

City of Chelsea Fair Housing Plan

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Executive Summary

Introduction

The Chelsea Fair Housing Plan addresses equitable access to housing choice in the City of Chelsea. Since the passage of the Federal Fair Housing Act of 1968, all communities that receive funding from the US Department of Housing and Urban Development (HUD) have had an obligation to “affirmatively further fair housing.” The ultimate goal of fair housing efforts is to eliminate housing discrimination and residential segregation. This plan aims to advance these objectives through analysis of existing conditions and recommendations for concrete action that the City can undertake.

Fair housing laws seek to end residential discrimination and segregation based on characteristics that are often (though not always) personal and immutable. These characteristics are called “protected classes” in fair housing law. While the landmark fair housing legislation is the federal Fair Housing Act of 1968, there is actually a constellation of laws at the federal and state levels that protect against discrimination in housing, some of which specify additional protected classes.

Federal fair housing laws specify the following protected classes, meaning it is illegal to discriminate based on any of these characteristics:

- Race
- Color
- National origin
- Religion
- Sex
- Familial status (presence of children)
- Disability

Massachusetts law goes further than federal law to extend fair housing protections based on additional characteristics:

- Age (40 and older)
- Marital status
- Genetic information
- Sexual orientation
- Gender identity
- Veteran or active military status
- Source of income (e.g., Section 8 voucher)
- Arrest record

Despite laws against discrimination, protected classes often face more limited housing options that results in de facto segregation, inequitable housing costs, unsafe living conditions, and unequal access to opportunity. To address these inequities, municipalities can use fair housing plans to identify barriers to fair housing choice and create a policy framework for more inclusive communities.

The Chelsea Fair Housing Plan was developed from 2022 to 2023 by the City of Chelsea in partnership with the Metropolitan Area Planning Council (MAPC). The plan was funded by the City of Chelsea through the Community Development Block Grant Program and through MAPC's Technical Assistance Program (TAP).

The community engagement process for the Chelsea Fair Housing Plan took place from December 2022 to September 2023 and included the following:

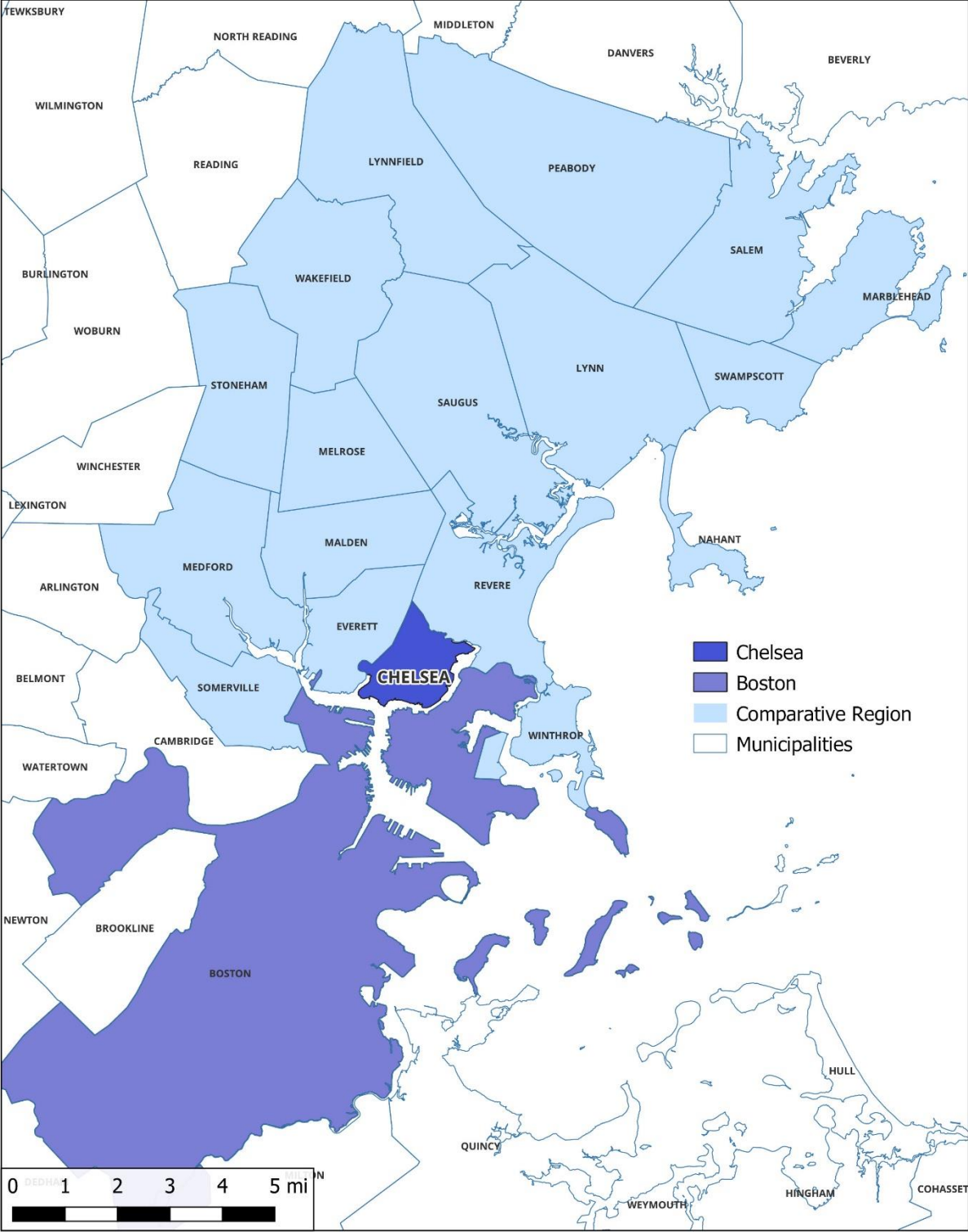
- Multiple meetings with the Chelsea Fair Housing Plan Advisory Committee
- Interviews with staff and local leaders
- Visits to local committees, including the GreenRoots Monthly Members Meeting, the Chelsea Housing Authority's Resident Committee, and The Neighborhood Developers' Housing Equity Committee
- Two general public focus groups
- One focus group with seniors and veterans
- One focus group with youth participating in the North Suffolk Mental Health Center's Youth Program
- Digital survey for direct outreach (including working with volunteers to survey residents in-person at the Salvation Army's food pantry)

While the Fair Housing Plan includes an extensive technical analysis portion, many protected classes and residents' experiences are not represented in quantitative or demographic data. Throughout the process, we heard from over 325 individuals who live or work in Chelsea about their stories and experiences with seeking or keeping housing in Chelsea and housing discrimination. The findings from the engagement opportunities have been integrated throughout the Fair Housing Plan.

Community Profile

Can members of protected classes access housing in Chelsea? This is the first and most fundamental question in assessing fair housing choice. This section uses quantitative demographic data to discuss representation of nine protected classes, and, in some cases, characteristics of these groups in Chelsea. For each protected class with available demographic data, this chapter assesses how many members live in Chelsea, how this figure compares proportionally to other municipalities, and how it compares to the comparison region (through what is called the "aggregate statistic.")

Chelsea Fair Housing Plan - Comparative Region



The US Census counts approximately 40,000 residents as living in the City of Chelsea. The actual population is probably 50,000 or more, with many residents not wanting to be counted. This would make Chelsea the densest municipality in the state, though the official numbers have it as the second densest by a small margin. The undercount in Chelsea represents some of the most marginalized members of the population and those most likely to experience violations of fair housing law.

This analysis also considers the financial characteristics of protected classes. While low-income households are not themselves a protected class, many protected classes experience substantially lower average income levels and higher poverty rates than the general population—an implicit barrier to accessing housing options in an expensive region such as Greater Boston. For this reason, this plan evaluates financial characteristics of classes to understand where housing affordability might disproportionately impact members of protected classes.

Demographics

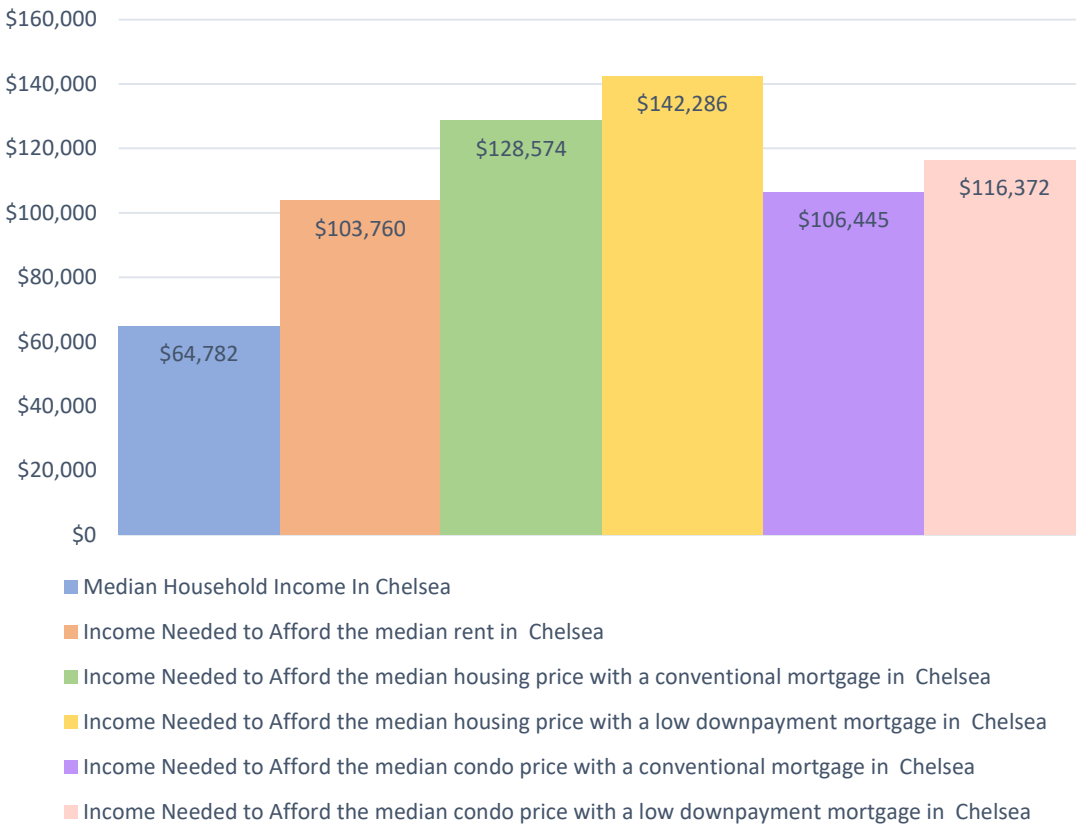
- **Disability Status:** At 12.7%, Chelsea is near the top of the comparison region. It is above the aggregated statistic for the comparison region, which is 11.7%, meaning that Chelsea has a greater proportion of residents with a disability than the larger comparison region. Median earnings of the noninstitutionalized population with a disability in Chelsea was \$29,659, 19% lower than those without a disability. Median earnings of the noninstitutionalized population with a disability in Chelsea places the town towards the middle of the comparison region
- **Family Status:** Of the 13,353 households in Chelsea, 33% have children. By percentage of households with children, Chelsea is near the top of the comparison region (aggregated statistic = 24%).
- **National Origin:** Roughly half (47%) of Chelsea's population is foreign born. With an aggregated statistic of 27%, this figure places Chelsea at the top of the comparison region by percentage. When ranking communities in the comparison region on the percent of residents who speak a language other than English at home and do not speak English well (based on self-reporting), Chelsea was ranked the highest at 19% compared to 6% for the comparison region.
- **Race and Ethnicity:** Of the 40,787 people in Chelsea, roughly 66% are Latino, 20% are White, 7% are Black, 3% are Asian, 2% are two or more races, and less than 1% are Native American or Hawaiian/Pacific Islander. These numbers represent a substantial change in the Latino population of Chelsea, increasing by 31% from 2010 to 2020. By percentage of White residents, Chelsea has the lowest percentage of all municipalities in the comparison region where the aggregated statistic is 52%. People of color living in Chelsea also earn less than Chelsea residents that are White. The median household income for White households was \$77,508, compared with \$62,127 for Asian households; \$50,087 for Black households; and \$66,780 for Latino households.

- **Age:** With 9% of people in Chelsea aged 65 and over, Chelsea ranks near the bottom of the comparison region, which ranges from as many as 30% to as few as 9%. The aggregated statistic is 14%, suggesting that Chelsea hosts fewer seniors on average than the rest of the region. The median household income for Chelsea householders aged 65 and over is \$27,775, which is less than half of median household income for all Chelsea householders (\$64,782).
- **Marital Status:** At 10%, Chelsea falls towards the top of municipalities in the comparison region for percentage of unmarried partner households, and higher than the aggregated statistic for the comparison region (7%).
- **Public and/or Rental Assistance:** Of all households in Chelsea, 22% receive public assistance, far more than the aggregated statistic for the comparison region of 16%.
- **Sex:** The median income for men in Chelsea is \$73,750 and for women is \$57,774. Chelsea is in the bottom of the median income for men in the comparison region. Chelsea ranks in the middle of the range for the comparison region in terms of the disparity between male and female income.
- **Veteran Status:** Of Chelsea's civilian population 18 years and over, about 1.5% are veterans. This is the lowest number by percentage throughout the comparison region, with a 3% aggregate and a range that goes up to 6.4%. This low percentage is in spite of the presence of the Soldiers Home and is likely influenced by the very high percentage of non-native born residents.

Affordability

- **Rental Housing:** The median asking rent for a two-bedroom in Chelsea is around \$2,500, which the typical household in Chelsea cannot afford to pay for. In terms of the gap between the rent the typical household in each racial/ethnic group can afford and the median rent in Chelsea, Black residents having the highest gap at \$1,123 per month and White residents having the smallest gap at \$369 per month.
- **Ownership Housing:** A household earning Chelsea's median income of \$64,782 could not afford to purchase a single-family home costing about \$476,500 (the median sale price for 2021), even assuming good credit, minimal existing debt, and a down payment of 20%. To afford that home, there would need to be a household income of roughly \$129,000, an income gap of \$64,000.

Housing Affordability in Chelsea



Access to Opportunity

- Graduation Rates:** The Chelsea Public School District's 2021 graduation rate was 67%, which puts Chelsea at the bottom of the comparison municipalities, where graduation rates range from up to 99%. The ten school systems in the comparison municipalities with 2021 graduation rates under 90% are also in municipalities with the highest concentrations of persons of color.
- Economic Mobility:** In the comparison region, the lowest economic mobility (the probability that a child born between 1978 and 1983 into a low-income household in a given Census Tract grew up to live in a household with an income in the highest 20% nationwide) is in inner core cities with high shares of persons of color. Chelsea displays a mix of Census Tracts with both low and extremely low mobility with no census tract having a ceiling higher than 19%.
- Transit Access:** All of Chelsea falls within a half-mile buffer (10-minute walking distance) of a bus stop, though bus routes may have long headways, may not travel to a required destination, or may not operate during needed hours. There is greater employment accessibility in the southern part of Chelsea, and less in the areas that neighbor Everett

and Revere. Given Chelsea's overall location, residents of Chelsea have greater access to jobs than outlying municipalities, as well as many other inner core communities.

Fair Housing Factors

Fair housing choice can be affected by a variety of factors from direct discrimination to indirect factors like zoning and development. Direct impediments to fair housing are those actions, omissions, or conditions taken by a public or private party that limit the availability of housing choices because of a person's membership in a protected class. Similarly, indirect impediments are those actions, omissions, or conditions taken by a public or private party that appear neutral but have the effect of restricting housing choices because of one's membership in a protected class. Though some impediments exist because of an intent to discriminate against members of protected classes, intent is not necessary for a condition to be an impediment to fair housing choice.

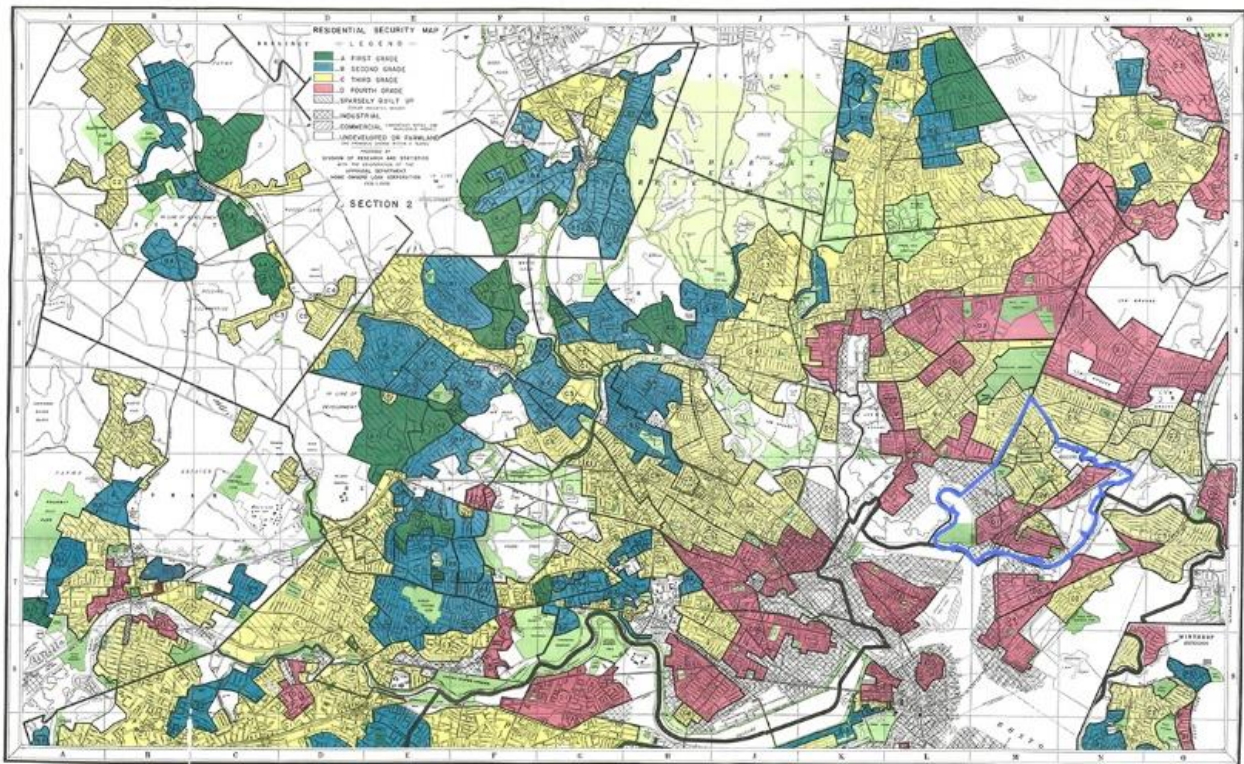
Similarly, communities have a range of direct and indirect tools to limit discrimination and aid fair housing choice. Direct tools could include spending funds to provide housing access to members of protected classes or addressing complaints of housing discrimination. Indirect tools could include creating regulatory systems that encourage housing that is accessible to members of protected classes. This chapter assesses both impediments to fair housing choice and potential tools to increase fair housing choice in Chelsea given that they are often related.

Structural Barriers to Fair Housing

Legacy of Exclusionary Past

- The housing market in greater Boston was significantly shaped by a practice we now call "redlining," which determined where and for whom mortgage lending was made available. Through this practice, the federal government produced maps that stated investment worthiness by neighborhood. Neighborhoods where the majority of residents were people of color or other ethnic or religious minorities (especially Black people) were marked red or "hazardous" on the maps. Any level of racial integration was seen as a sign of "decline," and marked yellow.
- Chelsea was classified either red ("hazardous") or yellow ("declining"), depending on the area of the city. This meant that the city as a whole would have had access to far fewer resources than its whiter neighbors to the west such as Arlington, Lexington, and Winchester, shown on the map above in green ("best") or blue ("still desirable").
- While redlining maps were formally banned in 1968 with the passage of the Fair Housing Act, their legacy is reflected today in modern zoning ordinances. Across Greater Boston, most districts that were favorably categorized in the redlining maps of the last century are the lower-density zoning districts of today. This holds true in Chelsea, where the areas north of Broadway, previously categorized as yellow, are predominantly zoned for single

family dwellings. The areas previously categorized red are largely business and multifamily districts.



- Regional segregation was further embedded through racially restrictive covenants, contractual agreements written into property deeds that prevented homeowners from selling or renting their home to non-White households.

Fair Housing in High-Cost Markets

- High-cost housing markets like Greater Boston further exacerbate the challenges that protected classes face when seeking housing. They disproportionately impact protected classes with lower incomes, despite the structure of housing costs being neutral on its face.
- If the need for affordable housing outstrips the supply, as it does in Chelsea, most low-income protected classes have no choice but to seek private housing regardless of the inherent challenges. If they cannot afford the available housing and must choose to live elsewhere or choose to live in housing that is substandard or overcrowded, then housing costs have effectively limited fair housing choice in a community.

Local Policies and Tools

While there is no formal fair housing law at the local level, Chelsea has numerous policies, programs, and resources that affect the housing market and thus fair housing. Among these are plans and policies for housing and development, governance structures like commissions, code

enforcement, and resources that the Town expends on housing matters that impact fair housing.

Housing Policy and Development

- Lower density neighborhoods tend to be both whiter and wealthier in Chelsea. This segregation is a direct result of the types of housing that zoning allows in particular neighborhoods and illuminates a clear barrier to fair housing choice in Chelsea. Single family homes are expensive housing products. Multifamily housing distributes land costs across multiple units, meaning they are naturally lower in cost.
- Limiting multifamily housing development results in a housing supply that cannot and will not meet the need of Chelsea residents, potentially pricing out and displacing vulnerable groups and those in protected classes who are more likely to rely on multifamily housing to meet their housing needs. For example:
 - The R1 district makes up a significant portion of all land zoned for residential uses in Chelsea. It allows only one- and two-family homes with large minimum lot size and setback requirements.
 - Chelsea does not currently have an Accessory Dwelling Unit (ADU) ordinance. ADUs tend to be good options for the elderly, multi-generational households, and people with lower incomes.
 - Even in the R2, R3, BR, and WU districts where multifamily housing is an allowable use, there are significant constraints and barriers to developing multifamily housing that limit fair housing access in Chelsea, particularly for affordable housing developers. These include parking requirements, side yard and frontage requirements, minimum lot size, and maximum lot coverage.
- Chelsea's inclusionary policy, adopted in 2017, requires that any new construction or substantial improvements that will result in the development of 10 or more units must provide 15% of all units as affordable housing. Affordable homeownership units must be affordable to households earning 80% Area Median Income (AMI) and rental units must be affordable to a rotating mix of 30%, 50%, and 80% AMI. This depth of affordability is unusual in an inclusionary policy but is in alignment with local need.
- Other progressive aspects of the inclusionary policy include: requiring a high bar for use of an in-lieu fee, making it more likely that units will be built more quickly because they will be built immediately as part of market-rate development; generating resources for Affordable Housing Trust Fund (AHTF) by allowing fractional payments in cases where a fraction of an affordable unit is required; providing a first right of refusal for the AHTF to purchase for-sale affordable housing units; and allowing for additional density bonuses that go above and beyond the requirements of the policy.
- Chelsea's Condominium Conversion Ordinance requires that a building owner seeking a condominium conversion must: provide tenants with one-year notification of the intended conversion (for seniors, disabled, and low-income residents, the notification period is two years); offer the tenant first right of purchase for the unit they occupy; provide relocation expenses and assistance for those who choose not to purchase their unit (up to \$750 per

tenant or \$1,000.00 if the tenant is elderly, handicapped, or low- or moderate-income).

- First established in 2017, Chelsea's Human Rights Commission (HRC) is granted the authority to initiate and conduct hearings, as well as conduct investigations into the existence of unlawful discrimination or denial of equal access to housing. Despite this charge, the HRC is not currently active on fair housing issues, nor does it meet regularly. A public log of recent meetings shows only agendas for one meeting in 2021 and one meeting in 2023, and there are not published meeting minutes for many meetings. The Commission does not currently act in an advocacy capacity.
- Chelsea's Housing Code Ordinance requires that all rental units in the city be inspected by the Inspectional Services Department (ISD) at least every five years and whenever there is a change of tenancy. Units receive a Certificate of Habitability (COH) if found compliant, otherwise they must repair or resolve any outstanding items to receive the COH.

Local Resources

- Chelsea receives annual Community Development Block Grant (CDBG) funds of \$825,000 through the state's Mini-Entitlement Program, which is intended to help larger urban communities with high needs that do not receive a direct CDBG allocation from the federal government. Funds can be used for numerous activities serving low- and moderate-income populations, including but not limited to housing activities.
- As a part of the federal HOME Investment Partnerships Program, Chelsea receives funding collectively with eight nearby municipalities through an inter-municipal cooperative called the North Suburban Consortium (NSC).
- Chelsea adopted the Commonwealth's local-option Community Preservation Act (CPA) in 2016, which adds a surcharge to annual property tax bills and provides additional state funding that must be used for specific purposes like affordable housing. In Chelsea, CPA is assessed as 1.5% of the property tax, with exemptions for low-income households and on the first \$100,000 of assessed value for all properties. Between the local surcharge and the state match, Chelsea has raised nearly \$5.5 million in CPA funds since 2017.
- Chelsea's Affordable Housing Trust Fund (AHTF) and its Board were established in 2005 in Section 18 of the City's Administrative Code, and in 2016 was revived after a period of dormancy.
- The 2021 federal American Rescue Plan Act (ARPA) provided funding directly to state and local governments to address the economic impact of the COVID-19 pandemic. Chelsea received approximately \$40 million in ARPA from the state and federal governments. Of these funds, approximately \$3.5 million was allocated for housing: \$2.2 million to increase equitable affordable, mixed income, and workforce housing opportunities; and \$1.3 million to support housing stability initiatives and programs to prevent evictions and displacement.

Local Programs

- In 2020 Chelsea launched a Housing Legal Clinic to assist residents facing eviction or other housing issues resulting from housing instability related to the onset of the COVID-19 pandemic and in preparation for the eventual expiration of the statewide eviction moratorium. Residents experiencing eviction threats or eviction proceedings, landlord disputes or harassment, and building code or safety issues can seek assistance from the clinic's attorneys and housing specialists.
- The City of Chelsea operates an emergency housing and homelessness prevention program which provides unhoused households with assistance accessing shelter, as well as temporary placements in local hotels while shelter applications are pending. The program has been a crucial resource to support families who are ineligible for shelter, as well as families awaiting placement.
- Chelsea's Homeowner Stabilization Program is available to homeowners of single to four-family homes who are struggling to receive rental income or pay their mortgages and utilities, due to the impacts of COVID-19. This program was intended to be a temporary pandemic response, and funding is not expected to be extended after the current allocation.
- Chelsea offers loans of up to \$10,000 to income-eligible applicants, purchasing eligible properties, which include condominium units and single-family residences. Assistance is provided in the form of a 0% interest, deferred payment loan. If a recipient continues to own and reside in the property for five years, the loan will be forgiven and become a grant.
- Chelsea offers a number of home improvement resources. The City's Housing Rehabilitation Program provides deferred-payment loans to for housing rehabilitation in 1-4 unit residential buildings to bring the property into code compliance and eliminate violations that threaten the health and safety of building occupants. The Get the Lead Out Program provides low and no-interest-rate financing to help homeowners, investor-owners and nonprofits remove lead paint from their properties. The Community First Partnership with Mass Save, which Chelsea participates in with Revere and Winthrop, assist residents with accessing cost-saving energy reduction measures through Eversource and National Grid.

Chelsea Housing Authority

- The Chelsea Housing Authority (CHA) is the local public housing authority serving the Chelsea community. The CHA owns and operates income-restricted affordable rental housing and administers rental housing vouchers that help to pay market rents for low-income households in private housing.
- CHA oversees a total of 914 units in eight developments. Each individual development serves either a mix of seniors and disabled residents (an "elderly/ disabled" development) or the population generally (a "family" development).

- The Chelsea Housing Authority's Administrative Plan states that the preference order is:
- Residence (people who live, work, or have been hired to work in Chelsea)
 - Veteran/Active Serviceperson
 - Victim of Domestic Abuse

Housing Stock

- Chelsea has a relatively diverse housing stock in terms of unit types, with a share of units spread relatively evenly across single family and duplex homes, homes in small multifamily buildings of 3-10 units, and homes in multifamily buildings larger than 10 units. Likewise, there is a relatively even mix of studios and one-bedroom units, two-bedroom units, and units with three or more bedrooms. However, Chelsea's high share of large households means higher demand for large units than in other communities.
- Like many Massachusetts municipalities, Chelsea's older housing stock means that most of its housing was built before the enactment of lead paint laws or accessibility regulations. This means that, without modifications, many of its units may not meet the needs of certain protected classes such as residents with disabilities or families with children.
- Since 2010, Chelsea has added 2,621 new housing units in 18 properties. These new buildings have been entirely 3-star and 4-star buildings as ranked by CoStar, an industry database, meaning that the new buildings are considered higher-end than much of Chelsea's existing housing. While this is typical of new construction, it means that outside of units built through Chelsea's inclusionary zoning policy, new market-rate housing is likely out of reach of many of Chelsea's residents.
- In 2021, overcrowding in Chelsea was notably high:
 - 11.8% of all renter-occupied units had 1.01 or more occupants per room, more than double the rate in the comparison region (5.1%)
 - 9.6% of all owner-occupied units had 1.01 or more occupants per room, more than five times the rate in the comparison region (1.8%)
- In general, homeownership in Chelsea is unequally distributed in terms of race and ethnicity. Householders of Hispanic/Latino origin own a disproportionately small share of Chelsea's ownership housing stock. 52.6% of Chelsea householders are Hispanic/Latino, but only 41.7% of ownership housing in Chelsea is occupied by a Hispanic/Latino householder. However, Hispanic/Latino homeownership is higher in Chelsea than in the comparison region: 16.4% of the region's householders are Hispanic/Latino, and only 9.1% of the region's ownership housing is occupied by Hispanic/Latino householders.
- A Digital Equity Plan conducted by MAPC for Chelsea, Everett, and Revere found:
 - 19% of households in Chelsea do not have a wired internet connection, 6% higher than the average in the State of Massachusetts.
 - 13.5% of households have access to the internet via a smartphone only.

Housing Market

- Black and Hispanic or Latino mortgage applicants in Chelsea make up a lesser share of the application volume when compared to the general population and experience (generally) greater rates of denial for home loans in comparison to their white and Non-Hispanic or Latino counterparts. This data suggests that people of color may face meaningful barriers when pursuing mortgages and homeownership opportunities in Chelsea. Additionally, when people of color are approved for loans, they are more likely to receive high-cost loans, showing that discriminatory patterns in mortgage lending may present significant impediments to fair housing access in Chelsea and the region.
- At both a local and regional level, male mortgage applicants far outnumber female applicants. This suggests that women still face many barriers to housing upstream of the loan application process. This disparity could be due to endogenous factors in the homebuying process (such as discrimination by real estate agents or mortgage brokers), as well as external discriminatory factors, such as lower pay among women, that would suppress loan applications.
- When taken together with other lending patterns for both Chelsea and the region, this data suggests that any barriers to access experienced by people of color are likely to be even greater for women of color.
- According to academic research as well as engagement conducted as part of this plan, real estate professionals continue to be a source of housing discrimination in Chelsea. Research conducted by the Boston Foundation, Suffolk University Law School, and Analysis Group in 2020 demonstrated that real estate owners, agents, brokers, and property managers in 11 greater Boston communities (including Chelsea) actively discriminate against tenants by race and source of income. The study revealed discrimination against Black people in 71% of conducted tests, and discrimination against housing voucher holders in 86% of tests.
- Chelsea has been a lower-cost area within the greater Boston region for a long time. As housing prices rise, Chelsea's lower-cost housing stock will likely increasingly be repositioned for higher-income occupants, posing a real risk of exacerbating community-level gentrification-related displacement.
- Chelsea's Subsidized Housing Inventory (SHI) currently has 2,416 units. Of those, 1,129 SHI units (47%) have an expiry date for their affordability, including 273 units in 5 projects will reach the end of their affordability period before 2030. Another 516 units in 12 projects are set to expire between 2030-2039. If those restrictions aren't renewed, low-income residents are at risk of eviction and displacement.

Fair Housing Education & Enforcement

- While fair housing laws have been in existence for decades, fair housing violations persist. This is due in part due to a lack of education on the rights and obligations created by

these laws, as well as a lack of enforcement against fair housing violators.

- The federal government has delegated most enforcement responsibility to the Massachusetts Commission Against Discrimination (MCAD), which has limited funding to pursue fair housing complaints across the Commonwealth.
- There is currently only one area nonprofit organization working on fair housing issues that regularly receives HUD funding: the Suffolk University Law School Housing Discrimination Testing Program. Until 2018, the Fair Housing Center of Greater Boston was another regular HUD-funding recipient, but it closed due to funding constraints. Greater Boston now lacks a standalone fair housing organization.
- The most striking information revealed from the MCAD discrimination complaints is the sheer lack of complaints. Qualitative data from public engagement and project partners indicates a level of housing discrimination that is far higher than 10-20 cases per year. Thus, while it is important to consider the data we have, perhaps the most important takeaway is that the overwhelming majority of discrimination goes unreported. Given the likely severe underreporting of discrimination, any conclusions drawn from this data must be treated with caution.
- The highest number of complaints—nearly half—were related to disability. Even given the small number of complaints overall, it is reasonable to conclude that discrimination based on disability is likely a major issue.
- In addition to the difficulties in drawing conclusions because of the small number of complaints, it is important to remember that this data is not a snapshot of discrimination overall, but of reported discrimination. Though all categories are almost certainly underreported, discrimination based on national origin—the second highest category—is particularly likely to be underreported due to language barriers and residents’ fears about drawing attention to their immigration status. This data should not be interpreted to mean that discrimination based on national origin, or any protected class for that matter, is not an issue. Rather, when discrimination occurs it is unlikely to be reported through formal channels and barriers to reporting discrimination are high.

Recommendations

The last chapter of this Fair Housing Plan provides recommendations to address specific aspects of Chelsea’s laws and institutions to improve fair housing choice. If implemented, these recommendations will serve as an effective basis for affirmatively furthering fair housing by reducing patterns of segregation, mitigating displacement, addressing disproportionate housing needs, and increasing access to opportunity for members of protected classes.

The recommendations offered here will not solve the fair housing crisis on their own. Nonetheless, they represent a collection of policies and programs that Chelsea can implement at the local

level, as well as advocate for at the State level, to limit harm to vulnerable populations and advance the cause of justice. If the community can rally around fair housing access and use these resources with intention, Chelsea will be able to materially advance fair housing in the city.

This plan seeks to advance eight goals during the course of this five-year Fair Housing Plan. These goals and their accompanying strategies are described as follows:

1. Address barriers that limit access to housing for residents, including cost, legal, and navigational barriers.

These strategies address barriers residents experience accessing housing, including housing court record verification, CORI and background checks, credit checks, the cost of lease up fees and in particular broker's fees, informal or insufficient income, and navigational barriers to completing applications for market rate and Affordable Housing. This goal also includes strategies that respond to climbing rents and utility costs, which continuously undermine residents' ability to access stable housing.

2. Increase the supply of affordable housing through both production and preservation mechanisms.

This goal includes strategies to increase the supply of affordable housing, through both production and preservation. Strategies address the high and rising cost of Affordable Housing development and the complexity and shortage of financing for Affordable Housing projects. They call attention to the lack of specific housing types, and relatedly, the need for population specific housing, such as family-sized housing, supportive housing for seniors and older adults, housing for disabled residents, housing for formerly homeless youth and young adults, and housing for low-income single individuals. In addition to tools for increased production, this section also addresses the need for tools to prevent the loss of naturally occurring affordable housing (NOAH).

3. Address poor housing conditions and mitigate future issues by improving processes and policies for reporting and enforcement.

Strategies for this goal relate to mitigating and addressing poor housing conditions faced by residents, as well as improvements to processes and policies related to reporting and enforcement of housing conditions.

Over 65% of Chelsea's housing stock was built before 1939, increasing exposure to health hazards such as lead paint, poor ventilation, and faulty plumbing. Disinvestment by absentee landlords and investor owners further undermines the health and the safety of low-income residents. When renters face substandard housing conditions, the process for seeking repairs is often out of reach, and renters, especially immigrant and undocumented residents, fear retaliation and harassment. Residents have expressed discomfort seeking assistance from the City, either because of the inaccessibility and opacity of the process for filing housing complaints, or because of negative interactions experienced with staff.

4. Improve housing stability by preventing incidents of displacement and addressing the

root causes of displacement.

This goal includes strategies to prevent incidents of displacement and to address the root causes of displacement. They focus on supporting the long-term economic stability of households in Chelsea and they also address the need to continue expanding a robust local safety-net for residents facing homelessness and displacement (one that addresses the needs of specific vulnerable populations including seniors and older-adults). A local safety-net includes both programs that bolster access to critical state and federal programs, supplemented by local programs that aid residents who are excluded from accessing state and federal programs.

5. Improve the process for enforcing fair housing regulations.

The strategies for this goal pertain to enforcement initiatives, which encompass the processes for making complaints when discrimination occurs, investigation of potential violations, fines and penalties for violations, deterrents to discrimination, and support for residents who are subject to discrimination. The recommendations consider the racial and economic inequities that exist in Chelsea and the prevalence of predatory and discriminatory practices which further undermine residents' rights, wellbeing, and economic opportunities. Strategies also focus on the navigational and supportive services that are needed to accompany enforcement efforts and ensure reporting practices are accessible to residents who may have concerns or doubts about these programs.

6. Increase homeownership opportunities for low- and moderate-income residents to promote wealth building and protect homeowners facing economic hardship.

This goal provides strategies to increase homeownership opportunities for low- and moderate-income residents as well as recommendations to increase protections for low- and moderate-income homeowners facing economic hardship. Homeownership promotes wealth building and the possibility of longer-term economic stability. Reducing the structural barriers that people of color and low-income individuals have faced to accessing homeownership is crucial to addressing racial wealth disparities.

7. Enhance civic engagement and education around fair housing issues.

These strategies focus on opportunities for trust-building between the City and Chelsea residents through culturally-appropriate programming, housing education workshops, and alternative reporting models that center community leaders.

8. Increase opportunities for upward mobility regardless of immigration or socioeconomic status.

The final goal includes strategies that pertain to increasing opportunities for upward economic mobility, which encompasses the opportunities individual residents and communities have to increase economic status and wellbeing. There are many indicators of upward economic mobility including opportunities to access employment, increased income, wealth-building, education, positive health outcomes, and homeownership. Ensuring residents are able to access upward mobility, regardless of immigration or

socioeconomic status, is essential to ensuring existing residents can remain in the community for generations.

