHR) meeting the requirements of this section is approved by EOHLC specifically for conformance with M.G.L. c.40R and 760 CMR. 59.00, recorded with the proper registry of deeds.
9. Timing. Affordable Housing Units must be constructed and occupied at a proportion of one (1) affordable unit for every five (5) market rate units.
10. Affordable Units Design and Construction. Units of Affordable Housing shall be finished housing units. With respect to the minimum number of units in a given Project that are required to be Affordable Housing under Sections 7.4.3 and 7.4.6 and the Governing Laws, such units shall be equitably integrated and proportionately dispersed throughout the residential portion of the Project of which they are part, across all residential buildings, floors, distinct unit types, and with respect to the gross floor area devoted to residential units, in accordance with the Affordable Housing Restriction and the Affirmative Fair Housing Marketing and Resident Selection Plan, as approved by EOHLC. The Affordable Housing units shall be comparable in initial construction quality, size, amenities, and exterior design to the other housing units in the Project. For example, if market-rate units include a dishwasher, Affordable units must include one as well. Affordable Housing Units must be supplied with the same mechanical systems and energy efficiency features as market-rate units, including windows, insulation, plumbing, and heating and cooling systems.
11. Residents of Affordable Housing Units shall have similar access to all building and site common areas and amenities as residents of market-rate units, including but not limited to outdoor spaces, amenity spaces, storage, parking, bicycle parking facilities, and resident services.
12. Unless expressly required otherwise under one or more applicable state or federal housing subsidy programs, the bedroom-per-unit average for the Affordable Housing must be equal to or greater than the bedroom-per-unit average for the unrestricted/market-rate units.



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13. Affordable Housing Restriction. Each Project shall be subject to an Affordable Housing Restriction which is recorded with the applicable registry of deeds or district registry of the Land Court and which contains the following:
- a. specification of the term of the Affordable Housing Restriction which shall be stipulated in the Plan Approval decision but may not be less than a thirty-year period;
  - b. the name and address of the Monitoring Agent with a designation of its power to monitor and enforce the Affordable Housing Restriction;
  - c. a description of the Affordable Homeownership Unit(s), if any, by address and number of bedrooms; and a description of the overall quantity, initial unit designations and number of bedrooms and number of bedroom types of Affordable Rental Units in a Project or portion of a Project which are rental. Such restriction shall apply individually to the specifically identified Affordable Homeownership Unit and shall apply to a percentage of rental units of a rental Project or the rental portion of a Project with the initially designated Affordable Rental Units identified in, and able to float subject to specific approval by EOHLC in accordance with, the corresponding Affirmative Fair Housing Marketing Plan (AFHMP) and EOHLC's AFHMP guidelines.
  - d. reference to an Affirmative Fair Housing Marketing and Resident Selection Plan, to which the Affordable Housing is subject, and which includes an affirmative fair housing marketing program, including public notice and a fair resident selection process. Such plan shall be consistent with EOHLC guidance and approved by EOHLC. Consistent with EOHLC guidance, such plan shall include a preference based on need for the number of bedrooms in a unit and a preference based on need for the accessibility features of a unit where applicable and may only provide for additional preferences in resident selection to the extent such preferences are also consistent with applicable law and approved by EOHLC.
  - e. a requirement that buyers or tenants will be selected at the initial sale or initial rental and upon all subsequent sales and rentals from a list of Eligible Households compiled in accordance with the housing marketing and selection plan;
  - f. reference to the formula pursuant to which the maximum rent of an Affordable Rental Unit or the maximum resale price of an Affordable Homeownership Unit will be set;
  - g. a requirement that only an Eligible Household may reside in Affordable Housing and that notice of any lease of any Affordable Rental Unit shall be given to the Monitoring Agent;
  - h. provision for effective monitoring and enforcement of the terms and provisions of the Affordable Housing Restriction by the Monitoring Agent;
  - i. provision that the AHR on an Affordable Homeownership Unit shall run in favor of the Monitoring Agent and/or the municipality, in a form approved by municipal

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- counsel, and shall limit initial sale and re-sale to and occupancy by an Eligible Household;
- j. provision that the AHR on Affordable Rental Units in a rental Project or rental portion of a Project shall run with the rental Project or rental portion of a Project and shall run in favor of the Monitoring Agent and/or the municipality, in a form approved by municipal counsel, and shall limit rental and occupancy to an Eligible Household;
  - k. provision that the owner[s] or manager[s] of Affordable Rental Unit[s] shall file an annual compliance report with the Monitoring Agent, in a form specified by that agent certifying compliance with the Affordability provisions of this Bylaw/Ordinance and containing such other information as may be reasonably requested to ensure Affordability; and
  - l. a requirement that residents in Affordable Housing provide such information as the Monitoring Agent may reasonably request to ensure Affordability.
14. Costs of Affirmative Fair Housing Marketing and Resident Selection Plan. The Affirmative Fair Housing Marketing and Resident Selection Plan and/or any associated Monitoring Services Agreement may make provision for payment by the Project Applicant of reasonable costs to the Monitoring Agent to monitor and enforce compliance with Affordability requirements consistent with the Affordable Housing Restriction and otherwise fulfill the responsibilities contained in Section 7.4.6.8.
15. Age Restrictions. Nothing in this Section 7.4 shall permit the imposition of restrictions on age upon Projects unless proposed or agreed to voluntarily by the Applicant. However, in its review of a submission under Section 7.4 for a given Smart Growth Overlay District, the Planning Board may allow a specific Project, designated exclusively for the elderly, persons with disabilities, or for assisted living, provided that any such Project shall be in compliance with all applicable federal, state and local fair housing laws and regulations and not less than twenty-five percent (25%) of the housing units in such a restricted Project shall be restricted as Affordable Housing units.
16. Phasing. An Applicant may propose, in a development Project application, that a project be developed in phases, provide that the submission shows the full buildout of the Project and all associated impacts as of the completion of the final phase, and subject to the approval of the Planning Board. Where the percentage of Affordable Housing is not uniform across all phases, the unit dispersal and bedroom proportionality requirements under Sections 7.4.6.9 and 7.4.6.12 shall be applied proportionately to the Affordable Housing provided for in each respective phase.

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17. No Waiver. Notwithstanding anything to the contrary herein, Section 7.4.6 (Housing and Affordability) shall not be waived unless expressly approved in writing by EOHLC under the 40R Smart Growth Zoning Program pursuant to the Governing Laws, to eliminate conflict with an associated state or federal housing financing program and/or at the request of the Plan Approval Authority.

#### **7.4.7 PLAN REVIEW PROCESS**

1. Plan Approval Authority. The Salem Planning Board, consistent with the Governing Laws, shall be the Plan Approval Authority, and it is authorized to conduct the Plan Approval process for purposes of reviewing Project applications and issuing Plan Approval decisions within any Smart Growth Overlay District as may be established in Section B below.
2. Plan Approval. An application for Plan Approval shall be reviewed by the Planning Board for consistency with the purpose and intent of this Section 7.4.7. Such Plan Approval process shall be construed as an as-of-right review and approval process as required by and in accordance with the Governing Laws. The following categories of Projects shall be subject to the Plan Approval process:
  - a. Any Residential Project containing at least 6 residential units;
  - b. Any Mixed-use Development Project;
  - c. Any project consisting solely of non-residential uses;
  - d. Any Project seeking a waiver.
3. Planning Board Regulations. The Planning Board may adopt administrative rules and regulations relative to Plan Approval. Such rules and regulations and any amendments thereof must be approved by the Executive Office of Housing and Livable Communities.
4. Preapplication. Prior to the submittal of a Plan Approval submission, a “Concept Plan” may be submitted to help guide the development of the definitive submission for Project buildout and individual elements thereof. If submitted, such Concept Plan should reflect the following:
  - a. Overall building envelope areas;
  - b. Open space and natural resource areas; and
  - c. General site improvements, groupings of buildings, and proposed land uses.

The Concept Plan is intended to be used as a tool for both the Applicant and the Planning Board to ensure that the proposed Project design will be consistent with the

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Design Standards and other requirements of the corresponding Smart Growth Overlay District.

5. Development Plan Approval Process. In subdistricts established under this 7.4.3, development projects shall be subject to the Development Plan Approval process provided below. The plan approval authority under this 7.4 shall be the Planning Board. Development Projects within a Chapter 40R overlay district under this Section shall not be subject to the separate distinct Site Plan Review process established under 9.5.
6. Submittal Requirements. Any application for approval under this section shall be accompanied by an original development plan application with the City Clerk for certification of the data and time of filing. The filing shall include any required forms established by the Planning Board. The applicant shall immediately file a copy of the development plan application with the Planning Board. The development plan shall contain the information required under section 9.5.3 of the Salem Zoning Ordinance.

As part of any development plan application filed under the 7.4 the applicant must submit the following documents:

- a. Evidence that the development project complies with the cost and eligibility requirements of subsection 7.4.6, Housing and Housing Affordability below;
  - b. Development Project plans and reports that demonstrate compliance with design and construction standards in Section 7.4.6.10, Housing and Housing Affordability; and
  - c. A form of Affordable Housing Restriction that satisfies the requirements of subsection J, Housing and Housing Affordability.
7. Circulation.
    - a. Upon receipt by the Planning Board or its designee, Development Plan Applications shall be distributed to the Building Commissioner, City Engineer, Head of the Fire Department or their designee, Head of the Sustainability Department or their designee, Board of Health and Conservation Commission, who may at their discretion investigate the application and report in writing their recommendations to the Planning Board. The Planning Board shall not take final action on such plan until it has received a report thereon from the Building Commissioner, City Engineer, Head of the Fire Department or the Head of the Fire Department's designee, Head of the Sustainability Department or their designee, Board of Health and Conservation Commission or until thirty (30) days have elapsed after distribution of such application without a submission of a report.

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- b. Within 30 days of filing of a development plan application with the Planning Board, the Planning Board or its designee shall evaluate the proposal with regard to its completeness and shall advise the Applicant whether the development plan application is complete or whether additional materials are required. If the Planning Board finds the application incomplete, the Planning Board or its designee will develop a report identifying the specific omissions and the additional materials that are required. The Planning Board or its designee shall forward to the Applicant, with its report, copies of all recommendations received to date from other boards, commissions or departments.
8. Public Hearing. The Planning Board shall hold a public hearing and review all development plan applications in accordance with G.L. C. 40R, Section 11 and 760 CMR 59.04(1)(f).
9. Plan Decision. The Planning Board shall make a decision on the development plan application, and shall file said decision with the City Clerk, within 120 days of the date of the full development plan application was received by the Clerk. The time limit for public hearings and taking of action by the Planning Board may be extended by written agreement between the Applicant and the Planning Board. A copy of such agreement shall be filed with the City Clerk.
  - a. Failure of the Planning Board to take action within 120 days of extended time, if applicable, shall be deemed to be an approval of the development plan applications.
  - b. An Applicant who seeks approval because of the Plannings Board's failure to act on a development plan application within the 120 days or extended time, if applicable, shall notify the City Clerk in writing of the approval within 14 days from the expiration of the time limit for a decision. A copy of that notice shall be sent by the Applicant to the parties in interest by mail and that each such notice shall be filed within 20 days after the date of the City Clerk received such written notice from the Applicant that the Planning Board failed to act within the time prescribed.
  - c. The Planning Board's findings, including the basis of such findings, shall be stated in a written decision of approval, conditional approval or denial of the application for development plan approval. The written decision shall contain the name and address of the Applicant, identification of the land affected and its ownership, and reference by date and title to the plans that were the subject of the decision, the written decision shall certify that a copy of the decision has been filed with the City Clerk and that all plans referred to in the decision are on file with the Planning Board.

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- d. The decision of the Planning Board, together with detailed reasons, shall be filed with the City Clerk and the Building Commissioners. A certified copy of the decision shall be mailed to the owner and to the Applicant, if other than the owner. A notice of the decision shall be sent to the parties in interest and to persons who requested a notice during the public hearing.
  - e. If 20 days have elapsed after the decision has been filed in the office of the City Clerk without an appeal having been filed or if such appeal, having been filed, is dismissed, or denied, the City Clerk shall so certify on a copy of the decision. If the application is approved by reason of failure of the Planning Board to timely act, the City Clerk shall make such certification on a copy of the notice of application. A copy of the decision or notice of application shall be recorded with the title of land in quest in the Essex County Registry of Deeds and indexed in the grantor index under the name of the owner of record or recorded and noted on the owner's certificate of title. The responsibility and cost of said recording and transmittal shall be borne by the owner of the land in question or the applicant.
10. Criteria for Approval. The Planning Board shall approve the development project upon making the following findings:
- a. The applicant has submitted the required fees and information as set forth in applicable regulations;
  - b. The proposed development project as described in the application meets all requirements and standards set forth in this 7.4.3, unless a waiver from them has been granted by the Planning Board; and
  - c. Any extraordinary adverse potential impacts of the development Project on nearby properties can be adequately mitigated.
  - d. For a development Project subject to the affordability requirements of 7.4.6, Housing and Housing Affordability, compliance with condition (b) above shall include written confirmation by the Planning Board that all requirements of that section have been satisfied. Prior to the granting of the Planning Board for a development Project, the applicant must demonstrate to the satisfaction of the Department of Planning and Community Development that the method by which such affordable rents or affordable purchase prices are computed are consistent with state or federal guidelines for affordability applicable to the City of Salem.
11. Criteria for Conditional Approval. The Planning Board may impose reasonable conditions on a development Project as necessary to ensure compliance with Smart Growth District requirements in this 7.4 and applicable Smart Growth District Design Standards, or mitigate any extraordinary adverse impacts of the development Project on nearby properties, insofar as the conditions comply with the provisions of G.L. c. 40R and applicable regulations and do not unduly restrict (i.e. by adding unreasonable

## **City of Salem Draft Zoning Amendment**

### **Section 7.4 – SMART GROWTH OVERLAY DISTRICT**

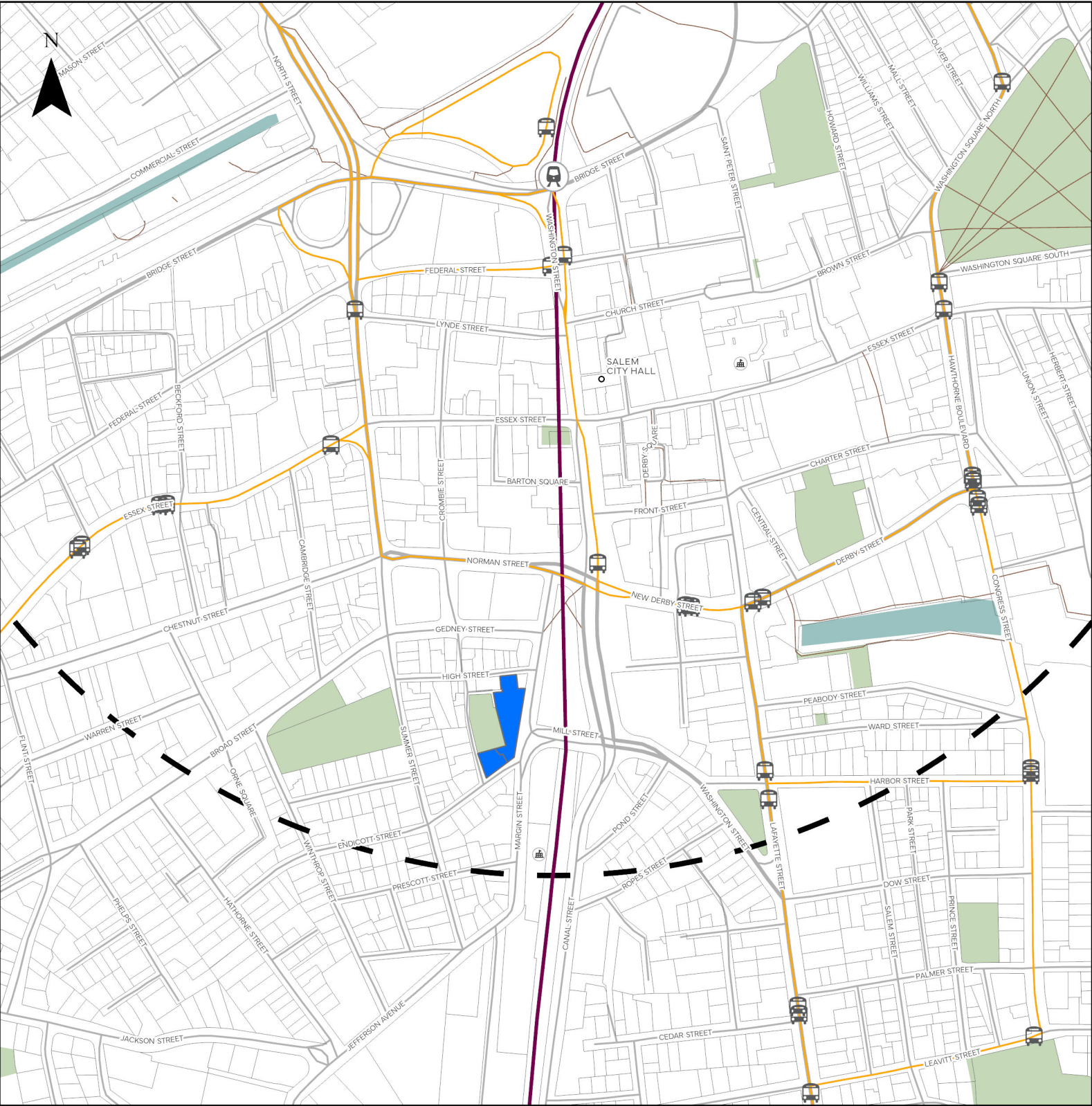
Draft Dated 07182024


costs or by unreasonably impairing the economic feasibility of a proposed development Project) opportunities for residential development.

12. Criteria for Disapproval. A Plan Approval application may be disapproved only by simple majority vote where the Planning Board finds that:
  - a. the Applicant has not submitted the required fees and information as set forth in the Regulations; or
  - b. the Project as described in the application does not meet the requirements and standards set forth in this Section 7.4.3 and the Planning Board Regulations, or that a requested waiver therefrom has not been granted; or
  - c. it is not possible to adequately mitigate extraordinary adverse Project impacts on nearby properties by means of suitable conditions.
13. Time Limit. A plan approval decision shall remain valid and shall run with the land indefinitely provided that construction has commenced within two (2) years after the decision is issued, which time shall be extended by the time required to adjudicate any appeal from such approval. The two-year limit shall also be extended if the applicant is actively pursuing other required permits for the Project or if there is good cause for the failure to commence construction, or as may be provided in an approval for a multi-phase development Project.
14. Appeals. Under G.L. c.40R Section 11, any person aggrieved by a decision of the Planning Board may appeal to the Superior Court, the Land Court, or other court of competent jurisdiction within 20 days after the Planning Board decision has been filed in the office of the city clerk.




# PROPOSED SMART GROWTH OVERLAY SUBDISTRICT-1 SUBSTANTIAL TRANSIT ACCESS AREA (STAA)







Proposed Smart Growth Overlay Subdistrict-1 (SGO-1)




Area Within 1/2 Mile of MBTA Commuter Rail Station




Commuter Rail Station



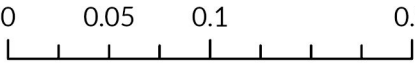
MBTA Bus Stops



MBTA Commuter Rail

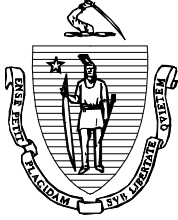


MBTA Bus Routes



0 0.05 0.1 0.2 Miles





Commonwealth of Massachusetts  
**DEPARTMENT OF HOUSING &  
COMMUNITY DEVELOPMENT**

Charles D. Baker, Governor ♦ Karyn Polito, Lieutenant Governor ♦ Jennifer D. Maddox, Undersecretary

December 5, 2022

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

**RE: Housing Production Plan - Approved**

Dear Mayor Driscoll:

The Department of Housing and Community Development (DHCD) approves the Salem Housing Production Plan (HPP) pursuant to 760 CMR 56.03(4). The effective date for the HPP is December 5, 2022, the date that DHCD received a complete plan submission. The HPP has a five-year term and will expire on December 4, 2027.

Approval of your HPP allows the City to request DHCD's Certification of Municipal Compliance when:

- Housing units affordable to low- and moderate-income households have been produced during one calendar year, during the unit's initial year of eligibility totaling at least 0.5% (95 units) of year-round housing units.
- All units produced are eligible to be counted on the Subsidized Housing Inventory (SHI). If you have questions about eligibility for the SHI, please visit our website at: [www.mass.gov/dhcd](http://www.mass.gov/dhcd).
- All units have been produced in accordance with the approved HPP and DHCD's Guidelines.

I applaud your efforts to plan for the housing needs of Salem. Please contact Phillip DeMartino, Technical Assistance Coordinator, at (617) 573-1357 or [Phillip.DeMartino@mass.gov](mailto:Phillip.DeMartino@mass.gov) if you need assistance as you implement your HPP.

Sincerely,

A handwritten signature in blue ink, appearing to read "Louis Martin".

Louis Martin  
Director, Division of Community Services

cc: Senator Joan B. Lovely  
Representative Paul F. Tucker  
Amanda Chiancola, AICP, Deputy Director, Planning & Community Development, City of Salem  
Cassie Moskos, AICP, Senior Planner, Planning & Community Development, City of Salem  
Jennifer Goldson, AICP, Founder and Managing Director, JM Goldson LLC

# SALEM HOUSING ROAD MAP

## A HOUSING PLAN FOR ALL

FY2023-2027

Approved by the Planning Board and City Council  
September 2022

Approved by the Department of Housing and Community Development  
December 5, 2022

PREPARED FOR:  
City of Salem  
93 Washington Street  
Salem, MA 01970

PREPARED BY:  
JM Goldson LLC

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# ACKNOWLEDGMENTS

Thank you to all community members who gave their time and insights to this project, including those who attended our three community forums, participated in focus groups and interviews, took the Salem Housing Needs Survey, and participated in Meeting-in-a-Box sessions.<sup>1</sup>

Special thanks to:

## **Mayor Kim Driscoll**

### **Salem Housing Road Map Steering Committee:**

Barbara Cleary (Cleary Advisors)  
Carole Hamilton (Planning Board)  
Ty Hapworth (City Council, AHTF)  
Cathy Hoog (Salem Housing Authority)  
Sara Moore (Board of Health)  
Patti Morsillo (City Council, AHTF)  
Cynthia Nina-Soto (Salem Redevelopment Authority)  
Patricia Small (Council on Aging)  
Lori Stewart (League of Women's Voters)  
Emily Ullman (Salem Public Schools)  
Filipe Zamborlini (AHTF)

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Salem Affordable Housing Trust Fund Board  
ECCO (Essex County Community Organization)  
Salem Latino Leadership Coalition  
Lifebridge Salem  
North Shore CDC  
Harborlight Community Partners

### **With assistance by JM Goldson LLC**

Jennifer M. Goldson, AICP, Founder & Managing Director  
Delaney Almond, Community Planner II  
Andrew Oliver, Community Planning Assistant

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<sup>1</sup> A full description of the community engagement process for this plan can be found in Chapter 1.



# CHAPTER 1: INTRODUCTION

This report, the Salem Housing Road Map: A Housing Plan for All, is intended to serve as the City of Salem's Housing Production Plan (HPP), a state-recognized planning tool that, under certain circumstances, permits municipalities to influence the location, type, and pace of affordable housing development. This plan has been prepared in accordance with the Massachusetts Department of Housing and Community Development (DHCD) requirements for an HPP and describes how the City of Salem plans to create and preserve affordable and mixed-income housing as well as stabilize housing for existing residents and create more housing options in the community.

## ENGAGING THE SALEM COMMUNITY IN THIS PLAN

*"People who are already here, perhaps have lived here their whole lives and are embedded . . . should not be forced to move out of their homes because of a changing market."*

*"Housing is not a human right in the U.S., and, in Salem, homes are for sale to the highest bidder, greed drives the market, and people who struggle are either priced out before they can even move elsewhere, or discreetly discriminated to find housing elsewhere in the City."*

*". . . all people--need to be safely, comfortably sheltered and fed. If they aren't regularly so then the chance of their being healthy, happy, productive members of a community are greatly lessened."*

- The above is a sampling of quotes from members of the Salem community who participated in the engagement efforts as part of this planning initiatives.

How to engage people in a process that can affect so many people's lives and livelihoods? The importance of this endeavor is undeniable. However, true representative community engagement is a struggle in communities of all types and is particularly challenging in a community as complex and diverse as Salem. Not only is it challenging to reach historically underrepresented populations due to a slew of systemic barriers to access but many people even when reached may be reluctant/fearful to participate in a governmental process. Despite these challenges, the project team worked hard to reach representatives of all segments of the Salem community.

*Due to the combined and collaborative engagement efforts of the Steering Committee, the City staff, the Affordable Housing Trust members, North Shore Community Development Corporation, Salem Latino Leadership Coalition, Lifebridge Salem, Harborlight Community Partners, and Essex County Community Organization, this plan is based on a community process involving a wide range of community members with diverse perspectives, backgrounds, and socio-economic characteristics.*





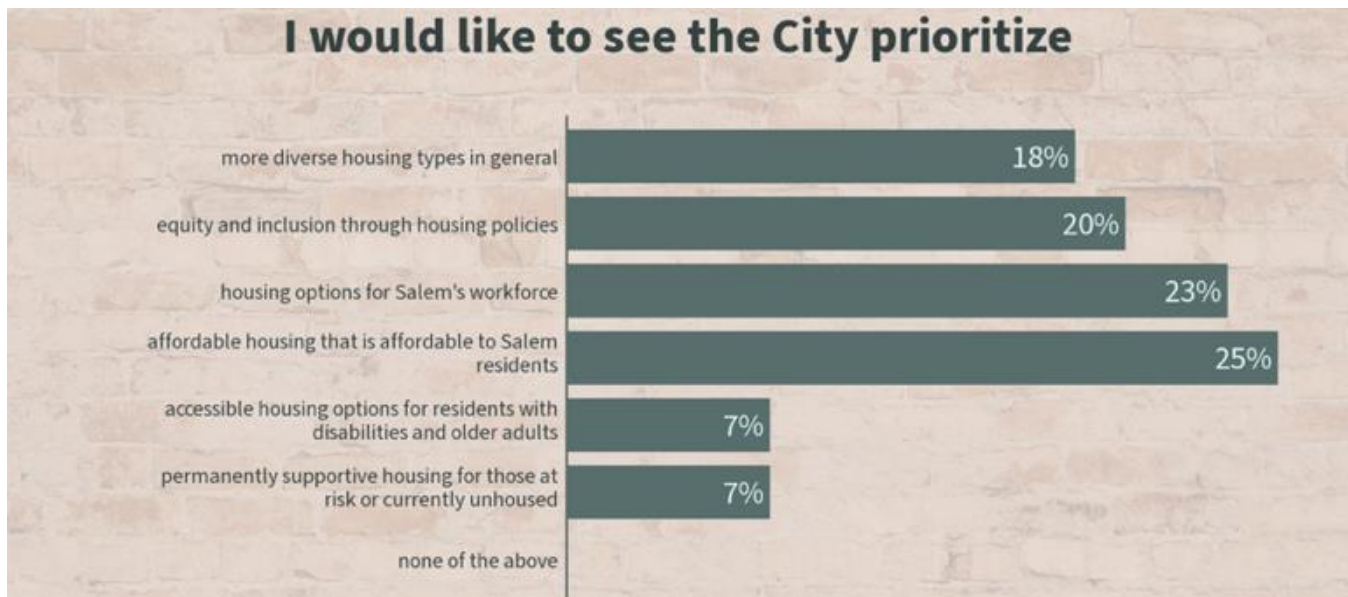
*Flyers in Spanish and Portuguese to promote the March public forum.*

The Road Map was led by the Mayor’s Steering Committee, which was comprised of City Councilors, members of the Affordable Housing Trust Fund Board, Housing Authority, Board of Health, Redevelopment Authority, Public Schools, Council on Aging, and affordable housing finance professionals. Early in the process, the consultant team convened seven focus groups of individuals with involvement or interest in Salem’s housing needs, as well as interviewing other stakeholders including affordable housing developers, City staff, and regional planners.

The Salem Housing Needs Survey was active on the project website for four months in English, Spanish, and Portuguese, and a paper version was distributed by City staff and Steering Committee members with a focus on underserved neighborhoods in Salem. The survey was taken by 365 people in total, and while this is not a particularly high response rate given the city’s population, the survey approach was augmented by several opportunities for qualitative data collection. Forty-two community members participated in the Meeting-In-A-Box activity, where small groups discussed Salem’s housing challenges and opportunities. This tool was effective at reaching a diverse cross-section of the City’s population, including Latino leaders, undocumented immigrants, older residents, shelter residents, and nonprofit affordable housing advocates and developers.

The consultant team and City staff held three online community forums throughout the planning process, including one forum specifically geared towards senior housing needs. These forums involved presentations and polling activities for participants, as well as open comment periods, and were available in English, Spanish, and Portuguese. About 120 people participated in the forums. In addition, the team convened a special working session of the Affordable Housing Trust to discuss anti-displacement strategies for inclusion in the plan. The Meetings-In-A-Box, along with the community forums and targeted discussions, yielded rich qualitative information about people’s experiences with and attitudes toward housing in Salem.

*Together, these initiatives included 572 points of participation where Salem community members engaged in the planning process to share their perspectives and set the direction for the Road Map's vision, goals, and strategies.*



An aggregated summary of the engagement and responses and key takeaways can be found in the Appendices.

## SUMMARY OF SALEM'S HOUSING NEEDS

Salem is experiencing a housing crisis with housing costs rapidly rising out of reach for many residents. Salem households overall earn about \$44,000 less than the greater Boston Area Median Income on average, and renter households in the Salem earn less than half as much as homeowner households on average. The median family income in Salem rose 8 percent from 2010 to 2019, compared to a 49 percent increase in median sales price for homes during the same period. The average Salem household would need an extra \$214,000 to afford the average home in the city or an extra \$109,000 to afford the average condo. Renting is also prohibitively expensive for Salem residents. The average Salem rental household would need to spend more than half of their income on rent to afford the average unit in the city. About half of Salem households earn less than 80 percent of the Area Median Income, and 2,545 households earn less than 30 percent of the Area Median Income and spend more than half of their income on housing costs.

At the same time, Salem's population is growing, recently surpassing its previous 1930 peak. The population is comprised of a higher share of residents aged 18-34, smaller family sizes, and an increasing share of residents over 65 compared with regional and statewide averages. Housing pressures are not evenly distributed in the city. The Point neighborhood, home to a higher concentration of BIPOC, lower-income, immigrant, and linguistically isolated households, is particularly susceptible to gentrification pressures from development and the loss of naturally occurring affordable housing.

This analysis points to a need for smaller and flexible housing options for younger and older residents and an increased quantity of rental units overall and subsidized rental units, as well as the need for assistance with homeownership costs. New development and redevelopment should also consider the potential for

displacement and gentrification, as well as the threat of increased sea level rise due to global climate change and existing environmental contamination in the City's soils.

Under Massachusetts General Laws Chapter 40B Section 20-23 (C.40B), the Commonwealth's goal is for all Massachusetts municipalities is to have a minimum of 10 percent of year-round housing units affordable to low/moderate income households or affordable housing on at least 1.5 percent of total land area. As of July 2021, Salem had 2,391 subsidized units in the Subsidized Housing Inventory (SHI), making up 12.59 percent of its total housing stock.

Although Salem has exceeded the state's minimum 10 percent goal, the local and regional housing needs are significantly greater. In Salem alone there are roughly over 5,700 low/moderate income (LMI) households that are housing cost burdened, meaning they are paying more than is financially sustainable for a LMI household, which can make these household vulnerable to housing instability. In Essex County as a whole, there are estimated to be over 81,000 LMI households that are housing cost burdened and there are only 30,103 units of affordable housing.<sup>2</sup>

Note that the total number of units in Salem, which is used as the denominator when calculating Salem's SHI percentage, will change following the full release of the 2020 census data. When the denominator changes, the percentage of housing units on the SHI will likely drop unless more units are added. In addition, several units on Salem's SHI have recently expired or are set to expire soon. The preliminary 2020 Decennial Census figures show the total number of housing units in Salem at 20,349, up from 19,130 in 2010. The SHI percentage will be revised by DHCD after the full 2020 Census data for year-round occupied units is released.

A thorough discussion of demographics, housing conditions, and development constraints and opportunities are found in Chapters 3-5.

---

<sup>2</sup> Note, this figure is an over-estimate of the total number of affordable housing units in Essex County because it is based on the Subsidized Housing Inventory, which includes rental market rate units that are eligible for listing on the state's Subsidized Housing Inventory.

# CHAPTER 2: VISION, GOALS, & STRATEGIES

## SALEM'S HOUSING VISION

The Salem community sees housing as a human right and a fundamental aspect of life, liberty, and the pursuit of happiness.

We envision that our city will be an equitable place where:

- People of all backgrounds, means, genders, and ages are welcome
- People who work here, longtime residents, and newcomers can live here and thrive throughout the stages of their lives
- We celebrate our diverse stories and histories
- We protect the availability of affordable, secure, and stable homes

*"People who work here should be able to live here and that is increasingly more challenging for too many."*

*"Market pressure is affecting Salem's existing housing stock and leading to . . . the widespread displacement of low-income people from housing stock that was traditionally naturally affordable or naturally moderate cost."*

*"When people can already barely afford rents and they are rising faster than wages people are going to be forced to move."*

- The above sampling of quotes is from members of the Salem community who participated in the engagement efforts as part of this planning initiatives.

This plan focuses on addressing housing needs to preserve and promote Salem's rich and valued socio-economic diversity. Salem's housing vision, goals, and strategies are multi-faceted to help minimize displacement, preserve existing housing, increase housing supply, increase City funding options, and house Salem's most vulnerable populations. This plan based on a city-wide engagement effort, which resulted in 572 points of participation, comprehensive housing needs and development constraints analysis, a review of current local plans and policies, as well as the consultant's recommendations and best practices. The Salem Housing Vision, above, is an aspirational dream about possibilities. A vision is based on the community's values and helps community members imagine a better future to work towards.

## FIVE-YEAR GOALS

Goals are an important part of this plan because they describe conditions to aim for that support achievement of the housing vision.

The Road Map's goals are organized in three categories:

- **Overarching Goals** are broad goals related to equitable access to housing and housing supply.
- **Location Goals** are related to housing production in specific areas of Salem.
- **Sustainability and Design Goals** are related to resilience and future climate change considerations.

## Overarching Goals

### 1. PRESERVATION AND STABILITY

Preserve affordable housing and naturally occurring affordable housing (NOAH) and protect low- and moderate-income renters and other vulnerable populations, including BIPOC residents, from substandard housing, discrimination, and displacement.

### 2. HOUSEHOLDS IN NEED

Protect and create affordable homes to support the needs of Salem's most vulnerable populations including unhoused residents and those at risk of being unhoused, extremely and very low-income residents, older adults, the workforce, and households with disabilities.

### 3. SUPPLY

Strive to create opportunity to sensitively expand the supply of market rate, mixed-income, and affordable housing of various sizes, including accessible units, and ensure that redevelopment minimizes displacement of existing Low and Moderate-Income (LMI) Households.

## Location Goals

### 4. COMPLETE NEIGHBORHOODS

Focus housing development and redevelopment in areas of Salem with access to jobs, transportation, and commercial hubs, while ensuring new development and redevelopment includes strategies to minimize displacement of existing residents and loss of NOAH.

### 5. TRANSFORMATIVE AREAS

Consider opportunities for redevelopment of transformative areas such as the SSU South Campus, Jefferson Avenue area, Shetland Park, and areas along Highland Avenue, while ensuring accessibility from these areas to employment centers and/or mixed-use projects. (See map on the following page.)

### 6. MIDDLE HOUSING

Encourage strategic infill in existing residential neighborhoods that maintains historic character design standards and neighborhood characteristics.

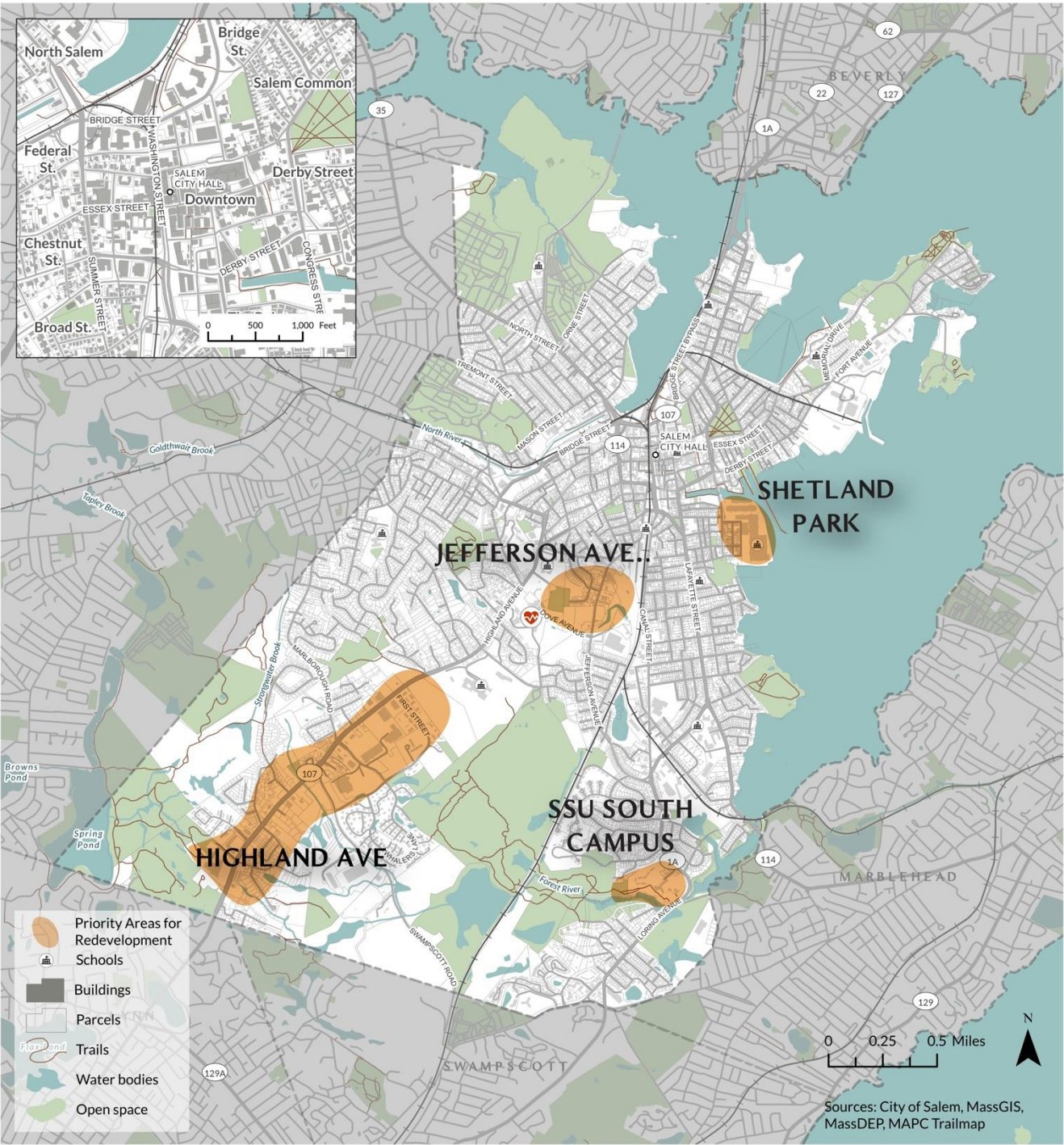




CITY OF SALEM - POTENTIAL DEVELOPMENT AREAS

Prepared by JM Goldson LLC

J M GOLDSON



## Sustainability and Design Goals

### 7. SUSTAINABILITY AND RESILIENCE

Work towards a more sustainable and resilient housing stock in Salem through innovative design and sustainably sourced materials and renewable energy sources, with particular attention to flood resilient construction and strategic location and design given Salem's coastal location and potential for future sea level rise.

### 8. REHABILITATION OF BUILDING STOCK

Encourage rehabilitation of existing buildings, including historic buildings, to improve energy efficiency and safety to preserve the historic character of Salem while improving quality of life for residents.



*View of Salem looking East. Source: Google Earth.*



## FIVE-YEAR STRATEGIES

*"I'm concerned about people being unable to stay in their homes. It's destabilizing for them and the community."*

*"Secure, stable housing is the foundation needed to ensure a steady, productive livelihood and the city should be doing everything in its power to protect that over the interests of those who seek to make short-term profits."*

*"Rent increases by more than small % to account for cost of living + inflation is just predatory and a way to capitalize on a region's growing popularity. Any eviction due to a tenant's inability to afford rent is a policy failure of our government as housing should be a human right and is a fundamental aspect of 'life, liberty & the pursuit of happiness'."*

- The above sampling of quotes is from members of the Salem community who participated in the engagement efforts as part of this planning initiatives.



Photo Credit: North Shore CDC

Many communities start discussions about housing solutions with binary and seemingly oppositional approaches that can be summed up as “pro-housing” or “pro-tenant.” We believe this is a false choice. Local policies can (and should) be both. The questions we should keep coming back to when considering strategies and how to move forward are not pro-housing or pro-tenant but “Who benefits?” and “Who is harmed?”<sup>3</sup>.

Strategies are specific, measurable, and time-based actions that City can implement to achieve its housing vision and goals. Achieving Salem’s vision and goals will require a balance of stability, supply, and

<sup>3</sup> Phillips, Shane, *The Affordable City: Strategies for Putting Housing Within Reach (and Keeping it There)*, Washington DC: Island Press, 2020.



municipal subsidy strategies as well as local implementation capacity and outreach. This section includes detailed descriptions of the above strategies and resources for more information.

The intent of these strategies is not to suggest that Salem will implement all these strategies over five years, but to offer multiple ways that the community can work to achieve its goals. Many of these strategies are contingent on factors beyond the municipality's control, including market opportunities, funding availability, and in some cases, state approval. All strategies will require local approvals in accordance with all applicable laws and regulations.

The strategies are grouped in four categories: stability, supply, municipal subsidy, and implementation capacity and outreach.

- A. **Stability** - Recognize the dignity of housing – it's more than an investment vehicle - protect renters and naturally occurring affordable housing. This group of strategies focuses on how to stabilize rents and retain rental housing stock without making housing development infeasible.
- B. **Supply** – Rents and home prices rise because of scarcity. Build enough homes to meet needs of a growing population. This group of strategies focuses on how to create more housing with sensitivity to impacts on vulnerable or historically oppressed populations.
- C. **Municipal Subsidy** - Ensure everyone benefits from having a home in a stable community - supporting those who need additional assistance and providing subsidy to overcome market obstacles. This group of strategies focuses on generating and investing local funding as a tool to apply where subsidy and stability measures alone fall short.
- D. **Implementation Capacity & Outreach** – to support the strategies in the three categories above, it is essential to have the local capacity including staff and other resources as well as an informed voting public to support initiatives.

