

Proposed Accessory Dwelling Unit Ordinance



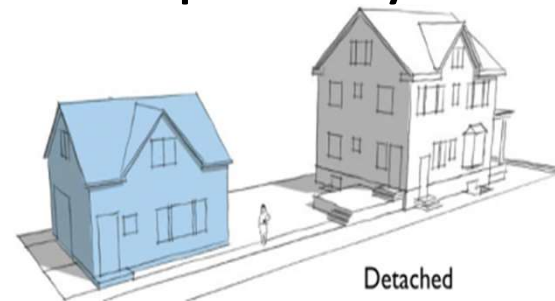
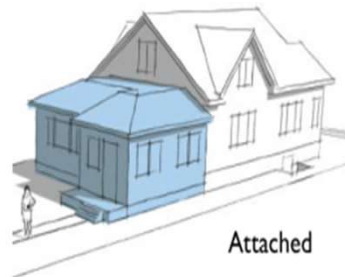
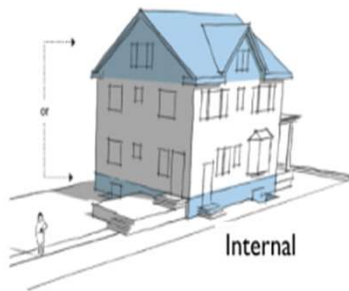
Joint Public Hearing

March 30, 2021



What are Accessory Dwelling Units? (ADU)

- A self-contained residential unit that shares the same lot as another home
- Can be within the existing home, attached or detached
- Generally, for smaller households (1-2 people)
- Typically rent for less than standard market-rate apartments
- Cannot be sold separate from the primary home





Current ADU Ordinance in Salem

Adopted January 2018, the ordinance:

- Has only resulted in 12 permits issued to date
- Limits occupants to caretakers and family members
- Only allowed in the R1 zoning district
- Requires a special permit
 - A public hearing is required.
 - A notification of the public hearing is mailed to the neighbors, posted in the news and at City Hall.
 - The special permit must state the name and date of birth of all occupants of the main dwelling and separately identify the names and date of birth of the proposed occupants of the accessory unit and the family relationship between each owner and each proposed occupant.



Proposed Ordinance: Purpose

- 1. To add affordable rental units to the housing stock to meet the needs of smaller households and make housing units available to households who might otherwise have difficulty finding housing.**
- 2. To increase the supply of housing and the diversity of housing options, in response to demographic changes such as smaller households and older households.**
3. To encourage the efficient use of the city's housing supply while preserving the character of the city's neighborhoods.
4. To maximize privacy, dignity, and independent living among family members preserving domestic family bonds as well as to protect the stability, property values, and the residential character of the neighborhood.
5. To permit the owner of an existing, or a proposed, principal dwelling to construct one additional affordable dwelling unit per lot. Such a use is incidental and subordinate to the principal dwelling.