Recommendations marked as *~PRIORITY STRATEGY~* or *~PRIORITY POLICY~* were selected by the community as high priority items during the direct engagement process.

Goal 1: Address barriers that limit access to housing for residents, including cost, legal, and navigational barriers.

- **Strategy 1.1:** Work with the Governor’s administration to simplify and improve the accessibility of waitlists for public housing and state/federal voucher programs.
- **Strategy 1.2:** Consider limiting the use of background checks to disqualify tenants who are being screened for Chelsea Housing Authority properties and make clear that SSNs are not required for state-funded CHA properties.
- **Strategy 1.3:** Adopt a language justice ordinance requiring the translation of City materials along with housing application materials for all units being marketed across the city.
- **Strategy 1.4:** Continue local rental assistance program for move-in costs and identify recurring funding streams.
- **Strategy 1.5:** Establish a culturally-relevant housing search program, expanding on existing bilingual rapid rehousing and housing search programming in the City.
- **Strategy 1.6:** Establish a housing program focused on the needs of newly-arrived residents that integrates housing with other wraparound services.
- **Strategy 1.7:** Implement a local Landlord Incentive/Guarantor Program designed to support residents seeking to rent a new unit with overcoming barriers to accessing new housing.
- **Strategy 1.8:** Promote credit rebuilding programs and create population-specific programming for victims of domestic violence along with youth and young adults.
- **Strategy 1.9:** Advocate for state-level policies that advance local priorities related to housing access.
 - Rent stabilization *~PRIORITY POLICY~*
 - Eviction sealing
 - Massachusetts Rental Voucher Program (MRVP) expansion

Goal 2: Increase the supply of affordable housing through both production and preservation mechanisms.

- **Strategy 2.1:** Enact an SRO Preservation Ordinance, providing the City with tools to intervene in the sale and conversion of SROs, provide tenant protections, and prevent the displacement of residents.
- **Strategy 2.2:** Support the production of permanent supportive housing units through technical assistance, planning, design, and financing.
- **Strategy 2.3:** Adopt an Affordable Housing Overlay Zoning District to incentivize the development of deed-restricted Affordable Housing. *~PRIORITY STRATEGY~*
- **Strategy 2.4:** Establish an Accessory Dwelling Unit (ADU) Ordinance and Financing Program, intentionally structured as a tool for increasing the supply of affordable rental housing, bringing illicit units up to code, and supporting low- and moderate-income homeowners with new sources of rental income.
- **Strategy 2.5:** Amend the City's Inclusionary Zoning Ordinance to promote the production of family-sized housing and increase the number of ADA-accessible units.
- **Strategy 2.6:** Utilize creative financing strategies to acquire and preserve properties with naturally-occurring affordable housing (NOAH) units.
- **Strategy 2.7:** Seed a flexible capital pool to allow the City, Affordable Housing Trust Fund, and Affordable Housing developers to compete with market-rate developers in acquisitions.
- **Strategy 2.8:** Redevelop Chelsea Housing Authority properties to add increased density at existing sites and make use of vacant and underutilized land owned. *~PRIORITY STRATEGY~*
- **Strategy 2.9:** Advocate for state-level policies that advance local priorities related to the production and preservation of affordable housing.
 - Real estate transfer fee *~PRIORITY POLICY~*
 - Reform to Affordable Housing financing programs
 - Targeted tax relief and HDIP reform
 - Dedicated funding for housing specific subpopulations
 - Expansion of Chapter 40T
 - Dedicated funding stream for NOAH

Goal 3: Address poor housing conditions and mitigate future issues by improving processes and policies for

reporting and enforcement.

- **Strategy 3.1:** Address barriers to filing housing complaints and oversee the modernization of Chelsea's Inspectional Services Department (ISD).
- **Strategy 3.2:** Establish a tenant anti-harassment and anti-displacement policy that protects tenants from retaliation when filing housing complaints and includes provisions protecting tenants in illegal or overcrowded units.
- **Strategy 3.3:** Establish a rodent control program along with adopting a local policy requiring construction projects to submit a rodent control plan and imposing tighter standards for baiting and control on site.
- **Strategy 3.4:** Establish an indoor air quality and sound insulation program to protect properties from elevated air and noise pollution.
- **Strategy 3.5:** Establish a mold abatement program to remediate and prevent mold growth.
- **Strategy 3.6:** Establish a repair incentive program that provides financing to homeowners to make meaningful repairs to buildings while improving the safety and quality of housing.
- **Strategy 3.7:** Advocate for state-level policies that advance local priorities related to improving housing conditions.
 - Increased funding for public housing

Goal 4: Improve housing stability by preventing incidents of displacement and addressing the root causes of displacement.

- **Strategy 4.1:** Institutionalize funding for local anti-displacement, housing stability, and safety-net programs that were developed by the City during the pandemic in conjunction with local partners. *~PRIORITY STRATEGY~*
- **Strategy 4.2:** Strengthen City's condo conversion policy to include additional provisions that protect tenants.
- **Strategy 4.3:** Increase the surcharge rate for the Community Preservation Act (CPA) from 1.5 to 3% via ballot referendum while continuing current exemptions.
- **Strategy 4.4:** Institutionalize funding for the city's existing legal services program and enhance the program with increased capacity to pursue affirmative cases and test novel legal strategies.

- **Strategy 4.5:** Implement a local program focused on providing navigational services and advocacy to assist residents in accessing relief from utility costs, as well as funding to supplement LIHEAP.
- **Strategy 4.6:** Expand capacity and identify permanent funding for the City’s existing emergency housing and homeless prevention program.
- **Strategy 4.7:** Continue to plan proactively for the loss of Affordable Housing units at the expiration of affordability restrictions and invest in these preservation efforts.
- **Strategy 4.8:** Institutionalize navigational services that support residents in accessing state and local programs.
- **Strategy 4.9:** Advocate for state-level policies that advance local priorities related to the preventing and addressing the root causes of displacement.
 - Tenant’s right to counsel
 - Reform to Emergency Assistance shelter program
 - Reform to RAFT program
 - Increased funding to LIHEAP

Goal 5: Improve the process for enforcing fair housing regulations.

- **Strategy 5.1:** Enhance the City’s existing “Good Standing” policy to remove the option to appeal, increase fines, implement a more comprehensive review process, and ultimately require developers to remedy poor conditions and pay fines to advance new development projects.
- **Strategy 5.2:** Revamp the Human Rights Commission as a Fair Housing Committee with a visible and accessible process for receiving fair housing complaints, guiding residents to testing and enforcement options, and educating the public on fair housing laws and resources.
- **Strategy 5.3:** Implement a local fair housing testing program in partnership with legal fair housing groups, law schools, and the AGO to conduct testing for discrimination based on protected class, establish capacity to publicize/pursue legal action for discrimination, and establish referral system to AGO.
- **Strategy 5.4:** Offer enhanced legal services program focused on fair housing enforcement that could include additional capacity to press affirmative cases and novel legal strategies that seek to enforce fair housing violations.
- **Strategy 5.5:** Advocate for state-level policies that advance local priorities related to the

enforcement of fair housing regulations.

- Increase fines/penalties for housing discrimination

Goal 6: Increase homeownership opportunities for low- and moderate-income residents to promote wealth building and protect homeowners facing economic hardship.

- **Strategy 6.1:** Utilize community land banking models, temporary ownership entities which can serve the role of acquiring and holding land for future strategic development plans.
- **Strategy 6.2:** Work with the Governor's administration to institute reforms to Commonwealth Builder.
- **Strategy 6.3:** Establish a local first-generation homebuyers' program for eligible households that provides down payment assistance for the purchase of a home, aiming to address generational wealth disparities that have structurally excluded people of color and other marginalized populations from accessing homeownership opportunities.
- **Strategy 6.4:** Invest in a financing and development program to support low- and moderate-income homeowners with wealth building by allowing them to purchase two- and three-family homes as a primary residence and renting the other unit(s) at an affordable rate.
- **Strategy 6.5:** Continue and expand the existing Homeowner Stabilization Fund to provide direct assistance to homeowners at risk of displacement.
- **Strategy 6.6:** Advocate for state-level policies that advance local priorities related to increasing homeownership opportunities for low- and moderate-income residents.
 - Passage of the Tenant Opportunity to Purchase Act (TOPA) enabling act
 - Expansion of MassDreams

Goal 7: Enhance civic engagement and education around fair housing issues.

- **Strategy 7.1:** Conduct an annual public education campaign along with targeted trust-building efforts that raise awareness about developing local issues, provide residents with information about their rights and available resources, and build meaningful trust and engagement with residents around issues related to fair housing.

- **Strategy 7.2:** Host housing education workshops encompassing a variety of topics related to housing and economic stability and provide a venue to share information on tenant rights, resources, and local programs.
- **Strategy 7.3:** Institute community-based monitoring and reporting models that create trusted community access points where residents would be able to raise housing condition issues to designated community leaders.

Goal 8: Increase homeownership opportunities for low- and moderate-income residents to promote wealth building and protect homeowners facing economic hardship.

- **Strategy 8.1:** Implement zoning that requires or incentivizes on-site, ground-floor childcare in new medium and large residential developments that is accompanied by a local subsidy program to support the development of facilities.
- **Strategy 8.2:** Implement citywide public broadband to deliver Wi-Fi to all neighborhoods, improving connectivity and reducing costs.
- **Strategy 8.3:** Establish a local tuition subsidy program that provides funding to low-income residents enrolling in educational programs, particularly to undocumented students who are not offered in-state tuition rates at Massachusetts schools.
- **Strategy 8.4:** Enhance local economic mobility and workforce development programming.

Chapter 1:

Introduction

The Chelsea Fair Housing Plan addresses equitable access to housing choice in the City of Chelsea. Since the passage of the Federal Fair Housing Act of 1968, all communities that receive funding from the US Department of Housing and Urban Development (HUD) have had an obligation to “affirmatively further fair housing.” The ultimate goal of fair housing efforts is to eliminate housing discrimination and residential segregation. This plan aims to advance these objectives through analysis of existing conditions and recommendations for concrete action that the City can undertake.

What is Fair Housing?

Fair housing laws seek to end residential discrimination and segregation based on characteristics that are often (though not always) personal and immutable. These characteristics are called “protected classes” in fair housing law. While the landmark fair housing legislation is the federal Fair Housing Act of 1968, there is actually a constellation of laws at the federal and state levels that protect against discrimination in housing, some of which specify additional protected classes.

Federal fair housing laws specify the following protected classes, meaning it is illegal to discriminate based on any of these characteristics:

- Race
- Color
- National origin
- Religion
- Sex
- Familial status (presence of children)
- Disability

Massachusetts law goes further than federal law to extend fair housing protections based on additional characteristics:

- Age (40 and older)
- Marital status
- Genetic information

- Sexual orientation
- Gender identity
- Veteran or active military status
- Source of income (e.g., Section 8 voucher)
- Arrest record

Fair housing is rooted in the civil rights movements of the 1960s. The Fair Housing Act was passed by Congress one week after the assassination of Martin Luther King, Jr.

In accordance with state and federal law, housing providers, real estate professionals, and the City of Chelsea must not discriminate on any of the above bases, whether or not that discrimination is intentional. The City must also affirmatively work to end any discrimination and promote integration across protected classes.

Housing discrimination can mean many things, including refusing to rent or sell housing to people of certain protected classes, steering them towards certain neighborhoods or buildings, or providing different rent and lease terms, application requirements, appraisals, or sales and mortgage prices to members of protected classes. While it can be very obvious, such as when a landlord refuses to rent to voucher holders to families with kids, other forms of discrimination can also be hard to identify as an individual. For example, a person may not know that they're being charged an extra security deposit or being subjected to additional applications requirements like credit or background checks.

Even if a landlord doesn't blatantly refuse to rent to someone, there can still be discrimination. Examples of this include delayed responses or "ghosting" applicants, saying the unit has been rented when it hasn't, and advertising targeted towards certain populations. Discrimination can also occur after the unit is occupied, such as when a landlord refuses to undertake needed maintenance improvements because tenants are of a protected class.

Legal Framework for Fair Housing

Fair housing laws make it illegal for people and businesses providing housing to discriminate based on protected classes. Because of these laws, for example, a landlord cannot exclusively rent their property to Christians, real estate brokers cannot steer Black clients away from predominantly White neighborhoods, and property managers must make reasonable accommodations for people with disabilities. All these practices and more would be illegal under both federal and Massachusetts laws. Fair housing law emerged in response to ongoing discrimination in housing against historically marginalized and oppressed groups, but the laws are written to prevent all such discrimination. Though these laws are important to understand, the fact that the laws are in place does not mean discrimination no longer exists.

The City of Chelsea does not have explicit fair housing laws or laws that otherwise reference housing and protected classes, but housing providers are still subject to federal and state laws.

However, several municipal commissions deal directly with fair housing and/or the needs of protected classes. Numerous local policies and programs also relate to fair housing either directly or indirectly. Clear local policies and procedures will increase public understanding of fair housing and help ensure that fair housing concerns are addressed consistently.

Federal Laws

Chelsea is subject to numerous federal statutes and regulations that mandate fair housing practices. The Fair Housing Act (Title VIII of the 1968 Civil Rights Act) establishes fair housing standards nationwide, prohibiting discrimination by race, color, national origin, religion, sex, disability, and family status (presence of children). The act covers a wide number of practices, including discrimination in the sale or rental of housing, marketing of housing, mortgage lending, harassment, reasonable modification of a home for disability accessibility reasons, and interference with the exercise of fair housing rights. Virtually all housing in the United States is covered under the act.

The Fair Housing Act prohibits housing discrimination, whether intentional or not. The Supreme Court held in 2015's *Texas Department of Housing and Community Affairs v. Inclusive Communities Project* that the Fair Housing Act prohibits practices that have "disparate impact" on protected classes, regardless of intention. Victims of this kind of indirect discrimination must show a direct connection between a given policy and disparate impact on a protected class, and, if the defendants claim and courts find the policy serves a legitimate non-discriminatory purpose, that there is an alternative non-discriminatory way to achieve that purpose. Though these disparate impact claims could be harder to prove than direct discrimination, they are important in preventing the subterfuge of discriminatory practice into an apparently polite, neutral form.

Additional statutes, regulations, and executive orders extend fair housing requirements to activities funded by the federal government, create additional requirements related to certain protected classes (particularly people with disabilities), and extend some fair housing protections to additional protected classes (age groups, victims of domestic violence or sexual assault, and others). Many of these laws specifically deal with federally funded or federally coordinated programs. Fair housing requirements are a component of several high-profile federal laws, including the Americans with Disabilities Act, Title IX of the Educational Amendments Act, and the Violence Against Women Act.

State Laws

Massachusetts has its own fair housing law contained in M.G.L. Chapter 151B. The statute duplicates the prohibitions against discriminations laid out in federal law and identifies additional prohibited practices and protected classes. In addition to race, color, national origin, religion, sex, disability, and family status, Chapter 151B also covers gender identity, sexual orientation, age, presence of children, ancestry, marital status, genetic information, veteran or military status, and source of income (such as the use of Housing Choice Vouchers). Additionally, Massachusetts state law includes protections for victims of domestic violence, rape, sexual assault, or stalking. M.G.L. Chapter 186, Section 24 permits survivors to terminate a rental agreement or tenancy without incurring associated penalties, enabling them to leave unsafe housing situations.

Changing Landscape of Fair Housing

Fair housing has been a regular part of our regional discourse for decades, especially as it relates to race in cities and suburban areas. The history of the fair housing movement in Greater Boston is complex and controversial. There was rarely consensus amongst advocates and policymakers on the value of fair housing efforts. Even when community efforts aligned behind fair housing, symbolic wins were often prioritized over material progress on fair housing goals.

There has been a period of significant flux in fair housing law. The 1968 Fair Housing Act requires that all communities receiving HUD funds (such as Chelsea) “affirmatively further fair housing” (AFFH), though the law gives no definition for what that entails. Since 1988, HUD has accepted the production of an “Analysis of Impediments to Fair Housing Choice” (AI) as fulfilling the AFFH requirement. The rules around the format and content of an AI were loose, and in 2009, HUD found many communities’ AIs were out of date or unacceptable.

To address this and other issues, HUD finalized the first regulations to implement the AFFH obligation in 2015. The rules required communities that receive HUD funding to regularly draft an “Assessment of Fair Housing” (AFH) as part of the HUD granting process. The AFH is a highly regulated document with clear rules for content and regular updates. It required communities to examine more thoroughly the existence of residential discrimination and segregation, and (in theory) act to address those concerns. However, implementation of the 2015 rules and the AFH plan were suspended by HUD in 2018 as a new administration sought to reverse course.

Currently, an AI is once again the required document to meet the AFFH obligation under the Fair Housing Act. This Fair Housing Plan is meant to fulfill the requirements of an AI, while supporting the spirit of the AFFH rule and acknowledging, though not fulfilling, the standards of an AFH.

In 2023, HUD announced its intention to build on and refine the 2015 rule that was reversed in 2013.¹ This would again statutorily mandate that funding recipients demonstrate that they are affirmatively further fair housing. A final announcement on the proposed rule is pending.

Planning Process & Engagement

The Chelsea Fair Housing Plan was developed from 2022 to 2023 by the City of Chelsea in partnership with the Metropolitan Area Planning Council (MAPC). The plan was funded by the City of Chelsea through the Community Development Block Grant Program and through MAPC’s Technical Assistance Program (TAP).

The community engagement process for the Chelsea Fair Housing Plan took place from December 2022 to September 2023. While the Fair Housing Plan includes an extensive technical analysis portion, many protected classes and residents’ experiences are not represented in quantitative or demographic data. Throughout the process, we heard from over 325 individuals who live or work in Chelsea about their stories and experiences with seeking or keeping housing in Chelsea and housing discrimination. The findings from the engagement opportunities has been integrated

¹ <https://www.hud.gov/sites/dfiles/FHEO/documents/AFFH%20Fact%20Sheet.pdf>

throughout this plan.

Advisory Committee

The Chelsea Fair Housing Plan Advisory Committee met multiple times throughout the course of this project. Committee members acted as a sounding board for ideas regarding the plan content and process, shared their personal and professional expertise, and utilized their community connections to support resident engagement.

The Advisory Committee included membership from the following organizations:

- Affordable Housing Trust Fund Board (AHTFB)
- City of Chelsea Law and Diversity, Equity and Inclusion Departments
- Chelsea Black Community
- GreenRoots
- Housing Authority
- La Colaborativa
- Resident Representatives
- The Neighborhood Developers
- Winn Development

Interviews

The engagement process started with stakeholder interviews with staff and leaders in local organizations or City departments, focused on their observations and experiences of fair housing challenges their clients or constituents have experienced. In the winter of 2022-23, the Community Engagement staff conducted interviews with:

- City of Chelsea, City Manager
- Chelsea Housing Authority, Executive Director
- Community Land Trust, Executive Director
- HarborCOV, Housing Manager
- Developer and Landlord, Arx Urban
- Religious leaders from Revival Church, Temple Emmanuel, and St. Lukes

Committee Visits

On February 9, 2023, the project team had its first visit with local committees and organizations at GreenRoots' February 2023 Monthly Members Meeting. In this session, the team presented a summary of fair housing law and led a discussion with the members in attendance about their experiences with housing challenges and discrimination. Members also filled out postcards sharing their stories and experiences of housing discrimination. Approximately 40 members of the public participated.

The next committee visit was with the Chelsea Housing Authority's resident committee on April 12, 2023. The team presented to about eight participants and heard feedback about experiences prior to living in public housing, gaining access to public housing, and while living in public housing.

Finally, on May 3, 2023, the team presented to The Neighborhood Developers' Housing Equity Committee at their virtual monthly meeting. Eight committee members were in attendance, of whom four were Chelsea residents. Again, project staff heard about experiences among Chelsea residents when attaining and maintaining housing. Given that this was hosted by a local non-profit developer, the group was dynamic in their familiarity with affordable housing development concepts, like AMI and required ratios of 30%-80% to satisfy costs.

Focus Groups

Understanding that fair housing is a sensitive topic, the project team decided to create focus group spaces for smaller, more intimate discussions. The focus groups were all held in-person, with two open to the general public and two dedicated to particular audiences we wanted to hear from: seniors, veterans, and youth. The following is a summary of the attendance at the three focus groups:

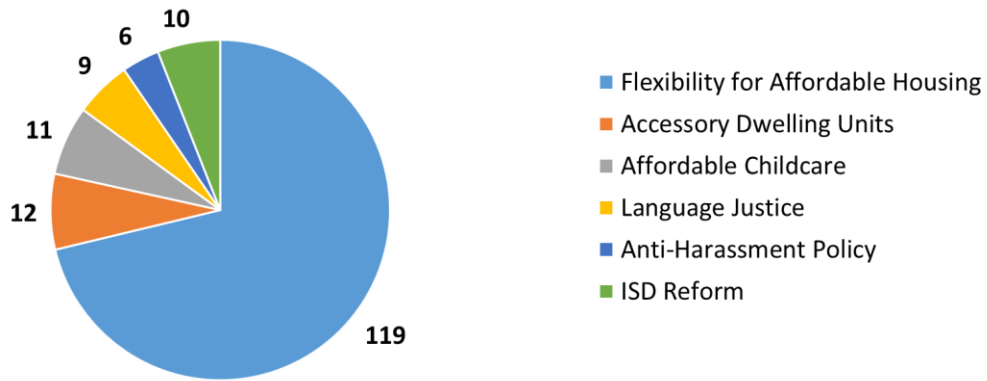
- Two general public focus groups – **37 members of the public** on March 7, 2023; **24 members of the public** on March 9, 2023
- One focus group with seniors and veterans – **8 residents, including 7 seniors and 2 veterans**, on March 22, 2023
- One focus group with youth – group of **8 youth** participating in the North Suffolk Mental Health Center's youth program on April 19, 2023

Direct Outreach Survey

The Chelsea Fair Housing survey was open from August 21 to September 11, 2023, and received 185 responses from Chelsea residents. The digital survey, which was hosted on the City's website and posted to social media channels, asked questions about a series of potential policy and programming initiatives at the local and state levels to address fair housing challenges. The survey was distributed to targeted audiences, including the Chelsea Eats list. In order to reach residents who may not have access to the internet or require language support, the project team worked with Spanish-speaking volunteers to survey residents in-person at a local non-profit agency's food pantry and basic necessities program.

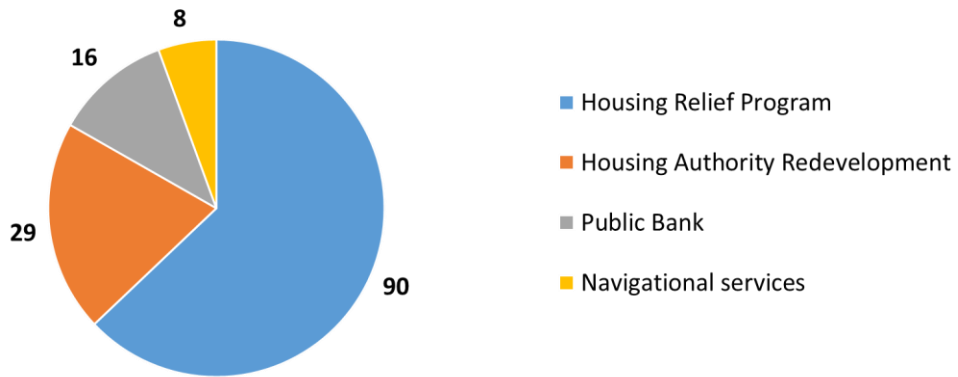
The municipal policy option that most respondents identified as their top priority was flexibility for Affordable Housing development:

Of the local policy options, which do you believe is the highest priority?



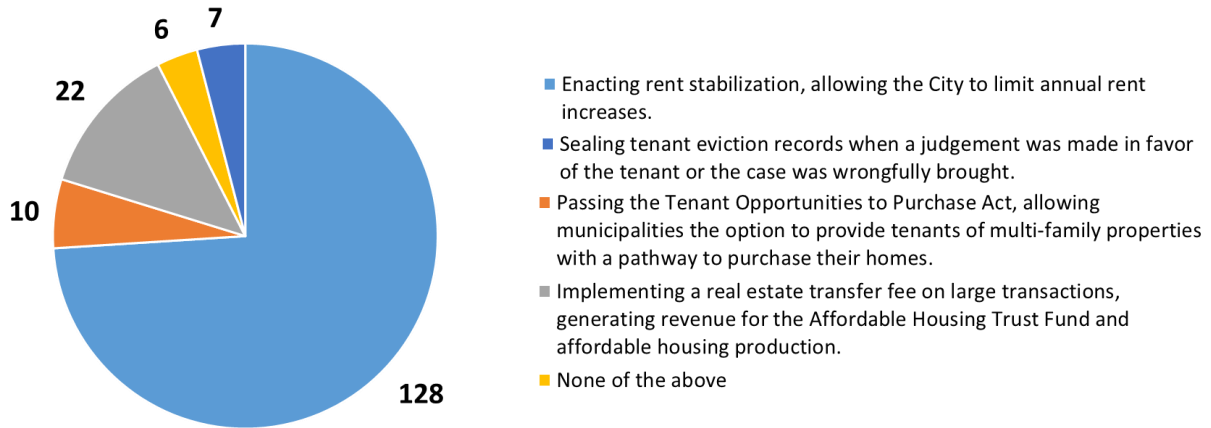
The most-prioritized municipal program option was housing relief programs:

Of the local program options, which do you believe is the highest priority?



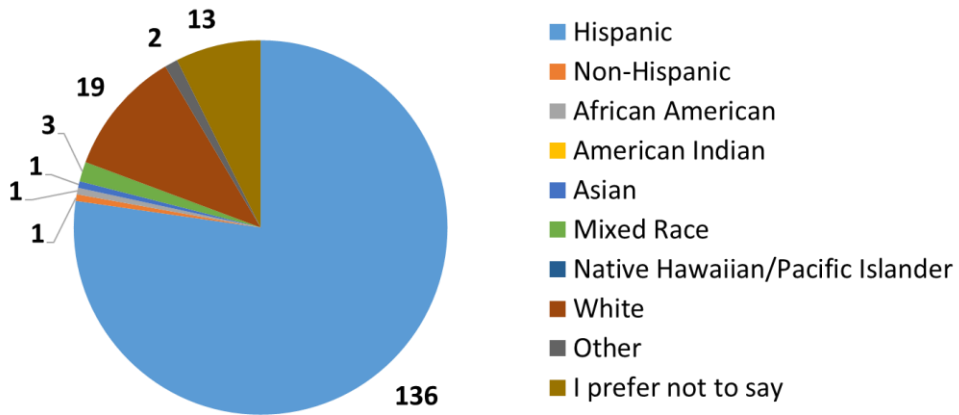
For state policies to that the City of Chelse should advocate for, the most-selected response was enacting rent stabilization:

Please select your top state policy priority:

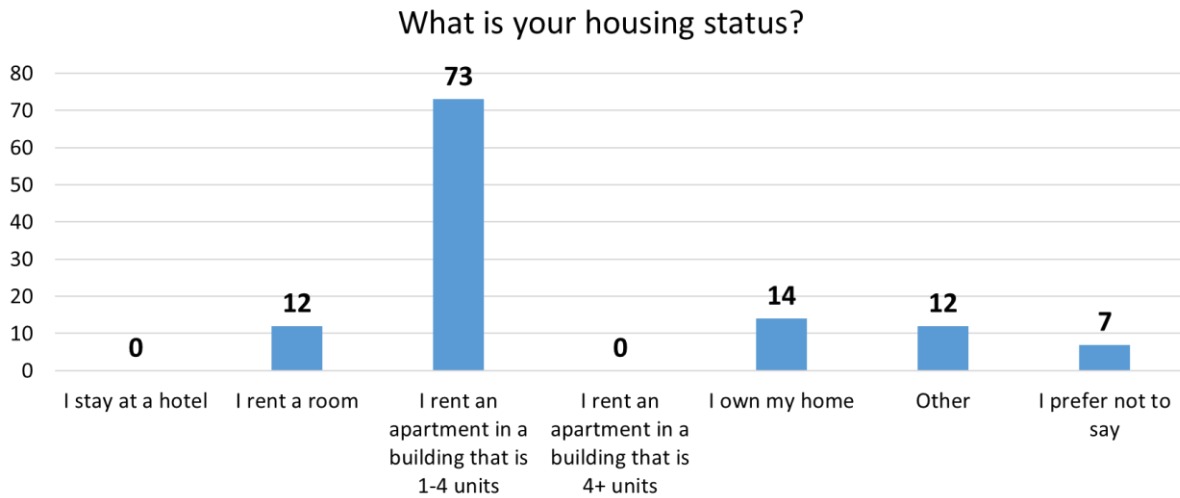


In terms of demographics, the vast majority of survey respondents identify as Hispanic:

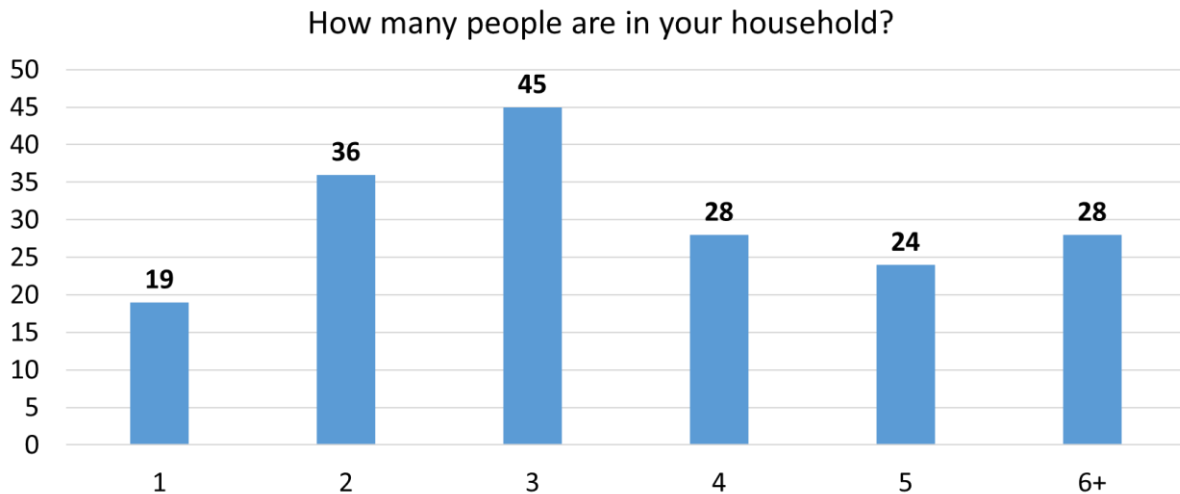
How do you identify? (select all that apply)



Most respondents rent an apartment in a building with one to four units:

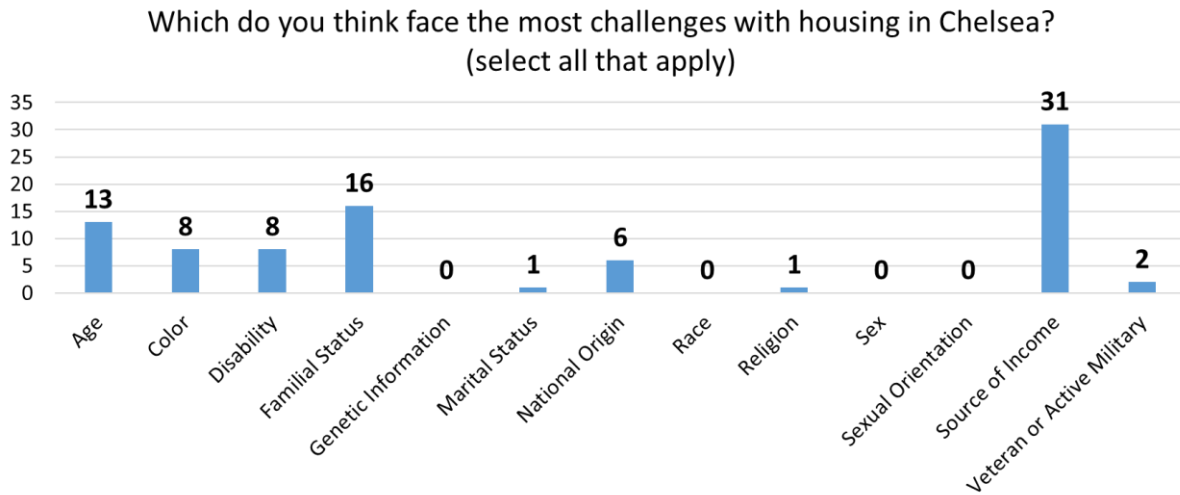


Most of survey respondents stated that they have two or three people living in their household:

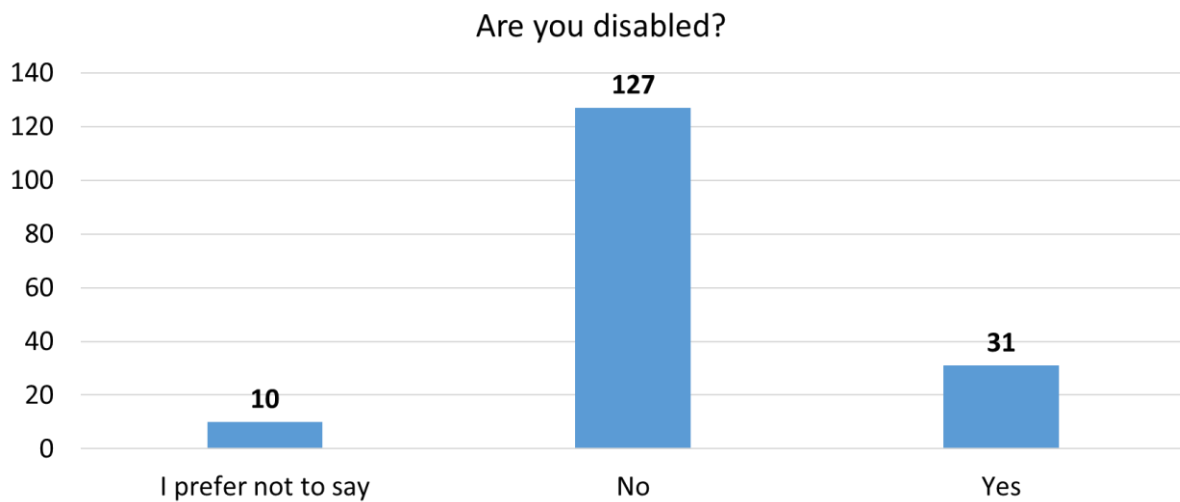


It is likely that this data represents an undercount in people per household as respondents may have given the number of the people in their family, not total in the household. For example, two families of three people living in one home would equate to a household size of six people.

Respondents felt that source of income was the protected class facing the most housing challenges in Chelsea:



Over 18% of respondents identified as having a disability:



Data Sources

This plan uses a blend of qualitative and quantitative data to understand the state of fair housing choice in Chelsea. Qualitative insights were drawn from the public engagement process for this plan while most quantitative insights were drawn from the US Census Bureau’s American Community Survey (ACS) 5-year estimates for the years 2017-2021, as well as a handful of other sources, including:

- U.S. Decennial Census

- Comprehensive Housing Affordability Strategy (CHAS)
- Eviction Lab
- Massachusetts Department of Elementary & Secondary Education (DESE)
- MAPC Rental Listings Database
- The Warren Group

Comparison Region

One method of understanding Chelsea is to compare statistics for the town to other municipalities. Some parts of this plan use this approach by defining a comparison region that captures the diversity of municipalities around Chelsea. The map below depicts the municipalities in the comparison region.

In addition to comparing Chelsea to individual municipalities, this plan compares Chelsea to the comparison region as a whole in some instances. In those cases, aggregated statistics for the comparison region were calculated by summing the counts of a given statistic (for example, the number of people identifying as Latino) for each municipality in the comparison region and dividing that sum by the region total of the relevant denominator (in this example, the total population). The margins of error for the aggregations were calculated based on instructions from the Census Bureau.

This aggregated statistic is an important addition to the analysis because it reflects what representation would look like provided an even distribution of all populations across the region, rather than how each municipality ranks relative to one another. Because the aggregated statistic accounts for an entire population in the region without considering municipal borders, any discrepancy between this figure and individual municipal statistics indicates some level of spatial segregation. It is important to note, however, that the aggregated statistic is still a product of the municipalities selected for the comparison region; including additional municipalities or excluding others would shift its value.

Chapter 2:

Community Profile

Can members of protected classes access housing in Chelsea? This is the first and most fundamental question in assessing fair housing choice. This section uses quantitative demographic data to discuss representation of nine protected classes, and, in some cases, characteristics of these groups in Chelsea. For each protected class with available demographic data, this chapter assesses how many members live in Chelsea, how this figure compares proportionally to other municipalities, and how it compares to the comparison region (through what is called the “aggregate statistic”).

As part of this analysis, this plan considers the financial characteristics of these protected classes. While low-income households are not themselves a protected class, many protected classes experience substantially lower average income levels and higher poverty rates than the general population—an implicit barrier to accessing housing options in an expensive region such as greater Boston. For this reason, this plan evaluates financial characteristics of classes to understand where housing affordability might disproportionately impact members of protected classes.

Unfortunately, due to data limitations, not all protected classes could be analyzed as part of this plan. No robust data exists on color, religion, sexual orientation, gender identity, or genetic information.² While this part of the plan cannot analyze protected classes related to those characteristics, they are nonetheless protected under fair housing law and other parts of the plan address fair housing choice for those groups.

The US Census counts approximately 40,000 residents. The actual population is probably 50,000 or more, with many residents not wanting to be counted. This would make Chelsea the densest municipality in the state, though the official numbers have it as the second densest by a small margin. The undercount in Chelsea represents some of the most marginalized members of the population and those most likely to experience violations of fair housing law.

Supplementing the quantitative data in this Community Profile are real-world stories shared by Chelsea residents and service providers during the community engagement process to date. Discrimination based on marital status and sex has not been mentioned.

² Two categories, color, and gender identity, may be conflated with other categories (race and sex, respectively) due to fluid and socially contingent nature of these categories, as well as the data collection methods used by the US Census Bureau. For the purposes of this plan, color and gender identity are treated as having no viable data source.

Overall Population

Characteristics of the general population in Chelsea provide a baseline with which to compare the characteristics of each protected class. The estimated population of Chelsea is 40,787. These individuals lived in 14,554 households, with an average household size of 2.8.³ The median household income was \$64,782; approximately 23% (\pm 4%) of Chelsea's population lives in poverty.⁴ In actuality, the population of Chelsea is likely far greater, due to undercounting in the U.S. Census, coupled with the fact that Chelsea is a welcoming Sanctuary City proudly supporting a sizable undocumented population.

