

City of Lynn



Lynn Downtown and Waterfront Housing Development Incentive Program HD Zone Plan

Application Contact:

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Application Date:

March 26, 2015

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Evidence of Public Hearing

Copy of public hearing notices

CITY OF LYNN

Notice is hereby given that the Lynn City Council of the City of Lynn will hold a public hearing on Tuesday, January 20, 2015 at 8:00 o'clock p.m. in Council Chambers, Lynn City Hall on the following:

On January 20, 2015 at the Lynn City Council meeting, the Lynn City Council will hold a public hearing relative to a proposal to establish a Housing Development Zone (HD Zone) as part of the Commonwealth of Massachusetts' Housing Development Incentive Program (HDIP). Representatives from the Metropolitan Area Planning Council (MAPC) will offer a presentation regarding the HD Zone and the benefits of said designation. HDIP encourages developers to create market-rate housing in a city-designated zone. The HDIP, established as Massachusetts General Laws Chapter 40V, provides Gateway Cities with a development tool to increase residential growth, expand diversity of housing stock, support economic development, and promote neighborhood stabilization in designated areas. The program provides two tax incentives to developers to undertake substantial rehabilitation of properties for lease or sales multi-unit market housing. The Central Business District, the Downtown, Waterfront, new Marshall Middle School site, and the neighborhoods that surround these areas are included in the proposed HD Zone. A map of the proposed HD Zone is available for inspection during normal City Hall hours at the City Clerk's Office, Room 203, Lynn City Hall, 3 City Hall Square, Lynn, MA 01901. The HD Zone encompasses generally the areas from the Lynn August line and land east of Western Avenue to the Waterfront, extending northerly towards Chestnut Street, to Essex Street to Eastern Avenue to the waterfront. Comments will be accepted in writing, in advance of the hearing, at the Lynn City Council Office, Room 408, Lynn City Hall, 3 City Hall Sq., Lynn, MA 01901. All persons interested in presenting public comment at the meeting are welcomed to attend.

Mary F. Audley
City Clerk

Item: January 2, 9, 2015

Minutes of the hearing and attendance sheets

CITY OF LYNN

**Regular City Council Meeting – January 20, 2015
Council President Daniel F. Cahill, Presiding**

**Eleven Councillors Present
Pledge of Allegiance**

**Motion made by Councillor Colucci and seconded by Councillor Ford to accept the Meeting Minutes of January 13, 2015.
Motion carried.**

PUBLIC HEARINGS:

Public Hearing on a Proposed Ordinance Amending the City of Lynn Zone Ordinance to include Floodplain Districts, Amending Section 9 of the Parking Regulations, Amending Use Provisions Pertaining to the Central Business District and the Washington Street Corridor/Sagamore Hill Overlay District.

The following appeared in Favor:

A.J. Capano, 101 North Common Street, Lynn

Emily Ruddock, Director, Downtown Lynn Cultural District

Seth Album, 7 Central Square #303, Lynn

No one appeared in Opposition.

Public Hearing Closed.

Council President Cahill informed the Council that prior to the Council Meeting, the Lynn Planning Board took a vote to approve the Amendment to the Zone Ordinance to Include Floodplain Districts, Amending Section 9 of the Parking Regulations, amending Use Provisions Pertaining to Central Business District and the Washington Street Corridor/ Sagamore Hill Overlay District.

Motion made by Councilor Crighton and seconded by Councilor Cyr to grant.

Motion carried by the following yea and nay vote:

11 YES 0 NO

Public Hearing relative to a proposal to establish a Housing Development Zone (HD Zone) as part of the Commonwealth of Massachusetts' Housing Development Incentive Program (HDIP). Representatives from the Metropolitan Area Planning Council (MAPC) will offer a presentation regarding the HD Zone and the benefits of said designation. HDIP encourages developers to create market-rate housing in a city-designated zone. The HDIP, established as Massachusetts General Laws Chapter 40V, provides Gateway Cities with a development tool to increase residential growth, expand diversity of housing stock, support economic development, and promote

neighborhood stabilization in designated areas. The program provides two tax incentives to developers to undertake substantial rehabilitation of properties for lease or sales multi-unit market housing. The Central Business District, the Downtown, Waterfront, new Marshall Middle School site, and the neighborhoods that surround these areas are included in the proposed HD Zone. A map of the proposed HD Zone is available for inspection during normal City Hall hours at the City Clerk's Office, Room 203, Lynn City Hall, 3 City Hall Square, Lynn, MA 01901. The HD Zone encompasses generally the areas from the Lynn/Saugus line and land east of Western Avenue to the Waterfront, extending northerly towards Chestnut Street, to Essex Street to Eastern Avenue to the waterfront. Comments will be accepted in writing, in advance of the hearing, at the Lynn City Council Office, Room 408, Lynn City Hall, 3 City Hall Sq., Lynn, MA 01901. All persons interested in presenting public comment at the meeting are welcomed to attend.

The following appeared in Favor:

Manisha Gadia Bewtra, Senior Regional Planner, Metropolitan Area Planning Council

Emily Ruddock, Director, Downtown Lynn Cultural District

Jeff Wheaton, Lynn Housing Authority and Neighborhood Development (LHAND)

Seth Album, 7 Central Square #303, Lynn

No one appeared in Opposition.

Public Hearing Closed.

Council President Cahill stated that "Letters of Support" were received from the Lynn Housing Authority and Neighborhood Development, the Economic Development Industrial Corp., and the Hall Company.

Motion made by Councilor Crighton and seconded by Councilor Trahan to order that the City of Lynn hereby establishes Housing Development and Incentive Program HD Zone as permitted by Massachusetts General Laws Chapter 40V. Further Ordered that the City of Lynn hereby approves the Housing Development (HD) Zone Plan for the City of Lynn and authorizes and forwards said HD Zone Plan for certification to the Massachusetts Department of Housing and Community Development (DHCD) for it approval and endorsement. Further Ordered that the HD Zone shall encompass the area delineated in the Housing Zone Plan dated December, 2014.

