



# City of Holyoke

## HDIP Application

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**Application Contact:**

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**Tax Agreement Authorized Officer:**

Mayor Alex Morse  
City Hall, Room 1  
Holyoke, MA 01040  
(413) 322-5510  
[morsea@ci.holyoke.ma.us](mailto:morsea@ci.holyoke.ma.us)

**Tax Agreement Authorized Board:**

Holyoke City Council  
City Hall  
536 Dwight Street  
Holyoke, MA 01040

**Application Authorized by:**

**Chief Elected Officer:**

Mayor Alex B. Morse  
City Hall, Room 1  
536 Dwight Street  
Holyoke, MA 01040

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## C. Evidence of Public Hearing

### Public Hearing Notice



**Mayor Alex B. Morse**  
City of Holyoke

**Linda B. McQuade, Administrator**  
Office for Community Development

Commonwealth of MA Housing Development Incentive Program (HDIP)  
Proposed City of Holyoke Housing Incentive Program (CHHIP)  
Public Hearing

Pursuant to 760 CMR 66.03, the City of Holyoke Office for Community Development and the Office for Planning and Economic Development will hold a public hearing on **Thursday September 20, 2012 at 5:00 pm** in the fourth floor conference room of City Hall Annex, 20 Korean Veterans Plaza, Holyoke MA on the proposed adoption of the Housing Development Incentive Program (M.G.L. c.40V) in the City of Holyoke.

The HDIP is a development tool to increase residential growth, expand diversity of housing stock, support economic development and promote neighborhood stabilization in designated target areas. If adopted, Project Sponsors within the Housing Development Zone in the City of Holyoke would be eligible for local and state tax incentives when undertaking substantial rehabilitation of properties for lease or sale as multi-unit market rate housing.

Testimony will be taken on whether the City of Holyoke shall approve both the designation of the Housing Development Zone and the proposed activities in the Housing Development Zone Plan. Submittal of written comments at the public hearing is encouraged.

The draft HD Zone and HD Plan are available for viewing at the Office for Planning and Economic Development, One Court Plaza, Holyoke MA or online at [www.holyoke.org](http://www.holyoke.org). General information about HDIP is available at [www.mass.gov/hed/community/planning/housing-development-incentive-program-hdip.html](http://www.mass.gov/hed/community/planning/housing-development-incentive-program-hdip.html).

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20 Korean Veterans Plaza -- Room 400 -- Holyoke, Massachusetts 01040-5036  
Phone: (413) 322-5610 Fax: (413) 322-5611 E-mail: [mcquadel@ci.holyoke.ma.us](mailto:mcquadel@ci.holyoke.ma.us)

*Birthplace of Volleyball*

Commonwealth of Massachusetts  
The Trial Court  
Probate and Family Court  
50 State Street  
Springfield, MA 01103  
Docket No. HD12P1429D  
In the interest of  
**CHRISTOPHER J. BARCOMB**  
OF WHITINSVILLE, MA  
Minor  
**NOTICE AND ORDER**  
Petition for appointment of  
Guardian of a Minor  
**NOTICE TO ALL**  
-INTERESTED PARTIES-  
1. Hearing Date/Time: A hearing on a Petition for Appointment of Guardian of a Minor filed on 08/08/2012 by **JEFFREY BENNETT** of WHITINSVILLE, MA **STEPHANIE BENNETT** of WHITINSVILLE, MA will be held 09/20/2012 01:15 p.m. Guardianship of Minor Hearing Located 50 State Street 5th Floor Springfield, MA 01103  
2. Response to Petition: You may respond by filing a written response to the Petition or by appearing in person at the hearing. If you choose to file a written response, you need to:  
File the original with the Court and  
Mail a copy to all interested parties at least five (5) business days before the hearing.

3. Counsel for the Minor: The minor (or an adult on behalf of the minor) has the right to request that counsel be appointed for the minor.  
4. Presence of the Minor at Hearing: A minor over age 14 has the right to be present at any hearing, unless the Court finds that it is not in the minor's best interests.  
Date: August 15, 2012  
Thomas P. Moriarty Jr.  
Register of Probate

Holyoke-Chicopee Consortium  
City of Holyoke  
A draft FY2011 Consolidated Annual Performance and Evaluation Report (CAPER) is available for review and comment at the Office for Community Development (OCD), Room 404, City Hall Annex, Holyoke MA 01040 and online at [www.holyoke.org](http://www.holyoke.org).  
The CAPER describes the performance and outcomes of the activities undertaken by the Holyoke OCD with Community Development Block Grants and HOME Investment Partnership Funds from July 1, 2011 through June 30, 2012.  
Written comments pertaining to the FY2011 CAPER will be

accepted at the above address until 4:00 pm on Friday September 21, 2012, after which time the CAPER will be submitted to HUD.  
**La Ciudad del Consorcio de Holyoke y Chicopee**  
Un borrador del ejercicio 2011 Rendimiento Anual de Evaluación e Informe de Evaluación (CAPER) está disponible para su revisión y comentarios a la Oficina de Desarrollo Comunitario (OCD), Sala 404, City Hall Annex, Holyoke MA 01040 y en línea en [www.holyoke.org](http://www.holyoke.org).  
El CAPER describe el desempeño y los resultados de las actividades realizadas por la OCD con los Grupos de Inversión HOME y los fondos de inversión HOME Asociados del "de julio de 2011 hasta el 30 de junio 2012".  
Los comentarios sobre el borrador serán aceptados en la dirección anterior hasta las 4:00 pm del viernes 21 de septiembre de 2012, después de lo cual será sometido a la CAPER HUD.  
9/7/12

Commonwealth of MA Housing Development Incentive Program (HDIP)  
Proposed City of Holyoke Housing Incentive Program (CHIP)  
Public Hearing  
Pursuant to 760 CMR 66.08, the City of Holyoke Office for Community Development and the Office for Planning and Economic Development will hold a public hearing on Thursday September 20, 2012 at 5:00 pm in the fourth floor conference room of City Hall Annex, 20 Korean Veterans Plaza, Holyoke MA on the proposed adoption of the Housing Development Incentive Program (M.G.L. c.40B) in the City of Holyoke.  
The HDIP is a development tool to increase residential growth, expand diversity of housing stock, support economic development and promote neighborhood stabilization in designated target areas. If adopted, Project Sponsors within the Housing Development Zone in the City of Holyoke would be eligible for local and state tax incentives when undertaking substantial rehabilitation of properties for lease or sale as multi-unit market rate housing.

Testimony will be taken on whether the City of Holyoke shall approve both the designation of the Housing Development Zone and the proposed activities in the Housing Development Zone Plan. Substantial written comments at the public hearing is encouraged.  
The draft HO Zone and HD Plan are available for viewing at the Office for Planning and Economic Development, One Court Plaza, Holyoke MA or online at [www.holyoke.org](http://www.holyoke.org). General information about HDIP is available at [www.mass.gov/housing/development-incentive-program-hdip.html](http://www.mass.gov/housing/development-incentive-program-hdip.html).  
9/7/12

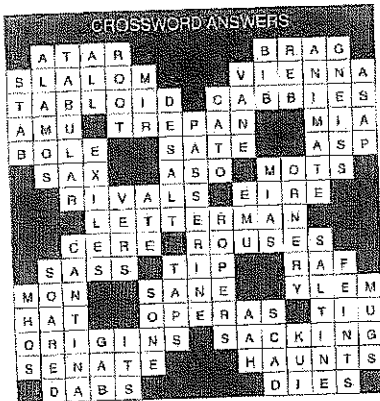
City of Holyoke  
Department of Purchases  
Holyoke, Massachusetts 01040  
INVITATION FOR BID #753  
BID #753 Sealed Proposal for Supply of Road Salt  
Will be received by the Purchasing Director, Room 15 - City Hall, Holyoke, MA up to 09/20/12 at 10:00 a.m. at which time they will be publicly opened and read in the Purchasing Department bid room.  
The specifications and proposal forms may be obtained with an administrative fee of \$-0- in the form of cash, cashiers check, or money order, between the hours of 8:30 a.m. to 4:30 p.m., Monday through Friday.  
If the contractor wishes to have the documents mailed, the necessary deposit and a self-addressed, pre-stamped (50 cent postage) 11 x 13 envelope must be forwarded to the Purchasing Department.  
Minority Business Enterprises that are certified and qualified are strongly encouraged to submit proposals.  
The City of Holyoke is an Equal Employment Employer. Instructions to Bidders regarding Equal Employment requirements are part of the bid specifications.  
The City of Holyoke reserves the right to reject any and/or all bids.  
David A. Martin  
Chief Procurement Officer  
Room 15 - City Hall  
530 Dwight Street  
Holyoke, MA 01040  
9/7/12

HOLYOKE HOUSING AUTHORITY  
REQUEST FOR PROPOSALS  
FEE ACCOUNTANT SERVICES  
The Holyoke Housing Authority is accepting proposals from qualified firms or companies for Fee Accountant Services for the two-year contract term commencing January 1, 2013. Sealed responses to this solicitation will be received by the Holyoke Housing Authority until 4:00 p.m. on Thursday, October 4, 2012. All proposals received after this time will be returned unopened.  
The Request for Proposal may be obtained at the Administrative Office, Monday through Friday, between 8:30 a.m. and 4:30 p.m., at the Holyoke Housing Authority, Department, 475 Maple Street, Holyoke, MA 01040 or [www.holyokehousing.org](http://www.holyokehousing.org). All inquiries regarding bid proposals shall be directed to Janice Harty, Purchasing Agent, at (413) 538-2212.  
Proposals will be subject to appeal and award by the Board of Commissioners of the Holyoke Housing Authority. Proposals will be irrevocable for a period of ninety (90) days from the date opened.  
The Holyoke Housing Authority reserves the right to waive any informalities in, or to reject any and all proposals if it be in the public interest to do so.  
The Holyoke Housing Authority is an Affirmative Action/Equal Opportunity Agency.  
Gilberto Solórzano-Casas  
9/7/12

City of Holyoke  
Department of Purchases  
Holyoke, Massachusetts 01040  
INVITATION FOR BID #755  
BID #755 Sealed Proposal for Music Equip. & Supplies  
2012-2013  
Will be received by the Purchasing Director, Room 15 - City Hall, Holyoke, MA up to 09/20/12 at 10:00 a.m. at which time they will be publicly opened and read in the Purchasing Department bid room.  
The specifications and proposal forms may be obtained with an administrative fee of \$0 in the form of cash, cashiers check, or money order, between the hours of 8:30 a.m. to 4:30 p.m., Monday through Friday.  
If the contractor wishes to have the documents mailed, the

necessary deposit and a self-addressed, pre-stamped (50 cent postage) 11x13 envelope must be forwarded to the Purchasing Department.  
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The City of Holyoke reserves the right to reject any and/or all bids.  
David A. Martin  
Chief Procurement Officer  
Room 15 - City Hall  
530 Dwight Street  
Holyoke, MA 01040  
9/7/12

City of Holyoke  
Department of Purchases  
Holyoke, Massachusetts 01040  
INVITATION FOR BID #754  
BID #754 Sealed Proposal for PRINTER TONER SUPPLIES  
2012-2013  
Will be received by the Purchasing Director, Room 15 - City Hall, Holyoke, MA up to 09/20/12 at 10:00 a.m. at which time they will be publicly opened and read in the Purchasing Department bid room.  
The specifications and proposal forms may be obtained with an administrative fee of \$0 in the form of cash, cashiers check, or money order, between the hours of 8:30 a.m. to 4:30 p.m., Monday through Friday.  
If the contractor wishes to have the documents mailed, the necessary deposit and a self-addressed, pre-stamped (50 cent postage) 11 x 13 envelope must be forwarded to the Purchasing Department.  
Minority Business Enterprises that are certified and qualified are strongly encouraged to submit proposals.  
The City of Holyoke is an Equal Employment Employer. Instructions to Bidders regarding Equal Employment requirements are part of the bid specifications.  
The City of Holyoke reserves the right to reject any and/or all bids.  
David A. Martin  
Chief Procurement Officer  
Room 15 - City Hall  
530 Dwight Street  
Holyoke, MA 01040  
9/7/12



## HDIP Public Hearing

September 20, 2012

A public hearing was held by the Office of Planning & Development and the Office for Community Development to present Holyoke's draft HDIP application and receive testimony. The hearing was held on September 20, 2012 at 5:00 in the 4<sup>th</sup> floor conference room in the City Hall Annex.

### ATTENDANCE:

#### Staff:

Marcos Marrero, Director Planning & Development  
Linda McQuade, Administrator Office for Community Development  
Karen Mendrala, Office of Planning & Development  
Alicia Zoeller, Office for Community Development  
John Dyjach, Office of Planning & Development  
Chuck Murphy-Romboletti, Office of Planning & Development

John Aubin – Open Square  
Shawn Beaty – Hammer & Nails  
Councilor Aaron Vega – City Councilor, 17 Linden Street  
Rory Casey – 156 Suffolk Street

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Alicia Zoeller read the Public Hearing notice for the record. She explained that testimony would be taken in regards to the City's proposed HD Zone and the HD Zone Plan. Oral testimony is encouraged, and written comments will also be accepted.