Disability Status

Disability status can have significant implications for a resident's housing needs. Residents whose disability precludes them from driving may need housing near public transit or other alternative transportation. Residents with disabilities affecting their movement may need stair-free units that can be accessed by an elevator or ramp. If they use a mobility assistance device such as a wheelchair or a walker, they may require wider doorways or larger maneuvering clearances. Residents with a cognitive disability may need supportive housing or another group living situation. Residents with any type of disability may require minor modifications to a unit or to building policies (for example, a policy prohibiting pets in building common areas might be amended to allow for service or support animals) to live in the unit. In an area with older housing stock, all these factors can create significant barriers for those with disabilities to access housing that meets their needs.

Respondents who report any one of the following six disability types are considered by the Census Bureau to have a disability:

1. Hearing difficulty: Deaf or having serious difficulty hearing
2. Vision difficulty: Blind or having serious difficulty seeing, even when wearing glasses
3. Cognitive difficulty: Because of a physical, mental, or emotional complexity, having difficulty remembering, concentrating, or making decisions
4. Ambulatory difficulty: Having serious difficulty walking or climbing stairs
5. Self-care difficulty: Having difficulty bathing or dressing
6. Independent living difficulty: Because of a physical, mental, or emotional problem, having difficulty doing activities alone, such as visiting a doctor's office or shopping.

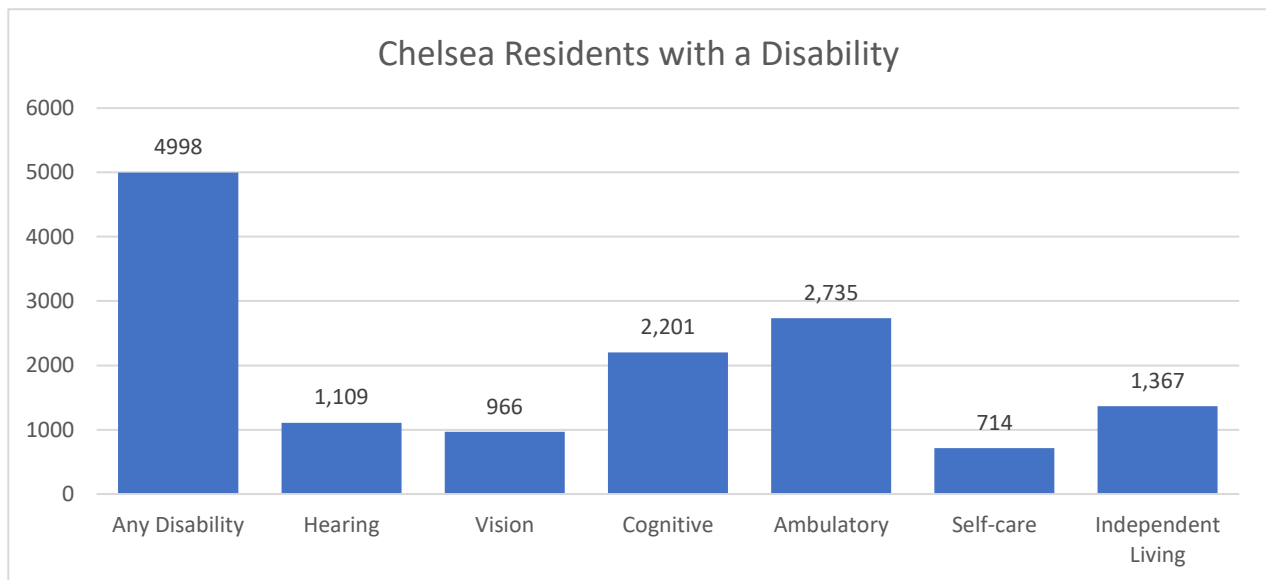
³ American Community Survey, 2021 5-year estimates

⁴ American Community Survey, 2021 5-year estimates

The census bureau considers people with disabilities a “hard-to-count population”. The Center on Poverty and Inequality at Georgetown Law issued a brief titled “Why the Census matters for people with disabilities” which reads: “The reasons for this include accessibility challenges and wider systemic inequalities. People with disabilities are also overrepresented among other groups that are considered hard-to-count, such as people of color, people with low incomes, and people experiencing homelessness.”⁵ The data on the following pages will illustrate that Chelsea has a substantial percentage of the population consisting of people of color and low-income households. What we can ascertain as readers is that many populations in Chelsea, including the disabled, are almost certainly undercounted in a way that is statistically significant. This should be kept in mind when reviewing the data in this community assessment.

About 12.7% (4,998) of Chelsea’s population identifies as having one or more of the six disabilities described above. Of these individuals, 2,735 (55% of those with disabilities) identified as having an ambulatory difficulty; 2,201 (44% of those with disabilities) identified as having a cognitive difficulty; 1,367 (27% of those with disabilities) identified as having an independent living difficulty; 1,109 (22% of those with disabilities) identified as having hearing difficulty; and 996 (20% of those with disabilities) identified as having a vision difficulty. A somewhat smaller number, 714 individuals or 14% of those with disabilities, identified as having a self-care difficulty.⁶

Figure 1 - Chelsea Residents with a Disability (2021 ACS)



By percentage of population with a disability, Chelsea (12.7%) is near the top of the comparison region. Peabody has the greatest percentage at 15.3%. At 5.6%, Marblehead has the lowest percentage. Chelsea is above the aggregated statistic for the comparison region, which is

⁵ Why the Census matters for people with disabilities: A guide to the 2020 Census Operations and Challenges”, The Center on Poverty and Inequality at Georgetown Law, 2019. <https://censuscounts.org/wp-content/uploads/2019/07/People-with-Disabilities-Brief.pdf>

⁶ American Community Survey, 2021 5-year estimates

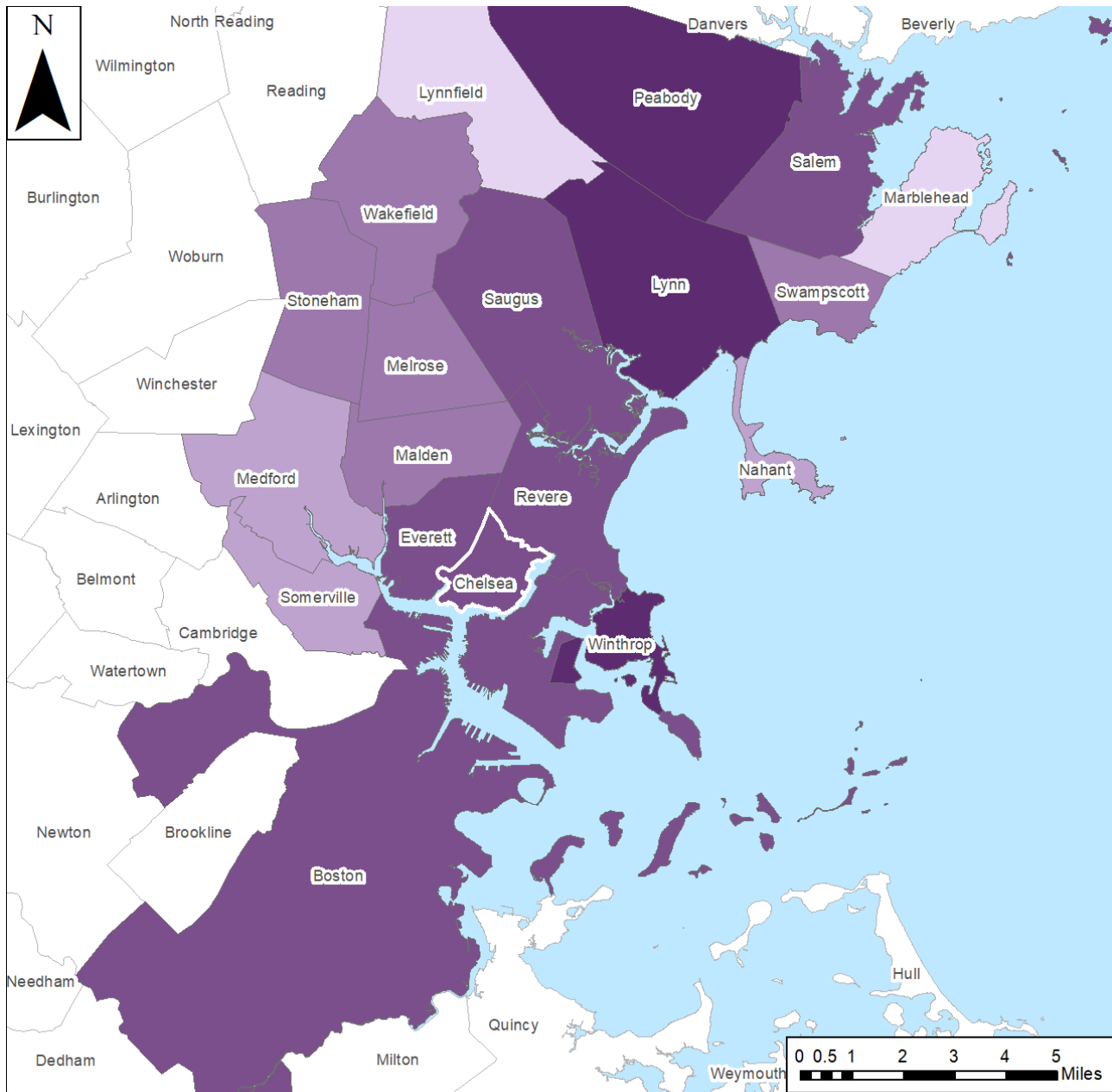
11.7%, meaning that Chelsea has a greater proportion of residents with a disability as the larger comparison region.⁷

The census bureau considers people with disabilities a “hard-to-count population”. The Center on Poverty and Inequality at Georgetown Law issued a brief titled “Why the Census matters for people with disabilities” which reads: “The reasons for this include accessibility challenges and wider systemic inequalities. People with disabilities are also overrepresented among other groups that are considered hard-to-count, such as people of color, people with low incomes, and people experiencing homelessness.”⁸ The data on the following pages will illustrate that Chelsea has a substantial percentage of the population consisting of people of color and low-income households. What we can ascertain as readers is that many populations in Chelsea, including the disabled, are almost certainly undercounted in a way that is statistically significant. This should be kept in mind when reviewing the data in this community assessment.

⁷ American Community Survey, 2021 5-year estimates

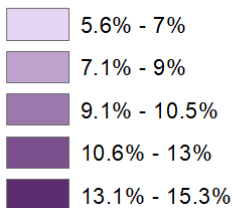
⁸ Why the Census matters for people with disabilities: A guide to the 2020 Census Operations and Challenges”, The Center on Poverty and Inequality at Georgetown Law, 2019. <https://censuscounts.org/wp-content/uploads/2019/07/People-with-Disabilities-Brief.pdf>

Figure 2 - Population Percentage with a Disability for the Chelsea Comparative Region (2021 ACS)



Population with a Disability

Population with a Disability as a percentage of Civillian, Noninstitutionalized Population.



Chelsea and Comparative Region

Regional Aggregation: 11.7%

Data Sources: MAPC, MassGIS, MassDOT, ACS 2021

Financial Characteristics

Median earnings of the noninstitutionalized population with a disability in Chelsea was \$29,659 (\pm \$7,518)⁹, similar to the median throughout the comparison region of approximately \$31,000¹⁰. The median earnings of the noninstitutionalized population *without* a disability are 19% higher than that at \$35,290 (\pm \$2,531).⁵ While the margins of error make it difficult to draw specific conclusions, it is fair to say that residents with a disability earn, on average, less than those without a disability.

Median earnings of the noninstitutionalized population with a disability in Chelsea places the city towards the middle of the comparison region (13/19, ranked highest to lowest income), which ranges from \$67,820 (\pm \$54,127) in Lynnfield to \$17,596 (\pm \$13,162) in Salem.¹¹ Though these numbers offer a general indication of median earnings across the municipalities in the comparison region, note that the range of possible incomes for each municipality is so large that they comprise the range of possible incomes for the other municipalities. For this reason, less attention should be paid to each municipalities' ranking.

Of the noninstitutionalized population with a disability in Chelsea, 36% (\pm 6%) were living in poverty, far greater than the overall population of Chelsea living in poverty (22% \pm 1%) and the aggregated statistic (25% \pm 1%) for the comparison region.¹² In other words, the share of disabled individuals living in poverty in Chelsea is much higher than in the region, and is also far greater than the share of individuals in Chelsea living in poverty without a disability.

Across the comparison region, communities with higher household incomes tended to have a proportionally smaller population with disabilities. This indicates that people with disabilities, who tend to live in households with lower incomes than those without disabilities, are likely priced out of wealthier communities that lack housing options at a lower price-point.

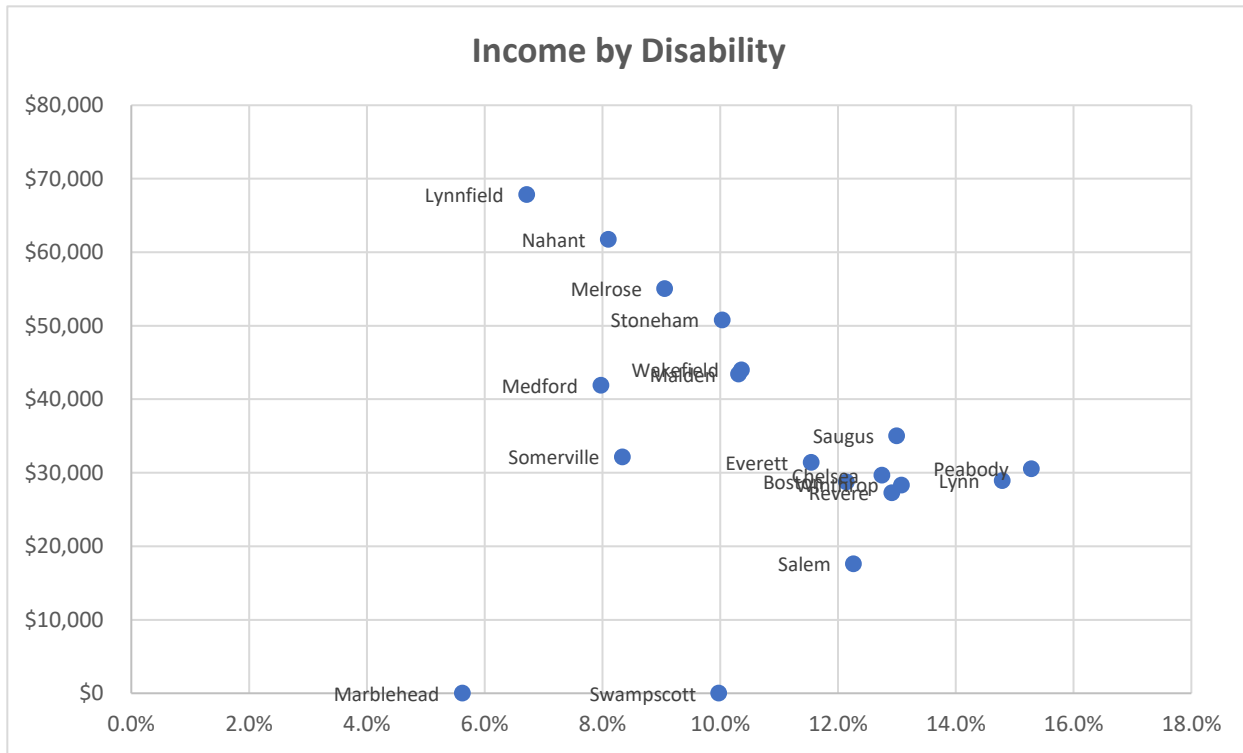
⁹ The large margin of error associated with the median earnings for the noninstitutionalized population with a disability in Chelsea (\pm \$7,518) likely reflects both the smaller size of this population and a wide range of earnings. The upper bound of the median earnings estimate is \$49,754 (\$32,500 + \$17,254) – still less than the lower bound of the median earnings estimate for the noninstitutionalized population without a disability, \$58,823 (\$61,790 – \$2,967). This suggests that individuals with a disability earn less, and thus have fewer housing options, than those without a disability.

¹⁰ Note that this number describes earnings per person, and is different from median household income, which includes earnings from all members of a household.

¹¹ Marblehead and Swampscott reported a median disability income of \$0 without a margin of error. It is more likely that data are missing for those two municipalities, and not that those with a disability have no income.

¹² American Community Survey, 2021 5-year estimates

Figure 3 - Income by Disability Percentage for the Chelsea Comparative Region



Findings from Qualitative Input

Disability experiences were separately shared in a public focus group, and an interview with a case manager from HarborCOV, a local organization aiding survivors of domestic violence. The range of housing issues impacting disabled residents include explicit discrimination imposed by roommates and landlords and unmet market pressures and social capacity. Additionally, the recognition of mental health issues as a disability is not fully understood, likely resulting in underreporting of such disabilities.

In a public focus group held at the Chelsea Senior Center on March 9, 2023, two residents shared stories about precarious living experiences imposed by their disability. One resident described undergoing an open heart surgery. As part of postoperative physical therapy, the doctor prescribed light exercise, about 10 minutes each day walking up and down the household hallway. However, when the resident initiated the at-home exercises, his roommate, and the unit's main leaseholder, began filling the hallway with household items, intentionally inhibiting accessibility to common space, and making it impossible for the participant to exercise. The retaliatory measure was in response to the surgery, and out of concern that the participant would no longer be able to make rent payments, having lost his job after the surgery. The participant described leveraging his doctor for support, and garnering a letter from the medical office expressing an ability to pay rent throughout the duration of recovery, and an inability of the main leaseholder to evict the participant because of the surgery. By the end of the ordeal, the participant expressed emotional and physical distress, and an increase in rent from \$700 to

\$900 a month.

Another resident shared a similar story of their landlord increasing rent after learning about a disability. The resident described living in Chelsea for 17 years, and in 2019, prior to the pandemic, rent was \$1,300 a month. The participant's partner eventually contracted COVID and was unable to work, while at the same time, the landlord increased the rent by \$800 a month. The residents maintain occupancy of the unit and paid rent but maintenance issues go unaddressed and there is a general sense of being taken advantage of and targeted during a health crisis.

While the general disabled population is a pronounced risk-group, disabled children, seniors, and victims of domestic violence often have unique housing needs. Recently, an increase in children with special needs has been observed. Disabled children can require accommodations like separate bedrooms, apart from parents or siblings. The need for additional bedrooms is a particular challenge for families, where parents and guardians are often unable to find housing with a sufficient number of bedrooms, or struggle to find an appropriate home within their price range.

Disabled seniors who have survived domestic violence struggle in residential settings or when engaging with providers, because the senior housing staff serving the general senior population are under trained in serving domestic violence survivors. Similarly, when staff do acknowledge domestic violence, an issue of tactical reporting persists. Housing and other supportive staff should refrain from asking residents to depict violent experiences. Training around the types of questions to ask is lackluster. Overall, housing supply and financial challenges are compound for survivors of domestic violence who often face difficulties with personal finance.

Family Status

Family status—or the presence of children—is a major factor in defining housing needs. Households reporting at least one child under 18 years old are considered by the Census Bureau as households with children. Depending on the number of children, a family may need a larger unit with more bedrooms. Families may choose to prioritize housing in locations served by good schools or with access to programs and resources. Families with children can also experience a particular form of housing discrimination: in addition to the perception that children may be noisy or disturb other tenants, if a family with a child under six years old will be living in a unit that was built before 1978, the owner must remove or mitigate lead paint. While financial assistance is available for this purpose, some landlords may (illegally) decline to rent to families with young children to avoid performing lead paint mitigation.

Of the 13,353 (± 672) households in Chelsea, 33% ($4,472 \pm 348$) have children. By percentage of households with children, Chelsea is near the top of the comparison region, which ranges from 40% ($\pm 3\%$) in Lynnfield to 15% ($\pm 1\%$) in Somerville. The aggregated statistic for the region was 24%, meaning that more families in Chelsea have children than in the comparison region as a whole. A greater share of families with children live in the more suburban communities of

Lynnfield and in the cities of Everett and Lynn.¹³

Findings from Qualitative Input

The size of housing units was a concern that arose throughout the community engagement process. Service provider interviewees and residents described challenges finding housing of a sufficient size for families. Residents pointed to the connection between the protected status classes of nationality, familial status, and disability.

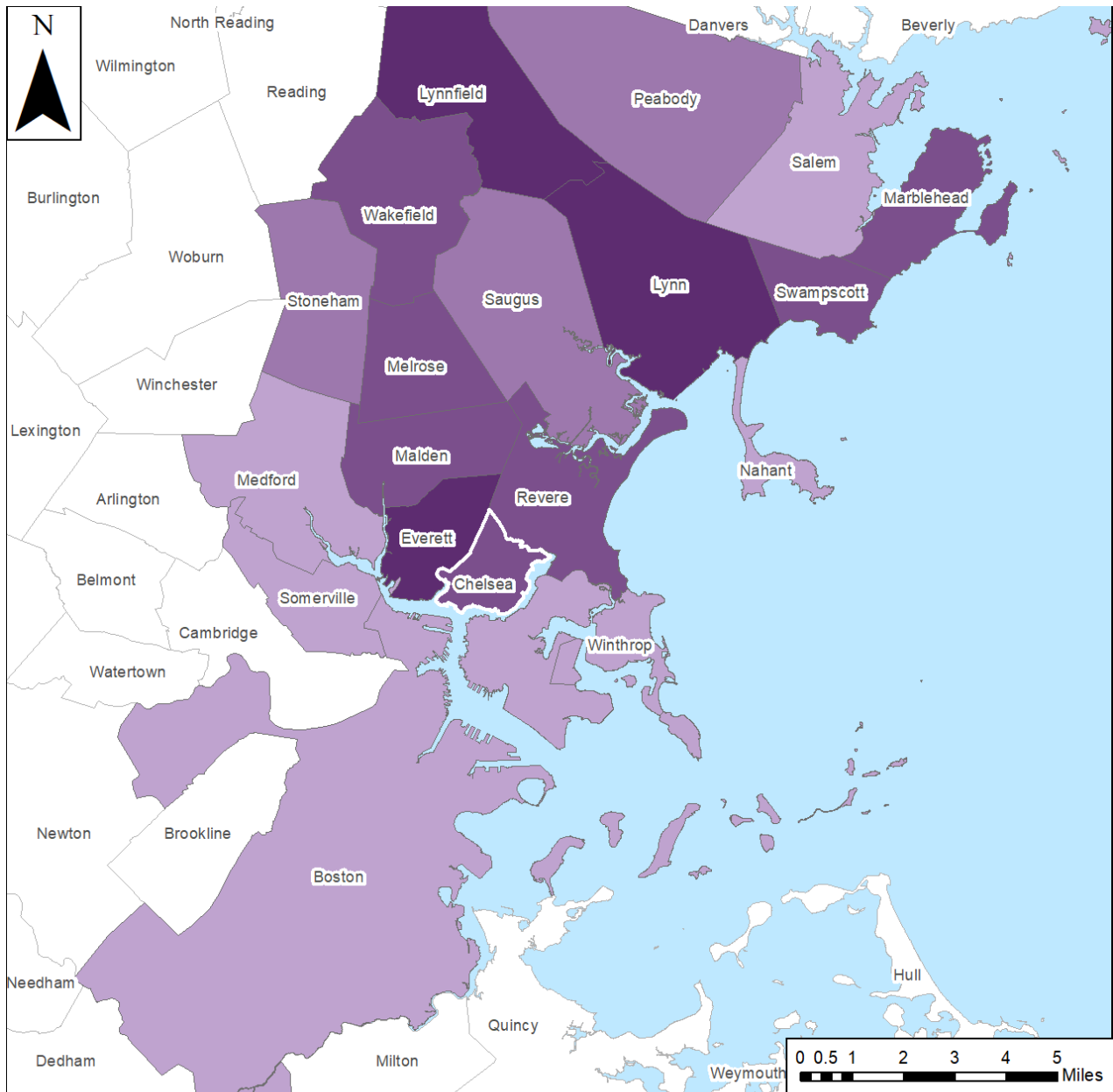
Latin American cultures value family, but many struggle to find housing with enough bedrooms to keep their family together under one roof. Additionally, family units commonly go beyond immediate family members and include intergenerational units. The cultural prevalence of large families, coupled with housing prices, can result in overcrowding. Such experiences had notable health implications during COVID, where swaths of families contracted the virus. In addition to close quarters contributing to virus outbreak, such conditions contribute to other health and code violations, and subsequent displacement risks. As one focus group participant said, “In the event ISD is responsive and determines building non-compliance, risk of eviction and displacement increases.” One resident shared that City Hall inspected her unit and told her that the space she uses as a bedroom had to be a living room.

Interviewees mentioned a few additional challenges for families that represent patterns they have observed. One interviewee shared that families with children have trouble finding housing because landlords resist testing for lead. Additionally, some parents face challenges when they receive housing vouchers because they do not cover the entire cost of rent, especially when looking for apartments with enough bedrooms for children or teens. Many residents noted that current and recent builds are studios or one-bedrooms, making the new housing stock unsuitable for families.

Finally, health experience can breach to disability experiences, as some families have children and other family members in need of special accommodations. A focus group participant noted the connection to disability, as families with children experiencing disabilities require separate rooms to provide a supportive environment for the children’s special needs. See “Disability” section for further elaboration.

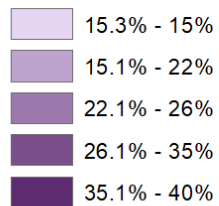
¹³ American Community Survey, 2021 5-year estimates

Figure 4 - Households with Children



Households with Children

Percentage of households with children under 18 years old.



Chelsea and Comparative Region

Regional Aggregation: 24%

Data Sources: MAPC, MassGIS, MassDOT, ACS 2021

National Origin

National origin is defined as the region or country in which a person was born or from which their ancestors came. It can also include perceived national origin (for example, if a person is assumed to be from a particular area because of accent or dress). Although discrimination based on language is not necessarily equivalent to discrimination based on national origin, language requirements can be related to national origin discrimination.¹⁴ Foreign-born populations with limited English proficiency may encounter overt discrimination from real estate professionals, but also face systemic barriers to accessing housing when application materials are only available in English. Thus a discussion of language is included in this section. This plan used data on foreign-born populations to evaluate national origin. The Census Bureau defines foreign-born populations as including anyone who is not a U.S. citizen at birth, including those who become U.S. citizens through naturalization. Notably, this definition excludes residents from Puerto Rico, who are US citizens.

Of the 40,025 (± 47) people in Chelsea, roughly half at 47% (18,909 \pm 1180) are foreign-born. This figure places Chelsea at the top of the comparison region by percentage, which ranges from 47% ($\pm 3\%$) in Chelsea to 7% ($\pm 3\%$) in Nahant. The aggregated statistic for the region was 27%; making the share of foreign-born residents across the entire context region is substantially lower than that in Chelsea.¹⁵ These statistics do not include the residents, largely undocumented, that the US Census does not count.

Language Spoken at Home

Roughly 71% of Chelsea residents speak a language other than English at home. 41% of Chelsea residents speak English less than “very well”, 19% say they do not speak English well, and 9% say that they do not speak English at all. In Chelsea, individuals who identify as not speaking English well primarily speak Spanish (6,179 \pm 817), with all other languages not speaking English well totaling 689 persons. When ranking communities in the comparison region on the percent of residents who speak a language other than English at home and do not speak English well (based on self-reporting), Chelsea was ranked the highest by eight percentage points with Revere being number two at 11%. Chelsea’s score is more than three times higher than the aggregated statistic for the comparison region’s 6%. Thirteen of the comparison region’s municipalities have fewer than 5% of residents who do not speak English well, with Nahant at the bottom of the list with 0.1%.¹⁶

¹⁴ U.S. Department of Housing and Urban Development. “Office of General Counsel Guidance on Fair Housing Act Protections for Persons with Limited English Proficiency,” September 15, 2016. Accessed at <https://www.hud.gov/sites/documents/LEPMEMO091516.PDF>

¹⁵ American Community Survey, 2021 5-year estimates

¹⁶ American Community Survey, 2021 5-year estimates

Financial Characteristics

The median individual income for foreign-born residents of Chelsea is \$25,896 (\pm \$1,123), which lands Chelsea near the bottom of municipalities in the comparison region. The median income for foreign-born residents in these municipalities ranges from \$22,403 (\pm \$2,558) in Salem to \$80,500 (\pm \$39,874) in Nahant. Only Boston and Salem had lower median incomes for foreign-born persons. The median income for foreign-born residents of Chelsea is roughly 13% lower than that of the median income for disabled persons in Chelsea ($\$29,659 \pm \$7,518$).¹⁷

Findings from Qualitative Input

Interviews and focus groups contributed to information gathered relating to native origin. Three main community concerns were reiterated, including unsupported new arrivals, language barriers, and application processes. Each issue poses its own challenges and opportunities for redress.

A few interviewees noted a recent influx of new immigrants in the last six months, with many from Columbia and Ukraine. For these new immigrants, a major need is cash assistance for rent, food, and other basic necessities. In terms of housing, new arrivals often resort to subleasing room, resulting in precarious living conditions.

With its diversity, in many instances Chelsea offers a language refuge for Spanish speaking immigrants. For example, focus group participants noted that the local police are bilingual and trusted in the community. Many new arrivals of Latin descent are able to access information in Spanish, and connect to bilingual communities and family members. However, language does remain an issue when accessing housing, with many rental applications in English.

The public focus groups on March 7 and 9 heard explicit issues of language access as a form of discriminatory treatment. One resident said they were told by their landlord to not speak Spanish in front of him. Another resident expressed feelings of discrimination by an English-speaking landlord for speaking Spanish and an overall Hispanic appearance. Another participant noted that they were once denied an apartment because Spanish is their primary language and the homeowner was concerned about communication issues. Additionally, language can further present an issue for non-English speaking residents when engaging with the City's Inspectional Services Department and attempting to report their housing challenges.

The primary cause of housing challenges that participants reported was documentation status. When asked in focus group and community committee settings whether an individual's legal status can affect their ability to find an apartment, nearly all of the 30+ participants said yes. In many cases, the challenge of documentation comes up in the application process, as social security numbers (SSN) are requested by landlords to run credit checks. Undocumented status in conjunction with being subletters also puts residents in compromising situations when they need letters from landlords for social programs.

Figure 5 - Foreign-Born Population

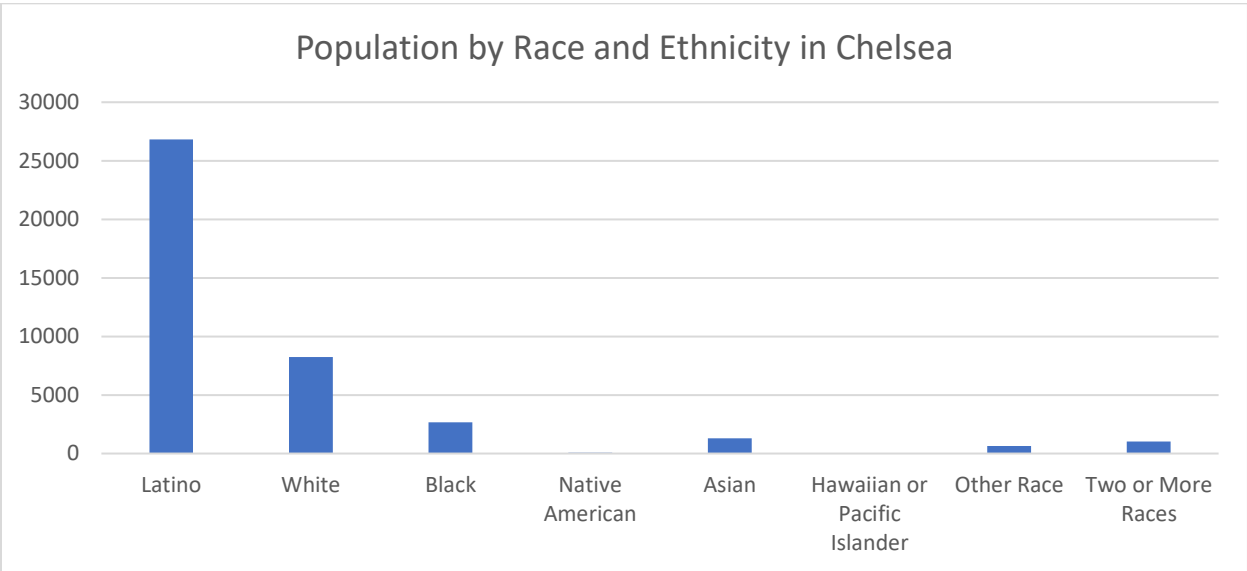
¹⁷ American Community Survey, 2021 5-year estimates

Race and Ethnicity

While the housing needs of otherwise similar households may not vary across different races and ethnicities, race and ethnicity are critical to consider in a fair housing discussion because of this country’s past and present experiences of segregation. This plan uses data on race and ethnicity from the US Census Bureau, which collects data from households that self-report their racial and ethnic identity.¹⁸

Of the 40,787 people in Chelsea, roughly 66% (26,826) are Latino, 20% are White, 7% are Black, 3% are Asian, 2% are two or more races, less than 1% are Native American or Hawaiian / Pacific Islander. These numbers represent a substantial change in the Latino population of Chelsea, increasing by 31% from 2010 to 2020. During this time, the White population decreased by 7% and the Black population decreased by 6%.¹⁹

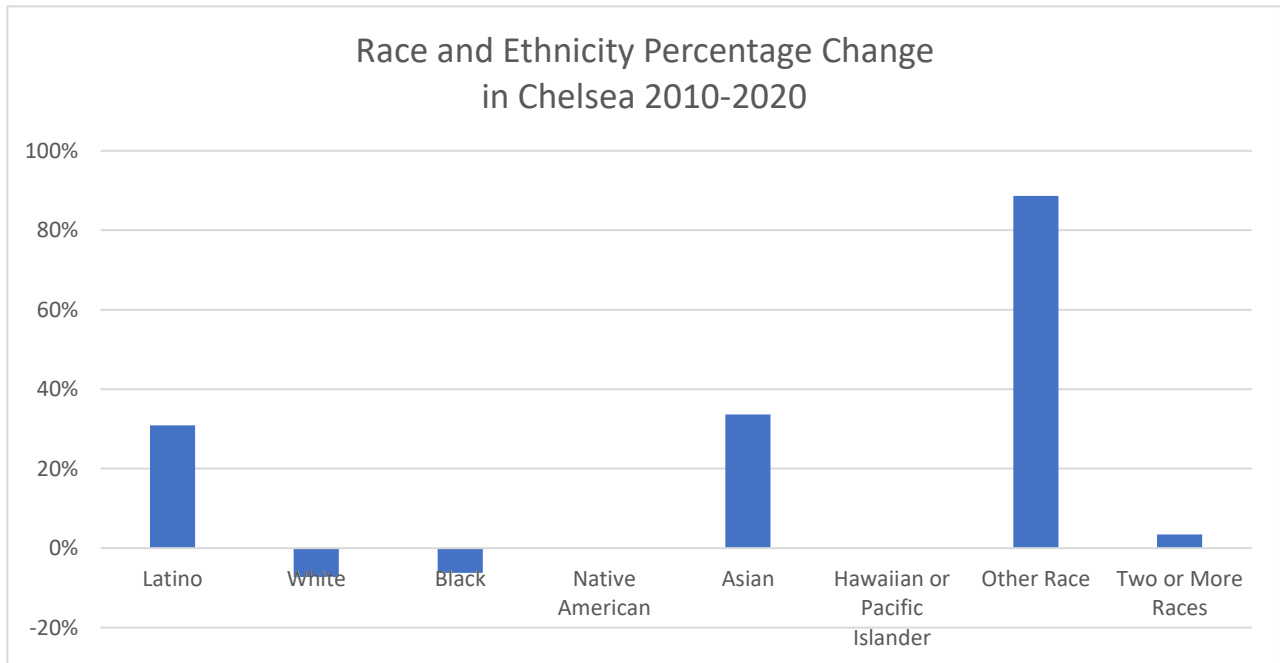
Figure 6 - Population by Race and Ethnicity in Chelsea



¹⁸ Though data are self-reported, the Census Bureau provides categories for households to choose from, and this racial and ethnic categorization is a matter of ongoing debate, controversy, and evolution. This report uses short-hand terms for racial and ethnic designations when discussing data provided by the US Census Bureau and other government agencies, while acknowledging these short-hand terms are not the Census Bureau’s technical terms, nor are they accurate portrayals of the racial and ethnic identities of all the people they describe. This report uses “Black” instead of the Census Bureau’s “Black or African American,” “White” instead of “Caucasian or White,” and other short-hand terms. The term “persons of color” here includes persons who identify as: Native American; Asian; Black; Latino; Other Race; Pacific Islander; or Two or More Races in Census Bureau data. In other words, it includes all persons who do not identify exclusively as White.