Motion carried by the following yea and nay vote:

11 YES 0 NO

Petition of Comcast, Timothy Broderick, for permission to place from existing manhole on Silsbee Street, (1) 4" PVC conduit 20'+/- in a Southwesterly direction to property at 270 Union Street.

The following appeared in Favor:

Tim Broderick, Comcast

No one appeared in Favor.

Public Hearing Closed.

Motion made by Councilor Colucci and seconded by Councilor Net to grant the prayer of the Petition.

Motion carried by the following yea and nay vote:

11 YES 0 NO

PUBLIC HEARINGS TO BE SET DOWN

-A Starr Auto Sales, Bernardino Duprey, for permission for a 2nd Class Dealer's License at 1117 Western Avenue.

Motion made by Councilor Colucci and seconded by Councilor Capano to set down for Public Hearing.

Motion carried.

UNFINISHED BUSINESS:

Public Property and Parks Committee Report of January 13, 2015:

Ordered that the Mayor be authorized to execute Deeds and any other documents required by the Law Department to convey title for nominal consideration to the following lots to the following individuals:

Lot 1 containing 366 +/- sq. ft. to be conveyed for nominal consideration to Nancy and Richard DiFillipo Trustees, DiFillipo Family Trust, 163 Blossom Street, Lynn, Massachusetts. Said Lot 1 to be combined with 163 Blossom Street creating one continuous lot containing 4,726 +/- sq. ft. pursuant to a plan entitled Subdivision of Land prepared for the City of Lynn Blossom Street, by Ralph Reid Land Surveyors, 365 Chatham Street, Lynn, Massachusetts, dated September 25, 2014.

Lot 2 containing 361 +/- sq. ft. to be conveyed for nominal consideration to Nancy and Richard DiFillipo, Trustees, DiFillipo Family Trust, 163 Blossom Street, Lynn, Massachusetts. Said Lot 2 is to be combined with 159 Blossom Street creating one continuous lot containing 4,711 +/- sq. ft. pursuant to a Plan entitled Subdivision of Land prepared for the City of Lynn Blossom Street, by Ralph Reid Land Surveyors, 365 Chatham Street, Lynn, Massachusetts, dated September 25, 2014.

Lot 3 containing 334 +/- sq. ft. to be conveyed for nominal consideration to Lucia DeFillippis, Trustee, Paco Trust, 88-92 Harbor Street, Lynn, Massachusetts. Said Lot 3 is to be combined with 88-92 Harbor Street creating one continuous lot containing 4,651 +/- sq. ft. pursuant to a Plan entitled Subdivision of Land prepared for the City of Lynn Blossom Street, by Ralph Reid Land Surveyors, 365 Chatham Street, Lynn, Massachusetts, dated September 25, 2014.

Motion made by Councilor Colucci and seconded by Councilor Capano to grant.

Motion carried by the following yea and nay vote:

11 YES 0 NO

COMMITTEE REPORTS:**Report of the January 20, 2015 Committee on Ways and Means recommending the following to be accepted:**

Ordered that the City Comptroller take the following actions:

Transfer the sum of Thirty Five Thousand Dollars and Zero Cents (\$35,000.00) from the Reserve Account to the DPW/Parks Expense Account.

Councillor Net attached the following Emergency Preamble:

WHEREAS, A Special Emergency exists involving the peace, health and safety of the people or their property in the City of Lynn.

WHEREAS, An Emergency relative to a financial transfer in the amount of Thirty Five Thousand Dollars and Zero Cents (\$35,000.00) from the Reserve Account to the DPW/Parks Expense Account.

THEREFORE BE IT VOTED BY THE LYNN CITY COUNCIL THAT THE FOREGOING CONSTITUTES AN EMERGENCY.

Emergency Preamble was adopted by the following yea and nay vote:

11 YES 0 NO

Emergency Order was then adopted by the following yea and nay vote:

11 YES 0 NO

Transfer the sum of Forty Eight Thousand One Hundred Dollars and Zero Cents (\$48,100.00) from the Parking Meter Receipts Account to the Parking Expense Outside Professional \$45,600.00 and Parking Expense/Office Supplies \$2,500.00.

Councillor Net attached the following Emergency Preamble:

WHEREAS, A Special Emergency exists involving the peace, health and safety of the people or their property in the City of Lynn.

WHEREAS, An Emergency relative to a financial transfer in the amount of Forty Eight Thousand One Hundred Dollars and Zero Cents (\$48,100.00) from the Parking Meter Receipts Account to the Parking Expense Outside Professional \$45,600.00 and Parking Expense/Office Supplies \$2,500.00.

THEREFORE BE IT VOTED BY THE LYNN CITY COUNCIL THAT THE FOREGOING CONSTITUTES AN EMERGENCY.

Emergency Preamble was adopted by the following yea and nay vote:

11 YES 0 NO

Emergency Order was then adopted by the following yea and nay vote:

11 YES 0 NO

Establish an account for the purposes of the city's revenue of the on-going sale of authorized overflow bags that are now in use with the new trash program. This account (Revolving Fund) will have no restrictions and spending is at the discretion of the Mayor/CFO. This account is intended to provide aid for the education of proper trash and recycling procedures in the City of Lynn.

Councillor Net attached the following Emergency Preamble:

WHEREAS, A Special Emergency exists involving the peace, health and safety of the people or their property in the City of Lynn.

WHEREAS, An Emergency relative to a Financial Order to Establish an account for the purposes of the city's revenue of the on-going sale of authorized overflow bags that are now in use with the new trash program. This account (Revolving Fund) will have no restrictions and spending is at the discretion of the Mayor/CFO. This account is intended to provide aid for the education of proper trash and recycling procedures in the City of Lynn.

THEREFORE BE IT VOTED BY THE LYNN CITY COUNCIL THAT THE FOREGOING CONSTITUTES AN EMERGENCY.