Alicia Zoeller introduced the City staff present at the meeting.

Linda McQuade presented the physical boundaries of the HD Zone as well as the pricing area. She explained that a zone needed to be determined as to where the developments could take place, as well as an area from which possible people may be drawn from to calculate the incomes to be targeted. The HD Zone where developments may be completed chosen is the Center City, Census Tracts 8114, 8115, 8116, 8117 which coincides with the Urban Renewal Area. This area is a primarily poor with many opportunities for development due to the vacant buildings.

Linda McQuade explained that the green area as presented on the HD Pricing map is the area that was utilized to determine the income range for the new market-rate units to be constructed under this legislation. This area is allowed to cross community boundaries and must be greater than 60% of median income for the MSA, which is \$46,560. Holyoke's targeted income must be 110% of our pricing area AMI, which is at least \$48,472 annually which translates into rents of \$1,200 per month.

John Dyjach presented on the tax incentives of the HDIP Program. He explained that the benefit of the program included the state investment tax credit that is capped at \$5 million annually with a project cap of \$1 million. Locally the interest has been more significant on the local tax exemption which is on the new value of the property due to the investment in market rate housing in compliance with these regulations. John Dyjach explained that the City was looking to provide better incentives for the first 5 years of the program as an incentive for developers to be the first. He explained that the incentive would be given in the fiscal year after the work is completed and certified. The exemptions can be for 5-20 years. He gave an example of an building that had a value of \$100,000, put in \$200,000 of investment in market-rate housing. The new value of the property is \$300,000 and the tax exemption would be on the \$200,000 o increased value.

Karen Mendrala explained that a proposal had been put together after speaking with interested developers to be presented to the City Council for review and approval. The objective was to provide an incentive to a developer to be some of the first. Staff understands that it is more difficult to secure bank financing for those first few projects and the set tax incentives will help. The City's proposal is that for projects that start the certified project process within the first 5 years, 100% exemption within the first 10 years, the next 5 years would be 75% exemption on the new value, and the last 5 years would be 50% exemption in hopes to make it more comfortable for those first developers. She explained that the state tax credit is only certified for 5 years so this matches the state program. As years go by, more projects will be completed and it will be less of a risk for the developer.

John Dyjach added that the sooner a developer comes in the better the benefit. He added that the tax exemption is after completion of the project, and it is only on the new value. It is different than the business TIF where the exemption is granted prior to the work being completed.

Chuck Murphy-Romboletti explained that the incentive is to get buildings that are vacant. Some of the projects that have the greatest interest are Open Square, Hadley Falls Trust Building at 56 Suffolk, and Hart Wool building at 130 Appleton Street which is owned by the City. Karen Mendrala added that there are several others projects that are more long term projects in the application.

Chuck Murphy-Romboletti stated that the minimum number of units is 2 with a maximum of 50 for the incentive and 62 for the total project. He added that the minimum investment per unit is \$30,000.

John Aubin asked if it must be a vacant building. Karen Mendrala added that it must be a substantial rehab project. John Aubin asked if it could be an occupied unit converted to a condominium.

Alicia Zoeller stated that the draft plan that it would not result in the displacement of currently occupied units and is focused on vacant units. There is concern about displacement of subsidized units and fair housing issues. She added that a comment is acknowledged and staff would look at this topic additionally.

Linda McQuade added that the focus is on vacant and rental unit creation, but owner occupied is allowed in the regulations.

Marcos Marrero explained the importance of the HDIP program as a planning tool occurring now including the Urban Renewal Plan. The Urban Renewal Plan addresses the desire to increase the density of housing in the downtown. This is done in two ways; increasing the supply of market housing for new people to move into Holyoke and providing housing for existing residents to be able to move up into different housing options. The increase in housing choice will help to stabilize the housing market. By increasing the population in the Center City, more discretionary income will be brought to the area, it will also help to grow the economy. Marcos Marrero added that this incentive is important due to the increased cost of redevelopment in existing structures.

Alicia Zoeller stated that the next step is that comments will be accepted now and in written form. The next step will be for draft plan and zone to be submitted to the City Council to accept, which will likely be referred to the Redevelopment Committee for review, then referred back to the full City Council for a vote. After that, the amendments will be made and the final application will be submitted to the Massachusetts Department of Housing and Community Development for review and approval. Once that is complete, project sponsors can begin to submit applications in accordance with the plan and regulations.

Alicia Zoeller opened the meeting for comments.

John Aubin asked if an abatement schedule was developed. Karen Mendrala stated that it was completed and that if an applicant begins the preliminary certification process within the first 5 years of the program, it was proposed for a 100% exemption on the increased value for years 1-10, 75% for years 11-15, and 50% exemption on the increased value for years 16-20. Maximum number of years would be 20 years of exemption. For those applicants who submit in years 6-20 would be negotiated on a case by case basis based on the State's criteria set for their tax credit.

Shawn Beaty, Hammer & Nails, stated that he had come to the meeting to learn more about the program. He owns a number of market-rate housing however not in this social-economic ladder yet. He would like to develop further properties. They have been cleaning out a property that has been preserved by time at 287 Elm Street, which is adjacent to 291 Elm Street which they have renovated. They have secured some of their funding, but the opportunity to develop something high end is in their goals.

Karen Mendrala asked Mr. to forward more information on his project so that it could be included in the City's application.

Alicia Zoeller added that there was no ceiling to the rents, only a floor.

John Aubin asked if tenants had to be income qualified. Linda McQuade responded that the units need to be targeted to make above the \$48,000 limit, but there is no ceiling.

John Aubin asked if the units exclude vouchers. Alicia Zoeller said no that the rents needed can be charged, but under fair housing laws you would have to accept their voucher. There are no deed restrictions or reporting like other reporting.

Councilor Aaron Vega commented that a developer could use a variety of funding incentives. He was in favor of the incentive for the first 5 years of the program, but when did the program start.

Linda McQuade said that it was when DHCD approves the plan. Councilor Aaron Vega clarified that if a developer comes into the program at year seven there was only the possibility to receive an incentive for 13 years of the 20 year program. Karen Mendrala added that the developer might also potentially receive less of an exemption based on the schedule of local tax exemption. Aaron Vega added that the State has only certified the State Tax Credit for 5 years so there is no guarantee on that as well.

Karen Mendrala commented that there is only one community in the State that has been accepted.

John Aubin commented that the large incentives for early developers is good. He doesn't think that anyone will be in a hurry to jump in without someone testing the market. He recommends that the first 5 years are skewed,

where there are an additional 5 years of 100% exemption. He added that once it catches on there is great opportunity. He thinks cutting of the set tax exemption at year 5 when the program is just ramping up could be a disincentive. He added that having to negotiate a tax incentive is a disincentive. He would encourage a 2<sup>nd</sup> tier for applicants during year 5-10, which doesn't need to be as big of an incentive. John Aubin expressed concern that if there is a wave the Council may feel that there is not a need for allowing exemptions and cut off the program before the real wave of improvements as seen in Philadelphia and Grand Rapids. The programs take time to catch on.

Karen Mendrala asked if Mr. Aubin thought that offering 100% for the entire program for those applicants within the first 2 years would help get that first person to jump? He did agree that this is a good approach.

John Aubin added that he thinks the sunset terms need to be more clearly defined, and should be extended to year 15.

Councilor Aaron Vega agreed that it is important to decide during this council how the program should be set up to ensure that in the future it is not lost. He is open to that John is saying, but there are a handful of developers that have said that this program is the last portion of funding that they are waiting for and he thinks there will be a push over the next couple of the years. He said that we want new people to come to the table, but want the local people to get the best benefit first.

John Aubin disagreed and said that it is more of an incentive if outside developers come in to the City. He said he doesn't think anybody will be able to take the advantage of 10 years. He may have a project in construction next year, but more likely in 204 years at the earliest. He thinks there needs to be a ramp-up period.

Councilor Aaron Vegan said if the 5 developers come together and develop 200 units in the next 6 units that would be huge.

The City has nothing to lose since it is based on an incremental value. John Aubin said that it would be useless to him if we only do 200 units. He thought a target number could also help that the incentive will stay until the target is met. They will struggle to get rents then people are going to move out in 5 years.

John Djach stated that staff was here to help and it would be appreciated for support during the City Council process. Staff will keep everyone in the loop on the meetings.

Alicia Zoeller asked if there were any other comments, then outlined the next steps that staff would be taking. The staff would review all of the comments and amend the City's application where appropriate. Councilor Vega will be filing an order to be heard before the City Council.

Alicia Zoeller closed the public hearing at 6:44 p.m.



# Sign In sheet

## Holyoke Housing Development Incentive Program Public Hearing Sign-In

September 20, 2012

Name	Address	Phone No.	Email Address
Chuck Murphy-Ramboldt			
Clicia Zeller	Staff		
Xenia McQuade	Staff		
Karen Mendrala	Planning Dept		
Shawn Beatty	Holyoke	413-535-6888	hammer.nails@comcast.net
Marcos Marrero	Planning & Eco Dev	413 322 5575	marreromaci.holyoke.ma
JOHN AUBIN	OPEN SQUARE		jina@opensquare.com
Aaron Vega	17 Linden		
Rony Casny	156 Suffolk St		

D. Approval by Municipal Legislative Body

*Planning*

Agenda # 25



City of Holyoke

IN CITY COUNCIL

Introduced by Councilor Aaron Vega, Rebecca Lisi  
Ordered, in accordance with M.G.L. c. 40V and 760 CMR 66.00, the City Council hereby approves the Center City Housing Incentive Program (CCHIP) Zone and Center City Housing Incentive Program (CCHIP) Zone Plan, and grants authority as specified in the Zone Plan to implement Tax Increment Exemptions from property taxes of not less than 10% and not more than 100% of the market rate units within the Certified HD Projects for a period not to exceed 20 years for all or a portion of the increment in accordance with M.G.L. c. 59 section 5M.  
In City Council, October 30, 2012. Received and referred to the Redevelopment Committee. In City Council December 4, 2012 report of committee received and adopted on a call of the roll of the yeas and nays: YEAS 15-NAYS 0

*Pauline R. Bessini*  
ASST. Clerk

Presented to the Mayor	Mayor's Office
For Approval <u>Dec 5</u> , 20 <u>12</u>	Holyoke, Mass. <u>Dec 6</u> , 20 <u>12</u>
<i>Pauline R. Bessini</i> ASST. City Clerk	Approved <i>[Signature]</i> Mayor

A True Copy,

Attest:

*Susan M. Egan*  
City Clerk

## E. Executive Summary

### CENTER CITY HOUSING INCENTIVE PROGRAM (CCHIP) ZONE



The Holyoke HDIP Zone is proposed for the four center city census tracts consistent with the geographic area of the Holyoke Urban Renewal Plan.

The Holyoke Center City Incentive Program (CCHIP) Zone Plan has been developed to spur residential development, expand the diversity of housing stock in the Zone, support economic development and promote neighborhood stabilization. Project Sponsors within the CCHIP Zone in the City of Holyoke would be eligible for local and state tax incentives when undertaking substantial rehabilitation of properties for lease or sale as multi-unit market rate housing.

The City of Holyoke has the second highest affordable housing rate in the Commonwealth of Massachusetts at 21%. Furthermore, Holyoke's rents, particularly in Center City, are among the lowest in the Commonwealth. Home ownership rates are also low within the Center City are at 10% below the city-wide rate of 42%. This plan establishes an implementation strategy to balance the existing types of housing with the addition of market rate through the adaptive reuse of existing buildings and upper floors in mixed use buildings into market rate units to create an overall increase in the number of housing units and housing choice in the Center City.

The increase in a mix of housing will attract more residents to the Center City as well as allow residents to remain in the downtown when they increase their purchasing power or their housing needs change. This increase in households within the Center City will also support economic development strategies for the successful revitalization of downtown Holyoke including supporting existing and additional commercial businesses, increased pedestrian activity, attraction and support of job opportunities, and a general increase in activity in the Center City.

The City of Holyoke is currently underway on many public revitalization activities aimed to spur private development. The most significant are design and construction of transportation projects including the Holyoke Canalwalk, the Passenger Rail Platform, the Transit Connections Project and the renovation of the municipal parking garages. Park improvements include the renovation of Veteran's Park funded by the Gateway Parks Program and the renovation of Pulaski Park with CDBG funding. All of these activities will support the market for market-rate housing development downtown by providing desirable transportation and recreation amenities.

There have been several property owners that have expressed interest in developing market-rate housing projects in compliance the CCHIP Zone Plan in the short-term. These projects include:

**110 Lyman Street** – Open Square is a zero-net energy, mixed-use facility located within the canal district that has a mix of commercial uses and is looking to continue to add residential units to that mix with the build-out of 24 units in Mill 1 that range in size from 900 sf to 2,200 sf.