¹⁹ American Community Survey, 2021 5-year estimates

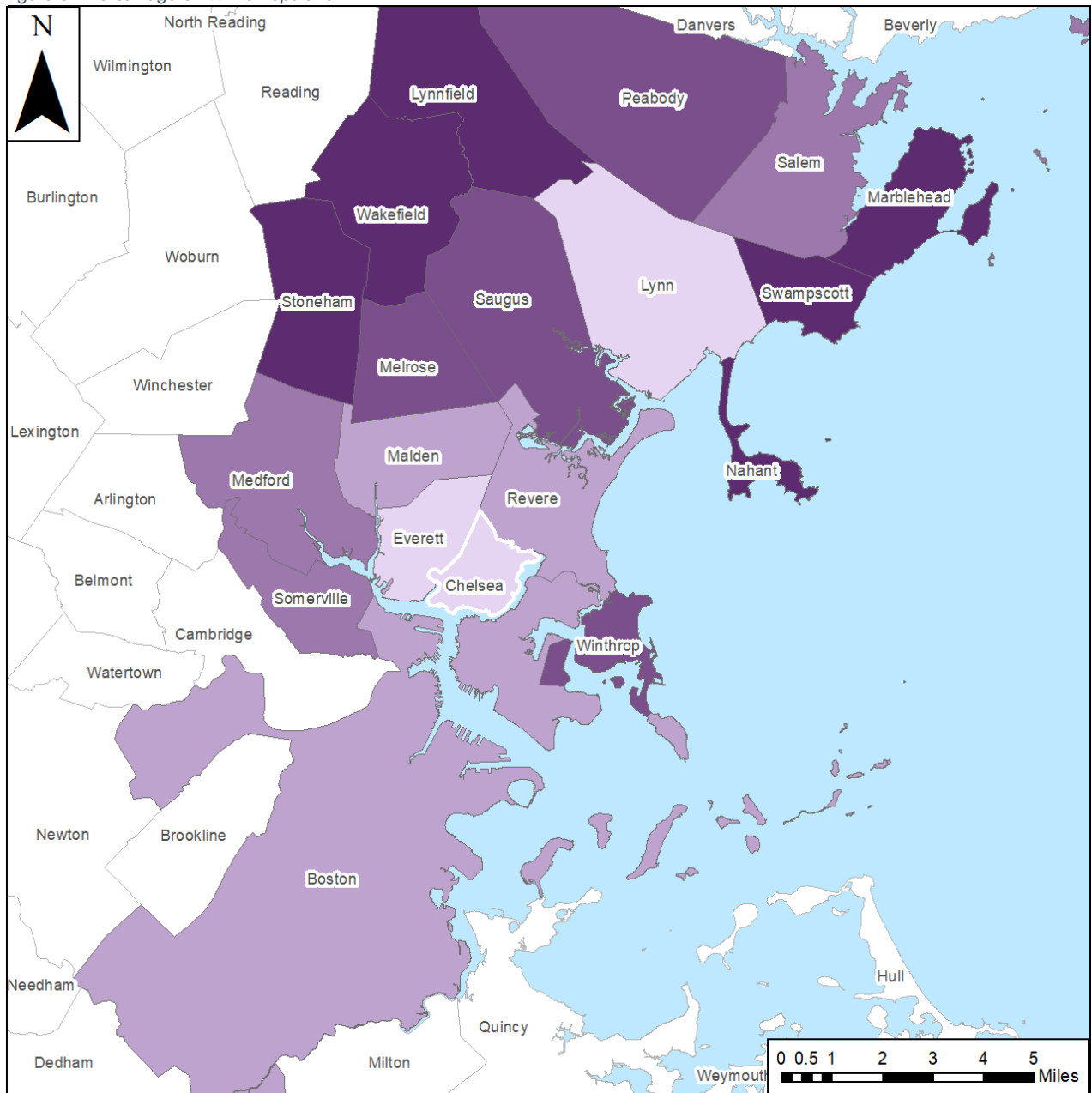
Figure 7 - Race and Ethnicity Percentage Change in Chelsea, 2010-2020



By percentage of White residents, Chelsea has the lowest percentage of all municipalities in the comparison region, which ranges from 91% in Nahant to Chelsea's 20%. Everett has the fewest white residents aside from Chelsea at 34%, close to twice as many persons by population. The aggregated statistic for the region was 52%; at 20%,²⁰ Chelsea has a significantly smaller share of White residents than the comparison region overall.

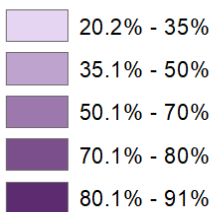
²⁰ American Community Survey, 2021 5-year estimates

Figure 8 - Percentage of White Population



Non-Hispanic White Population

Percentage of population that is non-hispanic White.



Chelsea and Comparative Region

Regional Aggregation: 52%

Data Sources: MAPC, MassGIS, MassDOT, ACS 2021

There is a wide range in the percentage of Asian, Black, Latino residents throughout the comparison region. This diversity reflects broader segregation across the region and indicates that the greater attention should be placed on the aggregated statistic for the region, highlighted in yellow in the table below.

| Percent Asian | Percent Black | Percent Latino |
|-------------------------|--------------------------|--------------------------|
| 25.8 (Malden) | 19.1 (Boston) | 65.8 (Chelsea) |
| 11.4 (Medford) | 14.2 (Malden) | 44 (Lynn) |
| 11.2 (Boston) | 14.1 (Everett) | 37.3 (Revere) |
| 10.6 (Somerville) | 12.6 (Comparison Region) | 28.5 (Everett) |
| 9.5 (Comparison Region) | 10.6 (Lynn) | 19.8 (Salem) |
| 7.5 (Everett) | 8.1 (Medford) | 19.7 (Comparison Region) |
| 7.4 (Melrose) | 6.5 (Chelsea) | 18.7 (Boston) |
| 6.7 (Lynn) | 5.2 (Somerville) | 12.5 (Winthrop) |
| 6.4 (Stoneham) | 4.7 (Revere) | 11.3 (Somerville) |
| 5.8 (Lynnfield) | 4.1 (Salem) | 10.4 (Malden) |
| 5.5 (Revere) | 3.8 (Saugus) | 9.9 (Peabody) |
| 4.9 (Saugus) | 3.3 (Peabody) | 9.1 (Saugus) |
| 4.2 (Wakefield) | 3.1 (Melrose) | 6.6 (Swampscott) |
| 3.2 (Chelsea) | 2.8 (Stoneham) | 6.2 (Medford) |
| 2.8 (Salem) | 2.1 (Winthrop) | 4.5 (Melrose) |
| 2.4 (Peabody) | 1.7 (Swampscott) | 4.2 (Wakefield) |
| 2.2 (Swampscott) | 1.5 (Wakefield) | 4.2 (Stoneham) |
| 1.6 (Nahant) | 1.1 (Nahant) | 3.8 (Marblehead) |
| 1.5 (Winthrop) | 0.8 (Lynnfield) | 3.1 (Lynnfield) |
| 1.3 (Marblehead) | 0.8 (Marblehead) | 3.1 (Nahant) |

Asian

Approximately 3% of Chelsea’s population identifies as Asian, which places the municipality lower (13/19, ranked highest to lowest share) than most of the other municipalities in the comparison region. The percentage of Asian people in Chelsea is roughly one third of the region’s total share, at 10%.²¹

Black

Approximately 7% of Chelsea’s population identifies as Black, which places the municipality in the top third (6/19, ranked highest to lowest share) of municipalities in the comparison region. The share of Black residents in Chelsea is roughly half that of the region’s total share (13%).²²

²¹ American Community Survey, 2021 5-year estimates

²² American Community Survey, 2021 5-year estimates

Latino

Approximately 66% of Chelsea's population identifies as Latino, which places the municipality at the top of the other municipalities in the comparison region. The percentage of Latino residents is well above the aggregated statistic of 19.7%,²³ suggesting that this population should also be a focus of the Fair Housing Plan.

Financial Characteristics

In the aggregated statistic for the comparison region, the median household income was \$99,375 for White households. Asian household had a median household income about \$8,000 more than this (\$107,246) and Black households and Latino households had median household incomes substantially lower: \$55,405 for Black households and \$67,939 for Latino households.²⁴ The substantial differences in median household income across race and ethnicity in the comparison region mean that people of color, particularly people that are Black or Latino, cannot afford the same range of housing options as those that are White or Asian. (See Affordability on page 41 for more information on this subject.)

People of color living in Chelsea also earn less than Chelsea residents that are White. The median household income for White households was \$77,508 (\pm \$5,416), compared with \$62,127 (\pm \$9,042) for Asian households; \$50,087 (\pm \$9,081) for Black households; and \$66,780 (\pm \$7,450) for Latino households.²⁵

Poverty rates display similar trends to median household income. Across the entire comparison region, 10% (\pm 1%) of the White population lives in poverty, while 20% (\pm 1%) of the Asian population, 19% (\pm 1%) of the Black population, and 22% (\pm 1%) of the Latino population live in poverty. As with median household income, in Chelsea there is not a large difference between the percentage of population in poverty by race and ethnicity: 21% (\pm 10%) of the Black population, 24% (\pm 5%) of the Latino population, 22% (\pm 20%) of the Asian population, and 15% (\pm 3%) of the White population lives in poverty.²⁶

Tenure

Looking at tenure by race and ethnicity in the comparison region reveals stark disparities. About 49% (\pm 1%) of White households rent in the aggregated comparison region. That number rises to 61% (\pm 1%) for Asian households, 69% (\pm 1%) for Black households, and 76% (\pm 1%) for Latino households.²⁷

In Chelsea, 69% (\pm 3%) of White households rent, about twenty percent more than the comparison region. The percentage of Black households that rent in Chelsea (78% \pm 9%) is also

²³ American Community Survey, 2021 5-year estimates

²⁴ American Community Survey, 2021 5-year estimates

²⁵ American Community Survey, 2021 5-year estimates

²⁶ American Community Survey, 2021 5-year estimates

²⁷ American Community Survey, 2021 5-year estimates

higher than in the comparison region. On the other hand, the percentage of Asian households that rent in Chelsea is less than the aggregated statistic for the comparison region (46% ± 9%), The percentage of Latino households that rent in Chelsea, however, is comparable to that of the comparison region: 78% (±5%).²⁸

Findings from Qualitative Input

Discrimination based on race and ethnicity has typically been associated with other protected classes, such as national origin. As described in the section on national origin, some participants were explicitly discriminated against or felt like they had been discriminated against due to their ethnicity or Latino appearance. The engagement process to-date has been less successful in reaching residents identifying with certain races and ethnicities. While there have been many Latino, White, and mixed participants, there were few Black, Asian, or other participants.

Age

While discrimination based on any age is illegal in Massachusetts, this plan considered specifically the population age 65 and over. Households with children aged 18 and younger are discussed under the Family Status section. At 9%, the percentage of people age 65 and over in Chelsea is near the bottom of the comparison subregion, which ranges from as many as 30% to as few as 9%. The aggregated statistic was 14%, suggesting that Chelsea hosts fewer seniors on average than the rest of the region. The highest shares of seniors are in the suburban communities of Nahant, Peabody, Marblehead, Winthrop and Stoneham, all boasting senior populations of more than 20%.

Financial Characteristics

The median household income for Chelsea householders age 65 and over is \$27,775 (±\$8,073), which is less than half of median household income for all Chelsea householders (\$64,782, ±\$5,034.) This is unsurprising given that many residents over age 65 are retired or work fewer hours and are likely relying on retirement savings and social security for their income. Chelsea ranks at the bottom of the comparison region with these figures, which has a median household income for those over 65 at \$51,846).

Findings from Qualitative Input

A focus group held for seniors and veterans was conducted at the Chelsea Senior Center on March 22. Seniors with limited income expressed feeling frustrated and confused about affordable housing

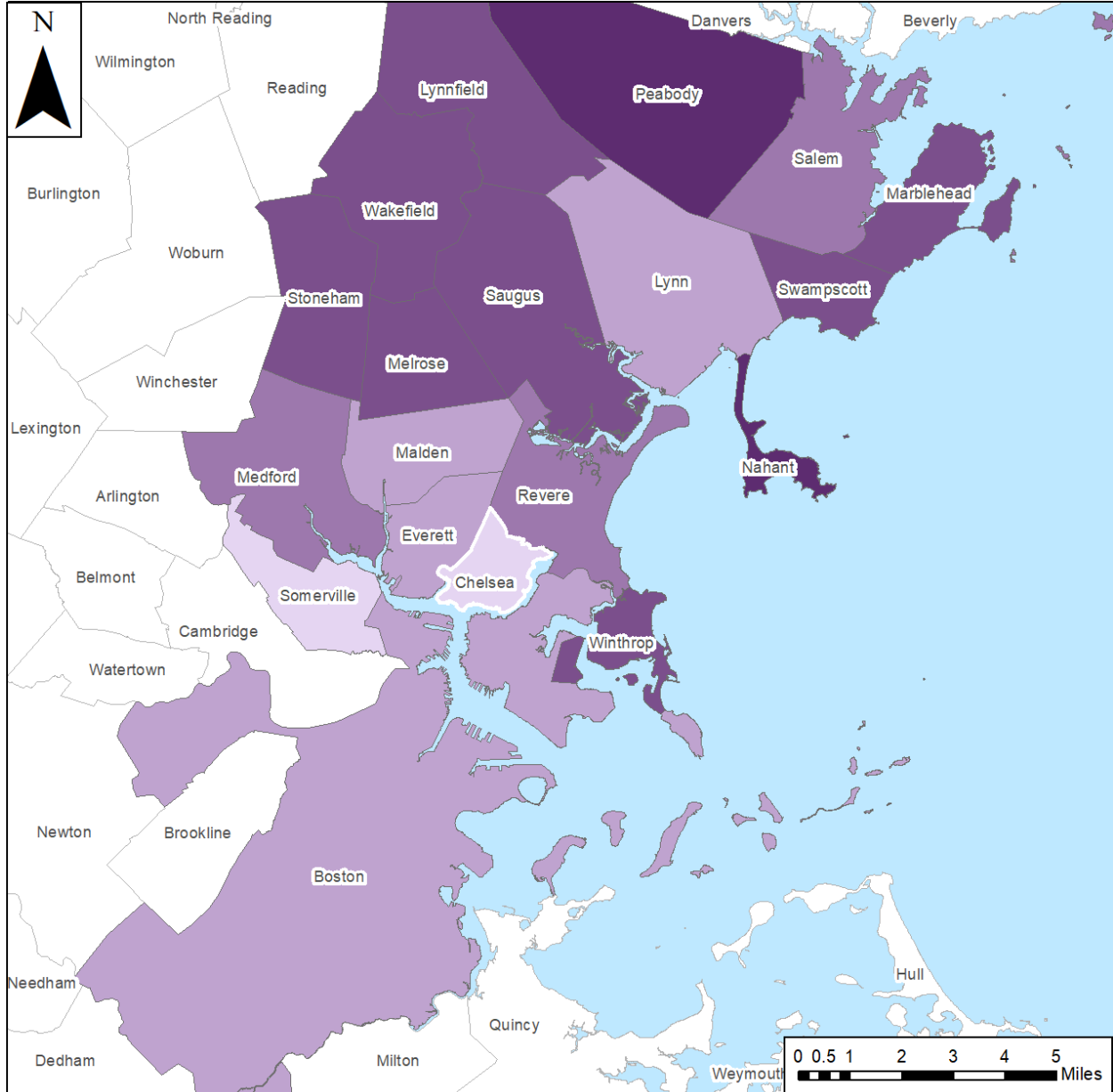
²⁸ American Community Survey, 2021 5-year estimates

application lotteries and processes. One participant explained their experiences applying for an affordable housing unit at Saint Teresa's and Broadway via The Neighborhood Developers (TND) and the Common Housing Application for Massachusetts Public Housing (CHAMP) applications. The main issue with public housing was described as the lengthy waiting period. Different problems were associated with the affordable housing application process and lotteries. They are described as difficult to follow and lack transparency. One particular issue cited was an inability to access information about AMI grouping. There is also a lack of information about lottery drawing dates, and application and supporting documentation receipt.

The focus group also described housing costs as directly impacting seniors. Seniors' income levels do not match the cost of rent or home prices. In one example, an elderly homeowner in Chelsea responded that she lives in a condo she bought 19 years ago but would not be able to afford to move into a similar unit at today's listing prices due to living on a fixed income.

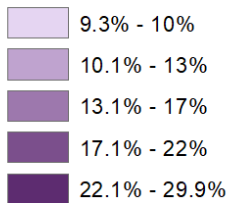
Age intersects with other considerations in ways that worsen seniors' housing situation: domestic violence survivorship and undocumented status. Seniors who are survivors of domestic violence or who have dealt with trauma physically age more rapidly than their counterparts. In such cases, the age restrictions to qualify for senior housing limit residents' ability to access the types of needed supportive housing. Furthermore, a faith leader's focus group on March 3 identified a particular concern for the undocumented elderly population, because they lack both connections to their home countries and a local and federal safety net like Social Security.

Figure 11: Percentage of Population Over Age 65



Population 65 and Older

Percentage of population that is at least 65 years of age.



Chelsea and Comparative Region

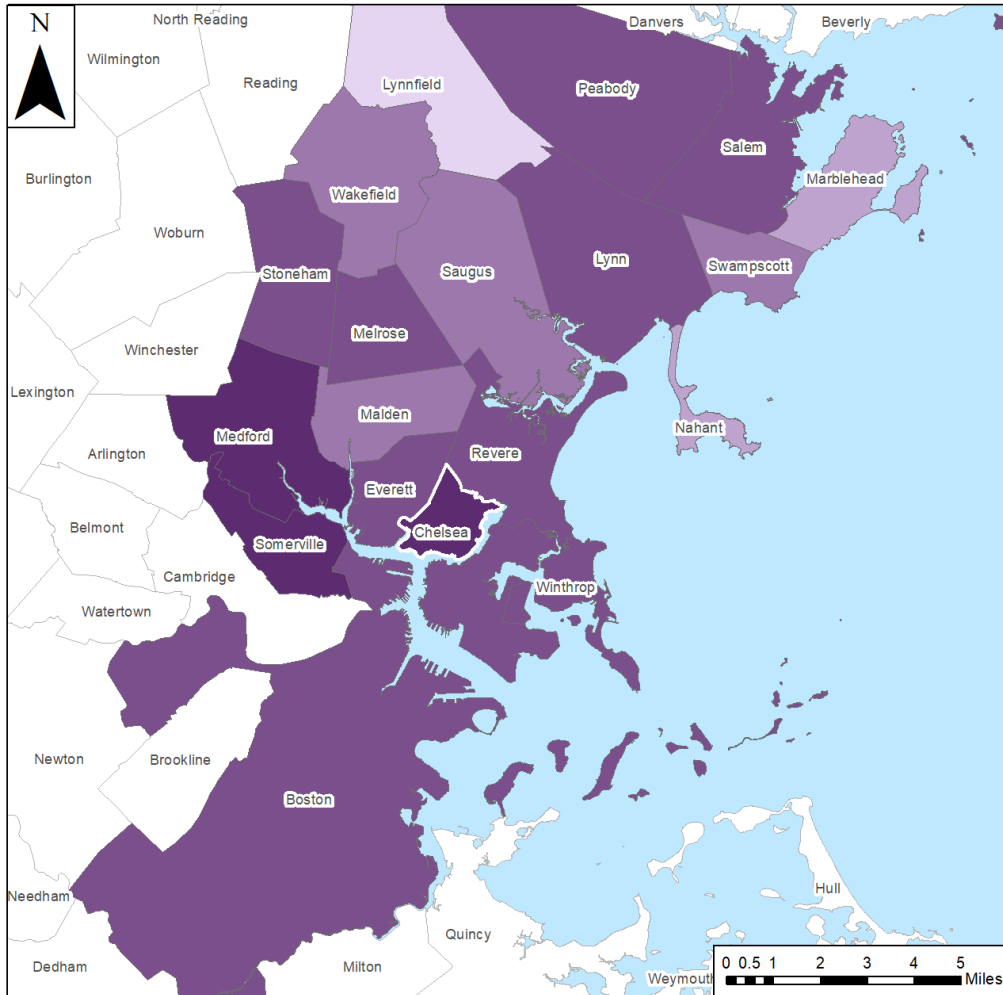
Regional Aggregation: 14%

Data Sources: MAPC, MassGIS, MassDOT, ACS 2020

Marital Status

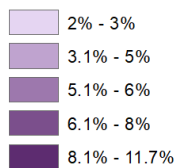
At 10% ($\pm 2\%$), Chelsea falls towards the top of municipalities in the comparison region for percentage of unmarried partner households, and higher than the aggregated statistic for the comparison region (7%).

Figure 9 - Percentage of Unmarried Partner Households



Unmarried Partner Households

Percentage of households with partners that are not married.



Chelsea and Comparative Region

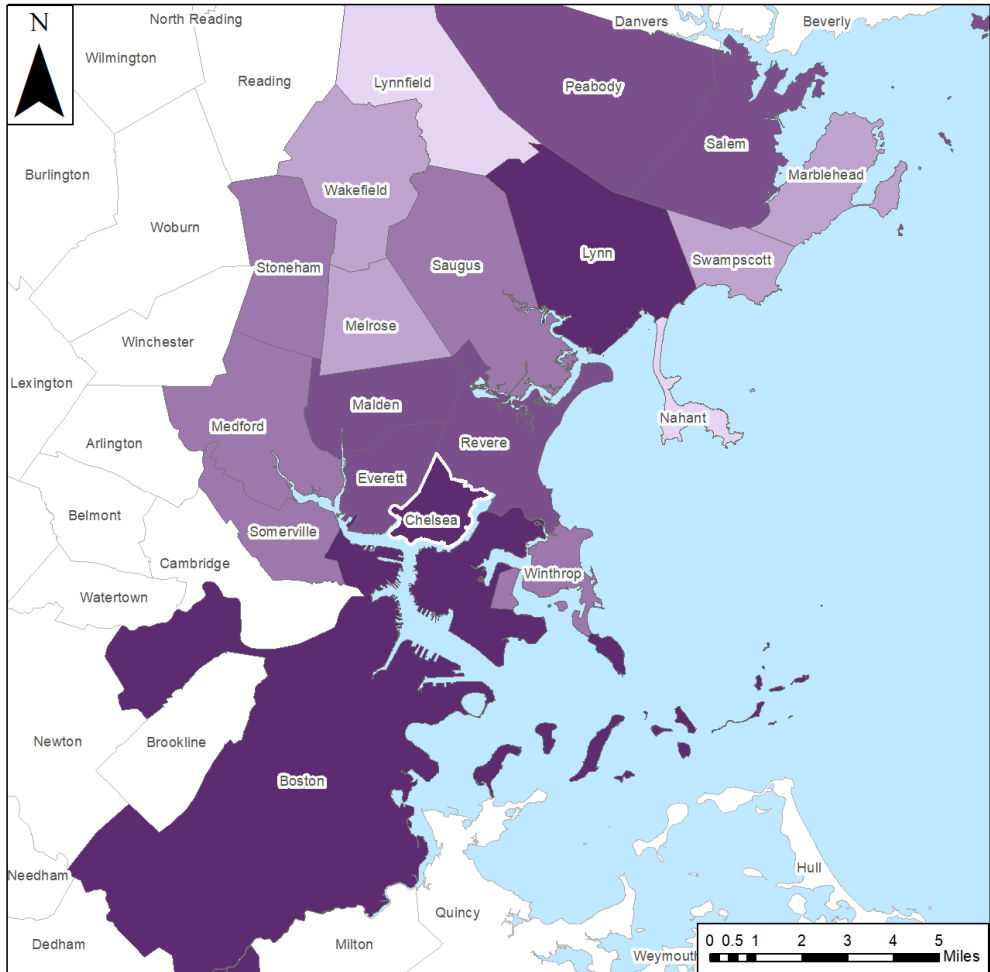
Regional Aggregation: 7%

Data Sources: MAPC, MassGIS, MassDOT, ACS 2018

Public and/or Rental Assistance

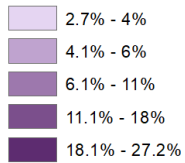
Public assistance refers to assistance programs that provide either cash assistance or in-kind benefits to individuals and families from any governmental entity. It is illegal in Massachusetts to discriminate against an individual because they receive public assistance. In the context of fair housing, public assistance discrimination is most commonly based on the use of a housing rental voucher or some other federal, state, or local public assistance. This most commonly takes the form of a landlord declining to rent to a resident with a housing voucher, what is commonly called “source-of-income discrimination.” This could happen by declining to offer a lease that meets voucher requirements, for example the length of the lease term, or by simply declining to respond to inquiries or informing an applicant that the unit is leased after the applicant reveals that they will be using a voucher.

Figure 10 - Percentage of Population Receiving Public Assistance



Public Assistance

Percentage of households receiving public assistance.



Chelsea and Comparative Region

Regional Aggregation: 16%

Data Sources: MAPC, MassGIS, MassDOT, ACS 2021

Of all households in Chelsea, 22% ($\pm 3\%$) receive public assistance, which is far more than the aggregated statistic for the comparison region: 16%. Some forms of public assistance available in the city are administered by the Chelsea Housing Authority, which provides housing directly, as well as rental vouchers to residents in private housing.

Findings from Community Input

A focus group for public housing residents was held on April 12 at the Prattville Housing Authority site. The session followed the monthly neighborhood crime watch group, and housing authority staff excused themselves during the Fair Housing discussion. Among current residents, there is a sense that access to public housing is challenging.

Participants describe a convoluted application process and inconsistent information. Residents of various backgrounds believed that working would disqualify housing assistance applicants. Residents further described the need for emergency housing, and the Housing Authority's inability to respond to community crises. One resident described experiencing a fire and was subsequently left homeless because she was not on the lease. It took her over a year to attain residency at the housing authority. Another resident explicitly expressed that the existing public housing stock is insufficient, describing the wait period for public housing and a Section 8 voucher surpassing ten years.

Beyond accessing public housing, there was some discourse about national origin. Residents found inconsistencies between federal and state housing authority eligibility criteria and rental costs unfair. While state programs offer flexibility in legal documentation status, the rent is higher than that of federal programs.

The Chelsea Housing Authority prioritizes housing for those most in-need, usually individuals and families below 30% AML. However, applicants are required to undergo a lottery process.

Multiple participants across the focus groups and committee meetings shared experiences where potential landlords refused to accept them as tenants because they did not want to take Section 8 vouchers. While these participants were not able to share details about these landlords, it was agreed upon that these discriminatory practices occur throughout Chelsea.

Sex

Sex-based discrimination in housing can take many forms. It can include refusal to provide housing or real estate services based on sex, as well as forms of sexual harassment. Data from the Census Bureau ostensibly cover sex and not gender, and no data are explicitly provided on gender.²⁹

²⁹ The American Community Survey asks respondents about sex and not gender. Though the 2021 ACS Subject Definitions [pdf] discuss the concept of "biological sex," the survey itself simply uses the word "sex" and offers "male" and "female" as options. Since answers are self-reported, there is likely some conflation between sex and gender in responses. This imprecision in the Census Bureau's data collection makes it difficult to assess either sex or gender

Financial Characteristics

The median income for men in Chelsea was \$73,750 ($\pm 31,523$) and for women was \$57,774 ($\pm 7,077$). Chelsea is in the bottom of the median income for men in the comparison region³⁰ and women. Examining the disparity between male and female median income, Chelsea ranked in the middle of the range; the highest disparity was \$51,930 (Marblehead) and the lowest was \$3,349 (Boston). In the communities of Boston, Lynn, and Everett, the disparity showed women being higher income than men.

Within Chelsea, 20% ($\pm 3\%$) of the male population lived in poverty, while 25% ($\pm 5\%$) of the female population lived in poverty. This disparity is not reflected in other municipalities with only Salem having a higher disparity at 6%.

Veteran Status

The Census Bureau defines a veteran as a person who has served (even for a short time), but is not currently serving, on active duty in the U.S. Army, Navy, Air Force, Marine Corps, or the Coast Guard, or who served in the U.S. Merchant Marines during World War II.

Of Chelsea's civilian population 18 years and over, about 1.5% are veterans. This is the lowest number by percentage throughout the comparison region, with a 3% aggregate and a range that goes up to 6.4%. Only the communities of Lynnfield and Nahant have fewer veterans than Chelsea's estimated 453 (± 149). This low percentage is in spite of the presence of the Soldiers Home and is likely influenced by the very high percentage of non-native born residents.

Financial Characteristics

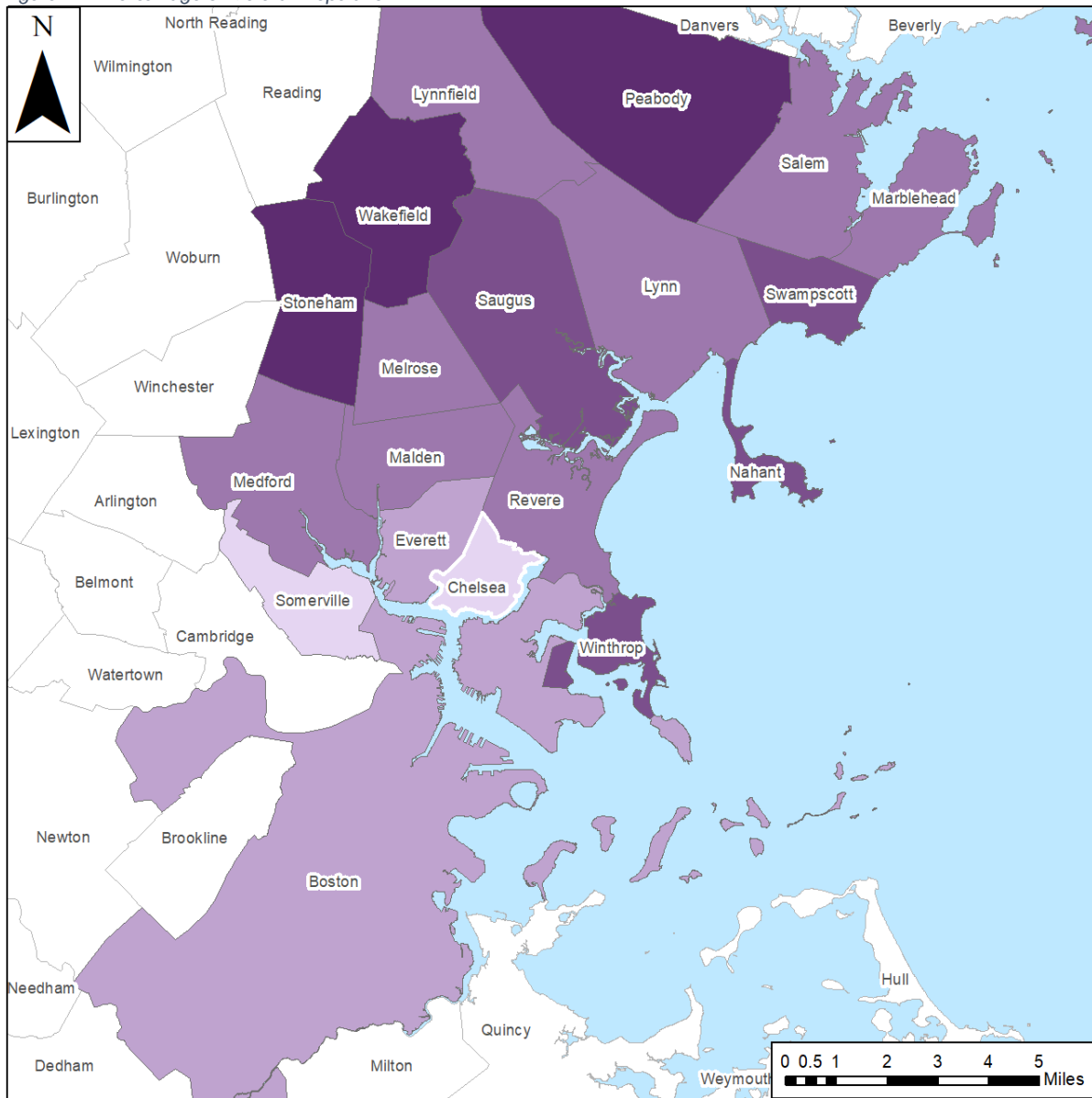
The median income for veterans in Chelsea is \$22,800 ($\pm \$7,559$), substantially less than the nonveteran median income of \$64,782 ($\pm \$5,034$), though this difference may be due at least in part to the Veterans' Home in Chelsea (formerly the Soldiers' Home). Compared to other municipalities in the region, Chelsea's veteran incomes are at the bottom of the comparison municipalities, and the only municipality in the cohort with a veteran income less than \$33,000. The veterans with the highest income are in Lynnfield with an income of \$70,893 ($\pm \$49,435$). The aggregate for the comparison municipalities is \$48,237.

Correspondingly, Chelsea has the greatest percentage of veterans who are in poverty of any municipality in the comparison region at 25%. Two thirds of all comparison municipalities have a veteran poverty percentage of less than 10%. Chelsea has a low percentage of veteran residents, especially when compared with the comparison region; the veterans who do live in Chelsea face economic hardship.

beyond a male-female binary, despite fair housing law covering individuals with sex and/or gender variance beyond that binary.

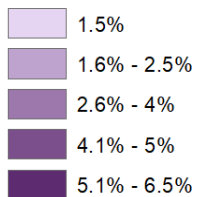
³⁰ Data for Lynnfield were not available for 2021, and are excluded from the comparison region context for this indicator.

Figure 11 - Percentage of Veteran Population



Veteran Population

Percentage of population that are military veterans.

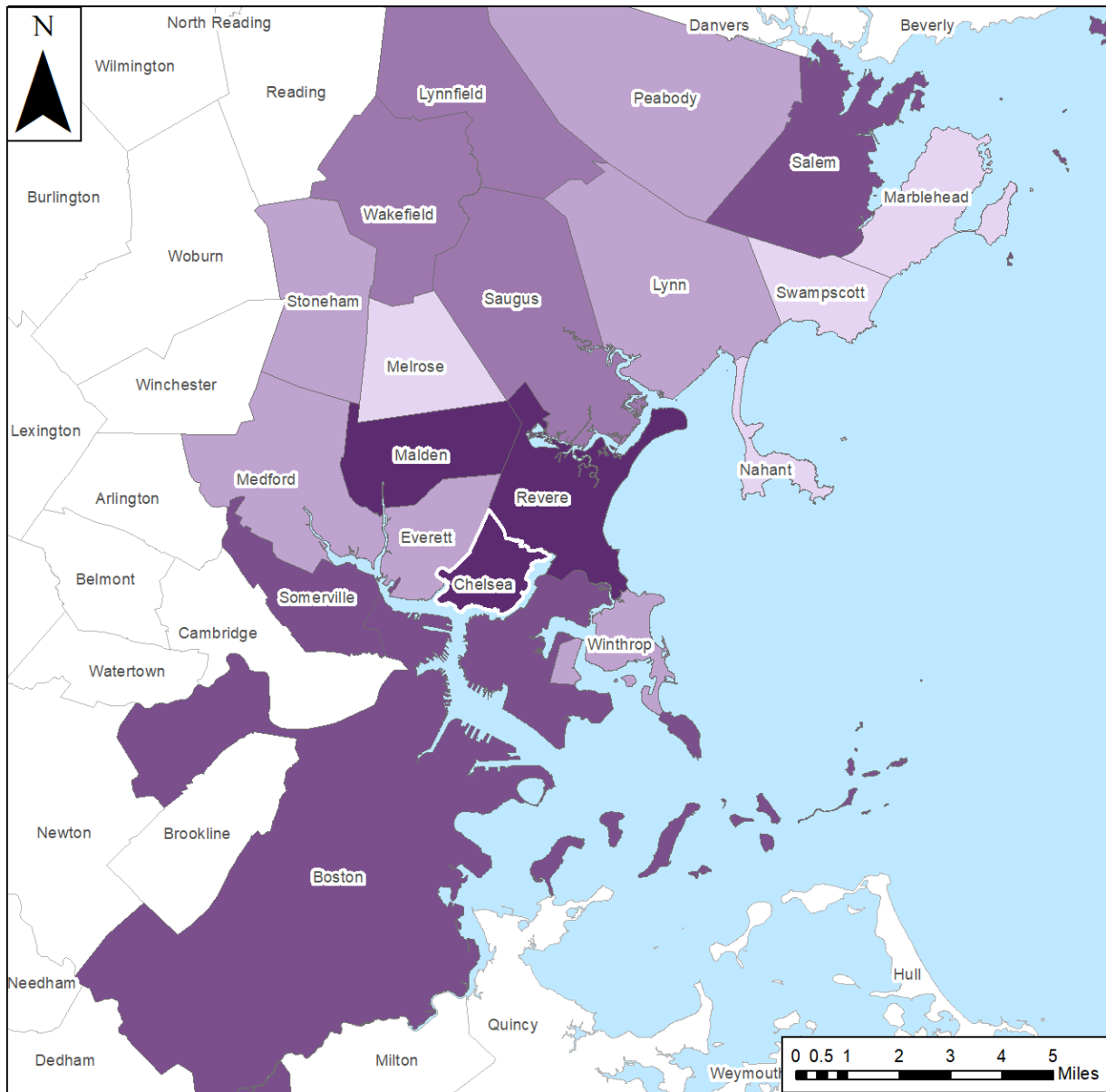


Chelsea and Comparative Region

Regional Aggregation: 3%

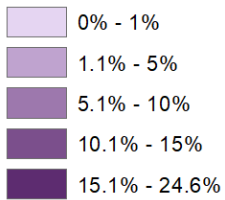
Data Sources: MAPC, MassGIS, MassDOT, ACS 2021

Figure 12 - Percentage of Veterans in Poverty



Veteran Population - Poverty

Percentage of population that are military veterans and have earnings below the poverty line.



Chelsea and Comparative Region

Regional Aggregation: 9%

Data Sources: MAPC, MassGIS, MassDOT, ACS 2021

Findings from Community Input

A focus group held for seniors and veterans was conducted at the Chelsea Senior Center on March 22, and two veterans shared their Chelsea housing experiences.

One veteran expressed recent trouble attaining housing. Upon the conclusion of a 15-month lease, the management property asked for an additional \$800 a month to re-sign, totaling just under \$3,000 a month. The development knew of the resident's veteran status, and there was a sense of retaliation because of past maintenance requests. The rules also seem arbitrary. A rule prohibiting large dogs was in place, but a friend living at the building divulged that a new resident has a large pitbull. The resident was forced to enlist a real estate agent to help with the search, paying almost \$2,000 for the service.

The second veteran shared that he moved to the Soldiers' Home in Chelsea after a sublease ended with an eviction, and a period of homelessness. The veteran was living with two other adults, and the main leaseholder was struggling with alcohol misuse. The substance problem incrementally impeded rental payments, and for some time the veteran and other roommate were covering the rent. Eventually all of the occupants were evicted. While the landlord was kind, few upgrades and maintenance items were addressed, but upon the eviction, the unit was remodeled. The resident found refuge in a shelter and attained long-term housing at the Soldiers' Home, which he noted is re-organizing, with Penrose, a well-established company, taking over management.

Affordability

The fundamental question this part of the plan asks is whether members of protected classes can access housing in Chelsea. So far, the analysis has been limited to whether protected classes currently live in Chelsea, and in some cases, a brief look into the protected classes' finances. This latter financial element points to an important part of access: can members of protected classes afford to live in Chelsea?

This section compares the median household income for households in Chelsea and the comparison region to median home costs for newly rented or purchased housing in Chelsea. This measure illustrates whether a household making the median amount of money within a protected class could afford to move to the median Chelsea home. Though this analysis does not cover the needs or abilities of all households wishing to move to Chelsea, it illustrates the racial gap in access to Chelsea's housing experienced by households in the region.

Rental Housing

The median asking rent for a two bedroom in Chelsea is around \$2,500, while median asking rent for a studio in 2022 was \$1,750.³¹ A household earning Chelsea's median income (\$64,782 per year) could afford to pay approximately \$1,620 per month in rent. Thus even the median-priced studio apartment would result in housing cost burden for the median Chelsea household, and larger units are even further out of reach. For protected classes earning less than the median income, finding housing that fits their budget is even more challenging.

The following table shows the difference in incomes of Black and Latino households in Chelsea versus the comparison region, as well as the gap between the rent the typical household in each racial/ethnic group can afford and the median rent in Chelsea. The typical household in Chelsea cannot pay for the rental rate of a two-bedroom unit. This is true for all racial groups, with Black residents having the highest gap at \$1,123 per month and white residents having the smallest gap at \$369 per month. If the table were based on studio rents instead of two bedrooms, there would still be an income gap for Black and Asian households (and Latino households would be very close to being rent-burdened).

Throughout the comparison region, Black and Latino residents would not be able to rent in Chelsea without being rent-burdened.