Emergency Preamble was adopted by the following ye and nay vote:

11 YES 0 NO

Emergency Order was then adopted by the following ye and nay vote:

11 YES 0 NO

Establish an account for the purposes of the city's revenue of the on-going sales of the refuse and recycle carts that are now in use with the new trash program. This account (Revolving Fund) will have no restrictions and spending is at the discretion of the Mayor/CFO. This account is intended to provide aid for the education of proper trash and recycling procedures in the City of Lynn.

Councillor Net attached the following Emergency Preamble:

WHEREAS, A Special Emergency exists involving the peace, health and safety of the people or their property in the City of Lynn.

WHEREAS, An Emergency relative to a financial order to Establish an account for the purposes of the city's revenue of the on-going sales of the refuse and recycle carts that are now in use with the new trash program. This account (Revolving Fund) will have no restrictions and spending is at the discretion of the Mayor/CFO. This account is intended to provide aid for the education of proper trash and recycling procedures in the City of Lynn.

THEREFORE BE IT VOTED BY THE LYNN CITY COUNCIL THAT THE FOREGOING CONSTITUTES AN EMERGENCY.

Emergency Preamble was adopted by the following ye and nay vote:

11 YES 0 NO

Emergency Order was then adopted by the following ye and nay vote:

11 YES 0 NO

Transfer the sum of One Thousand Two Hundred Eighty Four Dollars and Six Cents (\$1,284.06) from the account of Fire Expense to the Account of Fire Bills of Prior Year.

Councillor Net attached the following Emergency Preamble:

WHEREAS, A Special Emergency exists involving the peace, health and safety of the people or their property in the City of Lynn.

**WHEREAS, An Emergency relative to a financial transfer in the amount of One Thousand Two Hundred Eighty Four Dollars and Six Cents (\$1,284.06) from the account of Fire Expense to the Account of Fire Bills of Prior Year.
THEREFORE BE IT VOTED BY THE LYNN CITY COUNCIL THAT THE FOREGOING CONSTITUTES AN EMERGENCY.**

Emergency Preamble was adopted by the following yea and nay vote:

11 YES 0 NO

Emergency Order was then adopted by the following yea and nay vote:

11 YES 0 NO

Certify as an "Available Fund" the amount of Seven Hundred Forty One Thousand Nine Hundred Fifty Five Dollars and Zero Cents (\$741,955.00) as allotted to the City of Lynn to increase original allotment of One Million Four Hundred Eighty Three Thousand Nine Hundred and Nine Dollars and Zero Cents (\$1,483,909.00) to Two Million Two Hundred Twenty Five Thousand Eight Hundred and Sixty Four Dollars and Zero Cents (\$2,224,864.00) by Transportation Bond Bill Chapter 291D of the Acts of 2015 for FY15.
Councillor Net attached the following Emergency Preamble:

WHEREAS, A Special Emergency exists involving the peace, health and safety of the people or their property in the City of Lynn.

WHEREAS, An Emergency relative to a financial order certifying as an "Available Fund" the amount of Seven Hundred Forty One Thousand Nine Hundred Fifty Five Dollars and Zero Cents (\$741,955.00) as allotted to the City of Lynn to increase original allotment of One Million Four Hundred Eighty Three Thousand Nine Hundred and Nine Dollars and Zero Cents (\$1,483,909.00) to Two Million Two Hundred Twenty Five Thousand Eight Hundred and Sixty Four Dollars and Zero Cents (\$2,224,864.00) by Transportation Bond Bill Chapter 291D of the Acts of 2015 for FY15.

THEREFORE BE IT VOTED BY THE LYNN CITY COUNCIL THAT THE FOREGOING CONSTITUTES AN EMERGENCY.

Emergency Preamble was adopted by the following yea and nay vote:

11 YES 0 NO

Emergency Order was then adopted by the following yea and nay vote:

11 YES 0 NO

Certify as an "Available Fund" the amount of One Million Five Hundred Sixty Thousand Four Hundred Eighty Four Dollars and Zero Cents (\$1,560,484.00) as allotted to the City of Lynn by Transportation Bond Bill Chapter 291D FY09 One Million One Hundred Fifty One Thousand One Hundred Fifty Four Dollars and Zero Cents (\$1,151,154.00) along with miscellaneous projects Four Hundred Nine Thousand Three Hundred Thirty Dollars and Zero Cents (\$409,330.00) previously not accounted for.

Councillor Net attached the following Emergency Preamble:

WHEREAS, A Special Emergency exists involving the peace, health and safety of the people or their property in the City of Lynn.

WHEREAS, An Emergency relative to a financial transfer certifying as an "Available Fund" the amount of One Million Five Hundred Sixty Thousand Four Hundred Eighty Four Dollars and Zero Cents (\$1,560,484.00) as allotted to the City of Lynn by Transportation Bond Bill Chapter 291D FY09 One Million One Hundred Fifty One Thousand One Hundred Fifty Four Dollars and Zero Cents (\$1,151,154.00) along with miscellaneous projects Four Hundred Nine Thousand Three Hundred Thirty Dollars and Zero Cents (\$409,330.00) previously not accounted for.

THEREFORE BE IT VOTED BY THE LYNN CITY COUNCIL THAT THE FOREGOING CONSTITUTES AN EMERGENCY.

Emergency Preamble was adopted by the following yea and nay vote:

11 YES 0 NO

Emergency Order was then adopted by the following yea and nay vote:

11 YES 0 NO

NEW BUSINESS:

Motion made by Councilor Cyr and seconded by Councilor Ford to present the following Resolution declaring February 8, 2015 "Bob Seibel Day".

Motion carried.

RESOLUTION/ CYR

RESOLVED / that February 8, 2015 is hereby declared to be Bob Seibel Day in the City of Lynn. Bob has been a tireless supporter of charitable endeavors in the City of Lynn and has generously donated his time and comedic talents to numerous worthwhile causes throughout his career. Bob was instrumental in ensuring that the 2000 MILLYNNIUM celebration in 2000 was a resounding success. The City of Lynn wishes to thank Bob for all of his commitment dedication to charitable causes for more than three decades. Bob Seibel is a comedic genius and a true Lynner and the City is proud to call him as one of our own.