**216 Appleton Street** – The building that was once a part of the Farr Alpaca wool factory, located across the canal from the Massachusetts Green High Performance Computing Center, is currently vacant and owned by the city through tax taking. There is a potential for over 50 units of varying sizes, between 700 sf to 1650 sf, of market-rate units within the building.

**56 Suffolk Street** – The Hadley Falls Trust building is located in the core of the central business district on Maple & Suffolk Streets and is currently underutilized. There are plans to renovate and reuse the space in a mixed-use fashion with commercial, offices, and residential units. There is the potential of 22 units within the building of varying sizes between 591 sf to 927 sf.

**109 Lyman Street** – 109 Lyman Street is a five storey, 65,000 s.f. mill building. Lofts would occupy the 2<sup>nd</sup> through 4<sup>th</sup> floors as well as the penthouse level. The first floor is reserved for retail or commercial use.

**287 Elm Street** – The historical Oakdale building is located in the Churchill neighborhood and will add to a diversity of housing available. The redevelopment of the building will include 15 market-rate residential units. These units will vary in sizes between 1,000 sf to 1,600 sf.

The above are a sample of known private development projects; there are several other projects that may potentially be longer-term projects that will now be feasible upon the adoption of the HDIP regulations.

#### **Incentive:**

The Holyoke Center City Housing Incentive Program will be active for a time period of 20 years and will include a local tax exemption from the increased value of the project property. This exemption will be greater for those projects that enter into the program within the first 5 years giving consideration to those projects which will be the pioneers that will pave the way for future projects.

Those properties that receive Preliminary Certification with the City of Holyoke and the Commonwealth through the HDIP process within the first 5 years of the Holyoke Center City Housing Incentive Program will receive 100% exemption on the increased value of the property due to the construction of the certified project. The period of exemption may be extended for a period and extent as determined by the Mayor for projects based on the criteria listed.

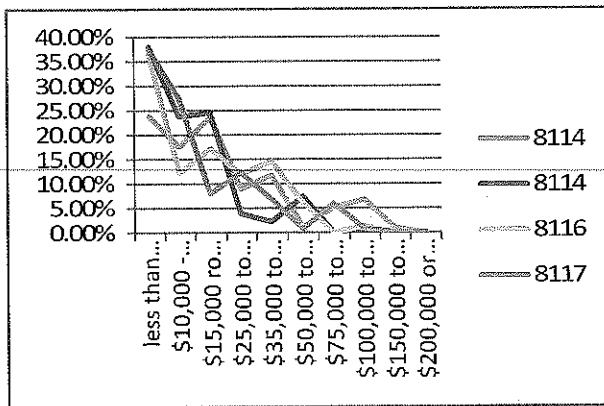
All projects receiving Preliminary Certification after year 5 will have local tax exemptions negotiated on a case by case basis by the Mayor with approval from the City Council and Commonwealth based on the criteria as listed.

## F. HD Zone

1. **Name:** Center City Housing Incentive Program (CCHIP) Zone
  
2. **Written Designation of the proposed HD Zone:** The Holyoke HD Zone will include the Center City which is the area being used for Holyoke's Urban Renewal Plan currently being completed. The Census Tracts within the Zone include 8114, 8115, 8116 and 8117.
  
3. **Rationale for choosing boundaries:** These census tracts are within the City's Urban Renewal Plan District, within the City's Growth District and constitute the area where the City intends to focus efforts for market rate housing opportunities. Currently this area of the city has a concentration of low-income housing and contains availability of underutilized space. The City would like to encourage of mix of housing types and income ranges within the Center City. One of the tools the city would like to utilize to encourage this mix is through the adaptive reuse of former mill buildings and the reuse of upper floor space above retail for market rate housing within the center of the city to ensure that there is an addition of housing units, not the displacement of existing households.
  
4. **Documentation demonstrating need for multi-unit market-rate housing:** The City of Holyoke has the second highest affordable housing rate in the Commonwealth of Massachusetts at 21%. The majority of this housing is concentrated within the HD Zone Area causing a concentration of poverty and climate of disinvestment. Home ownership rates within the Center City are at 10%, below the city-wide rate of 42%.

Holyoke has one of the lowest median rents in the state. The information below is from the Census American Community Survey 2006 - 2010.

	Census Tract 8114	Census Tract 8115	Census Tract 8116	Census Tract 8117
Median Rent	438	354	490	332



Holyoke does not have the traditional bell curve that most other municipalities have in distribution of households with different incomes, and this is even more dramatic when the Center City is examined independently. The largest percentage of household incomes within the Center City fall within the less than \$10,000 range for all of the Census Tracts within the HD Zone Area. An average of 73% of households within this same area make less than \$25,000 annually according to the U.S. Census, American

Community Survey 2006 – 2010.

There is a need for the City to introduce a variety of housing types and for a variety of income levels to create a healthy downtown. This process has begun successfully several years ago through the HOPE VI project that was completed by the Holyoke Housing Authority in the Churchill neighborhood that is within the HD Zone. The project has been hugely successful and has begun the introduction of a variety of housing types and household incomes that have made the former barracks style subsidized housing project a healthy mixed income neighborhood.

The increase in a mix of housing will attract a variety of income levels which will support further economic development strategies of Holyoke for the successful revitalization of downtown Holyoke and the economic prosperity of all residents.

Most recently the Holyoke Redevelopment Authority has been in the process of completing an Urban Renewal Plan for the same area as the HD Zone Area. Through this process there were many public outreach meetings, stakeholder meetings, and data analysis. The Plan focuses on implementation items for public investment that will spur private investment. This is one of those strategies. The Market Study that was completed as a part of the Urban Renewal Plan states that:

“Demographic forecasts over the next 5 years are positive for the region, as households with incomes of \$75,000 or more are projected to increase by 7,600, including 500 households in Holyoke. These projections provide opportunities that Holyoke may capture..., resulting in a better mix of incomes and housing types within the Center City neighborhoods.”

- 5. How the Zone is appropriately located to support the objectives of the Zone Plan, including that there is likelihood that market-rate housing will actually be developed.** The City of Holyoke has chosen the HD Zone based on existing planning and market assessment data as well as through the partnerships with existing developers whom are looking to potentially utilize the program. The extent of the HD Zone was primary chosen due to the fact that it is the same area as the nearly completed Urban Renewal Area and the availability of structures that would be eligible.

The HD Zone was chosen due to the fact that it meets the objectives of the HDIP program and will spur the desired outcomes for the City of Holyoke within the Center City of increasing the supply of market rate housing in currently underutilized and vacant buildings in the downtown and canal district.

The trend in household income in the City as a whole over the last 20 years has seen decline in the percentage of households making less than \$10,000, and significant increases in households who make between \$100,000 and \$149,000, this group increased 320%. All categories over \$50,000 increased since the 1990 Census, which is a good sign that the City is moving back in the direction of a greater diversity of households. The supply of housing for the residents in that income bracket needs to be increased. *(Census 1990 & 2000, American Community Survey 2006-2010)*

There are several sites within the HD Zone that have developers whom are interested in participating in this program to develop market-rate housing. Several of these developers have been attempting to develop market rate housing for years but have not been able to fill the gap in financing due to the lack of assistance available for this type of housing. Those projects are detailed within the Holyoke HD Zone Plan.

Above and beyond the interest from developers of projects within this area are the current and planned public investments that are occurring in the HD Zone that will support private investment in market-rate residential developments. As these key investments in the Center City become a reality, conditions will continue to improve. Center City has a strong social network of local citizens, as well as an established artist environment that will also help to foster the types of projects that would be most successful in Holyoke.

Other recently completed or current public and private development projects in HD Zone that will help spur market-rate housing development include:

- *Holyoke Transportation Center* : Completed in August 2010, this state of the art center include transit accommodations at the City's bus hub, a coffee shop, HeadStart facilities, and Holyoke Community College adult basic education classes in the center of downtown. The project was an adaptive reuse, public/private partnership to renovate the former Fire Department Headquarters on Maple Street.
- *Commuter Rail Project*: Planned upgrade/expansion of the Amtrak corridor between New Haven, Connecticut and Burlington, Vermont known as the Vermonter through the Knowledge Corridor Passenger Rail Project. Holyoke will have a stop on this new rail service to the region after many years. Construction has begun on the rail line by the State and construction will begin on Holyoke's platform next year to prepare for the train to return in early 2014.
- *Restoration and reopening of the former Victory Theater*: the renovation of a historic theater in downtown.
- *Residential conversion at the former Holyoke Catholic High School buildings*: A private adaptive reuse project to create housing within the former Holyoke Catholic High School Campus, which is located across from the Transportation Center and Veterans Park.
- *City Library expansion/modernization*: The expansion and complete gut rehab of the library into a 21<sup>st</sup> century library facility which is currently in construction.
- *Art district*: Upgrading various existing buildings and expanding artist studios from 30 or so now, to 100 or so when completed. The City has also just hired a Creative Economy Coordinator.

- *Transit Connections Project:* infrastructure improvements that will link the Transportation Center to the Passenger Rail Platform through pedestrian enhancements, traffic calming and street reconstruction.
- *Canalwalk:* The creation of a pedestrian and bicycle pathway along the historic canal system in the core of downtown. Phase I of the project is completed and phase II of IV is currently in design with anticipated construction in 2013.
- *Parking Garages:* The City is currently in the process of rehabbing both public parking structures which will help to provide adequate parking for increased development.
- *Massachusetts Green High Performance Computing Center:* The construction of a high performance computing center focused on academic research for a consortium of higher educational institutions in Massachusetts, the public sector, and the private sector to complete a \$168 million center in the core of the HD Zone.

## 6. GIS Maps

1. Boundaries of HD Zone with any distinct features that held define the nature and scope of the Zone
2. Locus within the municipality
3. Property lines and building footprints
4. Use of each parcel
5. Zoning of each parcel