³¹ This comes from the MAPC rental listing database for 2022 showing what the advertised rates are for available two-bedroom rental units.

Figure 13 - Median Household Income by Race, Affordable Rent, and Rental Gap compared to median asking rent for a 2-bedroom unit of \$2,500 per month³²

| Chelsea | | | | Comparison Region | | |
|---------|------------------|-------------------------------|--|-------------------|-----------------|--------------------------|
| Race | Median HH Income | Affordable Rent ³³ | Rental Affordability Gap ³⁴ | Median HH Income | Affordable Rent | Rental Affordability Gap |
| Black | \$50,087 | \$1,377 | (\$1,123) | \$55,405 | \$1,524 | (\$976) |
| Latino | \$66,780 | \$1,836 | (\$664) | \$67,939 | \$1,868 | (\$632) |
| White | \$77,508 | \$2,131 | (\$369) | \$99,375 | \$2,733 | \$233 |
| Asian | \$62,127 | \$1,708 | (\$792) | \$107,246 | \$2,949 | \$449 |

While the numbers in Figure 13 are generalizations that inherently simplify both the housing market and the diverse needs of residents seeking housing, it is difficult to overstate the extent to which housing cost is a barrier to accessing housing in Chelsea for Black and Latino households in the region. Unless they can access a deed-restricted affordable unit, the typical Black or Latino family in the region will have a difficult time finding housing options in Chelsea that do not involve overcrowding or other substandard housing conditions.

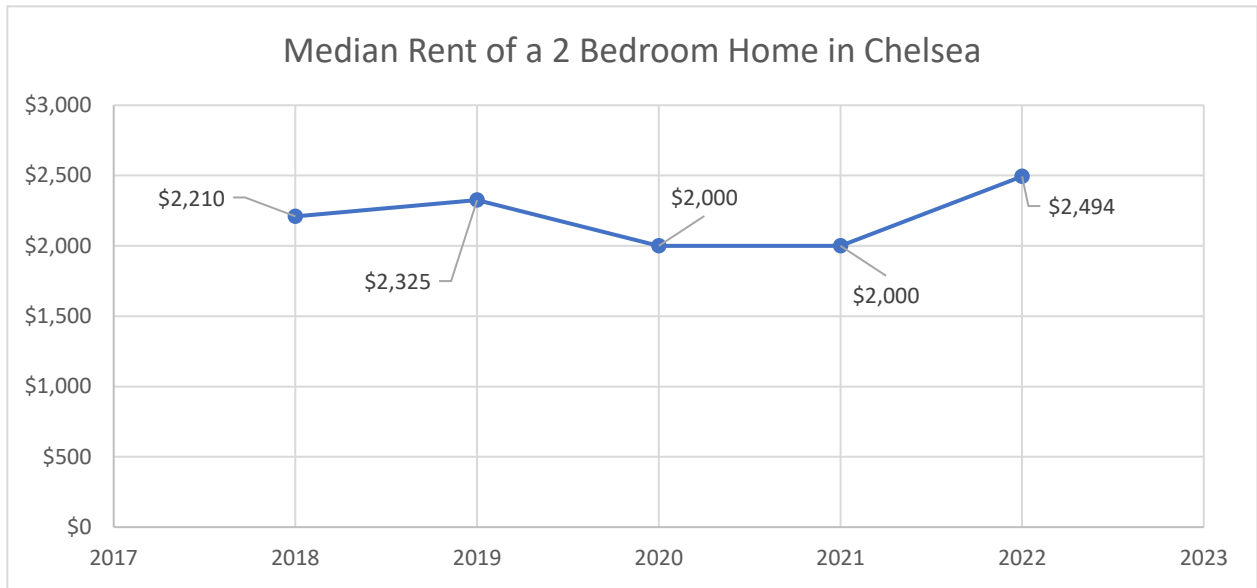
Rent in Chelsea has increased over five years by roughly 13%. While this may suggest a slow rise of 2.6% per year, the rental costs have not been stable. The rental market was likely affected by the COVID19 pandemic, causing rental rates to drop in the years 2020 and 2021, decreasing from \$2,210 in 2018 to \$2,000 in 2021. The substantial increase from 2021 to 2022 of 25% adds to the housing affordability barriers for people in Chelsea as well as the comparison region.

³² At the time this report was completed, 2022 Census data were not available. This table compares 2021 incomes with 2022 rental rates. The incomes are not adjusted for inflation, as it is not likely that incomes have increased at a rate comparable to the inflation rate during this time.

³³ Affordable rent is based on a household spending 30% of its income on total housing costs including utilities, minus \$100 monthly for utilities. Affordable rents are rounded to the nearest tens place.

³⁴ The rental affordability gap is the amount of monthly rent the median household can afford minus the median monthly asking rent for a two-bedroom home in Chelsea, \$2,500. A negative value indicates the household cannot afford the median rent.

Figure 14 - Median Rent in Chelsea, 2018-2022 (MAPC Rental Listings Database)



Ownership Housing

It would be difficult for the typical Chelsea household to purchase a home in Chelsea today, regardless of protected class status. A household earning Chelsea's median income of \$64,782 could not afford to purchase a single-family home costing about \$476,500 (the median sale price for single-family homes in 2021³⁵), even assuming good credit, minimal existing debt, and a down payment of 20%. To afford that home, there would need to be a household income of roughly \$129,000. An income gap of \$64,000. Of course, in today's market a 20% down payment is rare for a first-time homebuyer; if a household does not have this level of savings, the amount it can afford to pay for a home is even less. For example, with a 5% down payment, the household income would need to be \$142,000 to afford the typical single-family home in Chelsea³⁶. Condos are more affordable, but still generally out of reach. With a conventional mortgage, the typical Chelsea condo with a median sales price of \$385,000 would require a household income of \$106,000 (an income gap of around \$41,000) and a low-down payment mortgage would require a household income of \$116,000 (an income gap of around \$51,000).

For current Chelsea residents, the median income differences between the median White household and the median household of color are negligible, so their ability to afford to purchase a home at current prices are roughly similar. As with renting, though, access to Chelsea's housing by residents of the comparison region varies significantly by race. Assuming access to a competitive mortgage, a family earning the median salary of a Black or Latino household (\$50,087 and \$66,780, respectively) could afford to purchase a home costing roughly \$150,000 to \$200,000 — less than half of the median home sale price in the city. This demonstrates that members of protected classes who are not incumbent residents face barriers to accessing housing in Chelsea (though it does not mean that no members of protected classes can access Chelsea's housing or that incumbent residents face no fair housing issues).

³⁵ Source: The Warren Group

³⁶ Mortgage affordability was determined based on a calculated monthly mortgage payment according to a 30-year term, Chelsea FY2020 real estate tax of 12.38% per \$1,000, a 6.42% fixed annual interest rate, PMI rate of 0.75%, and homeowner's insurance of \$83 per month.

Figure 15 - Housing Affordability in Chelsea



Findings from Community Input

Across all of the community engagement interactions, participants reported the cost of housing in Chelsea as a major challenge in the experience of finding and maintaining housing. Interviewees have observed a theme of increasing rents that have forced many residents to move out of Chelsea, while individuals shared stories about the ways landlords have directly or indirectly increased their rent. While some landlords have increased rent by hundreds of dollars a month outright, others reported that their landlords added sudden fees for pets, for example.

Given the correlation shown in demographic data between economic status and certain protected classes like race and immigration status, we know that the cost of housing has an adverse effect on these groups. Additionally, the case manager for domestic violence survivors noted in her interview that her clients report experiencing discrimination based on their race in work contexts, impacting their ability to pay for housing in an increasingly expensive market.

Many residents face roadblocks in the rental application process before the cost of rent even comes up. Service provider interviewees and residents identified tactics that landlords use to discourage applications from certain groups. Examples of such discriminatory practices include

asking for credit checks, requiring Social Security Numbers to deter immigrants or undocumented individuals, and not accepting Section 8 vouchers, among other practices. Language is an additional barrier in housing applications. In some cases, applicants do not speak English, which is the language applications are provided in and a requirement for many jobs that would allow them to earn money for housing. In other cases, applicants lack the literacy levels and ability to fill out forms for rentals or public housing.

Many participants advocated for policy changes, like rent control, to limit landlords' abilities to increase rent by extreme amounts year-over-year.

The cost of purchasing a home has also been a deterrent for potential homebuyers in Chelsea. A participant in the focus group for seniors shared that she bought a condo nearly two decades ago in Chelsea but has faced difficulties and brought up lawsuits in regard to the maintenance and upkeep of the building. Additionally, a veteran in the same group described regulations on Affordable Housing, such as the requirement that the home be owner-occupied, as a major deterrent to him when he considered buying a home in Chelsea while he was on active duty. .

Participants in the engagement process expressed confusion about the impact that taxes have on the cost of housing to homeowners or landlords. Multiple participants across the various engagement formats shared a belief that property taxes in Chelsea were increasing with the increase in housing values. Some noted that landlords they encountered cited this as a reason for increasing rent for tenants. However, one homeowner who participated in a focus group reported she did not believe her property taxes in Chelsea had increased significantly. This could be a potential area for the City to provide education and transparency.

Access to Opportunity

Given the disparities in representation of protected classes across the region, a key question that emerges is whether residents of Chelsea experience greater access to opportunity than their peers from neighboring municipalities. There are many ways to explore access to opportunity. For the purposes of this analysis, access to opportunity is evaluated in four categories: Graduation Rates, Health Outcomes, Economic Mobility, and Transit Access.

Within Chelsea, it is difficult to determine whether disparities in overall access to opportunity are due to patterns of segregation or the large share of persons of color and high density of the city. Where disparities do exist, such as in the case of graduation rates, they cannot necessarily be attributed to residential patterns.

The regional picture is clearer. While the municipalities with the highest share of persons of color have a greater degree of transit access, they also have lower graduation rates and lower economic mobility than the less racially diverse municipalities to the north and west. Taken collectively, this indicates that regional patterns of segregation are indeed precluding persons of color from accessing housing in higher-opportunity areas. Chelsea generally falls at the bottom of the context communities in terms of overall opportunity. Chelsea's residents of color have lower levels of opportunity than many people of color residing elsewhere in the comparison region.

Graduation Rates

The Chelsea Public School District's 2021 graduation rate was 67%, which puts Chelsea at the bottom of the comparison municipalities, where graduation rates range from 67% to 99%. Though many factors outside school quality impact graduation rates, the lower graduation rate means that students in Chelsea do not have either the advantage of participating in a school system where their graduation is extremely likely, nor do they likely have support systems outside of school that allow for academic success. Chelsea schools also have a 12% dropout rate, second only to Salem's 13%.³⁷

As an inner-core city with a predominantly urban character, Chelsea has a single school district with four elementary schools, three middle schools, and one high school. This is in addition to an early learning center and an alternative education school called the Chelsea Opportunity Academy.

While many factors that contribute to the graduation rate may relate to housing (for example, evictions or overcrowding can negatively impact school performance), there are so many other structural factors that may contribute to these numbers – for example, the need for teenagers to work to contribute to family income - that it is impossible to draw conclusions from a housing perspective alone. Students during this time were also negatively affected by the COVID19 pandemic and have endured many additional challenges that have not been present in years past.

On a regional level, disparities in access to high-performing schools are clearer. The ten school systems in the comparison municipalities with 2021 graduation rates under 90% (Somerville, Saugus, Peabody, Lynn, Revere, Everett, Malden, Boston, Salem, Chelsea) are also in municipalities with the highest concentrations of persons of color (see Figure 9). The same trends hold true for municipalities with higher shares of foreign-born populations (see Figure 4). On a regional level, these protected classes generally have less access to schools where they are more likely to graduate due to their housing location and regional patterns of segregation.

Economic Mobility

To evaluate economic mobility, MAPC looked at the probability that a child born between 1978 and 1983 into a low-income household in a given Census Tract grew up to live in a household with an income in the highest 20% nationwide.³⁸ In the comparison region, the lowest economic mobility is in the inner core, particularly Boston, Chelsea, Lynn, and Everett, all cities with high shares of persons of color. On the other hand, the areas that exhibited better economic mobility are generally located further west of the city, which are generally less racially or ethnically diverse. Based on this metric, patterns of regional segregation appear to correspond to decreased economic mobility for persons residing in municipalities with a higher share of persons

³⁷ Massachusetts Department of Elementary and Secondary Education, 2021

³⁸ Raj Chetty, Nathaniel Hendren, John Friedman, Maggie R. Jones, and Sonya R. Porter. "The Opportunity Atlas: Mapping the Childhood Roots of Social Mobility." Data accessed online at <https://opportunityinsights.org/paper/the-opportunity-atlas/>

of color.

Chelsea displayed a mix of Census Tracts with both low and extremely low mobility with no census tract having a ceiling higher than 19%. There is no clear connection between a tract's economic mobility and its share of persons of color in town, though this is unsurprising, given the small number of census tracts in the city.

Transit Access

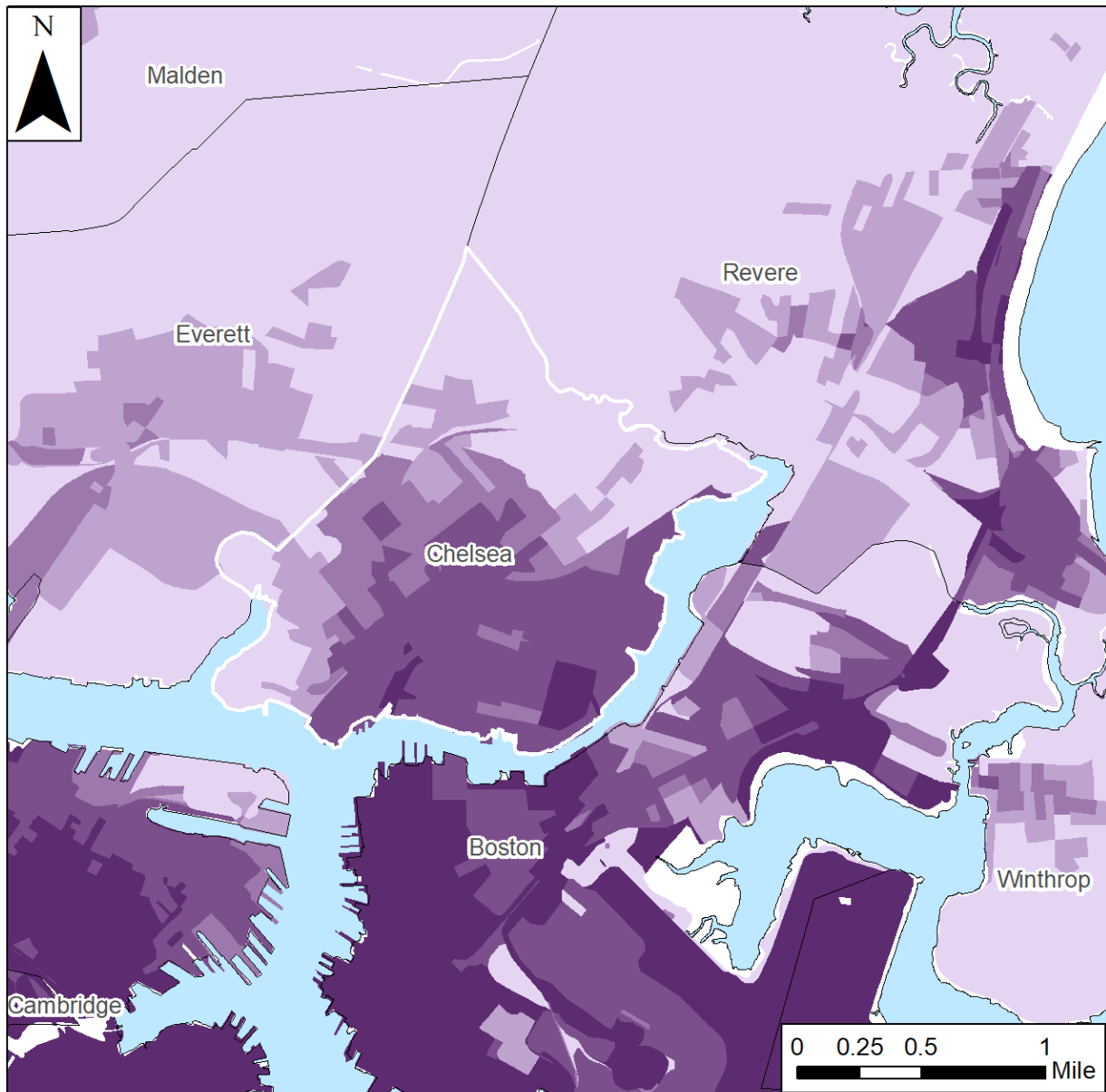
Chelsea is home to bus service, express bus service on the Silver Line, and Commuter Rail access. Bus routes primarily serve as connectors to the two Blue line stations in neighboring communities – Wonderland in Revere and Maverick in East Boston. Access to northeastern Everett and Downtown Boston are provided via the route 111 bus line. The Silver Line rapid transit bus stations are also accessible via most bus routes in Chelsea. These short connections to the region's rapid transit lines make Chelsea well positioned for transit access.

All of Chelsea falls within a half-mile buffer (10-minute walking distance) of a bus stop. However, it is important to note that proximity to a bus stop is just a first step: bus routes may have long headways, may not travel to a required destination, or may not operate during needed hours.

The Accessibility Observatory at the University of Minnesota combines route data, route frequency data, and employment data to approximate the number of jobs accessible within 30 minutes of a Census Block by transit and/or walking. This data shows greater employment accessibility in the southern part of Chelsea, which is more racially diverse and lower-income, and less in the areas that neighbor Everett and Revere. This northern part of Chelsea also contains lower-density, single-family suburban style homes.

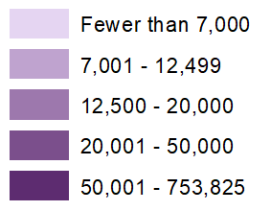
A similar spatial trend is exhibited throughout the region, in which generally more jobs are located within 30 minutes of transit closer into the city than in the suburbs, with a few exceptions for employment hubs. This map suggests that residents of Chelsea have greater access to jobs than outlying municipalities, as well as many other inner-core communities such as Everett and Medford. The number of bus routes offers far more transit accessibility than is found in communities in the northern and western portions of the comparison region. As part of the MBTA bus network redesign, routes 111 and 116 will have headway times of no greater than 15 minutes at all times of day, providing quick access to Haymarket, Wonderland, and Maverick T stations. Other non-rapid transit lines have headway times ranging from 30 to 90 minutes, depending on the line and day.

Figure 16 - Employment Accessibility by Transit in Chelsea (Accessibility Observatory at the University of Minnesota)



Employment Access by Transit

Jobs Accessible by Transit in 2019

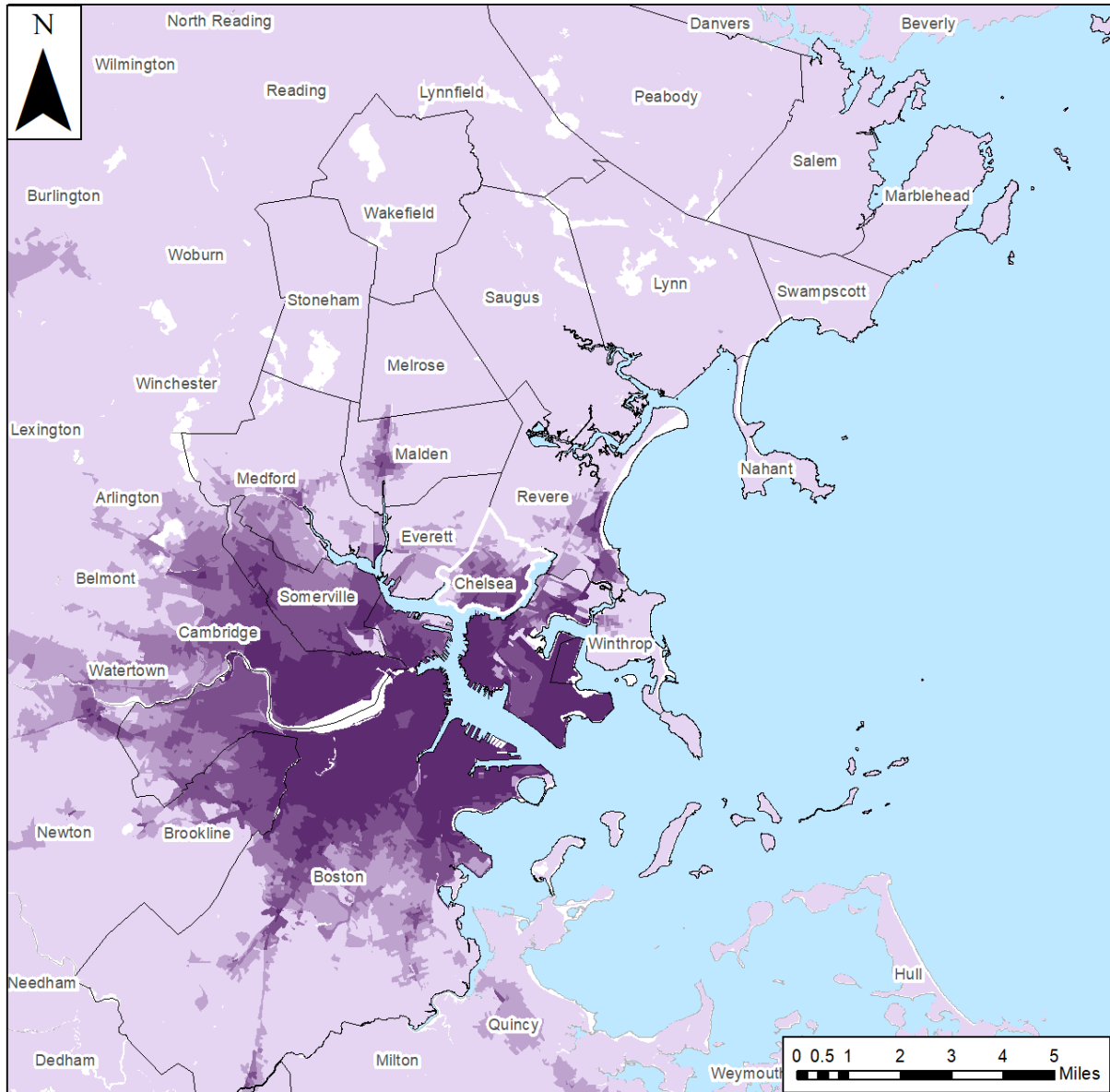


Chelsea City Focus

Regional Aggregation not available

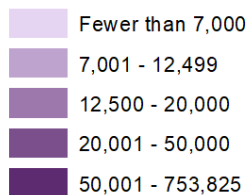
Data Sources: MAPC, MassGIS, MassDOT, Observatory at the University of Minnesota

Figure 17 - Employment Accessibility by Transit in the Comparison Region (Accessibility Observatory at the University of Minnesota)



Employment Access by Transit

Jobs Accessible by Transit in 2019



Chelsea and Comparative Region

Regional Aggregation not available

Data Sources: MAPC, MassGIS, MassDOT, Observatory at the University of Minnesota

Findings from Qualitative Input

Many participants in the community engagement process noted a connection between the cost of housing and access to employment opportunities. One resident said that many people do not want to leave Chelsea because if they move further away they will not be able to commute to their jobs. One interviewee reported that many people work in Boston; they would like to be able to work closer to home, but there are fewer job opportunities in Chelsea.

In addition to access to jobs, residents in Affordable Housing face the challenge of exceeding the income requirements for their homes if their salaries increase beyond a certain level. This makes economic mobility difficult to achieve. At the same time, an interviewee noted that some residents receiving vouchers are still unable to cover the full cost of housing. When they then cannot access or find jobs or childcare, they get put in the position of being evicted.

Another issue related to overcrowded housing is nutrition and food access. One participant of the religious leaders focus group noticed that residents often refuse to take perishable food at the food pantry, because they live in apartments with multiple families and there is not enough refrigerator space at home.

Overall, the challenges related to the cost of housing limit Chelsea residents' access to opportunity. The vast majority of participants agreed that new construction and housing was being built in Chelsea, but that these were luxury apartments and condos for single people. There was a general consensus that this development was a form of gentrification and displacement, forcing existing residents to leave. One of the interviewees posed two relevant questions: "How do we preserve low-income housing? And how do we defend small, low-income landlords?" There was a recognition among participants that some landlords are seeing the potential for economic mobility, but at the expense of long-time tenants. Participants recognized the need to balance allowing small, local landlords to see returns on their investment with the need to protect residents from extreme fluctuations in the housing market.

Chapter 3:

Fair Housing Factors

Fair housing choice can be affected by a variety of factors from direct discrimination to indirect factors like zoning and development. Direct impediments to fair housing are those actions, omissions, or conditions taken by a public or private party that limit the availability of housing choices because of a person's membership in a protected class. Similarly, indirect impediments are those actions, omissions, or conditions taken by a public or private party that appear neutral but have the effect of restricting housing choices due to one's membership in a protected class. Though some impediments exist because of an intent to discriminate against members of protected classes, intent is not necessary for a condition to be an impediment to fair housing choice.

Similarly, communities have a range of direct and indirect tools to limit discrimination and aid fair housing choice. Direct tools could include spending funds to provide housing access to members of protected classes or addressing complaints of housing discrimination. Indirect tools could include creating regulatory systems that encourage housing that is accessible to members of protected classes.

This chapter assesses both impediments to fair housing choice and potential tools to increase fair housing choice in Chelsea. Often these impediments and tools are related. Thus, the impediments and tools analyzed in this section are grouped according to broad themes:

- Structural barriers to fair housing
- Local policies and tools
- Chelsea Housing Authority
- State policies and tools
- Housing stock
- Housing market
- Education and enforcement

Structural Barriers to Fair Housing

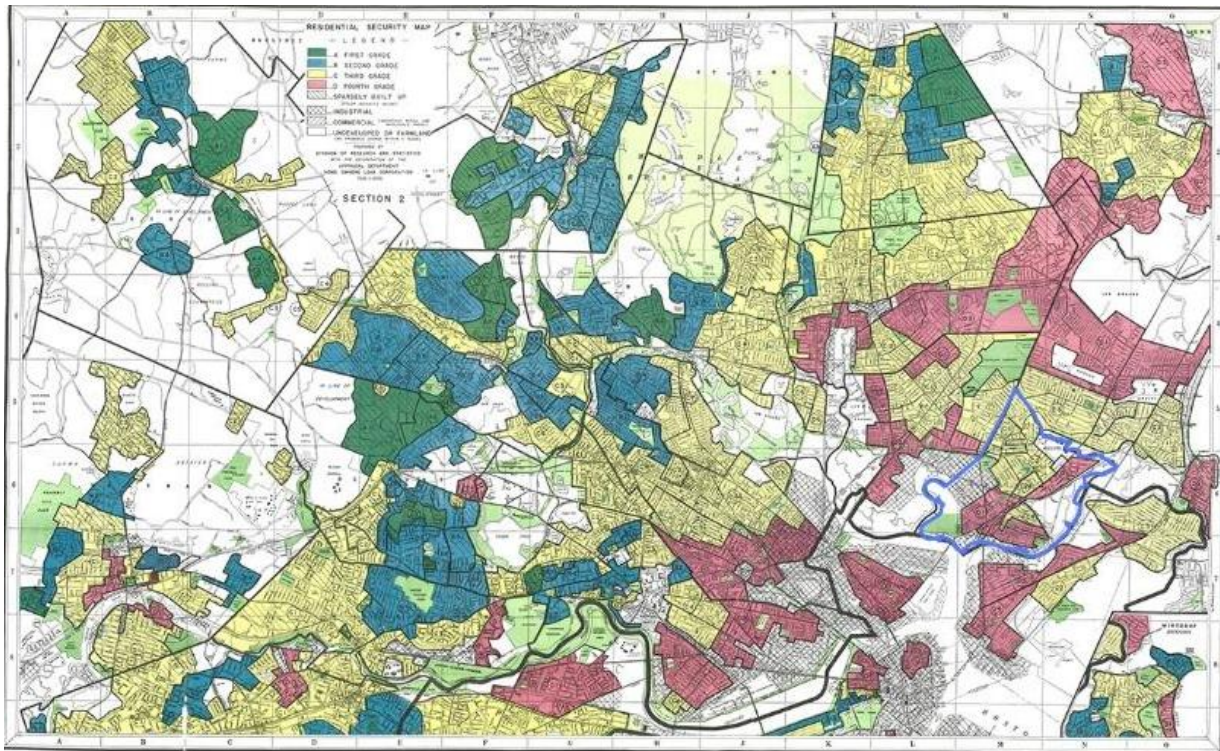
Legacy of Exclusionary Past

Like nearly every community in the United States, Chelsea and greater Boston have a history of discriminatory practices in its housing and land use policies, which has led to persistent regional racial segregation and inequity. Twentieth century segregation in the northern United States was never as legally explicit as that in the South, but suburbs created more covert systems of racial

segregation through a web of contract law, financing practices, and development regulations. The result of these policies was that the populations of wealthier suburbs in high opportunity areas were primarily white. People of color, on the other hand, were largely precluded from these suburban areas and had far fewer options, which were often located near heavy industry, were not served by municipal services, or were otherwise less safe or less desirable. This historical context is an important framework for any fair housing discussion because the legacy of that system—local policies that favored low-density housing outside of city centers, coupled with federal housing policies that denied Black residents the opportunity to pursue generational wealth—are evidenced in the region’s continuing racial segregation today.

The housing market in greater Boston was significantly shaped by a practice we now call “redlining,” which determined where and for whom financing for housing was made available. Redlining emerged during the New Deal era in the 1930s, when the federal government began insuring residential mortgages. To guide underwriters in determining the level of risk associated with a given mortgage, the federal government produced maps that stated investment worthiness by location. The racial and ethnic composition of neighborhoods was explicitly considered a factor of investment security within these maps. Neighborhoods where the majority of residents were people of color or other ethnic or religious minorities were marked red or “hazardous” on the maps. Any level of racial integration was seen as a sign of “decline,” and marked yellow. Affluent White areas were marked “best” or “still desirable” in green or blue and were considered safe investment risks for banks looking to do mortgage lending. The result of this practice was that residential mortgages and development financing, as well as the generational equity that comes with homeownership, were largely funneled to predominantly White suburbs while being denied to minority households and neighborhoods. The Black community suffered the most from these and related discriminatory practices.

Figure 1: Homeowner's Loan Corporation Residential Security Map, 1938, with Chelsea outlined³⁹

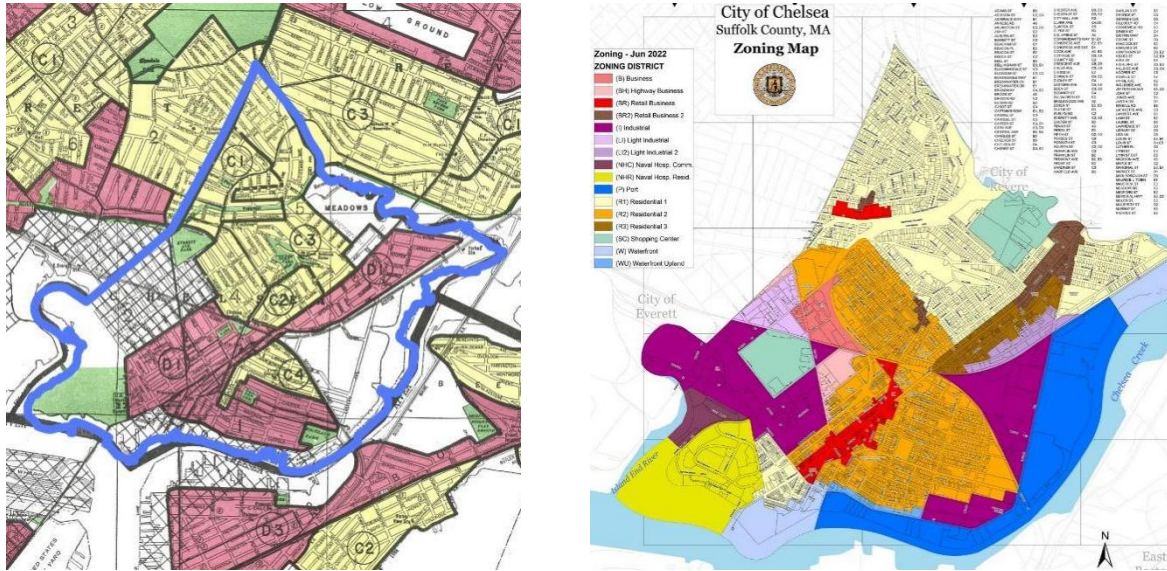


These so-called redlining maps cemented racial segregation in greater Boston for several decades. The maps' use was formally banned in 1968 with the passage of the Fair Housing Act. However, their legacy is reflected today in modern zoning ordinances. Across greater Boston, there is a direct relationship between current allowable density and previous redlining boundaries: most districts that were favorably categorized in the redlining maps of the last century are the lower-density zoning districts of today. This holds true in Chelsea, where the areas north of Broadway, previously categorized as yellow, are predominantly zoned for single family dwellings. The areas previously categorized red are largely business and multifamily districts.

The legacies of these historical practices are still embedded in Chelsea's local laws and residential patterns. High density areas near commercial districts to this day are home to many people who are foreign-born and not native English speakers, while the less-dense northern areas of the city are home to its highest share of white residents. The ways in which the city's zoning codes have shaped, and continue to shape, who could and could not live in Chelsea is discussed in greater detail later in this section.

³⁹ Source: Robert K. Nelson and Edward L. Ayers, accessed October 11, 2020, <https://dsl.richmond.edu/panorama/redlining/>

Figure 2: 1938 Homeowner's Loan Corporation map alongside Chelsea's current zoning map



Regional segregation was further embedded through racially restrictive covenants, contractual agreements written into property deeds that prevented homeowners from selling or renting their home to non-White households. While it is unclear how many racially restrictive covenants existed in Chelsea specifically, these restrictions existed across greater Boston's suburbs and played a substantial role in cementing racial segregation on a regional level. Racially restrictive covenants were made unenforceable by a 1948 U.S. Supreme Court decision, but the practice was not truly eliminated until it was made illegal through the Fair Housing Act in 1968.^{40,41}

Fair Housing in High-Cost Markets

As highlighted in the Community Profile section of this plan, several protected classes are more likely to have lower incomes than the general population, including seniors, people with disabilities, foreign-born people, and people of color. Other protected classes, specifically people receiving public assistance, have lower incomes by definition. Anyone with fewer financial resources is at a disadvantage when seeking housing, but for lower-income protected classes this disadvantage can be compounded with overt or unintentional discrimination based on their protected class, making it even more difficult to find suitable housing.

High-cost housing markets like Greater Boston further exacerbate these challenges. Higher housing costs disproportionately impact protected classes with lower incomes, despite the structure of housing costs being neutral on its face. If the need for affordable housing outstrips the supply of affordable housing, as it does in Chelsea, most low-income protected classes have no choice

⁴⁰ Fair Housing Center of Greater Boston, "Historical Shift from Explicit to Implicit Policies Affecting Housing Segregation in Eastern Massachusetts," <https://www.bostonfairhousing.org/timeline/>

⁴¹ National Association of Realtors, "You Can't Live Here: The Enduring Impacts of Restrictive Covenants," <https://www.nar.realtor/sites/default/files/documents/2018-February-Fair-Housing-Story.pdf>

but to seek private housing regardless of the inherent challenges. If those lower-income protected classes cannot afford the available housing and must choose to live elsewhere, or choose to live in housing that is substandard or overcrowded then housing costs have effectively limited fair housing choice in a community.

Local Policies and Tools

Housing Policy and Development

Local government and private parties in Massachusetts are bound by the federal and state fair housing legal framework, and local policies relating explicitly to fair housing are unusual. However, while there is no formal fair housing law at the local level, Chelsea has numerous policies, programs, and resources that affect the housing market and thus fair housing. Among these are plans and policies for housing and development, governance structures like commissions, code enforcement, and resources that the Town expends on housing matters that impact fair housing.

Zoning Ordinance: Use and dimensional regulations

Zoning is a set of local regulations that describes what is or isn't allowed on a given parcel of land: how the land can be used (for example, for housing or for offices), the size and characteristics of buildings that can be built, and requirements such as how much parking or open space must be provided. Because zoning determines where and what type of housing can be built, it directly impacts housing costs and housing choices available in the city.

When coupled with the structural barriers that many protected groups face with regard to homeownership and income inequality, zoning and land use are likely creating additional barriers to fair housing access in Chelsea. Lower density neighborhoods tend to be both whiter and wealthier in Chelsea. This segregation is a direct result of the types of housing that zoning allows in particular neighborhoods and illuminates a clear barrier to fair housing choice in Chelsea. Single family homes are expensive housing products. Multifamily housing distributes land costs across multiple units, meaning they are naturally lower in cost. Limiting multifamily housing development results in a housing supply that cannot and will not meet the need of Chelsea residents, potentially pricing out and displacing vulnerable groups and those in protected classes who are more likely to rely on multifamily housing to meet their housing needs.

- The R1 district makes up a significant portion of all land zoned for residential uses in Chelsea. It allows only one and two family homes with large minimum lot size and set back requirements.
- Chelsea does not currently have an Accessory Dwelling Unit (ADU) ordinance. ADUs tend to be good options for the elderly, multi-generational households, and people with lower incomes.
- Even in the R2, R3, BR, and WU districts where multifamily housing is an allowable use, there are significant constraints and barriers to developing multifamily housing that limit fair housing access in Chelsea, particularly for affordable housing developers. These include parking requirements, side yard and frontage requirements, minimum lot size, and

maximum lot coverage.

Because those in protected classes are more likely to live in multifamily housing, the siting of multifamily housing within the City is an important equity consideration for fair housing access. Because of the developed nature of Chelsea's built condition, opportunities for large scale development are few and far between. The Waterfront District is one of the few areas with large parcels of developable land and zoning that allows for dense multifamily housing. It is also predominantly sited within the floodplain. New residential is not an allowable use in the Floodplain Overlay District which covers many of the parcels in the Waterfront District. Not building new housing in this area limits the equity concern, but even further reduces opportunities to increase the City's multifamily housing and affordable housing supplies allowed by zoning and underscores the importance of limitations to development elsewhere in the City.

Inclusionary Zoning

Inclusionary zoning refers to a policy requiring that a percentage of units in new residential development be affordable to low-income households. Chelsea's Inclusionary Housing Ordinance is one of the most progressive in Massachusetts and a core strategy for improving housing access for low-income households in Chelsea.

Chelsea's inclusionary policy, adopted in 2017, requires that any new construction or substantial improvements that will result in the development of 10 or more units must provide 15% of all units as affordable housing. Affordable homeownership units must be affordable to households earning 80% Area Median Income (AMI) and rental units must be affordable to a rotating mix of 30%, 50%, and 80% AMI. This depth of affordability is unusual in an inclusionary policy but is in alignment with local need.