Need for more small housing options

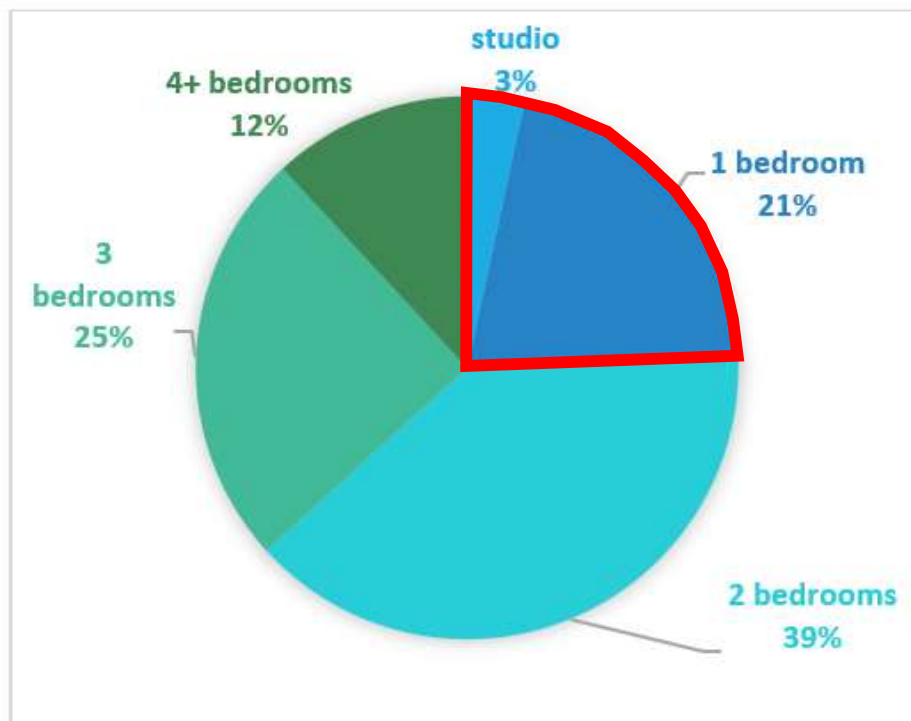


- There is a significant mismatch between the size of Salem's housing units and the size of households.
- 24 percent of housing units are studios or one-bedroom units. The majority (71 percent) of Salem's households consist of one or two people.

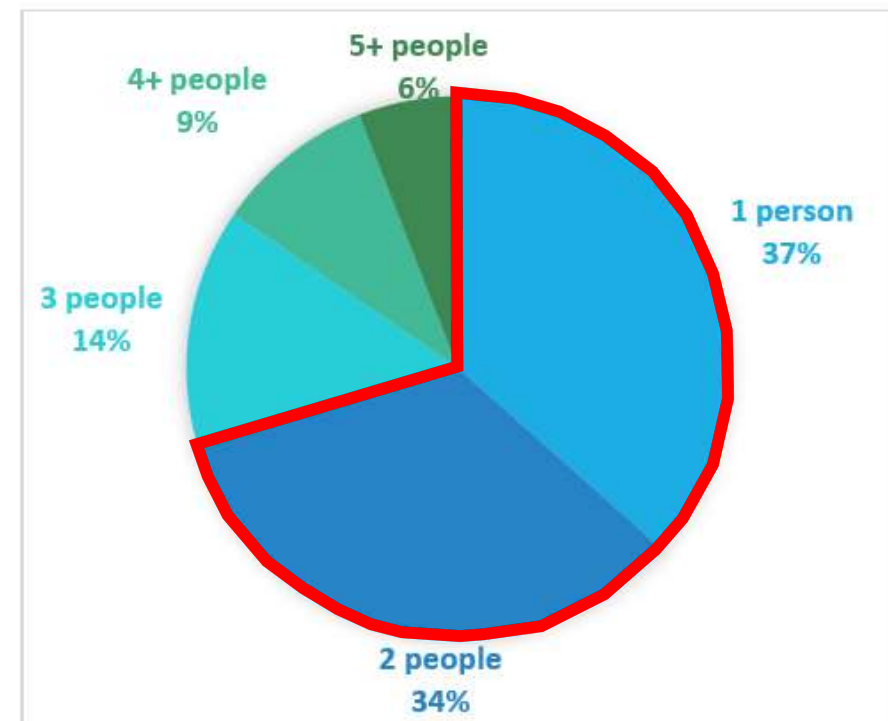
Comparison of Salem Household and Unit Sizes (2018)

Source: 2014-2018 ACS Five-Year Estimates

Unit Size



Household Size





Household Composition in Salem

CENSUS Definitions

- 1. Family Household** – two or more individuals who are related by birth, marriage, or adoption, although they also may include other unrelated people.
- 2. Non-Family Households** – individuals living alone and individuals living with roommates who are not related by birth, marriage, or adoption.

Of family households:

- 17 percent are single-parents with children under 18 years old.

Of non-family households:

- About 79 percent are adults living alone.
- Of the adults living alone, 27 percent are older adults (65+).

Salem Family and Nonfamily Household Compositions (2018)

Source: 2014-2018 ACS Five-Year Estimates

Household Characteristics	City of Salem	
	Est.	%
Total Households	18,222	100%
Family Households	9,827	54%
Married Couple with Children	2,168	22%
Single-Parent with Children	1,692	17%
Other Family	5,967	61%
Non-family Households	8,395	46%
Older Adult (age 65+) Living Alone	2,288	27%
Other Living Alone (Age 64 and younger)	4,373	52%
Roommates or Other Nonfamily	1,734	21%
Households with Youth (18 or younger)	4,216	23%
Households with Older Adults (65+)	5,040	28%



Family Household Income

- The 2018 median family income in Salem is an estimated \$80,694 and non-family is \$44,184—*a difference of more than \$36,000 (2018 ACS 5-year estimate)*
- Most cost-burdened low to moderate households are smaller households (non-family, small family, and elderly non-family).
- Many non-family households are people living alone.
- **Again, this indicates a need for smaller, affordable units for types of households.**