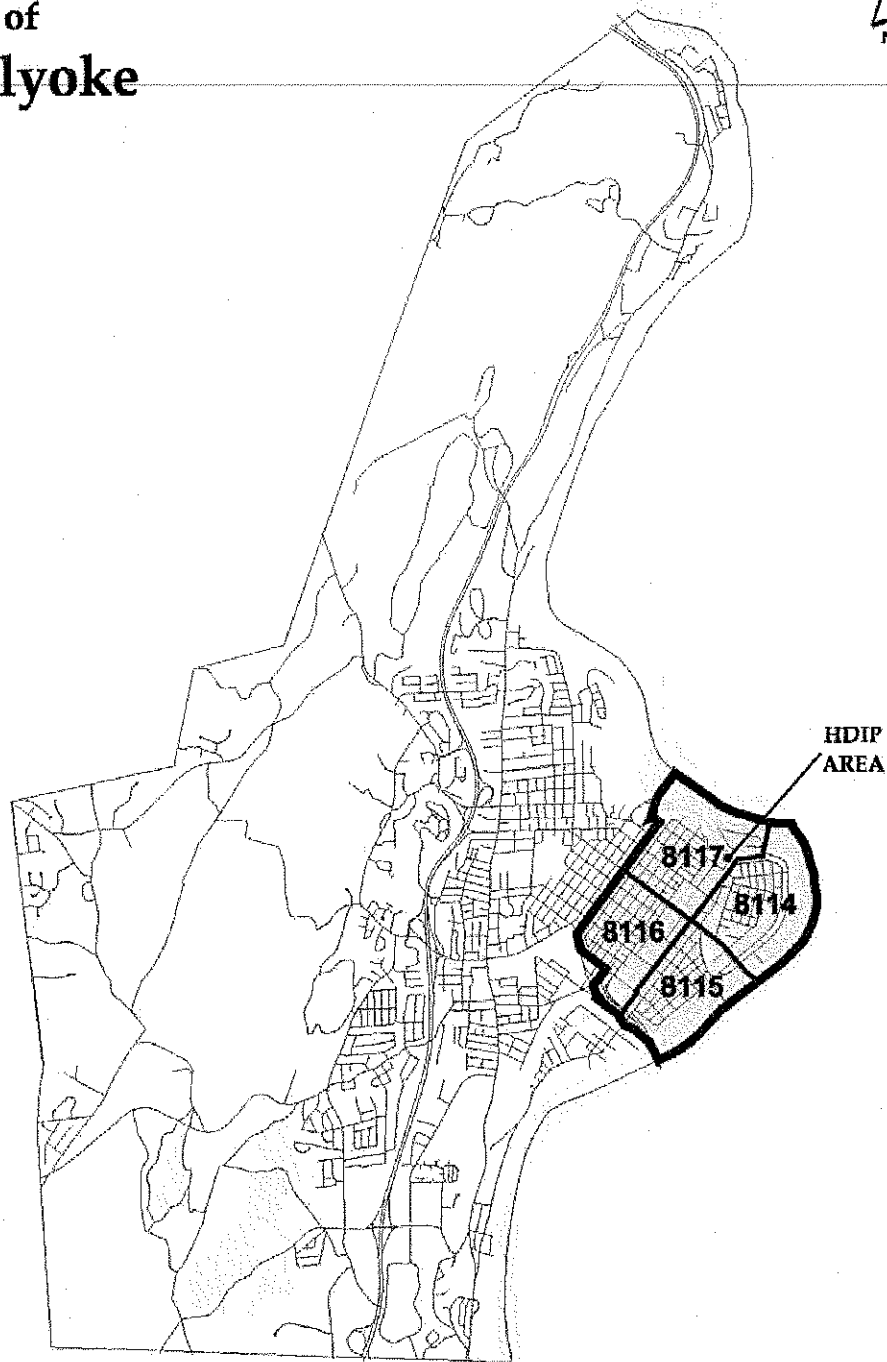


# Boundaries of HD Zone



# Locus

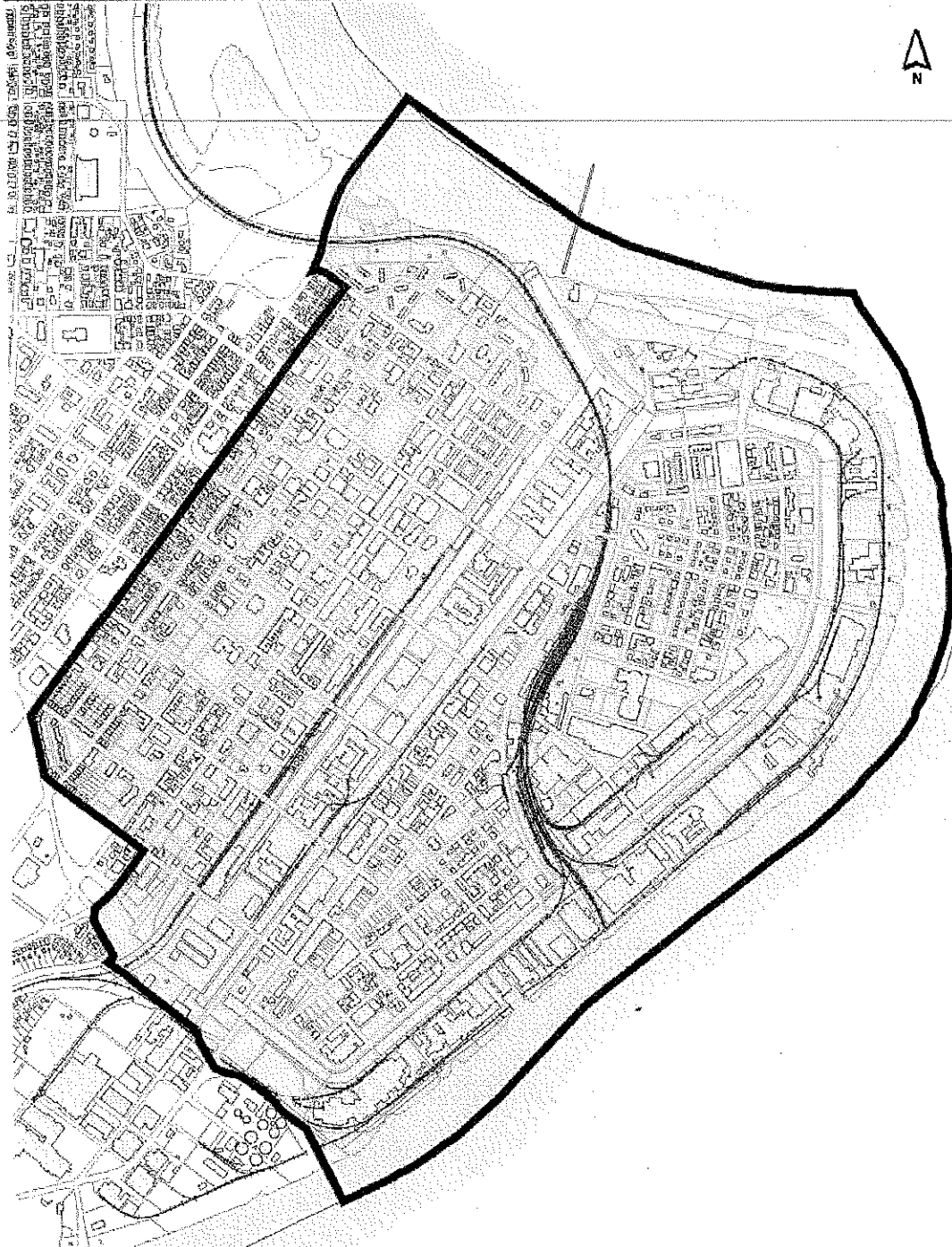
City of  
**Holyoke**



Holyoke Planning Department 07/18/2012 hdip.apr

*\*This map is for planning purposes only, all information is subject to verification.*

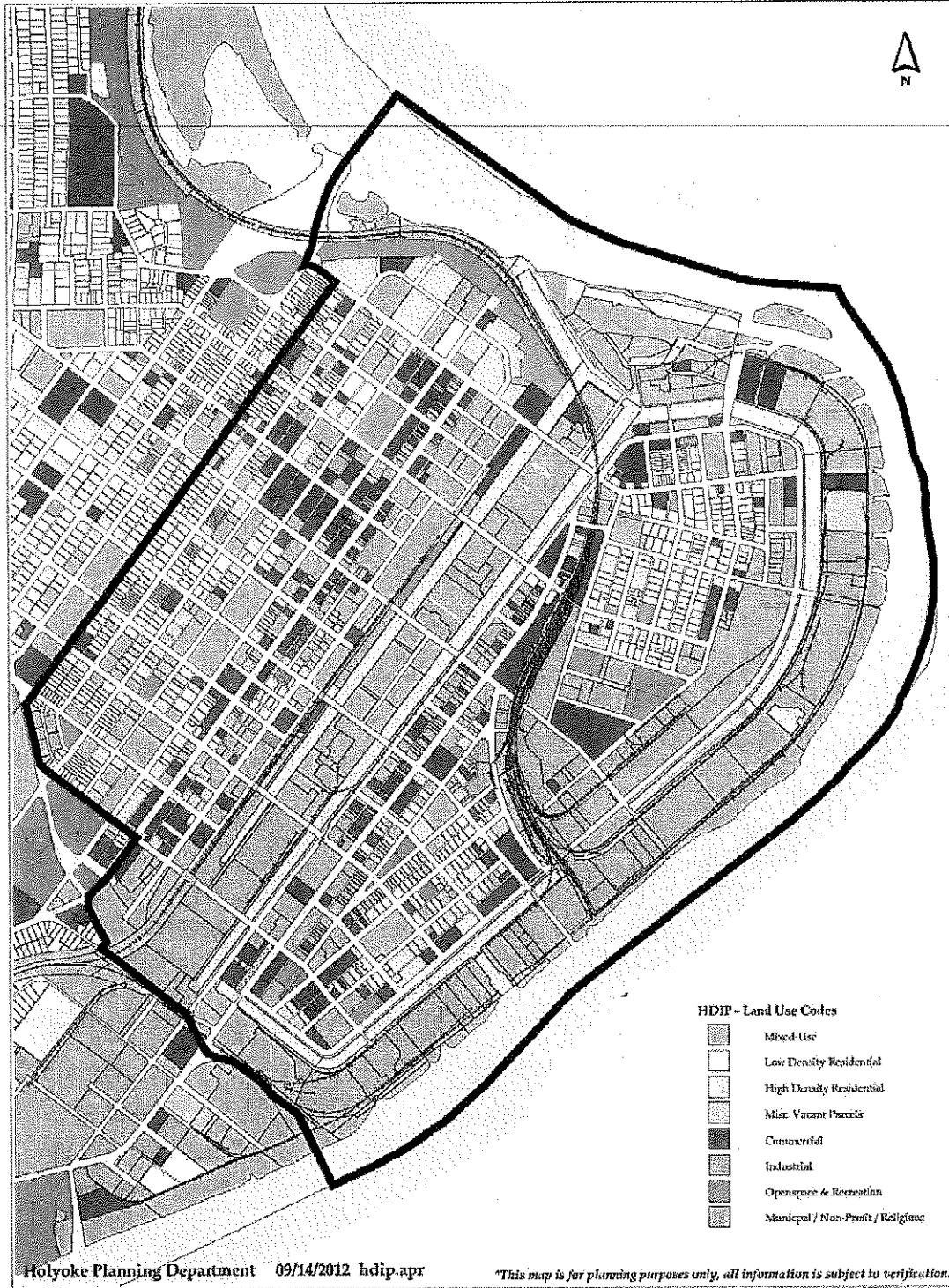
# Property Lines & Building Footprints



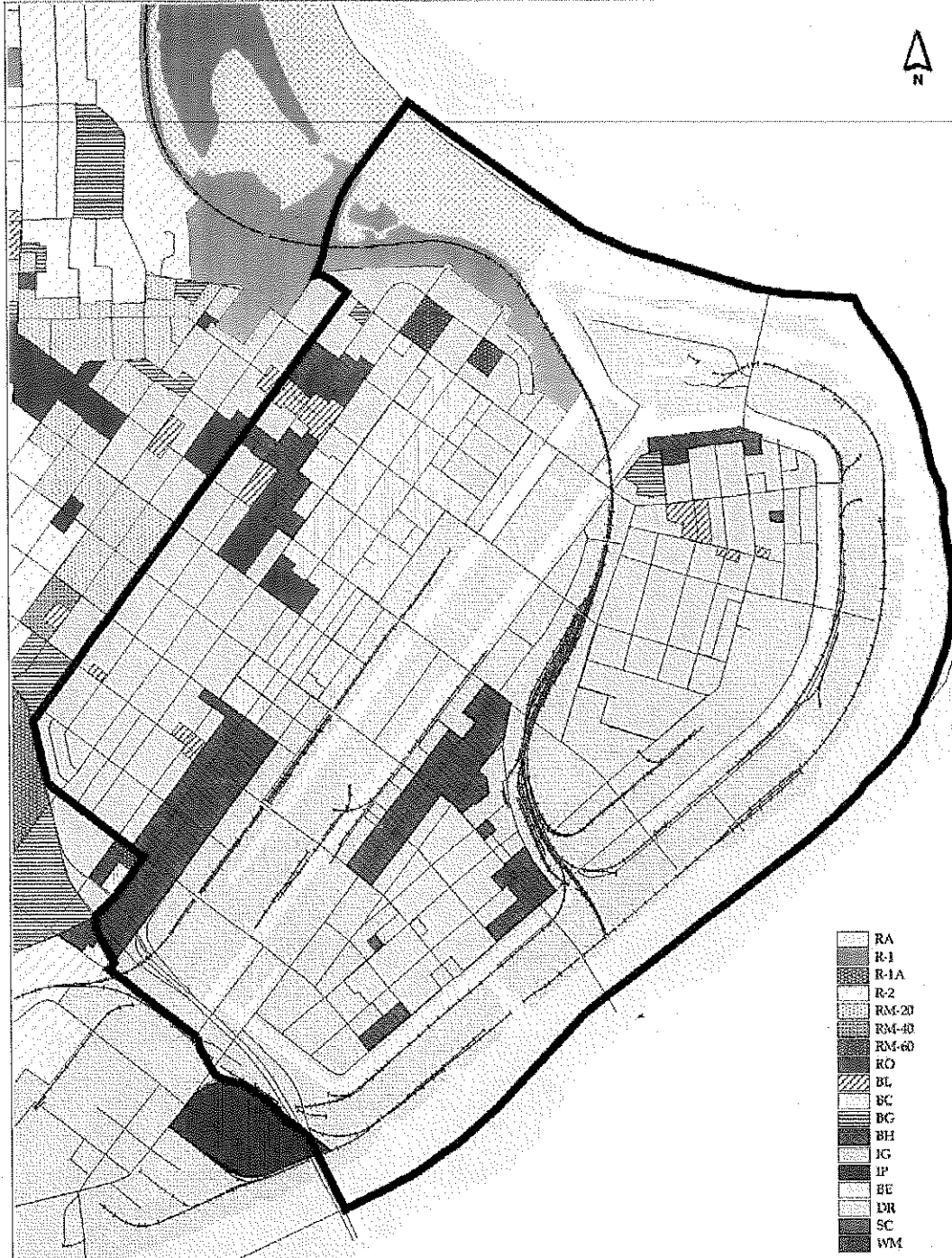
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# Land Use



# Zoning



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## G. HD Zone Plan – 760 CMR 66.04(2)

### 1. Purpose

The Holyoke Housing Development Zone Plan has been developed to spur private investment in the redevelopment and adaptive reuse of existing structures for the development of market-rate, multi-unit housing opportunities within the urban core of downtown that is currently comprised of primarily subsidized rental units. Holyoke has one of the highest rates of affordable housing in the Commonwealth and this plan establishes an implementation strategy to balance that rate with the addition of more market-rate housing to the existing housing supply. The general objectives of the HD Zone Plan are to increase residential growth, expand the diversity of housing stock, support economic development, and promote neighborhood stabilization.