The ordinance allows a fee-in-lieu of affordable housing units only by majority vote of the city council upon recommendation by the city manager. By requiring a high bar for use of an in-lieu fee, the policy makes it more likely that units will be built more quickly because they will be built immediately as part of market rate development. Promoting affordable units on-site is also important from a fair housing perspective: it ensures that affordable units are integrated into development throughout the city with equal proximity to opportunities and amenities as new market-rate housing, and reduces geographic segregation of affordable units.

Other progressive aspects of the ordinance include:

- In addition to construction of on-site units, the ordinance generates resources for the Affordable Housing Trust Fund by allowing fractional payments in cases where a fraction of an affordable unit is required.
- It provides for a first right of refusal or option to purchase by the Affordable Housing Trust Fund Board for all "affordable" for-sale AHUs at the point of original sale or any subsequent sale. The city retains the right of first refusal on AHUs subject to foreclosure. This aids in maintaining the City's affordable housing stock in perpetuity.
- It allows for additional density bonuses for developments that go above and beyond the requirements of the Inclusionary Housing Ordinance.

Condominium Conversions

The process of changing a multifamily rental building into a condominium is governed by Section 6.4 of Chelsea's Code of Ordinances. The stated purpose of the ordinance is to notify the city of

the conversion, enabling continuity of city services and appropriate assessment, and to comply with state requirements including state-mandated tenant protections. It requires that a building owner seeking a condominium conversion must:

- Provide tenants with one-year notification of the intended conversion. For seniors, disabled, and low-income residents, the notification period is two years.
- Offer the tenant first right of purchase for the unit they occupy.
- Provide relocation expenses and assistance for those who choose not to purchase their unit (up to \$750 per tenant or \$1,000.00 if the tenant is elderly, handicapped, or low or moderate income).

These protections are consistent with the state Condominium Conversion Act of 1983.

While a permit for a condominium conversion is required under the ordinance, it is administrative in nature and the permit will be granted if the applicant has complied with the applicable noticing requirements and the building meets relevant sanitary, fire, and safety codes.

Human Rights Commission

Chelsea's Human Rights Commission (HRC) was first established in 2017. The Commission is granted the authority to initiate and conduct hearings, as well as conduct investigations into the existence of unlawful discrimination or denial of equal access to housing. Despite this charge, the HRC is not currently active on fair housing issues, nor meets regularly; current public log of recent meetings shows only agendas for one meeting in 2021 and one meeting in 2023, there are not published meeting minutes for many meetings. The Commission does not currently act in an advocacy capacity.

Housing Code Ordinance

Chelsea's Housing Code Ordinance requires that all rental units in the city be inspected by the Inspectional Services Department (ISD) at least every five years and whenever there is a change of tenancy. This process is to ensure safe and habitable living conditions, in compliance with State Sanitary Code requirements. Units receive a Certificate of Habitability (COH) if found compliant, otherwise they must repair or resolve any outstanding items to receive the COH. It is the responsibility of landlords to notify ISD regarding a change in tenancy.

There is currently no publicly accessible COH record to help landlords and tenants prepare for scheduled inspections or allow tenants the ability to advocate for needed updates and mitigate potential retaliation for raising an issue. Additionally, while there are many resources provided for property owners regarding COH inspections, but additional resources for tenant requirements may help both parties better understand tenant responsibilities and allow tenants to best prepare for a unit inspection when needed.

Local Resources

Community Development Block Grant Program

The federal Community Development Block Grant (CDBG) Program provides annual grants to states, cities, and counties to serve a wide range of community development functions. CDBG funds can be used for numerous activities serving low- and moderate-income populations,

including but not limited to housing activities. Chelsea receives CDBG funds through the state’s Mini-Entitlement Program, which is intended to help larger urban communities with high needs that do not receive a direct CDBG allocation from the federal government. In its 2023 Annual Action Plan, the state anticipated awarding a total of up to \$16,500,000 from the combined FFY22/23 Mini-Entitlement Program allocations to ten designated Mini-Entitlement municipalities, with each receiving up to \$1,650,000.

The state reports the racial and ethnic makeup of CDBG assisted households, with race reported separately from ethnicity, but it is difficult to draw any conclusions from this information. The report covers the entire state’s CDBG allocation, thus race and ethnicity data were not available for Chelsea specifically. And because larger municipalities receive their own CDBG entitlements directly from the federal government rather than from the state, a direct comparison to the state’s overall racial and ethnic composition cannot be made.

Figure 3: CDBG-Assisted Households by Race and Ethnicity⁴²

| | CDBG-Assisted Households | Percent of CDBG-Assisted Households |
|---|---------------------------------|--|
| White | 9,709 | 75% |
| Black or African American | 1,145 | 9% |
| Asian | 405 | 3% |
| American Indian or American Native | 73 | <1% |
| Native Hawaiian or Other Pacific Islander | 128 | 1% |
| Other/Multi-racial | 1,570 | 12% |
| | | |
| Total | 13,030 | |
| | | |
| Hispanic | 2,128 | 16% |
| Not Hispanic | 10,902 | 84% |

HOME Funding

The US Department of Housing and Urban Development provides affordable housing block grant funding to localities through the HOME Investment Partnerships Program. HOME is the largest federal block grant to state and local governments designed exclusively to create affordable housing for low-income households. Chelsea receives funding collectively with eight nearby municipalities through an inter-municipal cooperative called the North Suburban Consortium (NSC). The Malden Redevelopment Authority (MRA) administers the funding on behalf of the eight

⁴² Massachusetts Consolidated Annual Performance and Evaluation Report (CAPER), 2021

municipalities. Funds are accessible in all eight communities, though there is no formula defining how much each community will receive.

In the 2020-2024 Consolidated Plan, MRA anticipated \$10.2 million in HOME funding would be spent on affordable housing development across its jurisdiction. The majority of these funds would be utilized for the creation of new affordable housing (\$8.3 million). The remainder of the HOME funds are allocated for programs expanding affordability in existing housing and affordable homeownership assistance. NSC-supported projects in Chelsea include 1005 Broadway, a 38-unit project completed in 2023 with affordability from 30% - 60% AMI, supported by \$300,000 from the NSC; 25 Sixth Street, a mixed-tenure, 62-unit project with affordability from 30% - 60% AMI for rental units and 80% - 100% AMI for ownership units, with \$1.8 million committed from NSC; and 170 Cottage Street, a 66-unit project serving incomes from 30% - 60% AMI with \$1 million committed from the NSC.

As a HOME funding recipient, the NSC is required to complete an Analysis of Impediments to Fair Housing (AI). As summarized in the Chelsea Comprehensive Housing Analysis & Strategic Plan, the NSC's 2012 AI "examined the potential for fair housing barriers in each community and the region as a whole. It also identified strategies for each community to work on as a way of furthering fair housing outcomes. For Chelsea, the plan identified the following three impediments:

- Language and cultural barriers between ethnic groups are affecting people in protected classes from accessing the affordable, decent rental market in Chelsea
- Vulnerable populations within Chelsea, predominantly families with children, are more likely to live in substandard and overcrowded conditions.
- Chelsea homebuyers are still purchasing properties with higher cost loans than families buying homes throughout the Commonwealth."

These themes will continue to be examined throughout this plan.

Community Preservation Act

Chelsea adopted the Commonwealth's local-option Community Preservation Act (CPA) in 2016.⁴³ CPA adds a surcharge to annual property tax bills and provides additional state funding that must be used for specific purposes. In Chelsea, CPA is assessed as 1.5% of the property tax, with exemptions for low-income households and on the first \$100,000 of assessed value for all properties. Of the 195 municipalities in the state that have adopted CPA, 41 municipalities (21%) have adopted a local surcharge rate of 1.5%, while 78 municipalities (40%) have adopted the maximum local surcharge of 3%.

Since 2017 (the first year CPA began collecting funds), the City has raised \$4,202,033 through the local surcharge, (averaging \$700,000 annually) and \$1,241,375 in state CPA funds (averaging roughly \$200,000 annually) – a total of nearly \$5.5 million. CPA funds must be spent on affordable housing, Historic Preservation, Open Space and Recreation, with minimum of 10% of each year's funding spent on each category.

In its 2020-2024 Community Preservation Act Plan, Chelsea establishes housing as a clear priority, with a target allocation of 40% of total CPA funds. This target has been borne out in

⁴³ <https://www.communitypreservation.org/databank/info>

practices; to date, more than half of Chelsea’s CPA allocations have been for housing projects.

Table 1: CPA Allocations by Category through 2022⁴⁴

| | Open Space | Historic | Housing | Recreation | Total |
|-----------------------------------|------------|-----------|-------------|------------|-------------|
| Funds appropriated | \$450,000 | \$425,000 | \$1,753,000 | \$504,000 | \$3,132,000 |
| Share of total funds appropriated | 14% | 14% | 56% | 16% | 100% |
| Number of Projects | 2 | 7 | 4 | 2 | 15 |

Chelsea has previous used CPA housing funds to support a Housing Specialist staff position to advance a range of the City’s housing goals to fund emergency rental assistance to households impacted by the Covid-19 pandemic.⁴⁵

Housing Trust Fund

Chelsea’s Affordable Housing Trust Fund (AHTF) and its Board were established in 2005 in Section 18 of the City’s Administrative Code, and in 2016 was revived after a period of dormancy. Municipal affordable housing trusts are enabled under Chapter 44, Section 55C of the Massachusetts General Laws and provide municipalities with a designated, flexible mechanism to collect and spend funds for affordable housing creation and preservation.

The AHTF’s vision, as described in its 2018 Action Plan, is to “Support the affordability for the current residents of Chelsea while continuing to create housing for low-income people in innovative, cost-effective and culturally-sensitive ways. The Trust will work to become a leader in preserving and creating affordable housing in urban environments by implementing cost effective and socially equitable strategies.”

Chelsea’s AHTF receives resources from inclusionary zoning payments and other developer fees. It receives an annual allocation of CPA funds as a designated percentage, and may also apply for additional CPA funds for specific projects.

The 2018 Chelsea Affordable Housing Trust Action Plan identified its target population as those with income at or below 60% of AMI, including seniors. It establishes four priority initiatives:⁴⁶

- Housing Rehabilitation Program, which provides housing rehabilitation assistance to income-qualified homeowners or landlords renting to qualified low-income households.
- 3D Acquisitions, which seeks to acquire triple-deckers or two-family structures to create deed restricted rental housing.
- Buy Down Program/Chelsea Homeownership Assistance Opportunity (CHAO), a first-time homebuyers’ program that creates deed restricted homes (single family and condos) in perpetuity by providing grants to reduce sale prices of existing market-rate home.
- Chel-SEA Housing (Supporting Expanding Affordable Housing), which funds developers or other housing proponents through grants to create and preserve new affordable housing units.

⁴⁴ <https://www.communitypreservation.org/databank/home>

⁴⁵ https://www.chelseama.gov/government/boards_commission/community_preservation/community_preservation_act_cpa.php

⁴⁶ Chelsea Affordable Housing Trust Action Plan, 2018

American Rescue Plan Act

The 2021 federal American Rescue Plan Act provided funding directly to state and local governments to address the economic impact of the COVID-19 pandemic. Chelsea received approximately \$40 million in ARPA from the state and federal governments. Of that, \$25 million was used to offset City revenue lost due to the pandemic. The City elected to use the remaining \$15 million to create a Community Fund to support initiatives and priorities, developed by the community and informed by an extensive public engagement process, to address priority needs in Chelsea. Of these funds, approximately \$3.5 million was allocated for housing: \$2.2 million to increase equitable affordable, mixed income, and workforce housing opportunities; and \$1.3 million to support housing stability initiatives and programs to prevent evictions and displacement. Other funding allocations related to housing included improving indoor air quality issues in existing housing stock and improving access to reliable and affordable internet service.⁴⁷

Local Programs

Housing Legal Clinic

In 2020 Chelsea launched a Housing Legal Clinic to assist residents facing eviction or other housing issues resulting from housing instability related to the onset of the COVID-19 pandemic and in preparation for the eventual expiration of the statewide eviction moratorium. Residents experiencing eviction threats or eviction proceedings, landlord disputes or harassment, and building code or safety issues can seek assistance from the clinic's attorneys and housing specialists. Chelsea residents can receive assistance regardless of immigration status, income, or background. Staff are multilingual in Spanish, Portuguese, Mandarin, and Haitian Creole and are available for walk-ins three days each week, for three hours each day, in a different location each day.

ARPA and Beth Israel Deaconess Medical Center provided startup funding for the clinic. Although the pandemic has receded, the need for legal services help vulnerable residents avoid displacement remains strong. However, because this program was created in response to the pandemic utilizing pandemic relief funding, a stable funding source for ongoing operation is uncertain.

Emergency Housing Assistance

Not all households are eligible for family shelter, and individuals facing homelessness have few options beyond congregate shelter and private shelters with daily lotteries and waitlists. The City, through the Department of Housing & Community Development, has operated an emergency housing and homelessness prevention program which provides unhoused households with assistance accessing shelter, as well as temporary placements in local hotels while shelter applications are pending. The program has been a crucial resource to support families who are ineligible for shelter, as well as families awaiting placement. Identifying permanent funding for this local safety-net program, as well as expanding the program to include additional capacity to serve individuals, is necessary for ensuring extremely vulnerable residents have access to safe shelter and basic necessities.

Chelsea works with three community partners (TND Connect, La Colaborativa, and Housing Families) to connect Chelsea residents to emergency assistance resources.

⁴⁷ [City of Chelsea American Rescue Plan Act Final Allocation Plan, 2021](#)

Homeowner Stabilization Program

Chelsea's Homeowner Stabilization Program is available to homeowners of single to four-family homes who are struggling to receive rental income or pay their mortgages and utilities, due to the impacts of COVID-19. Owner occupants earning less than 100% AMI may be eligible to receive up to \$10,000 in assistance, depending on the number of units in the building, that can be used towards mortgage payments, utilities, and recuperating unpaid rent. This program was intended to be a temporary pandemic response, and funding is not expected to be extended after the current allocation. However, beginning on July 1, 2023, the state-funded Residential Assistance for Families in Transition (RAFT) program will become available to low-income homeowners who are at risk of foreclosure.

First Time Homebuyer Down Payment Assistance Program

Chelsea offers loans to income-eligible applicants, purchasing eligible properties, which include condominium units and single-family residences. The owner must live in the property and purchase it as a primary residence. Loan amounts of up to \$10,000 are available for a non-subsidized property. Assistance is provided in the form of a 0% interest, deferred payment loan. If a recipient continues to own and reside in the property for five years, the loan will be forgiven and become a grant. If a recipient sells the property or converts it to a rental unit within five years, a portion of the loan must be repaid.

Downpayment assistance, in addition to homebuyer education, financial counseling, and foreclosure prevention programs, is also available through the Chelsea Restoration Corporation.

Home Improvement Resources

The Chelsea CDBG Housing Rehabilitation Program is funded through Chelsea's CDBG allocation. It provides deferred-payment loans to low and moderate income households for housing rehabilitation in 1 to 4 unit residential buildings to bring the property into code compliance and eliminate violations that threaten the health and safety of building occupants.

The Get the Lead Out Program provides low and no-interest-rate financing to help homeowners, investor-owners and nonprofits remove lead paint from their properties. Loans are deferred until sale or refinance of the property, with flexible underwriting guidelines if a child under 6 years old is a building occupant. The program is state financed but is administered locally through a partnership with the Chelsea Restoration Corporation.

Chelsea, together with Revere and Winthrop, are a part of the Community First Partnership with Mass Save. Mass Save assists residents—both homeowners and renters—in accessing cost-saving energy reduction measures through Eversource and National Grid. No-cost services available to low-income residents may include a home energy assessment, air sealing and insulation upgrades, high efficiency heating and cooling upgrades, and high-efficiency appliance upgrades. Mass Save can also assist in connecting residents to discounted gas and electric rates and fuel assistance through Massachusetts Community Action Program (CAP).

State Policies and Tools

Although this Plan is primarily focused on the local level, it is important to recognize the state-level

policies and programs that impact fair housing access.

Expanded Fair Housing Protections in Massachusetts

Massachusetts has its own fair housing law contained in M.G.L. Chapter 151B, described in the Fair Housing Legal Framework section of the introduction.

Resources Dedicated to Housing

The Commonwealth of Massachusetts has numerous resources dedicated to the production of housing, particularly housing options that are more accessible to those in some protected classes. Many of these programs are managed or regulated by the Executive Office of Housing and Livable Communities (EOHLC). These programs include (but are not limited to):

- **Affordable Housing Trust Fund:** The state's Affordable Housing Trust Fund provides direct financing to affordable housing development.
- **Housing Choice Communities:** Communities that permit a significant amount of new housing units and have implemented pro-housing reforms are eligible for special funding from the state.
- **Rental Vouchers:** Massachusetts provides low-income households with vouchers for rent payments. These include managing federal Section 8 vouchers, state MRVP vouchers, and project-based vouchers.
- **Federal development programs:** Massachusetts manages several federal funding programs, such as the Low-Income Housing Tax Credit program and the HOME Partnership fund.
- **Workforce Housing:** A special fund financing housing for moderate- and middle-income households.
- **Multiple first-time homebuyer assistance products** through quasi-public agencies such as MassHousing and the Massachusetts Housing Partnership.
- **Multiple homeowner repair, home improvements, and weatherization/energy efficiency programs, lead removal for homeowners and landlords, and energy assistance programs for both owners and renters** available through quasi-public agencies and nonprofits.
- **Chapter 40T:** This law provides EOHLC the right of first refusal to purchase affordable housing units where affordability restrictions are expiring.
- **Right to Shelter:** Massachusetts guarantees shelter placement to extremely low-income families with children and pregnant women who meet the Emergency Assistance (EA) shelter program's definitions of homelessness.
- **Continuum of Care:** For a region of Massachusetts that includes Chelsea, EOHLC manages a Continuum of Care (CoC), which is a federally approved organization that manages funding for services benefiting people experiencing homelessness. The CoC serving Chelsea is called the "Balance of State Continuum of Care."
- **The Residential Assistance for Families in Transition (RAFT) program** is a homelessness prevention program funded by EOHLC. RAFT provides short-term financial assistance to low-income families who are homeless or at risk of becoming homeless

- The Massachusetts home energy assistance program (LIHEAP) is a free resource to help eligible households pay a portion of winter heating bills.
- The Housing Development and Incentive Program (HDIP) was originally designed to encourage new market-rate development in Gateway Cities. The program enables participating municipalities to offer local property tax relief for new market-rate residential development and provides the opportunity for the developers of these properties to seek additional state tax credits.

In addition to these resources, all marketing and selection of affordable housing units must follow Affirmative Fair Housing Marketing guidelines per EOHLA.

Home Rule Petitions

If a municipality does not have the authority to enact a particular policy under the Massachusetts General Laws, it can request that authority from the state legislature through a home rule petition. To pursue a home rule petition, a city must first adopt the petition locally and then send it to the municipality's state legislator, who files it with the State Clerk. There are no required benchmarks for legislative review and approval of home rule petitions, and the timeline can vary depending on the petition's scope, complexity, and level of controversy, as well as legislative priorities in a given session. After the petition is signed into law, it either takes effect immediately (if the petition language is targeted and specific) or after a subsequent local approval (if the petition language requires such approval or requires additional specificity at the local level).

Throughout the engagement process for this plan, residents and advocates have repeatedly suggested actions that would require state approval via a home rule petition to implement. These include rent stabilization or rent control, sealing eviction records, adopting a real estate transfer fee, guaranteeing the right to counsel for tenants at risk of displacement, levying steeper penalties for fair housing violations, and allowing tenants of a building that is being sold the chance to purchase the building for a fair market price.

Chelsea Housing Authority

The Chelsea Housing Authority (CHA) is the local public housing authority serving the Chelsea community. The CHA owns and operates income-restricted affordable rental housing and administers rental housing vouchers that help to pay market rents for low-income households in private housing. As a semi-independent arm of government that meets housing needs, the CHA can play a unique role in addressing fair housing choice.

Housing Authority Properties

The Chelsea Housing Authority oversees a total of 914 units in eight developments. Each individual development serves either a mix of seniors and disabled residents (referred to as an "elderly/disabled" development) or the population generally (referred to as a "family")

development).

| Family Properties | | | | | |
|--------------------------|--------------|--|-------------------|---|----------------|
| Property | Units | Unit mix | Year built | Building characteristics | Funding |
| Fitzpatrick Apartments | 70 | 42 two-bedroom units 28 three-bedroom units | 1948 | Townhouses (2 stories) 12 wood frame buildings | State |
| Prattville Apartments | 128 | 77 two-bedroom units 51 three-bedroom units | 1950 | Low-rise (3 stories) 2 masonry buildings | State |
| Innes Apartments | 96 | 42 two-bedroom units 48 three-bedroom units 6 four-bedroom units | 1950 | Low-rise (3 stories) 8 masonry buildings | State |
| Scrivano Apartments | 106 | 9 one-bedroom units 52 two-bedroom units 45 three-bedroom units | 1952 | Low-rise (3 stories) 4 masonry buildings | Federal |
| Mace Apartments | 96 | 23 one-bedroom units 33 two-bedroom units 25 three-bedroom units 15 four-bedroom units | 1953 | Low-rise (3 stories) 4 masonry buildings | Federal |
| Total Family | 496 | 32 one-bedroom units 246 two-bedroom units 197 three-bdrm units 21 four-bedroom units | | | |

| Elderly/Disabled Properties | | | | | |
|------------------------------------|--------------|--|-------------------|--|----------------|
| Property | Units | Unit mix | Year built | Building characteristics | Funding |
| Union Park Apartments | 56 | 56 one-bedroom units | 1950 | Low-rise (2 stories) 7 wood frame buildings | State |
| Buckley Apartments | 210 | 210 one-bedroom units | 1972 | High-rise (8 stories) One masonry building Three elevators | State |
| Margolis Apartments | 152 | 144 one-bedroom units 8 two-bedroom units | 1976 | High-rise (13 stories) One masonry building Two elevators | Federal |
| Total Elderly/disabled | 418 | 410 one-bedroom units 8 two-bedroom units | | | |

Just over half of CHA units are in one of the five family properties, which were originally designed to support returning veterans who fought in World War II. The majority of these are two- and three-bedroom units. Slightly less than half of CHA units are in one of the three elderly/disables properties, which are almost entirely one-bedroom units.

All of the CHA's family properties and one of the elderly/disabled properties were constructed between 70-75 years ago. The two newer elderly/disabled properties are roughly 50 years old. The CHA's properties are comprised of both federal sites (three properties, 354 units), which are regulated by the Department of Housing and Urban Development (HUD), and state sites (five properties, 464 units), which are regulated by the Executive Office of Housing and Livable Communities.

Elderly and Disabled Housing Properties

Senior residents of elderly/disabled CHA properties must be 60 years or older to live in state-funded properties (Union Park and Buckley Apartments), whereas federally-funded elderly/disabled properties (Margolis Apartments) have a minimum age requirement of 62 years or older. Disabled residents of any age are also eligible to reside in an elderly/disabled

property.

The number of accessible units is unclear. The 2022 CHA Annual Plan states that both Buckley and Prattville have two ADA units each, and Union Park has two units that are currently undergoing a conversion. The Buckley and Margolis apartments are both high-rises with elevator service, allowing the 362 units between them to be accessed by persons with disabilities (other developments are two and three stories and not readily accessible), however it is not clear how many accessible units that have been converted. The CHA annual plan identifies this as an additional need for their developments but does not specify how great the need is.

Application Process

There are different application forms depending on whether a household is applying for federal or state housing programs within the HA. The state application (CHAMPMS) is through EOHLIC, while the federal application is through a form processing [website](#). Voucher applicants are directed to apply [online](#). There are PDF forms available for download on the CHA website, however they are only for updating additional information (like household makeup or accommodations requests).

There are paper forms for the state program CHAMPS, however they are not listed on the applicant form page on the CHA site. They are found on the "[How to apply for public housing](#)" page which is linked from the CHA website. The paper form is the same for both the state-aided public housing and Alternative Housing Voucher Program (AHVP).

The CHAMP application, both paper and online, is available in multiple languages. The page for the download on mass.gov has individual links for downloads in various languages. The CHA's LAP states that the CHA will ensure that all individuals are aware of free oral interpretation services as well as providing written translations of vital documents for those who speak priority languages.

Preferences

The Chelsea Housing Authority's administrative plan states that the preference order is:

- Residence (people who live, work, or have been hired to work in Chelsea)
- Veteran / Active Serviceperson
- Victim of Domestic Abuse

There are automatic preferences as well:

- Persons eligible for transition to another affordable housing program due to budget restrictions.
- The executive director will grant an automatic preference if a resident in good standing needs to move out of the city for a life-threatening situation.
- An applicant on the section 8 program will be admitted before others on the waiting list if they are currently in CHA housing, in good standing, and the person could be better assisted in the voucher program than in CHA housing.

Background checks

The CHAMPS application states "I understand that housing authorities I have applied to will

request a Criminal Offender Record Information (CORI) from the Criminal Justice Information Services and may perform credit checks and other background investigations for all adult members of the household.”

This implies that Housing Authorities will request a CORI from the state and may request additional background checks as necessary. Most of the information on the CORI process has to do with correcting issues on a CORI and does not address what may appear on a CORI. The CORI website states that it shows information on “all arraignments,” which suggests it includes arrests in addition to convictions and may include things such as traffic court as well.

Applicants should be encouraged to submit a CORI self-audit so that they can get the results and ensure accuracy before something comes up on there that could get them denied or have problems securing housing. It is somewhat cost-prohibitive at \$25 per report, and the HAs will run a CORI on all people who inhabit the unit.

The CHAMP application does not ask questions regarding immigration status or birthplace. However, the eligibility section (chapter 3) of the CHA Administrative Plan states that to qualify for the HCV (Housing Choice Voucher) program, an applicant family must “- Qualify on the basis of citizenship or the eligible immigrant status of family members.” in addition to providing social security numbers for household members.

Housing Authority Governance

The Chelsea Housing Authority’s organizational bylaws state that the Board of Commissioners shall be appointed in accordance with M.G.L., c121B, §5. This section outlines the appointment procedures for cities and towns in Massachusetts, with some differing approaches between the two. For all cities, there are five members of the board with four of them being appointed by the Mayor of the city and the other by the Governor of Massachusetts. There are stipulations for two of the appointments that the Mayor makes to the Board of Commissioners: one must be a representative of a labor union, and the other must be a tenant. There are no additional stipulations which state certain groups – or protected classes – must be represented either in the organizational bylaws or the state statute.

The Housing Authority has an active tenant association that was engaged during this process.

Housing Stock

To achieve fair housing goals, Chelsea must have a housing stock that meets the needs of protected classes; that housing must be affordable to protected classes for it to be truly available. Because housing is expensive to build and can be maintained for a very long time, the composition of a community’s housing can be difficult to change. Older communities can face added barriers to providing needed housing due to the difficulty of upgrading historic buildings. Addressing impediments to fair housing within the existing housing stock therefore requires a concerted effort.

Characteristics

Key Takeaways

- Chelsea has a relatively diverse housing stock in terms of unit types, with a share of units spread relatively evenly across single family and duplex homes, homes in small multifamily buildings of 3-10 units, and homes in multifamily buildings larger than 10 units. Likewise, there is a relatively even mix of studios and one-bedroom units, two-bedroom units, and units with three or more bedrooms. However, Chelsea's high share of large households means higher demand for large units than in other communities.
- Like many Massachusetts municipalities, Chelsea's older housing stock means that most of its housing was built before the enactment of lead paint laws or accessibility regulations. This means that, without modifications, many of its units may not meet the needs of certain protected classes such as residents with disabilities or families with children.

Overview

Housing characteristics, such as building age or number of bedrooms, are an important consideration in the context of fair housing because they provide an indication of the degree to which Chelsea's existing housing stock meets the needs of protected classes. Limited supply of a particular housing type limits options for households that require that housing type: for example, a limited number of housing units with multiple bedrooms limits housing options for families with children. Limited supply could also inflate prices so the housing of this type that does exist becomes unaffordable.

Of course, a family seeking housing must consider multiple housing characteristics together rather than in isolation. An unlimited number of large units is only useful to the extent that it is also affordable, accessible, and otherwise meets the needs of families seeking housing. To achieve fair housing goals, Chelsea must have a housing stock that meets the needs of its protected classes, and that housing must be affordable to protected classes for it to be truly available.

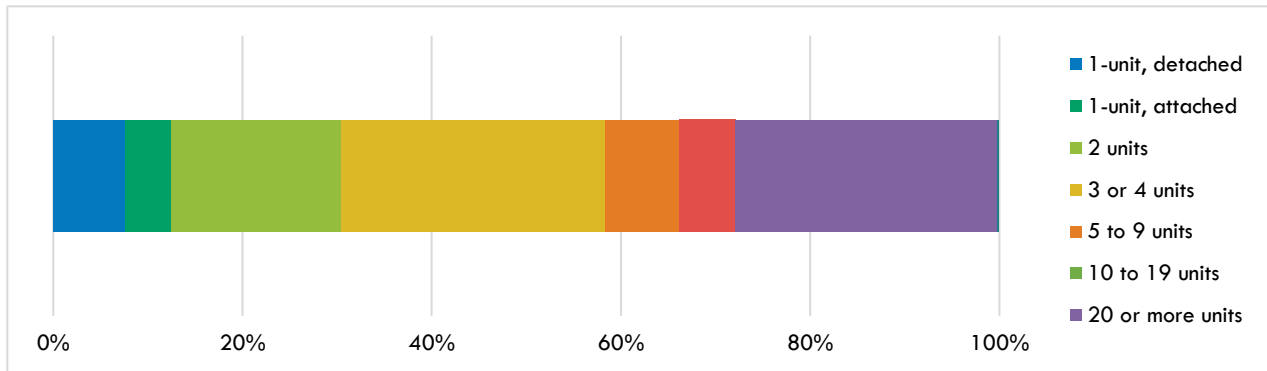
Housing type

The number of units in a structure is important to consider because units in multifamily structures are typically smaller and often less expensive than single-family structures. In other words, these units are not deed-restricted or income-restricted, but they tend to be more moderately priced due to their smaller size or shared outdoor space. Additionally, multifamily structures built since the enactment of the Americans with Disabilities Act in 1990 are required to comply with accessibility standards, such as including elevators or ramps, ensuring options for residents with limited mobility.

In 2021, Chelsea had a total of 13,950 housing units. Of these units, 28.0% were in structures with 3 or 4 units, and another 27.7% were in structures with 20 or more units. Only 7.6% were in 1-unit detached structures.⁴⁸ Multifamily housing tends to be more affordable than single family housing of comparable age and location, so in this regard Chelsea's high share of multifamily units and the relative diversity of housing options these units offer could signal more options for protected classes. However, the number of units in a building is not a particularly strong indicator of whether housing meets the needs of protected classes or residents in general.

⁴⁸ American Community Survey, 2021 5-year estimates

Figure 4: Units in structure, Chelsea, 2017-2021



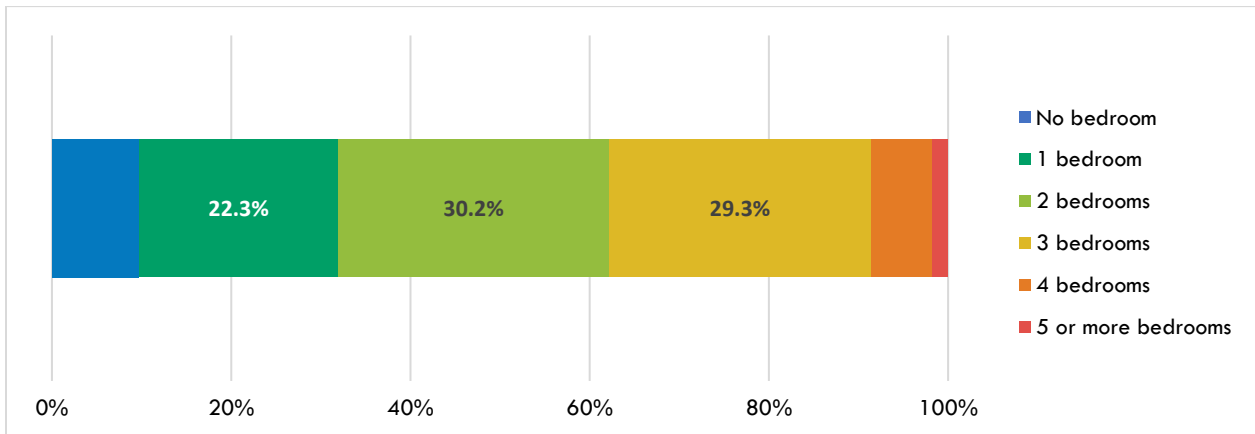
Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, Table CP04.

Number of Bedrooms

Having a mix of unit sizes is critical for a healthy housing stock. The number of bedrooms in a unit is an important consideration for several protected classes. Families with children need an appropriate number of bedrooms to provide children adequate space to sleep, play, and do schoolwork without distraction. Seniors or residents with disabilities may need extra space for live-in caretakers. On the other hand, smaller units are an important option for small households who do not need or cannot afford a large unit. No one unit size is more important than another; rather, a range of unit sizes is needed to ensure Chelsea’s housing meets a range of household needs.

Chelsea’s current housing stock includes a relatively large share of units with two or more bedrooms: The greatest share of Chelsea’s housing units (30.2%) had two bedrooms, followed by 29.3% containing three bedrooms and 22.3% containing 1 bedroom.⁴⁹ However, the demand for larger housing units – those with two, three, or more bedrooms – may be greater in Chelsea than elsewhere, as a greater share of households in Chelsea have children than in the region as a whole. Moreover, the presence of a range of units sizes does not indicate whether those homes are available or affordable.

Figure 5: Housing units by size (bedrooms per unit), Chelsea, 2017-2021



Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, Table CP04.

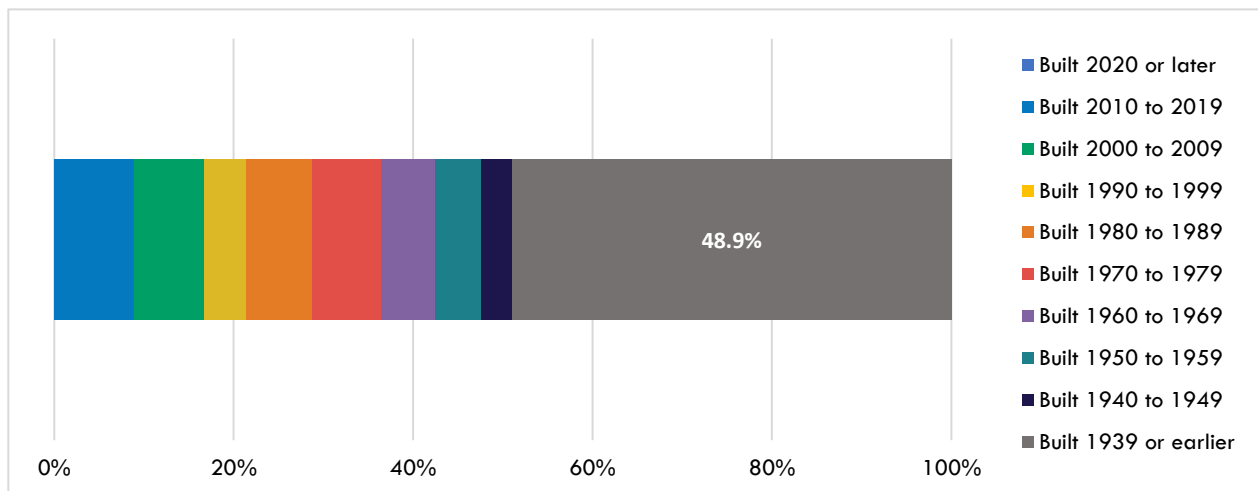
⁴⁹ American Community Survey, 2021 5-year estimates

Age of Housing Stock

Age of housing stock has two important fair housing implications. First, housing built before 1978 may have lead paint, which is hazardous for children. Lead paint is required to be removed from or contained within rental units if a child under the age of 6 will be living in the unit. Home sellers must disclose whether there is lead paint in their home, though they are not required to remediate the hazard. Second, housing built before 1990, when the Americans with Disabilities Act was enacted, may not have accessibility features such as elevators or wider doors.

Chelsea's current housing stock contains a significant share of older units, which may inhibit residence by members of some protected classes. Nearly half – 48.9% - of Chelsea's housing units were in structures built in 1939 or earlier. Less than 10% were in structures built in 2010 or later. More than 70% of Chelsea's housing stock was built prior to 1978, meaning they are subject to lead paint laws, and approximately 79% of its housing stock was built prior to 1990, when the Americans with Disabilities Act was enacted.⁵⁰ This does not mean that all of these units have lead paint or are inaccessible, but many of these units are likely to have these barriers. For example, owners must remove or mitigate lead paint in units built before 1978 that will be occupied by families with children under six years old; while owners may access financial assistance for this purpose, some may still illegally decline to families with young children.

Figure 6: Housing units by age (year structure built), Chelsea, 2017-2021



Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, Table CP04.

Recent Development

Across the region, current housing stock does not meet demand for housing in the town. This lack of supply results in rising home prices. Between 2010 and 2016, the 15 cities and towns of the Metro Mayors Coalition (which includes Chelsea) added nearly 110,000 residents and 148,000 new jobs, but only permitted 32,500 new housing units.⁵¹ This mismatch between new housing demand and new housing supply results in upward pressure on housing costs, which can disproportionately affect protected classes with lower household incomes.

Chelsea has permitted a more multifamily development in recent years than many of its Metro

⁵⁰ American Community Survey, 2021 5-year estimates

⁵¹ MMC Housing Task Force, 2018

Mayors neighbors: since 2010, it has added 2,621 new housing units in 18 properties. These new buildings have been entirely 3-star and 4-star buildings as ranked by CoStar, an industry database, meaning that the new buildings are considered higher-end than much of Chelsea’s existing housing. While this is typical of new construction, it means that outside of units built through Chelsea’s inclusionary zoning policy, new market-rate housing is likely out of reach of many of Chelsea’s residents.