Proposed Ordinance: Requirements

- ADU rent cannot exceed 70 percent of the fair market rent.
- 1 parking space is required if the ADU is more than a half mile from an MBTA bus stop or train station.
- A net loss of the total caliper of private trees is not permitted unless a payment in the amount of \$100 per caliper of the tree diameter breast height (DBH) is made to the tree replacement fund.
- Minimum of 350 square feet.
- Maximum of 900 square feet.
- Maximum of two bedrooms.
- Each lot is limited to one ADU.
- Not allowed in multifamily buildings with more than four units.
- The property owner must reside in either the principal dwelling or the ADU.
- Utilities must be connected by a single service.
- Cannot be sold or transferred separate from the principal dwelling.
- Entry must be through an existing door, a back door or on the side of the principal dwelling, if on the side or rear visibility must be minimized.
- Must be clearly subordinate in use, size and design to the principal dwelling.
- Must be capable of being discontinued.
- Short term rentals are prohibited.



Affordable ADU: Rent Maximum

- The proposed ordinance prevents accessory dwelling units from be rented for more than 70% of the fair market rent (FMR) limit for Salem.

	Studio	One bedroom	Two Bedroom
70% of FMR	\$1,219	\$1,347	\$1,635

- This is a significant investment for a homeowner. If the rent maximum is too low, it could prohibit owners from being able to afford a loan for the investment.



Who is the rent affordable for?

Examples of Employees in Salem that would benefit:

FY2021 AFSCME Local Salary Schedule (source City of Salem HR Director):

- Police dispatcher step 1= \$50,289 **afford: \$1,257** (studio)
- Motor equipment mechanic step 1= \$55,669 **afford: \$1,392** (1 bedroom)
- Shade tree foreman step 3= \$66,546 **afford: \$1,661** (2 bedroom)

2019 North Shore regional occupation data, median salary is shown (source Massachusetts Executive Office of Labor and Workforce Development):

- Roofer= \$50,610 **afford: \$1,265** (studio)
- Office support worker= \$59,805 **afford: \$1,495** (1 bedroom)
- Nursing assistant= \$33,588 **afford: \$840** (2 roommates sharing a 2 bedroom)

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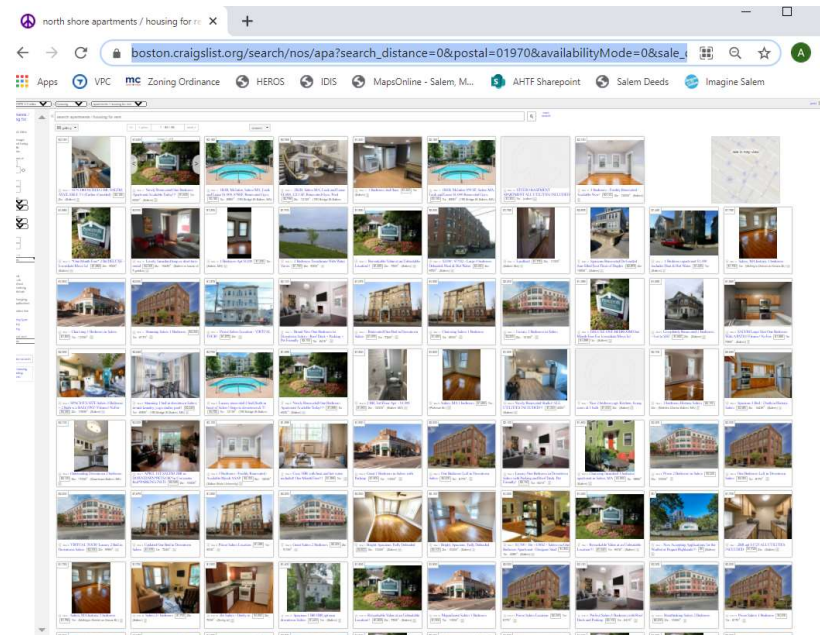
Comparison of Rents

- According to Rentometer, the average rent for a **one-bedroom unit** in Salem between Sept 2019 and August 2020 was **\$1,658**.