## A. STABILITY STRATEGIES

### 1. Consider rent stabilization or anti-gauging programs for renters.

Rapid and/or sudden increases in rent can be severely destabilizing for households and lead to displacement or even homelessness. Rents in Salem have increased 26 percent since 2010 according to the ACS, and three-quarters of Salem's lowest-income and most cost-burdened residents are renters, according to HUD data. In addition, a higher share of BIPOC populations and residents of Salem's lowest-income neighborhoods are also renters.

Massachusetts voters ended rent control in 1994, but currently several bills in the state legislature, if passed, would allow some form rent control to be enacted by municipalities. California and Oregon have recently passed anti-gauging bills, and one of the Massachusetts bills under consideration (H 1440 / S 889) is similar in nature, restricting annual rent hikes to a certain percentage plus the Consumer Price Index inflation rate for that year.

Pending approval by the state, consider enacting a Salem-specific rent stabilization or anti-gauging program to ensure stability of housing for renters, particularly low- and moderate-income renters in the city. Boston is already considering such legislation with a recently appointed task force in place. Study Boston's efforts to inform the Salem policy and consider the coordination of anti-gauging measures with subsidies and other renter protection efforts (see Strategies 12, 16, 18, 31-33).

**More information:**

- NYU Furman Center: *Rent Regulation for the 21st Century: Pairing Anti-Gouging with Targeted Subsidies*. [https://furmancenter.org/files/Rent\\_Regulation\\_for\\_the\\_21st\\_Century.pdf](https://furmancenter.org/files/Rent_Regulation_for_the_21st_Century.pdf)
- Massachusetts Legislature Bill H.1440: <https://malegislature.gov/Bills/192/H1440>

## 2. Support Condominium Conversion ordinance in progress.

The City of Salem, responding to concerns that a large quantity of naturally occurring affordable rental housing is being converted into condominiums, is preparing a Condominium Conversion Ordinance. The City filed a home rule petition to add this ordinance in March 2022 and as of June 21, 2022 the bill (HD.4964) had been referred favorably by the House committee on Housing and referred to the committee on House Steering, Policy and Scheduling. The home rule petition would allow Salem to enact an ordinance to regulate the conversion of housing accommodations in the municipality to the condominium or cooperative form or ownership in buildings containing two or more residential units. The ordinance may include but is not limited to: (i) provisions for investigations and hearings on condominium conversions or proposed conversions; (ii) a permit process; (iii) tenant notification requirements; (iv) relocation costs for tenants and other measures to protect tenants; (v) control of evictions; (vi) penalties for violation of the ordinance; (vii) afford tenants and the City or the City's Designee the right to purchase the residential property in which the tenant(s) reside(s) when the residential property is being offered for sale.

Continue to support this effort as an important tool to aid in the preservation of Naturally Occurring Affordable Housing (NOAH) in the city as well as opportunity for multi-unit buildings to be used as a wealth-building tool for Salem households.

### More information:

- Local Housing Solutions: *Protection from condo conversions*. <https://localhousingsolutions.org/housing-policy-library/protection-from-condo-conversions/>

## 3. Investigate programs for displacement compensation for renters and homeowners affected by development

As housing prices and population increase, spurring more development and redevelopment, many Salem renters and homeowners have experienced displacement, a burden often disproportionately placed on lower-income and BIPOC residents in neighborhoods such as the Point and South Salem. This can take the form of being priced out of previously affordable neighborhoods, having rental units converted into condos (see Strategy 10), or replacement of existing housing stock with new developments.

Investigate programs that could be implemented in Salem to reduce or compensate for displacement, including monetary displacement compensation, right-to-return or neighborhood preference programs, or one-to-one replacement of demolished units. Note that there may be fair housing concerns with such right-to-return initiatives, a form of local preference, which should be investigated further as the City considers such an initiative.

### More information:

- Portland, OR – Renter Relocation Assistance: <https://www.portland.gov/phb/rental-services/renter-relocation-assistance>
- Joint Center for Housing Studies of Harvard University “Strategies for Responding to Gentrification” by Joe Kriesberg (2018) - <https://www.jchs.harvard.edu/blog/strategies-for-responding-to-gentrification>



#### 4. Study gentrification and neighborhood change to explore the most effective anti-displacement policy and regulatory measures

Gentrification and neighborhood change have had notable impacts on Salem's lower-income residents in recent years, exacerbated by the large number of condo conversions (see Strategy 10), in-migration of wealthier residents, and new developments. The effects have been particularly notable in the Point neighborhood, Salem's most racially/ethnically diverse neighborhood and home to Salem's lowest-income residents.

Study the causes and effects of gentrification in Salem to explore the most effective policy and regulatory measures to curb the negative effects of neighborhood change. Potential policies include frameworks for measuring the equity impacts of a land use decision (such as increase in value of surrounding properties), establishing an equity index showing the potential for gentrification and displacement based on demographic and housing factors as part of a land use review process, and negotiating or requiring community benefit agreements from development or redevelopment. Note that H.1378, if approved by the legislature (see Strategy 16), would allow for the creation of "Municipal Anti-Displacement Zones" by community organizations in specific neighborhoods.

##### More information:

- Brookings: *Build race equity into rezoning decisions*. <https://www.brookings.edu/blog/how-we-rise/2021/07/13/build-race-equity-into-rezoning-decisions/>
- Portland, OR: *Gentrification Typology Analysis*. [https://www.portland.gov/sites/default/files/2020-01/gentrification\\_displacement\\_typology\\_analysis\\_2018\\_10222018.pdf](https://www.portland.gov/sites/default/files/2020-01/gentrification_displacement_typology_analysis_2018_10222018.pdf)
- Action Tank: *Community Benefits Agreement Toolkit*. <https://www.actiontankusa.org/community-benefits-agreements>
- San Francisco Mission Action Plan: [https://default.sfplanning.org/Citywide/Mission2020/MAP2020\\_Plan\\_Final.pdf](https://default.sfplanning.org/Citywide/Mission2020/MAP2020_Plan_Final.pdf)

#### 5. Consider adopting an Affirmatively Furthering Fair Housing Ordinance

The Fair Housing Act of 1968 prohibits discrimination based on race, color, national origin, religion, sex, family status, or disability. The Affirmatively Furthering Fair Housing Rule was passed by President Obama in 2015. This rule required that municipalities create plans to examine barriers to fair housing, including from past exclusionary land use practices. The AFFH framework has predominantly been used in securing federal housing funding. However, recently, the City of Boston adopted aggressive affirmative fair housing requirements into its zoning code, which require that large development projects contain a narrative describing how the project will further the goals of overcoming segregation and fostering inclusive communities, an assessment of historical exclusion and displacement risk and the potential effects on residents and businesses, and a description of measures to be taken to achieve AFFH goals.

Consider an ordinance for Salem which builds on Boston's framework of integrating AFFH principles into its zoning code and would require developers to consider ways to offset displacement and historic exclusion as a condition of approval for larger developments and/or PUDs. Potential interventions used in the Boston model include deeper affordability restrictions, matching the number family-sized units to the surrounding neighborhood, hosting Project-Based Vouchers on site, and providing preference to rental voucher-holders or first-time homebuyers.

**More information:**

- Boston Planning & Development Agency: *Affirmatively Furthering Fair Housing Article 80*. <http://www.bostonplans.org/housing/affirmatively-furthering-fair-housing-article-80>
- Shelterforce. *Fair Housing and Zoning: Toward a New Boston?* <https://shelterforce.org/2021/02/18/fair-housing-and-zoning-toward-a-new-boston/>

## **6. Consider supporting and advocating for a Community Land Trust**

A Community Land Trust (CLT) is an effective method of ensuring permanently affordable housing by removing homes from the speculative open market. In the CLT model, the land is held in permanent trust by a nonprofit or municipality, and residents can either own the home itself, or the CLT can administer the homes as rental units. In the case of an ownership model, the resale price of the home is restricted to ensure permanent affordability while allowing some opportunity for wealth-building by the owners. CLTs can buy land and build housing from scratch or buy existing units.

In Salem, a CLT could provide an additional affordable housing option outside of NOAH or deed-restricted affordable rentals. CLTs are unique in their ability to create permanently affordable homeownership opportunities, an important part of the housing landscape given that most affordable housing programs and subsidies target or provide only rental opportunities. The city could administer a CLT itself or partner with or advocate for a nonprofit CLT in Salem. The CLT could also provide another use for the disposal of city-owned or tax title land (see Strategy 3).

**More information:**

- Boston Community Land Trust. <https://www.bnclt.org>
- Grounded Solutions Network: *Community Land Trusts*. <https://groundedsolutions.org/strengthening-neighborhoods/community-land-trusts>

## **7. Investigate metrics to create Salem-specific capping of rent increases for local action units**

Local Action Units are affordable housing units created by an intentional action taken by a community, without a comprehensive permit, which count on the SHI, such as units created by inclusionary zoning or using municipal funds. DHCD allows annual rent increases on these units to the lower of (a) 30 percent of the applicable median income – the “Property Specific Maximum Rent” and (b) an amount that is a 5 percent increase above the most recently approved maximum rent at the property.

In recent years, this rule has resulted in a 5 percent rent increase for these units in Salem due to increases in the greater Boston AMI. However, Salem incomes have been rising at a significantly slower rate than greater Boston area incomes over the past decade, according to the 2019 ACS. Therefore, yearly increases of 5 percent are causing these units to become out of reach for low-income households.

Investigate the best Salem-specific metrics for determining the affordability of rent increases to these units, such as the percentage change in household incomes at various income levels in recent ACS/HUD data or other indicators of low- and moderate-income household income changes. Work with DHCD and/or other municipalities facing similar issues to create a standardized metric for these rent increase caps.

**More information:**

- MHP: *Local Action Units (LAU) Guidelines*. <https://www.housingtoolbox.org/writable/files/resources/LAU-Guide-2018.pdf>

## 8. Enact stronger tenant protections

In the U.S., homeowners have substantially more housing security than renters. Federal protections for renters are minimal, and renters do not experience the same stability of housing as homeowners do. This is compounded by the fact that BIPOC and lower-income individuals are statistically more likely to be renters, in Massachusetts and nationwide, thus increasing the potential for negative outcomes from evictions, sudden rent increases, and extortionate rental property owners.

Several states such as Oregon and California have passed statewide tenant protection laws in recent years. In Massachusetts, the legislature is currently considering such a bill (H.1378) which would allow municipalities to enact their own rent control measures (see Strategy 9) and enact a variety of tenant protection legislation, including just cause eviction prevention, protection from immediate rent increases, and regulation of tenant deposits.

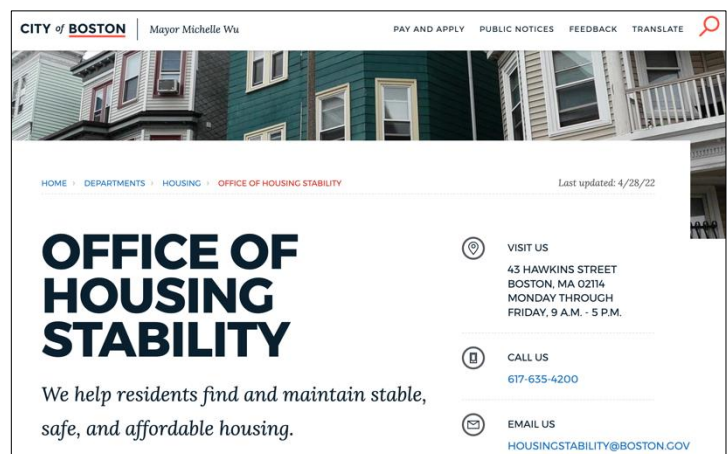
Pending passage of state legislation, enact stronger tenant protections in Salem. Potential strategies include a 90-day mandatory eviction notice, renter relocation fees, and regulations on no-cause evictions, as well as caps on rent increases as described in strategy 9. Consider a home rule petition to enact such tenant protections if state legislation does not pass, following Boston's intention to do so under the same circumstances.

### More information:

- Massachusetts Legislature: *Bill H.1378*. <https://malegislature.gov/Bills/192/H1378>

## 9. Continue to assess progress of recently launched Housing Stability Services Program and investigate potential additional components to the program.

In partnership with the Essex County Bar Association, Salem has recently formed a free housing stability services program. This program provides drop-in hours twice monthly in English and Spanish as well as a hotline to provide rental property owners with lower-income tenants and lower-income renters information ranging from rental assistance to inquiries about landlord/tenant issues and housing security challenges.



Continue to assess the progress of this program and investigate if additional components should be added, such as other printed, online or in-person resources, or educational materials. This program represents an initial pilot effort of the type of programming envisioned for the Housing Stabilization Office (see Strategy 32).

### More information:

- Salem Housing Stability Services. <https://salemhousinginfo.com/>
- City of Boston Office of Housing Stability: <https://www.boston.gov/departments/housing/office-housing-stability>

### 10. Consider creating a centralized housing lottery agent / resource center

Consider creating a centralized housing lottery agent/resource center. Such a resource center would develop and maintain a current renter ready list. This could be a one-stop shop in Salem for housing, perhaps as an arm of the Housing Authority. The housing lottery agent process is expensive for developers. The City can offer these services at a discounted rate to help promote placement of tenants in affordable rental housing. It would be beneficial for tenants to have a one stop location for housing applications to all the affordable units available in the City rather than applying individually for each property.

### 11. Partner with lending institutions and public service agencies to support housing stability.

Collaborate and consider partnerships with local lending institutions and public service agencies to support housing stability. For example, local lenders can assist Salem's housing needs through low financing for accessory dwelling unit (ADU) loans. ADU's can provide additional monthly income for Salem property owners, helping to stabilize lower income homeowners, with the creation of a small rental unit on their property (which is allowed per Salem's Zoning Ordinance).

Other examples of financial or technical assistance include lead abatement financing to complement the City's program or workshops for tenants and property owners on the basics of being a property owner and a tenant's rights.

#### More information:

- Pasadena Second Unit ADU Program: <https://www.cityofpasadena.net/housing/second-unit-adu-program/>

## B. SUPPLY STRATEGIES

### 12. Study effectiveness of the existing affordable housing policy and consider adopting Inclusionary Zoning

Salem does not currently require a percentage of units in new developments to be affordable units through its zoning ordinance. This type of zoning provision is known as Inclusionary Zoning. Instead, the Planning Board adopted a policy in January 2021 requesting that a minimum of 10 percent of residential units in new developments or conversions creating six or more units are affordable to households earning 60 percent AMI or less for a term of 99 years. If the developer cannot meet this goal, the Affordable Housing Trust Fund Board will assist in negotiations to maximize affordability.

Prior to this policy, most deed-restricted affordable units in Salem were set at 80 percent AMI (with some exceptions). As a result of this policy, several projects which are currently permitted or are in the development pipeline will create units at the new deeper affordability level of 60 percent AMI or below. Continue to track the effectiveness of this policy as more projects are permitted and built and use this information to inform and refine a future inclusionary zoning ordinance (see Strategy 2).

#### More information:

- Sightline Institute: *Inclusionary Zoning: The Most Promising – Or Counter-Productive – Of All Housing Policies*: <https://www.sightline.org/2016/11/29/inclusionary-zoning-the-most-promising-or-counter-productive-of-all-housing-policies/>
- Harvard Joint Center for Housing Studies: *Inclusionary and Incentive Zoning in the Six New England States*: <https://www.jchs.harvard.edu/blog/inclusionary-and-incentive-zoning-six-new-england-states>

### 13. Prioritize affordable housing development or redevelopment when disposing of public property

Given the high housing costs and constraints on available land in Salem, prioritizing creation of affordable housing when disposing of city property can help provide additional opportunities. These opportunities may be found on properties with surplus municipal buildings or other municipal properties, including tax foreclosed properties. Municipal property can be offered at a discounted price or for virtually no cost to promote affordable housing production. To set the stage for the city to offer municipal properties for affordable housing, many communities adopt a local policy that directs local officials to first make surplus or underutilized municipal properties available for such purposes.

Some options for the City would include soliciting developers to create affordable housing, offer City funding, such as CPA funding, to leverage LIHTC funding or other public and private funding sources (see Strategy 23), utilizing the zoning provisions for Municipal or Religious Reuse, and/or transferring the land to Community Land Trust (see Strategy 13).<sup>4</sup>

#### More information:

- Local Housing Solutions: <https://localhousingsolutions.org/housing-policy-library/use-of-publicly-owned-property-for-affordable-housing/>

### 14. Consider adopting best practices in coordinating permitting processes to increase efficiency of development pipeline.

The development process is complex, and the City oversees the process through a variety of permitting processes. Delays in the process can cause extra costs for developers. Consider a plan to better coordinate these processes to simplify the development pipeline and ease barriers to efficient development without reducing municipal oversight.

Strategies to consider include joint meetings of the Planning Board, Design Review board and/or Conservation Commission, a Staff review session early in the application process, and peer review early in the application process.

#### More information:

- Massachusetts Association of Regional Planning Agencies: *A Best Practices Model for Streamlined Local Permitting*: <https://www.mass.gov/doc/permittingbestpracticesguidepdf/download>

### 15. Study potential benefits of revising residential dimensional standards to match historical and existing development patterns.

Salem's zoning code is not fully representative of actual land uses in many residential areas of Salem. The minimum lot area and frontage of many parcels exceeds the lot sizes as built. These neighborhoods likely predate current zoning requirements, creating excessive pre-existing

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<sup>4</sup> The Municipal or Religious Reuse zoning provisions allow a wide range of uses for reuse of municipal buildings and mandates a percentage of affordable units in such projects. By special permit issued by the Planning Board, existing municipal or religious buildings of at least 4,000 square and at least 50 years old may be converted into any number of other uses including multi-family residential, residential above commercial establishments, artist residences or lofts, banks, barber shops, bookstores, offices, craft shops, galleries, florists, laundromats, medical offices, specialty food stores, tailors, and museums. Any number of these uses may be approved in addition to the uses permitted by right or special permit in the underlying zone. A minimum of 10 percent of the total units must be affordable for LMI households (up to 80 percent AMI).



nonconforming lots and barriers to developing infill housing on these lots that are similar in size to the existing built environment.

Consider revising dimensional standards for infill development or vacant lots to match existing development patterns more closely to increase the potential for infill development that matches existing historical neighborhood patterns and avoid onerous permitting processes, thus promoting the creation or rehabilitation of housing supply in the city and allowing for more housing types to serve a wider range of residents.

**More information:**

- MHP, *Illegal Neighborhoods: How to Use Zoning to Create Great Communities*. [https://www.mhp.net/writable/resources/documents/Illegal-neighborhoods-presentation\\_2016-Housing-Institute.pdf](https://www.mhp.net/writable/resources/documents/Illegal-neighborhoods-presentation_2016-Housing-Institute.pdf)
- Sightline Institute article – <https://www.sightline.org/2021/08/06/the-eight-deaths-of-portlands-residential-infill-project/>

## 16. Study residential parking minimums

Mandatory off-street parking requirements can significantly increase the costs of affordable housing development. Salem generally requires 1.5 parking spaces per dwelling unit in most zones with limited exceptions such as the Municipal or Religious Reuse program and the new Bridge Street Neck Overlay District.

Study the current parking landscape in Salem to determine areas with excess capacity and high demand. Use the results of the study to inform future parking policy for new developments, potentially tying parking minimums to the number of bedrooms in a development. Consider the differences in parking needs across neighborhoods due to differing development patterns and ages of the neighborhoods (e.g. Highland Ave. vs Derby Street, for example).

**More information:**

- Harvard Joint Center for Housing Studies: *Parking Requirements and Foundations are Driving Up the Cost of Multifamily Housing*. <https://www.jchs.harvard.edu/blog/parking-requirements-and-foundations-are-driving-up-the-cost-of-multifamily-housing>

## 17. Consider rezoning options both city-wide and in transitional areas with accompanying considerations for transit to support denser development.

Salem faces significant zoning barriers to unlocking further housing development both city-wide and in specific areas of the City.

As identified in this plan, one significant barrier to achieve greater housing production is the City's zoning regulations. Multifamily development is allowed on roughly 13 percent of Salem's land area by right, which poses challenges to promote housing production in low density areas of the City. Salem should explore feasible options to upzone, while addressing environmental and affordable housing constraints and needs, to increase the percentage of areas where multi-family homes may be built including, but not limited to, city-wide, neighborhood, and in transit-oriented areas.

**More information:**

- DHCD : Chapter 40R. <https://www.mass.gov/service-details/chapter-40r>

- Massachusetts Historical Commission : *Preservation Through Bylaws and Ordinances*, 2010.  
<https://www.hingham-ma.gov/DocumentCenter/View/6735/preservation-through-bylaws-and-ordinances->

## **18. Adopt an Urban Center Housing Tax Increment Financing (UCH-TIF) or another tax-incentive program to promote affordable and mixed-income housing development.**

The UCH-TIF Program provides real estate exemptions on all or part of the increased value (the “Increment”) of improved real estate. A UCH-TIF Agreement provides an annual real estate tax exemption for up to 20 years for all or part of the real estate tax on the increment. All Massachusetts cities and towns having designated commercial centers and a need for multi-unit housing are eligible to adopt a UCH-TIF.

To participate in the program, a city or town must adopt a detailed urban center housing tax increment financing plan (“UCH-TIF Plan”) for a designated area with high business or commercial use (the “UCH-TIF Zone”). The UCH-TIF Plan must include:

- Development plans for proposed public and private projects in the UCH-TIF Zone
- Executed agreements with the property owners who will be doing new development and who will be receiving tax increment exemptions (“UCH-TIF Agreements”).

A UCH-TIF Agreement provides an annual real estate tax exemption for up to 20 years for all or part of the real estate tax on the increment. The Agreement also specifies the affordable housing to be created and includes an affordable housing restriction which ensures that 25% of the housing assisted by the exemption will be affordable for 40 years or the useful life of the housing, whichever is longer.

Other types of local tax incentives could be created through home rule petition, such as the special legislation for the Town of Amherst. Chapter 148 of the Acts of 2015, *An Act Providing Affordable Housing Property Tax Incentives in the Town of Amherst*, allows the Select Board to enter into agreements for special tax assessments for properties that include LMI affordable housing.

### **More information:**

- MA Department of Housing and Community Development (DHCD) website:  
<https://www.mass.gov/service-details/urban-center-housing-tax-increment-financing-uch-tif>
- Amherst Special Legislation, Chapter 148 of the Acts of 2015, *An Act Providing Affordable Housing Property Tax Incentives in the Town of Amherst*  
<https://www.amherstma.gov/DocumentCenter/View/37808/6d-5-An-Act-Providing-Affordable-Housing-Property-Tax-Incentive-in-Amherst>

## **19. Adopt zoning amendments to promote small efficiency units including Single Room Occupancy (SRO) housing to provide permanent supportive housing particularly for formerly unhoused or those vulnerable to housing instability**

People need a stable, decent, permanent place to live first as a foundation for wellbeing. Historically, SROs were a common form of housing that provided an important and affordable option for people at many life stages and situations.

SRO housing is a residential property that includes multiple single room dwelling units. Each unit is for occupancy by a single eligible individual. There are a variety of types of SROs. The unit need not, but may, contain food preparation or sanitary facilities, or both. SROs are an essential housing type to permanent housing for formerly unhoused individuals or those at risk of becoming unhoused.

Enriched SROs is a type of SRO where social services are available onsite or by referral through a supportive services program.

A local example is Lifebridge, which currently has 22 units of SROs in Salem that is combined with supportive programs and training.

While not a traditional SRO, but similar in many ways is the concept of a tiny house village and micro units. A public – private partnership in Worcester is resulting in a tiny house village and a state partnership with their Housing Authority is resulting in studios that will provide permanent housing for people who have been chronically unhoused. Each home will be less than 500 s.f. and contain a bedroom, bathroom, and combination living/kitchen area. Both models will include on-site housing specialists.

Promote the creation of SROs through development regulations that recognize the economics of creating SROs, that do not trigger a lengthy design review process, and can avoid or reduce providing off-street parking. SROs can be encouraged through adaptive reuse of existing buildings as well as new construction.

**More information:**

- EDGE PD&R, *Considering SRO Housing in New York City and Beyond*, June 2018: <https://www.huduser.gov/portal/pdredge/pdr-edge-trending-062518.html>
- Bedford, Tori, GBH News: *Village of Tiny Homes Will Offer Permanent Housing for Some of Worcester's Homeless*: <https://www.wgbh.org/news/local-news/2021/07/18/a-village-of-tiny-homes-will-offer-permanent-housing-for-worcesters-homeless-population>
- Jolicoeur, Lynn, WBUR: *Worcester To Have State's First Modular Building Of Micro-Units To House Chronically Homeless*: <https://www.wbur.org/news/2020/06/15/worcester-homeless-services-apartments>

## C. MUNICIPAL SUBSIDY STRATEGIES

### 20. Leverage state and other public resources to assist in the creation and rehabilitation of housing

There are numerous state and public funding programs available to assist in the creation and rehabilitation of housing. These funding streams and others have the potential to rehabilitate and increase Salem's overall housing stock and specifically its deed-restricted affordable housing stock.

The Mass Housing Neighborhood Stabilization Program funds cities, non-profits, and CDCs for small homeownership or rental construction, renovation, or repair of sub-standard housing units. The Commonwealth Builder Program funds the creation of deed-restricted single-family homes and condominiums for moderate-income households, with a focus on households of color. American Rescue Plan Act (ARPA) funds can be used for a wide range of housing-related purposes, including emergency rental assistance, emergency housing vouchers, assistance to homeowners behind on mortgage payments, homelessness assistance and supportive services, funds for fair housing activities, and affordable housing development, preservation, or rehabilitation.

#### More information:

- Mass Housing: *Neighborhood Stabilization Program*.  
<https://www.masshousing.com/en/programs-outreach/neighborhood-stabilization-program>
- Mass Housing: *Commonwealth Builder Program*.  
<https://www.masshousing.com/en/developers/commonwealth-builder>
- HUD: *Fact Sheet – Housing Provisions in the American Rescue Plan Act of 2021*.  
[https://www.hud.gov/sites/dfiles/Main/documents/Factsheet\\_Housing\\_Provisions\\_American\\_Rescue\\_Plan\\_Act-2021.pdf](https://www.hud.gov/sites/dfiles/Main/documents/Factsheet_Housing_Provisions_American_Rescue_Plan_Act-2021.pdf)
- Urban Institute: *How are Cities Planning to Use State and Local Fiscal Recovery Funds for Their Housing Needs?* <https://www.urban.org/urban-wire/how-are-cities-planning-use-state-and-local-fiscal-recovery-funds-their-housing-needs>

### 21. Consider issuing municipal bonds and/or bonding Community Preservation Act funds for affordable housing production

Salem adopted the Community Preservation Act (CPA) in 2012 and has raised over \$6 million in total since the program was introduced. Many municipalities across the state have issued bonds against future CPA revenue to fund a variety of projects, which is authorized by Section 11 of the CPA. A two-thirds majority of the legislative body is required to approve a bonded project, rather than the usual majority vote for most CPA projects. Bonding CPA funds could add a steady revenue stream to the city's affordable housing production funding.

#### More information:

- Community Preservation Coalition: *Bonding Community Preservation Act Funds*.  
<https://www.communitypreservation.org/bonding>

### 22. Study the impacts of a real estate transfer tax and consider adoption to apply to high end real estate transactions, if enabled through state legislation or as a home rule petition

State-wide enabling legislation would allow municipalities to levy a transfer fee on high-end real estate sales and use the funding generated to create affordable housing. Some communities have also proposed special legislation through home rule petitions for such a transfer fee. Nine municipalities (Boston, Somerville, Nantucket, Provincetown, Concord, Cambridge, Arlington, Brookline, and

Chatham) have already passed local home rule petitions, each of which now requires approval by the State House.

As stated by the Local Option for Housing Affordability Coalition: “Transfer fees are proven to be an effective, efficient, and equitable tool for raising revenue to create and support affordable housing. Studies show that a small real estate transfer fee would generate millions of dollars each year for local affordable housing programs. This revenue would make a major positive impact on the lives of Massachusetts residents struggling to find affordable housing, without hurting the real estate market.”

More information:

- Proposed legislation: <https://malegislature.gov/Bills/192/HD1911/House/Bill/Text>
- Local Option for Housing Affordability Coalition: <https://www.realestatetransferfee.org/>

### **23. Support the existing rehabilitation program that provides accessibility assistance and prioritize funds for property owners who rent to voucher holders**

The City of Salem provides Housing Rehabilitation Loan Programs for low- and moderate-income homeowners and rental property owners who rent to low- and moderate-income households. These loans range from technical assistance (inspection and solicitation of contractor bids) to zero percent interest loans for repairs. These loans can be used to bring housing up to Federal Quality Housing standards, and to provide for handicapped accessibility, among other uses.

Given the challenges around accessibility for Salem homeowners aging in place and the relatively old age of the city’s housing stock which can cause difficulties for residents with disabilities, continue to fund and support this rehabilitation program.

Consider targeting rental rehab funds to property owners who rent (or will agree to rent) to tenants with Section 8 vouchers.

More information:

- Imagine Salem: *City of Salem Housing Programs*. <https://imaginesalem.org/city-of-salem-housing-programs>

### **24. Study local rental voucher program enacted during COVID-19 pandemic to measure effectiveness and possibilities for continuation or improvement.**

In response to the COVID-19 pandemic, the City of Salem, and North Shore Community Action Partners (NSCAP) instituted an emergency rental assistance program providing \$500 per household for two months, paid directly to the landlord, for households earning 50 percent AMI or below and spending 30 percent of their income or more on rent who had a demonstrable drop in their income due to the COVID-19 pandemic. The program has been funded but is not being spent down at the expected rate.

Study the effectiveness of this program to track its use and better understand barriers to use, with an aim to increase publicity and use of the program and draft recommendations for continuation, if desired.

More information:

- City of Salem: *Salem Together Assistance & Recovery Toolkit*. <https://www.salemma.gov/START>

## 25. Incentivize property owners to keep rents affordable by offering property tax abatements to owners who rent to low- and moderate-income households.

The federal government and municipalities across the country encourage the creation and preservation of affordable housing through foregone revenue from tax exemptions or abatements rather than direct subsidy, such as LIHTC or UCH-TIF (see Strategy 20). A tax abatement directly reduces the amount of tax owed (as opposed to a tax exemption, which changes the value of a property). In various jurisdictions, tax abatements are granted for a flexible range of uses including creation, rehabilitation, and preservation of affordable housing or participation in housing or voucher programs.

Consider a property tax abatement for rental property owners in Salem who rent to low- and moderate-income households. Rental property owners would receive reductions on their tax bill in exchange for keeping rents at or below a certain income threshold. The City should carefully consider at what income level to set the threshold for the abatement, and to ensure the project would specifically target units whose rent would otherwise be increased without the existence of the program.

For example, Provincetown, MA has special legislation that allows a residential real estate exemption for “property that is rented to and occupied by a person of low income, as a rental amount not exceeding the standards of the US Department of Housing and Urban Development for low-income persons.” The Provincetown exemption is equal to the tax otherwise due on the property for the portion of the property rented to an income qualifying household. (*Chapter 408 of the Acts of 2002: An Act Relative to Property Tax Exemptions for Rental Properties in the Town of Provincetown used as Affordable Housing*, approved December 19, 2002).

### More information:

- Local Housing Solutions: *Tax abatements or exemptions*. <https://localhousingsolutions.org/housing-policy-library/tax-abatements-or-exemptions/>
- National Housing Conference: *Tax abatements: The basics*. <https://nhc.org/policy-guide/tax-abatements-the-basics/>
- Provincetown, MA special legislation, *Chapter 408 of the Acts of 2002: An Act Relative to Property Tax Exemptions for Rental Properties in the Town of Provincetown used as Affordable Housing*: <https://malegislature.gov/Laws/SessionLaws/Acts/2002/Chapter408>

## 26. Consider a multi-family home buyer program to help residents buy multi-unit homes in exchange for rent caps to promote wealth building.

Many Salemites (and New Englanders in general) built wealth through purchasing multi-unit homes, living in one unit, and renting out the other units. With the increases in condominium conversions (see Strategy 10) and rising house prices, this important means of wealth-building, particularly for lower-income households, is becoming more difficult.

Consider a program structured like a first-time homebuyer program but targeted specifically at multi-unit homes. Finance the program through a soft second mortgage or a grant in exchange for rent caps on the rental units and the condition that the homeowner live in one of the units. Incentivizing the program using rent caps rather than a deed-restriction would allow individual homeowners to administer the units without excessive bureaucracy.

### More information:

- HUD. *Homeownership Assistance: Massachusetts*.  
<https://www.hud.gov/states/massachusetts/homeownership/buyingprgms>
- Curbed. *Everything You Need to Know About Triple-Deckers*.  
<https://boston.curbed.com/2020/3/6/21162105/boston-triple-deckers-three-own-reno>

## 27. Consider purchasing right of first refusal from current owners.

Consider creating a new local program, perhaps with ARPA or other funding sources, to fund the City to purchase rights of first refusal (ROFR) from current owners of multi-family buildings/NOAH who volunteer to participate in the program. A ROFR is based on contractual agreement that provides a right to enter into a business transaction for purchase of a property before anyone else can. Such ROFR is triggered when a property owner indicates their intention to sell. Such a ROFR could be purchased at a nominal rate and would allow the City to work with a non-profit or other mission-based developer to purchase a building at fair market-rate before they go on the market.

## D. IMPLEMENTATION CAPACITY & OUTREACH STRATEGIES

### 28. Increase public awareness of existing renter rights.

Massachusetts has numerous laws relating to tenant rights including limits on late payment penalties, minimum habitability standards, notification for utility termination, and prohibitions on unlawful discrimination. Many renters are unaware of these existing rights. Create an educational campaign, potentially in the form of a website or citywide mailer, to increase public awareness of existing tenant rights, potentially as an addition to the recently formed Housing Stability Services program (see Strategy 17) and/or the Housing Stabilization Office (see Strategy 32).

#### More information:

- Mass.gov: *Tenant rights*. <https://www.mass.gov/info-details/tenant-rights>
- City of Somerville Citywide Housing Rights Mailer:  
<https://www.somervillema.gov/sites/default/files/OHS%20Flyer%20FINAL.pdf>

### 29. Consider creating a permanent Housing Stabilization Office.

The recently launched Housing Stability Services program (see Strategy 17) represents a pilot effort to provide housing resources for Salem residents, particularly those at risk of eviction or abuse by rental property owners. Boston, Somerville, Revere, and other municipalities have created Housing Stabilization Offices to help tenants and rental property owners navigate challenging housing issues, with an emphasis on preventing displacement and providing education to lower-income and marginalized residents.

Consider expanding the Housing Stability Services program to create a Housing Stability office in Salem with resources and programs for renters and property owners, information available in multiple languages and educational materials, particularly if increased tenant protections and rent caps (see Strategies 9 and 16) come into effect, and to educate about other components of this plan as they are implemented. This would likely require hiring additional city staff at least part-time. This could potentially be funded by a fee on rental properties, as implemented in several other cities around the country.

#### More information:

- City of Boston: *Office of Housing Stability*.  
<https://www.boston.gov/departments/housing/office-housing-stability>

- City of Somerville: *Office of Housing Stability*. <https://www.somervillema.gov/departments/office-strategic-planning-and-community-development-ospcd/office-housing-stability>
- City of Revere: *Office of Housing Stability*. <https://www.revere.org/business-development/office-of-housing-stability>

### 30. Create a rental registry to track rents, evictions, and other metrics.

Tracking rent data is notoriously difficult using Census data, and increased attention to tenant rights and potential rent caps requires effective tracking mechanisms. Cities around the country, including Boston, have been creating rental registries to improve data quality around rents, evictions, share of rental and short-term rental properties.

Create a rental registry in Salem, potentially as part of the Housing Stabilization Office (see Strategy 32), as a means of tracking the rental landscape and to collect better data to inform rent restriction, subsidies, local action unit rents, and anti-displacement measures. Compliance could be ensured with a penalty fee, as implemented in Boston and some other cities. In Boston, this program is tied to city inspections of rental properties, which could also be considered if capacity allows.

#### More information:

- City of Boston: *How to Register a Rental Property*. <https://www.boston.gov/departments/inspectional-services/how-register-rental-property>
- Town of Barnstable. *Rental Registration*. <https://town.barnstable.ma.us/Departments/healthdivision/Rental-Registration.asp>



## ACTION PLAN MATRIX

The Planning and Community Development Department will oversee all aspects of the Housing Road Map's implementation. The matrix below provides detailed information on responsible and supporting entities and a suggested timeframe to implement the housing strategies.

### Abbreviations Used the in Matrix Below:

AO = Assessor's Office  
 CC = City Council  
 CPC = Community Preservation Committee  
 HA = Housing Authority  
 IS = Inspectional Services  
 PB = Planning Board  
 PCD = Planning and Community Development Department  
 SAHTF = Affordable Housing Trust Fund  
 SHSO = Salem Housing Stability Office

Type	#	Housing Strategy	FY2023	FY2024	FY2025	FY2026	FY2027	Responsible Entity	Supporting Entities
Stability	1	Consider rent stabilization or anti-gauging programs for renters*						CC	PCD SAHTF SHSO
	2	Support Condominium Conversion ordinance in process*						CC	PCD
	3	Investigate programs for displacement compensation for renters and homeowners.						SHSO	PCD
	4	Study gentrification and neighborhood change to explore the most effective anti-displacement policy and regulatory measures.						SAHTF	PCD
	5	Consider adopting an Affirmatively Furthering Fair Housing ordinance.						CC	PB PCD
	6	Consider supporting and advocating for a Community Land Trust.						SAHTF	CPC PCD
	7	Investigate metrics to create Salem-specific capping of rent increases for local action units.						PB	PCD
	8	Enact stronger tenant protections.						CC	PCD
	9	Continue to assess progress of recently launched Housing Stability Services program and investigate potential additional components to the program.						PCD	SAHTF
	10	Consider a centralized housing lottery agent/resource center.						PCD	HA
	11	Partner with lending institutions and public service agencies to support housing stability						SAHTF	PCD
Supply	12	Study effectiveness of the existing Affordable Housing Policy and consider adopting Inclusionary Zoning.						CC	PB PCD
	13	Prioritize affordable housing development or redevelopment when disposing of municipal property.						CC	Mayor PCD

Type	#	Housing Strategy	FY2023	FY2024	FY2025	FY2026	FY2027	Responsible Entity	Supporting Entities
	14	Consider adopting best practices in coordinating permitting processes to increase efficiency of development pipeline.						IS	PB PCD
	15	Study potential benefits of revising residential dimensional standards to match historical and existing development patterns more closely.						CC	PB PCD
	16	Study residential parking minimums.						CC	PB PCD
	17	Consider rezoning options in transitional areas with accompanying considerations for transit to support denser development						CC	PB PCD
	18	Adopt an Urban Center Housing Tax Increment Financing (UCH-TIF) or another tax incentive program to promote affordable and mixed-income housing development.						CC	Mayor PCD
	19	Adopt zoning amendments to promote small efficiency units including Single Room Occupancy (SRO) housing to provide permanent supportive housing particularly for formerly unhoused or those vulnerable to housing instability.						CC	PB PCD
Municipal Subsidy	20	Leverage state and other public resources to assist in the creation and rehabilitation of housing.						PCD	Mayor SHSO
	21	Consider issuing municipal bonds and/or bonding Community Preservation Act funds for affordable housing production.						CC	CPC SAHTF
	22	Study the impacts of a real estate transfer tax and consider adoption to apply to high end real estate transactions, if enabled through state legislation.						CC	Mayor AO PCD
	23	Support the existing rehabilitation program that provides accessibility assistance and prioritize funds for property owners who rent to voucher holders.						PCD	HA SHSO
	24	Study local rental voucher program enacted during COVID-19 pandemic to measure effectiveness and possibilities for continuation or improvement.						PCD	SHSO
	25	Incentivize property owners to keep rents affordable by offering property tax abatements to owners who rent to low- and moderate-income households.						CC	AO SHSO
	26	Consider a multi-family home buyer program to help residents buy multi-unit homes in exchange for rent caps to promote wealth building.						SHSO	PCD
	27	Consider purchasing right of first refusal from current owners.						SHSO	Mayor PCD
Implement	28	Increase public awareness of existing renter rights.						SHSO	PCD

Type	#	Housing Strategy	FY2023	FY2024	FY2025	FY2026	FY2027	Responsible Entity	Supporting Entities
	29	Consider creating a permanent Housing Stabilization Office.						Mayor	CC PCD
	30	Create a rental registry to track rents, evictions, and other metrics.						SHSO	

## GOALS AND STRATEGIES MATRIX

The strategies are summarized in the matrix below that indicates which goals each strategy could help Salem to achieve.

### A. Stability

#	Strategy	Overarching Goals			Location Goals			Sustainability & Design Goals	
		Preservation & Stability	Households in Need	Supply	Complete Neighborhoods	Transformative Areas	Middle Housing	Sustainability & Resilience	Rehabilitation
		G1	G2	G3	G4	G5	G6	G7	G8
1	Consider rent stabilization or anti-gauging programs for renters*	X	X						
2	Support Condominium Conversion ordinance in process*	X	X				X		X
3	Investigate programs for displacement compensation for renters and homeowners.	X	X					X	
4	Study gentrification and neighborhood change to explore the most effective anti-displacement policy and regulatory measures.	X	X	X					
5	Consider adopting an Affirmatively Furthering Fair Housing ordinance.	X	X			X			
6	Consider supporting and advocating for a Community Land Trust.	X	X	X			X	X	X
7	Investigate metrics to create Salem-specific capping of rent increases for local action units.	X	X						
8	Enact stronger tenant protections.	X	X						
9	Continue to assess progress of recently launched Housing Stability Services program and investigate potential additional components to the program.		X						
10	Consider a centralized housing lottery agent/resource center.	X	X						
11	Partner with lending institutions and public service agencies to support housing stability	X	X	X			X		
* These strategies would require state approval or are beyond the typical role of the city.									

