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Salem City Council
Salem Planning Board
Salem City Hall
93 Washington Street
Salem, MA 01970

Re: Accessory Dwelling Unit (ADU) Ordinance – Response to Comments from the March 30, 2020 Joint Public Hearing

Dear City Councillors and Planning Board members:

This letter is to respond to questions and comments from joint public hearing on March 30, 2020. Staff have made suggested edits in track changes to the attached ordinance. Said edits are in response to the comments that specifically proposed edits and commenters who had concerns with the proposed wording of the language. The suggested edits do not change the intent of the ordinance, but instead provide clarifications per public comment.

While the new edits are clarifications rather than substantive changes, please be advised that since an amendment to the ordinance was first submitted last summer several substantive changes have been made. For your reference, a chart is attached to this letter that explains the substantive changes to the ordinance.

I would also like to provide clarification on the supplemental incentive programs. The proposed tax incentive and loan program are both voluntary programs that owners could opt into but in return would require the affordability requirements limits in the table below. Please note that the supplemental programs are two separate programs and could not be used by one homeowner concurrently. That means a homeowner who participates in the loan program would not be eligible for the tax incentive until the loan is paid off.

Table 1		
Income Limit		
1 PERSON	2 PERSON	3 PERSON
\$49,800	\$56,880	\$64,020
Rent Limit (including utilities)		
\$1,245	\$1,333	\$1,600

I would also like to take this opportunity to point you to Amy Dain’s white paper on ADUs that that Councillor Madore referenced. The report can be found here: https://ww1.prweb.com/prfiles/2018/07/17/15632003/ADUs_WP.pdf. Page 15 of that report has a list of the 37 municipalities in the Metropolitan Area Planning Council (MAPC) region outside the City of Boston that allow for ADUs without an occupancy restriction, as of 2018.

Question from the March 30th Joint Public Hearing

1. A question was raised that asked how many properties are there in Salem with 4 or fewer units?

Below is a breakdown of units from the City Assessor. Please be advised that the data does not breakout buildings with only four units or the number of units within condominium. Thus, the total of 11,762 units is much more than what would be allowed because it includes all condominiums and all buildings with up to 8 units. Furthermore, it is not realistic to infer that every eligible home would create an ADU for several reasons discussed at the joint public hearing, e.g. not every homeowner wants a unit, they are expensive to build, many homes would not meet the dimensional or parking standards to create a unit.

Table 2	
Building Type	Total in Salem
Single-family	4,954
2-family	1,533
3-family	529
4-8 family	350
Condominiums	4,396
Total	11,762

According to Amy Dain’s research paper that is hyperlinked in this letter, “The municipalities without residency restrictions granted 1.8 permits for every 1,000 houses during the three years.” The report also notes that the total number of permits issued for most communities range from 20 to 60. If Salem were to attract 1.8 new accessory units for every 1,000 homes, as other municipalities have, the City would gain approximately 34 accessory units over a three-year period (based on the total 2010 housing units). Please take into consideration that this is an estimate based on other communities that are very different than Salem and some have different policies than what Salem is recommending. Given the number of residents

who have expressed interested in this ordinance, staff suspects that more than 1.8 units per 1,000 homes will be created.

Staff suspects in first year there will be several permits that do not result in a net gain but will be to legalize existing units. Anecdotally staff has heard there are other instances of accessory units that were created without the benefit of a permit, but we do not know how many exist. For that reason, it is challenging to gauge how many units would be permitted in total (including legalizing existing units). There is still value to legalizing units because the permitting process will be required to meet building code requirements.

Please do not hesitate to contact me at achiancola@salem.com if you have any questions.

Sincerely,

Amanda Chiancola, AICP
Senior Planner

cc: Mayor Kimberley Driscoll
Ilene Simons, City Clerk
Thomas St. Pierre, Zoning Enforcement Officer
Tom Daniel, Director of Planning and Community Development