Motion made by Councillor Colucci and seconded by Councillor Barton to adjourn.

Notice of this meeting was posted in the City Clerk's Office at least forty-eight (48) hours in advance.

A True Copy Attest:


CITY CLERK

Approval by Municipal Legislative Body

Certified copy of the vote and Concurrence of the CEO

HD ZONE – MGL CHAPT 40V ORDER

Offered by Councilor CRIGHTON		
In City Council		
Date: JANUARY 20, 2015		
Date Adopted:		
Councilor	YES	NO
Barton	X	
Cahill	X	
Capano	X	
Chakoutis	X	
Colucci	X	
Crighton	X	
Cyr	X	
Ford	X	
Lozzi	X	
Net	X	
Trahant	X	
TOTAL	11	0

In City Council _____
Immediate Reconsideration _____
Notice of Reconsideration _____

Councilor	YES	NO
Barton	<input type="checkbox"/>	<input type="checkbox"/>
Cahill	<input type="checkbox"/>	<input type="checkbox"/>
Capano	<input type="checkbox"/>	<input type="checkbox"/>
Chakoutis	<input type="checkbox"/>	<input type="checkbox"/>
Colucci	<input type="checkbox"/>	<input type="checkbox"/>
Crighton	<input type="checkbox"/>	<input type="checkbox"/>
Cyr	<input type="checkbox"/>	<input type="checkbox"/>
Ford	<input type="checkbox"/>	<input type="checkbox"/>
Lozzi	<input type="checkbox"/>	<input type="checkbox"/>
Net	<input type="checkbox"/>	<input type="checkbox"/>
Trahant	<input type="checkbox"/>	<input type="checkbox"/>

Law Dept, Assessor, Community
 Development, DCHD/LHAND,
 Referred to ISD

Date: January 21, 2015

Mary F Audley

 City Clerk
[Signature]

 Mayor

January 23, 2015

 Date Approved

A TRUE COPY ATTEST:
Mary F Audley
CITY CLERK

Executive Summary

The City of Lynn, as a Massachusetts Gateway City, is eligible for the Commonwealth's Housing Development Incentive Program (HDIP). This program is administered by the Department of Housing and Community Development (DHCD), which requires designation of an HD Zone and development of an HD Zone Plan in order to participate in the program. The following description from DHCD's website explains the program's purpose and benefits:

The Housing Development Incentive Program (HDIP), established as M.G.L., Chapter 40V, provides Gateway Cities with a development tool to increase residential growth, expand diversity of housing stock, support economic development, and promote neighborhood stabilization in designated areas. The program provides two tax incentives to developers to undertake substantial rehabilitation of properties for lease or sale as multi-unit market rate housing:

- A local-option real estate tax exemption on all or part of the increased property value resulting from improvements (the increment), and
- State tax credits for Qualified Substantial Rehabilitation Expenditures (QSREs) that are awarded through a rolling application process.

DHCD may (1) approve an executed Housing Development Tax Increment Exemption (TIE) Agreement between a developer and a Gateway City under M.G.L. c. 59 section 5M of no less than 10% and no more than 100% of the increment on market rate units in a project for no less than five years and no more than 20 years, and (2) award state Housing Development (HD) Tax Credits of up to \$2 million to the developer of a project under M.G.L. c. 62 section 6(q) and chapter 63 section 38BB, not to exceed 10% of the QSREs of the market rate units.¹

This plan and the attached exhibits are the City's HD Zone Plan and demonstration of the City's establishment of an HD Zone.

Name of proposed HD Zone

Lynn Downtown-Waterfront HD Zone

Location of the proposed HD Zone

The proposed HD zone is in the southeastern third of the city, running along Western Avenue west from the City's border with Revere until Chestnut Street, southeasterly along Chestnut Street, continuing onto Atlantic Street until Lynn Shore Drive, southwesterly along Lynn Shore Drive to Beach Road, and then along the waterfront along the city's southern border.

¹ <http://www.mass.gov/hed/community/planning/housing-development-incentive-program-hdip.html>

Objectives of the proposed HD Zone Plan

The objectives of the HD Zone Plan for Lynn are to increase residential growth, expand the diversity of housing stock, support economic development, and promote neighborhood stabilization.

Increasing residential growth: New housing created as part of a certified HD housing development project will help meet regional housing production needs. Recent planning efforts for the Waterfront and Downtown have encouraged opportunities to attract more residents with disposable income to these neighborhoods.

Expanding the diversity of housing stock: Currently, the Downtown and Waterfront areas include households with the lowest incomes in the city. There is a concentration of subsidized housing in these neighborhoods. More market rate housing will help to diversify the housing stock here.

Support economic development: The City of Lynn, Lynn EDIC, LHAND, the Commonwealth of Massachusetts, Metropolitan Area Planning Council, and MassDevelopment have invested significant public resources to spur revitalization, make underutilized land development ready, and add amenities to this part of the city. These efforts have been complemented by private investment and a vibrant arts, culture and dining scene. Additional residential development will bolster these efforts.

Promote neighborhood stabilization: More residents in the Downtown and Waterfront areas of Lynn will help support the variety of amenities the city has to offer, and increased income diversity and more housing without subsidy restrictions will help to stabilize the neighborhood.

Need for multi-unit market rate housing in the proposed HD Zone

The regionwide need to stimulate housing production is well-documented. According to the *Population and Housing Demand Projections for Metro Boston*² released by MAPC in January 2014, the Metro Boston region will need between 305,000-435,000 new housing units by 2040 to keep up with projected housing demand, and that the majority of these new units will need to be multifamily units to keep pace with population trends. The Commonwealth of Massachusetts statewide goal for annual multifamily housing production is 10,000 units per year until 2030 to help ensure a strong economic future for the state.