## B. Supply

#	Strategy	Overarching Goals			Location Goals			Sustainability & Design Goals	
		Preservation & Stability	Households in Need	Supply	Complete Neighborhoods	Transformative Areas	Middle Housing	Sustainability & Resilience	Rehabilitation
		G1	G2	G3	G4	G5	G6	G7	G8
12	Study effectiveness of the existing Affordable Housing Policy and consider adopting Inclusionary Zoning.		X	X					
13	Prioritize affordable housing development or redevelopment when disposing of municipal property.	X	X	X					X
14	Consider adopting best practices in coordinating permitting processes to increase efficiency of development pipeline.			X		X	X	X	
15	Study potential benefits of revising residential dimensional standards to match historical and existing development patterns more closely.	X		X	X		X		X
16	Study residential parking minimums.	X		X	X				
17	Consider rezoning options in transitional areas with accompanying considerations for transit to support denser development		X	X		X		X	X
18	Adopt an Urban Center Housing Tax Increment Financing (UCH-TIF) or another tax incentive program to promote affordable and mixed-income housing development.	X	X	X					
19	Adopt zoning amendments to promote small efficiency units including Single Room Occupancy (SRO) housing to provide permanent supportive housing particularly for formerly unhoused or those vulnerable to housing instability								

## C. Municipal Subsidy

#	Strategy	Overarching Goals			Location Goals			Sustainability & Design Goals	
		Preservation & Stability	Households in Need	Supply	Complete Neighborhoods	Transformative Areas	Middle Housing	Sustainability & Resilience	Rehabilitation
		G1	G2	G3	G4	G5	G6	G7	G8
Income Generating Strategies									
20	Leverage state and other public resources to assist in the creation and rehabilitation of housing	X	X	X					
21	Consider issuing municipal bonds and/or bonding Community Preservation Act funds for affordable housing production.		X	X	X	X		X	
22	Study the impacts of a real estate transfer tax and consider adoption to apply to high end real estate transactions, if enabled through state legislation.	X	X	X					X
Municipal Spending Strategies									
23	Support the existing rehabilitation program that provides accessibility assistance and prioritize funds for property owners who rent to voucher holders.	X	X						X
24	Study local rental voucher program enacted during COVID-19 pandemic to measure effectiveness and possibilities for continuation or improvement.	X	X						
25	Incentivize property owners to keep rents affordable by offering property tax abatements to owners who rent to low- and moderate-income households.	X	X				X		
26	Consider a multi-family home buyer program to help residents buy multi-unit homes in exchange for rent caps to promote wealth building.	X		X					
27	Consider purchasing right of first refusal from current owners.	X		X					

## D. Implementation Capacity & Outreach

#	Strategy	Overarching Goals			Location Goals			Sustainability & Design Goals	
		Preservation & Stability	Households in Need	Supply	Complete Neighborhoods	Transformative Areas	Middle Housing	Sustainability & Resilience	Rehabilitation
		G1	G2	G3	G4	G5	G6	G7	G8
28	Increase public awareness of existing renter rights.	X	X						
29	Consider creating a permanent Housing Stabilization Office	X	X				X		
30	Create a rental registry to track rents, evictions, and other metrics	X	X				X		

# CHAPTER 3: DEMOGRAPHIC PROFILE

An analysis of local demographic data and housing stock reveals key characteristics and trends in Salem that help explain housing needs and demand. The characteristics of a community's residents, such as their life stage, wealth, household size, and race/ethnicity are intricately linked to the characteristics of the city's housing stock. To understand the wider context of Salem's housing needs, we compare the demographics of Salem to Essex County and Massachusetts at times, as well as to five nearby communities: Beverly, Lynn, Peabody, Framingham, and Haverhill. These communities were chosen due to geographic proximity as well as similarities in population, density, racial/ethnic makeup, income levels, rent prices, home values, and the proportion of residents who commute in and out of the community. This chapter will provide the framework for housing production goals and strategies to address local housing concerns included earlier in this document.

## KEY FINDINGS

- The 2020 Census represents the first time that the city's population has surpassed its 1930 peak.
- About 30 percent of Salem's population is between the ages of 18 and 34, compared to 24 percent statewide. Projections for a continued high proportion of young adult residents suggest a continued need for a significant quantity of rental housing in the city.
- Overall, when compared with the Commonwealth as a whole, Salem's lower percentage of family households, higher share of single-parent households, and increasing percentage of older adults living alone suggest the need for flexible and small housing options for the city's residents.
- Most of Salem's households are one- and two-person households. Together, these households make up about 71 percent of Salem's households, compared with about 60 percent in Essex County and statewide.
- Salem has a high share of residents identifying as Hispanic/Latino, about 20 percent of the city's population, nearly double the statewide average of 12 percent. The city's Hispanic/Latino population has grown significantly since 2010 when it accounted for about 15 percent of the city's residents.
- Salem's estimated median household income is \$68,808 per the 2019 ACS estimates. This is about \$44,500 less than the greater Boston Area Median Income (AMI) of \$113,300. Over the past two decades, the income of Salem's households has not kept pace with rising incomes in the region. When adjusted for inflation, the Median Household Income in Salem has increased about two percent since 2000, whereas the AMI of the greater Boston area has increased by about 13 percent in the same period.
- About 11 percent of Salem's families fall below the Federal poverty threshold by 2019 ACS estimates. When compared with surrounding communities, this is one of the higher poverty rates in the region, with only Lynn higher at 13 percent, whereas Beverly, Peabody, and Framingham all have lower poverty rates at between 6 and 7 percent.
- Salem renters' median income in 2019 was around \$40,516 whereas the median income of a Salem homeowner was around \$100,548. This is particularly notable given the relatively high percentage of renters in the city and suggests a demand for affordable rental units in the city.
- Gentrification pressures are a significant concern in areas with higher concentrations of naturally occurring affordable housing – rental stock in generally older buildings which provides an important base of housing units for low/moderate-income Salem residents. With a high concentration of BIPOC, lower-income, immigrant and linguistically isolated residents, The Point is particularly vulnerable to rising housing prices and these pressures.

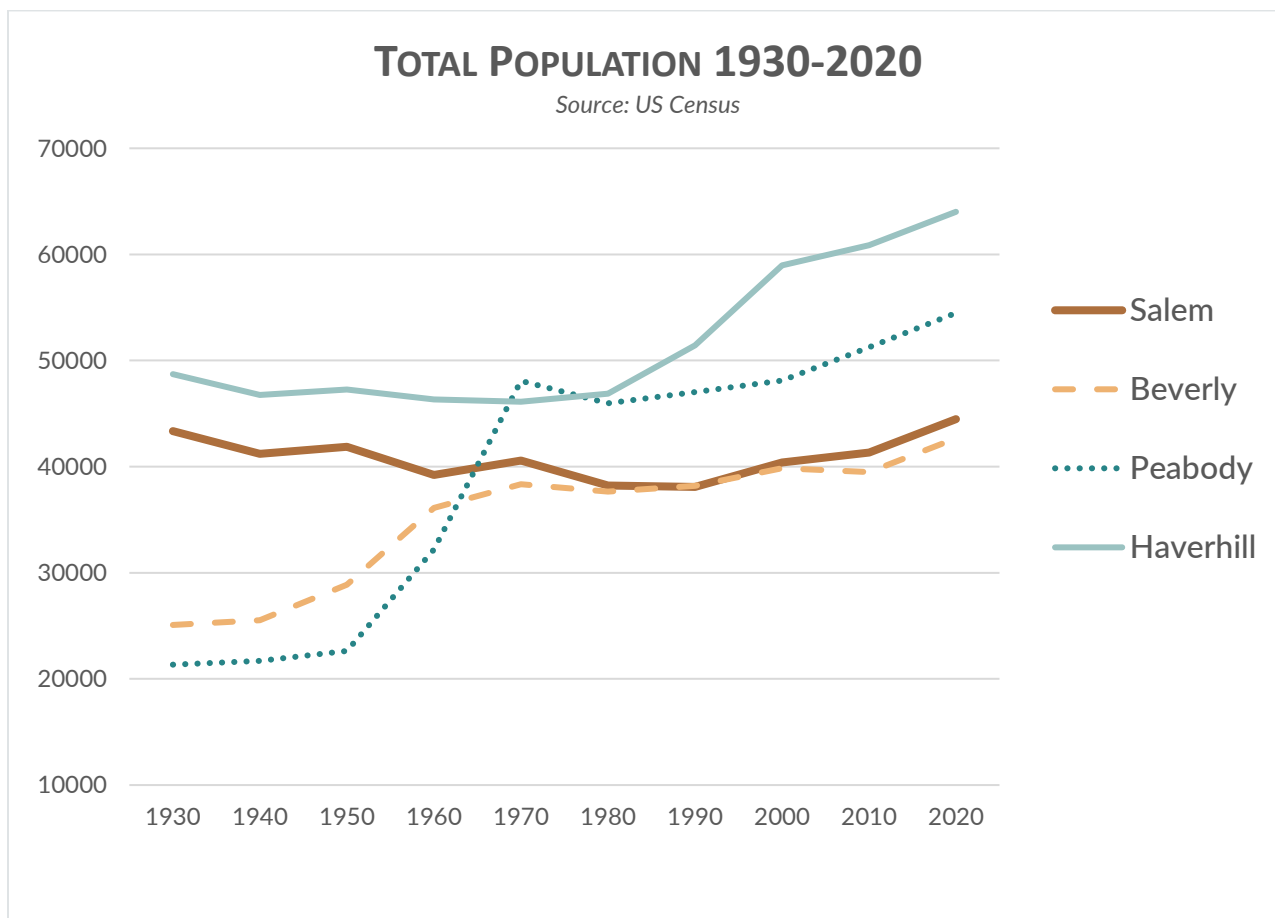
- The large number of jobs created by the offshore wind industry will likely increase pressure on the housing supply in Salem and across the North Shore.

## DEMOGRAPHICS

The Salem Housing Road Map is grounded in a thorough examination of Salem’s demographic makeup. An analysis of the current population characteristics, household composition, race, ethnicity, and trends over time provides insight into the existing housing needs and demand. Projections of Salem’s future residential composition help inform housing planning efforts.

### POPULATION

Salem’s population is 44,480 according to the recently released 2020 Census, an increase of 8 percent since 2010. Salem’s previous population peak was in 1930, at 43,353, followed by a gradual decline until 1990 when the population began growing again.

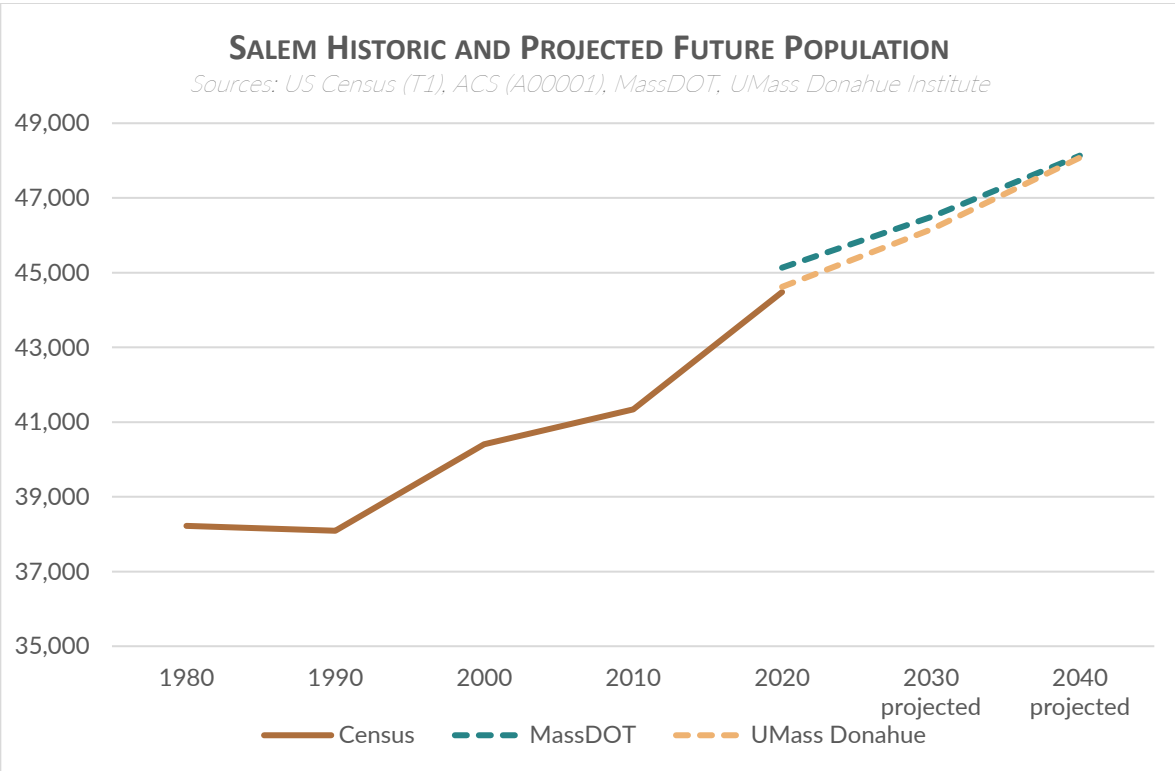


*The 2020 Census represents the first time that the city’s population has surpassed its 1930 peak.*

When compared with neighboring municipalities, Salem’s population has been relatively stable since the end of World War II, particularly contrasted with the rapid postwar growth seen in Beverly and Peabody. However, all four communities shown above have experienced steady growth since 2000.



Recent population projections from the UMass Donahue Institute and MassDOT suggest a continuation of the current trend at about 8 percent growth, with a forecast population of around 48,000 residents by 2040, placing increasing pressure on the city's housing market.

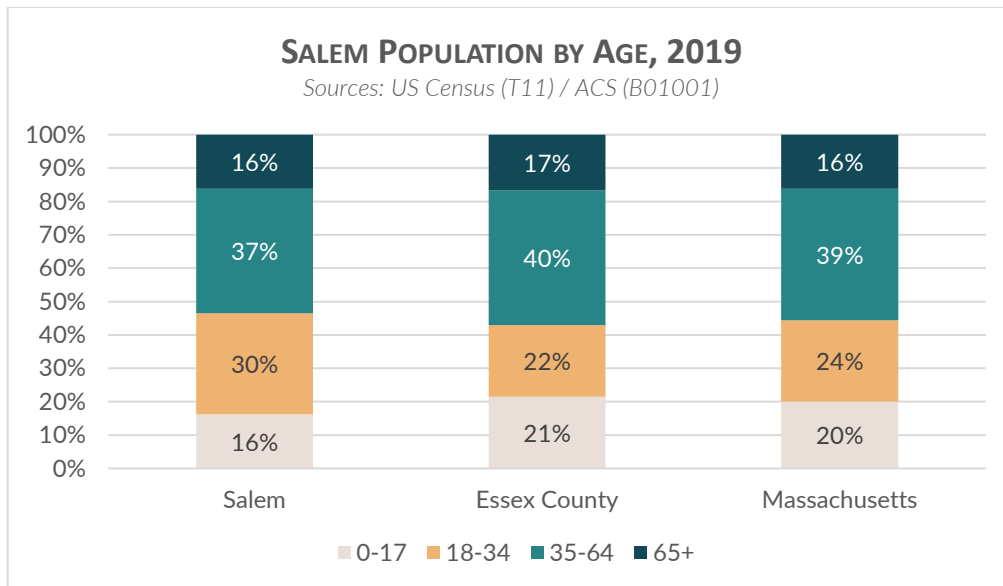


### Distribution of Population by Age

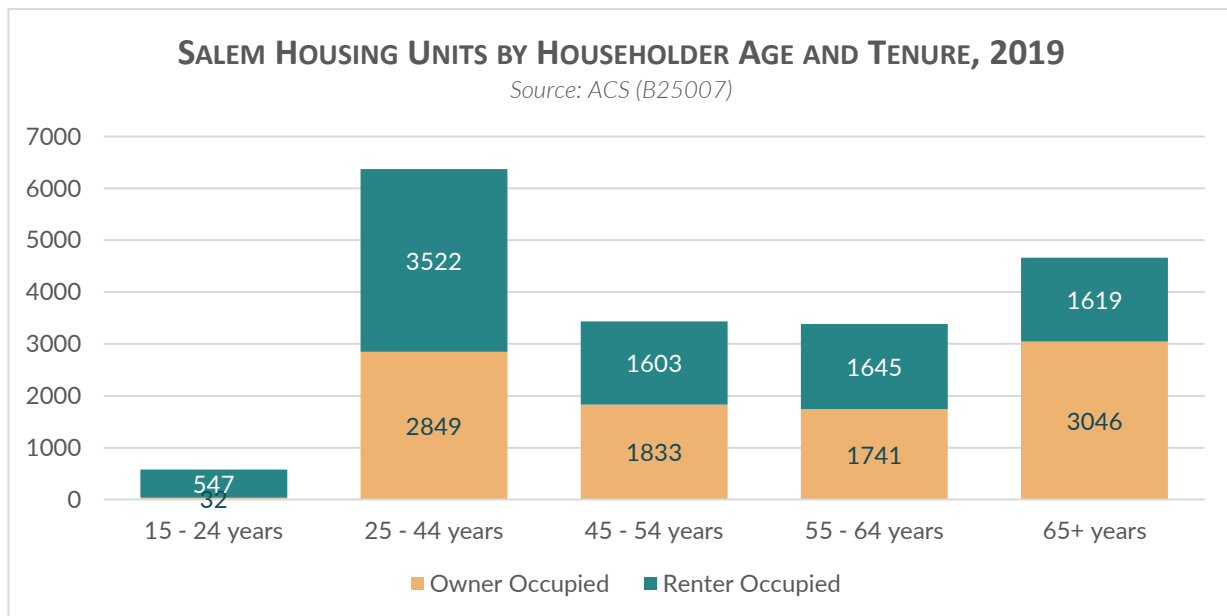
Salem has been identified by the Massachusetts Housing Partnership (MHP) as a “Millennial Peak” community – an age typology with a disproportionately large population of young adults aged 20-35, found in several communities around the state including some Gateway Cities as well as several Boston suburbs.

**About 30 percent of Salem's population is between the ages of 18 and 34, compared to 24 percent statewide.**

There is also a correspondingly lower percentage of children aged 0-17 compared with Essex County and the state, suggesting fewer than average children among the young adult demographic. Salem's proportion of adults aged 35 and older is consistent with regional and statewide averages.



Since 2010, Salem’s age breakdown has been relatively stable, with a slight increase in the young adult population as well as a slight increase in the population of adults aged 65 and older. Projections from the UMass Donahue institute suggest that the age distribution in Salem is likely to remain consistent over the next two decades, retaining a higher-than-average share of young adult residents.



Combining age and tenure can also shed light on potential demand for certain types of housing units in the city. Overall, Salem has a high percentage of renters, and as shown above, more than half of the young adult age cohort rents their housing rather than owning.

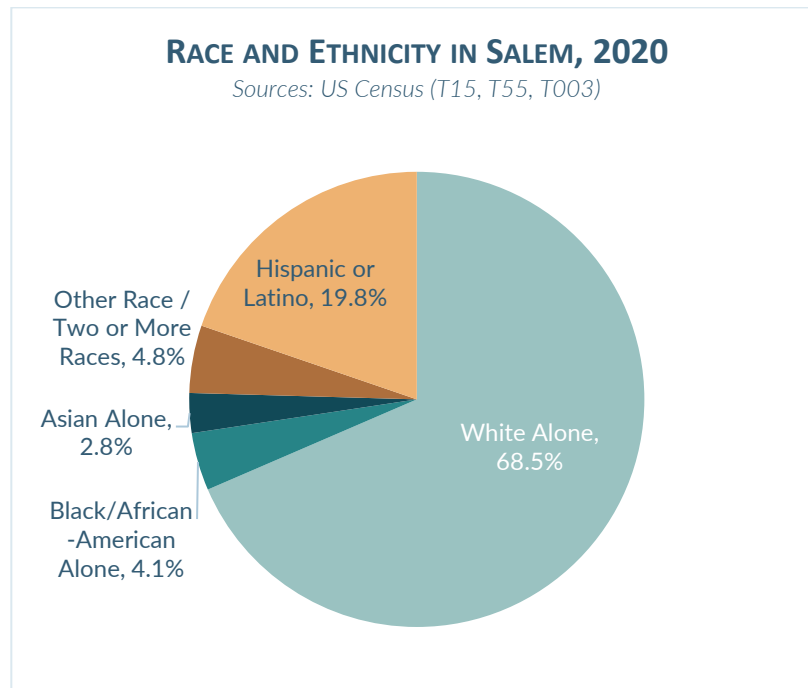
***The projections for a continued high proportion of young adult residents therefore also implies a continued need for a significant quantity of rental housing in the city.***

A full discussion of tenure statistics and trends in Salem can be found in Chapter 4.

## RACE & ETHNICITY

Salem's population is primarily non-Hispanic White, at 68.5 percent, a similar share to Essex County (66.2 percent) and the Commonwealth as a whole (67.6 percent). The city has diversified since 2010, with an eight-percentage point increase in all residents of color, again corresponding to regional and statewide averages over that period.

**Salem has a particularly high share of residents identifying as Hispanic/Latino, at about 20 percent of the city's population, nearly double the statewide average of 12 percent. The city's Hispanic/Latino population has also grown significantly since 2010 when it accounted for about 15 percent of the city's residents.**



About four percent of Salem residents are Black or African American, and a similar percent identify as mixed-race, mirroring recent national trends of significant increases in mixed-race residents in recent years, particularly given the categories currently available on the Census.

## Foreign-Born Population and Languages Spoken at Home

In 2019, an estimated 14 percent of Salem's population were foreign-born. Of this population, the largest share was from Latin America (61 percent). About 18 percent were from Europe and 15 percent from Asia. The remainder were born in Africa, Oceania, or Canada. In Salem, about 78 percent of the population speak only English. Of those with English as a second language, Spanish is the most widely spoken language, with about 5,834 or 14 percent of residents identifying as Spanish speakers. In addition, there small numbers of residents who speak French or Haitian (1.2 percent), other Indo-European languages including Portuguese (2.7 percent), and Russian, Polish, and other Slavic languages (1.1 percent).

## DISABILITY

The U.S. Census Bureau defines a disability as a long-lasting physical, mental, or emotional condition, broken down into the six types detailed in the box to the right. Residents with one or more disabilities can face housing challenges if there is a shortage of housing in a community that is affordable, physically accessible, and/or provides the supportive services that people with disabilities may need.

According to the 2015-2019 ACS, 14 percent of Salem's civilian, non-institutionalized population report having one or more disabilities. This includes eight percent of children under 18 years, eleven percent of adults aged 18 to 64, and 31 percent of residents 65 and older. Salem's disability rate among its children under 18 and adult population (18-64 years) is somewhat higher than the statewide and county averages, though its disability rate for seniors (65 years and older) is comparable to the rate for the County and the state.

**Hearing difficulty:** deaf or having serious difficulty hearing.

**Vision difficulty:** blind or having serious difficulty seeing, even when wearing glasses.

**Cognitive difficulty:** Because of a physical, mental, or emotional problem, having difficulty remembering, concentrating, or making decisions.

**Ambulatory difficulty:** Having serious difficulty walking or climbing stairs.

**Self-care difficulty:** Having difficulty bathing or dressing.

**Independent living difficulty:** Because of a physical, mental, or emotional problem, having difficulty doing errands alone such as visiting a doctor's office or shopping.

**Source:**

<https://www.census.gov/topics/health/disability/guidance/data->

Salem Disability Statistics with Regional Comparison

	Non-Institutionalized Population			Under 18 Years			18-64 Years			65 Years and Over		
	Total	w/Disability	%	Total	w/Disability	%	Total	w/Disability	%	Total	w/Disability	%
<b>Salem</b>	43,107	5,846	14	7,005	546	8	29,198	3,130	11	6,904	2,170	31
<b>Essex County</b>	776,718	91,815	12	167,811	7,919	5	482,256	43,234	9	126,651	40,662	32
<b>Massachusetts</b>	6,777,468	784,593	12	1,368,379	60,992	4	4,338,119	383,233	9	1,070,970	340,368	32

Source: ACS (B18101)

## HOUSEHOLDS

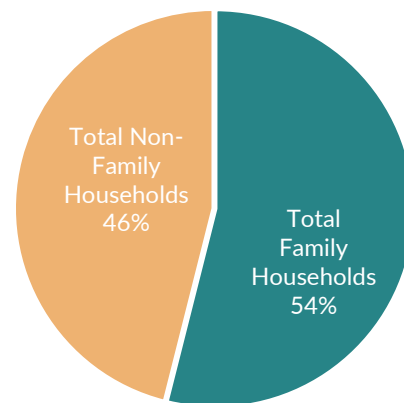
### HOUSEHOLD COMPOSITION

The number and type of households within a community, along with household spending power, correlate to housing unit demand. Each household resides in one dwelling unit, regardless of the number of household members. According to the 2019 ACS estimates, Salem had 18,437 households, up from 17,842 in 2010 and 17,492 in 2000, representing a total increase of 5 percent since 2000.

The US Census defines a family as "a group of two people or more (one of whom is the householder) related by birth, marriage, or adoption and residing together." The term "non-family households" includes individuals living alone and those living

### SALEM HOUSEHOLD COMPOSITION, 2019

Sources: US Census (T58, T59, PCT18)/ACS (A10008, A10009, A10025)

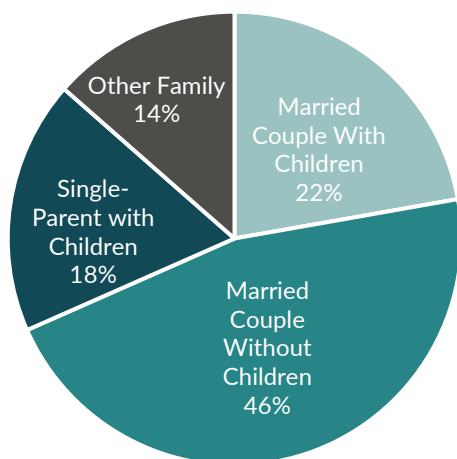


with roommates who are not related by birth, marriage, or adoption.<sup>5</sup>

About 54 percent of Salem's households are estimated to be family households, about 10 percentage points lower than the statewide share of family households. Around 46 percent of family households are married couples without children and 22 percent are married couples with children, considerably lower than the statewide average of 31 percent. About 18 percent of family households in Salem are single-parent households, somewhat higher than the state average of 15 percent, though lower than the percentage of single-parent households in 2010. Of Salem's 8,492 non-family households, about 4,341 are householders under 65 years old living alone (51 percent), and 2,324 are residents over 65 living alone (27 percent), up from 23 percent in 2010.

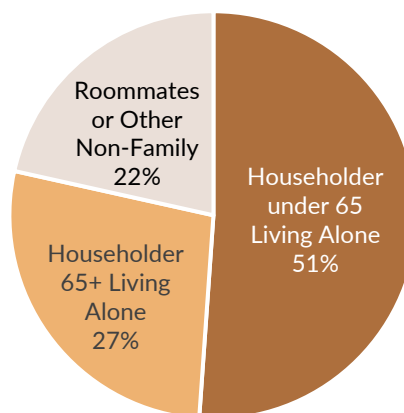
### SALEM FAMILY HOUSEHOLD COMPOSITION, 2019

Sources: US Census (T58, T59, PCT18)/ACS (A10008, A10009, A10025)



### SALEM NON-FAMILY HOUSEHOLD COMPOSITION, 2019

Sources: US Census (T58, T59, PCT18)/ACS (A10008, A10009, A10025)



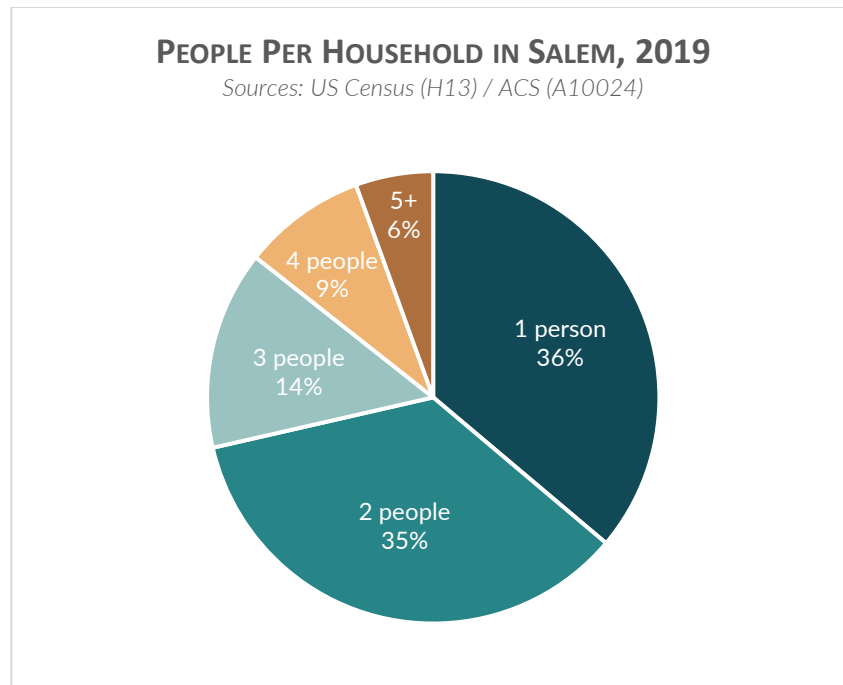
**Overall, when compared with the Commonwealth as a whole, Salem's lower percentage of family households, higher share of single-parent households, and increasing percentage of older adults living alone suggest the need for flexible and small housing options for the city's residents.**

### Household Size

Salem's average household size per 2019 ACS estimates was 2.25 people per household. This is lower than both Essex County's (2.60) and the Commonwealth's (2.52), though it has marginally increased in the past decade.

**Most of Salem's households are one and two person households as shown below. Together, these households make up about 71 percent of Salem's households, compared with about 60 percent in Essex County and statewide.**

<sup>5</sup> US Census Bureau, Subject Definitions



This reflects another facet of the “Millennial Peak” pattern discussed above, as Salem’s residents contain a higher-than-average proportion of younger households without children. This trend is supported by a seven percent increase in one and two-person households since 2010, compared with a 10 percent decrease in households of four or more people over the same period.

## EDUCATION

### School Enrollment

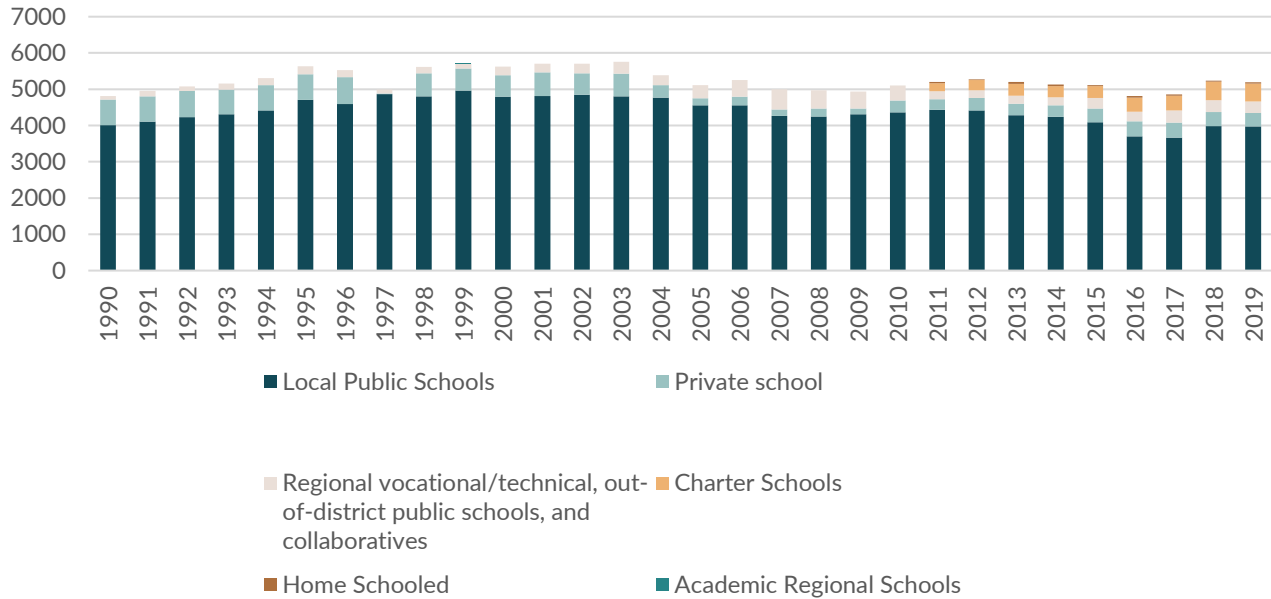
Overall school enrollment in Salem has been declining slightly in recent decades. As the population began to rebound from its 1990 low, the school enrollment correspondingly rose, but in the past ten years or so enrollment has been begun to decline despite increasing population, reflecting the larger number of residents without children as well as trends of children attending school in neighboring communities. In recent years, the popularity of the city’s charter schools has increased, reducing the enrollment in public schools slightly. Enrollment in the public schools is currently 3,734 for the 2021 school year.

The demographic breakdown of Salem’s public-school students is somewhat more diverse than the general population, with White and Hispanic students each making up about 43 percent of the student body with the remaining 14 percent split between African American, Asian, and Multi-Race. About 68 percent of students are classified as “High Needs,” 55 percent as “Economically Disadvantaged,” and 32 percent of students’ first language is not English.

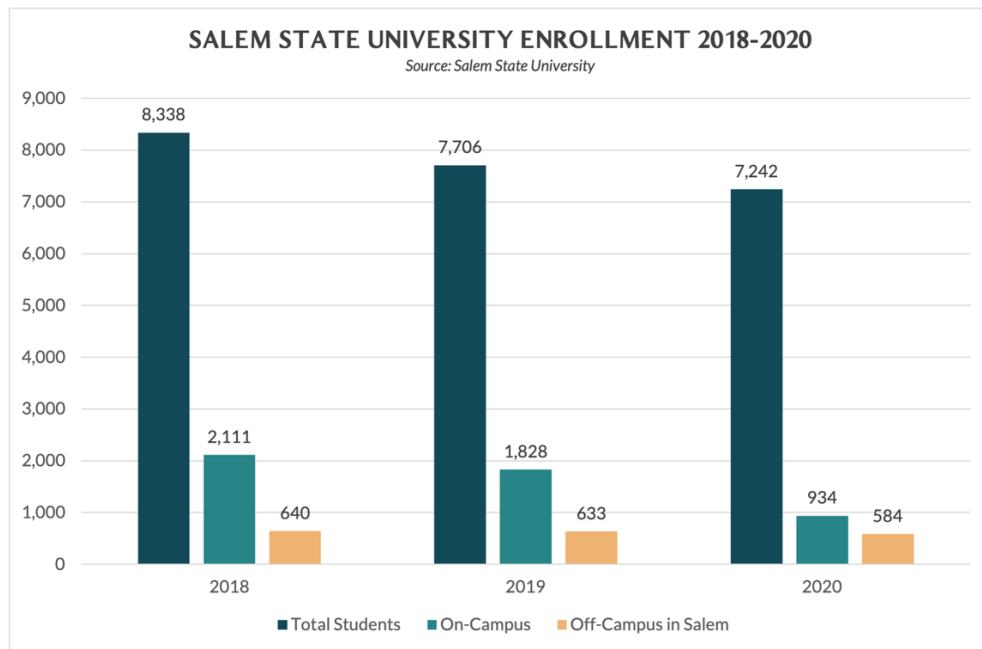
A full discussion of the city’s public schools can be found in Chapter 5.

## SALEM SCHOOL AGED CHILDREN BY ENROLLMENT TYPE, 1990-2019

Source: MHP DataTown

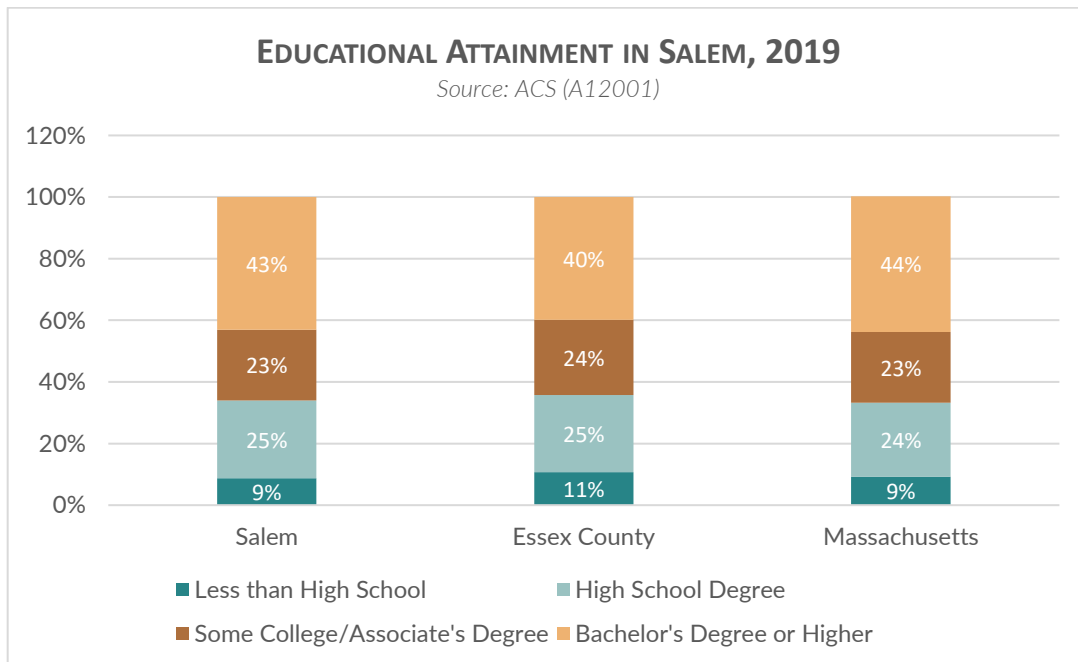


In addition to the public schools, Salem State University (SSU), in the southeast part of the City, is a contributor to the economic and housing landscape of the Salem. The University provides some on-campus housing, and a portion of students live off-campus in Salem as well. However, as shown below, the vast majority of SSU students do not live in Salem, and a relatively small number live off-campus in the City. However, this population does likely contribute to the demand for rental units in the southern part of Salem.



### Educational Attainment

The educational attainment of Salem's adult residents aged 25 or higher is very similar to that of Essex County and the Commonwealth as a whole. About 43 percent of Salem residents have a bachelor's degree or higher and about 9 percent do not have a high school diploma.



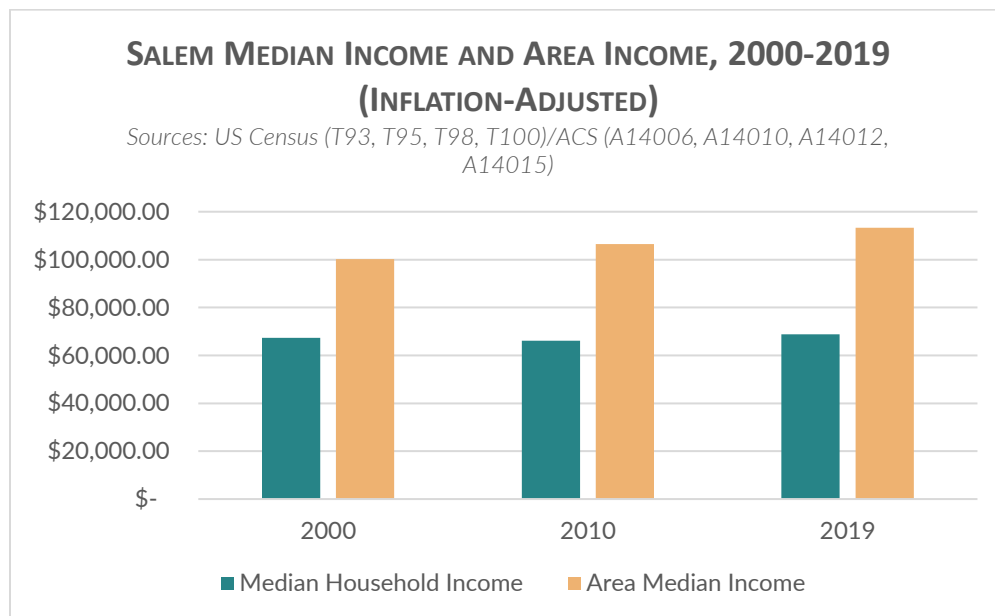


# INCOME

## HOUSEHOLD INCOME

The Census Bureau defines household income as the gross (pre-tax) cash income of all members of a household. This is generally used as a measure of economic health in an area and to compare regional economic conditions.

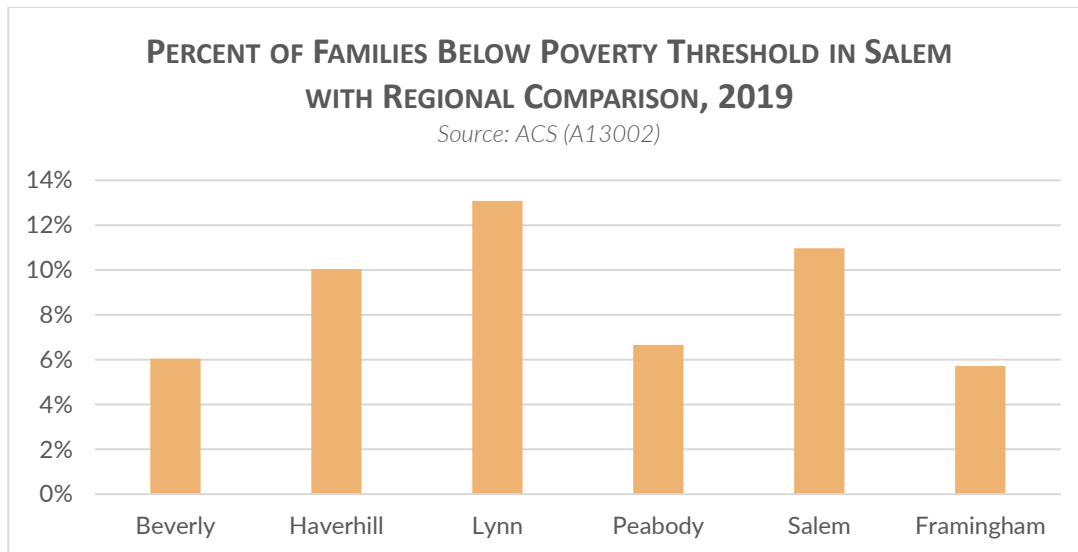
**Salem's estimated median household income is \$68,808 per the 2019 ACS estimates. This about \$44,500 less than the greater Boston Area Median Income (AMI) of \$113,300. Over the past two decades, the income of Salem's households has not kept pace with rising incomes in the greater Boston region. When adjusted for inflation, the Median Household Income in Salem has increased about two percent since 2000, whereas the AMI of the greater Boston area has increased by about 13 percent in the same period.**



Family households, on average, tend to have higher incomes than non-families. Family households tend to have more people who are prime earners contributing to the household income. Non-family households tend to be smaller—often consisting of only one person—and they are more likely to be younger or older than the prime earning years (roughly ages 45 to 65 depending on demographics).<sup>6</sup> According to the 2019 ACS estimates, Salem's median family income was \$86,584. This is substantially higher than the 2019 non-family income estimate of \$50,087.