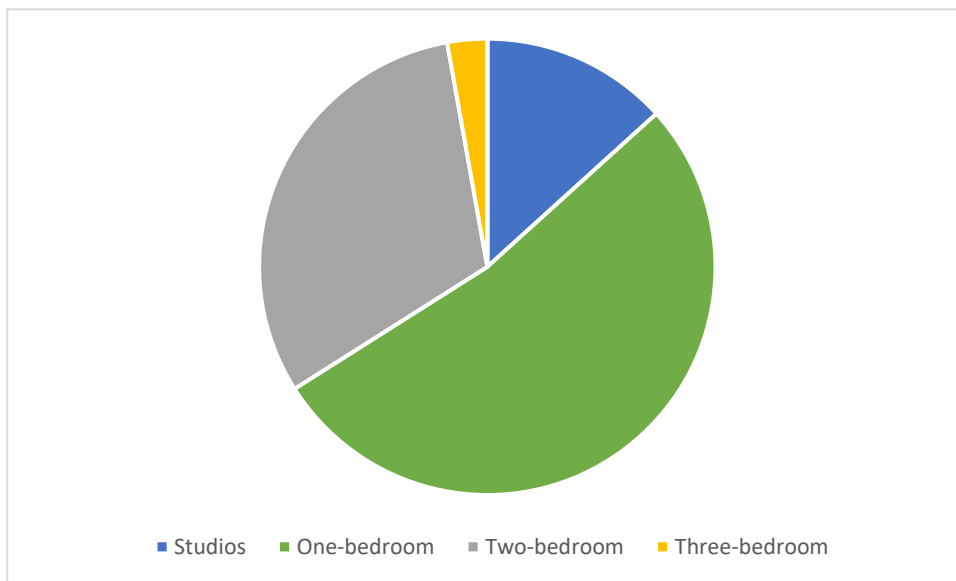
Cost: Of the multifamily properties built since 2010 for which rent data was available, the median one-bedroom asking rent was \$2,144 and the median two-bedroom asking rent was \$2,662. This contrasts with rents affordable to a Chelsea resident earning the median income by race/ethnicity:

- Black: \$1,377
- Latino: \$1,836
- White: \$2,131
- Asian: \$1,708

The rental affordability gap is greatest among Chelsea’s Black population, at \$767.

Family-sized units: New development in Chelsea has consisted primarily of smaller units. Of the buildings constructed since 2010 for which unit mix data was available, 13% of units were studios, 53% were 1-bedrooms, 31% were 2-bedrooms, and 3% were 3-bedrooms.

Figure 7: Number of bedrooms per unit in multi-family properties built since 2010, Chelsea, 2023



Source: CoStar, 2023. There were a total of 18 multi-family properties and 2,621 built after 2010.

Approximately 33.5% of Chelsea households have one or more people under 18 years old (ACS DP02), meaning there may be a greater demand in Chelsea for larger housing units – with two, three, or more bedrooms – than in contexts with fewer households with children. This roughly corresponds with the share of two or more bedroom units (34% of new units). However, new housing is overwhelmingly not serving the needs of larger families who need more than two bedrooms.

Accessibility: These new buildings are required to provide accessible units in compliance with the federal Americans with Disabilities Act; however, accessible units are not necessarily affordable, so accessibility addresses only one of many barriers to meeting the needs of disabled residents.

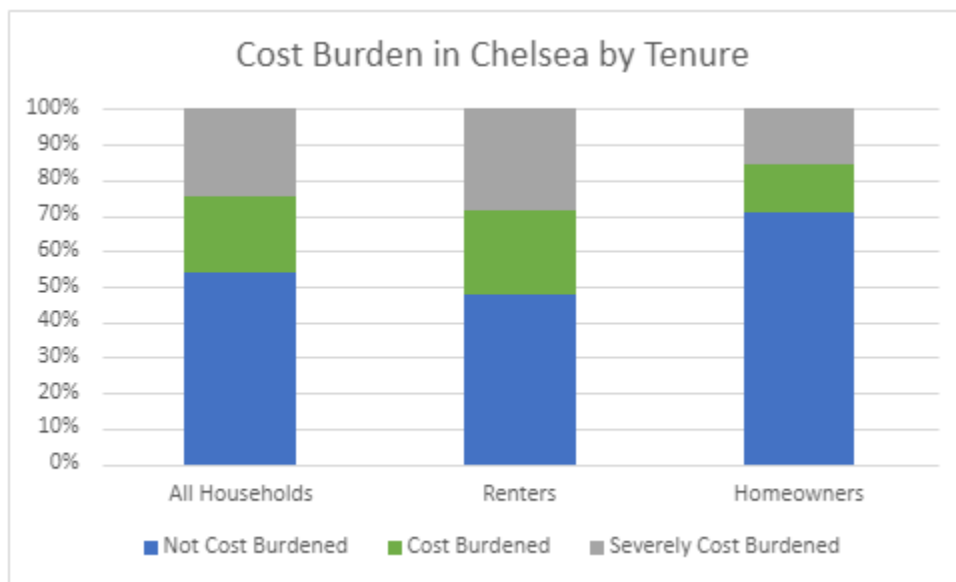
Housing Conditions

Cost Burden

Approximately 46% of all Chelsea households are housing cost burdened. Per federal standards, a household is said to be housing cost burdened when it pays 30% or more of its income on housing, whether that be homeownership costs like a mortgage and taxes or rent. A household is said to be severely cost burdened when it pays more than half its income on housing. Cost-burdened households often must make hard financial choices, such as delaying the payment of non-housing bills or foregoing food or healthcare.

Roughly half of Chelsea's cost-burdened households pay between 30% and 50% of their income on housing and the other half pays more than 50% of their income on housing. Some groups are disproportionately housing cost burdened: An estimated 52% of renters are housing-cost burdened. By contrast, only 29% of owner households are housing cost burdened. Since many protected classes are more likely to rent, this is an issue that disproportionately impacts many protected classes.

Figure 8: Housing cost burdened and severely housing cost burdened units by tenure, Chelsea, 2017-2021



Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, Tables B25070, B25091.

Overcrowding

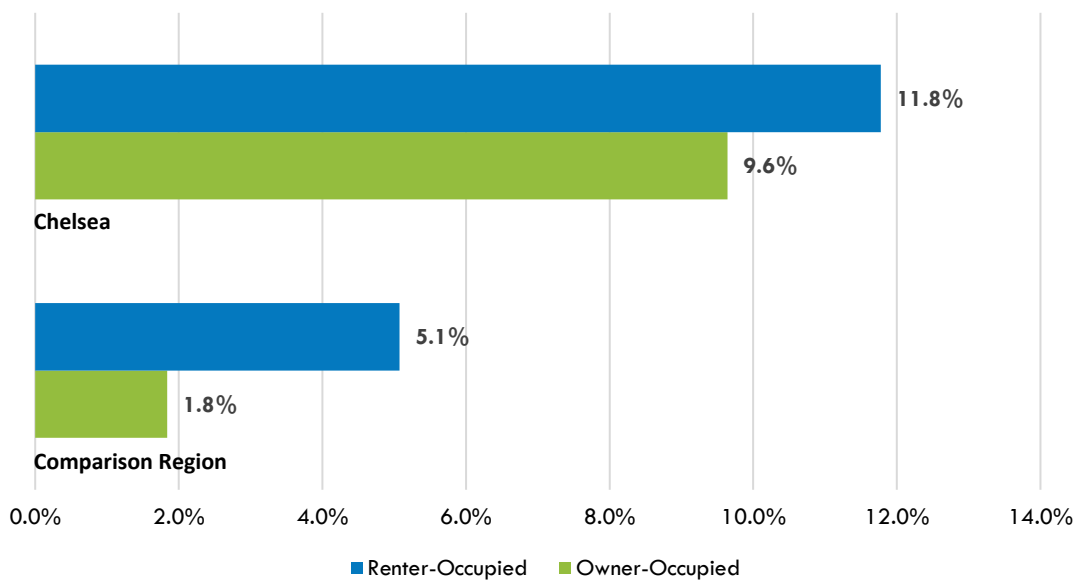
Overcrowding refers to the number of people living in a housing unit; the U.S. Department of Housing & Urban Development defines overcrowding as having more than one person per room. Overcrowding can stem from insufficient affordable, stable housing options that force residents to move in with family or friends when lower incomes and/or loss of incomes cannot cover housing costs.

In 2021, overcrowding in Chelsea was notably high:

- 11.8% of all renter-occupied units had 1.01 or more occupants per room, more than double the rate in the comparison region (5.1%)
- 9.6% of all owner-occupied units had 1.01 or more occupants per room, more than five times the rate in the comparison region (1.8%)

It is important to note that overcrowding in generally is often undercounted because residents may not be willing to disclose details about multiple families or extended families living in a single unit. This is likely a particularly large issue in Chelsea, where many residents may fear disclosing the presence of undocumented families that may be sharing a unit.

Figure 9: Rate of overcrowding in occupied units by tenure, Chelsea and Comparison Region, 2017-2021



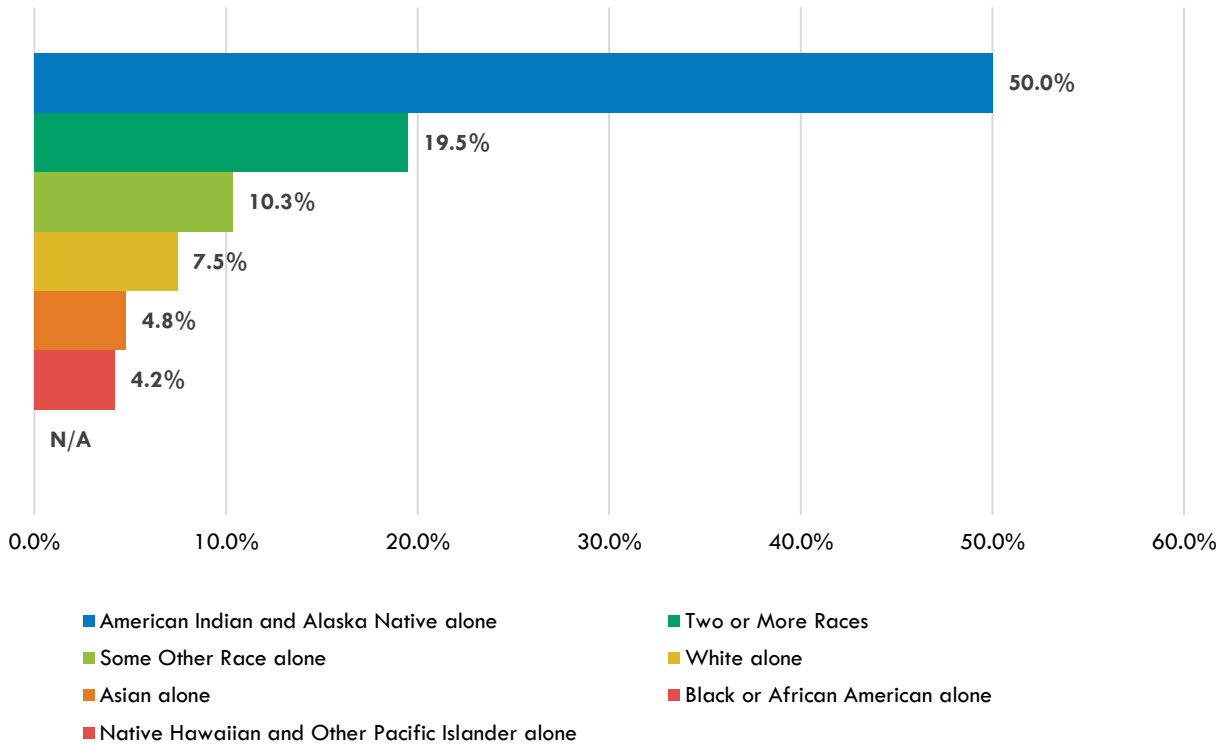
Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, Table B25014.

Overcrowding in Chelsea is not distributed evenly amongst households of various races. Householders of two or more races and Hispanic or Latino householders in particular are disproportionately impacted:

- 7.5% of occupied housing units with a householder who is White alone had 1.01 or more occupants per room
- 4.2% of occupied housing units with a householder who is Black or African American alone had 1.01 or more occupants per room
- 4.8% of occupied housing units with a householder who is Asian alone had 1.01 or more occupants per room
- 10.3% of occupied housing units with a householder who is Some Other Race alone had 1.01 or more occupants per room
- 19.5% of occupied housing units with a householder who is Two or More Races had 1.01 or more occupants per room

- 18.0% of occupied housing units with a householder who is Hispanic or Latino had 1.01 or more occupants per room

Figure 10: Rate of overcrowding in occupied units by race of householder, Chelsea, 2017-2021



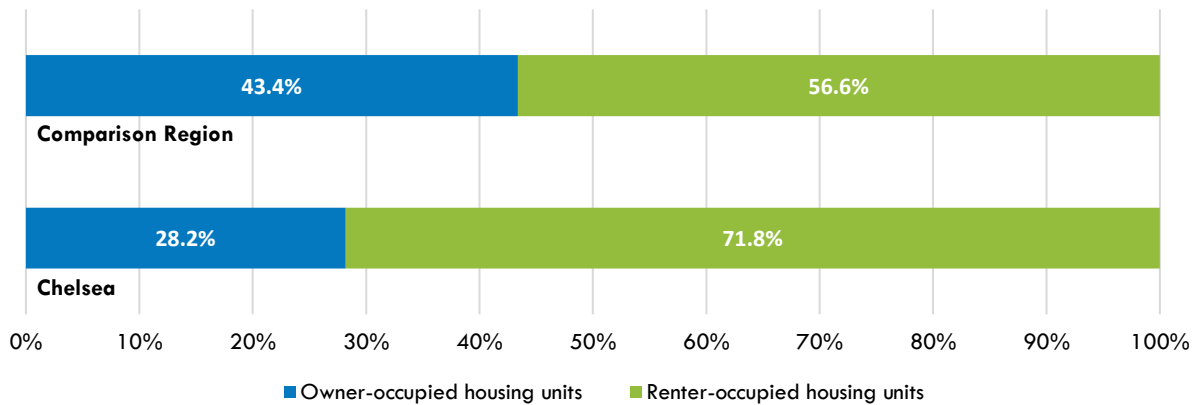
Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, Tables B25014A-1.

Tenure

Tenure is an important aspect of Chelsea’s housing market because in this country homeownership is a primary mechanism to wealth-building. Because many protected classes have historically been precluded from homeownership due to centuries of race-based policies at all levels of government, it is critical to consider the impacts that the legacy of these policies continue to have in perpetuating inequality for many protected classes today.

In Chelsea, a significantly greater share of households is renter-occupied than in the comparison region. In 2021, 28.2% of Chelsea’s occupied housing units were occupied by owners, and 71.8% were occupied by renters. In the comparison region, 43.4% were occupied by owners, and 56.6% were occupied by renters.

Figure 11: Housing units by tenure of occupied units, Chelsea and Comparison Region, 2017-2021

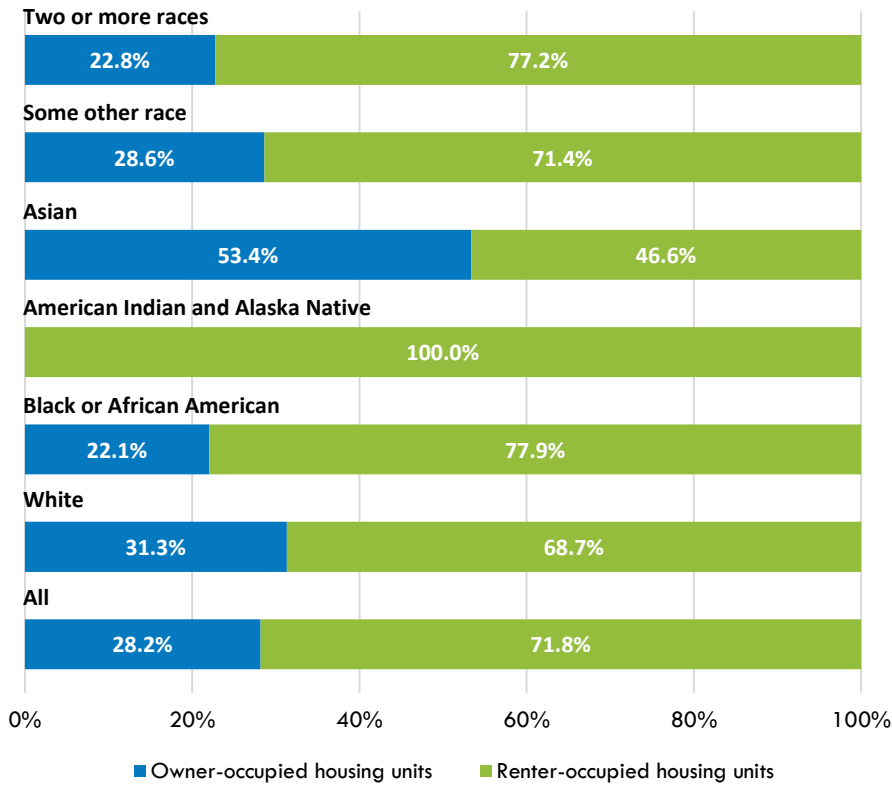


Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, Table S2502.

In general, homeownership in Chelsea is unequally distributed in terms of race. Note that in considering tenure by race and ethnicity, this analysis considers Chelsea’s householders rather than overall population. This is because Chelsea has a large share of children, who cannot own homes, and young adults, who are far less likely to own a home given high housing costs.

- White Chelsea homeowners own a larger share of Chelsea’s ownership housing stock: While an estimated 46.8% of Chelsea’s householders are white, approximately 52.0% of the city’s ownership housing is occupied by white householders. Chelsea’s white residents still own homes at rates lower than the overall region; of Chelsea’s white householders, 31.3% are homeowners.
- Black Chelsea homeowners own a slightly lower share of Chelsea’s ownership housing stock. Roughly 9.6% of Chelsea’s householders are Black, while 7.5% of the city’s ownership housing is occupied by Black householders. 22.1% of Chelsea’s Black householders are homeowners.
- Asian Chelsea homeowners own a slightly higher share of Chelsea’s ownership housing stock. Roughly 3.4% of Chelsea’s householders are Asian, while 6.5% of Chelsea’s ownership housing is occupied by Asian householders. 53.4% of Chelsea’s Asian householders are homeowners.
- Chelsea householders identifying as two or more races comprised 30.3% of Chelsea’s householders, but only 24.5% of Chelsea’s homeowners. 22.6% of Chelsea’s householders of two or more races are homeowners.
- Chelsea residents identifying as a race not considered by the Census Bureau comprised 9.3% of Chelsea householders and 9.5% of the city’s ownership housing.
- The share of American Indian, Alaska Native, Native Hawaiian, and Other Pacific Islander householders is small enough is too low to draw conclusions regarding homeownership rates.

Figure 12: Tenure of occupied units by race, Chelsea, 2017-2021

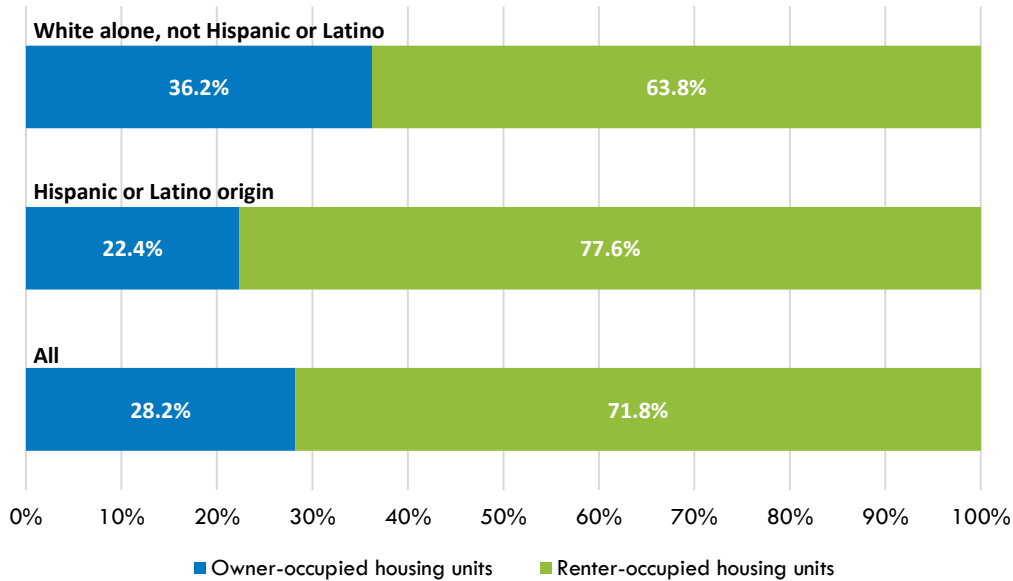


Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, Table S2502.

In terms of ethnicity, householders of Hispanic/Latino origin own a disproportionately small share of Chelsea’s ownership housing stock. 52.6% of Chelsea householders are Hispanic/Latino, but only 41.7% of ownership housing in Chelsea is occupied by a Hispanic/Latino householder. 22.4% of Chelsea’s Hispanic/Latino householders are homeowners.

Though the Hispanic/Latino homeownership rate is not reflective of Chelsea’s share of Hispanic/Latino households, Hispanic/Latino homeownership is higher in Chelsea than in the comparison region: 16.4% of the region’s householders are Hispanic/Latino, and only 9.1% of the region’s ownership housing is occupied by Hispanic/Latino householders.

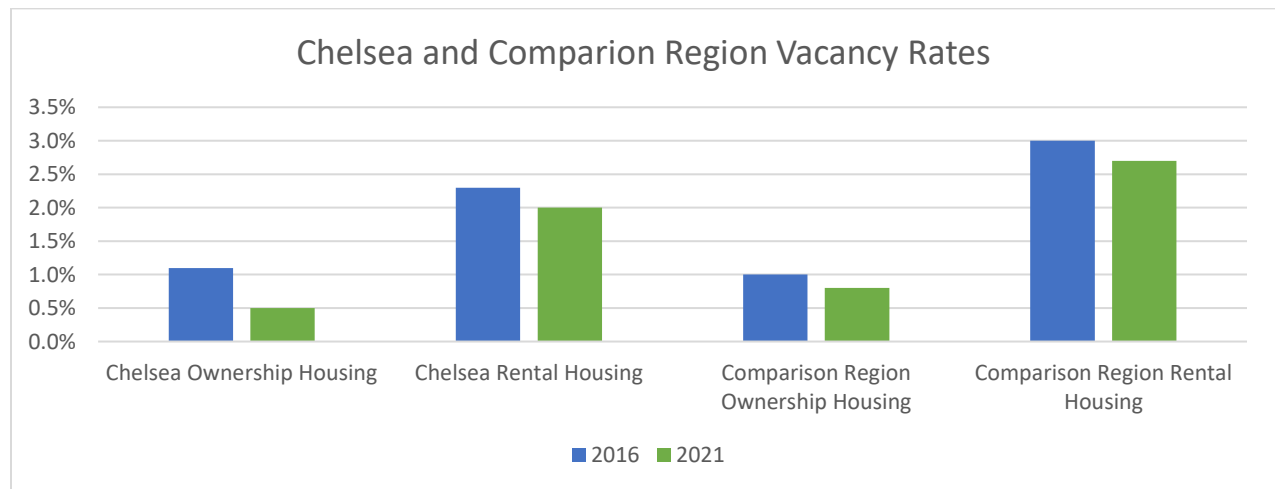
Figure 13: Tenure of occupied units by ethnicity, Chelsea, 2017-2021



Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, Table S2502.

Vacancy

Chelsea has strikingly low vacancy rates for both ownership (0.5%) and rental (2.0%) housing. Both of these vacancy rates are below “stable” levels, for which estimates vary but generally can be understood as around 3% for homeownership and 6% for rental. While vacancy rates across Greater Boston are generally low, consistent with a strong housing market, Chelsea’s vacancy rates are even lower than the region generally (0.8% ownership and 2.7% rental housing).⁵² When there is insufficient housing to meet a population’s needs, rents and prices can increase, rendering the local housing market less accessible to lower-income households and encouraging overcrowding.



⁵² American Community Survey, 2021 5-year estimates

Chelsea’s vacancy rates decreased over the course of the five most recent years for which data exists. These declining vacancy rates may be the product of increased demand outpacing new development. They can contribute to higher rents and prices, again, rendering the local housing market less accessible to lower-income households and encouraging overcrowding.

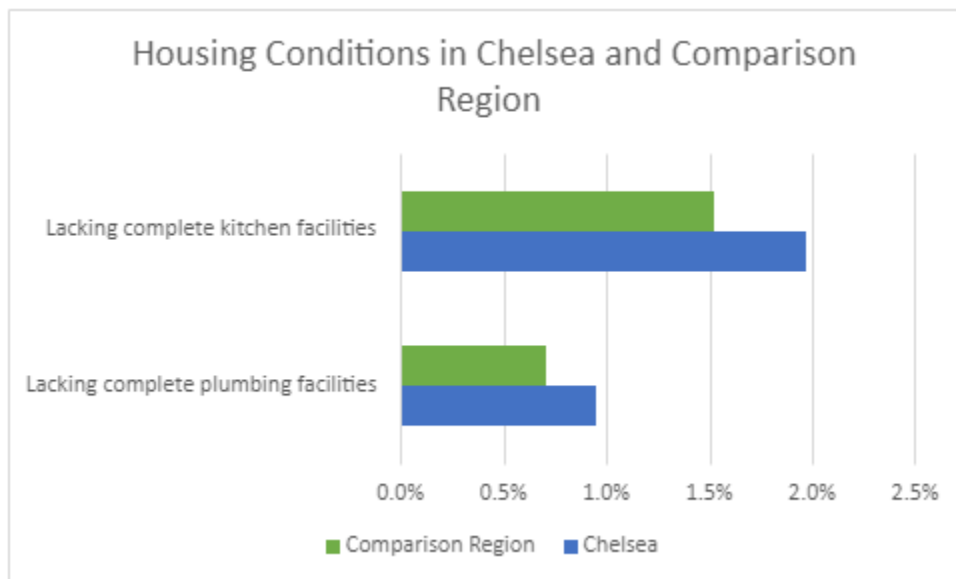
Increased housing costs created, in part, by low and declining vacancy rates serve as barriers to residency for lower-income households, who, while not a protected class on their own, may include a disproportionate share of protected class households. Many protected classes have lower average incomes and higher poverty rates than the broader population; affordability can have an outsized impact on preventing members of protected classes from accessing housing.

Physical Conditions

Numerous physical conditions of housing affect the health and safety of households in their homes. These include presence of damp and mold; rodent and insect infestations; cleanliness of common interior and exterior areas; condition of the walls and roof; condition of the kitchen systems, plumbing, electrical, and temperature control systems; presence of lead paint; quality of workmanship on repairs; and more. During this project’s public engagement process, the poor physical condition of housing—the safety and maintenance of buildings—was a common theme discussed by participants, especially regarding Chelsea’s rental housing stock. Unfortunately, very little reliable data exists measuring these conditions in housing.

The Census Bureau only measures two variables related to housing conditions: completeness of kitchen facilities and completeness of plumbing facilities. According to that data, approximately 133 housing units (1.0% of the supply) lack complete plumbing facilities and 275 units (2.0%) lack complete kitchen facilities.

Figure 14: Housing units lacking complete plumbing and kitchen facilities, Chelsea and Comparison Region, 2017-2021



Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, Tables B25047 and Tables B25051.

The data on kitchen and plumbing facilities hardly paints a full portrait of housing conditions in Chelsea. However, this data does indicate Chelsea’s housing has abnormally poor physical

conditions. While instances of incomplete kitchen and plumbing facilities are low in Chelsea, they represent a greater share than in the comparison region.

Moreover, there is reason to believe these are undercounts, given the Census Bureau's general undercounting in communities where these conditions are most common and the fact that there's disincentive for housing-insecure residents to report these issues.

Lead-Based Paint

For older communities like Chelsea, a notable risk is always the presence of lead-based paint in older buildings. Lead is a powerful neurotoxin that causes severe physical, developmental, and intellectual disabilities in children who are exposed to it. The element was common in paint products through the mid-20th century and was officially banned in the US in 1978. Many older homes, especially homes that were poorly maintained, still have exposed lead-based paint. Landlords are required to remove lead paint or mitigate the risk of exposure when their tenants include a child aged 6 or under. People selling homes must disclose any knowledge of lead paint in their home, but they are not required to mitigate it. Prevention of lead exposure and enforcement of lead-related laws has a mixed record.⁵³

Academic research has identified several social and demographic variables that correlate with lead-based paint exposure, including race, income, wealth, poverty status, education, vacancy, home values, tenure (renting versus owning), and more.⁵⁴ Households with lower incomes, those with less wealth, and renters (especially lower-income renters) are more likely to be exposed to lead-based paint, because homes at lower price points often suffer maintenance issues and tenants typically have less control over the maintenance of their home. This puts Chelsea—with its older housing, household income well below the regional median, and higher share of renters than the region overall—at particularly high risk for elevated levels of lead exposure.

The available data on prevalence of lead exposure in Chelsea tells a mixed story. Each year, the Massachusetts Department of Public Health identifies communities with a higher risk of childhood lead poisoning based on incidence rates of newly poisoned children, share of housing built before 1978, and community income levels. Based on these metrics, Chelsea had long been designated as a high-risk community but was removed from the list in 2020.⁵⁵ This is likely due to the decrease in lead exposure cases in Chelsea children, which for the three most recent years of data have been roughly consistent with the state's overall exposure rates. While this is certainly progress, it is Chelsea's overall screening rate fell from a 5-year screening average of 92% in 2018—well above the state average—to a screening rate of 64% in 2020 and 65% in 2021.⁵⁶

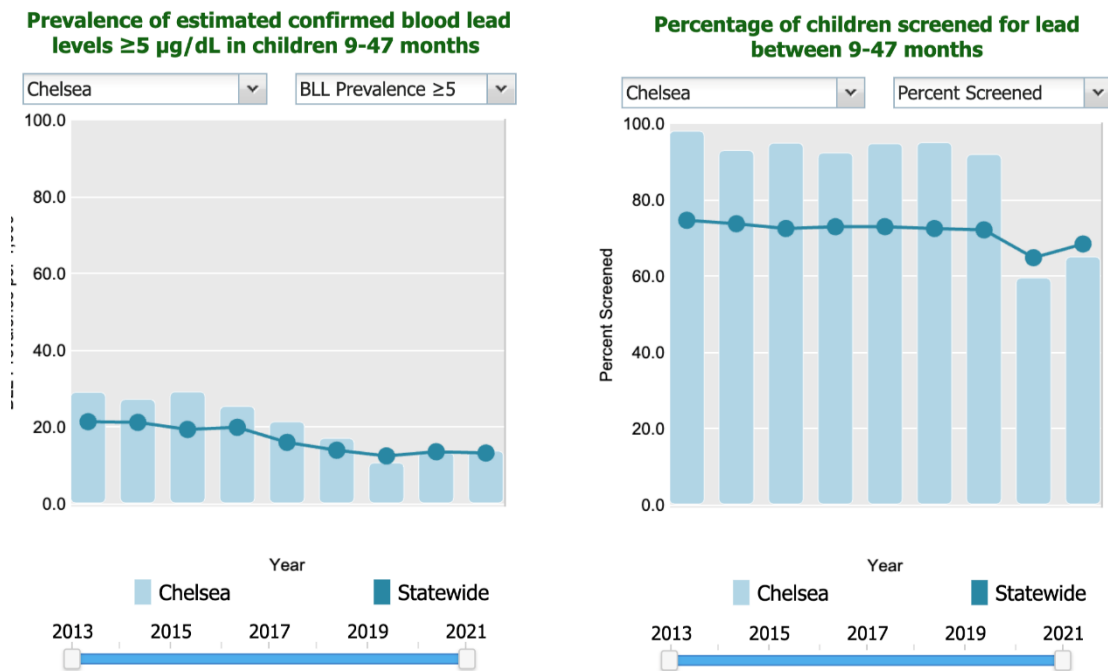
⁵³ For a discussion of this subject, see the following: Rafael Mares. "Enforcement of the Massachusetts Lead Law and Its Effect on Rental Prices and Abandonment." *Journal of Affordable Housing*, Volume 12, Issue 3 (2003). <http://www.duncankennedy.net/documents/Housing%20other%20articles/Enforcement%20of%20the%20MA%20Lead%20Law.pdf>

⁵⁴ For a summary of recent geographic research on lead-based paint poisoning and risk factors, see Table 1 in the following academic article: Cem Akkus and Esra Ozdenerol. "Exploring Childhood Lead Exposure through GIS: A Review of the Recent Literature." *International Journal of Environmental Research and Public Health*. (2014) <https://pubmed.ncbi.nlm.nih.gov/24945189/>

⁵⁵ Massachusetts Department of Public Health, "2021 Annual Childhood Lead Poisoning Surveillance Report"

⁵⁶ Massachusetts Environmental Public Health Tracking data: https://matracking.ehs.state.ma.us/Health-Data/Childhood_Blood_Lead_Levels.html

One possible culprit for this drop in screening rates is the onset of the coronavirus pandemic, which diverted many public health resources and efforts towards pandemic response.



Source: Massachusetts Environmental Public Health Tracking

Regardless of the decrease in the overall number of elevated lead cases, many individuals in Chelsea area are still likely at risk. This is especially true for households of color, low-income households, low-income, renters and those with specialized housing needs.⁵⁷ Indeed, in Massachusetts, children in low-income communities are 3.2 times more likely to have elevated blood lead levels than children in high-income communities. Massachusetts children of color are 1.5 times as likely to have lead poisoning than white children, and black children are nearly 2.5 times as likely.⁵⁸ Households in these groups are more likely to face a lack of available housing options, lack of control over lead-based paint abatement in the case of renters, a lack of knowledge about tenants' rights to lead abatement, and/or fear of retribution or eviction if the presence of lead is reported. This divergent risk of lead exposure is a both a product of and driver of impediments to fair housing access, since households in protected classes may have no option other than to live in high-risk homes and may have even fewer choices if accessible homes are high-risk.

⁵⁷ See Jacobs, et al. "The Prevalence of Lead-Based Paint Hazards in U.S. Housing." *Environmental Health Perspectives*, Volume 110, Issue 10 (2002). <https://ehp.niehs.nih.gov/doi/pdf/10.1289/ehp.021100599> This nationwide analysis of lead paint prevalence finds 30% of renter households have significant lead-based paint hazards compared with 23% of owner households. Likewise, 38% of households in poverty have significant lead-based paint hazards in their home, versus 22% of households not in poverty. An estimated 29% of Black households have lead-based paint hazards, compared with 25% of White households, and 32% of Latino households versus 24% of non-Latino households have lead-based paint hazards. These are national estimates, so they are not directly applicable in Arlington,

⁵⁸ Massachusetts Department of Public Health, "Data Brief: Childhood Lead Exposure in Massachusetts," December 2019

Digital Access

Fast and reliable internet access is no longer a luxury, but a critical feature of modern life akin to other utilities. It directly impacts opportunities for economic participation, access to jobs, education, healthcare, and access to community and loved ones.

A Digital Equity Plan conducted by MAPC for Chelsea, Everett, and Revere found:

- 19% of households in Chelsea do not have a wired internet connection. This is 6% higher than the average in the State of Massachusetts.
- 13.5% of households have access to the internet via a smartphone only.⁵⁹

The MAPC plan defines digital equity as a condition in which all individuals and communities have the information technology capacity needed for full participation in our society, democracy, and economy. Digital equity is necessary for civic and cultural participation, employment, lifelong learning, and access to essential services. Barriers to equitable digital access can therefore be understood as barriers to fair housing access in Chelsea.

A primary barrier to digital access in Chelsea is cost. There is a limited choice of service providers in Chelsea, meaning few choices for plans and little competition for providers to set affordable rates. Even lower cost plans are still out of reach for many residents in Chelsea. In surveys conducted through the Digital Equity Plan for Chelsea, Everett, and Revere, many residents cite the cost of services as a primary barrier to access or reason for cancelling internet services. Another barrier is the available infrastructure and mechanisms of service delivery. Chelsea has limited private broadband and fiber infrastructure. According to research conducted through the Digital Equity Plan, the infrastructure that does exist primarily serves wealthier, single-family neighborhoods in Chelsea.⁶⁰ As noted in the zoning audit section of this report, single family neighborhoods in Chelsea tend to be whiter and wealthier than neighborhoods with multifamily housing. The geography of infrastructure in Chelsea creates clear barriers to access, particularly for those in protected classes. Additionally, because the infrastructure is limited in general, the Digital Equity study found that even residents who are able to pay for services are often not able to utilize the full capacity or speed due to limitations in infrastructure.

The City has undertaken two planning efforts directly related to Digital Equity: a Digital Equity Plan for Chelsea, Everett, and Revere completed in 2022 and a Digital Access Plan completed in 2023. Both plans outline broadband access as an essential service and make recommendations for improving broadband access and closing the Digital Divide in Chelsea. Recommendations from these plans include:

- Continue and expand the Housing Authority pilot program to provide broadband access in public housing projects.
 - Engage with residents and build upon lessons learned through the Prattville pilot project to expand and improve program implementation.
 - Identify funding sources to continue the program if deemed successful by residents.
- Improve resources for Digital Literacy within the community.
 - Participate in the Digital Navigator Program

⁵⁹ American Community Survey (2017-2021)

⁶⁰ See maps from DE report: <https://mapc.github.io/fcc-map/>

- Ensure that all residents who desire to improve their digital literacy have a pathway to educational opportunities at a range of skill levels, offered in community appropriate languages and settings.

Housing Market

Mortgage Lending

Key Takeaways

- Black and Hispanic or Latino applicants in Chelsea make up a lesser share of the application volume when compared to the general population and experience (generally) greater rates of denial for home loans in comparison to their white and Non-Hispanic or Latino counterparts. This data suggests that people of color may face meaningful barriers when pursuing mortgages and homeownership opportunities in Chelsea. Additionally, when people of color are approved for loans, they are more likely to receive high-cost loans, showing that discriminatory patterns in mortgage lending may present significant impediments to fair housing access in Chelsea and the region.
- At both a local and regional level, male applicants far outnumber female applicants. This suggests that women still face many barriers to housing upstream of the loan application process. This disparity could be due to endogenous factors in the homebuying process (such as discrimination by real estate agents or mortgage brokers), as well as external discriminatory factors, such as lower pay among women, that would suppress loan applications.
- When taken together with other lending patterns for both Chelsea and the region, this data suggests that any barriers to access experienced by people of color are likely to be even greater for women of color.

Overview

Mortgage loans are the primary way most homebuyers are able to purchase their home. A homebuyer pays a portion of the home price at the time of purchase as a downpayment, and a bank lends the homebuyer money for the remainder of the purchase price. Historically, mortgage lenders and related mortgage professionals acted to maintain racial and ethnic segregation, as well as to limit access to housing for single women, LGBTQIA+ individuals and households, and others. Because of this history, the federal Home Mortgage Disclosure Act (HMDA) requires many financial institutions to maintain, report, and publicly disclose loan-level information about lending patterns by race, ethnicity, and sex.