	Studio	One bedroom	Two Bedroom
70% of FMR	\$1,219	\$1,347	\$1,635

On March 18, 2021 Craigslist Average cost in Salem:

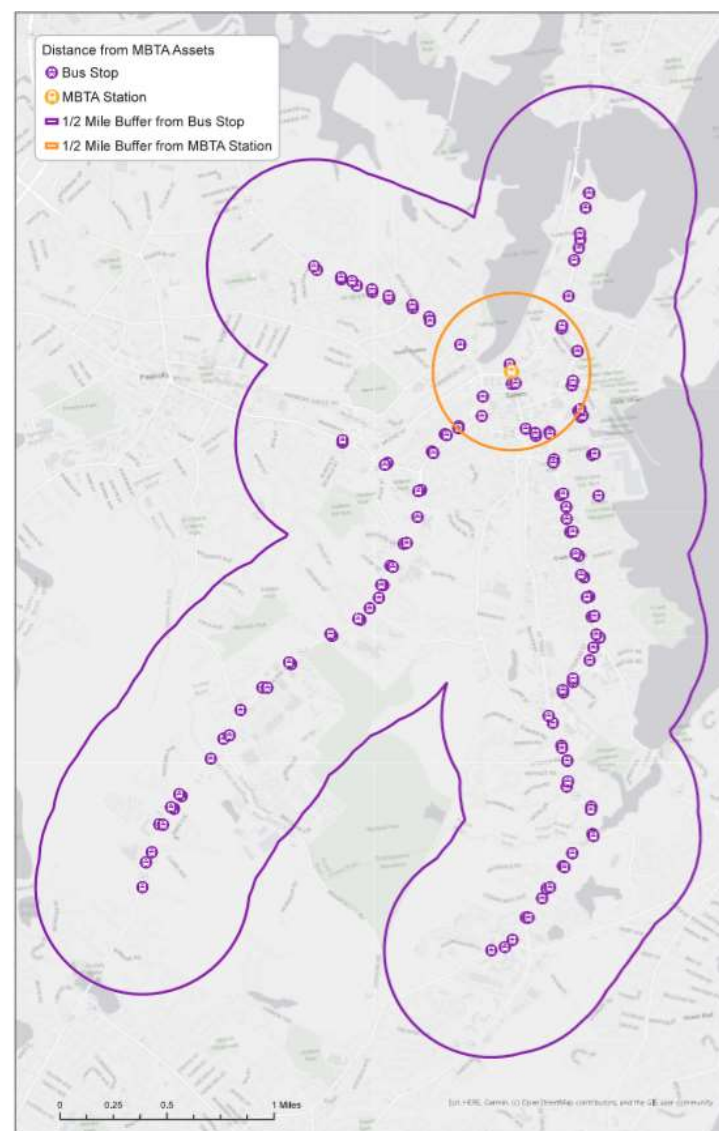
- One-bedroom units: \$1,814 (43 units listed)
- Two-bedroom unit: \$2,089 (30 units listed)
- Studio unit: \$1,200 (*There was only one studio listed*)





Parking Requirement

- If the ADU is more than half a mile from the MBTA train station or bus stop, it requires one off street parking space.
 - The parking required for the principal house cannot be counted towards the ADU's parking requirement.
- If the ADU is half a mile or less from the MBTA train station or an MBTA bus stop it does not require a parking space.

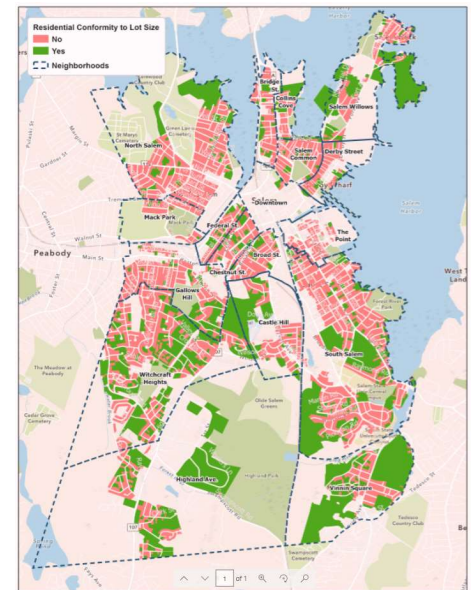


Type of Home	Parking required if within half mile from MBTA bus or train.	Parking if more than a half mile from MBTA bus or train.
Single-family	1.5=2	2.5=3
Duplex	3	4
Three-Family	4.5=5	5.5=6
Four-family	6	7

Why Reduce Parking Near Transit?