**About 11 percent of Salem's families fall below the Federal poverty threshold by 2019 ACS estimates. When compared with surrounding communities, this is one of the higher poverty rates in the region. Only Lynn's poverty rate is higher at 13 percent, whereas Beverly, Peabody, and Framingham all have lower poverty rates at between 6 and 7 percent.**

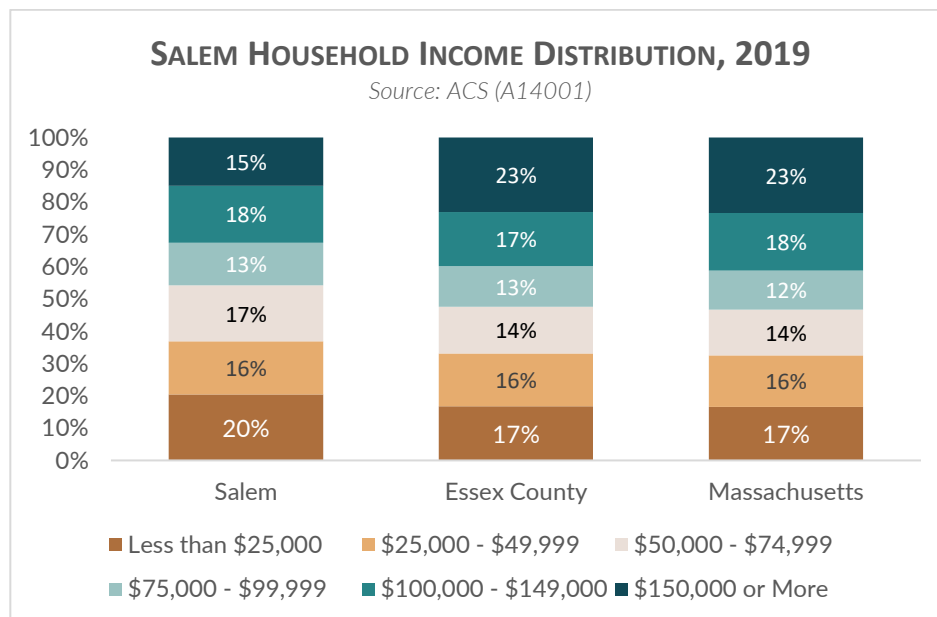
<sup>6</sup> U.S. Census Bureau, "Median Household Income," QuickFacts. <https://www.census.gov/quickfacts/fact/note/US/INC110218>.



When considering tenure of Salem residents, renters have average incomes that are less than half of homeowner incomes.

*Salem renters' median income in 2019 was around \$40,516 whereas the median income of a Salem homeowner was around \$100,548. This is particularly notable given the relatively high percentage of renters in the city and suggests a demand for affordable rental units in the city.*

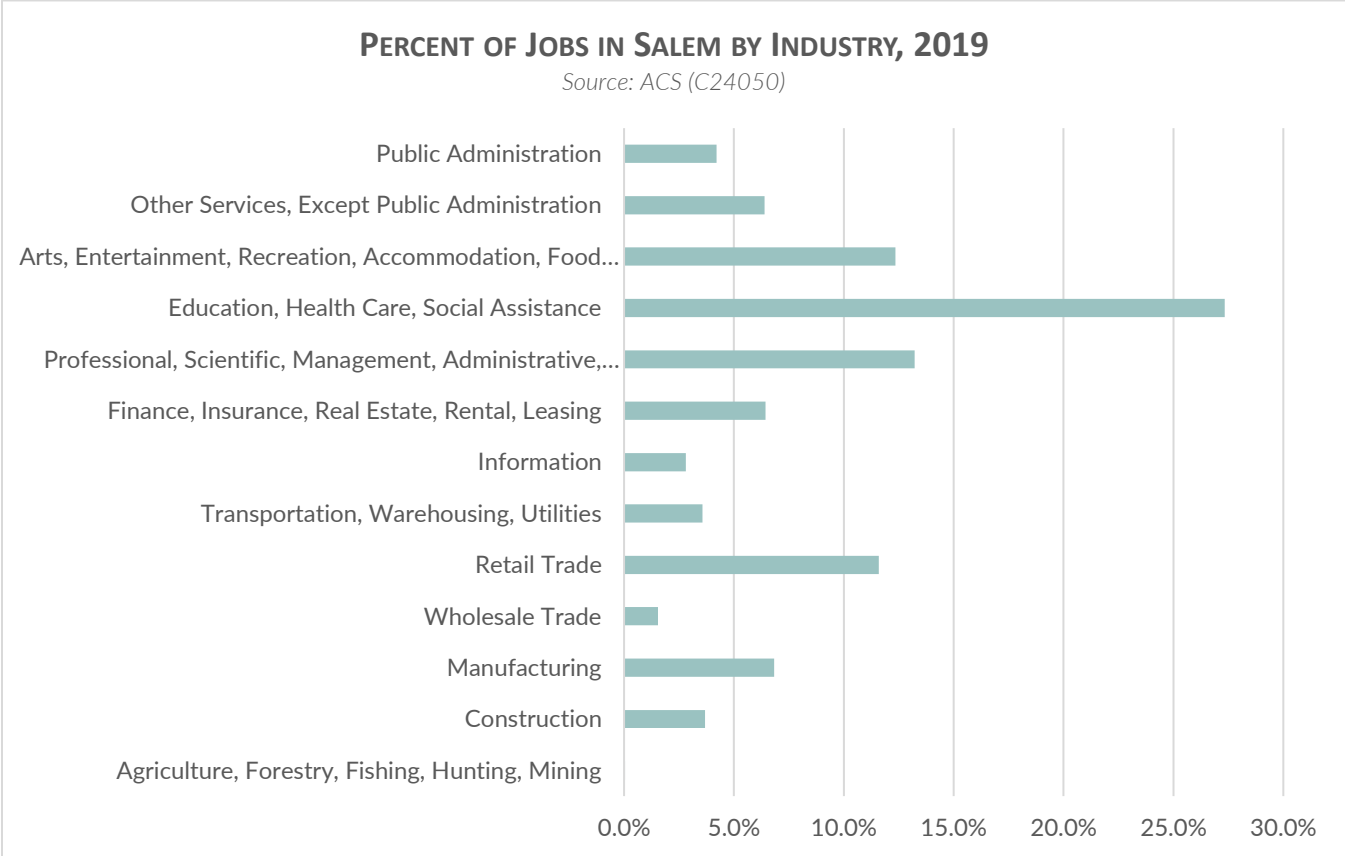
For a household to be cost burdened, they must be spending more than 30 percent of their income each month on housing costs, including rent payments, mortgage payments, and utilities. Households that are severely cost burdened pay more than 50 percent of their monthly income on housing costs. About 3,885 households in Salem (21 percent) are severely cost burdened, according to 2018 estimates. A full discussion of cost burden and housing affordability can be found in Chapter 4.



Salem's income distribution skews somewhat lower than Essex County as well as the Commonwealth as a whole, with 54 percent of Salem households earning less than \$75,000 per year, compared to 48 percent in the county and 47 percent in the state. Salem has significantly fewer very high earning households than the state, with about 15 percent in the city earning \$150,000 per year or more, compared to 23 percent in the Commonwealth as a whole.

## ECONOMY

Salem's economy has a higher percentage of service, sales, and office occupations when compared to the county and the state, but somewhat fewer jobs in management, business, science, natural resources, and construction occupations than county and statewide averages. Jobs in production and transportation occupations are roughly like the statewide average.



When broken down by industry as shown above, the presence of Salem State University as well as the tourism industry are reflected in the high share of education and retail jobs in the city. Salem also has significant employment in professional, scientific, and administrative industries, arts, entertainment and recreation, and manufacturing.

A recent addition to Salem's business landscape is the revitalization of the Port of Salem to create a hub for the offshore wind industry. Turbines will be assembled in Salem and installed in the Atlantic south of Martha's Vineyard. This project will have a significant impact on Salem's economy, with Vineyard Wind

estimating the creation of 400 full time equivalent (FTE) jobs during the port revitalization and another 500 FTE jobs during the first five years of operation.<sup>7</sup>

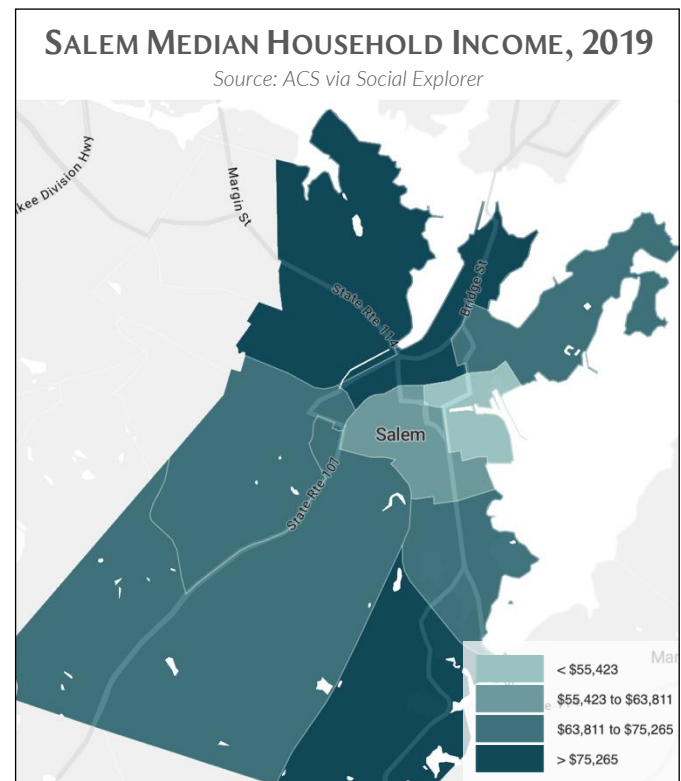
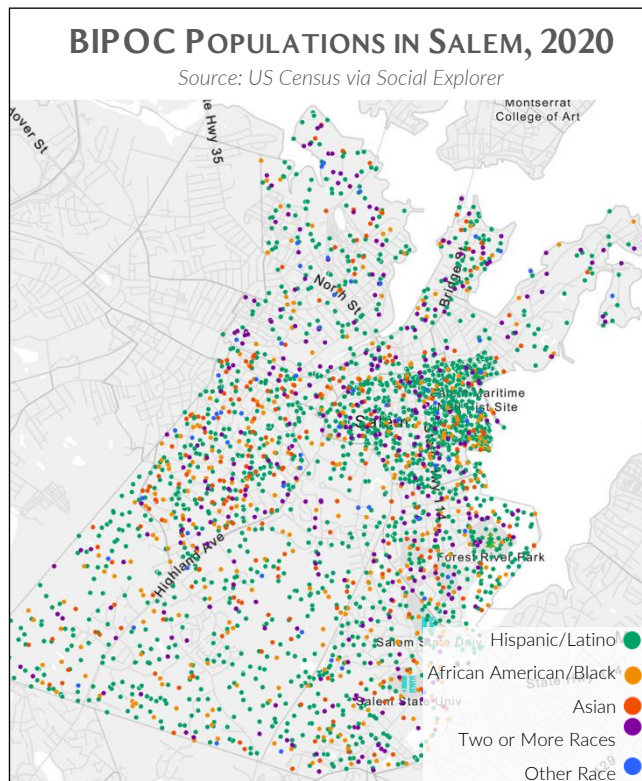
***The large number of jobs created by the offshore wind industry will likely increase pressure on the housing supply in Salem and across the North Shore.***

## SPATIAL DISTRIBUTION

When considering current and future locations of housing production, it is important to analyze the demographic distribution of Salem residents spatially. The intersection of race, ethnicity, income, and limited English proficiency can have compounding effects on residents' quality of life and ability to afford housing.

***Gentrification pressures are also a concern in areas with higher concentrations of naturally occurring affordable housing – rental stock in generally older buildings which provides an important base of housing units for low/moderate-income Salem residents.***

Salem's population is unevenly distributed across the city by race, with concentrations of BIPOC (Black, Indigenous, and People of Color) populations in The Point and South Salem, as well as areas of Highland Ave. The census tract containing The Point is particularly notable with about 60 percent BIPOC residents overall, and 44 percent Hispanic/Latino residents. The Point has a high concentration of first- and second-generation Hispanic/Latino immigrants as well as newer arrivals from Haiti, the Dominican Republic, and several African countries.

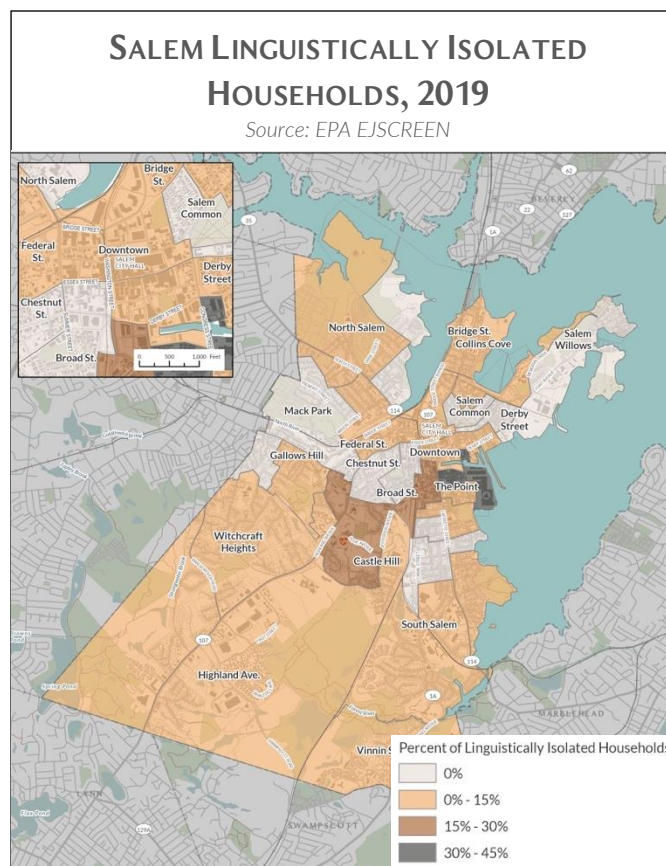


<sup>7</sup> "Salem Offshore Wind Port FAQ 10.06.21" PDF provided by Salem city staff, November 2021.

Income distribution in Salem is also unevenly distributed, with the lowest-income census tracts around The Point and South Salem, with median household incomes ranging from around \$36,000 to \$63,000 respectively, and the higher-income areas in Salem Willows, Salem Common, Bridge Street Neck, and North Salem with household incomes ranging from about \$73,000 to \$90,000 moving from northeast to northwest.

Several neighborhoods in Salem are also identified as Linguistically Isolated by the Environmental Protection Agency (EPA), which defines these neighborhoods as areas where “households in which no one over age of 14 speaks English ‘very well.’”<sup>8</sup> The Point and areas of Castle Hill score highly on this index.

As discussed in the 2015 Open Space and Recreation Plan, the intersection of low-incomes, BIPOC and foreign-born populations, and limited English proficiency has resulted in The Point being identified by the EPA as an Environmental Justice neighborhood, a designation which reflects the common intersection of BIPOC and immigrant populations with disproportionate environmental pollution, also reflecting the Point’s industrial past.



***With a high concentration of BIPOC, lower-income, immigrant and linguistically isolated residents, The Point is particularly vulnerable to rising housing prices and gentrification pressures.***

When considering housing production in Salem, it is also important to consider a variety of housing types in areas of the city with less socio-economic diversity so as not to perpetuate historic patterns of residential segregation, particularly given the potential for displacement of long-time Point residents stemming from development in the area.

## SUMMARY

Salem’s population has been slowly increasing since 1990 and has finally surpassed its previous 1930 peak. It is expected to increase substantially in the coming decades as the city is forecast to continue attracting younger residents drawn to the city’s relative affordability and proximity to Boston as well as its history and culture. The increasing share of younger residents has brought demographic shifts to the city, with fewer families and children than the regional and statewide averages and an overall smaller household size, which has also been compounded by a gradual increase in older residents living alone. Salem’s households are also much more likely to rent than in many Massachusetts municipalities. Overall, these trends suggest that the city will need to consider smaller and more flexible rental opportunities as it develops a housing strategy which will meet these demographic shifts.

<sup>8</sup> EPA EJSCREEN – EPA’s Environmental Justice Screening and Mapping Tool (Version 2020) <https://ejscreen.epa.gov/mapper/>

The racial breakdown of Salem's residents is comparable to that of the region and the state, with an increasing share of BIPOC populations and a particularly rapid increase in Hispanic/Latino residents. The income of Salem residents is lower than that of the Commonwealth as a whole and is not keeping pace with recent increases in the incomes in the Boston area overall. Poverty levels in Salem are also marginally higher than its nearby comparison communities. These trends would suggest increasing pressure on residents' ability to pay for housing, particularly since the city already has a relatively high number of severely cost-burdened residents. These income and racial trends are also affecting the student body in Salem's schools, which are significantly more diverse and less economically well-off than the city's residents, though the school system has sufficient capacity and is continuing to improve its standards.

The distribution of racial and ethnic diversity as well as household income is not evenly shared throughout the city. Neighborhoods in the east and southeast, particularly The Point and South Salem, have significantly lower income levels, higher percentages of linguistically isolated populations, and higher percentages of non-White residents. When considering plans for housing production in Salem, it is also important to keep in mind this uneven distribution of resources and its relationship to BIPOC residents of the city.

# CHAPTER 4: HOUSING CONDITIONS

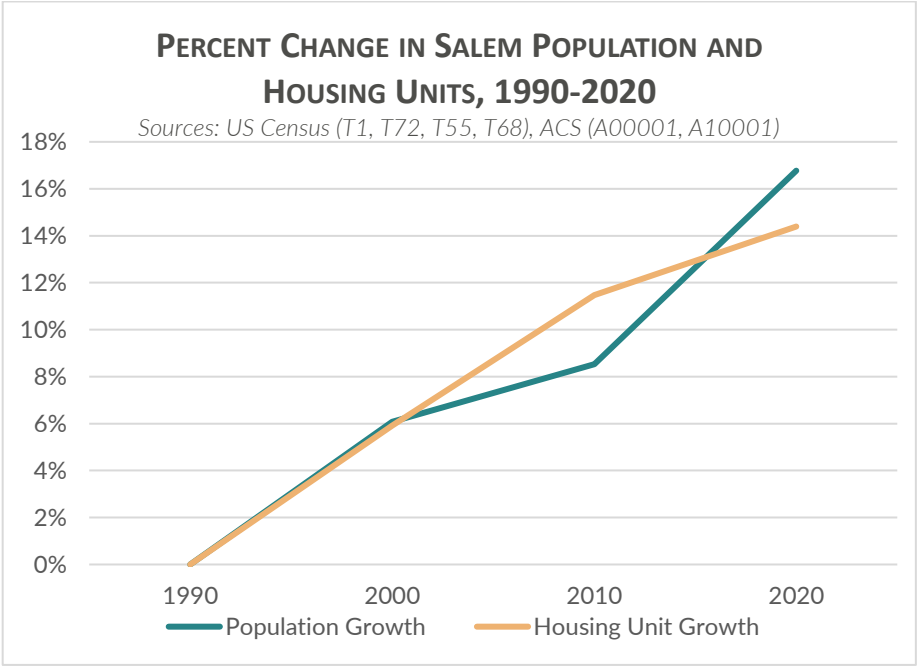
The following section examines Salem's current housing supply and how it has changed over time. Understanding housing type, size, age, tenure, vacancy, and recent development will contribute to an understanding of current needs and demand in Salem and thereby help inform future housing production planning.

## KEY FINDINGS

- About half of Salem's homes were built before 1939, and over 80 percent of the housing stock was built before 1979.
- The 2019 ACS estimated ownership vacancy rate for Salem was 2.6 percent and the rental vacancy estimate was 3.8 percent.
- Areas around The Point and South Salem have a higher percentage of renters at 60-70 percent, compared to about 40 percent in the western parts of the city.
- According to the 2019 ACS, about 71 percent of Salem's households are one- or two-person households, whereas only 24 percent of housing units are studio or one-bedroom units. About 29 percent of Salem's households have three or more people, compared with an estimated 76 percent of housing units with two or more bedrooms.
- In Salem, the median family income, adjusted for inflation, rose 8 percent from \$79,859 in 2010 to \$86,584 in 2019. Over the same period, the inflation-adjusted median sales price for a home in Salem increased 49 percent.
- In the period from October 2020-October 2021, based on a total sample size of 307 units, the average rent was \$1,450 for a studio, \$1,756 for a 1-bedroom unit, \$2,141 for a 2-bedroom unit and \$2,325 for a 3-bedroom unit. Weighted by the sample size, the average rent overall was \$2,014.
- Several multifamily developments which are 100 percent affordable have been developed in recent years, including Boston Crossing on Boston Street with 26 affordable units, built in 2018, and Lighthouse I and II on Peabody and Leavitt Streets with 46 affordable units, currently under construction.
- Around 48 percent of Salem households have low/moderate income (at or below 80 percent AMI), many of which may qualify for affordable housing programs.
- About 2,020 (or 79 percent) of the city's 2,545 extremely low income and severely cost burdened households are rental households, indicating a significant need in Salem for rental units affordable to households with extremely low incomes – at or below 30 percent AMI.
- With an affordability gap of \$214,000 for a single-family and \$109,000 for a condo, this analysis indicates a need in Salem for more affordable ownership opportunities, both condos and single-family homes, with sales prices at or below \$276,000. Although Salem's lowest-income homeowners are highly cost-burdened, even residents earning 80-100 percent AMI or more can face significant difficulty in paying their housing costs or affording to buy housing.
- The average Salem rental household would be spending 60 percent of their income to afford the average rent based on the most recent Rentometer estimates, indicating the need for more rental housing priced around or below the \$1,000 per month range based on the average income of Salem's rental households.



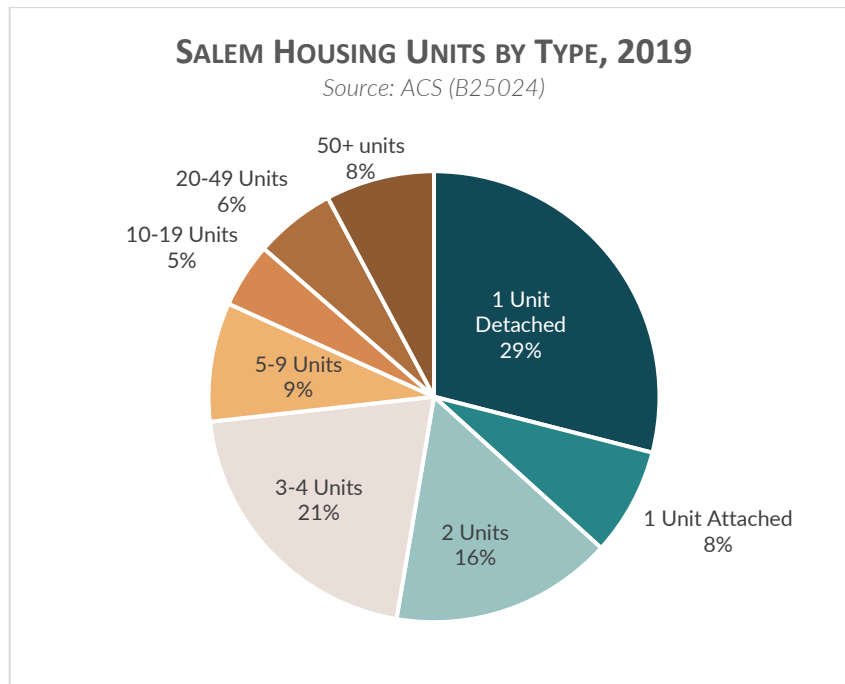
# HOUSING SUPPLY AND TRENDS



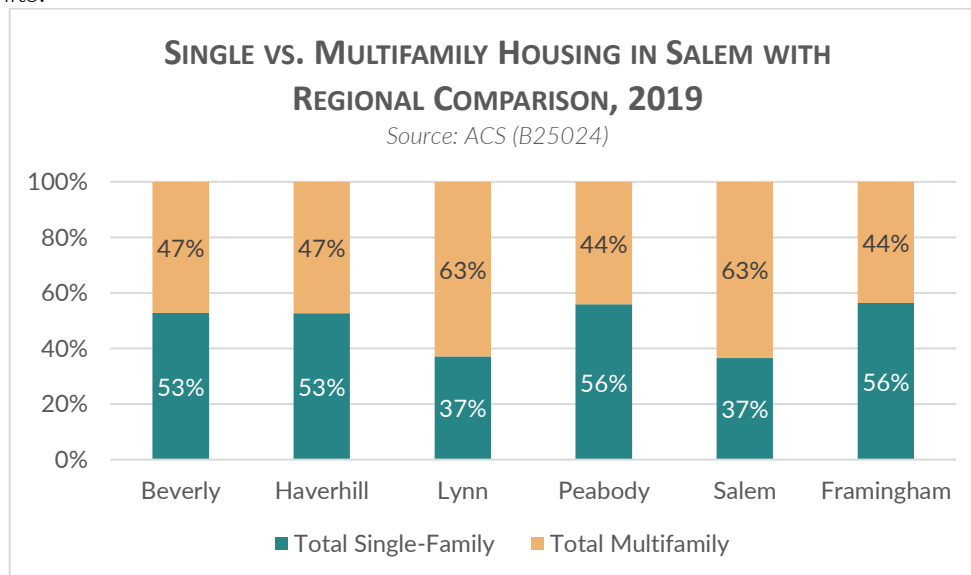
According to the 2019 ACS, there are 19,631 housing units in Salem, an increase of 8 percent since 2000.

*The growth in housing units was keeping pace with population growth for the decades between 1990 and 2010, but since then, the population has been increasing more rapidly than the number of housing units in the city.*

## TYPE & AGE



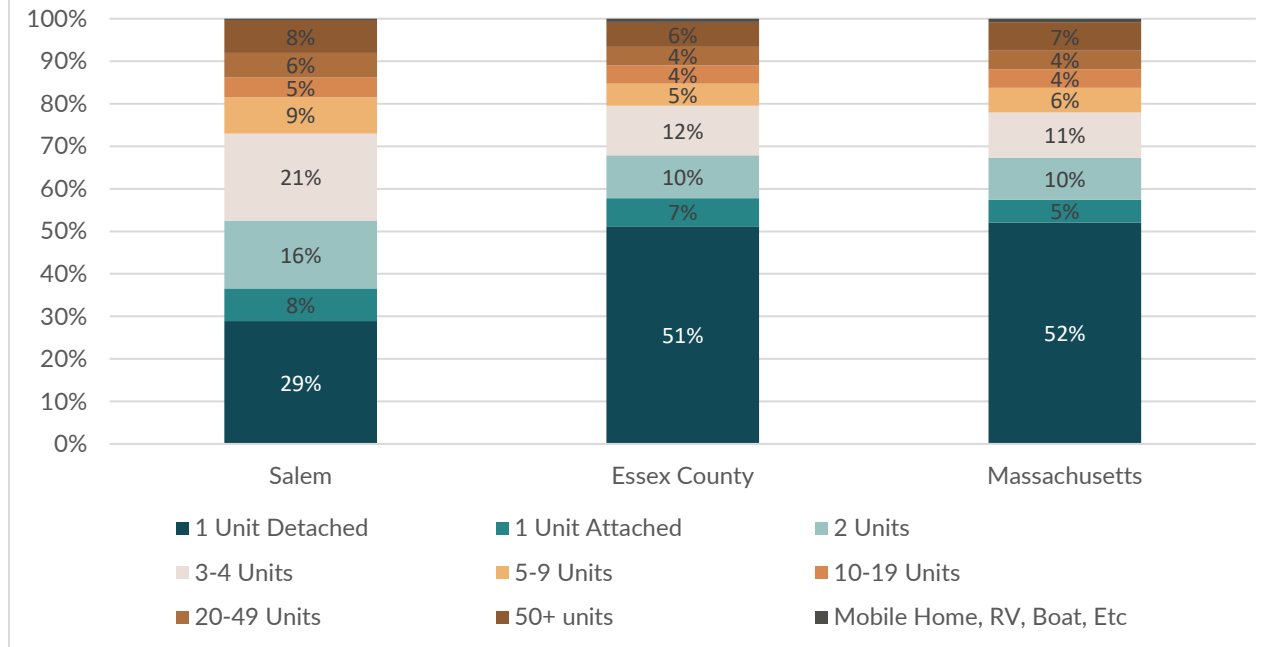
Per the 2019 ACS, 29 percent of Salem's housing units are single-family detached homes, with another 8 percent being single-family attached units. Salem has many multifamily structures of between two and nine units, comprising 45 percent of the city's housing stock. The remaining 18 percent are buildings with 10 or more units.



When compared with nearby communities of similar size and demographics, Salem has a particularly large share of multifamily housing at 63 percent, the same ratio as in Lynn, but about 20 percentage points more than Beverly, Haverhill, Peabody, and Framingham. When compared with the county and the state, Salem again stands out with its high proportion of multifamily housing. About half of the housing units in Essex County and in the state are single-family detached units, compared to 29 percent in Salem.

## DISTRIBUTION OF RESIDENTIAL BUILDING TYPES IN SALEM, 2019

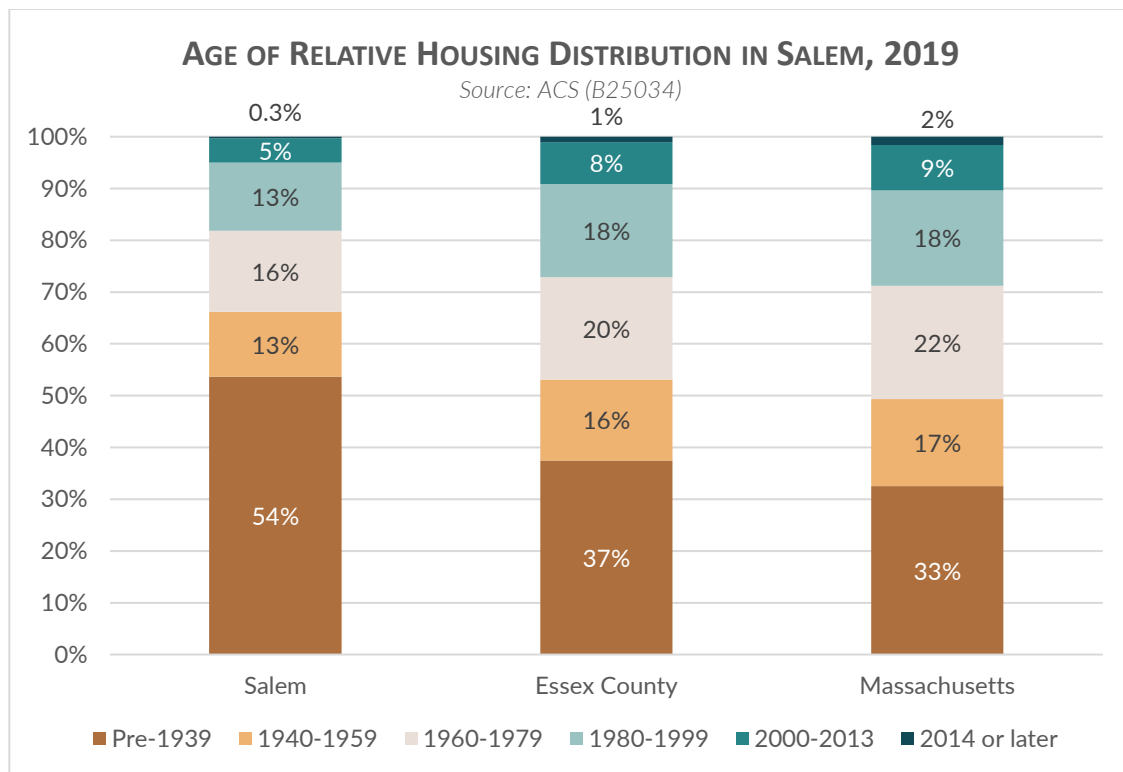
Source: ACS (B25024)



**One factor that plays into the city's large share of multifamily housing is its large number of older and historic buildings, which contribute to the special character of the community's-built environment. About half of Salem's homes were built before 1939, and over 80 percent of the housing stock was built before 1979.**

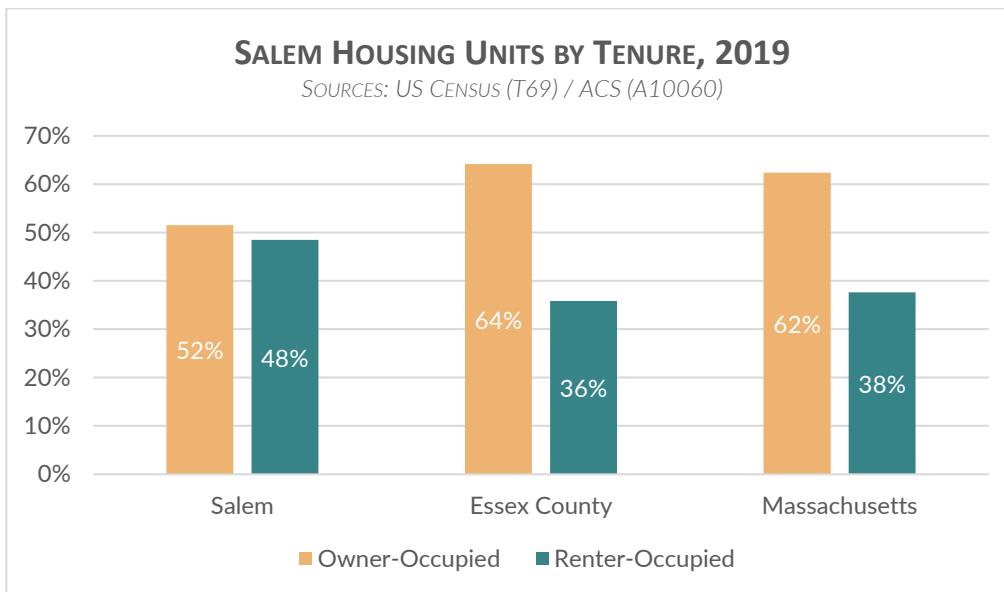
This is a significantly higher proportion than in Essex County and in the Commonwealth as a whole. As more housing is built, older structures have the potential to decrease in price, providing a form of naturally occurring affordable housing (NOAH). However, older structures also contain potential housing problems. Units built before 1978 may have lead paint, which is not safe for children, but can be costly to mediate and can have other rehabilitation needs to comply with current codes and for energy efficiency. These additional costs have an impact on the affordability of older units for both owners and renters.

**In recent decades, housing production has significantly slowed down in Salem, with only 5.3 percent of the city's housing stock built since 2000, compared with 13 percent in the previous two-decade period, contrasting with the recent population increases discussed in Chapter 3.**

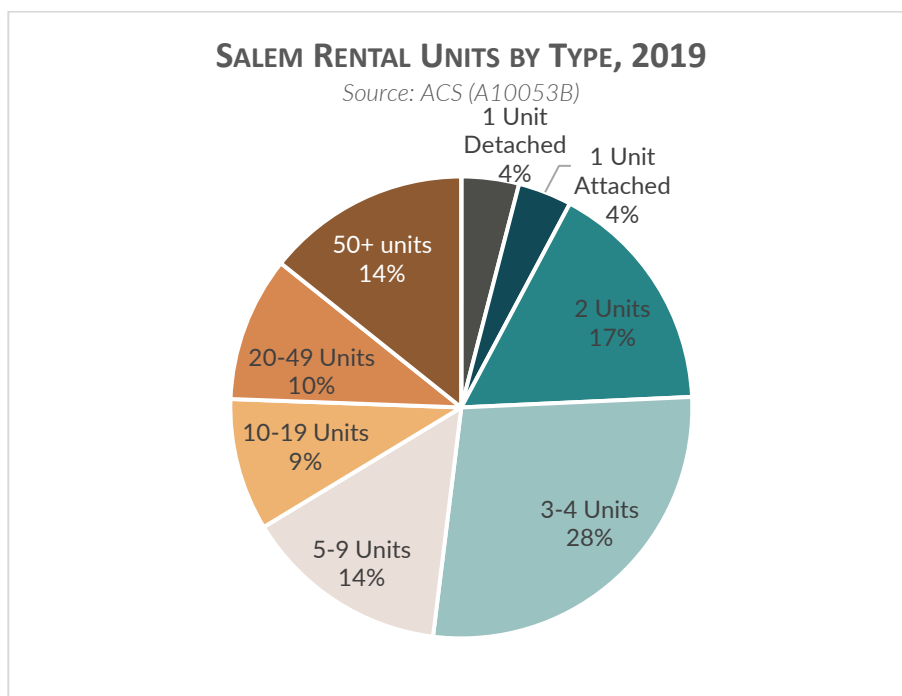


## TENURE

According to 2019 ACS estimates, Salem's ratio of rental to owner-occupied housing is nearly even, with 52 percent owner-occupied and 48 percent renter-occupied units in the city. This is a significantly higher ratio of renter-occupied units than in Essex County and in the Commonwealth as a whole.



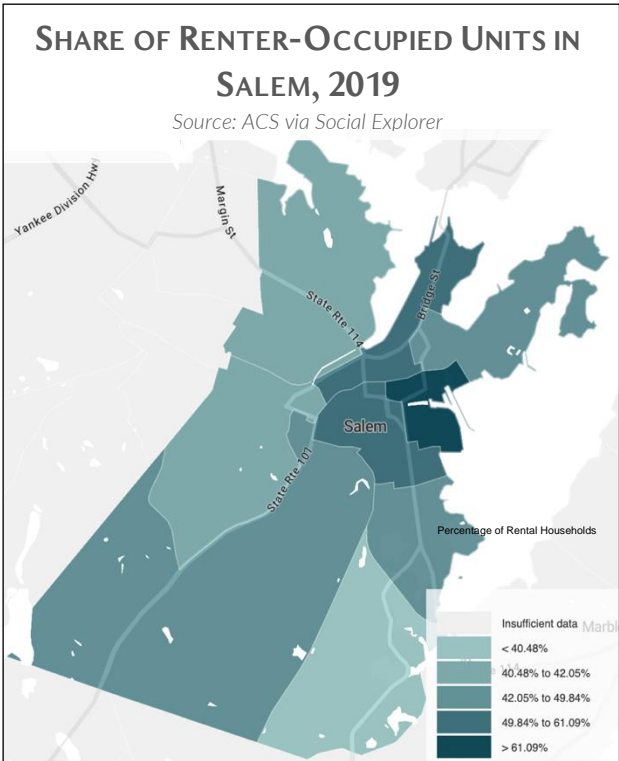
Salem's proportion of rental housing is like regional comparison communities, with a slightly larger share of rental stock in Lynn at 55 percent and somewhat less in Beverly with 39 percent. Salem's rental units are overwhelmingly in multifamily buildings, with single-family attached or detached units making up only 8 percent of rental stock. More than half of Salem's rental households live in buildings with 2-9 units, and 33 percent of rental units are in buildings of 10 units or more.



Salem’s renters are not evenly distributed spatially.

*Following the demographic trends discussed in Chapter 4, areas around The Point and South Salem have a higher percentage of renters at 60-70 percent, compared to about 40 percent in the western parts of the city.*

This adds to the previous observations about the intersection of race, language, and income, suggesting vulnerability to housing pressures in the eastern neighborhoods of Salem.

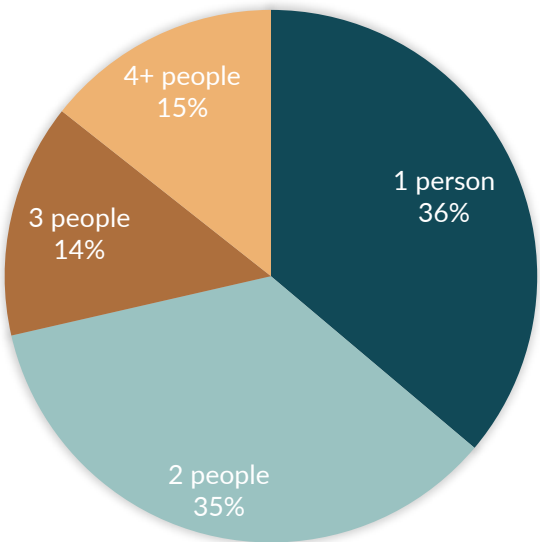


**HOUSING STOCK BY BEDROOMS**

There is a mismatch between the size of Salem’s housing units and the size of the city’s households, with a considerably higher share of smaller households than smaller housing units.

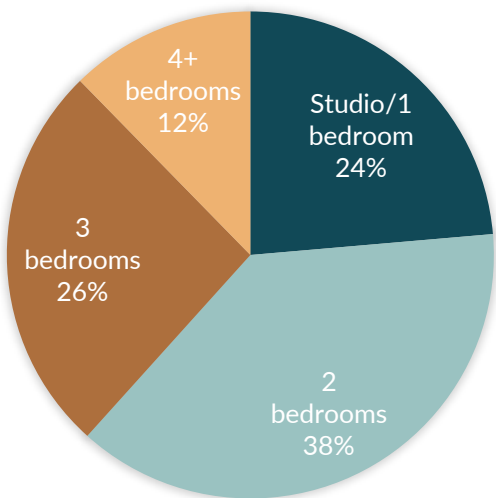
**PEOPLE PER HOUSEHOLD IN SALEM, 2019**

Sources: ACS (B25041)



**BEDROOMS PER HOUSEHOLD IN SALEM, 2019**

Source: ACS (B25041)



***According to the 2019 ACS, about 71 percent of Salem's households are one- or two-person households, whereas only 24 percent of housing units are studio or one-bedroom units. About 29 percent of Salem's households have three or more people, compared with an estimated 76 percent of housing units with two or more bedrooms.***

Although smaller households can live in units with more bedrooms, this mismatch exhibits a need for more smaller housing options for residents in small households who may not be able to afford extra bedrooms. Larger units are generally more expensive regarding not just mortgage or rent payments but also energy costs and maintenance. This mismatch limits the availability of financially attainable housing options for smaller households and can contribute to higher levels of housing cost burden.

## VACANCY

A low vacancy rate often indicates that demand exceeds current supply, placing pressure on housing prices. According to the 2021 *Greater Boston Housing Report Card*, a 2 percent vacancy rate for ownership and 6 percent vacancy rate for rental units are considered natural vacancy rates in a healthy market.

***The 2019 ACS estimated ownership vacancy rate for Salem was 2.6 percent and the rental vacancy estimate was 3.8 percent. These estimates contain a large margin of error, but nevertheless imply a constrained housing supply in the city, particularly for rental units.***

## HOUSING MARKET

Housing costs within a community reflect numerous factors, including demand and supply. If the former exceeds the latter, then prices and rents tend to rise. Depending on the income levels of the population, these factors can significantly reduce affordability for both existing residents and those seeking to move in.

