

Newburyport Affordable Housing Trust Meeting Minutes

Meeting Date: Thursday, July 14, 2016
Meeting Location: Mayor's Conference Room, City Hall
Members in Attendance: Madeline Nash, Judy Tymon, Susanne Cameron, Mayor Holaday
Members Absent: Karen Wiener
Staff Present: Andy Port, Director, Kate Newhall-Smith, Planner
Minutes Taker: Kate Newhall-Smith
Other's Present: Jim McCarthy, Chair of Planning Board, Bonnie Sontag, Vice-Chair of Planning Board

Tymon called the meeting to order at 6:30 p.m.

Discussion: Inclusion of Affordable Units in Development Projects

Tymon welcomes Jim McCarthy and Bonnie Sontag, Chair and Vice Chair of the Planning Board respectively, to the meeting. She states that she would like to see the Trust and the Planning Board have a consistent message regarding affordable housing when applicants come to the Board with housing development proposals. She states that the Trust prefers projects to include an affordable unit on site, second choice would be a unit off-site and third choice is a payment in lieu of providing a unit. She asks which applications involve opportunities to create affordable units.

Sontag asks about goal of this meeting. Nash responds stating that she wants to share ideas and thoughts and have both groups be proactive and communication. The Mayor wants consistency so developers know what to anticipate. She would like to see affordable housing developed as often as possible since land prices continue to rise and price-out community members. She believes that the Trust and the Planning Board want the same thing in terms of affordable housing development.

McCarthy believes that policy is important and can guide the Board when making decisions. He suggests creating a policy-level document outlining affordable housing preferences to promote consistency between the two groups. He states that creating affordable units would most likely be done through the Special Permit process and in zoning overlay districts.

The Mayor mentions the State Senate's actions in voting on a bill that overhauls the zoning act; among changes are 'watered down' inclusionary zoning as well as mandatory multi-family districts in all communities. The bill is in the House, which will take it up after the break.

Regarding Waterfront West, Port states that NED may want some flexibility implementing their affordability requirements. Nash wants to be mindful that it's not necessarily unit for unit, but more about value. Waterfront luxury townhouses have a much higher value than 'regular' condominium developments.

McCarthy agrees stating that it has to be equitable and flexible, so the projects can work for city and the developer.

Tymon discusses the payment in lieu option, which often bogs communities down she is unsure if there is case law as to whether or not inclusionary zoning can mandate the creation of units rather than offer a payment in lieu option.

Sontag states that a payment in lieu for VI-C Special Permits needs to be flexible to align with changing housing markets.

McCarthy states that if a project is creating more than ten housing units, then there should be an affordable unit onsite. When projects are creating less than ten units, there needs to be at least a monetary contribution. Below 10 units then get at least money.

Port suggests determining how to address this through zoning because that is the only way to mandate developers to include affordable units. Once the policy component is addressed, the zoning can get into the specifics.

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Sontag suggests not doing a city-wide mandate like inclusionary zoning, but using special permits, overlay districts and OSRD projects to increase the development of affordable housing.

Nash agrees with Sontag because the chance of seeing residential developments that don't need Special Permit relief is slim. She states that trying to adopt inclusionary zoning will likely not survive the City Council process.

Port suggests including a monetary contribution to affordable housing for any VI-C project that proposes historical preservation as the public benefit.

Nash suggests including a gradation of affordability depending on the size of the development because 10% is a low goal. She would like to look at what the market rate units will be sold for and how much is a comparable unit, though this could be difficult.

Cameron said in the past the Trust has looked at Area Median Income (AMI) and median housing price and using the difference between these hard numbers to determine how much the payment should be. She would like to see a clear formula in place that uses real numbers based on the current economy. Nash states that the challenge is that this formula will not be capturing the price of what will probably be being built, which will most likely be very high end residential units.

Tymon states that perhaps the policy should be that the applicant must prove why the affordable unit cannot be put on site before offering to create units offsite. Then use the formula to determine the payment. If units are suggested offsite they should be scattered around city, not congregated in one place.

Sontag suggests applying the formula to determine the value of what the unit off site needs to be so that way the group can determine if the units are comparable.

Cameron states that the formula will not work for rental. It only applies to home ownership. Sontag suggests that a rental may just need to be onsite rather than provide an option for developers.

McCarthy agrees with formula because it makes the process equitable.

Cameron asks if the Trust/Planning Board can dictate that the offsite unit is within the same neighborhood. Port states that there would need to be boundaries created, which can be difficult.

Sontag suggests writing up the policies discussed tonight so the Planning Board can start using them informally until new zoning is adopted. She also suggests creating a formula for the size of the affordable units as a percentage of the square footage of the proposed market rate units. She suggests that affordable units must be at least 50% of the area of the market rate ones.

Cameron believes that is too low and suggests using 80%.

All parties agree that a second meeting is necessary but do not set a date for one.

Next Meeting

The Trust is next scheduled to meet on Thursday, August 18th. The members decide to take August off unless there is a time-sensitive matter that requires meeting.

Cameron makes a motion to adjourn, seconded by Nash. All in favor.

Meeting adjourns at 8:00 p.m.