The number of households in Lynn is projected to increase by 6,000 through 2030 according to the Basic Housing Needs Assessment for Lynn, MA³. According to this report, “from 2000 to 2012, Lynn permitted 22 single family and 4 multi-family housing units annually. By comparison, Lynn faces an annual projected demand of 75 single family units and 200 multi-family units.” While the Basic Housing Needs Assessment acknowledges that reported building permits are an imperfect measure of housing production, it is reasonable to infer that housing production and permitting of new units are not meeting demand. A housing shortage in Lynn could put pressure on housing prices, making it more expensive to live there. The HDIP offers the opportunity to

² <http://www.mapc.org/projections>

³ <http://www.housing.ma/lynn>

stimulate market rate housing production, which is much needed and can help reduce pressure on housing prices due to low supply.

While Lynn has a strong need for affordable housing – 52% of its current residents are cost burdened – over 12% of the city’s housing units are listed in the Massachusetts Subsidized Housing Inventory (SHI), whereas fewer than 8% of the housing units in neighboring cities are listed in the SHI. The proposed HD zone is where a lot of the city’s current affordable housing stock is located. The zone includes the Census Tracts that currently have the lowest median household incomes of the city.

Increased income diversity in these neighborhoods would help to stabilize the local economy. Equitable development and concern for displacement are of critical importance – the goal is to increase the mix of incomes and bring more disposable income to help stimulate Downtown area businesses and improve city services while also building a stronger sense of community among all residents, old and new.

Proposed development and redevelopment activities in the proposed HD Zone

Many of the activities described elsewhere in this plan are ongoing. The City of Lynn, EDIC, and LHAND continue to work on targeted real estate and infrastructure investments throughout the HD Zone to promote redevelopment.

The Downtown Lynn Cultural District is working to reinforce the Downtown arts, culture, and dining scene in with events, arts advocacy, and marketing efforts. Lynn Economic Development Industrial Corporation (EDIC) and Senator McGee’s office helped launch the Lynn Commuter Ferry in 2014, to great success, and is diligently working to expand this popular service for its second season. The Mayor’s Office and EDIC are working with a hotel chain to open a 90-room hotel on the Lynnway in the Waterfront district, which would be the City’s first major hotel. Recently, a developer paid \$7.6 million for the 65-acre General Electric gear plant near the Lynnway, further making way for waterfront redevelopment. A new restaurant, RF O’Sullivan’s, is poised to open in Downtown in early 2015.⁴

Lynn was selected by the Urban Land Institute Boston/New England Chapter and MassDevelopment as the site of a one-day Technical Assistance Panel (TAP) Program, which was held on December 2, 2014. The TAP program was sponsored by Lynn EDIC, MassDevelopment and Eastern Bank and panelists included experts in the fields of architecture, development, retail, investment, and banking. This panel strategized for how to leverage Lynn’s significant public investment efforts to yield a higher level of private investment. They toured the neighborhood and identified site-specific improvements around Lynn Central Square such as streetscape improvements, connections to the waterfront, and plazas for festivals, food trucks, and retail kiosks. The TAP identified strategies for programming, code enforcement, and market/financial recommendations.⁵

⁴ <http://www.ediclynn.org/news.shtml>, http://dtl.mapc.org/What_We_Learned/Investments.html

⁵ http://boston.uli.org/wp-content/uploads/sites/12/2012/04/Lynn_TAP_Presentation12.2.2014.pdf

Shortly following the TAP, Lynn was selected for MassDevelopment's Transformative Development Initiative (TDI). Lynn proposed the One Lynn District for the TDI program, which will "be the next great place to buy a home as well as be a top destination for unique arts-based retail and diverse restaurant scene in the region." MassDevelopment has committed to providing "technical assistance, real estate services, and equity investments in real estate to support local visions for redevelopment, and to catalyze and leverage investments and economic activities."⁶

Proposed HD Projects and other market rate housing in the HD Zone

The city sees HDIP as an opportunity to incentives private investment to create more market rate housing in the Downtown and Waterfront areas of Lynn. At this time, there are no specific proposals for HD Projects but having an HD Zone Plan in place will help to expedite development of projects once they have been proposed.

HD Zone

Name of the proposed HD Zone

Lynn Downtown-Waterfront HD Zone

Written designation of the proposed HD Zone

The proposed HD zone is in the southeastern third of the city, running along Western Avenue west from the City's border with Revere until Chestnut Street, southeasterly along Chestnut Street, continuing onto Atlantic Street until Lynn Shore Drive, southwesterly along Lynn Shore Drive to Beach Road, and then along the waterfront along the city's southern border.

Rationale for defining the boundaries as proposed

This area encompasses the focus areas of several planning and development initiatives and public-private investment over the last decade. This area of Lynn holds great potential, with access to the MBTA Commuter Rail and buses, a new Commuter Ferry, access to the shore, and amenities such as arts and dining. At the same time, the median household incomes for most of the Census Tracts in the proposed HD zone are below the citywide median household income and in some cases are lower than one quarter of the median household income for Census Tracts within a short distance of the HD zone boundary. The proposed HD zone could promote greater income diversity in this part of Lynn.

Planning efforts include the Lynn Downtown Charrette Plan/Workshop in 2004, the Lynn Economic Development Strategy in 2005, the Lynn Waterfront Master Plan in 2007, the Washington Street Gateway District Plan in 2008, the Downtown Market Street Vision Plan in 2009, and Build on the Vision for Downtown Lynn in 2014, and the One Lynn District proposal for the Transformational Development Initiative to MassDevelopment funded in December 2014. These plans have all called for more housing development in Downtown Lynn and along Lynn's Waterfront, and

⁶ <http://www.massdevelopment.com/press-room/press/releases/ten-gateway-city-districts-identified-for-enhanced-assistance-through-massdevelopments-transformative-development-initiative/>

particularly market rate housing to help stabilize the city's economy. These plans have influenced strategic investments, marketing strategies, and policy changes in the city.⁷

The City of Lynn and Lynn's Economic Development and Industrial Corporation (EDIC) has invested in transforming the Waterfront from underutilized industrial land into new neighborhoods and hubs for regional transport. Following approval of the Waterfront Master Plan In 2010, the city relocated power lines on the harbor side of the Lynnway to the opposite side of the commercial corridor in order to clear the way for Waterfront development. Beginning in 2008, the city in close coordination with Massachusetts State Senator Thomas McGee, the Commonwealth of Massachusetts, and the Massachusetts Seaport Advisory Council, worked to establish the Lynn Commuter Ferry. Ferry service was inaugurated in May 2014 and had a very successful first season of operation. There is evidence of demand for year-round service, which the city is currently exploring with its partners.