***In Salem, the median family income, adjusted for inflation, rose 8 percent from \$79,859 in 2010 to \$86,584 in 2019. Over the same period, the inflation-adjusted median sales price for a home in Salem increased 49 percent. The median sales price for a home (single-family or condominium) was \$445,500 in 2020.***

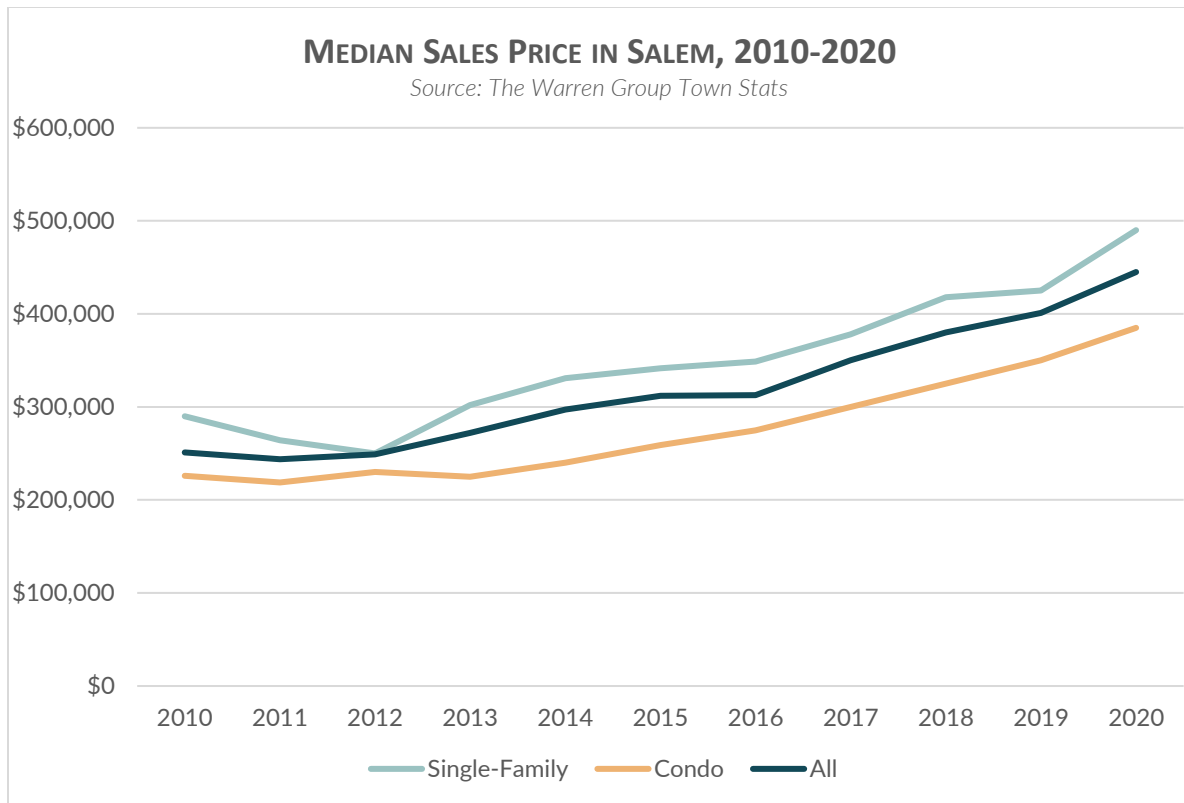
However, mortgage interest rates play a significant role in home affordability as well. Interest rates for 30-year mortgages have decreased over the last 20 years, creating better monthly affordability levels for homebuyers. As of October 14, 2021, the mortgage rate for a 30-year mortgage was 3.05 percent, whereas the average in 2000 was 6.54 percent.<sup>9</sup>

## Ownership Housing Costs

The median sales price for a home in Salem has increased since 2010, with particularly steep increases in the past few years. In 2020, the median sales price for a condo was \$385,000 and for a single-family home, the median sales price was \$490,000.

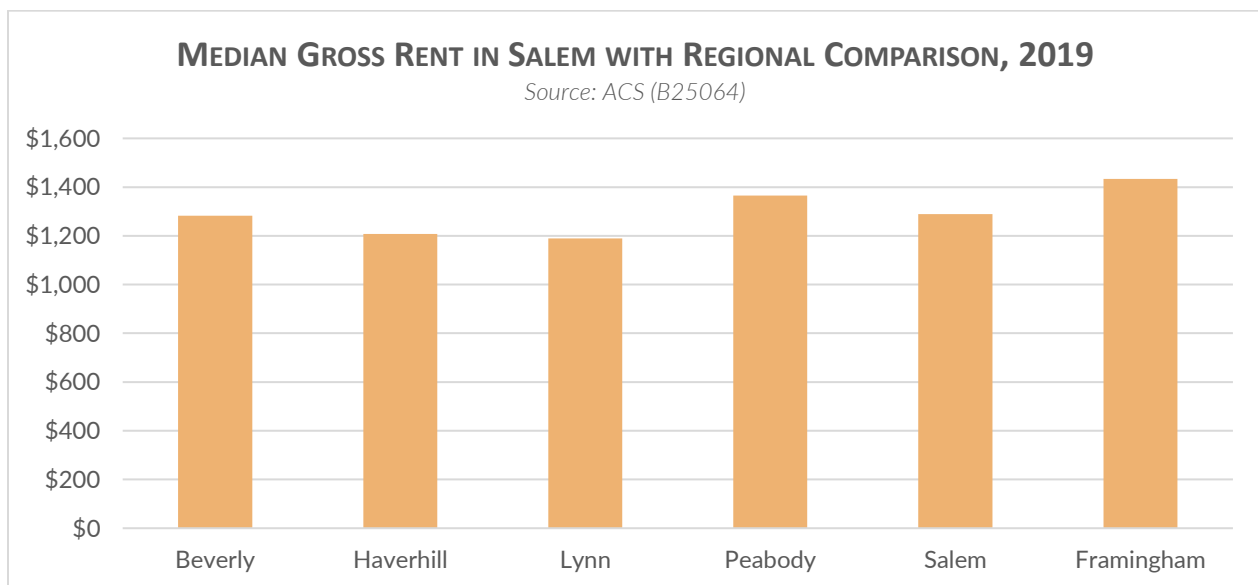
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<sup>9</sup> Freddie Mac, Accessed October 14, 2021



## Rental Housing Costs

The median gross rent for a rental unit in 2019 was estimated to be \$1,298 according to ACS estimates, a 26 percent increase since 2010. This figure is on par with regional averages, with rental prices in Salem's comparison communities at very similar levels according to the 2019 ACS.



Unfortunately, Census data regarding rents is not the most reliable. First, rents are self-reported via the American Community Survey. Second, they represent units that were leased at any time prior to survey



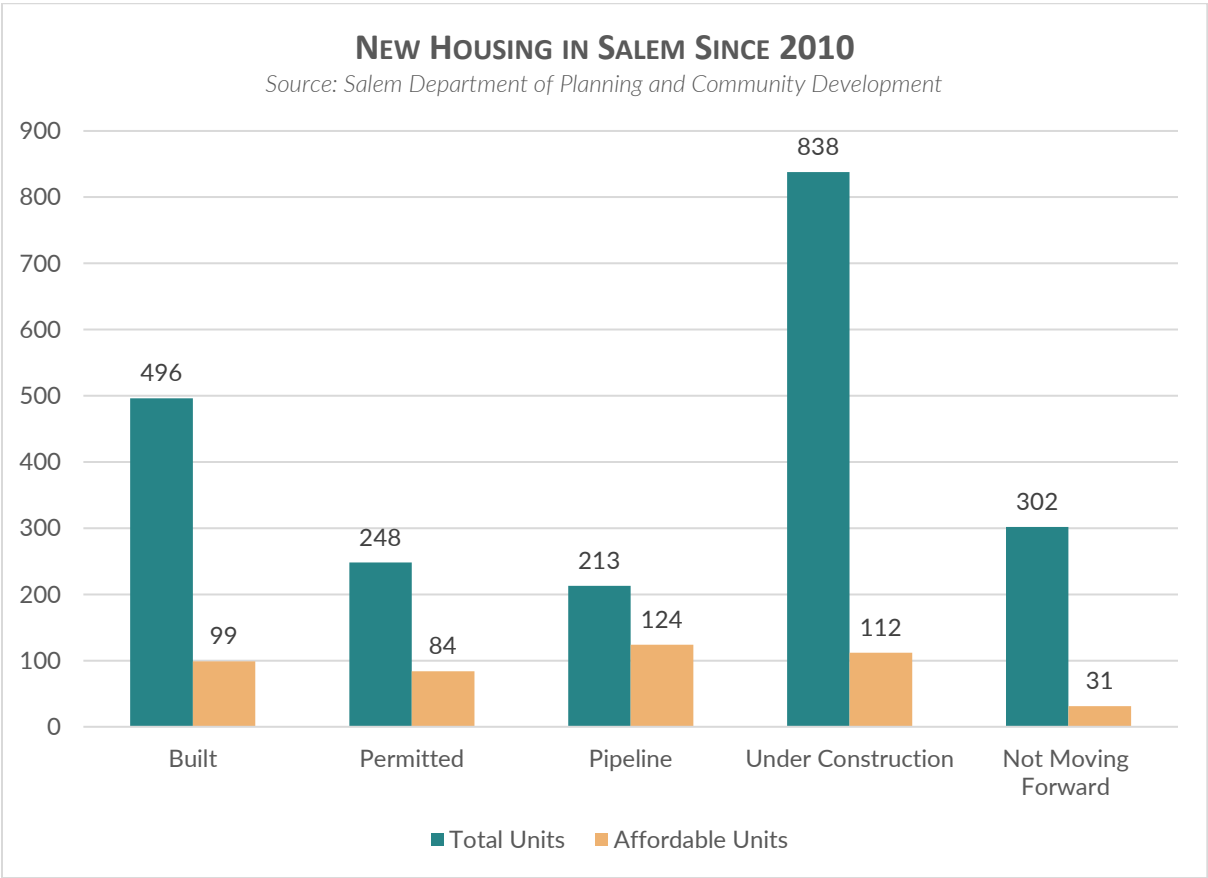
response, so they do not paint an accurate picture of the current market. Third, the census data is based on a small sample size. However, the Census data does give us an overall picture of the rental market.

Further rental data obtained in October 2020 from Rentometer suggests that rentals in Salem are significantly more expensive than reflected in this ACS data.

*In the period from October 2020-October 2021, based on a total sample size of 307 units, the average rent was \$1,450 for a studio, \$1,756 for a 1-bedroom unit, \$2,141 for a 2-bedroom unit and \$2,325 for a 3-bedroom unit. Weighted by the sample size, the average rent overall was \$2,014.*

## RECENT & FUTURE DEVELOPMENT

Since 2010, 496 new housing units have been built in Salem, of which 99 are affordable units. Another 838 units are currently under construction, of which 112 are affordable units. 461 units are permitted or in the pipeline, of which 208 are affordable. Twelve affordable ADUs have been either permitted or built since 2010.



Of the 1,334 new units that have been built or permitted, 16 percent, or 211 units, are affordable units. Ten percent of the affordable units have been built by non-profits and are for extremely low-income households (26 units are for formerly homeless individuals), and 6 percent of the affordable units are at 80 percent AMI.

**Several multifamily developments which are 100 percent affordable have been developed in recent years, including Boston Crossing on Boston Street with 26 affordable units, built in 2018, and Lighthouse I and II on Peabody and Leavitt Streets with 46 affordable units, currently under construction.**

Two former schools, St. James and Immaculate Conception, have received permits to be redeveloped into 100 percent affordable housing for a total of 62 units, and the Health Center/Older Adult Housing project on Lafayette Street is in the pipeline for consideration. If approved it would provide 50 units, all of which would be affordable. The Zoning Board of Appeals recently approved a 124 unit, 100 percent affordable housing project through a friendly 40B at Leefort Terrace. The redevelopment of South Campus at Salem State University is an additional site that could be considered as a comprehensive permit.

The table below lists affordable housing which has been built, is under construction, permitted, or is in the pipeline in the past ten years.

**The units listed are primarily affordable for households up to 80 percent AMI. Given Salem's lower median income, 80 percent AMI units can often be out of reach to lower income households in Salem.<sup>10</sup>**

Name	Address	Status	Year Permitted	Affordable Units	Percentage Affordable	AMI
Old Salem Jail	50 St. Peter Street	Built	2015	1	2.78%	80%
River Rock, Flynntan	70-92.5 Boston Street	Built	2016	5	9.09%	80%
Former Hood Factory, Icecream Building	9 S. Mason Street	Built	2017	3	10.34%	80%
Magic Muffler	69 Bridge Street	Built	2018	1	16.67%	80%
Boston Crossing	43 Boston Street	Built	2018	12	100%	80%
Boston Crossing	179 Boston Street	Built	2018	14	100%	80%
Legacy Park, Oil and Grease	1, 3, 5 Harmony Grove Street and 60-64 Grove Street	Under Construction	2012	13	10.08%	80%
District Court a.k.a Brix	65 Washington Street	Under Construction	2018	6	9.84%	3 units @ 70%, 3 units @ 65%
University Square	132-134 Canal Street	Under Construction	2018	5	10%	80%
Traders Village	45 Traders Way and 40 First Street	Under Construction	2018	21	9.91%	80%
Former Knights of Columbus	94 Washington Street	Under Construction	2018	2	11.11%	80%
Riverview Place, Salem Suede, Mason & Flint	72 Flint Street, 67-69 Mason Street, & 71 Mason Street	Under Construction	2018	13	10%	80%
St., Joes PUD amendment increase	129 Lafayette Street	Under Construction	2019	3	8.82%	80%
Multifamily at Loring	602 Loring Ave.	Under Construction	2020	2	10%	80%
Summer Street Development	23 Summer Street	Under Construction	2020	1	20%	80%
Gateway Center, CLC, Sylvannia Site	401 Bridge Street and 44 Boston Street	Permitted	2016	12	10.26%	80%

<sup>10</sup> Note that the Planning Board's new Affordable Housing Policy which went into effect in 2021 now stipulates that new developments should be affordable at 60 percent AMI rather than 80 percent. This is reflected in the developments currently in the pipeline.

Naumkeag Trust Co. & Hale Buildings	217-221 Essex Street	Permitted	2019	2	10%	80%
Ferris Junkyard	16, 18, 20R Franklin Street	Permitted	2020	4	10.81%	80%
Former St. James School Redevelopment	160 Federal Street	Permitted	2020	33	100%	30%
Former Immaculate Conception School	13 Hawthorne Blvd.	Permitted	2020	29	100%	30%
Health Center / Older Adult Housing Project	73 Lafayette Street	Pipeline	2020	50	100%	60%
Mixed Use on Norman	38 Norman Street	Pipeline	pending	3	12%	60%
9-11 Franklin Street	9-11 Franklin Street	Pipeline	pending	1	8.33%	60%
Salem Gateway (Crescent Lot / County Commissioners Building / Superior Court)	34 Federal Street, 32 Federal Street, 252 Bridge Street	Pipeline	pending	123	57%	30%, 50%, 60%

## HOUSING AFFORDABILITY

### HOUSEHOLDS ELIGIBLE FOR HOUSING ASSISTANCE

One measure of affordable housing needs is the number of households that may be eligible for housing assistance based on estimated household income. Federal and state programs use Area Median Income (AMI), along with household size to identify these households. The table below shows U.S. Department of Housing and Urban Development (HUD) income limits for extremely low (below 30 percent of AMI), very low (30-50 percent of AMI), and low-income (50-80 percent of AMI) households by household size for the Boston-Cambridge-Quincy Metropolitan Statistical Area (MSA), which includes Salem.<sup>11</sup> Typically, households at 80 percent of AMI and below may qualify for housing assistance, depending on level of household assets and other factors.

<b>2021 Affordable Housing Income Limits Boston-Cambridge-Quincy, MA-NH HUD Metro FMR Area</b>			
<i>Household Size</i>	<i>Extremely Low Income (30% AMI)</i>	<i>Very Low Income (50% AMI)</i>	<i>Low Income (80% AMI)</i>
1 Person	\$28,200	\$47,000	\$70,750
2 People	\$32,200	\$53,700	\$80,850
3 People	\$36,250	\$60,400	\$90,950
4 People	\$40,250	\$67,100	\$101,050
5 People	\$43,500	\$72,500	\$109,150
6 People	\$46,700	\$77,850	\$117,250
7 People	\$49,950	\$83,250	\$125,350
8 People	\$53,150	\$88,600	\$133,400

Source: HUD

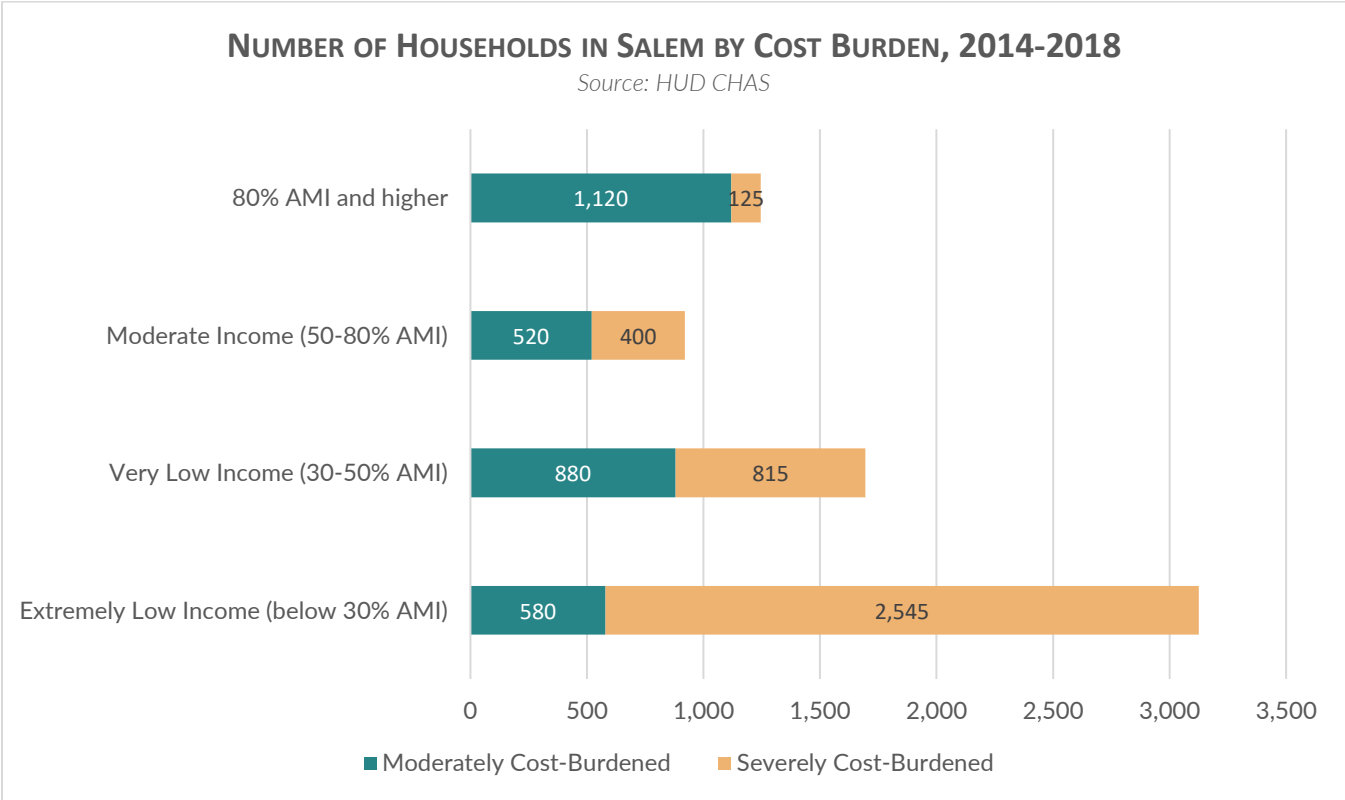
<sup>11</sup> The Boston-Cambridge-Quincy MSA includes 112 cities and towns spread throughout parts of Essex, Middlesex, Norfolk, Plymouth, and Suffolk counties in Massachusetts. The MSA also includes three towns in Rockingham County, New Hampshire. Note that the name of the MSA in the US Census has changed to "Boston-Cambridge-Newton, MA-NH" but HUD still uses the designation "Boston-Cambridge-Quincy, MA-NH".

Data from HUD's Comprehensive Housing Affordability Strategy (CHAS) reports that around 8,790 households in Salem are extremely low-income, very low-income, or low-income, earning less than 80 percent of the Area Median Income.

***This makes up around 48 percent of Salem households that have low/moderate income (at or below 80 percent AMI), many of which may qualify for affordable housing programs based on income.***

## HOUSING COST BURDEN

One method to determine whether housing is affordable to a community's population is to evaluate households' ability to pay their housing costs based on their reported gross household income. HUD considers households who spend more than 30 percent of their gross income on housing to be "housing cost burdened" and those that spend more than 50 percent to be "severely housing cost burdened." Rental property owners and banks enforce these standards and will generally not sign a lease or qualify someone for a mortgage if they will be paying more than 30 percent of gross income towards housing costs.



In Salem, about 38 percent of all households are cost-burdened, about 6,995 households in total. About 82 percent of these cost-burdened households are LMI (low-moderate income) households. Cost-burdened households, particularly lower-income households, are likely to struggle to pay for other basic needs, such as food, clothing, health care, and transportation costs.

When broken down by income, about 37 percent of Salem's moderate-income households and 73 percent of very low-income households are cost burdened. The largest group of cost-burdened households in Salem are extremely low-income households, of which 3,125 households, or 79 percent,

are cost burdened. Of those, 2,545 households, or 64 percent, are severely cost-burdened, spending more than 50 percent of their income on housing costs.

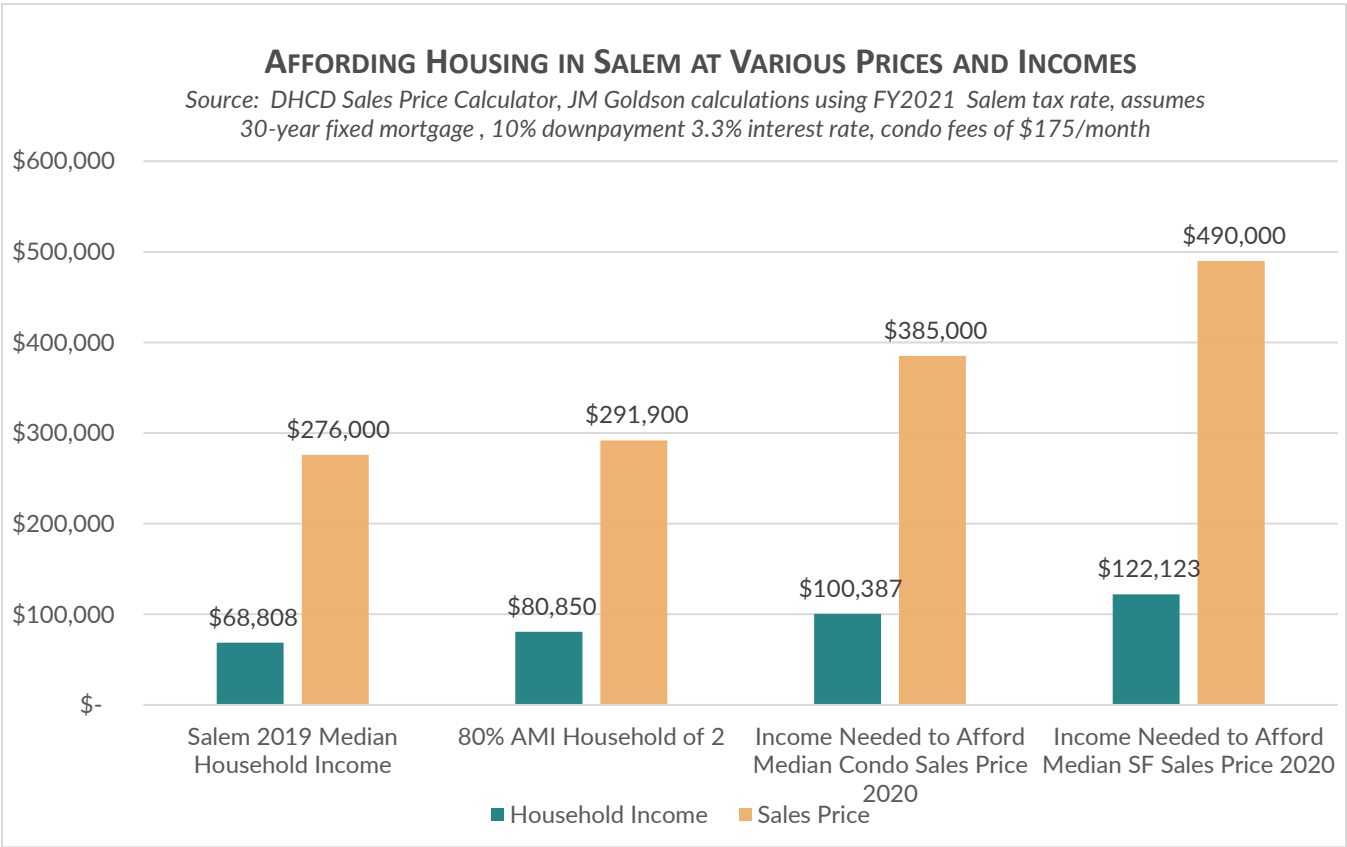
**Following the overall high share of renters in Salem, 2,020 (or 79 percent) of the 2,545 extremely low-income and severely cost burdened households are rental households, indicating a significant need in Salem for rental units affordable to households with extremely low incomes – at or below 30 percent AMI.**

**AFFORDABILITY GAP**

An affordability gap refers to the difference between what households can pay for housing and the actual costs of renting or purchasing a home. In Salem, there is a significant affordability gap for both ownership and rental units,

**Ownership**

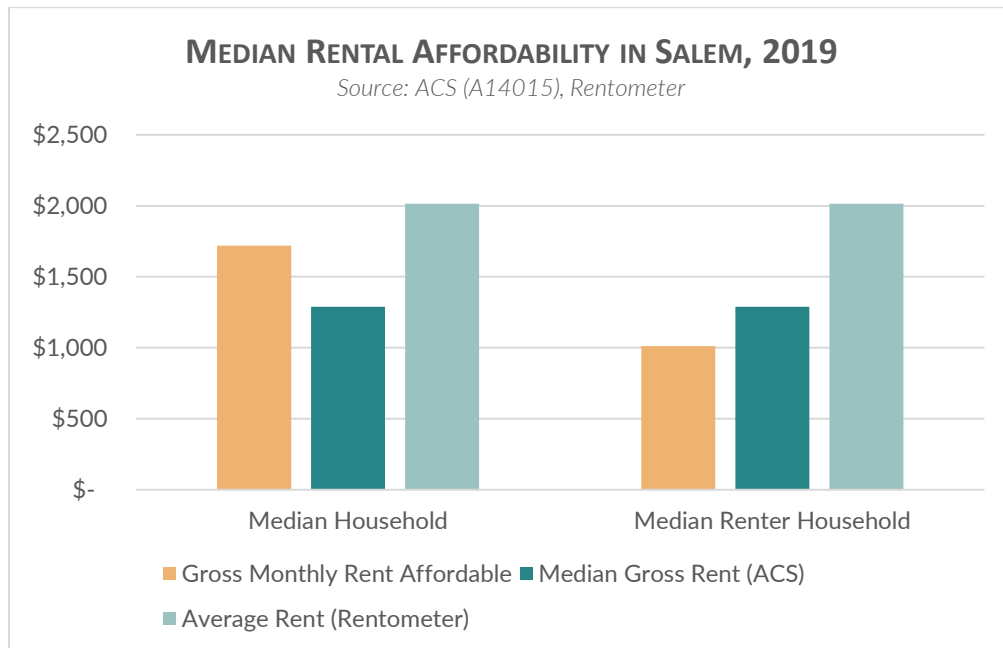
A Salem household earning the 2019 median household income of \$68,808 could afford to buy a house selling for about \$276,000. This is \$214,000 less than the median 2020 single-family sales price of \$490,000, and \$109,000 less than the median 2020 condominium sales prices of \$385,000. A household of two people earning 80 percent of the area median income could afford a home priced at \$291,900, also substantially below the median condominium, and single-family sales prices.



To afford a single-family house at the 2020 median sales price, a Salem household would need to earn \$122,123 and to afford a condominium at the 2020 median sales price, a household would need to earn \$100,387. Both figures are considerably higher than the 2019 median household income of \$68,808.

*With an affordability gap of \$214,000 for a single-family and \$109,000 for a condo, this analysis indicates a need in Salem for more affordable ownership opportunities, both condos and single-family homes, with sales prices at or below \$276,000. Although Salem's lowest-income homeowners are highly cost-burdened, even residents earning 80-100 percent AMI or more can face significant difficulty in paying their housing costs or affording to buy housing.*

## Rental



Salem's lower-income households also face an affordability gap based on current rental prices. According to Rentometer, the average rent in Salem for a two-bedroom unit (the most common type) is \$2,141 and the overall average rent when weighted across all types of rental units is \$2,014. As discussed previously, Census rental data is relatively inaccurate and often an underestimate. The current ACS estimate of median rent in Salem is \$1,289. Calculating rental affordability based on the 30 percent threshold, Salem's median household could afford to pay \$1,720 in rent based on the 2019 median household income of \$68,808. This would fall above the ACS rent estimate but below the current Rentometer number.

However, in Salem, the 2019 average renter household earned significantly less than the median household overall, at \$40,516. Based on this figure, the average renter household could afford a monthly rent of \$1,013 – about \$276 less than the ACS estimate or \$1,001 less than the Rentometer figure.

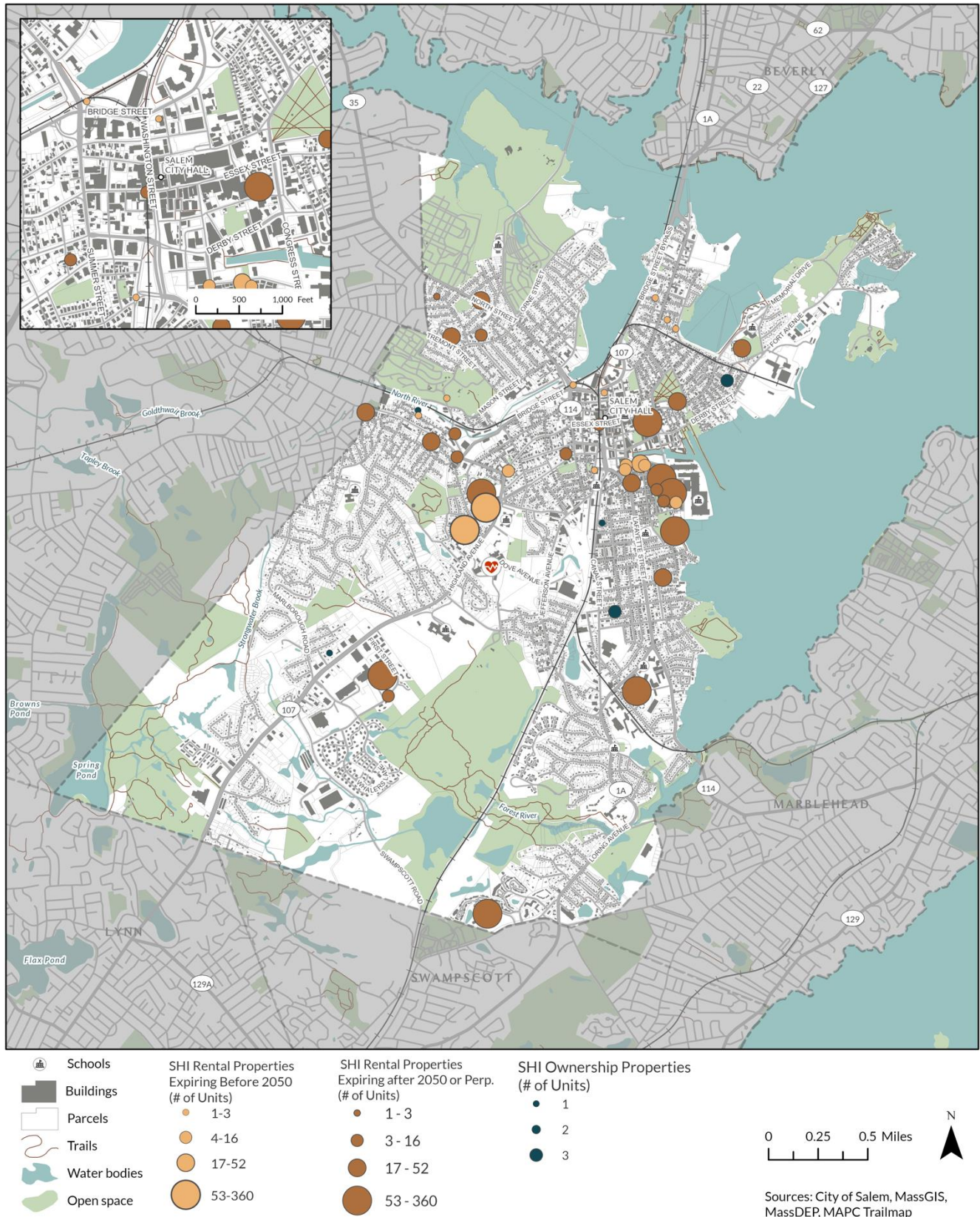
*The average Salem rental household would therefore be spending 60 percent of their income to afford the average rent based on the most recent Rentometer estimates, indicating the need for more rental housing priced around or below the \$1,000 per month range based on the average income of Salem's rental households.*



# CITY OF SALEM -SHI PROPERTIES

Prepared by JM Goldson LLC

J M GOLDSON



## CURRENT M.G.L. CHAPTER 40B SUBSIDIZED HOUSING INVENTORY

Under M.G.L. Chapter 40B, affordable housing units are defined as housing that is developed or operated by a public or private entity and reserved by deed restriction for income-eligible households earning at or below 80 percent of the AMI. In addition, all marketing and placement efforts follow Affirmative Fair Housing Marketing guidelines per the Massachusetts Department of Housing and Community Development (DHCD). These units are also deed restricted units. Housing that meets these requirements, if approved by DHCD, is added to the subsidized housing inventory (SHI).

A municipality's SHI fluctuates with new development of both affordable and market-rate housing. The percentage is determined by dividing the number of affordable units by the total number of year-round housing units according to the most recent decennial Census. As the denominator increases, or if affordable units are lost, more affordable units must be produced to reach, maintain, or exceed the 10 percent threshold.

The SHI shows that Salem had 2,391 subsidized units as of July 2021, making up 12.59 percent of its total housing stock (based on the 2010 Census year-round housing unit figure of 18,998). Therefore, the city's SHI exceeds the state's 10 percent affordability goal for the community. The forthcoming 2020 Census data will increase the number of overall housing units in Salem when the SHI is updated following the full data release. Preliminary Census data indicates a count of 19,313 occupied housing units in the city. The larger number of occupied housing units in 2020 compared with 2010 will slightly decrease the SHI percentage when officially certified by DLCD.

Nearly all of Salem's affordable housing stock are rental units, except for 12 units added to the SHI after participating in the Homeowner Rehabilitation Program (HOR). Most of these 12 units have expired or will expire in 2021 or 2022. Including these HOR units, a total of 516 units on the SHI have expired or will expire in the next five years (by 2026). A total of 530 units will expire in the next ten years (by 2032), and a total of 851 units will expire by 2050. Without an increase in units, the SHI percentage would fall below 10 percent by 2026, but when the 112 affordable units already under construction discussed above are factored in, the SHI percentage would remain above 10 percent until after 2032 (ten years from this writing), though it would fall below 10 percent without additional units permitted by 2050.

## EXPIRED AND EXPIRING USES

Two properties listed on Salem's SHI have expired. Princeton Crossing Apartments, a rental complex with 358 units, expired in 2017, and ten rental units at 68-72 Palmer Street expired in 2020. Both are now private market-rate rentals. These expired properties will be removed from the SHI in the future but currently inflate the number of subsidized rental units in the city.

Two additional properties on the SHI will expire within the next ten years. The Fairweather Apartments on Highland Ave. which comprise 127 rental units owned and managed by Preservation of Affordable Housing (POAH) are set to expire in 2025, and ten SRO units at 104 Lafayette Street owned and managed by North Shore CDC are set to expire in 2031. Since both are owned by affordable housing developers, it is likely the affordability will be extended beyond the current expiration dates.

## SUMMARY

Salem's housing stock and population are both increasing but the population has recently begun to increase at a faster rate than the housing stock. Due to its historical character and development, the city has an unusually high share of multifamily housing units and of older buildings. Salem also has a



particularly high percentage of residents who rent, rather than own their houses. Renters earn considerably less than homeowners in the city and are more likely to live in areas of town which are more racially/ethnically diverse and lower income.

Salem has many small households, but the number of corresponding smaller housing units is not evenly matched, with more small households than small units. There are many cost-burdened households in Salem, nearly 40 percent. These households which spend 30 or more percent of their income on housing costs are at risk of being unable to afford other essentials and suffer from a lower quality of life. The city's residents also struggle with a significant affordability gap for both those who wish to buy and rent housing. A household earning the median income would come up \$214,000 short of being able to buy a house at the median sales price, and a household earning the median rental household income would need to spend nearly 60 percent of their income to afford the average rent.

The city has exceeded the state's goal for 10 percent affordable housing on its Subsidized Housing Inventory, though there are a significant number of units at risk of expiring in the next decade. On the other hand, there is a substantial amount of development taking place, with 250 new affordable units under construction or in the development process, and another 100 affordable units built since 2010. If the city falls below the state's goal of 10 percent affordable housing units on its Subsidized Housing Inventory, the city's goal will be to at minimum to increase the subsidized housing inventory by 0.5%.

# CHAPTER 5: DEVELOPMENT CONSTRAINTS

There are many factors that influence the feasibility of housing production, from physical limitations to regulations that shape development and land use. This chapter reviews environmental constraints, infrastructure constraints, and regulatory barriers.

Note, this analysis relied heavily on the 2015-2022 City of Salem Open Space and Recreation Plan Update (OSRP), particularly Section 4: Environmental Analysis and Section 5: Inventory of Lands of Conservation and Recreation Interest. The description of development constraints to follow include direct excerpts from the OSRP. Citations are included for other sources.

## KEY FINDINGS

### ENVIRONMENTAL CONSTRAINTS

- Despite the nearly unbroken urban environments between Boston and Beverly, Salem has one of the most significant natural spaces along the coast, formed by the combination of Thompson's Meadow, the Forest River Conservation Area, Salem Woods, and the coastline.
- Salem's highlands consist of several steep hills in southwest Salem ranging from 100 to 200 feet in elevation and have historically presented the most enduring constraints on urban development, with much of this hilly area undeveloped until recently.
- The Massachusetts State Hazard Mitigation plan defines flooding in Salem as a high frequency event, likely occurring more frequently than once in five years.<sup>12</sup> Global climate change will only continue to exacerbate extreme weather events contributing to flooding, as well as sea level rise, increasing the risk to Salem in future decades.
- Salem contains a wide range of scenic and historic resources which are highly valued by its residents and government, and which are integral to the city's tourism industry.
- Due to Salem's long industrial history, it is important that any development, particularly those on filled land, consider the possibility of contaminated soil prior to starting construction. Landfill and burning of industrial waste were a common method of disposal, and the resulting ash was a common fill material. Overall, most contamination in the city seems to be heavy metals, and there is the potential for many unknown areas of contaminated fill throughout the city.
- The water quality in Salem's beaches, rivers, and bays overall is poor but improving. All shellfish beds have been closed for harvesting since the 1960s, and the pollution resulting from historic industrial uses in the city is prone to affect water quality if sediments are disturbed. Stormwater runoff also greatly reduces water quality, with the worst quality at Salem's beaches occurring immediately after storms.

### INFRASTRUCTURE CAPACITY

- The South Essex Sewerage District (SESD)'s rehabilitation, repair, and replacement of the city's water and sewer systems has eliminated combined sewer outflows and cross-connections and greatly improved water quality, pressure, and flow in recent decades. However, occasional problems can occur during extreme flood conditions. The SESD system has sufficient capacity for growth in Salem and is not currently at or near capacity.
- The city's water supply and water pressure have not had any significant issues and they do not anticipate significant supply or pressure problems presenting constraints to future development in the city.

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<sup>12</sup> City of Salem, *Hazard Mitigation Plan 2020 Update*

- School enrollment has been declining in recent decades despite increases in the city’s population. Enrollment is projected to continue to decline due to competition from charter and private schools as well as increasing “opt-out” rates, reflecting students attending schools in other municipalities, with implications for the future underutilization of school resources.
- Unpredictable traffic congestion issues frequently plague local routes 107 and 114, and their many signalized intersections increase commuting times and decrease access to larger regional roads and therefore to work opportunities for Salem residents.
- The city has set a long-term goal to create a second commuter rail station to South Salem to accommodate further growth, increase access to Boston, and reduce automobile needs in the area, which contains both Salem State University and the North Shore Medical Center.
- The MBTA bus service operates with varying schedules and studies show significant levels of unreliability in their headways and scheduling.
- The Salem Skipper provides on-demand rides anywhere within the city seven days a week using a smartphone app or by phone. Riders are matched up along similar routes and picked up by the shuttle, which costs \$2 per ride. In addition, a new municipal bike share system has recently been launched, and a community car share program will also be introduced soon.
- Several miles of bike lanes and new shared-use paths have been created, though there remains inadequate separation of cyclists and drivers along high-volume and high-speed streets. As a result, many of Salem’s residents do not feel comfortable using the existing bike network.

## REGULATORY CONSIDERATIONS AND BARRIERS

- Salem’s zoning code is not representative of actual land uses in many residential areas of the city, thus causing barriers to the development of new housing:
  - The minimum lot area and frontage of many parcels exceeds the lot sizes as built. These neighborhoods likely predate current zoning requirements, creating excessive pre-existing nonconforming lots and barriers to developing infill housing on these lots that are similar in size to the existing built environment.
  - Multifamily development is only allowed on around 13 percent of Salem’s land area by right in four districts.
- Affordable Accessory Dwelling Units (ADUs) are allowed by right in all residential zones in Salem. This was approved in June 2021 by a simple majority vote of the City Council as required by the state’s new Housing Choice Legislation which allows simple majority approvals for certain specified zoning changes that promote housing choices.
- Several current initiatives are aimed at retaining and increasing the city’s affordable housing stock, including the Bridge Street Neck Overlay Zone, the Condo Conversion ordinance, and the redevelopment of Salem State University’s South Campus.
- While the city does not currently have Inclusionary Zoning, other than the Planning Board’s Affordable Housing Policy, the Municipal or Religious Building Reuse regulations do require that 10 percent of total units be affordable. An inclusionary zoning policy requiring 10 percent of units be affordable at 60 percent AMI will be refiled in January 2022.