The City has recently worked on several planning activities that have been focused on the revitalization of the Center City, many of which were spring-boarded by the creation of a Redevelopment Authority. This plan will serve as a specific implementation strategy from those plans to increase the market-rate housing within the Center City. Holyoke received a Gateway Plus Action Grant to fund the development of the Center City Vision Plan in cooperation with the Redevelopment Authority to serve as the backbone of the Urban Renewal Plan. During both of these processes, there has been a strong sentiment that in order for the successful revitalization of downtown Holyoke there needs to be a healthy mix of housing for a mix of incomes.

Holyoke has implemented several other policy changes through zoning and other adoptions of state regulations to work towards increasing the mix of housing within the downtown including:

- Establishment of the Arts & Industry Overlay District
- Rebranding of the District to the Arts & Innovation District
- Adoption of Chapter 40R and adoption of a Smart Growth Overlay District in downtown

The Holyoke HD Zone Plan includes the addition of market rate housing units through the adaptive reuse of existing buildings – not the conversion of affordable housing units into market rate units – as well as the adaptive reuse of upper floors in mixed-use buildings along the main downtown commercial corridors. The preference is for multi-unit projects within vacant or underutilized buildings that are within the Zone, especially including existing vacant mill buildings and upper-floor space above commercial spaces. These projects will protect existing structures from abandonment and blight and not only have an economic impact from its own investment but by catalyzing additional investment in the project's neighborhood.

**a. Goal: Expand housing stock within the Center City**

**Objective:** Through the implementation of Holyoke's HD Zone Plan, private investment will be spurred through the creation of the new tax incentives for the development of multi-unit market rate housing. To date, there has been under-investment in private, for-profit development of market-rate housing due to the significant costs required in order to reuse formerly industrial or commercial properties for housing. When a structure's use is changed it must meet updated building codes for the new use, which often times implies incurring significant costs to make many physical changes and thereby reducing the cost-effectiveness of accomplishing a housing project within an existing building.

In Gateway Cities this is even harder to do because of the low market-rate rents and the inability to make a project work financially unless it is for low-income housing, for which tax credits and other incentives are more common. This new HD Zone will provide a critical financial tool for private developers to meet the needs of Holyoke through the development of market-rate housing in currently underutilized and vacant buildings.

The program will allow for currently underutilized buildings to be reused for new purposes that will help to support a healthy downtown economy and that will preserve and rehabilitate existing historic buildings within the HD Zone Plan Area. There is significant vacant space available within the Holyoke HD Zone Plan Area of the Center City either in upper-floor space above downtown commercial or in former mill buildings that are now obsolete for modern industrial uses, providing ample opportunities for this initiative to be successful in expanding housing stock.

**Timeline:** Years 1 - 20

**b. Goal: Neighborhood Stabilization**

**Objective:** The increase of market-rate housing into the Center City will stabilize its four neighborhoods and help to create a vibrant community within the urban core with a variety of housing options and residents of mixed incomes.

The neighborhoods within downtown are made up of primarily rental housing, most of which is affordable, and much of which is subsidized. The South Holyoke neighborhood contains 95% subsidized rental housing. The introduction of market-rate housing will allow residents of mixed incomes to live in the area, making it possible for current residents to stay in the community when they increase their purchasing power or their housing needs change, leading to greater stabilization of these neighborhoods.

An increase in residents downtown, spurred by greater housing choices, will also help to increase the pedestrian activity and support current and additional commercial activity. The increased activity will help to reduce crime through more positive activity on the street and reduce downtown vacancy rates through the increased market for services.

**Timeline:** Years 5-20

**c. Goal: Support Economic Development**

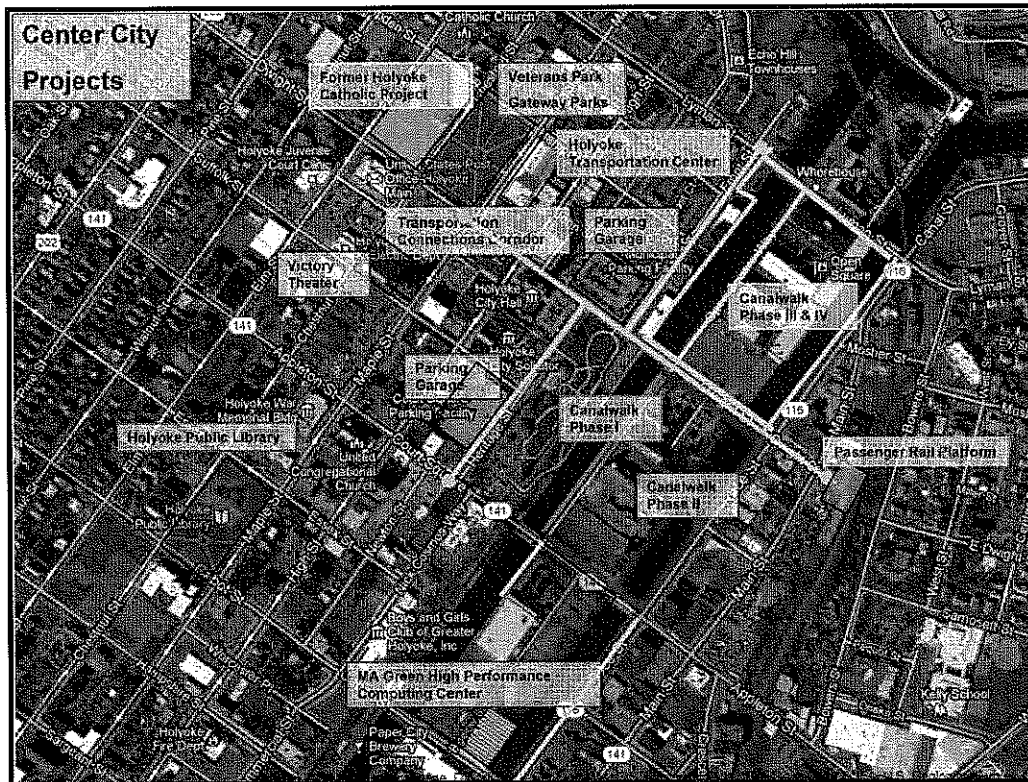
**Objective:** This added mix of housing will increase the population within Center City that can support existing retail businesses as well as create a stronger demand for additional businesses to relocate to the Arts & Innovation District.

Holyoke is focusing on growing and attracting the Creative and Innovative businesses to the Arts & Innovation District surrounding the historic canal system. In order to create an attractive live and work environment for this type of workforce, there must be adequate housing options for them in Holyoke within this district. The Center City Housing Incentive Plan will encourage the development of market-rate housing within the Arts & Industry Overlay District as a priority.

Many of the buildings that are potential sites to utilize this new opportunity are properties that are currently underutilized, including several that are vacant, tax delinquent, and/or at risk of deteriorating past the point of possible rehabilitation. This incentive will not only bring properties back on the tax rolls, but will also add to the value of properties in use, which can increase the city's tax revenue overall and help to preserve Holyoke's historic architectural fabric.

**Timeline:** Years 5-20

**2. Description of related activities in the HD Zone, and;**





The City of Holyoke is currently underway on many revitalization activities aimed to spur private investment. The most significant are the design and construction of transportation projects such as the Holyoke Canalwalk, the Passenger Rail Platform, the Transit Connections Project and the renovation of the municipal parking garages. Park improvements include the renovation of Veteran’s Park funded by the Gateway Parks Program and the renovation of Pulaski Park with CDBG funding. All of these activities will increase the attractiveness of the Center City as a destination for housing by providing desirable amenities. (see table below)

Other projects that will support the development of additional market-rate housing in the Center City Housing Incentive Program Zone include the redevelopment of the former Holyoke Catholic High School into workforce housing units, the expansion and renovation of the Holyoke Public Library, and the construction of the Massachusetts Green High Performance Computing Center.

Below is a comprehensive listing of all major revitalization and infrastructure projects currently underway within the Holyoke HD Zone Plan Area. Afterwards is a table which lists known market-rate housing developments that are being planned by the private sector within the City’s Proposed HD Zone over the next 5 years.

**Current Construction Projects**

Project	Description of Project	Development Lead
Massachusetts Green High Performance Computing Center	The construction of a \$168 million high performance computing center through a consortium of government, educational, and private sector partners to complete the project located in the Arts & Innovation District and the core of the Center City.	MGHPCC Consortium
Canalwalk	Pedestrian enhancement project that will bring pedestrian accommodations along the historic canal system within the Arts & Innovation District. The improvements include brick-like sidewalk enhancements, benches, trees, planting beds, decorative lighting and more to a formerly industrial area that was not accommodating for pedestrians. Phase I has been completed, and Phase II is in the review process with MassDOT. There are two more phases planned for this project.	City of Holyoke
Passenger Rail Platform	Holyoke is located along the Knowledge Corridor Passenger Rail Area which will return passenger rail service to Holyoke after many years. The rail service will connect Holyoke to New York City to the south and Vermont to the north. Holyoke has hired a designer and potentially secured the construction funds through the State Transportation Bond. Service will return to the Pioneer Valley by the Spring of 2014.	City of Holyoke
TOD - Transit Connections Project	The project consists of vehicle and pedestrian enhancements to create a Transit Oriented Development (TOD) District between the Holyoke Transportation Center, which serves as a bus hub, and the upcoming Passenger Rail stop. It is focused on Dwight Street as its spine and includes Front and Heritage Streets as traffic feeders. The project will serve to create more pedestrian traffic throughout the corridor.	City of Holyoke
Veteran’s Park Reconstruction	Veteran’s Park is an entire city block of urban passive park space in the core of the downtown. It is located across the street for the new Holyoke Transportation Center and adjacent to the former Holyoke Catholic High School, currently planned for housing as an adaptive reuse project. The park is undergoing upgrades and renovation. The park serves as one of the most significant urban passive parks in downtown Holyoke and will be a showcase park once it is completed.	City of Holyoke
Parking Garage Repair & Reconstruction	The City has bonded to complete renovations and reconstructions at the two municipal lots in the Center City. These garages service the employees in the downtown and will provide additional parking for potential residences and new retail services that are spurred by the HDIP Initiative.	City of Holyoke

Library Reconstruction	Holyoke's 109-year-old library is being revamped to address exterior and interior signs of aging, and to provide more space for public computer and children's areas to transform the library to a state-of-the-art 21 <sup>st</sup> century library.  Holyoke has bonded a portion of the needed funding to complete renovations and an expansion at the Holyoke Public Library. Construction is underway on the \$14.4 million project.	City of Holyoke
Victory Theater	The Massachusetts International Festival of the Arts (MIFA) purchased the abandoned historic Victory Theater from the City several years ago and is in the process of developing architectural renovation plans and completing their financing package to begin the construction on renovation activities.	MIFA
Former Holyoke Catholic Adaptive Reuse (Chestnut Park Housing project)	Weld Management purchased the properties that made up the former Holyoke Catholic High School Campus from the Roman Catholic Diocese. The project consists of 58 housing units within 4 buildings. The developer is using an array of financing to complete the project and is expected to begin construction in 2013.	Weld Management

### Longer-term Construction Projects

Project	Project Description	Project Lead
Canalwalk Expansion	Pedestrian enhancement project that will bring pedestrian accommodations along the entire historic canal system. This project is part of the Urban Renewal Plan and will extend the existing area of Canalwalk around the entire canal system. The improvements include brick-like sidewalk enhancements, benches, trees, planting beds, decorative lighting and more to a formerly industrial area that was not accommodating for pedestrians.	City of Holyoke
TOD - Transit Connections Project Phase II	The project consists of vehicle and pedestrian enhancements to create a Transit Oriented Development (TOD) District between the Holyoke Transportation Center, which serves as a bus hub, and the upcoming Passenger Rail stop. It is focused on Dwight Street as its spine and includes Main & Race Streets to also serve as a connection between the Flats neighborhood and downtown. The project will serve to create more pedestrian traffic throughout the corridor.	City of Holyoke
Former Parsons Paper Site	The project consists of the demolition, environmental permitting and removal of salvaged materials to make the property site ready in preparation for redevelopment. Redevelopment would be bid through the Holyoke Redevelopment Authority and developed by a private party.	City of Holyoke Holyoke Redevelopment Authority Private party
Dwight Street Footbridge	The reconstruction of the Dwight Street footbridge to connect the Flats neighborhood with the downtown and connection to the transportation centers	City of Holyoke
Dwight Street Redevelopment	The infill development of the Dwight Street Corridor with a mix of uses and higher density development consistent with the existing fabric of the street. This would include residential upper floor development as well as gateway placemaking efforts as referenced in the Urban Renewal Plan.	City of Holyoke Holyoke Redevelopment Authority Private party
Chestnut Street Block	The Chestnut Street block includes an entire city block that is in Churchill and adjacent to the Lawrence School. The School Department has expressed interest in the property for school expansion purposes, and if no longer desired the block would be intended for housing consistent with the surrounding neighborhood.	City of Holyoke Holyoke Redevelopment Authority
South Holyoke Redevelopment Project	Actions include building acquisition and redevelopment, new open space, new housing, roadway improvements and neighborhood retail as detailed in the Urban Renewal Plan. Mixed-use housing and affordable homeownership are a priority for housing development. Efforts will be taken to improve overall pedestrian access and walkways to enhance neighborhood connectivity and use.	City of Holyoke Holyoke Redevelopment Authority
Cabot Street Gateway	Action items for this area within the Urban Renewal Plan include a partnership to improve the streetscape and extension of the Canalwalk, and to expansion of the neighborhood retail in this area.	City of Holyoke Holyoke Redevelopment Authority

### 3. Who will be undertaking development activities.

There are several private developers whom have expressed interest in the City's potential Program. Those properties and developers have been listed below as an example of the types and extents of projects that may utilize the program. It is by no means a comprehensive listing of all potential projects.