- 91 percent of lots zoned R1, R2, and R3 do not comply the minimum lot size.
- Requiring a parking space would make it infeasible for most residential properties in Salem to create an ADU.
- Also, excessive parking is counterproductive to Salem’s transportation goals for affordability, traffic and sustainability. www.perfectfitparking.mapc.org



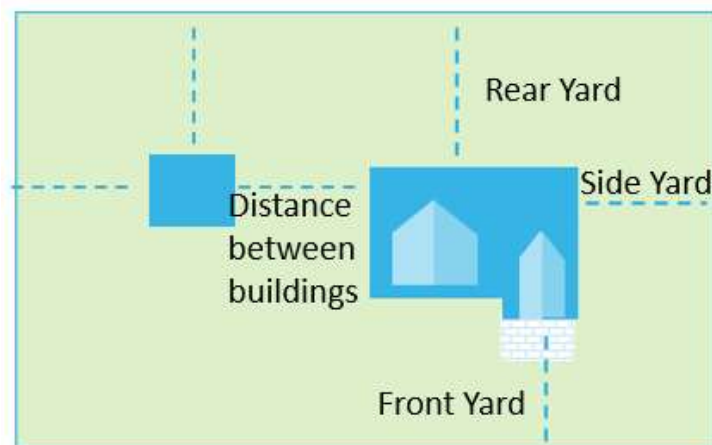
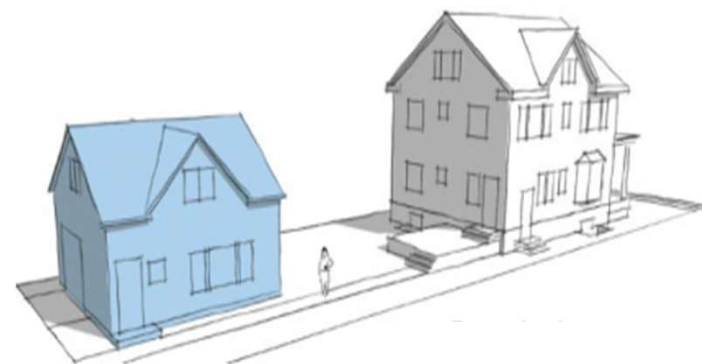
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Permit Process for an ADU

A special permit and a building permit is required IF the ADU is proposed to be built in:

- An existing detached accessory building that is not in compliance with the setbacks of the principal dwelling unit and/or other dimensions required of an accessory building.
- An existing detached accessory building that will be expanded.
- A new detached accessory building.

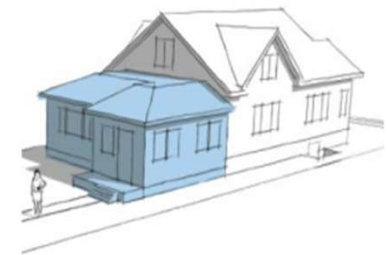
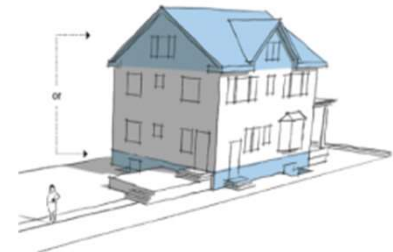
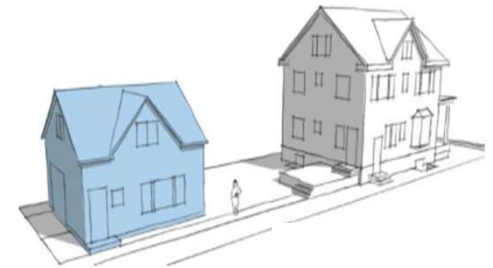


Permit Process for an ADU



A building permit is required but not a special permit IF:

- The ADU is within an existing detached accessory structure that complies with the setbacks that are required of the principal structure and all other dimensional requirements of an accessory structure.
- The ADU is within the principal dwelling, e.g. basement.
- The ADU will be attached to the principal dwelling.



Businesses Benefit from ADUs

“In order to afford fast rising rents in Salem, you need to make close to \$70,000. We are the biggest employer in the City of Salem. We employ a lot of people in a range of jobs, and we’re worried that many of them can’t afford to live in Salem.

I’m in favor of this ADU ordinance because I want to make sure that Salem residents can afford to live here and work at Salem Hospital.”



NORTH SHORE
MEDICAL CENTER

-Dr. David Roberts



Questions?