## ENVIRONMENTAL CONSTRAINTS

Salem is one of the oldest urban centers on Massachusetts’ North Shore, containing a mix of distinctive cultural landscapes intermingled with natural landscapes that is typical of older Eastern Massachusetts communities. Salem has around eleven miles of coastal frontage and three tidal rivers – the North River, Forest River, and South River, which flow into Salem Harbor. The South River’s tidal basin and harbor and

the North River's large estuary have both been filled in over time for development, with very few areas of either river remaining aside from underground culverts and narrow channels.

As a result of its industrial history, very few of the original plant and animal communities have been left untouched. However, there are a diversity of natural landscapes remaining in Salem including wetlands, rivers, streams, ponds, tidal flats, coves, harbors, rocky shores, upland ledges, and scrub forest.

***Despite the nearly unbroken urban environments between Boston and Beverly, Salem has one of the most significant natural spaces along the coast, formed by the combination of Thompson's Meadow, the Forest River Conservation Area, Salem Woods, and the coastline.***

Additionally, the city boundaries contain around ten square miles of aquatic environment in Salem Sound, including more than a dozen small islands and a federal deep-water channel. These islands are accessible by boat and provide open spaces for hiking and exploration. The Public Parks movement emerged in the nineteenth century in response to rapid industrialization and has since resulted in over 350 acres of public parks in Salem, including Salem Common, the city's first urban park. The city also values its cultural landscapes, particularly the well-known sites associated with Salem's colonial and federal history, Victorian residences in South and North Salem, and the Salem Willows, as well as distinctive landscapes of Salem's industrial and immigrant history including Blubber Hollow, the Russian Orthodox Church, and the mills and worker housing in the Point.

## GEOLOGY AND TOPOGRAPHY

The geography of Salem has been shaped by millennia of continental movement and glacial erosion. The city's bedrock is part of the deeply eroded northern Appalachians, and distinctive marbled stone seen in some of Salem's parks and natural areas resulted from the intersection of two smaller continents over 400 million years ago.

Salem's topography is consistent with neighboring areas of the New England Seaboard Lowlands, with irregular rocky or marshy coastlines, diverse stream, and river basins, and scattered small hills and upland areas.

Most areas are well below 400 feet, and the average elevation is below 100 feet. The city's highlands are supported by shallow fractured bedrock through which water flows into the Forest River estuary and other wetlands.

***Salem's highlands consist of several steep hills in southwest Salem ranging from 100 to 200 feet in elevation and have historically presented the most enduring constraints on urban development, with much of this hilly area undeveloped until recently.***

## SOILS

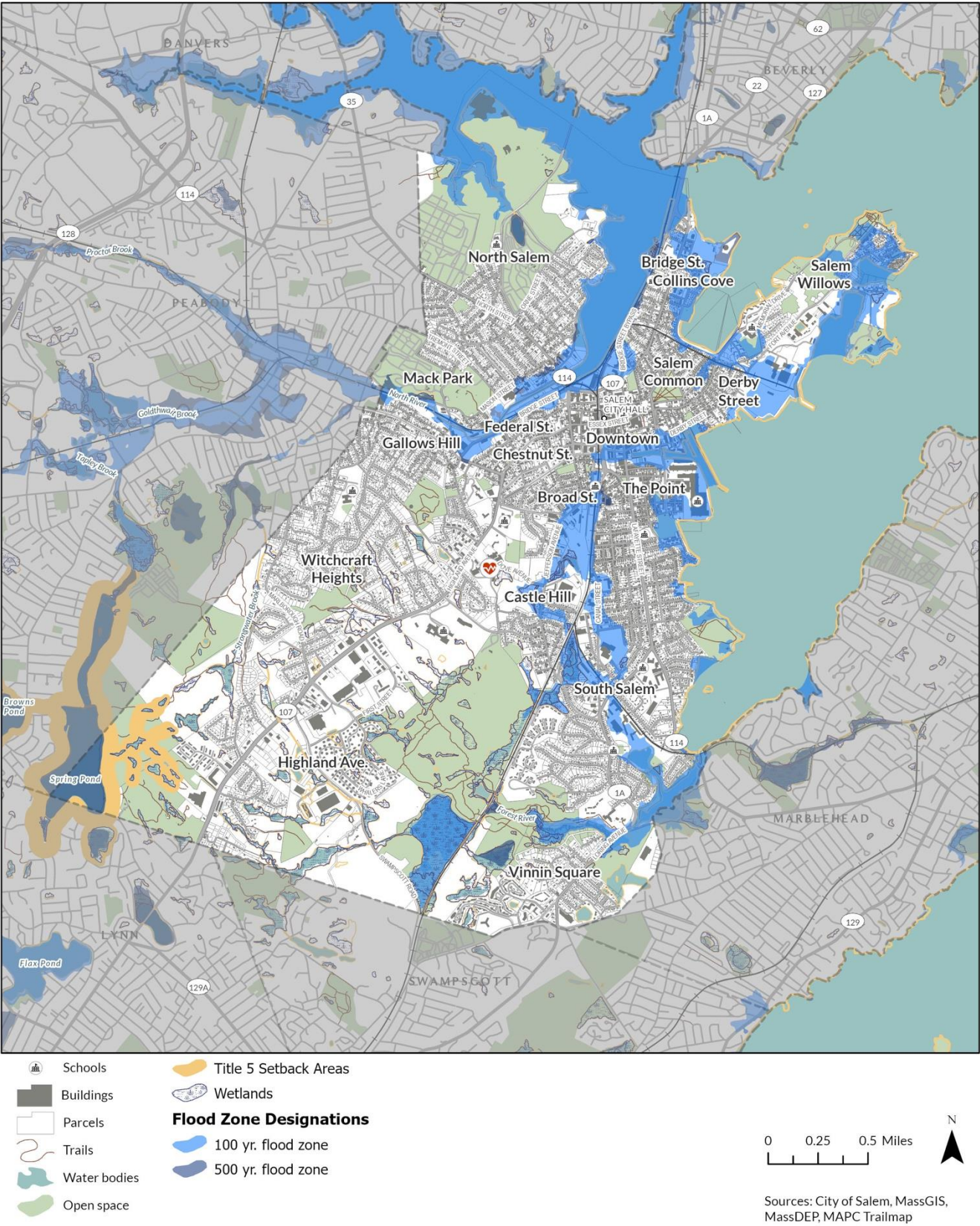
Salem's soils are rocky and shallow, with stone fragments making up 35-37 percent of the soil volume. The harbor and South and North River basins have been modified by fill. Lowland areas are peat and muck or meadow, with bedrock outcroppings (ledge) interspersed at high elevations. Coarse fragments are found in the upper soil layers, with sand and gravel below. Gloucester soils developed from glacial tills are found on gentle to steep slopes.



CITY OF SALEM - WATER RESOURCES

Prepared by JM Goldson LLC

J M GOLDSON



## WATERSHED

Salem is part of the North Coastal Watershed, which extends from southern New Hampshire to Revere. Salem, along with several other nearby towns, lies within the Salem Sound sub watershed. The Salem Sound watershed covers 43,000 hectares, with input from the Danvers and North Rivers, stormwater runoff, and wastewater. Salem Sound Coastwatch works to “protect and improve the environmental quality of Salem Sound and its watershed” through education, advocacy for sustainable resource management, environmental monitoring, and research.<sup>13</sup>

## SURFACE WATER BODIES

The major saltwater bodies in Salem are Salem Harbor and Beverly Harbor. Other major water bodies include the Forest River, the Danvers River, the South River Canal, Strongwater Brook, and Spring Pond. Two other ponds, Mill Pond and Rosie’s Pond, are being threatened by encroaching invasive plants. There are two other small ponds at Peter’s Point and the Kernwood Country Club.

## WATER QUALITY

The water quality in Salem’s beaches, rivers, and bays overall is poor but improving. All shellfish beds have been closed for harvesting since the 1960s, and the pollution resulting from historic industrial uses in the city is prone to affect water quality if sediments are disturbed. Stormwater runoff also greatly reduces water quality, with the worst quality at Salem’s beaches occurring immediately after storms.

A 1995 report by the Massachusetts Bays Program indicated that none of the waters in the Salem Harbor, the North River or Forest River were swimmable, though water quality has improved since then. The state goals are to make all those bodies swimmable and fishable, and local groups such as Salem Sound Coastwatch have helped identify contaminated discharges near swimming areas and assisted the city in creating water quality improvement programs.

## WETLANDS AND VERNAL POOLS

Wetlands and floodplains are unique natural resources, providing flood storage and helping to filter pollution before it reaches underground water supplies. Wetlands also recharge ground water, which preserves present and potential water supplies, serve as plant and wildlife habitat, and produce nutrients for aquatic life. In Massachusetts, primary authority for implementation of wetland laws is given by the legislature to local municipalities through their Conservation Commissions. Salem’s wetlands ordinance is currently being updated. The draft ordinance provides substantial protections beyond what is currently in place through state law and the local zoning ordinance and would establish a 25-foot no-disturb area and a 50 foot zone that prohibits impacts without mitigation.<sup>14</sup>

Salem has 171 acres of inland wetlands comprised of freshwater marshes and swampland. The marshes include Spring Pond, Thompson’s Meadow, a marsh on Strongwater Brook, and marshes along the Forest River and South River. Wooded swamplands are located along the Forest River tributaries, along Strongwater Brook tributaries west of Highland Avenue, and opposite Thompson’s Meadow east of the railroad tracks.

There are also 37 acres of saltwater marshes in Salem, including the Forest River estuary and areas surrounding Peter’s Point in the Danvers River. These extremely productive ecosystems form the basis of the food chain and protect marine life during spawning and growth periods.

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<sup>13</sup> Salem Sound Coastwatch, “About Us.” <https://www.salemsound.org/aboutUs.html>

<sup>14</sup> Salem, MA “Wetlands Protection Update.” <https://publicinput.com/SalemWetlands>

Salem contains eight certified Vernal Pools and 39 potential Vernal Pools according to 2021 MassGIS data. Vernal pools occur across the landscape where small, woodland depressions, swales, or kettle holes collect spring runoff or intercept seasonally high groundwater tables. Some species of wildlife, such as wood frogs, spotted salamanders, and fairy shrimp, are totally dependent on vernal pools for their breeding and survival, while other species, such as spring peepers, breed in vernal pools but can breed and survive in other wetland habitats. Vernal pools also support a rich and diverse invertebrate fauna. Beginning in 1987, vernal pools were also given some protection under the State's Wetlands Protection Act (WPA). The forthcoming wetlands ordinance would also protect vernal pools and isolated vegetated wetlands as protected resource areas.

## FLOOD HAZARD AREAS

Flooding was the most serious natural hazard identified by the City of Salem in its 2020 Hazard Mitigation Plan. Flooding is generally a result of severe weather such as hurricanes, nor'easters, severe rainstorms, and thunderstorms. In Salem, flooding issues include tidal surge and coastal erosion, as well as impacts to infrastructure such as flooded roads, clogged or destroyed culverts, and power lines knocked down from high winds.

Floodplain and wetland area preservation is essential as one important tool to mitigate flood damages in Salem. In Essex County, there were 50 flood events between 1996 and 2018, resulting in \$20 million in damages countywide, according to NOAA.

***The Massachusetts State Hazard Mitigation plan defines flooding in Salem as a high frequency event, likely occurring more frequently than once in five years.<sup>15</sup> Global climate change will only continue to exacerbate extreme weather events contributing to flooding, as well as sea level rise, increasing the risk to Salem in future decades.***

The city's 2014 Climate Change Vulnerability Assessment and Adaptation Plan forecasts a sea level of over four feet above the 1998 baseline and a storm surge of 13 feet by 2100. By 2050, sea level rise is expected to reach around 1.6 feet according to the Massachusetts Office of Coastal Zone Management. The Federal Emergency Management Agency also significantly redefined its flood boundaries in Salem in 2014. The city is prioritizing repairs to its seawalls and tide gates to mitigate future impacts of climate change, as well as improving capacity of the stormwater drainage system, pump stations, and other mitigation strategies.

Per communication with the city engineer in September 2021, flooding is becoming an increasingly common occurrence in Salem. The highest tides of the year which occur when the Earth, sun, and moon are as close as possible to each other in their relative orbits are known as king tides.<sup>16</sup> These tides sometimes flood areas of Salem even without storm activity, and there are areas of town that now experience flooding considerably more than in the past. There have been resident requests for mitigation and seawall repairs, particularly along Columbus Ave. Particular areas identified as flood-prone were:

- The Willows
- Commercial Street, often floods over the seawall, particularly during king tides
- Areas around Columbus Ave.

<sup>15</sup> City of Salem, *Hazard Mitigation Plan 2020 Update*

<sup>16</sup> DeCosta-Klipa, Nik. "What's a king tide and why are they flooding Boston's waterfront?" <https://www.boston.com/news/local-news/2016/10/18/whats-a-king-tide-and-why-are-they-flooding-bostons-waterfront/>



- Bridge Street between Flint and North, particularly during bad storms
- Derby Wharf
- The Walmart parking lot off Highland Avenue.

The city has undertaken several climate adaptation projects with funding from the Massachusetts Office of Coastal Zone Management including a flood control project in the Rosie's Pond neighborhood providing protection to 12 acres of residential property and 40 structures. The state also funded a project to assess the feasibility of coastal green infrastructure such as tidal marsh restoration or natural oyster or reef creation as a climate change mitigation strategy.<sup>17</sup> The city is also working on a Climate Change Deep Dive Model, Alternative Analysis, and Targeted Outreach & Engagement Project focusing on the Point/Palmer Cove neighborhood, due to its vulnerability to climate change impacts combined with the vulnerability of its residents, workers, infrastructure, and development.<sup>18</sup> Other recent and upcoming projects include:

- Flood mitigation projects along Canal Street and the Collins Cove Living Shoreline
- Seawall repair work on Daniels Street, Ocean Avenue, and the Willows Park Neighborhood
- Implementation of the Salem-Beverly Resilient Together Action Plan
- Updates to the city's green building policies and subdivision regulations
- A review of the Flood Hazard Overlay District Special Permit Zoning Ordinance
- Resiliency studies in the Point and Harmony Grove<sup>19</sup>

## VEGETATION

Areas of thick, woody vegetation are rare in Salem because of development as well as the shallow or nonexistent soils of the Salem Highlands which will not support large or dense woody plants. The relatively small area of wooded vegetation that remains is secondary growth, containing oak, birch, hickory, and white pine. The main forested areas in Salem are:

- o The slope facing Spring Pond
- o The area west of Strongwater Brook
- o The hill between the Forest River salt marshes and Thompson's Meadow
- o Areas in Highland Park and between Highland Park and Thompson's Meadow
- o Areas south of Swampscott Road surrounding the Prophet Elias Monastery

In freshwater marshes, most vegetation is narrow-leaf cattail as well as several invasive species such as phragmites, purple loosestrife, and Japanese knotweed. In wooded swamps, trees, and shrubs such as alder, willow, dogwood, and red maple can be found. Vegetation typical of the salt marshes includes saltwater cord grass, high water cord grass, spike grass, and sea lavender.

***Salem has a legacy of quality urban forestry, including the oaks and maples throughout Salem Common, the elm canopy over Lafayette Street, and the willows in Salem Willows Park. Salem has been designated a Tree City USA by the Arbor Day Foundation several times and maintains a certified arborist and a tree planting program to oversee its urban trees.***

The city has been working on several efforts to increase its urban canopy. A tree ordinance was adopted that protects private trees of multifamily homes within the front yard setback. The City of Salem has been

<sup>17</sup> City of Salem, 2014 *Climate Change Vulnerability Assessment and Adaptation Plan*

<sup>18</sup> Communication with Department of Planning and Community Development Staff, Nov. 2021

<sup>19</sup> Communication with Department of Planning and Community Development Staff, Nov. 2021



selected to join the Massachusetts Department of Conservation and Recreation (DCR) Greening the Gateway Cities Tree Planting Program. Through this program DCR foresters will plant 2,000 new trees on private property and 400 trees on City property.<sup>20</sup>

## RARE AND ENDANGERED SPECIES

The Massachusetts Natural Heritage and Endangered Species Program has listed six rare plant species and nine rare animal species as historically documented in Salem. Only four of the animals on this list have been observed in the past 25 years, and the most recent documentation of the other plants and animals is from the mid-nineteenth century. However, the habitats for these species are present in Salem, and individuals may still exist.

### RARE AND ENDANGERED SPECIES IN SALEM

*Source: 2015-22 Salem Open Space and Recreation Plan*

Town	Taxonomic Group	ScientificName	CommonName	MESA Status	Federal Status	Most Recent Observation
Salem	Amphibian	Ambystoma opacum	Marbled Salamander	T		1800s
Salem	Bird	Bartramia longicauda	Upland Sandpiper	E		Historic
Salem	Vascular Plant	Boechera missouriensis	Green Rock-cress	T		1861
Salem	Bird	Botaurus lentiginosus	American Bittern	E		1990
Salem	Bird	Caprimulgus vociferus	Eastern Whip-poor-will	SC		2012
Salem	Vascular Plant	Celastrus scandens	American Bittersweet	T		1879
Salem	Bird	Falco peregrinus	Peregrine Falcon	E		2010
Salem	Reptile	Glyptemys insculpta	Wood Turtle	SC		1858
Salem	Bird	Ixobrychus exilis	Least Bittern	E		1990
Salem	Vascular Plant	Liatris scariosa var. novae-angliae	New England Blazing Star	SC		1885
Salem	Butterfly/Moth	Metarranthia apiciaria	Barrens Metarranthia	E		Historic
Salem	Vascular Plant	Ophioglossum pusillum	Adder's-tongue Fern	T		1872
Salem	Vascular Plant	Ranunculus micranthus	Tiny-flowered Buttercup	E		1888
Salem	Vascular Plant	Rumex pallidus	Seabeach Dock	T		1800s
Salem	Amphibian	Scaphiopus holbrookii	Eastern Spadefoot	T		Historic

#### Legend

MESA – Massachusetts Endangered Species Act

E – Endangered | T – Threatened | SC – Special Concern

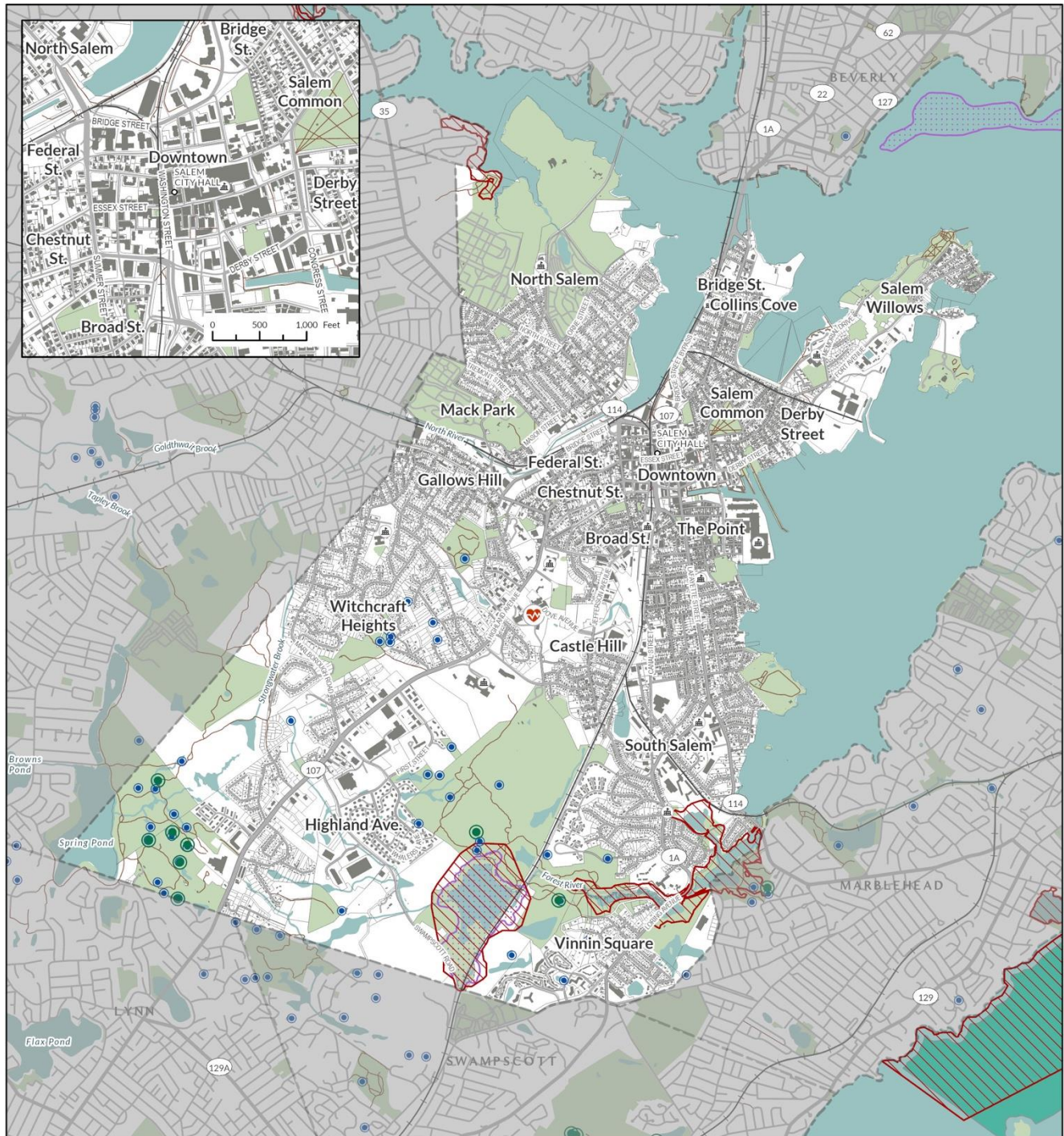
Thompson's Meadow is a Natural Heritage Biomap Core Habitat, surrounded by the Natural Heritage Supporting Natural Landscape of Salem Woods. These two open spaces combine to cover 166 acres of wetland and upland vegetation. The Forest River has its headwaters in Thompson's Meadow, and its Conservation Area forms a wildlife corridor from the Meadow to the ocean. Wildlife habitat also exists in North Salem in the two cemeteries, a large country club, and other privately owned areas.

<sup>20</sup> Communication with Department of Planning and Community Development Staff, Nov. 2021

# CITY OF SALEM - HABITAT RESOURCES

Prepared by JM Goldson LLC

J M GOLDSON



- Schools
- Buildings
- Parcels
- Trails
- Water bodies
- Open space
- Certified Vernal Pools
- Potential Vernal Pools
- BioMap2 Critical Natural Landscape
- BioMap2 Core Habitat
- Priority Habitats of Rare Species
- Areas of Critical Environmental Concern



Sources: City of Salem, MassGIS, MassDEP, MAPC Trailmap

## HISTORIC AND SCENIC RESOURCES

*Salem contains a wide range of historic and scenic resources which are highly valued by its residents and government, and which are integral to the city's important tourism industry.*

Salem's historic resources include examples of over ten historic styles of American architecture, one of the finest collections of Federal Style and Federal Period architecture in the country, some of the earliest established urban parks in the nation, one of the few remaining colonial period wharves in the country, and historic sites associated with the late seventeenth century witchcraft trials.

In addition to their importance to the history, character, and economy of Salem, historic resources provide both opportunities and constraints to housing development. Opportunities include federal and state historic tax credits for properties designated on the National Register of historic places as discussed below, as well as the potential for naturally occurring affordable housing (NOAH) in older or historic buildings. However, development can be constrained around local historic districts and properties, as well as scenic resources such as designated parkland, which is restricted from development in Salem.

### NATIONAL REGISTER OF HISTORIC PLACES

Authorized under the National Historic Preservation Act of 1966, the National Register of Historic Places is the official federal list of historic and cultural resources worthy of preservation. Properties listed in the National Register include districts, sites, buildings, structures, and objects that are significant in American history, architecture, archeology, engineering, and culture. The National Register is administered by the National Park Service, which is part of the U.S. Department of the Interior. Section 106 of the National Historic Preservation Act requires Federal agencies to consider the effects of their projects on historic Properties. Properties in historic districts are eligible for federal and state historic tax incentives for rehabilitation projects. To date, Salem has 33 individual properties listed in the National Register.<sup>21</sup> Salem also contains 20 National Register Historic Districts, as follows:

- Baker's Island Light Station
- Bridge Street Neck
- Charter Street
- Chestnut Street
- Crombie Street
- Derby Waterfront
- Downtown Salem
- Essex County Court Building Complex
- Essex County Jailkeeper's House and Jail
- Essex Institute
- Federal Street
- Gedney and Cox Houses
- Greenlawn Cemetery
- House of Seven Gables
- Old Town Hall
- Peabody Museum
- Pickering House and Barn
- Point Neighborhood
- Salem Common
- Salem Common District
- Salem Maritime National Historic Site
- Salem Willows
- Winter Island Historic District and Archeological District

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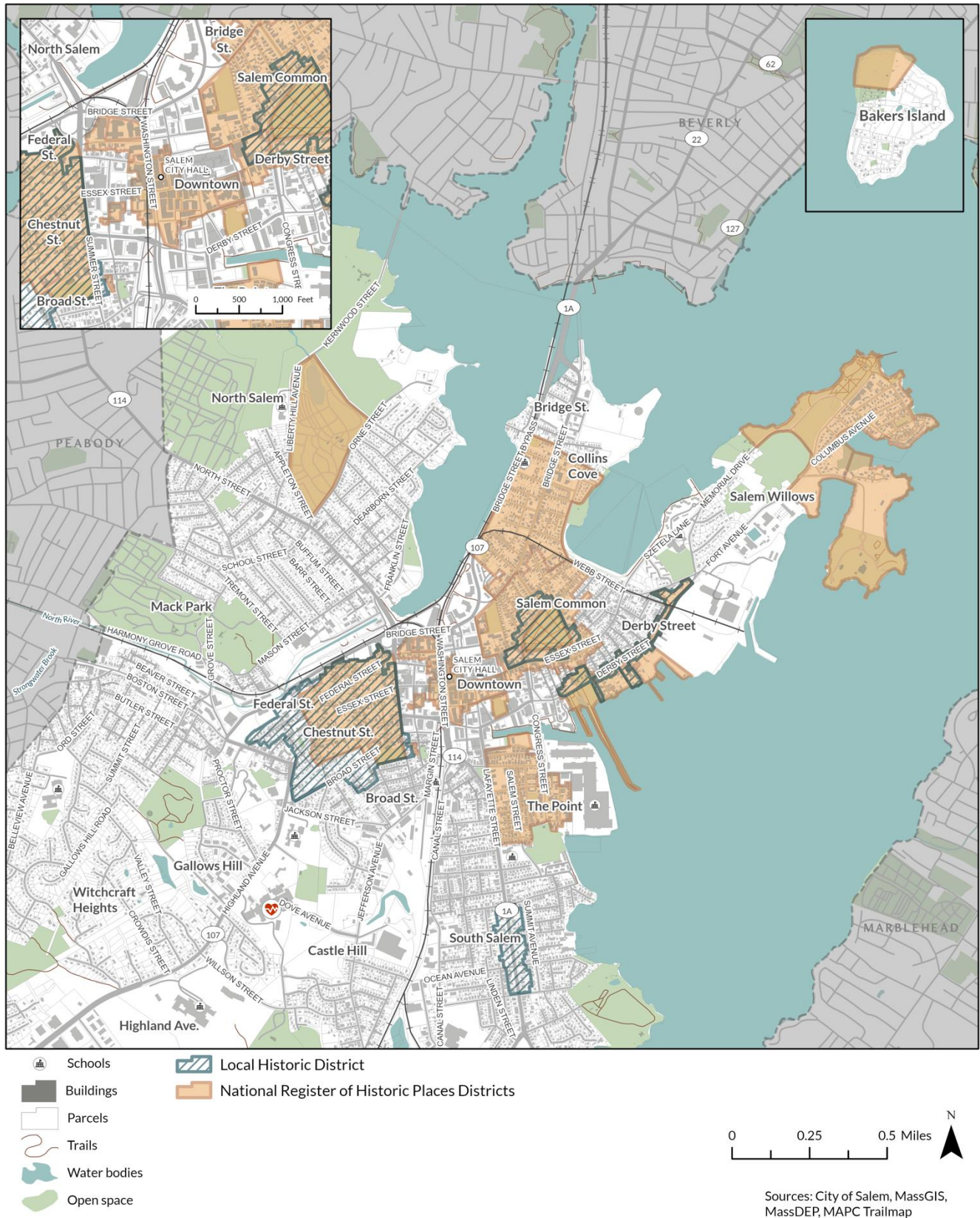
<sup>21</sup> 2015 City of Salem Historic Preservation Plan Update, p. 93



# CITY OF SALEM - HISTORIC RESOURCES

Prepared by JM Goldson LLC

J M GOLDSON



## LOCAL HISTORIC DISTRICTS

Salem has also established four Local Historic Districts, which is a regulatory designation and will be discussed further under the Regulatory Barriers section of this report. These four districts encompass approximately 550 structures from the seventeenth, eighteenth, and early nineteenth centuries:

- Derby Street Historic District
- Lafayette Street Historic District
- McIntire Historic District
- Washington Square Historic District

## HAZARDOUS WASTE SITES

Salem has no current Federal Superfund sites. As of August 2021, Salem has 479 confirmed hazardous waste sites registered with the Massachusetts Department of Environmental Protection (DEP), most of which are oil releases. Several other sites listed as reportable releases by DEP are currently being addressed but may require more DEP scrutiny.

In 2009, the city completed converting the site at 61 Ward Street into an improved intersection with a pocket park attached. In 2014, the City of Salem and the City of Peabody were awarded \$950,000 in brownfield clean-up funds, the largest award for any Massachusetts community.

*Due to Salem's long industrial history, it is important that any development, particularly those on filled land, consider the possibility of contaminated soil prior to starting construction. Landfill and burning of industrial waste were a common method of disposal, and the resulting ash was a common fill material. Overall, most contamination in the city seems to be heavy metals, and there is the potential for many unknown areas of contaminated fill throughout the city.*

Furlong, McGrath, Witchcraft, Splaine, Gonyea, and Furlong parks and Bertram Field have all had issues with contaminated soils that delayed or halted proposed construction.

## INFRASTRUCTURE CAPACITY

### WATER AND SEWER

#### Wastewater

The City of Salem is served by a municipal sewer system covering nearly all residences and businesses. There are only a handful of remaining septic systems in the city. The Salem sewer system is tied into a regional treatment plant operated by the South Essex Sewerage District (SESD) which was established in 1925 to serve Salem and surrounding communities. The SESD maintained a high record of compliance with wastewater treatment standards in 2020 as well as upgrading its treatment plant for overall reliability and quality.<sup>22</sup>

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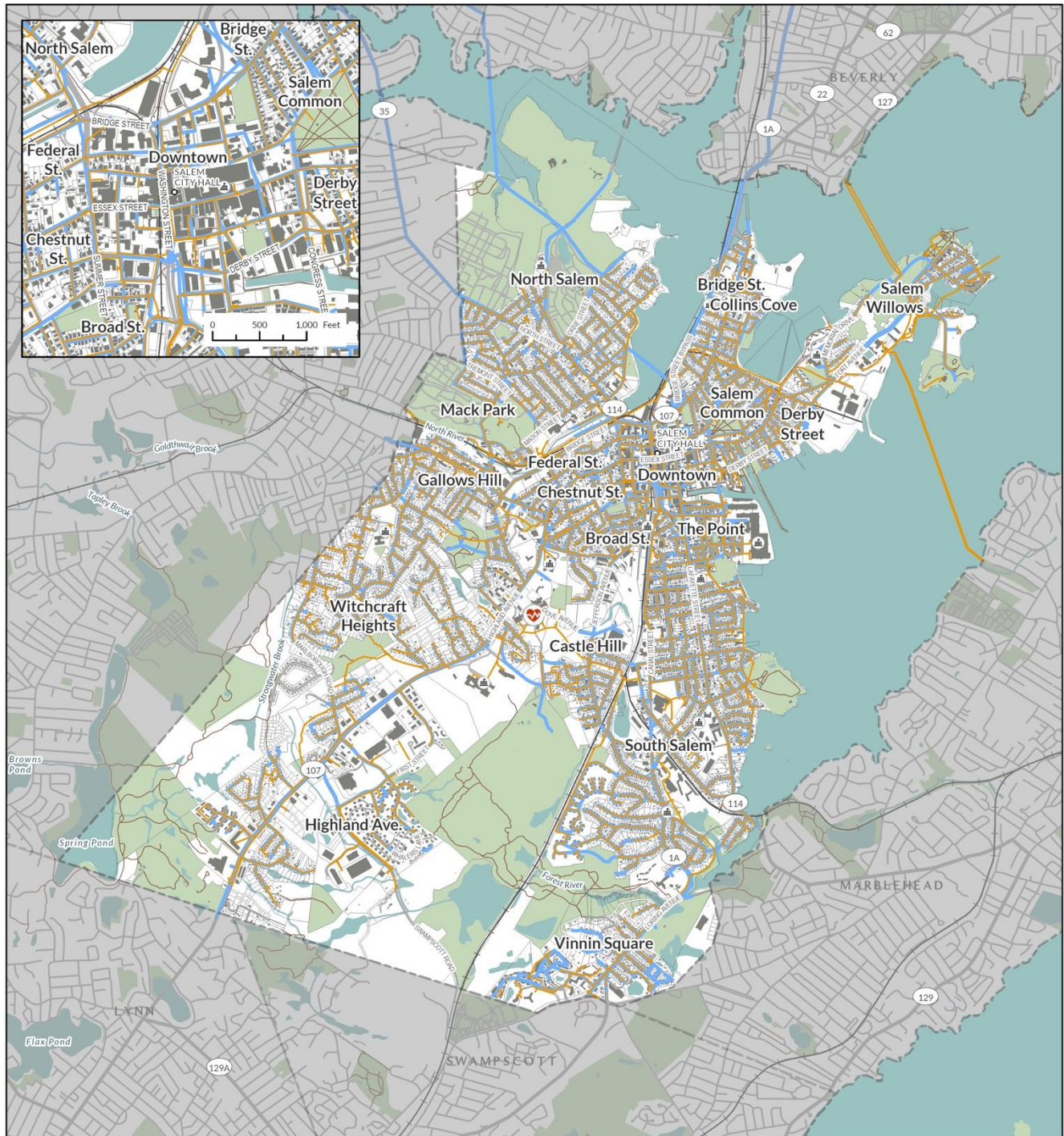
<sup>22</sup> South Essex Sewerage District Annual Report 2020



# CITY OF SALEM - WATER INFRASTRUCTURE

Prepared by JM Goldson LLC

J M GOLDSON



- Schools
- Buildings
- Parcels
- Trails
- Water bodies
- Open space
- Sewer Pipes
- Water Supply Lines



Sources: City of Salem, MassGIS, MassDEP, MAPC Trailmap

***The South Essex Sewerage District's rehabilitation, repair, and replacement of the city's water and sewer systems has eliminated combined sewer outflows and cross-connections and greatly improved water quality, pressure, and flow in recent decades. However, occasional problems can occur during extreme flood conditions. Per communication with the city engineer and the OSRP, the SESD system has sufficient capacity for growth in Salem and is not currently at or near capacity.***

Water supplies for Salem and Beverly are administered by the Salem-Beverly Water Supply Board. Data in the OSRP shows the total current authorized withdrawal is 11.31 million gallons a day (MGD); Salem uses about 5.7 MGD and Beverly uses about 3.8 – 4 MGD on average. The average per capita daily water use by Salem residents is approximately 138 gallons per day.

## Drinking Water

Salem's primary drinking water source is Wenham Lake, which is recharged by the Putnamville Reservoir, the Ipswich River, and Longham Reservoir. All these sources lie outside Salem's boundaries. Salem's water is provided by the Salem and Beverly Water Supply Board, which manages these source waters, treats them to a high standard at the Arlington Avenue water treatment plant in North Beverly, and delivers them to the Salem and Beverly pumping stations. In 2020 the levels of all regulated compounds and secondary contaminants were well below the allowed thresholds and almost all below the ideal levels as well.<sup>23</sup>

***Per communication with Salem's city engineer in September 2021, the city's water supply and water pressure have not had any significant issues and they do not anticipate significant supply or pressure problems presenting constraints to future development in the city.***

The Massachusetts Source Water Assessment and Protection Program (SWAP) assessed 17 potential high threat land uses in the Salem-Beverly watershed area, including potential contaminants from manure storage, pesticide use, auto repair stations, hazardous waste storage, landfills, and other sources. This program assesses these potential sources of contamination to draw attention to the importance of regulating these activities. In response, the water supply board has implemented development plan reviews in Beverly, Wenham, and Topsfield, conducted stream monitoring throughout the watersheds, and managed geese on Wenham Lake.<sup>24</sup>

## SCHOOLS

Salem currently has eleven public schools which enroll 3,734 students<sup>25</sup>:

- Salem Early Childhood Center (pre-kindergarten)
- Bates Elementary School (kindergarten-grade 5)
- Bentley Academy Charter School (kindergarten-grade 5)
- Carlton Innovation School (kindergarten-grade 5)
- Horace Mann Laboratory School (kindergarten-grade 5)
- Witchcraft Heights Elementary School (kindergarten-grade 5)
- Saltonstall School (kindergarten-grade 8)
- Collins Middle School (grades 6-8)
- Salem High School (traditional high school)
- New Liberty Innovation School (alternative high school)

<sup>23</sup> Salem and Beverly Water Supply Board 2020 Drinking Water Quality Report

<sup>24</sup> Salem and Beverly Water Supply Board 2020 Drinking Water Quality Report

<sup>25</sup> Salem Public Schools. <https://www.salemk12.org/>

- Salem Prep High School (alternative high school)

The student body identifies primarily as Hispanic (43.5 percent) and White (42.6 percent), with small percentages of African American, Asian, and mixed-race students. The student body is diversifying over time with 57 percent of students identifying as BIPOC (Black, Indigenous, and People of Color) in 2021, compared with 47 percent in 2011. Fifty-five percent of students are classified as “economically disadvantaged”, and 32 percent of students’ first language is not English. Salem’s school district was classified as making “Substantial progress towards targets” in 2019. The district overall scores marginally lower than the state average in most subjects, with overall improvements in the past three school years.<sup>26</sup>

*School enrollment has been declining in recent decades despite increases in the city’s population. Enrollment is projected to continue to decline due to competition from charter and private schools as well as increasing “opt-out” rates, reflecting students attending schools in other municipalities, with implications for the future underutilization of school resources.<sup>27</sup>*

The school district has recently adopted a number of goals for the 2021-2023 period, including increasing the percent of educators and staff who represent the racial, ethnic, and linguistic diversity of students, decreasing chronic absenteeism and suspensions, increasing discussion of race, ethnicity and culture in school, increasing the percentage of Salem residents attending public schools, improving four-year high school graduation rates to 85 percent, and improving overall performance as measured by MCAS.<sup>28</sup>

## TRANSPORTATION

### Roads

I-95 and Route 128, the major regional highways, are within five miles of Salem’s city limits. Several arterial roads serve Salem, including State Routes 1A, 107 and 114, as well as the Boston Street Corridor which links Salem and Peabody and provides access to Route 128. This corridor was the subject of a 2015 joint planning effort with the City of Peabody to improve zoning, economic development, and complete streets infrastructure along the corridor.<sup>29</sup> Several safety and roadway improvements were implemented along Boston Street in 2020.<sup>30</sup>

*As discussed in the 2020 City of Salem Five-Year Consolidated Plan, unpredictable traffic congestion issues frequently plague local routes 107 and 114, and their many signalized intersections increase commuting times and decrease access to larger regional roads and therefore to work opportunities for Salem residents.*

### Public Transportation

Salem is served by one commuter rail station at Salem Depot on the MBTA Newburyport/Rockport line. This line provides frequent weekday service to Boston’s North Station and ridership was estimated at 2,389 inbound boardings per day in 2016. The station at Salem Depot is within a half-mile walk of the downtown historic core of Salem and has a parking garage with 700 spaces.<sup>31</sup>

<sup>26</sup> Massachusetts Department of Elementary and Secondary Education, Salem School and District Profile, <http://profiles.doe.mass.edu>

<sup>27</sup> Salem Public Schools Facility Master Plan: <https://www.cannondesign.com/salem-public-schools-facility-master-plan/>

<sup>28</sup> Salem Public Schools, 2021 Entry Plan Report: Findings and Strategic Priorities for the Salem Public Schools

<sup>29</sup> Metropolitan Area Planning Council, 2015 Peabody-Salem Corridor Concept Action Plan

<sup>30</sup> City of Salem, Boston Street Roadway Improvement Project.

<sup>31</sup> TransAction Associates, Shuttle Bus Feasibility Study, and a Qualitative Evaluation of Current Transit Services, 2018.



*The city has also set a long-term goal to create a second commuter rail station to South Salem to accommodate further growth, increase access to Boston, and reduce automobile needs in the area, which contains both Salem State University and the North Shore Medical Center.<sup>32</sup>*

The MBTA provides six bus lines which travel through Salem, although overlapping routes result in only four actual bus routes in the city. The routes all serve Salem Depot and subsequently disperse across the city's major arterials before continuing north to Beverly and Danvers or south to Lynn, Revere, or Boston.

*The MBTA bus service operates with varying schedules and studies show significant levels of unreliability in their headways and scheduling.<sup>33</sup>*

MBTA also operates The Ride, a door-to-door, shared-ride paratransit service, in compliance with the ADA, as well as subsidizing on-demand paratransit in partnership with Uber and Lyft.

Boston Harbor Cruises operates a ferry service connecting the Salem Ferry Center with Long Wharf in Boston between May and October. Several other shuttle and trolley services operate seasonally or for specific locations, including a shuttle between Salem State University and the Salem Depot, a tourist trolley in summer months, the October Haunted Happenings Shuttle, and a shuttle to Boston's Logan Airport.<sup>34</sup>

## Bicycling

Since 2010, Salem has made numerous changes to improve bicycle accessibility in the city.

*Several miles of bike lanes and new shared-use plans have been created, though there remains inadequate separation of cyclists and drivers along high-volume and high-speed streets. As a result, many of Salem's residents do not feel comfortable using the existing bike network.*

The city has about seven miles of bike infrastructure currently installed. The 2018 Bicycle Master Plan lays out 87 prioritized infrastructure recommendations to improve cycling in the city.<sup>35</sup> The city also contains a bike trail connecting it to Marblehead, which was funded by MassHighway's Enhancement program, with plans for a further extension of the trail to Peabody as well.

## Micromobility

In 2020, following a feasibility study and in partnership with several public and private partners, the city received a \$250,00 Workforce Transportation Grant from the Massachusetts Department of Transportation to launch a new on-demand ride share shuttle service called the Salem Skipper.<sup>36</sup> The Skipper is also funded through the city's local marijuana tax and through new development via required

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<sup>32</sup> City of Salem / Metropolitan Area Planning Council, South Salem – From Trail-Oriented Development to Transit-Oriented Development: A Study of Market Potential. Summer 2017.