#### Potential Eligible HDIP Projects

Address	Developer	Description	Projected Rents
287 Elm Street	Hammer and Nails	<i>The historical Oakdale building is located in the Churchill neighborhood and will add to the diversity of housing available. Built during the turn of the century, the Oakdale provided housing for Irish immigrants as they started their lives in America.</i>	15 units 1,000 – 1,600 square feet
Open Square Way	Open Square	<i>Open Square is the country's largest zero net energy mixed-use development. The current project is transforming a mill building complex into a mixed-use site of shops, offices, and studio spaces.</i>  <i>Open Square's master plan includes 120,000 square feet of retail space, 6-8 restaurants, a flexible black box theater/conference space, a 75-room hotel, 60-80 live/work lofts, 200,000 square feet of office space. To date, they have developed 80,000 s.f. out of 685,000 s.f. of space.</i>	<u>Mill 1 Condominium Lofts</u> 900 - 2,600 square feet – 24 Units - \$175k - \$350k  <u>Mill 5 Rental Lofts</u> 900 – 2,500 square feet – 34 Units - \$900 – \$1,800/month
109 Lyman Street		<i>109 Lyman Street is a five storey, 65,000 s.f. mill building. Lofts would occupy the 2<sup>nd</sup> through 4<sup>th</sup> floors as well as the penthouse level. First floor reserved for retail or commercial use.</i>	<u>109 Lyman Street Rental Lofts</u>  1,050 - 2,200 square feet – 28 Lofts - \$950 - \$1,800/month
130 Appleton Street	TBD	<i>Located in the heart of Holyoke in the former Alpaca Wool Sweaters and Hart Wool Processing mill building constructed around the turn of the 20th century. The last use of the building was for manufacturing petrified wood furniture and art work. On the 1st Level Canal across from the Massachusetts Green High Performance Computing Center, adjacent to the Holyoke Police Headquarters, Heritage State Park, and the Holyoke Canal walk. Within easy walking distance to the new Holyoke Transportation Center, Downtown, Arts and Industry Overlay Districts, and new passenger computer rail service station.</i>	<u>Potential build out based on preliminary assessments, not an actual project.</u>  700 sf - 41 units - \$850 1050 sf - 16 units - \$1,150 1400 sf - 10 units - \$1,350 1650 sf - 12 units - \$2,050

<b>56 Suffolk Street – Hadley Falls Trust</b>	Russell Barnaby	<i>Barnaby Development LLC ("BD") is under contract to purchase 56-58 Suffolk Street in Holyoke, Massachusetts for \$775,000 from current owners, Suffolk Realty Associates LLC. Full project costs (hard, soft, financing and interest carry) will be approximately \$8.8MM. The redevelopment of the building will include a 1<sup>st</sup> floor "brew-pub" restaurant, 2<sup>nd</sup> floor offices, and 2<sup>nd</sup>-6<sup>th</sup> floor market-rate residential units.</i>	<u>52 Suffolk Street</u> 927 sf – 3 units - \$1,000  <u>Mezzanine Apartments</u> 591sf – 3 units - \$850 <u>Floor 2</u> 607.5 sf – 8 units - \$875 <u>Floor 3</u> 607.5 sf – 8 units - \$900 <u>Floor 4</u> 607.5 sf – 8 units - \$925 <u>Floor 5</u> 607.5 sf – 8 units - \$950 <u>Floor 6</u> 607.5 sf – 8 units - \$975
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**Other Potential Eligible Properties** – Other potential key properties that have been identified as part of this plan and are listed below. The number of units has been estimated solely based on square footage and an average unit size of 1,000 square feet and a mix of uses within the buildings. This does not; however, preclude other projects from applying for certification.

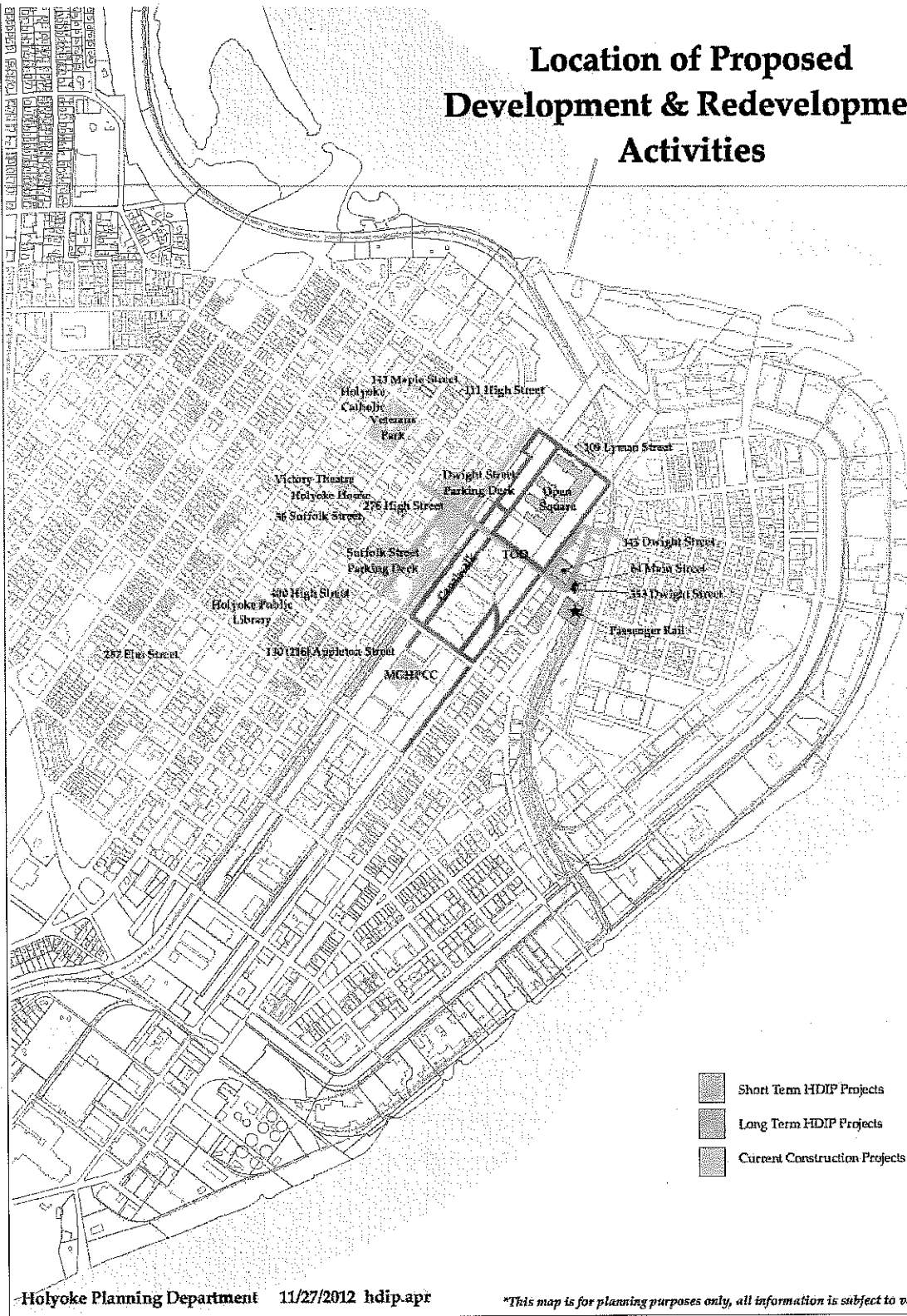
Address	Square feet	# units
64 Main Street	4,704	4
345 Dwight Street	106,586	50
335 Dwight Street	11,400	8
439 Dwight Street	56,460	35
276 High Street	35,724	16
400 High Street	33,924	28
143 Maple Street	11,749	8
61 Suffolk Street	94,972	50

#### 4. GIS Maps

- a. Location of proposed development as described above
- b. Proposed changes to property lines and foot-prints of existing buildings
- c. Proposed uses of each parcel, including identification for land in mixed-use and land in public use
- d. Proposed zone changes related to use
- e. Identification of all existing and proposed HD Zones within the municipality

# Location of Proposed Development & Redevelopment Activities

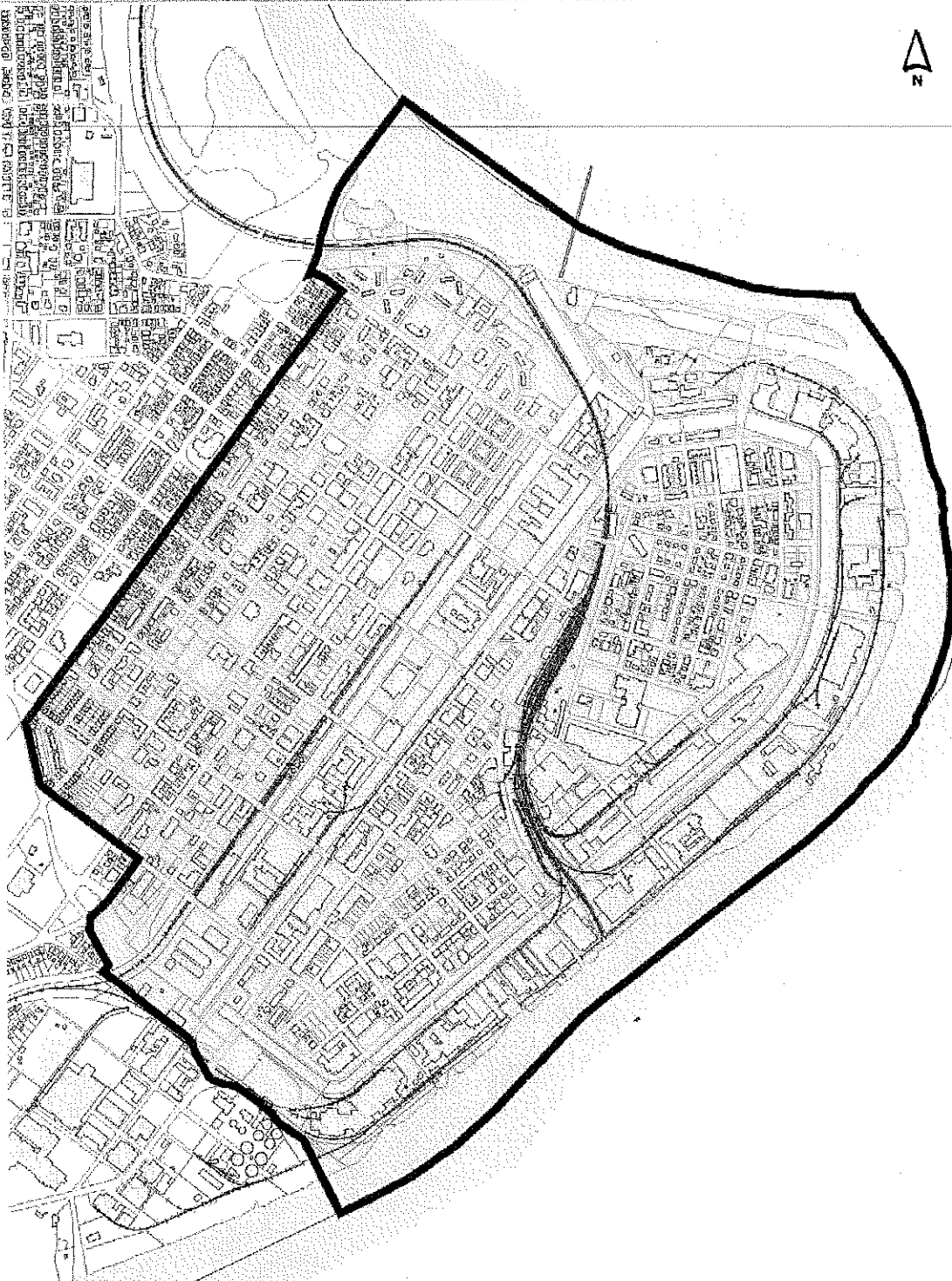
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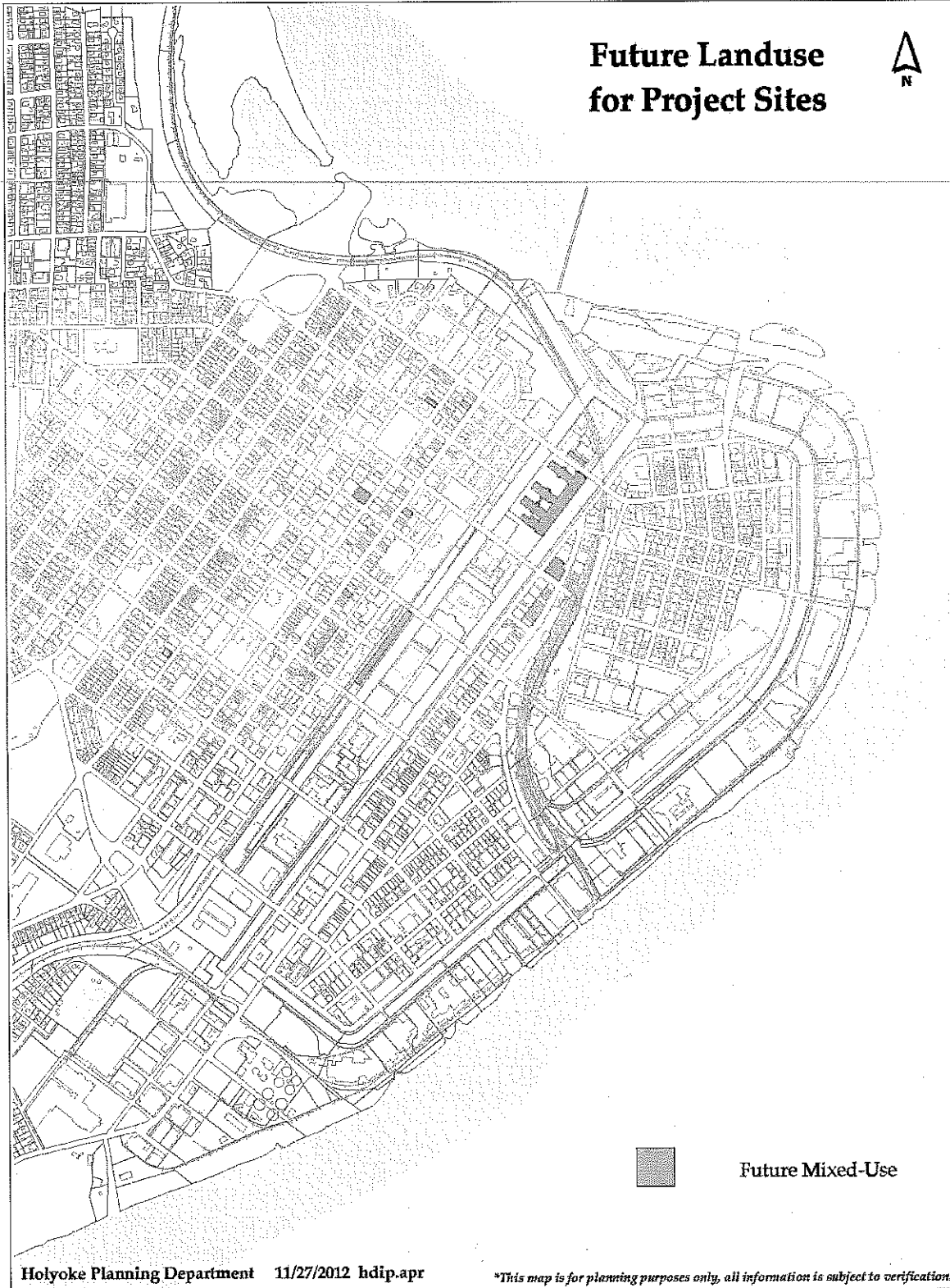
# Proposed Parcel & Building Footprint Changes - None