Over the last several years, public and private investments in Downtown have significantly changed perceptions about the city. Zoning changes in 2003 allowed buildings within a quarter mile of the Lynn Central Square MBTA Station to be redeveloped for mixed use with commercial uses on the ground floor and residential above the ground floor. This led to the redevelopment of several former industrial and public buildings into loft residences, bringing about 250 new residents into Downtown Lynn. New facilities such as the Lynn Community Health Center Stephen D. Hayes Building, which opened in October 2011 and the All Care Visiting Nurse Association building, which opened in 2012, have brought more office workers to Downtown. LHAND is working to create a walkable, mixed-use neighborhood environment along Washington Street, adjacent to the North Shore Community College (NSCC), and in 2014, NSCC initiated its CommUniverCity initiative which will bring additional resources and partnerships to Downtown. In 2013, the Massachusetts Cultural Council designated Downtown Lynn as among the first group of cultural districts in the state. The Downtown Lynn Cultural District boasts amenities such as art galleries, theatrical productions, restaurants, and museums that have increased local spending and foot traffic in Downtown. In 2014, additional zoning changes in Downtown will make it easier to establish new businesses and create an even more vibrant environment in the transit-oriented, amenity-rich heart of Lynn.

The Waterfront and Downtown areas described here and shown in the attached maps form the proposed HD zone.

Need for multi-need market rate housing development

The regionwide need to stimulate housing production is well-documented. According to the Population and Housing Demand Projections for Metro Boston⁸ released by MAPC in January 2014, the Metro Boston region will need between 305,000-435,000 new housing units by 2040 to keep up with projected housing demand, and that the majority of these new units will need to

⁷ A detailed timeline of many of these planning efforts is available online at http://dtl.mapc.org/What_We_Learned/Downtown_Planning.html.

⁸ <http://www.mapc.org/projections>

be multifamily units to keep pace with population trends. The Commonwealth of Massachusetts statewide goal for annual multifamily housing production is 10,000 units per year until 2030 to help ensure a strong economic future for the state.

The number of households in Lynn is projected to increase by 6,000 through 2030 according to the Basic Housing Needs Assessment for Lynn, MA⁹. According to this report, “from 2000 to 2012, Lynn permitted 22 single family and 4 multi-family housing units annually. By comparison, Lynn faces an annual projected demand of 75 single family units and 200 multi-family units.” While the Basic Housing Needs Assessment acknowledges that reported building permits are an imperfect measure of housing production, it is reasonable to infer that housing production and permitting of new units are not meeting demand. A housing shortage in Lynn could put pressure on housing prices, making it more expensive to live there. The HDIP offers the opportunity to stimulate market rate housing production, which is much needed and can help reduce pressure on housing prices due to low supply.

While Lynn has a strong need for affordable housing – 52% of its current residents are cost burdened – over 12% of the city’s housing units are listed in the Massachusetts Subsidized Housing Inventory (SHI), whereas fewer than 8% of the housing units in neighboring cities are listed in the SHI. The proposed HD zone is where a lot of the city’s current affordable housing stock is located. The zone includes the Census Tracts that currently have the lowest median household incomes of the city.

Increased income diversity in these neighborhoods would help to stabilize the local economy. Equitable development and concern for displacement are of critical importance – the goal is to increase the mix of incomes and bring more disposable income to help stimulate Downtown area businesses and improve city services while also building a stronger sense of community among all residents, old and new.

How the HD Zone location supports plan objectives

The HD Zone is located in areas where the City and private investors have focused resources and development effort, and these efforts have seen considerable success. The Downtown and Waterfront neighborhoods are well-poised to become even more recognized as regional destinations and desirable places to live thanks to a range of amenities such as the Commuter Ferry, MBTA Commuter Rail at Lynn Central Square, and Downtown Lynn Cultural District. There is strong regional demand for market rate housing, and the transit-oriented location of the HD Zone makes it an ideal location for homebuyers and renters looking for urban amenities at a reasonable price. Right now, in spite of this area being located amongst these amenities, the Census Tracts in the HD Zone are the lowest in the city and adjacent Census Tracts in neighboring communities. There is a need to stabilize these neighborhoods by attracting more residents with disposable income to spend in the neighborhood and region. Encouraging more residential development in the neighborhood will complement the other economic development efforts in the area very well.

⁹ <http://www.housing.ma/lynn>

Maps of Proposed HD Zone

The following maps are included in this plan:

- **Recent, Current, and Proposed Planning and Development Initiatives in the Proposed Lynn HD Zone:** This map includes the boundaries of the HD Zone and distinct features that help define the nature and scope of the HD Zone, as well as the locations of proposed development and redevelopment activities. At this time, there are no proposed HD projects in the zone but this map illustrates how the area is ripe for market rate housing development, particularly with implementation of the Housing Development Incentive Program.
- **Proposed Lynn HD Zone: Regional Context and Locus within City of Lynn:** This map shows where the proposed zone is in relation to the rest of the city and surrounding communities.
- **Proposed Lynn HD Zone: Median Household Income by Census Tract:** This map shows the median household income for each Lynn Census Tract as well as Census Tracts in surrounding communities. The map clearly illustrates that the Census Tracts in the proposed HD Zone have the lowest household incomes in the area, with the lowest Census Tract's median household income at \$17,453 right in the heart of Downtown Lynn. In contrast just about one mile away in Swampscott a Waterfront Census Tract has a median household income of \$117,526 and the Lynn Woods Census Tract median household income is \$89,010.
- **Existing Property Lines and Building Footprints in the Proposed Lynn HD Zone:** This map depicts property lines and building footprints at the date of submission to DHCD. There are no changes to property lines or building footprints that have been proposed prior to DHCD submission.
- **Existing Zoning of Each Parcel:** This map depicts property the existing zoning for the City of Lynn at the date of submission to DHCD.