<sup>33</sup> City of Salem, Five-Year Consolidated Plan, 2020.

<sup>34</sup> TransAction Associates, Shuttle Bus Feasibility Study and a Qualitative Evaluation of Current Transit Services, 2018.

<sup>35</sup> City of Salem, Salem Bicycle Master Plan, October 2018.

<sup>36</sup> City of Salem, Five-Year Consolidated Plan, 2020.

payments by developers towards the Transportation Enhancement Fund which funds the Skipper and other micromobility efforts in Salem.<sup>37</sup>

*The Salem Skipper provides on-demand rides anywhere within the city seven days a week using a smartphone app or by phone. Riders are matched up along similar routes and picked up by the shuttle, which costs \$2 per ride.*<sup>38</sup>

The Skipper has been very popular, with 550 rides per week on average in January-August 2021. Three-quarters of riders listed affordability as the main reason for riding, and 85 percent of riders said they do not own a car. The top destination is Market Basket, and the top origin is Salem State University. The Skipper's highest ridership comes from residents of the Point, the city's lowest-income neighborhood.<sup>39</sup>

Salem joined Metro Boston's bike share system BlueBikes in June of 2021, with six stations across the city. Between June and October 2021 there were a total of 1,189 rides. Previously, the city was served by the Zagster bike sharing system from 2017-2020, during which time there were over 23,000 rides.

In addition to the Salem Skipper and BlueBikes, a community car share program was also launched in early 2021. Salem's intracity micro-mobility options allow residents, visitors, and employees to string together different mode choices where appropriate. Salem should continue to make investments in micro-mobility options as they provide opportunities for a care-free or car-light lifestyle and thus relieve the strain of traffic congestion.

## Complete Streets

In 2014, the City of Salem adopted a Complete Streets Policy, requiring that both public and private roadway projects in the city should endeavor to adhere to Complete Streets principles to create effective and safe shared roadways for all users.<sup>40</sup> Several planning processes in Salem have also recently recommended bike and pedestrian safety improvements as part of larger development projects, particularly in the North River Canal Corridor, a former industrial area which is currently being redeveloped into five mixed-use sites.<sup>41</sup>

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<sup>37</sup> Email communication with city staff, December 2021

<sup>38</sup> City of Salem, Salem Skipper. <https://www.salem.com/mobility-services/pages/salem-skipper>

<sup>39</sup> City of Salem / Via. "Salem Skipper Service Review September 2021 Update."

<sup>40</sup> City of Salem Resolution Supporting the Creation of a "Complete Streets" Policy in the City of Sale, June 12, 2014.

<sup>41</sup> City of Salem, North River Canal Corridor Transportation Plan, 2012.

## REGULATORY BARRIERS AND CONSIDERATIONS

In addition to environmental and infrastructure factors that affect development, local policies, and regulations directly impact the location and physical attributes of development opportunities. Local zoning and land use policies are the two primary regulatory tools that can affect housing production in addition to other local regulations including local wetland ordinances, Local Historic Districts, and the like.

### ZONING REGULATIONS

Zoning is the regulatory side of land use planning. The Salem Zoning Ordinance describes the regulations that are applied to parcels of land and directs property owners on what can and cannot be done with their land. Zoning regulates which uses are permitted on the parcel, where a structure can be placed on a parcel, how tall a structure can be, how much parking is required, how much open space or landscaping must be provided, and signage. These regulations shape the built environment and the mixture of uses across the community.

The City of Salem adopted the most recent changes to its Zoning Ordinance in June 2021. The Zoning Ordinance includes eleven base zoning districts and four overlay districts. The following provides a description of each zoning district and discusses their general purpose and allowable uses. Some uses in Salem require special permit by approval of the Planning Board (PB) and others require special permit by approval of the Zoning Board of Appeals (BA).

### Residential Districts

The City of Salem's Zoning Ordinance contains four exclusively residential districts:

- Residential Conservation (RC)
- Residential One-Family (R1)
- Residential Two-Family (R2)
- Residential Multifamily (R3)

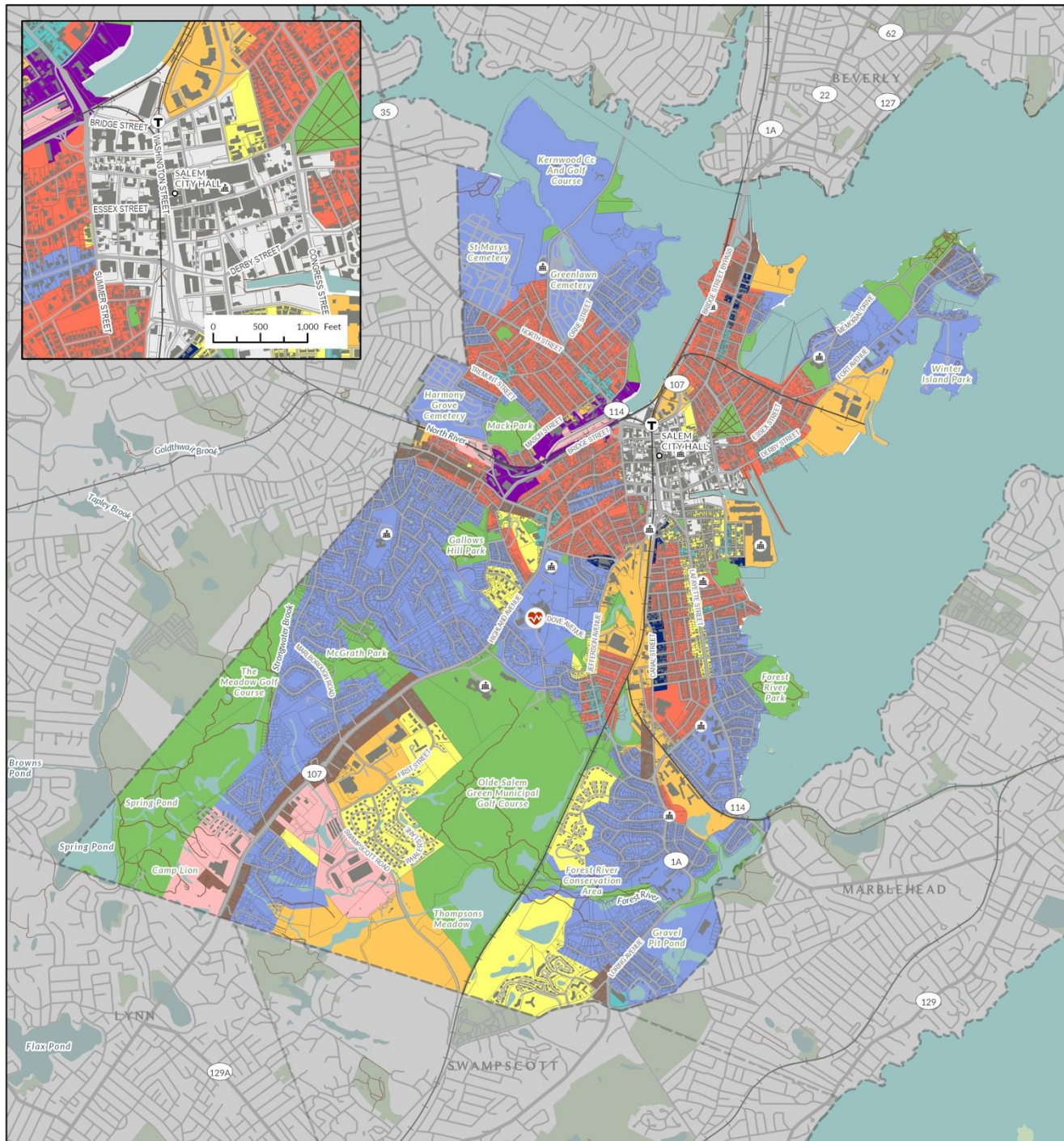
Salem's single-family district (R1) is found primarily in the southeastern and southwestern parts of the city, as well as the northeast corner. The central areas surrounding the downtown core are primarily residential two-family (R2), and the multifamily districts (R3) are found along Lafayette Street in the Point and South Salem as well as some areas in the southwest of the city. The Residential Conservation (RC) district is found primarily in the city's parks and green spaces. All of Salem's residential districts allow single-family dwellings by right, the R2 and R3 districts also allow two-family dwellings by right, and the R3 district allows multifamily dwellings by right.

In addition to multifamily housing by right, the R3 district also allows special "multifamily developments" by special permit (BA). These developments can include some business uses in addition to housing if nonresidential uses are located within a single "local business area" within a multifamily dwelling unit. These businesses are designed to be primarily targeted at the residents of the development and include delicatessens, drugstores, bookstores, florists, barbershops/beauty parlors, laundry services, professional offices, restaurants, small auditoriums, swimming pools, and banks. The Multifamily district also allows nursing homes by special permit (BA) and planned unit development by special permit (PB), which is discussed below under "Special Regulations."

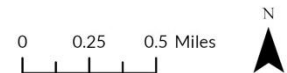
# CITY OF SALEM - BASE ZONING

Prepared by JM Goldson LLC

J M GOLDSON



- |              |                                 |                                   |
|--------------|---------------------------------|-----------------------------------|
| Schools      | <b>Zoning</b>                   | Industrial [I]                    |
| Buildings    | Business Neighborhood [B1]      | North River Canal Corridor [NRCC] |
| Parcels      | Business Highway [B2]           | Residential One Family [R1]       |
| Trails       | Wholesale and Automotive [B4]   | Residential Two Family [R2]       |
| Water bodies | Central Development [B5]        | Residential Multi-Family [R3]     |
| Open space   | Business Park Development [BPD] | Residential Conservation [RC]     |



Sources: City of Salem, MassGIS, MassDEP, MAPC Trailmap



All four residential districts allow cluster developments by special permit (PB). These developments are exempted from the lot area and frontage requirements if they are on parcels of over five acres, follow the natural contours of the landscape, and 20 percent of the area is set aside as open space. There are currently 38 parcels in Salem which are in residential districts and are over five acres each.

All residential districts also allow dwelling units in a historic carriage house by permit (BA). A historic carriage house is defined as a building which has been in existence since 1900, originally designed to hold horses, carriages, or for use as a barn.

Other allowed uses in Salem's residential zones include childcare, seasonal farm stands, municipal facilities, educational or religious uses, golf courses, historic or museum uses in R2 and R3, and small wind energy or wireless communications by permit. The table below shows the dimensional requirements for Salem's residential zones, including special requirements for multifamily developments within the R3 zone.

Salem Residential Zones – Dimensional Requirements				
<i>(Source: Salem Zoning Ordinance Section 4.1.1)</i>				
	Conservation (RC)	One-Family (R1)	Two-Family (R2)	Multifamily (R3)
Minimum lot area (square feet)	80,000	15,000	15,000	25,000
Minimum lot area per dwelling unit (square feet)	80,000	15,000	7,500	3,500 (1,000 in multifamily development)
Minimum lot frontage (feet)	200	100	100	100
Minimum lot width (feet)	200	100	100	100
Maximum lot coverage by all buildings (percent)	20	30	35	35
Minimum depth of front yard (feet)	40	15	15	15
Minimum width of side yard (feet)	40	10	10	20
Minimum depth of rear yard (feet)	100	30	30	30
Maximum height of buildings (feet/stories)	35 / 2.5	35 / 2.5	35 / 2.5*	45 / 3.5** (35 / 3 in multifamily development)
Minimum distance between buildings on lot (feet)	100	40	30*	40** (50 in multifamily development)
Maximum height of retaining walls, boundary walls, or fences (feet)	6	6	6	6
	<p>* Age-restricted housing constructed by the Salem Housing Authority shall be exempt from height requirements in the R2 district.</p> <p>** Multifamily dwellings in R3 Districts on lots held under a single ownership and consisting of a minimum of two hundred thousand (200,000) square feet may be built to a maximum height of fifty (50) feet or four (4) stories in height.</p>			

Overall, multifamily development is allowed by right in seven districts in Salem as shown in the table below.

**Multifamily development is allowed on roughly 13 percent of Salem's land area by right.**

By-Right Single Family vs. Multifamily Zoning in Salem			
Source: City of Salem Zoning Ordinance			
Zone	Acres	%	Single/Multifamily
RC	1,110.8	22%	Single Family
R1	1,898.2	37%	Single Family
R2	677.9	13%	Single Family
R3	420.3	8%	Multifamily
B1	57.5	1%	Multifamily
B5	130.1	3%	Multifamily
NRCC	57.6	1%	Multifamily
Total Land Area in Salem	5,132.8	100%	
Total Single-Family	4,352.4	85%	
Total Multifamily	665.5	13%	

In addition to limitations to by-right multifamily development, Salem's zoning code is not representative of actual land uses in many residential areas of the city. The minimum lot area and frontage of many parcels exceeds the lot sizes as built, as seen in the map on the next page. These neighborhoods likely predate current zoning requirements creating pre-existing nonconforming lots, which can pose potential barriers to developing infill housing on vacant lots that are similar in size to lots with existing buildings.

*The large percentage of nonconforming lots can create barriers to infill development but can also open up potential opportunities for strategies to leverage these parcels for specific uses such as affordable housing development.*

*Affordable Accessory Dwelling Units (ADUs) are allowed by right in all residential zones in Salem. This was approved in June 2021 by a simple majority vote of the City Council as required by the state's new Housing Choice Legislation which allows simple majority approvals for certain specified zoning changes that promote housing choices.*

ADUs may be created in new or existing attached or detached structures. New homes are allowed to have ADUs in attached but not detached structures. ADUs in nonconforming existing structures or expansion of existing detached structures are allowed by permit (BA). The rent for ADUs must be at least 30 percent below HUD fair market rent for Salem. ADUs must be between 350 and 900 square feet and not exceed 50 percent of the gross floor area of the primary dwelling. One ADU per existing principal dwelling unit is allowed, and each unit may not contain more than two bedrooms.

In our analysis, the ordinance presents Fair Housing considerations, as it limits the number of bedrooms per ADU. While this policy may not have been intended to have a discriminatory effect, it may have a disparate impact towards families with children, a protected class as defined by the Fair Housing Act.<sup>42</sup>

<sup>42</sup> The Fair Housing Act, which is the federal law governing housing discrimination, includes the following seven protected classes: race, color, religion, national origin, sex, disability, and familial status. Additionally, in Massachusetts, the Massachusetts Anti-Discrimination Act (MGL c.151B s.1) includes the following protected classes: race, religious creed, color, national origin, sex, gender identity, sexual orientation, which shall not

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include persons whose sexual orientation involves minor children as the sex object, age, genetic information, ancestry, or marital status of such person or persons or because such person is a veteran or member of the armed forces, or because such person is blind, or hearing impaired or has any other handicap.

## Prepared by City of Salem





Short-term rentals, as defined in Salem Code of Ordinances Chapter 15, are prohibited in both the affordable accessory and principal dwelling units.

Residential zones require 1.5 off-street parking spaces per dwelling unit, with a minimum of two spaces. There are no additional parking requirements for ADUs. No parking spaces are required for age restricted housing projects built using federal or state subsidies in the R3 district.

### Commercial and Mixed-Use Districts

Salem has six commercial and mixed-use districts:

- Business Neighborhood (B1) is found along several major main streets surrounded primarily R2 neighborhoods
- Business Highway (B2) is centered around stretches of Highway 114 and 107 as well as in part of Bridge Street Neck
- Wholesale and Automotive (B4) is found in a small area of Bridge Street Neck as well as along Canal Street in South Salem
- Central Development (B5) comprises most of the downtown area
- Business Park Development (BPD) is primarily found in larger areas in the south part of Salem near Highland Ave
- The North River Canal Corridor (NRCC) is a unique district created as part of the NRCC neighborhood master plan in 2003 and has very flexible uses and elements of performance-based zoning

All of Salem's commercial and mixed-use districts allow Planned Unit Developments, discussed below under "Special Regulations."

Overall, the **Business Neighborhood (B1)** and **Central Development (B5)** zones are broadly similar. Both allow single-family, two-family, multifamily dwellings and dwelling units above first floor retail all by right. They also allow childcare, municipal facilities, and religious uses, as well as a wide range of commercial uses by right, though the B1 is more restricted regarding hotels and clubs. The **Business Highway (B2)** and **Wholesale and Automotive (B4)** districts do not allow any residential uses but allow a wide range of commercial uses and some industrial uses as well, including wholesale and warehouse facilities. The B4 district is more industrial focused, with fewer restaurant or entertainment uses than the B2 district.

The **Business Park Development district (BPD)**, mostly found in southwest Salem, does not allow most residential uses, but Planned Unit Developments are allowed by right. Other allowed uses include municipal and religious uses, offices, historic buildings and museums, medical offices, and laboratories by right, with some industrial uses such as manufacturing, warehouses, marijuana cultivation, and breweries allowed by special permit (PB). This district is designed to create business and industry and enhance the city's employment base and requires a special business park development permit from the Planning Board for all development more than 10,000 square feet.

***The North River Canal Corridor Neighborhood Mixed Use District (NRCC) is a unique district with elements of performance-based zoning emphasizing pedestrian friendly ground-floor uses, design and architecture which is complimentary with adjacent land uses, human scale design, and water-dependent uses along the North River.***

In the NRCC, Single-family detached units, two-family attached units, and multifamily units above retail or office spaces are allowed by right. Multifamily units including townhouses, row houses, or multistory

developments are allowed by special permit if they abut other residential uses and retain first floor commercial on main corridors. The NRCC allows a wide variety of commercial uses including artist spaces, offices, research spaces, and retail. Hotels and restaurants are allowed by permit, and storage, supermarkets, drugstores, and motor vehicle repairs are prohibited. The NRCC's parking requirements were recently reduced from 2 to 1.5 spaces per dwelling unit, or 1 for artist studios where items are sold. The district also requires landscaping for parking areas of 12 or more vehicles to screen parking from adjacent properties and streets. Per communication with city staff in December 2021, all projects built to date in the NRCC required a density variance.

Within the NRCC, two types of density bonuses are available. A bonus of up to 50 percent of the maximum number of units can be added if 100 percent of the historically significant portions of an existing building are being preserved and new development on the site does not adversely affect the historic building. A bonus of one dwelling unit can be added for each unit of deed-restricted affordable housing at or below 80 AMI for a minimum of 99 years. This bonus cannot exceed 25 percent of the maximum number of units permitted.

The following table details dimensional requirements for the Commercial/Mixed-Use zones which allow residential development. Note that Planned Unit Developments have individually determined dimensional requirements for each development.

Salem Commercial/Mixed Use Zones Allowing Residential – Dimensional Requirements			
<i>(Source: Salem Zoning Ordinance Section 4.1.1)</i>			
	Business Neighborhood (B1)	Central Development (B5)	North River Canal Corridor (NRCC)
Minimum lot area (square feet)	6,000	2,000	15,000
Minimum lot area per dwelling unit (square feet)	-	500	3,500
Minimum lot frontage (feet)	60	-	60
Minimum lot width (feet)	60	30	60
Maximum lot coverage by all buildings (percent)	40	100 (existing buildings) 50 (new construction)	50
Minimum depth of front yard (feet)	15		-
Minimum width of side yard (feet)	10	5 (new construction only)	-
Minimum depth of rear yard (feet)	30		-
Maximum height of buildings	30 feet	6 stories	50 feet
Minimum distance between buildings	Distance shall be equal to the height of the taller building. This distance may be reduced to a distance which is sufficient to provide adequate light, air, and access, subject to the approval of the planning board. There shall be no requirement for individual row houses sharing a party wall.		
Floor Area Ratio		6 to 1 (existing buildings) 3 to 1 (new construction except open parking lots which can be 6 to 1)	2 to 1
Maximum height of retaining walls, boundary walls, or fences (feet)	10	10 (nonresidential) 6 (residential or mixed-use)	4

## Industrial District

Salem's **Industrial District (I)** does not allow any residential uses, aside from Planned Unit Developments discussed below under "Special Regulations." This district is found along areas of Salem's east and north waterfronts, as well as between Jefferson Ave. and Canal Street and in areas along the city's southern border. The Industrial district allows municipal, and farm uses as well as a variety of commercial uses such as workshops, banks, offices, golf courses, motor vehicle sales and services, and retail stores as well as wind energy and wireless communication facilities by permit. Light industrial uses such as assembly, food manufacturing, wholesale, and storage are allowed by right whereas heavier uses such as manufacturing, junkyards, and laboratories are allowed by approval of the Zoning Board of Appeals.

## Overlay Districts

The **Flood Hazard Overlay District** is designed to protect areas prone to flooding, control flooding through the natural storage capacity of floodplains, and reduce leakage or safety issues due to flooding. The boundaries of this district are defined by the 1977 "Wetland Areas of Salem, Massachusetts" maps and FEMA's Essex County Flood Insurance Rate Map, updated in 2014. In this district, single-family and two-family dwellings, and their accessory units, may be expanded to a maximum of 15 percent of lot coverage by right. New construction may take place in this district by permit from the Planning Board if adequate measures have been provided for flood safety and new structures are built landward of the reach of mean high tide.

The **Entrance Corridor Overlay District** is designed to protect and enhance the major entrances to the city. In this district, there are several requirements including fewer curb cuts, smaller fences, adequate landscaping to screen parking areas, review of signage by the sign review committee, site plan review for all new construction over 2,000 feet for nonresidential uses and required design review by the Design Review Board at the discretion of the Planning Board for construction between 2,000 and 9,999 square feet in nonresidential uses.

The **Conservation Overlay District** is designed to promote conservation of natural resources areas and open space, prevent pollution, and foster environmental protection. This district, which is primarily designed to preserve Highland Park, prohibits all construction or alteration of structures whatsoever except in the case of maintaining the park's facilities.

The **Waterfront Industrial Overlay District** is designed to encourage commercial and industrial mixed-use development consistent with the Salem Harbor Plan in the historic Shetland Park area and continue the traditional industrial and mercantile character of the district. In this district, several commercial and industrial uses are allowed by right beyond the allowed uses in the underlying Industrial district. These include adult day care, commercial recreation, education, marinas, workshops, restaurants, manufacturing, small warehouses, and research laboratories. The minimum lot area is 25 acres. The underlying district in Shetland Park is Industrial (I), which excludes all residential except in the context of a Planned Unit Development, discussed below. Recent proposals in Summer 2021 for the area have included residential uses in the context of a Planned Unit Development.

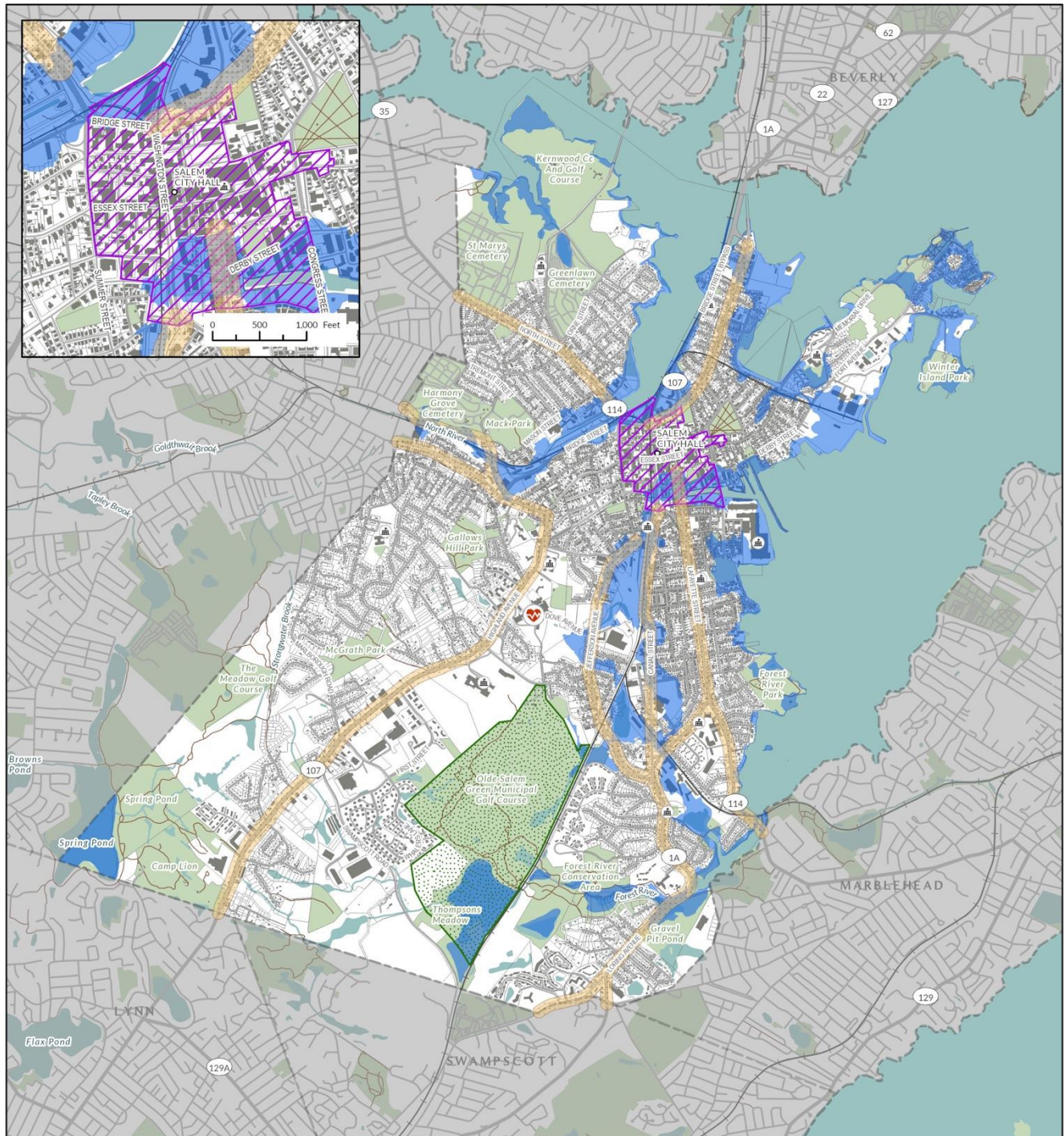
**Urban Renewal Area** – The Urban Renewal Area encompasses Downtown Salem as described in the 2011 Downtown Renewal Plan. Projects in the Urban Renewal Area are subject to review by the Salem Redevelopment Authority.



# CITY OF SALEM - OVERLAY ZONING

Prepared by JM Goldson LLC

J M GOLDSON



- Schools
- Buildings
- Parcels
- Trails
- Water bodies
- Open space
- Conservation Overlay
- Entrance Corridor Overlay
- Urban Renewal Overlay
- Floodplain



Sources: City of Salem, MassGIS, MassDEP, MAPC Trailmap



## Special Regulations

**Planned Unit Development** – The Planning Board can issue a special permit for a planned unit development for any parcel with 60,000 square feet or five times the minimum lot size of its zone, whichever is smaller, in any of the following zones: Multifamily Residential (R3), Neighborhood Business (B1), Highway Business (B2), Wholesale and Automotive Business (B4), Central Development (B5), Business Park Development (BPD), or Industrial (I). There are 87 parcels in these zones that are over 60,000 square feet, and there may be more added to that number if they meet the 5 times minimum lot size requirement as well. These developments are designed to allow a more varied mix of compatible uses beyond the base zone in the context of a totally planned development. Planned unit developments can include a multiplicity of types of residential development compatible with surrounding neighborhoods. In a planned unit development within the BPD, residential uses may only comprise 50 percent of the land area of the parcel or 50 percent of gross square footage of a mixed-use development. Dimensional requirements are established for each development, with frontages required to match adjacent residential areas and a cap of four stories in developments within the BPD.

**Municipal or Religious Building Reuse** – By special permit issued by the Planning Board, existing municipal or religious buildings of at least 4,000 square and at least 50 years old may be converted into any number of other uses including multi-family residential, residential above commercial establishments, artist residences or lofts, banks, barber shops, bookstores, offices, craft shops, galleries, florists, laundromats, medical offices, specialty food stores, tailors, and museums. Any number of these uses may be approved in addition to the uses permitted by right or special permit in the underlying zone. There are no special dimensional requirements for this program, and parking requirements for residential uses may be reduced by the Planning Board. Nonresidential uses will still require the standard parking requirements.

***A minimum of 10 percent of the total units in any development proposed under the Municipal or Religious Building Reuse regulations must be deed-restricted affordable units for households earning under 80 percent AMI for a period of 99 years or more.***

**Site Plan Review** – Site plan review is required for all nonresidential structure or premises greater than 10,000 gross square feet or any residential structure containing 6 or more dwelling units. All development in the North River Canal Corridor District apart from a single-family or two-family home must undergo site plan review, including information on subsurface contamination, floodplain and stormwater management plans, and sewer system plans. All developments under the Municipal or Religious Building Reuse Program must undergo site plan review as well.

## OTHER LOCAL ORDINANCES

**Wetlands Protection and Conservation Ordinance** – Salem’s wetlands protection ordinance prohibits alteration or construction within 100 feet of any wetland or within 100 feet of the 100-year flood line without a permit from the conservation commission. As of January 2022, the city is in the process of updating its ordinance and its implementing regulations provide substantial protections beyond what is currently in place through the state’s Wetlands Protection Act and Salem’s existing ordinance. Per the project website: “The proposed revisions establish a new 25-foot no-disturb area as well as a 50-foot zone that prohibits impacts without mitigation. Vernal pools and isolated vegetated wetlands would become protected resource areas. And by adding climate change adaptation and mitigation as a resource area value, the Conservation Commission for the first time will have the explicit authority to incorporate

climate considerations into its review. Furthermore, these drafts propose clear language regarding waiver criteria, enforcement, and appeals.”<sup>43</sup>

**Local Historic Districts** – Salem has established a historical commission with all the powers of a historic district commission under Massachusetts General Law Chapter 40C, including surveying historic buildings, establishing historic districts, advising the planning board, and reviewing demolition or redevelopment applications for historic buildings which are within historic districts or on the National Registry of Historic Places. Salem’s commission has established six local historic districts shown on the map earlier in this chapter, which make up approximately 2.76 percent of the total city area. Within these districts, the commission has authority over any construction or demolition which alters the architectural features of historic buildings.

**Demolition Delay Ordinance** – This ordinance requires that all buildings of 50 years or more undergo review by the Historical Commission and a public hearing prior to the issuance of a demolition permit. If the building is found to be a Preferably Preserved Significant Building, the issuance of the demolition permit is delayed by 12-18 months depending on the age of the building, and the applicant is required to identify alternative plans for the demolition during that time.

## OTHER LAND USE POLICIES

**Planning Board Affordable Housing Policy** – This policy was adopted by the Planning Board in January 2021. It requires that a minimum of 10 percent of residential units in new developments or conversions creating six or more dwelling units are affordable to households earning 60 percent AMI or less for a term of 99 years. Affordable units must also be constructed within the market rate site itself. If the developer cannot meet this goal, the Affordable Housing Trust Fund Board will assist in negotiations to make at least a portion of the development affordable to households earning 60 percent AMI or less.

**Proposed Condominium Conversion Ordinance** – The City of Salem, responding to concerns that a large quantity of naturally occurring affordable rental housing is being converted into condominiums, is preparing a Condominium Conversion Ordinance. The city plans to file a home rule petition to add this ordinance in March 2022. The home rule petition would allow Salem to enact an ordinance to regulate the conversion of housing accommodations in the municipality to the condominium or cooperative form or ownership in buildings containing two or more residential units. The ordinance may include but is not limited to: (i) provisions for investigations and hearings on condominium conversions or proposed conversions; (ii) a permit process; (iii) tenant notification requirements; (iv) relocation costs for tenants and other measures to protect tenants; (v) control of evictions; (vi) penalties for violation of the ordinance; (vii) afford tenants and the City or the City’s Designee the right to purchase the residential property in which the tenant(s) reside(s) when the residential property is being offered for sale.

**Proposed Inclusionary Zoning Ordinance** – A new inclusionary zoning ordinance will be proposed in January 2022 which would require 10 percent of units to be available at 60 percent AMI or less.

**Proposed Public Land Disposition Amendment** – This amendment would prioritize affordable housing when disposing of public property.

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<sup>43</sup> Salem, MA Wetlands Protection Update. <https://publicinput.com/Portal/T2166>

**Proposed Solar Ordinance** – The proposed solar ordinance is a permitting process for large scale ground mounted solar systems and adds perimeters of review for roof mounted solar when it is part of a site plan review.

**Proposed Green Building Requirements** – The green building requirements will include required bike parking and EV charging stations, as well as requiring a net zero energy plan for site plan reviews and subdivisions.

## CURRENT LAND USE PROJECTS

**Proposed Bridge Street Neck Overlay District** – A new overlay zoning district is being proposed for the Bridge Street Neck neighborhood, building on a 2009 revitalization plan and 2012 zoning report written by MAPC. This district would only encompass the parcels fronting onto Bridge Street itself. It would be a mixed-use overlay district designed to tie together the five existing zoning districts currently in the area. The new district would allow 25 units per acre by right which aligns more closely with the existing nonconforming uses which make up about half of the area under its current zoning.<sup>44</sup> It would also include minimal small front setbacks, 75 percent maximum lot coverage, slightly fewer parking requirements than the city standards and require site plan review. It would also allow a variety of retail, office, residential, and other compatible uses and potentially design standards with an overall goal of furthering the community vision of a pedestrian-friendly, historic, affordable, diverse, and resilient neighborhood interspersing clusters of retail and mixed-use development with residential uses.<sup>45</sup> The planning department expects to refer this overlay district to the city council for approval in December 2021.

**Proposed SSU South Campus Redevelopment** – Salem State University's South Campus is anticipated to be sold by the Division of Capital Asset Management on behalf of the university, ensuring financial viability for the university moving forward. The city wishes to leverage this rare large development opportunity to create affordable housing and expects an RFP for the site soon. The city is recommending that the developer awarded the contract creates a Smart Growth Overlay district under Massachusetts General Law Chapter 40R for the Salem State parcel. In a 40R district, 20 percent of new units would be deed restricted at 80 percent AMI for a period of at least 30 years, and a developer would have the opportunity to build more densely than in the underlying base zoning. In addition, the city would receive financial benefits from the state in the form of an upfront payment as well as an incremental bonus based on the number of units built in excess of the base zoning requirements.<sup>46</sup> A 2020 report on the Salem State parcel drew on a series of community meetings to recommend several options including 2-4 story multifamily housing, townhomes, or a mix of the two. This parcel is also near a flood prone area per the 2050 sea level rise predictions discussed above.<sup>47</sup>

## SUMMARY

### ENVIRONMENTAL CONSTRAINTS

Despite its location in a highly urbanized region, Salem has a significant amount of open space along its coastline, as well as notable historic parks. The city's geology contains some steep areas and ledge which can constrain development, and its coastal location and history of development on infill also raise

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<sup>44</sup> Communication with Chris Kuchiel, MAPC, September 2021.

<sup>45</sup> City of Salem and MAPC. *Bridge Street Neck Neighborhood Vision Update Study*. Winter 2020.

<sup>46</sup> Mass.gov, Smart Growth / Smart Energy Toolkit Modules – Chapter 40R (and Chapter 40S) <https://www.mass.gov/service-details/smart-growth-smart-energy-toolkit-modules-chapter-40r-and-chapter-40s>

<sup>47</sup> The City of Salem, Salem State University, DCAMM. *SSU South Campus Study*. April 2021.

concerns about flooding, particularly in light of ongoing sea level rise due to climate change. Salem's built environment is very historic, with many protected local and national historic sites and areas, and a strong local connection to history. Some of the historical industrial activity in the city has also resulted in contaminated soils and fill which pose ongoing issues for development as well.

## INFRASTRUCTURE CAPACITY

Salem's sewer and water systems are both managed regionally, and both systems contain sufficient capacity for growth. The City's public schools have a stable enrollment and are improving by state standards. The public schools have a higher share of BIPOC students than the city's population overall. Salem's arterial roads have some issues with congestion, but the city is served by both commuter rail and ferry service to Boston, with a second commuter rail station in consideration. A new on-demand bus service has recently launched in the city and the City continues to invest in its bike network and infrastructure, though significant sections of the city lack bike lanes.

## REGULATORY BARRIERS

Salem's Zoning Ordinance contains four residential districts, five commercial/mixed use districts, and one industrial district. Much of the city is single- or two-family residential though the denser and more historic areas are a more varied patchwork of zones. Many areas in Salem have nonconforming lot sizes and frontage requirements, creating potential barriers to infill development. Multifamily developments are allowed on 13 percent of land in Salem. Per a recent vote of the City Council, ADUs are allowed by right in all residential zones and must have rent at least 30 percent below HUD fair market rent. Several of Salem's commercial/mixed use zones allow residential development, and the North River Canal Corridor contains flexible elements of performance-based zoning for a wide variety of uses. Planned Unit Developments are allowed in most districts and the Municipal or Religious Building Reuse program allows for redevelopment of these buildings for residential use along with a requirement for 10 percent of the units to be affordable. The City requires 1.5 parking spaces per dwelling unit in most districts with limited exceptions. The Planning Board has recently adopted an affordable housing policy requiring 10 percent of units in new developments of 6 units or more to be affordable at 80 percent AMI, and the City is also proposing a new ordinance to reduce the rate of conversions of two- and three-bedroom units into condominiums. Other projects in progress which affect land use include a new overlay district proposed for Bridge Street Neck and the City's purchase of the SSU South Campus to be converted into housing.



# CHAPTER 6: IMPLEMENTATION CAPACITY AND RESOURCES

This chapter describes local and regional capacity and resources for the implementation of affordable housing initiatives, including local and regional housing organizations and funds. Salem has a wide variety of nonprofit developers, federal and local assistance programs, and city and regional agencies that facilitate housing initiatives and assist residents in finding and maintaining housing.

## KEY FINDINGS

- The City of Salem provides many resources for housing production and assistance, including 715 units of affordable housing owned and managed by the Salem Housing Authority, down payment assistance for first-time homebuyers, and rehabilitation assistance for homeowners and investors, as well as significant Community Preservation Act funding for affordable housing development.
- North Shore Community Action Programs administers a wide range of programs including weatherization assistance, fuel assistance, homelessness prevention, and assistance with rent and mortgage payments for low-income Salem households, as well as emergency rental assistance for those affected by the COVID-19 pandemic.
- North Shore CDC and Harborlight Community Partners own and operate numerous affordable housing developments in Salem as well as planning significant future affordable developments in the city.
- There are several nonprofits providing services for disabled residents (Disability Resource Center), seniors (AgeSpan) and residents experiencing or at risk of homelessness (Lifebridge Northshore).

## LOCAL CAPACITY AND RESOURCES

### SALEM HOUSING AUTHORITY

The Salem Housing Authority (SHA) was formed in 1948 and offers a “full range of affordable housing opportunities that are decent, safe, and sanitary to eligible low income elderly, families, and handicapped persons in a fair manner.”<sup>48</sup> The SHA owns and manages 715 units of state and federally funded housing at 22 sites throughout the city, as well as administering Section 8 Housing Choice Vouchers in Salem.<sup>49</sup> The SHA’s 2019 operating reserve was \$1.7 million, approximately 58 percent of the full reserve amount as defined by DHCD, which requires Housing Authorities to maintain a minimum of 35 percent reserve.<sup>50</sup>

### SALEM AFFORDABLE HOUSING TRUST FUND

The Salem Affordable Housing Trust is governed by a twelve-member Board of Trustees, including the mayor and two members of the City Council. The Trust has four long-term goals: “Produce affordable housing units through rehabilitation of existing units and new construction, preserve existing affordable housing, advocate and build support for affordable housing projects, and recommend policy changes that promote affordable housing strategies and support affordable housing initiatives.”<sup>51</sup> Currently the Trust is exploring a variety of options to achieve their goals, including the Draft Condominium Conversion

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<sup>48</sup> Salem Housing Authority. “Mission Statement.” <https://salemha.org/about/mission-statement/>

<sup>49</sup> Salem Housing Authority. <http://salemha.org>

<sup>50</sup> Salem Housing Authority Annual Plan 2021

<sup>51</sup> City of Salem. “Affordable Housing Trust Fund.” <https://www.salem.com/affordable-housing-trust-fund>

ordinance discussed in Chapter 5, a Draft Land Disposition Ordinance, potential use of ARPA and CPA funds for housing and other options for the Trust to acquire multifamily units in particular.<sup>52</sup>

## COMMUNITY PRESERVATION ACT

Salem has adopted the Community Preservation Act in 2012 at a 1 percent surcharge rate. The Community Preservation Committee, made up of nine members, oversees the distribution of the funds, which have totaled over \$6 million since the program was introduced. CPA funds have been used for a number of affordable housing projects as shown in the table below.

Salem Housing Initiatives Funded by the Community Preservation Act			
Project	Year Approved	CPA Amount	Notes
Congress/Dow Street Revitalization	2014	\$93,505	Rehabilitation of 2 buildings into affordable housing by North Shore CDC
Harbor & Lafayette Homes	2015	\$100,000	Preservation and maintenance on SRO housing units
Boston Street Crossing	2016	\$59,500	Creation of permanent supportive housing development by North Shore CDC
Lighthouse 34	2018	\$130,150	New development of 21 affordable units
Lighthouse 47	2019	\$200,000	New development of 25 affordable units
Transitional Rental Assistance	2020	\$120,000	Pilot project to help residents at risk of homelessness. Administered by Salem Housing Authority & Council on Aging
Emergency Rental Assistance	2020	\$120,000	Assistance for households affected by the COVID-19 pandemic
New Point Acquisitions	2020	\$100,000	Rehabilitation of 3 buildings in the Point to create 18 affordable units
Hawthorne Lofts	2021	\$250,000	Creation of 24 affordable units for artists/creatives at 60% AMI by North Shore CDC
Superior Court and County Commissioners' Building	2021	\$200,000	129 units of mixed-income housing, commercial and public spaces by Winn Development

Salem's local revenue from CPA funds in 2021 was \$750,636 with \$205,597 from the CPA Trust Fund for a total of \$956,215. The Committee does not do 5-year projections, but the 2021 local revenue was about \$100,000 more than their initial projections. Their projected local revenue for 2022 is \$715,000.<sup>53</sup>

## CITY OF SALEM HOUSING PROGRAMS

The City of Salem offers several programs to address residents' housing needs, funded by HUD Community Development Block Grants (CDBG) and through Home Investment Partnership Program (HOME) funds, which are administered by the City of Peabody through the North Shore HOME Consortium.

<sup>52</sup> Salem Affordable Housing Trust Fund Board Meeting Minutes, September 7, 2021 and October 5, 2021.