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# Future Landuse for Project Sites

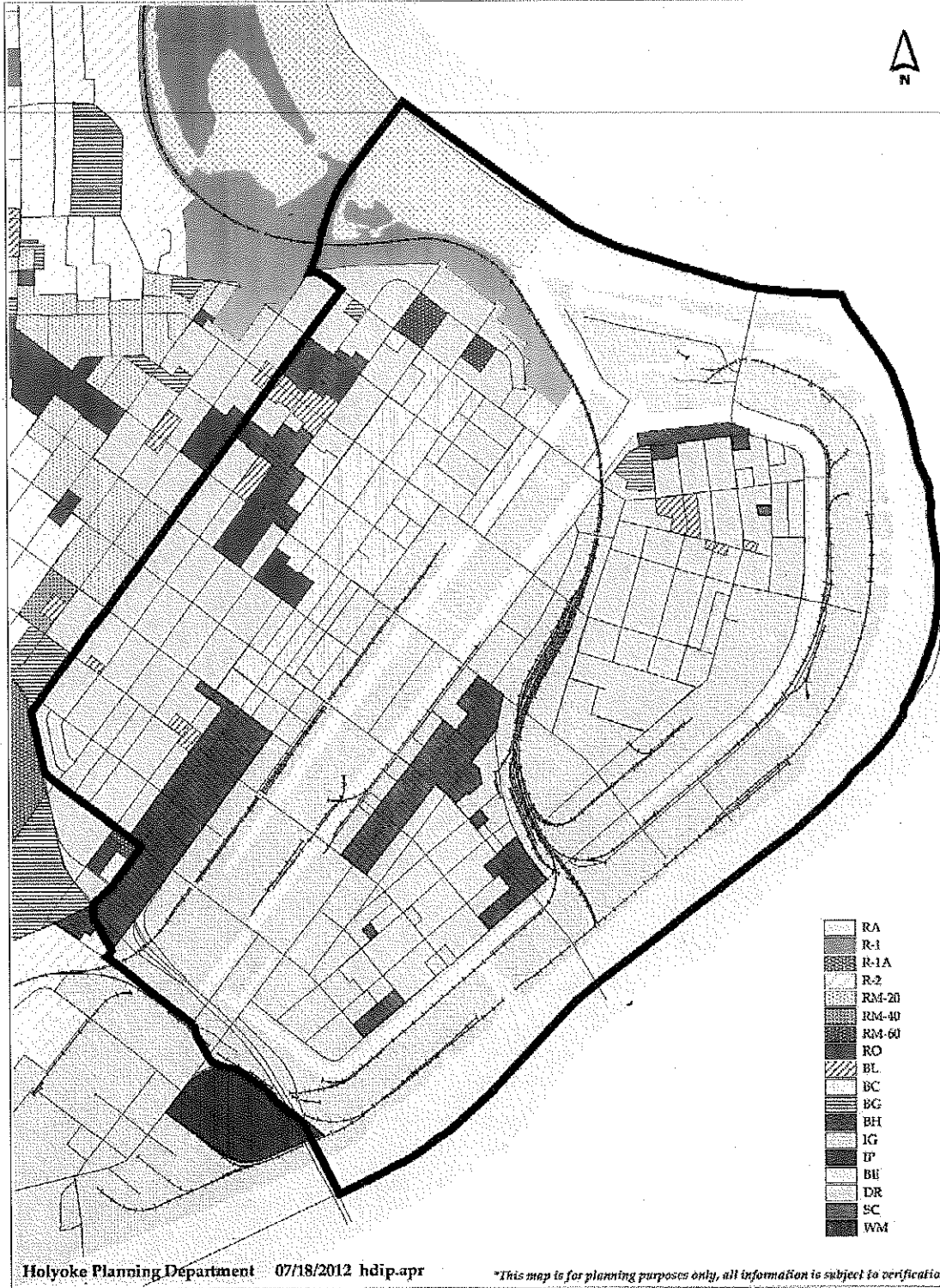


Future Mixed-Use

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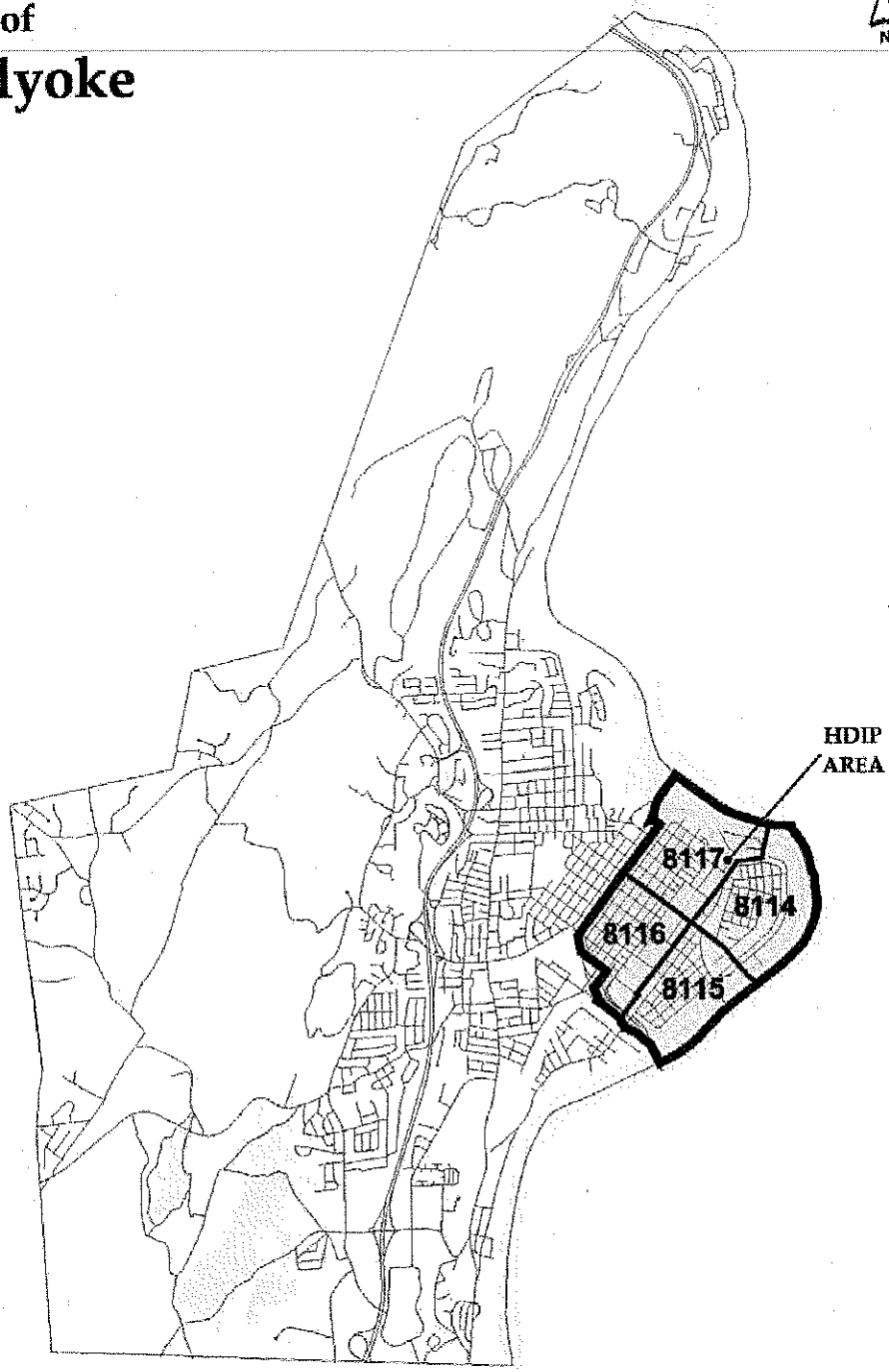
# Proposed Zoning – No Changes





# Holyoke HDIP Districts

City of  
**Holyoke**



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**5. Tabular analysis comparing existing zoning requirements to proposed zoning requirements**

No zone changes are being proposed. The current zoning districts where the proposed desired market-rate housing development will occur have already been re-zoned to promote multi-family housing projects by right with reduced or eliminated parking requirements including the Arts & Industry Overlay District and the Smart Growth Overlay District.

**6. Statement that any proposed HD Project identified in the HD Zone Plan is eligible to receive a Preliminary Certification.**

The projects included as potential short-term projects are eligible to receive preliminary certification in accordance with 760 CMR 66.05(2). These projects are within the HD Zone, are within existing buildings, contain 2 or more units, contain no more than 50 market-rate units, are in need of substantial rehabilitation in order to build out residential units, and meet the intent of the Center City Housing Incentive Program.

**7. Identification of the geographic area used to establish the minimum pricing for the market rate units in HD Projects**

The "Center City" Zone conforms to the Center City Urban renewal plan. The median income for these census tracts is very low. The City identified abutting and contiguous census tracts in Holyoke, Westfield, South Hadley and Easthampton to establish a market area that would produce reasonable market-rate rents for a moderate income population. As such, the following demographic data and methodology was used to determine the market area and minimum pricing for the market-rate units, which would target tenants making \$48,472 or higher. A map of the Center City Zone and geographic area is also provided in this document.