HD Zone Plan

Objectives of the HD Zone Plan

The objectives of the HD Zone Plan for Lynn are to increase residential growth, expand the diversity of housing stock, support economic development, and promote neighborhood stabilization.

Increasing residential growth: New housing created as part of a certified HD housing development project will help meet regional housing production needs. Recent planning efforts for the Waterfront and Downtown have encouraged opportunities to attract more residents with disposable income to these neighborhoods.

Expanding the diversity of housing stock: Currently, the Downtown and Waterfront areas include households with the lowest incomes in the city. There is a concentration of subsidized housing in these neighborhoods. More market rate housing will help to diversify the housing stock here.

Support economic development: The City of Lynn, Lynn EDIC, LHAND, the Commonwealth of Massachusetts, Metropolitan Area Planning Council, and MassDevelopment have invested significant public resources to spur revitalization, make underutilized land development ready, and add amenities to this part of the city. These efforts have been complemented by private investment and a vibrant arts, culture and dining scene. Additional residential development will bolster these efforts.

Promote neighborhood stabilization: More residents in the Downtown and Waterfront areas of Lynn will help support the variety of amenities the city has to offer, and increased income diversity and more housing without subsidy restrictions will help to stabilize the neighborhood.

Proposed Development Activities in HD Zone and Parties Involved

Many of the activities described elsewhere in this plan are ongoing. The City of Lynn, EDIC, and LHAND continue to work on targeted real estate and infrastructure investments throughout the HD Zone to promote redevelopment. Additionally, there is ongoing private development and interest in the HD Zone.

The Downtown Lynn Cultural District is working to reinforce the Downtown arts, culture, and dining scene in with events, arts advocacy, and marketing efforts. Lynn Economic Development Industrial Corporation (EDIC) and Senator McGee's office helped launch the Lynn Commuter Ferry in 2014, to great success, and is diligently working to expand this popular service for its second season. The Mayor's Office and EDIC are working with a hotel chain to open a 90-room hotel on the Lynnway in the Waterfront district, which would be the City's first major hotel. Recently, a developer paid \$7.6 million for the 65-acre General Electric gear plant near the Lynnway, further making way for waterfront redevelopment. A new restaurant, RF O'Sullivan's, is poised to open in Downtown in early 2015.¹⁰

Lynn was selected by the Urban Land Institute Boston/New England Chapter and MassDevelopment as the site of a one-day Technical Assistance Panel (TAP) Program, which was held on December 2, 2014. The TAP program was sponsored by Lynn EDIC, MassDevelopment and Eastern Bank and panelists included experts in the fields of architecture, development, retail, investment, and banking. This panel strategized for how to leverage Lynn's significant public investment efforts to yield a higher level of private investment. They toured the neighborhood and identified site-specific improvements around Lynn Central Square such as streetscape improvements, connections to the waterfront, and plazas for festivals, food trucks, and retail kiosks. The TAP identified strategies for programming, code enforcement, and market/financial recommendations.¹¹

¹⁰ <http://www.ediclynn.org/news.shtml>, http://dtl.mapc.org/What_We_Learned/Investments.html

¹¹ http://boston.uli.org/wp-content/uploads/sites/12/2012/04/Lynn_TAP_Presentation12.2.2014.pdf

Shortly following the TAP, Lynn was selected for MassDevelopment's Transformative Development Initiative (TDI). Lynn proposed the One Lynn District for the TDI program, which will "be the next great place to buy a home as well as be a top destination for unique arts-based retail and diverse restaurant scene in the region." MassDevelopment has committed to providing "technical assistance, real estate services, and equity investments in real estate to support local visions for redevelopment, and to catalyze and leverage investments and economic activities."¹²

Maps of Proposed Development Activities

At this time, no specific HD projects have been proposed but adoption of the HD Zone Plan will help to expedite future projects when they are proposed. DHCD requires 5 maps to show proposed activities:

1. Location of proposed development and redevelopment activities, public and private, including identification of potential HD Projects, if known;
2. Proposed changes to property lines and foot-prints of existing buildings;
3. Proposed uses of each parcel, including identification of land in mixed use and land in public use;
4. Proposed zoning changes related to proposed uses; and
5. Identification of all existing and proposed HD Zones within the Municipality.

Where relevant, these maps have been combined with the other maps included in this application. Since there are no specific proposals available right now, it is too early to indicate potential changes to property lines, building footprints, land uses, and zoning that may be required by these projects. This is the only HD Zone proposed for Lynn and there are no other existing HD Zones in the city.

Zoning to Facilitate Redevelopment

Recent zoning amendments in Lynn have facilitated revitalization and redevelopment in the proposed HD zone. The City of Lynn adopted zoning changes in June 2014 intended to facilitate revitalization and redevelopment in Downtown. Many of the changes were to allow more uses to be permitted by right, including uses such as restaurants that were previously only allowed by special permit or not permitted. Automobile-oriented uses such as gas stations, salesroom for motor vehicles, banks with drive-in facilities, and big box retail establishments will no longer be allowed in the Central Business District. The footprint of the Central Business District was expanded to incorporate areas that were previously zoned as industrial around the MBTA station, which will promote transit-oriented development and will create more opportunities to redevelop properties for mixed use, with housing above the ground floor. The allowed height was changed from five stories to ten stories, further creating opportunities to add housing to Downtown.