<sup>53</sup> Email Communication Jane A. Guy, Assistant Community Development Director, Sept. 25, 2021

- **First Time Homebuyer Down Payment Assistance Loan Programs (FHTB)** – The FHTB program is provided through the city’s Department of Planning and Community Development and provides no-interest, deferred payment loans to first-time homebuyers to use for down payments on a condo, single-family or multi-family home (2-4 units). Recipient households must be buying their first home and earn 80 percent of the AMI or less. The FHTB requires a one-to-one match by the recipient, and provides up to a total of \$6,500, or \$7,500 for applicants who also complete a CHAPA-certified homebuyer counseling course. There are also limits on maximum property prices, and repayment of the loan is due upon sale or transfer of the property or if the recipient ceases to use the property as their primary residence.<sup>54</sup>
- **Housing Rehabilitation Loan Programs** – Salem’s Department of Planning and Community Development provides programs for both owner-occupiers and investors to rehabilitate and update their housing units. These loans can be used for rehabilitation to correct code violations, meet Federal Housing Quality Standards, eliminate hazards for health, provide handicapped accessibility, remove lead, and undertake limited historic preservation. For owners, income limits and rent limits apply, and properties may be subject to an Affordable Housing Restriction for at least 15 years. Technical assistance for inspection and write-ups for bids as well as financial assistance in the form of zero percent interest loans are available for owners, with deferred-payment loans forgiven after 10 to 15 years for homeowners paying more than 30 percent of their income on housing costs.<sup>55</sup> For investors, technical assistance and fixed rate fully amortized loans with a term of 15 years are available, and at least 51 percent of the property’s units must be occupied by residents earning 80 percent AMI or less.<sup>56</sup>
- **Get the Lead Out** – The City of Salem acts as a Local Rehabilitation Agency for MassHousing’s Get the Lead Out program to undertake lead paint abatement in pre-1978 homes with a lead poisoned child aged 6 or under.<sup>57</sup>

## SALEM PUBLIC SCHOOLS

The Salem Public School system provides information and assistance to families of students experiencing housing challenges, as well as support for students experiencing homelessness in order for them to attend school consistently even if they are living in a shelter or have a changing address.<sup>58</sup>

## REGIONAL CAPACITY AND RESOURCES

### NORTH SHORE CDC

North Shore Community Development Corporation is a nonprofit based in Salem which invests in affordable housing, community engagement, economic development, small business assistance, and placemaking across the North Shore. They are the largest nonprofit developer in the area and currently serve over 900 individuals in over 400 affordable apartments. North Shore CDC is particularly active in

<sup>54</sup> City of Salem. “First-Time Homebuyer Downpayment Assistance Loan Program.”

[https://www.salem.com/sites/g/files/vyhlf3756/f/uploads/fthb\\_program\\_guidelines\\_rvsvd\\_6.1.21.pdf](https://www.salem.com/sites/g/files/vyhlf3756/f/uploads/fthb_program_guidelines_rvsvd_6.1.21.pdf)

<sup>55</sup> City of Salem “Housing Rehabilitation Loan Program for Owner-Occupied Properties.”

[https://www.salem.com/sites/g/files/vyhlf3756/f/uploads/guidelines\\_owner\\_occupied\\_rvsvd\\_6.1.21.pdf](https://www.salem.com/sites/g/files/vyhlf3756/f/uploads/guidelines_owner_occupied_rvsvd_6.1.21.pdf)

<sup>56</sup> City of Salem “Housing Rehabilitation Loan Program for Investor-Owned Properties.”

[https://www.salem.com/sites/g/files/vyhlf3756/f/uploads/guidelines\\_brochure\\_landlord\\_rvsvd\\_2021.pdf](https://www.salem.com/sites/g/files/vyhlf3756/f/uploads/guidelines_brochure_landlord_rvsvd_2021.pdf)

<sup>57</sup> Imagine Salem. “City of Salem Housing Programs.” <https://imaginesalem.org/city-of-salem-housing-programs>

<sup>58</sup> Salem Public Schools. “Homelessness and Students in Foster Care.” <https://salemk12.org/district-departments/student-and-family-supports/homelessness-and-students-in-foster-care/>

the Point neighborhood of Salem, where they have renovated and modernized 21 buildings in the past ten years. They currently have 480 more units in their development pipeline for the next five years.<sup>59</sup>

## HARBORLIGHT COMMUNITY PARTNERS

Harborlight Community Partners is a nonprofit Community Development Corporation headquartered in Beverly which develops, manages, and advocates for affordable housing across Essex County. Harborlight specializes in providing supportive housing and in addition to a range of senior and family supportive housing projects across the county, Harborlight has also recently completed the redevelopment of Boston Crossing in Salem, creating 26 units of permanent supportive housing to help address homelessness in the city. Harborlight also provides education and support to first-time homebuyers.<sup>60</sup>

## NORTH SHORE COMMUNITY ACTION PROGRAMS

North Shore Community Action Programs (NSCAP) is a nonprofit anti-poverty agency for Beverly, Danvers, Peabody, and Salem. NSCAP provides programs and services in education/training, economic stabilization, housing and homelessness prevention, energy services, and home care, and is funded by private and corporate donations, various state agencies and federal programs, and the town of Danvers and cities of Salem and Peabody.<sup>61</sup> NSCAP's housing programs include weatherization assistance, fuel assistance for households earning 60 percent of the state median income or less, homelessness prevention through help finding temporary shelter and case management as well as career development and job placement workshops, home health, homemaking, and companion services, and help with rent and mortgage payments for Salem households earning 50 percent of the area median income or less.<sup>62</sup> NSCAP administers the Salem Together Assistance & Recovery Toolkit (START) program with funds from the City of Salem, which provides \$500 a month in rental assistance for 2 months for income eligible renters who have been impacted by COVID-19.<sup>63</sup> NSCAP also helps Salem residents apply for DHCD's Residential Assistance for Families in Transition (RAFT) and Emergency Rental and Mortgage Assistance (ERMA) programs which provide up to \$10,000 per household to help with overdue rent or mortgage payments, security deposits, or other expenses for households earning less than 50 percent AMI.<sup>64</sup>

## DISABILITY RESOURCE CENTER

The Disability Resource Center is a community-based agency that provides services and supports to individuals with a disability across the North Shore. The DRC provides information and referral services, counseling services, and a comprehensive guide to finding housing for disabled residents, as well as Independent Living Skills training to help disabled residents obtain essential skills, including housing search and landlord/tenant relations.<sup>65</sup>

## AGESPAN

AgeSpan (formerly Elder Services of the Merrimack Valley and North Shore) is a private nonprofit agency which connects people and their caregivers with impartial information and resources.<sup>66</sup> They provide

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<sup>59</sup> North Shore CDC. <http://northshorecdc.org/>

<sup>60</sup> Harborlight Community Partners. <https://harborlightcp.org/>

<sup>61</sup> North Shore Community Action Programs. "Overview." <https://www.nscap.org/overview/>

<sup>62</sup> North Shore Community Action Programs. "Programs." <https://www.nscap.org/#>

<sup>63</sup> City of Salem. "Salem Together Assistance & Recovery Toolkit." <https://www.salem.com/START>

<sup>64</sup> Mass.gov "Details on the RAFT Program." <https://www.mass.gov/info-details/emergency-housing-payment-assistance-during-covid-19#details-on-the-raft-program>

<sup>65</sup> Disability Resource Center. "Programs & Services." <https://disabilityrc.org/programs-and-services>

<sup>66</sup> AgeSpan. "About Us." <https://agespan.org/about-us/>



information on a variety of housing options, including Assisted Living, Supportive Housing, Congregate Housing, and Adult Housing.<sup>67</sup>

### **LIFEBRIDGE NORTSHORE**

Lifefridge Northshore is a nonprofit providing services for the homeless and under-housed on the North Shore, with locations in Salem, Beverly and Gloucester. Lifefridge provides community meals at their Salem campus and provides 36 shelter beds for individual men and women at Seeds of Hope in Salem, as well as 22 units of permanently supportive single-room occupancy housing in Salem. Lifefridge also provides case management, a variety of programs to help clients with self-sufficiency and education and operates a thrift shop in Salem.<sup>68</sup>

### **HABITAT FOR HUMANITY OF ESSEX COUNTY**

Another important regional partner in addressing housing needs is Habitat for Humanity of Essex County. This organization is an ecumenical, non-profit Christian ministry dedicated to building simple, decent homes in partnership with families in need. The organization has grown over the past two decades into one of the largest private homebuilders in the world with almost 1,600 U.S. affiliates and over 2,000 affiliates worldwide, including one in the Essex County area that builds new homes for first-time homebuyers through donated land, materials, labor and funding as well as other special financing strategies.

### **METROPOLITAN AREA PLANNING COUNCIL**

The Metropolitan Area Planning Council (MAPC) is the regional planning agency for the Greater Boston area. MAPC provides information, data, and planning assistance to 101 communities, including Salem. Salem is part of the MAPC's North Shore Task Force, a group of 16 communities working collaboratively on regional issues to obtain maximum benefits for the North Shore District. The NSTF works on a range of issues, including equitable housing, guided by the principles found in the MetroFuture Plan, MAPC's regional development blueprint for the Boston Metro area.<sup>69</sup>

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<sup>67</sup> AgeSpan. "Housing Support." <https://agespan.org/solutions/housing-support/>

<sup>68</sup> Lifefridge Northshore. "About." <https://lifefridgenorthshore.org/about/>

<sup>69</sup> MAPC. "North Shore Task Force." <https://www.mapc.org/get-involved/subregions/nstf-2/>

# ACRONYMS

ACS	US Census Bureau's American Community Survey, Five-Year Estimates
ADA	Americans with Disabilities Act
AMI/AMFI	Areawide Median Family Income set by HUD (household of four)
AUL	Activity and Use Limitation designation, monitored by the DEP
BIPOC	Black, Indigenous, and People of Color
CHAS	Comprehensive Housing Affordability Strategy
CPA	State of Massachusetts Community Preservation Act (MGL Chapter 44B)
CPC	Community Preservation Committee
DEP	Massachusetts Department of Environmental Protection
DHCD	Massachusetts Department of Housing and Community Development
EPA	U.S. Environmental Protection Agency
ELI	Extremely Low Income
FEMA	Federal Emergency Management Agency
FY	Fiscal Year(s) (July 1-June 30)
HPP	Housing Production Plan
HUD	United States Department of Housing and Urban Development
LMI	Low/Moderate- Income (at or below 80 percent AMI)
MACRIS	Massachusetts Cultural Resources Information System
MAPC	Metropolitan Area Planning Council
MassDOT	Massachusetts Department of Transportation
MassGIS	Massachusetts Bureau of Geographic Information
MBTA	Massachusetts Bay Transportation Authority
MGL	Massachusetts General Laws
MLS	Multiple Listings Service (central real estate database)
MSA	Metropolitan Statistical Area
MWRA	Massachusetts Water Resources Authority
NHESP	Massachusetts Natural Heritage and Endangered Species Program
NOAH	Naturally Occurring Affordable Housing
SHI	Massachusetts Subsidized Housing Inventory
VLI	Very Low Income (defined on p.7)
YTD	Year to Date
40B	Comprehensive Permit, per MGL Chapter 40B, §20-23
40R	Smart Growth Overlay District Act, per MGL Chapter 40R

# KEY DEFINITIONS

This list of key definitions is intended to assist the reader and is not intended to replace applicable legal definitions of these terms. The following definitions are for key terms used throughout the document, many of which are based on definitions in statutes and regulations.

**Areawide Median Income (AMI)** – the median gross income for a person or family as calculated by the United States Department of Housing and Urban Development, based on the median income for the Metropolitan Statistical Area. For FY2021, the HUD area median family income (AMFI) for the Boston-Cambridge-Newton MA HUD Metro FMR Area was \$120,800.<sup>70</sup> AMI is also referred to in the document as median family income (AMFI).

**Black, Indigenous, and People of Color (BIPOC)** – Pronounced “bye-pock,” this is a term specific to the United States, intended to center the experiences of Black and Indigenous groups and demonstrate solidarity between communities of color. It acknowledges that people of color face varying types of discrimination and prejudice. Additionally, it emphasizes that systemic racism continues to oppress, invalidate, and deeply affect the lives of Black and Indigenous people in ways other people of color may not necessarily experience. Lastly and significantly, Black and Indigenous individuals and communities still bear the impact of slavery and genocide.<sup>71</sup>

**Cost-Burdened Household** – a household that spends 30 percent or more of its income on housing-related costs (such as rent or mortgage payments). Severely cost-burdened households spend 50 percent or more of their income on housing-related costs.

**Household** – all the people, related or unrelated, who occupy a housing unit. It can also include a person living alone in a housing unit or a group of unrelated people sharing a housing unit as partners or roommates. Family households consist of two or more individuals who are related by birth, marriage, or adoption, although they also may include other unrelated people. Nonfamily households consist of people who live alone or who share their residence with unrelated individuals.

**Family Household** – Family households consist of two or more individuals who are related by birth, marriage, or adoption, although they also may include other unrelated people.

**Non-Family Household** – Non-family households consist of individuals living alone and individuals living with roommates who are not related by birth, marriage, or adoption.

**Income Thresholds** – the U.S. Department of Housing and Urban Development (HUD) establishes income thresholds that apply to various housing assistance programs. These thresholds are updated annually and are categorized by household size. Salem is part of the Boston-Cambridge-Quincy, MA-NH HUD Metro FMR Area.

**Extremely Low-Income (ELI)** – the FY 2014 Consolidated Appropriations Act changed the definition of extremely low-income to an individual or family whose annual gross income is the greater of 30/50ths (60 percent) of the Section 8 very low-income limit or the poverty guideline. The FY2021 ELI income limit for a household of one is \$28,200 and for a household of four is \$40,250.

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<sup>70</sup> U.S. Department of Housing and Urban Development. FY 2021 Income Limits Summary. <https://www.huduser.gov/portal/datasets/il/il2021/2021summary.odn> (accessed August 2021).

<sup>71</sup> BIPOC definition from Seattle YWCA <https://www.ywcaworks.org/blogs/ywca/wed-04062022-0913/why-we-use-bipoc#:~:text=BIPOC%20stands%20for%20Black%2C%20Indigenous,solidarity%20between%20communities%20of%20color>.

**Very Low-Income (VLI)** – an individual or family whose annual gross income is at or below 50 percent AMI. The FY2021 VLI income limits for a household of one is \$47,000 and for a household of four is \$67,100.

**Low/Moderate income (LMI)** – an individual or family whose annual gross income at or below 80 percent of the area median income (AMI).<sup>72</sup> The FY2021 LMI income limits for a household of one is \$70,750 and for a household of four is \$101,050.

**Labor Force** – all residents within a community over the age of 16 who are currently employed or *actively* seeking employment. It does not include students, retirees, discouraged workers (residents who are not actively seeking a job) or those who cannot work due to a disability.

**Naturally Occurring Affordable Housing (NOAH)** – NOAH refers to residential rental properties that are affordable but are unsubsidized by any federal program. Their rents are relatively low compared to the regional housing market. NOAH properties are typically Class B and Class C rental buildings or complexes built between 1940 and 1990. Rents are lower-ranging, generally between \$550 and \$1,200 per month, affordable to low- and moderate-income households. NOAH units are the most common affordable housing in the United States.<sup>73</sup>

**Non-Family Households** – Non-family households consist of individuals living alone and individuals living with roommates who are not related by birth, marriage, or adoption.

**Open Space** – land to protect existing and future well fields, aquifers and recharge areas, watershed land, agricultural land, grasslands, fields, forest land, fresh and saltwater marshes and other wetlands, oceans, rivers, streams, lake and pond frontage, beaches, dunes and other coastal lands, lands to protect scenic vistas, land for wildlife or nature preserve, and/or land for recreational use.

## DATA SOURCES

This plan utilizes data from the U.S. Census, American Community Survey Five-Year Estimates (ACS), U.S. Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy (CHAS), The Warren Group (TWG), Multiple Listing Service data (MLS) prepared by Patrick Maguire at North Shore Realtors, the Salem Department of Planning and Community Development, and Rentometer, as well as projections from the University of Massachusetts at Amherst Donahue Institute (UMDI) and Massachusetts Department of Transportation (MassDOT).

The U.S. Census counts every resident in the United States by asking ten questions, whereas the ACS provides estimates based on a sample of the population for more detailed information. It is important to be aware that there are margins of error (MOE) attached to the ACS estimates, because the estimates are based on samples and not on complete counts.

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<sup>72</sup> For purposes of MGL c.40B, moderate income is defined as up to 80 percent AMI.

<sup>73</sup> NOAH Impact Fund. <https://noahimpactfund.com/impact-investing-affordable-housing-minnesota/what-is-noah/#:~:text=NOAH%20stands%20for%20Naturally%20Occurring,to%20the%20regional%20housing%20market.>



# APPENDICES

## SALEM SUBSIDIZED HOUSING INVENTORY

### DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT CH40B SUBSIDIZED HOUSING INVENTORY

#### Salem

DHCD ID #	Project Name	Address	Type	Total SHI Units	Affordability Expires	Built w/ Comp. Permit?	Subsidizing Agency
2679	Scattered Sites	Hawthorne, Bridge, & Boston Sts.	Rental	9	Perp	No	HUD
2680	Stephen Zisson Elderly	290 Essex St.	Rental	14	Perp	No	HUD
2681	5 Barton Square	5 Barton Square	Rental	16	Perp	No	HUD
2682	Garden Terrace	North St.	Rental	32	Perp	No	DHCD
2683	Rainbow Terrace	Rainbow Terrace	Rental	136	Perp	No	DHCD
2684	Charter Street	27 Charter St.	Rental	110	Perp	No	DHCD
2685	Colonial Terrace	Boston and Nichols	Rental	40	Perp	No	DHCD
2686	J. Michael Ruane	3 Broad Street	Rental	16	Perp	No	DHCD
2687	James A. Dalton Residence	205 Bridge Street	Rental	35	Perp	No	DHCD
2688	Leefort Terrace	Leefort Terrace	Rental	50	Perp	No	DHCD
2689	Bertram Terrace	Bertram Terrace	Rental	20	Perp	No	DHCD
2690	Morency Manor	45 St. Peter St.	Rental	54	Perp	No	DHCD
2691	Norton Terrace	Norton Terrace	Rental	20	Perp	No	DHCD
2692	Bates Terrace	Bates Terrace	Rental	16	Perp	No	DHCD
2693	Pioneer Terrace	Pioneer Terrace	Rental	104	Perp	No	DHCD
2694	Phillips School	86 Essex Street	Rental	17	Perp	No	DHCD
2695	Farrell Court	Farrell Ct.	Rental	12	Perp	No	DHCD
2696	Park/Prince/Congress	Park/Prince/Congress	Rental	14	Perp	No	DHCD

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This data is derived from information provided to the Department of Housing and Community Development (DHCD) by individual communities and is subject to change as new information is obtained and use restrictions expire.

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT CH40B SUBSIDIZED HOUSING INVENTORY**

**Salem**

DHCD ID #	Project Name	Address	Type	Total SHI Units	Affordability Expires	Built w/ Comp. Permit?	Subsidizing Agency
2699	Salem Point Rentals	98-102 Lafayette Street	Rental	15	2036	No	DHCD DHCD DHCD
2700	Fairweather Apartments	40R Highland Ave.	Rental	127	2025*	No	HUD HUD HUD
2701	HES Housing I	403-405 1/2 Essex St.	Rental	9	2037	No	DHCD
2702	Loring Towers	1000 Loring Avenue	Rental	250	2046*	No	MassHousing
2704	Pequot Highlands	10,12 First Street	Rental	250	Perp	No	DHCD MassHousing
2705	Princeton Crossing Apts	12 Heritage Drive	Rental	358	2017	No	MassHousing
2707	Residential Options	20 Central Av; 1 Washington St	Rental	3	2041	No	EOHHS HUD
2708	Salem Point Rentals	8-10, 12, 24 Peabody St; 1-16 Prince St. Place; 34 Prince Street; 51-53 Palmer St; 100 Congress St.	Rental	44	2034	No	DHCD DHCD DHCD
2710	Salem Heights	12 Pope St.	Rental	285	2103	No	DHCD MDFA MHP

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**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT CH40B SUBSIDIZED HOUSING INVENTORY**

**Salem**

DHCD ID #	Project Name	Address	Type	Total SHI Units	Affordability Expires	Built w/ Comp. Permit?	Subsidizing Agency
2710	Salem Heights	12 Pope St.	Rental	285	2103	No	xHUD
2712	Salem Point Cooperative	64 Harbor/Peabody/Ward	Rental	77	2091	No	FHLBB DHCD DHCD
2714	104 Lafayette St	104 Lafayette Street	Rental	10	2031	No	DHCD HUD HUD DHCD
3965	Palmer Street	68-72 Palmer Street	Rental	10	2020	No	MHP
4443	DDS Group Homes	Confidential	Rental	52	N/A	No	DDS
7778	Salem HOR	English St	Ownership	3	1/24/2021	NO	DHCD DHCD
7781	Salem HOR	Beaver St	Ownership	1	1/19/2021	NO	DHCD DHCD
7784	Salem HOR	Highland Ave	Ownership	1	2/3/2021	NO	DHCD DHCD
7786	Salem HOR	Perkins St	Ownership	2	12/6/2020	NO	DHCD DHCD
7789	Salem HOR	Beaver St	Ownership	1	12/28/2020	NO	DHCD DHCD

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**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT CH40B SUBSIDIZED HOUSING INVENTORY**

**Salem**

DHCD ID #	Project Name	Address	Type	Total SHI Units	Affordability Expires	Built w/ Comp. Permit?	Subsidizing Agency
8382	Salem HOR Program	Hersey St	Ownership	3	2020	NO	HUD
8791	Salem HOR Program	Lyme St	Ownership	1	2022	NO	HUD
9193	Palmer Cove	50 Palmer St	Rental	15	2056	NO	MassHousing HUD DHCD
9201	Salem HOR Program	Bridge St	Rental	1	2023	NO	HUD
9202	Salem HOR Program	Jefferson Ave	Rental	1	2023	NO	HUD
9203	Salem HOR Program	Conant St	Rental	1	2024	NO	HUD
9204	Salem HOR Program	Grove St	Rental	1	2024	NO	HUD
9205	Salem HOR Program	Ward St	Rental	4	2024	NO	HUD
9531	Salem HOR Program	Cushing St	Rental	1	2057	NO	HUD
9532	Salem HOR Program	Beaver St	Rental	1	2026	NO	HUD
9587	Salem HOR Program	Collins St	Rental	1	2027	NO	HUD
9588	Salem HOR Program	Margin St	Rental	1	2027	NO	HUD
9810	Salem HOR Program	Bridge Street	Rental	1	2029	NO	HUD
9822	135 Lafayette/St.Joseph's Redevelopment	135 Lafayette Street Unit	Rental	51	2111	YES	MassHousing DHCD
9831	North River Apartments	28 Goodhue Street	Rental	4	Perp	NO	DHCD

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**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT CH40B SUBSIDIZED HOUSING INVENTORY**

**Salem**

<b>DHCD ID #</b>	<b>Project Name</b>	<b>Address</b>	<b>Type</b>	<b>Total SHI Units</b>	<b>Affordability Expires</b>	<b>Built w/ Comp. Permit?</b>	<b>Subsidizing Agency</b>
10199	Salem HOR Program	Warner St	Rental	1	2032	NO	HUD
10259	Congress Street Residences	32 Perkins Street, 61 Congress Street, 71 Palmer Street, 6 Ward Street, 40 Ward Street, 52 Salem Street	Rental	64	2066	NO	
							DHCD
							MassHousing
10260	Boston Street Crossing	43, 179 Boston Street	Rental	26	Perp	NO	MassHousing
							DHCD
<b>Salem Totals</b>				2,391	<b>Census 2010 Year Round Housing Units</b>		18,998
					<b>Percent Subsidized</b>		12.59%

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This data is derived from information provided to the Department of Housing and Community Development (DHCD) by individual communities and is subject to change as new information is obtained and use restrictions expire.



# COMMUNITY ENGAGEMENT AGGREGATED SUMMARY

## OVERVIEW

From September 2021 through February 2022, JM Goldson conducted several community engagement initiatives to gather perspectives and feedback for the Housing Road Map planning process. The engagement activities included seven stakeholder interviews, seven focus groups, two online community forums, online and paper surveys, and four small group discussions (a.k.a. Meeting-in-a-Box sessions) facilitated by community members. Overall, these initiatives include 537 points of participation to date where Salem community members engaged in the planning process to share their perspectives on housing needs, issues, and opportunities in Salem and set the direction for the Housing Road Map's vision, goals, and strategies.

## KEY FINDINGS

- A wide variety of Salem residents participated in engagement activities including policymakers, activists, developers, community leaders, businesspeople, and many other community members.
- Participants were overall less ethnically and racially diverse and more likely to be homeowners than the city's population.
- Participants represented a variety of neighborhoods, housing types, and income levels.
- Overall, residents highly value Salem's diversity, vibrant culture, history, walkability, strong community, commuter rail, and sense of friendliness.
- Across all engagement methods, Salem residents universally identified a severe housing affordability crisis, difficulty in finding rental and ownership housing, and rapidly rising prices as the most pressing housing issues in the city.
- Participants discussed the need for better transit access to affordable housing developments and higher-paying industrial jobs, as well as the dichotomy between expensive housing in the downtown area and the lower-paying service jobs there. Residents also discussed traffic and parking concerns, particularly during winter weather and in October.
- Politics in Salem are extremely polarized around housing, with a vocal contingent of residents opposing any zoning changes whatsoever and feeling that the city should actively avoid attracting all new residents and development. Many residents feel negatively about large new developments in the city, particularly mixed-income developments in which the deed-restricted affordable units are out of reach for many Salem residents.
- BIPOC (Black, Indigenous, and People of Color) residents in Salem are more likely to be renters than homeowners, which was reflected in survey respondents. Salem's renters are more likely than homeowners to have trouble affording housing costs, with only 14 percent of renters surveyed indicating that they could afford the median 2020 two-bedroom apartment rental price. This shows one aspect of the disproportionate burden of the housing crisis on BIPOC communities in Salem.
- Many residents, particularly Hispanic/Latino households in the Point neighborhood, are living in overcrowded conditions to afford their housing costs, with several participants describing 2-3 adults working low-wage jobs to pay the average rents.
- Many long-time Salem residents described concerns about being forced out of the city by rapidly rising housing prices, particularly those who do not own homes.

- Losing affordable rental stock to condominium conversions and the proliferation of short-term rentals (Airbnb's) are seen as serious problems by many Salem residents.
- Other key housing issues that participants identified in Salem include the slow pace of construction, underperforming schools causing families to leave, and difficulty applying for subsidized housing.
- Participants identified a number of potential housing opportunities including redevelopment of historic properties, accessory dwelling units (ADUs), zoning reforms, redevelopment, and Smart Growth Overlay Zoning (per M.G.L. 40R) along Highland Ave., the golf course, the condo conversion ordinance, Community Land Trusts (non-profit that holds land with a ground lease to create affordable housing), federal American Rescue Plan Act (ARPA) funds, and Inclusionary Zoning (to create affordable housing within market-rate developments).
- Residents identified issues around climate change, in particular the potential for future flooding in the Point and the need for resilient construction and careful selection of development locations.
- Older adults described facing housing challenges in Salem, notably a lack of physically accessible units, an inability to downsize as they age, and rising property taxes. Many older adults wish to remain in the community as they age, but most do not necessarily want to stay in the same home. Isolation and the lack of intergenerational housing is also a major issue faced by older adults in the city.
- Salem's Latino/Hispanic residents, particularly Dominican immigrants, have a strong community in the Point. However, they described housing discrimination, overcrowding, poor quality housing, and difficulty applying for assistance and mortgages, particularly undocumented immigrants.
- Some Salem residents identified a disconnect between the lower-wage service jobs which drive the city's tourist economy and the lack of affordable housing downtown where those jobs are located.
- Participants described housing difficulties faced by young people in Salem, particularly those without generational wealth or credit history, and those with other marginalized identities such as queer youth. Many younger residents are living with their parents for longer due to the expense of housing in the city.
- Salem residents with disabilities also face difficulties with accessible units and the bureaucracy of finding affordable housing.
- Salem residents with a history of drug and alcohol abuse and depression expressed a need for more sober housing options in the city. Shelter residents discussed the need for better education around housing overall, specifically housing for older adults and voucher programs.
- Participants identified many potential policy solutions to the housing crisis. Suggestions which came up repeatedly include down payment and rental assistance programs, prioritization of city land for affordable housing, renovation of existing affordable housing, easier ADU permitting, zoning reforms, clusters of tiny homes, elimination of parking minimums, rent control, limiting short-term rentals, Community Land Trusts, and inclusionary zoning.
- Specific locations identified include lower density areas of Ward 3 and 4, the area along Highland Ave., disused schools, the public golf course, and the Salem State South Campus, though many residents were skeptical about the new development plans at Shetland Park.

## SELECTED SAMPLE OF PARTICIPANT QUOTATIONS

- *"We have wondered how short-term rentals, especially when multiple units are owned by one person and used exclusively for that purpose, are affecting the housing market. We use a lot of space for parking cars in this city and maybe there is a way to encourage transit, biking, and walking so that we'd have more space for parks and houses."*
- *"I was fortunate enough to win a housing lottery but the 1,000's of hoops (documents, paystubs, notary, emails back and forth) I had to go through are not inherently equitable, if I were an immigrant or non-English speaker the process would have been extremely more difficult. Poor and working-class people deserve to live in dignified spaces and the point neighborhood where the highest concentration of poor, and or black and brown, has the LOWEST level of care and investment from our leaders. We can assess the true progress and equity of this city by how bright the futures of our MOST disenfranchised people can be."*
- *"It's extremely tough for those who work in Salem to afford to live in Salem."*
- *"Since we have no new housing stock to create, finding useful ways to re-use property to turn it around to make affordable units for a wide variety of people. I don't have kids and I'm not a senior, but definitely want options for buying something I can afford to do what I can to create wealth for myself while having a home to call my own that I'm not sharing with others."*
- *"We're aging in place with no services. We've both fallen recently in our home. We'd like to find housing with our adult kids. We all love Salem but don't know if we can find something viable to share with our son and daughter-in-law."*
- *"In general, I believe in lots of "mixes": mixed-use blocks, mixed-use buildings, mixed age groupings, etc. This equals a healthy community."*
- *"I am deeply concerned about what seems to be the unchecked proliferation of condos--this is changing the character of the city. Specifically, it is tinkering with the DNA of neighborhoods, such as North Salem, where the Mason Street area has become a favorite dumping ground for cheaply made projects. The BRIX condos are a looming, ugly embarrassment. Most importantly, these projects seem to draw only one kind of resident: a rich, white person who works in Boston. This is terrible for our local economy and general "feel"--this area, the North Shore, needs to support a diversity of people who enjoy living and working here."*
- *"As a nurse I see elderly with falls, fractures, confusion, anxiety, failure to thrive and more--because they are overwhelmed, still trying to live in their home. You can provide all the help you want--but when the help leaves, they are alone again. I see people thrive in a small apartment suited for their needs and surrounded by peers."*
- *"Salem is getting overcrowded as new apartment buildings are going up. Traffic at rush hour is up. I live near a new development and dread the additional 200 cars in the neighborhood. There are so many people and pets walking in this neighborhood, I just know someone will get hit."*
- *"I really want us to think community first when it comes to housing. Maybe there's some inconveniences and compromises, but overall, this really benefits our community, and it's really difficult for people to get used to that idea."*
- *"More accessory dwelling units are something that Latino families particularly appreciate, although home ownership is not high enough among Latino families to yield an adequate supply of housing."*
- *"In terms of providing holistic solutions for the overall housing crunch, I think options that serve seniors who want to downsize has the ability to also create housing stock for families looking to up-size"*
- *"The cost of rentals and real estate in general is out of control in Salem and surrounding communities. It is not anyone one's fault, it is supply and demand. I think the future of affordable housing is tiny home*

villages, similar to mobile home parks but of much better quality of construction and design. Eventually the point will be gentrified, and all those apartments will be sold off to a new generation as condominiums. The growth along Highland Ave should be halted all together. The speed limit within city limits should be 30 mph or less and must be enforced. Cameras should be placed on all major roadways and in areas of high crime."

- "I've seen a few papers across the world on multigenerational living, not multigenerational housing only, but multi-generational communities that are really well integrated. And the benefits that that brings to the younger folks who have their elders to learn from, and folks who can see the hope of the future as they impart knowledge, wisdom, and history and life to a younger generation that's to come up next."
- "I think there needs to be more publicly owned affordable housing, like on a public land trust. Private retail management companies often do a poor job and have little to no accountability. It would also be nice to have something akin to rent control/stabilization to prevent rents from climbing to the sky-high rates they're currently at."

## DHCD AFFIRMATIVE FAIR HOUSING GUIDELINES

The Commonwealth of Massachusetts has a compelling interest in creating fair and open access to affordable housing and promoting compliance with state and federal civil rights obligations. Therefore, all housing with state subsidy or housing for inclusion on the SHI shall have an Affirmative Fair Housing Marketing Plan. To that end, DHCD has prepared and published comprehensive guidelines that all agencies follow in resident selection for affordable housing units.

In particular, the local preference allowable categories are specified:

- **Current Residents.** A household in which one or more members is living in the city or town at the time of application. Documentation of residency should be provided, such as rent receipts, utility bills, street listing, or voter registration listing.
- **Municipal Employees.** Employees of the municipality, such as teachers, janitors, firefighters, police officers, librarians, or town hall employees.
- **Employees of Local Businesses.** Employees of businesses located in the municipality.
- **Households with Children.** Households with children attending the locality's schools.

The latest revisions to the guidelines were in May 2013. The full guidelines can be found here: <https://www.mass.gov/doc/ma-fair-housing-marketing-and-resident-selection-plan-guidelines-1/download>



# INTERAGENCY BEDROOM MIX POLICY

## INTERAGENCY AGREEMENT

### Regarding Housing Opportunities for Families with Children

This Interagency Agreement (this "Agreement") is entered into as of the 17th day of January, 2014 by and between the Commonwealth of Massachusetts, acting by and through its Department of Housing and Community Development ("DHCD"), the Massachusetts Housing Partnership Fund Board ("MHP"), the Massachusetts Housing Finance Agency (in its own right and in its capacity as Project Administrator designated by DHCD under the Guidelines for Housing Programs in Which Funding is Provided By Other Than a State Agency, "MassHousing"), the Massachusetts Development Finance Agency ("MassDevelopment") and the Community Economic Development Assistance Corporation ("CEDAC"). DHCD, MHP, MassHousing, MassDevelopment and CEDAC are each referred to herein as a "State Housing Agency" and collectively as the "State Housing Agencies".

### Background

A. DHCD's 2013 Analysis of Impediments to Fair Housing Choice ("AI") includes action steps to improve housing opportunities for families, including families with children, the latter being a protected class pursuant to fair housing laws, including the federal Fair Housing Act, as amended (42 U.S.C. §§ 3601 *et seq.*) and Massachusetts General Laws Chapter 151B. In order to respond to development patterns in the Commonwealth that disparately impact and limit housing options for families with children, such steps include requiring a diversity of bedroom sizes in Affordable Production Developments that are not age-restricted and that are funded, assisted or approved by the State Housing Agencies to ensure that families with children are adequately served.

B. The State Housing Agencies have agreed to conduct their activities in accordance with the action steps set forth in the AI.

C. This Agreement sets forth certain agreements and commitments among the State Housing Agencies with respect to this effort.

### Definitions

1) "Affordable" - For the purposes of this Agreement, the term "Affordable" shall mean that the development will have units that meet the eligibility requirements for inclusion on the Subsidized Housing Inventory ("SHI").

2) "Production Development" - For purposes of this Agreement "Production Development" is defined as new construction or adaptive reuse of a non-residential building and shall include rehabilitation projects if the property has been vacant for two (2) or more years or if the property has been condemned or made uninhabitable by fire or other casualty.



## Agreements

NOW, THEREFORE, DHCD, MHP, MassHousing, MassDevelopment and CEDAC agree as follows:

### Bedroom Mix Policy

1) Consistent with the AI, it is the intention of the State Housing Agencies that at least ten percent (10%) of the units in Affordable Production Developments funded, assisted or approved by a State Housing Agency shall have three (3) or more bedrooms except as provided herein. To the extent practicable, the three bedroom or larger units shall be distributed proportionately among affordable and market rate units.

2) The Bedroom Mix Policy shall be applied by the State Housing Agency that imposes the affordability restriction that complies with the requirements of the SHI.

3) The Bedroom Mix Policy shall not apply to Affordable Production Developments for age-restricted housing, assisted living, supportive housing for individuals, single room occupancy or other developments in which the policy is not appropriate for the intended residents. In addition, the Bedroom Mix Policy shall not apply to a Production Development where such units:

- (i) are in a location where there is insufficient market demand for such units , as determined in the reasonable discretion of the applicable State Housing Agency; or
- (ii) will render a development infeasible, as determined in the reasonable discretion of the applicable State Housing Agency.

4) Additionally, a State Housing Agency shall have the discretion to waive this policy (a) for small projects that have less than ten (10) units and (b) in limited instances when, in the applicable State Housing Agency's judgment, specific factors applicable to a project and considered in view of the regional need for family housing, make a waiver reasonable.

5) The Bedroom Mix Policy shall be applicable to all Production Developments provided a Subsidy as defined under 760 CMR 56.02 or otherwise subsidized, financed and/or overseen by a State Housing Agency under the M.G.L. Chapter 40B comprehensive permit rules for which a Chapter 40B Project Eligibility letter is issued on or after March 1, 2014. The policy shall be applicable to all other Affordable Production Developments funded, assisted, or approved by a State Housing Agency on or after May 1, 2014.



## COMPREHENSIVE PERMIT DENIAL AND APPEAL PROCEDURES

(a) If a Board considers that, in connection with an Application, a denial of the permit or the imposition of conditions or requirements would be consistent with local needs on the grounds that the Statutory Minima defined at 760 CMR 56.03(3)(b or c) have been satisfied or that one or more of the grounds set forth in 760 CMR 56.03(1) have been met, it must do so according to the following procedures. Within 15 days of the opening of the local hearing for the Comprehensive Permit, the Board shall provide written notice to the Applicant, with a copy to the Department, that it considers that a denial of the permit or the imposition of conditions or requirements would be consistent with local needs, the grounds that it believes have been met, and the factual basis for that position, including any necessary supportive documentation. If the Applicant wishes to challenge the Board's assertion, it must do so by providing written notice to the Department, with a copy to the Board, within 15 days of its receipt of the Board's notice, including any documentation to support its position. The Department shall thereupon review the materials provided by both parties and issue a decision within 30 days of its receipt of all materials. The Board shall have the burden of proving satisfaction of the grounds for asserting that a denial or approval with conditions would be consistent with local needs, provided, however, that any failure of the Department to issue a timely decision shall be deemed a determination in favor of the municipality. This procedure shall toll the requirement to terminate the hearing within 180 days.

(b) For purposes of this subsection 760 CMR 56.03(8), the total number of SHI Eligible Housing units in a municipality as of the date of a Project's application shall be deemed to include those in any prior Project for which a Comprehensive Permit had been issued by the Board or by the Committee, and which was at the time of the application for the second Project subject to legal appeal by a party other than the Board, subject however to the time limit for counting such units set forth at 760 CMR 56.03(2)(c).

(c) If either the Board or the Applicant wishes to appeal a decision issued by the Department pursuant to 760 CMR 56.03(8)(a), including one resulting from failure of the Department to issue a timely decision, that party shall file an interlocutory appeal with the Committee on an expedited basis, pursuant to 760 CMR 56.05(9)(c) and 56.06(7)(e)(11), within 20 days of its receipt of the decision, with a copy to the other party and to the Department. The Board's hearing of the Project shall thereupon be stayed until the conclusion of the appeal, at which time the Board's hearing shall proceed in accordance with 760 CMR 56.05. Any appeal to the courts of the Committee's ruling shall not be taken until after the Board has completed its hearing and the Committee has rendered a decision on any subsequent appeal.

*Source: DHCD Comprehensive Permit Regulations, 760 CMR 56.03(8)*



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# Legal Notices

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## Notice Details

LEGAL NOTICE City of Salem Pursuant to Massachusetts General Law Chapter 40R and 760 CMR 59 (Code of Massachusetts Regulations: Department of Housing and Community Development -Smart Growth Overlay District) notice is hereby given that the City of Salem, Office of the Mayor will hold a public hearing and informational meeting on Thursday, August 1 at 6:00 PM in the Community Life Center, 401 Bridge Street, Salem, MA 01970. In-person shall be the primary method of public access to this meeting. A secondary method of public access may be provided, if technologically feasible, remotely through Zoom. See below for remote access information. Please click the link below to join the webinar: <https://us02web.zoom.us/j/81094659284?pwd=rpQbO8B-cvYYbcnRZob7ahHu74EY6Pf.1> Password: 772599 Go to the website link <https://zoom.us/join>. Enter Webinar ID: 810 9465 9284 followed by the meeting password noted above in necessary. Or by Telephone: Participants can dial a toll-free number at 833 548 0276 (Toll Free) or 833 548 0282 (Toll Free). When prompted, enter Webinar ID: 810 9465 9284 follow the instructions to join the meeting. For those dialing in, you may press \*9 to raise your hand to participate in the public hearing portion of the agenda (if applicable). The purpose of this public hearing is to provide an overview of the Smart Growth Overlay district process consistent with MGL Chapter 40R and to present and receive comment from interested persons relative to the proposed creation of a Smart Growth Overlay district, through a zoning and map amendment, for the property located at 56 Margin Street, 54 Margin Street, 7 High Street, 20 Endicott Street, and 24 Endicott Street. The Smart Growth Overlay District would allow multifamily residential, supportive housing, and mixed use commercial uses in addition to uses currently allowed under the existing zoning district. For more information about 40R/Smart

Growth Overlay districts, please visit [ImagineSalem.org](https://www.imagineSalem.org). Materials will be available for re-view in the City of Salem Department of Planning and Community Development, located at 98 Washington Street, Salem, MA, as of July 18, 2024. The public is encouraged to submit any comments in writing to Elena Eimert, [eeimert@salem.com](mailto:eeimert@salem.com). Written comments will be collected until close of business on Thursday, August 15, 2024. ATTEST: DOMINICK PANGALLO MAYOR, CITY OF SALEM SN - July 18, 25 2024

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**LEGAL NOTICE**  
**City of Salem**

2024 JUL 18 AM 8:38

CITY CLERK  
SALEM, MASS

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Password: 772599

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Materials will be available for review in the City of Salem Department of Planning and Community Development, located at 98 Washington Street, Salem, MA, as of July 18, 2024. The public is encouraged to submit any comments in writing to Elena Eimert, [eeimert@salem.com](mailto:eeimert@salem.com). Written comments will be collected until close of business on Thursday, August 15, 2024.

ATTEST:

DOMINICK PANGALLO  
MAYOR, CITY OF SALEM

This notice posted on "Official Bulletin Board"  
City of Salem, Mass. on JUL 17 2024  
at 8:38am in accordance with MGL Chap. 30A,  
Sections 18-25.