60% of HUD Median Household Income per DHCD \$46,560

ZONE	Census Tract	Median Income	(Ascending Order for calculations)
In Holyoke	8115	\$11,422	
	8117	\$12,192	
	8116	\$16,766	
	8114	\$16,887	
<b>AREA</b>			
Holyoke	8120	\$33,333	
Holyoke	8118	\$36,486	
Westfield	8125	\$51,644	
S. Hadley	8210	\$61,472	
Holyoke	8121.01	\$69,286	
Holyoke	8119	\$73,994	
Easthamp	8223	\$75,521	
S. Hadley	8211	\$76,998	

Average middle two	
\$36,486	
\$51,644	
\$88,130	/2 =
	\$44,065
	x110%
	\$48,472

## 8. Timeline for implementation

The duration of the Holyoke HD Zone Plan will be for the allowed 20 year period from the date of the Department of Housing and Community Development's (DHCD) approval of the HD Zone designation.

Below is a listing of current construction projects to be completed within the short-term within the HD Zone.

Project	Anticipated construction Date
Massachusetts Green High Performance Computing Center	Fall 2011 – Fall 2012
Canalwalk Phase II Construction	Fall 2013
Passenger Rail Platform	Summer 2013
Senior Center Construction	Summer 2012 – Fall 2012
TOD Design Completion	Spring 2013
Veteran's Park Reconstruction	Summer 2012 – Spring 2013
Parking Garage Repair & Reconstruction	Summer 2012 – Summer 2013
TOD Construction	Spring 2014
Passenger Rail Service	Spring 2014
Library Reconstruction	Spring 2012 – Spring 2014
Victory Theater	Fall 2013

Below is a list of projects that are anticipated to participate in the CCHIP.

Potential Certified Projects	Anticipated construction Date
56 Suffolk Street	2013
109 Lyman Street	2013
Open Square	2014
130 Appleton Street	2014

## 9. Duration of HD Zone Plan & Local Tax Exemption Agreements

The duration of the HD Plan shall be 20 years from the data of approval by DHCD in order to spur private development of market-rate housing within the Center City of Holyoke to develop an adequate mix of housing in the area.

Due to the challenges of being the first projects to complete adaptive reuse developments within under-utilized and abandoned buildings, a greater local tax exemption incentive will be provided for those projects that receive Preliminary Certification within the first 5 years after DHCD approval.

### Local Tax Exemption

Projects receiving Preliminary Certification within years 1-5 100% exemption for 10 years\*

Projects receiving Preliminary Certification years 6-20 negotiated based on the Criteria below

\*the period may be extended longer than 10 years based on the criteria listed below.

Evaluation Criteria:

- The extent to which the Certified HD Project will encourage residential development, expand diversity of housing supply, promote economic development, and support neighborhood stabilization.
- The number and percentage of market rate units contained in the Certified Project.
- Integration of the HD Project with other development and redevelopment, public and private, in the HD Zone.
- HD Projects consistency with the sustainable development principles, including the extent to which it includes elements of green design, and promotes conservation of energy resources.
- Strength of the development team, including a positive record in market rate housing development and management.
- Status of compliance monitoring with other tax credit programs, if applicable.
- Effect of geographical balance in the allocation of HD tax exemptions.

## **10. Compliance to Affirmative Fair Housing Principles**

In the administration of the HDIP, the City of Holyoke will comply with all fair housing laws and regulations and principles to ensure that all individuals and families have equal access to housing of their choice.

The purpose of the HDIP is not to result in the displacement of existing tenants nor is it to reduce the number of affordable or subsidized units currently available. The purpose of the HDIP is to supplement the existing housing stock in Center City with market-rate housing and to provide incentives for substantial rehabilitation of existing vacant, blighted, non-residential or underused buildings. Potential HDIP project locations are currently non-residential buildings or vacant.

Participating developers will be required to submit Form HUD-935.2A - Affirmative Fair Housing Marketing Plan for Multi-Family, which will detail their efforts to affirmatively market the subject properties and their entity's Fair Housing Plan.

Creation of the Center City Housing Incentive Program Zone addresses statewide fair housing impediments identified by DHCD (April 2009) including:

- *Increasing the socio-economic diversity of residents in the downtown core without displacing current residents;*
- *Reducing residential concentrations of poverty without displacing current residents;*
- *Allowing for construction/substantial rehabilitation of multifamily housing;*
- *Increasing housing mobility opportunities in the downtown core; and*
- *Reducing the geographic inequity with respect to the location of subsidized housing by producing market-rate housing in the downtown core.*

## 11. Compliance to other municipal or regional plans and initiatives relating to planning and community and economic development.

- Urban Renewal Plan – the Holyoke Redevelopment Authority is in the process of finalizing their first Urban Renewal Plan that consists of the same project area as the proposed HD zone. The URP focuses on public investments that will spur private investment in buildings downtown, including the adaptive reuse of former mill buildings into market-rate housing. The overall goal of the Plan is “*To promote economic development and growth in Holyoke by capitalizing on the City’s unique characteristics, connecting people and places, constructing infrastructure and creating a more vibrant and prosperous Center City*”. The URP goals that the Holyoke HD Plan will accomplish are to:
  - *Provide more housing choices – market rate housing, rental and ownership*
  - *Improve housing stock – better quality, more choices, rehabilitate existing*
  - *Promote home ownership – a policy statement for Holyoke Redevelopment Authority supported actions*
- Center City Vision Plan – The City of Holyoke and Holyoke Redevelopment Authority conducted a visioning process with assistance from the Gateway Plus Action Grant program which has served as the foundation for the Urban Renewal Plan. Developing a mix of housing within the downtown was a key action within the Center City Vision Plan.

**Note:** Information on Holyoke’s Urban Renewal Plan and Center City Vision Plan, can be seen at [www.HolyokeRedevelopment.com](http://www.HolyokeRedevelopment.com)

- Master Plan – Holyoke completed a comprehensive Master Plan in 1999 which continues to reflect the goals of the community. It contains hundreds of implementation recommendations that were established through over 2 years of community outreach. Below are several key goals that are consistent with the Holyoke HD Plan.
  - *Enhance the economic viability and public interest in the downtown’s historic downtown.*
  - *Ensure the development of quality rental stock that maintains the integrity of existing neighborhoods*
  - *Develop housing for our young middle-income families in order to keep them from leaving the city looking for suitable housing.*
  - *Achieve a balance of single-family homes, 2-4 family homes and multi-family apartments within the city for all groups and income levels.*
  - *Analyze unused and under-used commercial and industrial properties to determine how they can be upgraded or converted to a more productive use.*
- Valley Vision 2 update – The Pioneer Valley Planning Commission recently completed an update to the Valley Vision 2 Land Use Plan which included implementation strategies for housing. The two main strategies include *to improve the variety of housing opportunities within each community, and to promote pedestrian-friendly residential developments, with medium to high density housing, near public open space, and walking distance to shops and services.*

- Regional Housing Plan (being drafted) – The Pioneer Valley Planning Commission is in the process of completing a Regional Housing Plan through the HUD Sustainable Knowledge Corridor Grant project. The mission of the plan is to provide a mix of housing for all residents in the Pioneer Valley, through the balance of housing opportunities in all communities. A strategy to accomplish this goal is to increase the availability of market-rate housing within urban core communities to create a mixed-income neighborhood in those cities.

## H. Pricing of Market Rate Residential Units

The methodology for determining the market area and target income population is illustrated below. Housing costs are generally expected not to exceed 30% of a household's income. As such, a target income of \$48,472 could theoretically support a rent of approximately \$1,200/month, which is in the upper quartile of rents in Holyoke. There are no ceilings on the pricing of HDIP units and there are no HDIP income restrictions for occupants.

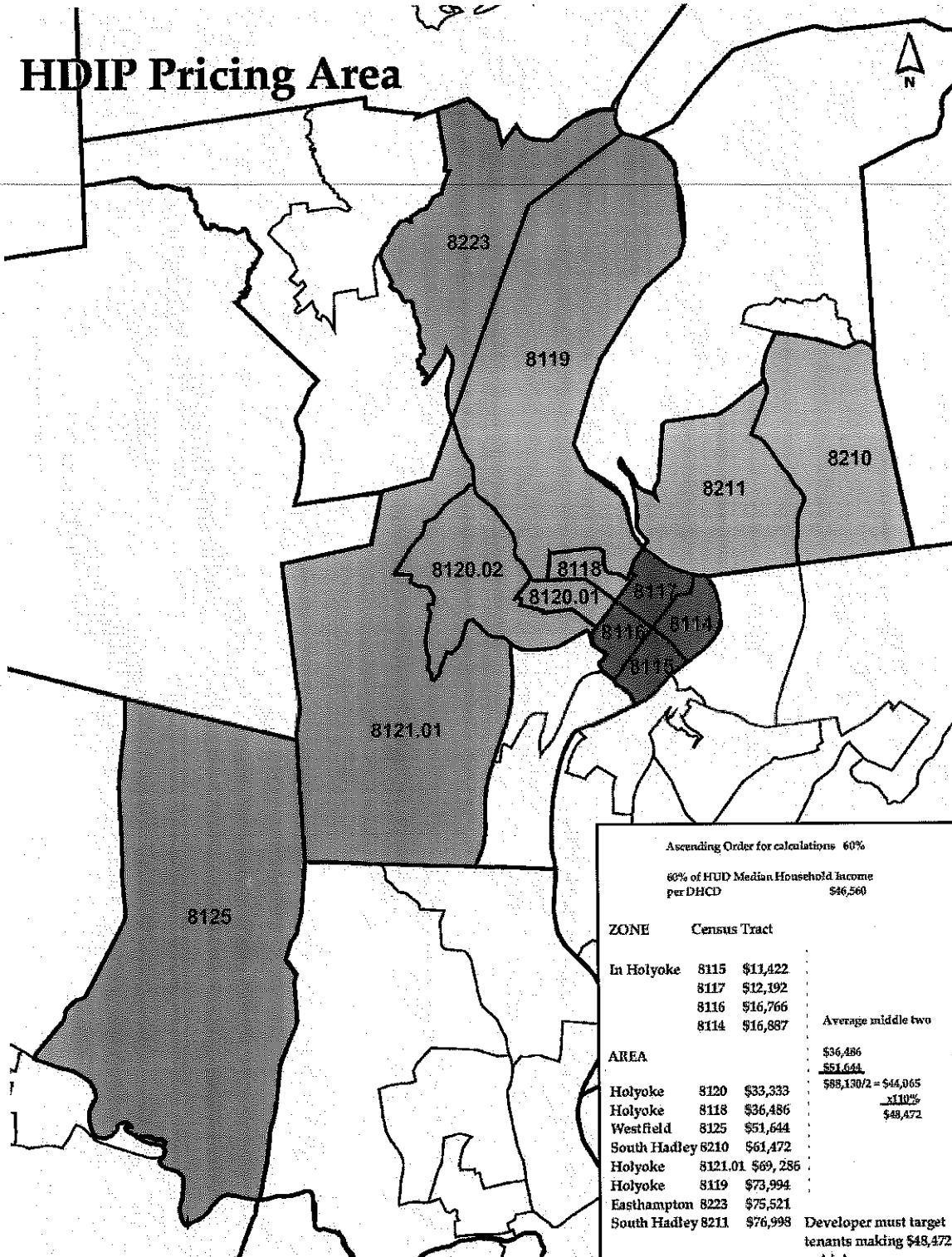
60% of HUD Median Household  
Income per DHCD \$46,560

ZONE	Census Tract	Median Income	(Ascending Order for calculations)
In Holyoke	8115	\$11,422	
	8117	\$12,192	
	8116	\$16,766	
	8114	\$16,887	
<b>AREA</b>			
Holyoke	8120	\$33,333	
Holyoke	8118	\$36,486	
Westfield	8125	\$51,644	
S. Hadley	8210	\$61,472	
Holyoke	8121.01	\$69,286	
Holyoke	8119	\$73,994	
Easthampton	8223	\$75,521	
S. Hadley	8211	\$76,998	

Average middle two	
\$36,486	
\$51,644	
<hr/>	
\$88,130	/2=
	\$44,065
	x110%
	<hr/>
	\$48,472

# HDIP Pricing Area



Ascending Order for calculations 60%		60% of HUD Median Household Income per DHCD	\$46,560
ZONE	Census Tract		
In Holyoke	8115	\$11,422	
	8117	\$12,192	
	8116	\$16,766	
	8114	\$16,887	Average middle two
AREA		\$36,486	
		<u>\$51,644</u>	
		\$88,130/2 = \$44,065	
		<u>x110%</u>	
		\$48,472	
Holyoke	8120	\$33,333	
Holyoke	8118	\$36,486	
Westfield	8125	\$51,644	
South Hadley	8210	\$61,472	
Holyoke	8121.01	\$69,286	
Holyoke	8119	\$73,994	
Easthampton	8223	\$75,521	
South Hadley	8211	\$76,998	Developer must target tenants making \$48,472 or higher.