Earlier zoning changes helped set the stage for major investment in Downtown and the Waterfront. Zoning changes to allow commercial and industrial buildings to be redeveloped for mixed use in 2003 brought 250 new residents to Downtown. Zoning changes following adoption

¹² <http://www.massdevelopment.com/press-room/press/releases/ten-gateway-city-districts-identified-for-enhanced-assistance-through-massdevelopments-transformative-development-initiative/>

of the Waterfront Master Plan were designed to attract higher density, mixed use development and to replace underutilized industrial land with a vibrant new residential neighborhood.

The City is committed to attracting investment to the HD zone, and while no additional zoning amendments are proposed at this time, if it becomes clear that additional changes would facilitate redevelopment the City will consider them.

Statement of Preliminary Certification Eligibility

Any proposed HD Project(s) identified in Lynn's HD Zone Plan will be eligible to receive a Preliminary Certification pursuant to 760 CMR 66.05(2).

Calculation of Current Area Median Household Income

Lynn's citywide Median Household Income according to the 2009-2013 American Community Survey is \$44,849 (with a margin of error of \pm \$1,589). 110% of \$44,849 is \$49,334. For the purposes of this plan, the citywide Median Household Income represents the HDIP Area Household Median Income (HDIP AMI) and \$49,334 is the Target Median Household Income at 110% of the HDIP AMI.

Lynn is in the Boston-Cambridge-Quincy, MA-NH HUD Metro Fair Market Rent Area. The 60% income limit for a 2 person household in this area is \$45,180.¹³ This income satisfies the MGL Chapter 40V HDIP Implementation Guidelines that state that 110% of the median household income for the HDIP pricing area must be greater than 60% of the median household, as determined by HUD.

Most of the Census Tracts in the proposed HD zone have a median household income below the citywide median household income and below the median household income of neighboring Census Tracts in Swampscott, Saugus, and Revere. The HDIP will help to stabilize and strengthen the economic conditions in this part of the City, thus reducing the income disparities between the HD Zone and surrounding neighborhoods.

Implementation Timeline

The HD Zone is expected to be adopted in 2015. As of January 2015, there are no specific HD projects proposed but the plan and zone will help to encourage private investment to support other construction and revitalization activity happening in the HD Zone.

Duration of HD Zone Plan

The duration of the Lynn HD Zone Plan shall be 20 years from the date of DHCD approval of the HD Zone designation.

¹³ <http://www.mass.gov/hed/docs/dhcd/hd/home/hudincome.pdf>

Future Amendments

At a later time, as the HD Zone Plan is being implemented, the City of Lynn may request an amendment to its HD Zone designation and HD Zone Plan pursuant to 760 CMR 66.09, in order to extend their duration beyond 20 years in order to accommodate new HD Projects over time, as appropriate.

Lynn's Commitment to Affirmatively Further Fair Housing

The City of Lynn, Massachusetts and the Lynn Housing Authority & Neighborhood Development are committed to the goals of eliminating discrimination in housing and affirmatively promoting fair housing choice for all citizens regardless of race, color, religion, sex, disability, familial status or national origin. Further, the City and the Lynn Housing Authority and Neighborhood Development, which administers all CDBG, HOME, McKinney-Vento Homeless Assistance, Public Housing and Section 8 housing-related programs in Lynn, are committed to the goal of integrating fair housing planning efforts into the City's overall housing and community development Consolidated Planning process. In the implementation of all activities covered under the Consolidated Plan for Housing and Community Development, the City and LHAND intend to affirmatively promote housing choice and to comply with all legal and statutory responsibilities with respect to fair housing including the provisions of the Fair Housing Act, the Housing and Community Development Act of 1974, the National Affordable Housing Act of 1990, HUD Consolidated Planning and other pertinent regulations.

LHAND has experience with creating affirmative marketing procedures and requirements for rental and homebuyer projects and understands that the jurisdiction is responsible for developing procedures for any HOME funded project containing 5 or more units.

The project specific affirmative marketing requirements and procedures will include:

- Methods for informing the public, owners and potential tenants about Federal Fair Housing Laws and LHAND's affirmative marketing policy such as the use of Equal Housing Opportunity logotype or slogan in press releases and solicitations for owners as well as written communication to fair housing and other groups;
- Requirements and practices each owner must adhere to in order to carry out LHAND's affirmative marketing procedures and requirements such as the use of commercial media, use of community contacts, use of Equal Housing Opportunity logotype or slogan and display of fair housing poster;
- Procedures to be used by owners to inform and solicit applications from persons in the housing market area who are not likely to apply for the housing without special outreach such as use of community organizations, places of worship, employment centers, fair housing groups or housing counseling agencies;
- Records will be kept describing actions taken by LHAND and by owners to affirmatively market units and records to assess the results of these actions; and,

- A description of how LHAND will annually assess the success of affirmative marketing actions and what corrective actions will be taken where affirmative marketing requirements are not met.

Consistency with Other Plans

The Lynn HD Zone Plan is consistent with numerous recent planning efforts in Lynn, including the Waterfront Master Plan, the Lynn Downtown Charrette Plan/Workshop in 2004, the Lynn Economic Development Strategy in 2005, the Lynn Waterfront Master Plan in 2007, the Washington Street Gateway District Plan in 2008, the Downtown Market Street Vision Plan in 2009, and Build on the Vision for Downtown Lynn in 2014, and the One Lynn District proposal for the Transformational Development Initiative to MassDevelopment funded in December 2014. These plans have all called for more housing development in Downtown Lynn and along Lynn's Waterfront, and particularly market rate housing to help stabilize the city's economy. These plans have influenced strategic investments, marketing strategies, and policy changes in the city.

The Lynn HD Zone Plan is also consistent with *MetroFuture: Making a Greater Boston*, the regional plan for Metro Boston through 2030 by MAPC. The plan advances state objectives to create diverse, mixed-income neighborhoods in areas well served by transit and to reinvest in the Commonwealth's Gateway Cities.