The following section uses this data to assess the volume of home loan applications and denial rates in Chelsea and the comparison region, with attention to lending patterns that could be discriminatory. Importantly, HMDA data is useful in understanding mortgage lending and the large portion of home sales that are dependent a mortgage loan. This lending data does not shed light on the portion of the housing market where a mortgage loan is not necessary, such as

“cash” purchases by very wealthy buyers. Additionally, HMDA reports do not provide data for all protected classes. This analysis is limited to the demographic categories that HMDA data does provide.

Overall application volume

Between 2018 and 2021, there were approximately 1,605 applications for loans to purchase a home in Chelsea. Loan applications for Chelsea account for approximately 1.9% of the 83,736 applications within the comparison region for the same period.

In Chelsea, the largest share of home loan applications came from applicants with an annual income of more than \$150,000 (38.5%), followed by applicants with incomes of \$100,000 to \$150,000 (29.1%). The distribution of incomes in the comparison region is even further skewed towards high-income applicants, with those earning more than \$150,000 accounting for 54.3% of applications; Chelsea had a greater share of applicants in all other income categories relative to the comparison region.⁶¹

The disparity in applicant income distribution between those in Chelsea and those in comparison region suggests that applicants may need higher earnings to afford the purchase of a home in other areas of the comparison region compared to Chelsea. This also suggests that lower-income residents may be more likely to seek housing in Chelsea. Given the strong correlation between income and many protected classes, it is important to understand the ability of lower-income residents to seek and find housing in Chelsea.

Overall denial rates

Home mortgage applications are either approved and the loan is “originated” (meaning that they lead to the applicant obtaining a mortgage), or the application is denied. Understanding the origination and denial rates for protected classes contributes to an understanding of whether lending discrimination may be occurring.

Of the 1,605 applications for home loans submitted in Chelsea between 2018 and 2021, approximately 8.3% were denied. Applicants in the lowest income category (less than \$50,000) represent a very small share of total applications in both Chelsea and the comparison region (2.4% and 2.0%, respectively). However, in Chelsea, applicants in this category experienced a denial rate of 47.4%, significantly higher than the denial rate for this income category in the comparison region (28.1%).⁶² This difference is the largest disparity of any income group between Chelsea and the comparison region.

Of those applicants making less than \$150,000 (totaling 61.5% of applicants in Chelsea, 45.7% of total applicants in the comparison region), most (approximately 80%) are more likely to experience higher rates of denial for a home loan in Chelsea than in the Comparison Region when accounting for income.⁶³

Given the strong correlation between income and many protected classes, the combination of both a larger share of lower income applicants and higher denial rates for those applicants may have a particularly significant impact on people in protected classes seeking housing in Chelsea.

⁶¹ Home Mortgage Disclosure Act Dataset, 2018-2021

⁶² Home Mortgage Disclosure Act Dataset, 2018-2021

⁶³ Home Mortgage Disclosure Act Dataset, 2018-2021

Application Volume by Race and Ethnicity

Of the 1,605 applications in Chelsea from 2018 to 2021 where the race of the primary applicant was reported, White individuals comprise the largest share of loan applicants (54.5%) with a significant jump down to the next largest group, Asian individuals, making up 9.5% of applicants. 107 applicants were American Indian or Alaska Native and 76 were Native Hawaiian or Other Pacific Islander. Black or African American individuals make up only 4.7% of loan applicants for home loans in Chelsea.⁶⁴

Applicants for homes in Chelsea are much more likely to be Hispanic or Latino than those in the Comparison Region, making up 22.3% of applicants in Chelsea and just 8.7% of applicants in the Comparison Region. Even still, there is a significant gap between the volume of applications from Hispanic or Latino applicants in Chelsea compared to their share of Chelsea's population (66.1%). Black or African American applicants in Chelsea also represent a smaller share of the total number of applicants (4.7%) when compared to their share of the general population of Chelsea (8.0%)⁶⁵. In other words, those applying for mortgages in Chelsea are far less likely to be Hispanic and Black than Chelsea's current population, suggesting these groups may face additional barriers to accessing housing before arriving at the loan application process.

Denial Rates by Race and Ethnicity

In general, the denial rate in Chelsea (8.3%) is higher than that of the comparison region (5.5%). Denial rates are marginally higher for applicants of all ethnicities in Chelsea relative to the comparison region, and only Asian applicants were the only racial group that saw lower rates of denial in Chelsea than in the Comparison Region.

Denial rates for Black or African American applicants are similar between Chelsea (14.7%) and the Comparison Region (14.0%), however, the split between black and white applicants is greater in the comparison region (9 points) than in Chelsea (7 points).

Denial rates for Hispanic or Latino applicants are slightly higher in Chelsea (12.0%) than in the comparison region (10.6%), and in both Chelsea and the comparison region, the denial rates for Hispanic or Latino applicants are significantly higher than denial rates for Non-Hispanic or Latino Applicants.

In both Chelsea and the Comparison Region, there are large shares of applicants for whom Ethnicity was Not Available: 27.5% of applicants in Chelsea and 27.2% of applicants in the Comparison Region. In both cases, the denial rates for this group are much closer to the overall denial rate.⁶⁶

The patterns of denial that appear when selecting for race and ethnicity in the comparison region hold true in Chelsea and denial rates in Chelsea are generally higher across the board. This suggests that the discriminatory lending patterns present in the comparison region likely also impact fair housing access in Chelsea. Furthermore, because rates of denial are higher across the board and specifically higher for Hispanic or Latino applicants (a much large share of applicants in Chelsea than in the comparison region), the impact of this impediment may likely be amplified for those trying to access housing in Chelsea specifically.

⁶⁴ Home Mortgage Disclosure Act Dataset, 2018-2021

⁶⁵ This section compares the share of applicants to the share of overall population, which includes children.

⁶⁶ Home Mortgage Disclosure Act Dataset, 2018-2021

Loans by Sex (Gender)

Male applicants outnumber female applicants for home loans in both Chelsea and the comparison region. Of the total 1,605 applications in Chelsea, 23.0% of applicants were reported as Female, 36.6% were reported as Male, 20.0% were reported as Other, and 20.4% were reported as Sex Not Available. HMDA data is reported by sex and not gender; no data on gender identity is reported, and it is unclear to what degree the data conflates the two.

For applications in which the sex of the primary applicant was reported, applicants reported as Female accounted for 28.9% of applicants, those reported as Male made up 46.0% of applicants, and those reported as Other made up 25.1% of applicants. When you remove those listed as Other to compare more directly to shares of the population (956 total applications), the disparity becomes more stark: applicants listed as Male made up 61.4% of applicants compared to 51.3% of the population and Female applicants made up only 38.6% of applicants compared to 48.7% of the population in Chelsea.⁶⁷

It is important to note that the Other (20.0%) and Sex Not Available (20.4%) categories make up a huge share of the total applicant pool in both Chelsea and the Comparison Region and it is difficult to draw conclusions from this data. However, there are clear disparities in the application rates both between men and women and when compared to their shares of the population, suggesting that the barriers present for those in protected classes are likely compounded for women in those groups.

Interest Rates & High-Cost Loans

A mortgage is considered high cost when the annual percentage rate (APR) exceeds the average prime offer rate (APOR) for a comparable transaction as of the date that the interest rate is set.⁶⁸ This calculation is expressed as “Rate Spread,” with a positive rate spread indicating a higher cost loan. In the short term, higher cost loans result in generally higher monthly mortgage payments and may significantly limit who is able to comfortably take on such payments. For lower- or middle-income people, these higher monthly payments may price them out of homes they would otherwise be able to afford or require more risk. If these loans are distributed unequally, it can have a significant impact on fair access to housing and homeownership.

Additionally, the cost paid into assets of equal value will be much higher for those with higher cost loans. If high-cost loans are distributed unequally, certain groups of people will effectively build less wealth from similar assets in the long term, contributing to the well-documented racial wealth gap in the Greater Boston area and impacting access to housing opportunity on a systemic level.

Large shares of all racial and ethnic groups in Chelsea received loans with a positive rate spread (30.7% of Asian applicants, 38.9% of White applicants, 42.7% of Black or African American applicants, 37.7% of Non-Hispanic or Latino applicants, and 38.8% of Hispanic or Latino applicants). However, Hispanic or Latino and Black applicants had higher shares of higher cost loans. 8.1% of Hispanic or Latino applicants and 9.3% of Black or African Americans applicants received loans with a rate spread greater than 1, significantly higher than the shares of other racial and ethnic groups for this category (Asian 3.3%, White 4.7%, Non-Hispanic or Latino

⁶⁷ Home Mortgage Disclosure Act Dataset, 2018-2021

⁶⁸ <https://www.consumerfinance.gov/rules-policy/regulations/1026/32/#:~:text=High%2Dcost%20mortgages%20include%20closed,set%20by%20the%20specified%20amount>

3.3%). This suggests that both Hispanic or Latino applicants and Black or African American applicants were more likely to receive higher cost loans than their White and Non-Hispanic or Latino counterparts.

Discrimination by Real Estate Professionals

Real estate professionals mediate most interactions non-professionals have with the private housing market, making them particularly important in fair housing matters. According to academic research as well as engagement conducted as part of this plan, real estate professionals continue to be a source of housing discrimination in Chelsea. Research conducted by the Boston Foundation, Suffolk University Law School, and Analysis Group in 2020 demonstrated that real estate owners, agents, brokers, and property managers in 11 greater Boston communities (including Chelsea) actively discriminate against tenants by race and source of income. The study revealed discrimination against Black people in 71% of conducted tests, and discrimination against housing voucher holders in 86% of tests.⁶⁹

Researchers found many forms of discrimination, with significant variation across several aspects of the rental process: returning initial contact or “ghosting” prospective tenants, offering site visits, offering rental applications, different rental criteria, and subtle forms of verbally steering prospective tenants. While specific data for tests in Chelsea was not provided, the study gave no indication that discriminatory patterns varied significantly by geography. This academic research was corroborated by participants in the public engagement process, who reported discrimination by housing providers and real estate professionals on the basis of several protected classes, including race, national origin, source of income, family status, and disability status.

Displacement

“Displacement” describes any circumstance when a resident leaves their home and/or community against their wishes, often due to costs. Household-level displacement can occur when individuals can no longer afford their housing costs, either due to rising rents, taxes, or other costs. Community-level displacement occurs when many similar households are displaced, and the households taking their place are dissimilar to the initial households. Community-level displacement is called gentrification when many higher-income households replace lower-income households.

Chelsea has been a lower-cost area within the greater Boston region for a long time. As housing prices rise, Chelsea’s lower-cost housing stock will likely increasingly be repositioned for higher-income occupants, posing a real risk of exacerbating community-level gentrification-related displacement. This has the potential to create a notable shift in the demographics of the Chelsea community, including the displacement of those protected classes with lower incomes such as persons of color, the elderly, and people with disabilities. In Chelsea, foreign-born residents, including those who are undocumented or with limited English proficiency, are vulnerable populations at particular risk of displacement given language barriers, informal housing arrangements, and fear of retaliation.

⁶⁹ Langowski, Jamie, et al. “Qualified Renters Need Not Apply: Race and Voucher Discrimination in the Metro Boston Rental Housing Market.” The Boston Foundation, 2020.

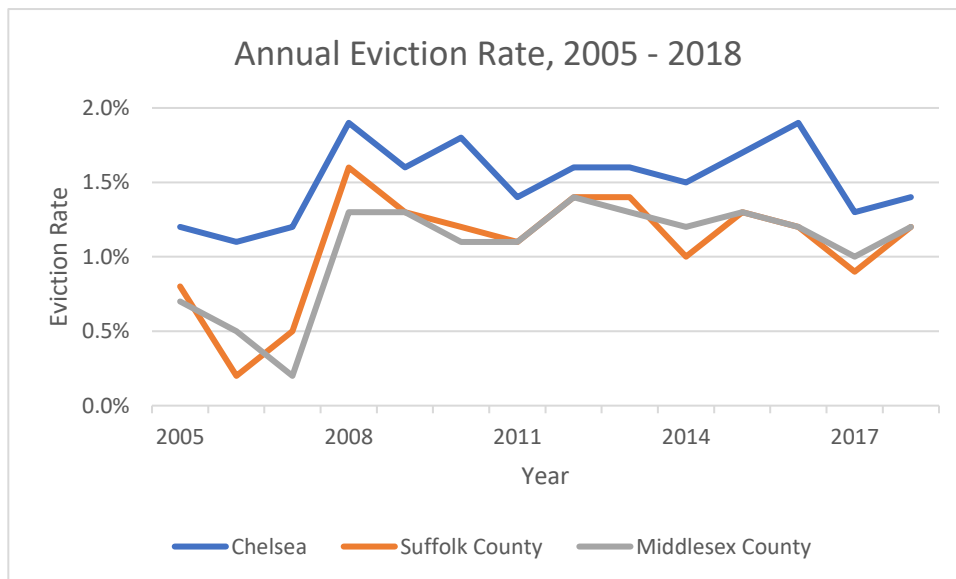
Evictions

Evictions can be one indicator that displacement is occurring, though evictions sought through the law are just one potential mechanism of displacement. According to the Eviction Lab at Princeton University, Chelsea experienced a total of 134 evictions in 2018 (the latest available data), for an eviction rate of 1.4% (calculated as the number of evictions per 100 renters). There were 363 eviction filings in 2018, or a 3.7% eviction filing rate (the number of eviction filings filed per 100 renters).

Although eviction filings and judgement are not necessarily occurring within the same year, assuming relatively constant rates from year to year, roughly one-third of eviction filings in Chelsea eventually result in a formal eviction decision. However, this only tells part of the story: many households feel pressure to leave their homes upon receiving an eviction filing, due to lack of understanding of the process, desire to avoid going to court, or fear of engaging with formal government entities.

In the past decade Chelsea's eviction rate has tracked higher than that of Suffolk County, of which Chelsea is a part, and that of the adjacent Middlesex County. In terms of overall trends, eviction rates jumped substantially in 2008, coinciding with the peak of the foreclosure crisis. Since that point eviction rates have reduced somewhat, but for the most part have stayed well above the levels seen prior to 2008.

Figure 15: Annual Eviction Rates for Chelsea, Suffolk County, and Middlesex County⁷⁰



Because data is not available after 2018, the above trends do not cover the impacts of the pandemic, associated eviction moratoria, and the conclusions of those moratoria. Due to the COVID-19 pandemic, Massachusetts enacted an eviction moratorium for nine months of 2020, and the federal Centers for Disease Control issued its own partial moratorium which remained in effect through October 2021. Local eviction tracking data indicates a total of 123 filings in 2020 and 99 filings in 2021, substantially below the 363 filings recorded by the Eviction Lab in 2018. Local

⁷⁰ The Eviction Lab at Princeton University, [Eviction Map & Data \(Version 2.0\) | Eviction Lab](#)

data from 2022—showing 43 eviction filings for the first half of the year—does not indicate a substantial rise in eviction filings after the end of the eviction moratorium, though it is possible that its impacts of lifting the moratorium will be more gradual and will not be reflected in only six months of post-moratorium data.

Submarkets and Displacement Risk

Relative housing affordability can be influenced by both local factors, like the creation of new housing units, and regional factors, like the creation of new jobs within commuting distance. Chelsea's housing market is shaped by both local context, like demographic shifts or housing development, and regional factors, like population growth and a lack of housing affordability in the region's inner core and suburbs. These types of local factors can influence how regional forces manifest at the city or neighborhood scale, with market dynamics varying across – and even within – communities.

To help understand these dynamics within Chelsea, this plan includes ongoing research on regional submarkets produced by MAPC as part of its regional plan, Metro Common 2050. The agency analyzed data on 28 variables for each census tract in the region and grouped together tracts with a similar set of variables into seven submarkets.⁷¹ Chelsea contains two of those submarkets. In Chelsea, 69% of households are in sub-market 2. This sub-market is characterized by relatively high density, lower-cost mixed-age housing stock; lowest household income; a high share of renters; high foreclosure, business buyers (i.e., homebuyers that are not individual households), and cash sales (i.e., no mortgage); increasing population and density. Despite low costs, it has experienced a significant increase in home sale prices in the past two decades.

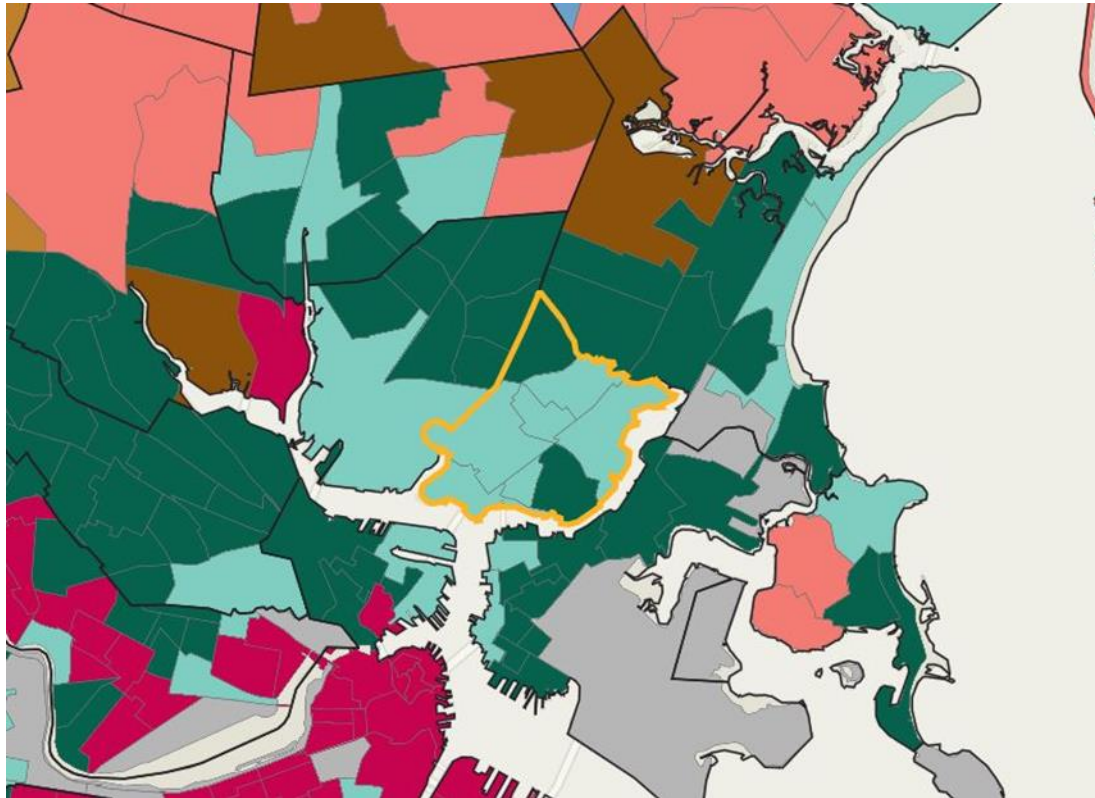
The remaining 31% of households are in sub-market 3. This sub-market is characterized by moderate density, oldest housing stock; low- to moderate-income households; average home prices and rents, a high—though declining—share of renters. Despite average costs, it has experienced an above average increase in home prices and rents in the past two decades.

Based on MAPC's submarket definitions, displacement risk is greatest in Submarket 2 and to a lesser extent in Submarket 3, due to rising housing costs and the presence of lower-income households, as well as other vulnerable populations. These submarkets contain a high share of the region's naturally occurring affordable housing, but that natural affordability is at increased risk of disappearing as housing prices rise. These submarkets are home to many residents of color, including Black, Latinx, and Asian residents, compared to other submarkets that are majority White. As we know, these residents tend to have lower incomes. In addition, households of color tend to rent at much higher rates than non-Latinx White households. Renters are subject to fluctuations in the housing market in ways homeowners are not. Residents of these submarkets are the most likely to experience individual household-level displacement and these neighborhoods are most likely to undergo gentrification-related community-displacement as the real estate market actively seeks to reposition housing for higher-income people.

⁷¹ <https://housing-submarkets.mapc.org/submarkets/>

Figure 16: MAPC Submarket Typologies.

The yellow line aligns with the City of Chelsea's boundaries, the lighter shade within Chelsea represents submarket 2, and the darker shade within Chelsea represents submarket 3.



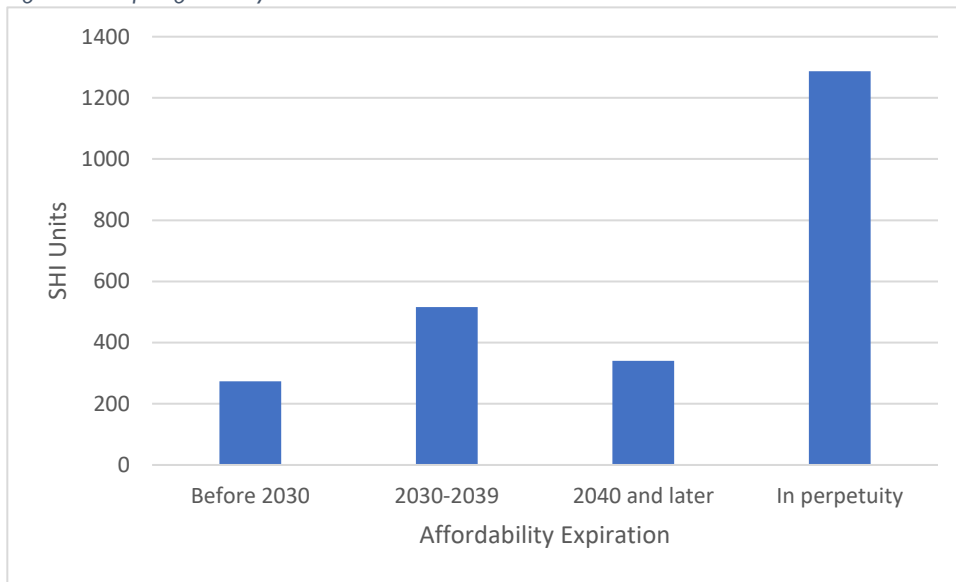
Expiring Use

Affordable Housing is usually protected by deed restrictions that require affordability for a set period of time. While some affordable housing funding sources require deed restrictions that guarantee affordability in perpetuity, some affordable housing, particularly that created through the Chapter 40B Comprehensive Permit process, may carry require a deed restriction to be in place for a shorter period of time, commonly 30 years. If those restrictions aren't renewed, low-income residents are at risk of eviction and displacement.

Chelsea's Subsidized Housing Inventory (SHI) currently has 2,416 units. Of those, more than half (1,287 units, 53% Chelsea's total SHI units) have deed restrictions that require the units to remain affordable in perpetuity.

The remaining 1,129 SHI units (47%) have an expiry date for their affordability. Of these, 273 units in 5 projects will reach the end of their affordability period before 2030. Another 516 units in 12 projects are set to expire between 2030-2039. If those restrictions aren't renewed, low-income residents are at risk of eviction and displacement.

Figure 17: Expiring Units by Decade⁷²



Fair Housing Education and Enforcement

While fair housing laws have been in existence for decades, fair housing violations persist. This is due in part due to a lack of education on the rights and obligations created by these laws, as well as a lack of enforcement against fair housing violators. Fair housing education and enforcement is undertaken by a constellation of organizations nationally. HUD's Office of Fair Housing and Equal Opportunity (FHEO) is the primary enforcement agency at the federal level. In certain cases, aspects of fair housing law are enforced by the Department of Justice. HUD also designates some of its education and enforcement duties to state and local governments through the Fair Housing Assistance Program (FHAP) and to private nonprofit entities through the Fair Housing Initiatives Program (FHIP). Through FHAP, enforcement of federal fair housing law is undertaken by the Massachusetts Commission Against Discrimination.

State Enforcement and Education

The Massachusetts Commission Against Discrimination (MCAD) is the state-level enforcement agency for fair housing complaints (as well as complaints related to employment discrimination, etc.). The agency receives approximately \$1m from HUD annually, accounting for nearly one third of its budget. MCAD receives complaints from individuals and investigates those complaints. Where possible, the agency attempts to resolve complaints through mediation. If MCAD finds probable cause of a fair housing violation and several attempts at mediation do not result in

⁷² Massachusetts Subsidized Housing Inventory, 2023

settlement, MCAD proceeds with a public hearing and adjudication.⁷³ Statewide, MCAD received 2,463 complaints of discrimination in FY2021, of which 11% (263) were for discrimination in housing (Chelseas-specific complaints are discussed further below). In FY2021, MCAD's Education, Training, and Community Outreach Unit attended 190 discrimination preventions trainings and other events, though the agency does not specify how many of those trainings covered fair housing specifically.⁷⁴

Private Fair Housing Agencies

Through the Fair Housing Initiatives Program (FHIP), HUD provides grants to private nonprofit institutions working on fair housing initiatives, including enforcement, education, and capacity building. There is currently only one area organization working on fair housing issues that regularly receives FHIP funding, the Suffolk University Law School Housing Discrimination Testing Program. In FY2021, HUD awarded Suffolk roughly \$525,000 in FHIP funds for systematic and complaint-based testing, representation of fair housing clients, fair housing trainings, and other educational opportunities. This funding consists primarily of a multi-year Private Enforcement Initiative (PEI) grant, which funds non-profit fair housing organizations to carry out testing and enforcement activities to prevent or eliminate discriminatory housing practices. Suffolk was also the recipient of a \$100,000 in Education and Outreach Initiative (EOI) program award, which offers support for fair housing activities that educate the public and housing providers about equal opportunity in housing and compliance with the fair housing laws.⁷⁵

Though not a current FHIP recipient, the nonprofit Metro Housing Boston also provides fair housing services, including trainings and education, technical assistance, and client referrals.⁷⁶ Metro Housing Boston's service area includes Chelsea.

Until 2018, the Fair Housing Center of Greater Boston was another regular FHIP recipient. Founded in 1968, the Center closed in 2018 due to funding constraints. Following its closure, the FHIP allocation to Suffolk University included a reallocation of funding from the now closed Fair Housing Center to Suffolk, and Suffolk has expanded its range to include some fair housing education. However, while Suffolk represents an excellent resource in terms of enforcement, its program remains primarily focused on testing, and greater Boston lacks a standalone organization dedicated to fair housing. By comparison, the five other 2021 FHIP awardees in Massachusetts included three serving central and/or western Massachusetts, one serving northeastern Massachusetts, and one serving southeastern Massachusetts.

Formal Complaints

Key Takeaways

- The most striking information revealed from the discrimination complaints is the sheer lack

⁷³ MCAD Annual Report, FY2021

⁷⁴ *ibid.*

⁷⁵ HUD, "Fiscal Year 2022 Fair Housing Initiatives Program (FHIP) Grants State-by-State Awards"

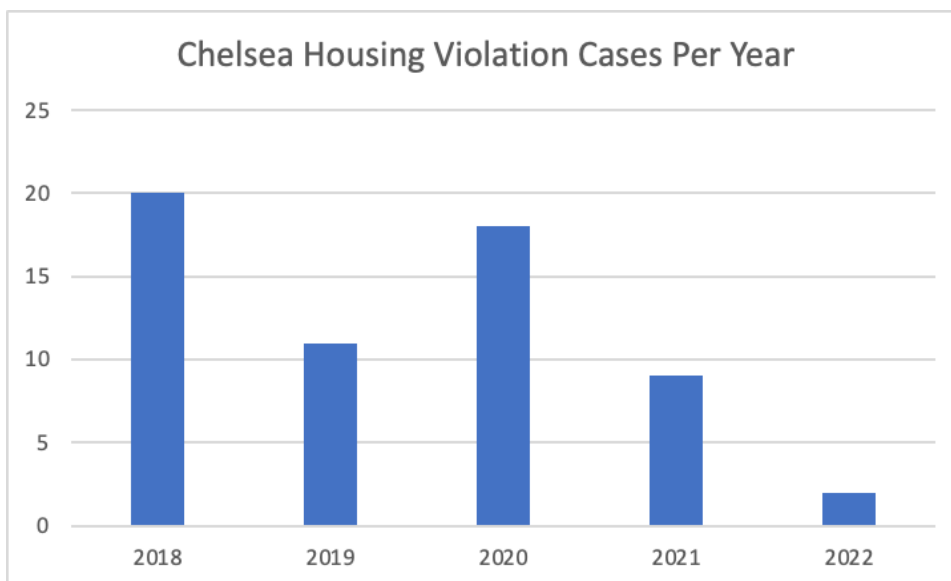
⁷⁶ Metro Housing Boston, 2022 Impact Report, [Home | Metro Housing Boston | 2022 Impact Report \(metrohousingimpact22.org\)](https://metrohousingimpact22.org)

of complaints. Qualitative data from public engagement and project partners indicates a level of housing discrimination that is far higher than 10-20 cases per year. Thus, while it is important to consider the data we have, perhaps the most important takeaway is that the overwhelming majority of discrimination goes unreported. Given the likely severe underreporting of discrimination, any conclusions drawn from this data must be treated with caution.

- The highest number of complaints—nearly half—were related to disability. Even given the small number of complaints overall, it is reasonable to conclude that discrimination based on disability is likely a major issue.
- In addition to the difficulties in drawing conclusions because of the small number of complaints, it is important to remember that this data is not a snapshot of discrimination overall, but of reported discrimination. Though all categories are almost certainly underreported, discrimination based on national origin—the second highest category—is particularly likely to be underreported due to language barriers and residents’ fears about drawing attention to their immigration status. This data should not be interpreted to mean that discrimination based on national origin, or any protected class for that matter, is not an issue. Rather, when discrimination occurs it is unlikely to be reported through formal channels and barriers to reporting discrimination are high.

Overview

Residents can formally lodge discrimination complaints through the Massachusetts Commission Against Discrimination (MCAD) or through the federal Department of Housing and Urban Development (HUD). In the five-year period from 2018 – 2022, MCAD received 60 complaints of housing-related discrimination that occurred in Chelsea, with up to 20 cases per year. HUD received far fewer complaints of housing discrimination than MCAD does: only 13 cases in Chelsea were referred to HUD for an investigation over the same five-year period. Given the small number of HUD cases and the possibility that there is overlap between the MCAD and HUD cases, this report will consider only the MCAD cases.



Source: Massachusetts Commission Against Discrimination (MCAD)

Complaints by Protected Class

The most common bases for complaint were items related to disability, national origin, race, ethnicity, or health concerns. Note that some cases involve discrimination on more than one basis, so the number of bases for complaints is greater than the total number of complaints.

| Basis | Number of Cases |
|--|-----------------|
| Disability | 16 |
| National Origin | 15 |
| Race or Color | 11 |
| Health Concern | 10 |
| Public Assistance | 7 |
| Retaliation | 4 |
| Motor Function (may include Prosthetics) | 3 |
| Children | 2 |
| Lead Paint | 2 |
| Marriage or Family Status | 2 |
| Gender Identity | 1 |
| Mental Illness | 1 |
| Sex | 1 |

Source: *Massachusetts Commission Against Discrimination (MCAD)*

Nearly half of the complaints were related to disability (disability, health concern, and motor function). Even given the small number of complaints overall, it is reasonable to conclude that discrimination based on disability is likely a major issue.

After disability-related complaints, the largest basis was national origin. This category in particular is likely a drastic undercount. Newcomers to this country may not be familiar with their rights under the fair housing act, language may pose a barrier to filing a complaint, and undocumented residents may be wary or afraid to lodge a complaint with a formal government entity.

Of the 60 reported cases in Chelsea, only 15 had been closed. Of those 15, roughly half were closed due to a lack of probable cause, where there was not sufficient evidence to continue with the investigation. This does not suggest either that the cases were without merit or that the violations did not occur, only that not enough evidence to proceed was obtained. Of the remaining cases, three were settled during the process and one moved on to Housing Judicial Review.

Complaints in the Comparison Region

When compared to other municipalities in the comparison region, Chelsea's rate of complaints is among the highest, second only to Salem in complaints per capita. The other municipalities at the top—Everett, Malden, and Revere—are also municipalities with a high share of persons of color and with rapidly escalating housing costs and changing neighborhood dynamics.

| Municipality | Complaints per capita |
|--------------|-----------------------|
| Salem | 1.86 |
| Chelsea | 1.47 |
| Everett | 1.28 |
| Malden | 1.18 |
| Revere | 1.12 |
| Somerville | 0.99 |
| Medford | 0.96 |
| Melrose | 0.87 |
| Swampscott | 0.86 |
| Boston | 0.85 |
| Saugus | 0.80 |
| Lynn | 0.75 |
| Stoneham | 0.47 |
| Peabody | 0.44 |
| Winthrop | 0.41 |
| Marblehead | 0.39 |
| Wakefield | 0.18 |
| Lynnfield | 0.00 |
| Nahant | 0.00 |

Source: *Massachusetts Commission Against Discrimination (MCAD)*

While this may indicate that Chelsea is experiencing housing discrimination at a higher rate than its peer communities, the small number of complaints overall makes this data difficult to interpret definitively. It is just as likely that discrimination is underreported in other municipalities as well, especially those with a higher share of protected classes and vulnerable populations.

Public and Private Housing Complaints

Around three quarters of all housing complaints to MCAD from Chelsea occurred in private housing, with only 22% of all cases being public housing complaints. This is a lower rate of complaints in public housing than in the comparison region overall, where 71% of complaints involved private housing and 29% involved public housing. Of the cases in Chelsea related to public housing, one was discussed and the others were found to have had a lack of probable cause. Although the sample size is too small to draw any definitive conclusions, the lower rate of public housing complaints and the lack of probably cause found for those complaints could indicate that discrimination is more prevalent in the private housing market than in public housing.

Chapter 4:

Fair Housing

Recommendations

The last chapter of this Fair Housing Plan provides recommendations to address specific aspects of Chelsea's laws and institutions to improve fair housing choice. If implemented, these recommendations will serve as an effective basis for affirmatively furthering fair housing by reducing patterns of segregation, mitigating displacement, addressing disproportionate housing needs, and increasing access to opportunity for members of protected classes.

The recommendations offered here will not solve the fair housing crisis on their own. Nonetheless, they represent a collection of policies and programs that Chelsea can implement at the local level, as well as advocate for at the State level, to limit harm to vulnerable populations and advance the cause of justice. If the community can rally around fair housing access and use these resources with intention, Chelsea will be able to materially advance fair housing in the city.

Goals

This plan seeks to advance eight goals during the course of this five-year Fair Housing Plan. These goals and their accompanying strategies are described as follows:

1. Address barriers that limit access to housing for residents, including cost, legal, and navigational barriers.

These strategies address barriers residents experience accessing housing, including housing court record verification, CORI and background checks, credit checks, the cost of lease up fees and in particular broker's fees, informal or insufficient income, and navigational barriers to completing applications for market rate and Affordable Housing. This goal also includes strategies that respond to climbing rents and utility costs, which continuously undermine residents' ability to access stable housing.

2. Increase the supply of affordable housing through both production and preservation mechanisms.

This goal includes strategies to increase the supply of affordable housing, through both production and preservation. Strategies address the high and rising cost of Affordable

Housing development and the complexity and shortage of financing for Affordable Housing projects. They call attention to the lack of specific housing types, and relatedly, the need for population specific housing, such as family-sized housing, supportive housing for seniors and older adults, housing for disabled residents, housing for formerly homeless youth and young adults, and housing for low-income single individuals. In addition to tools for increased production, this section also addresses the need for tools to prevent the loss of naturally occurring affordable housing (NOAH).

3. Address poor housing conditions and mitigate future issues by improving processes and policies for reporting and enforcement.

Strategies for this goal relate to mitigating and addressing poor housing conditions faced by residents, as well as improvements to processes and policies related to reporting and enforcement of housing conditions.

Over 65% of Chelsea's housing stock was built before 1939, increasing exposure to health hazards such as lead paint, poor ventilation, and faulty plumbing. Disinvestment by absentee landlords and investor owners further undermines the health and the safety of low-income residents. When renters face substandard housing conditions, the process for seeking repairs is often out of reach, and renters, especially immigrant and undocumented residents, fear retaliation and harassment. Residents have expressed discomfort seeking assistance from the City, either because of the inaccessibility and opacity of the process for filing housing complaints, or because of negative interactions experienced with staff.

4. Improve housing stability by preventing incidents of displacement and addressing the root causes of displacement.

This goal includes strategies to prevent incidents of displacement and to address the root causes of displacement. They focus on supporting the long-term economic stability of households in Chelsea and they also address the need to continue expanding a robust local safety-net for residents facing homelessness and displacement (one that addresses the needs of specific vulnerable populations including seniors and older-adults). A local safety-net includes both programs that bolster access to critical state and federal programs, supplemented by local programs that aid residents who are excluded from accessing state and federal programs.

5. Improve the process for enforcing fair housing regulations.

The strategies for this goal pertain to enforcement initiatives, which encompass the processes for making complaints when discrimination occurs, investigation of potential violations, fines and penalties for violations, deterrents to discrimination, and support for residents who are subject to discrimination. The recommendations consider the racial and economic inequities that exist in Chelsea and the prevalence of predatory and discriminatory practices which further undermine residents' rights, wellbeing, and economic opportunities. Strategies also focus on the navigational and supportive services that are needed to accompany enforcement efforts and ensure reporting practices are accessible

to residents who may have concerns or doubts about these programs.

6. Increase homeownership opportunities for low- and moderate-income residents to promote wealth building and protect homeowners facing economic hardship.

This goal provides strategies to increase homeownership opportunities for low- and moderate-income residents as well as recommendations to increase protections for low- and moderate-income homeowners facing economic hardship. Homeownership promotes wealth building and the possibility of longer-term economic stability. Reducing the structural barriers that people of color and low-income individuals have faced to accessing homeownership is crucial to addressing racial wealth disparities.

7. Enhance civic engagement and education around fair housing issues.

These strategies focus on opportunities for trust-building between the City and Chelsea residents through culturally-appropriate programming, housing education workshops, and alternative reporting models that center community leaders.

8. Increase opportunities for upward mobility regardless of immigration or socioeconomic status.

The final goal includes strategies that pertain to increasing opportunities for upward economic mobility, which encompasses the opportunities individual residents and communities have to increase economic status and wellbeing. There are many indicators of upward economic mobility including opportunities to access employment, increased income, wealth-building, education, positive health outcomes, and homeownership. Ensuring residents are able to access upward mobility, regardless of immigration or socioeconomic status, is essential to ensuring existing residents can remain in the community for generations.

Strategies

Each of these eight goals are broken down into **local policy, local program, and state advocacy strategies** to advance over the next five years:



Each strategy in this section includes one of the icons above to denote it between a local policy, local program, and state advocacy strategy.

Local policy and program strategies are all recommendations that the City of Chelsea has direct control over advancing. Their implementation varies but could include adoption of policies and zoning regulations by the City Council, direct coordination between Chelsea’s Department of Housing and Community Development and the Governor’s administration, capacity building within City department, and more.

Some of the most ambitious recommendations that would bring considerable benefit to Chelsea residents require State legislation or approval. While the City has less control over the implementation of these policies, there are many things that it can do to help advocate for them at the State level, including:

- Testify at State House hearings where priority legislation is being proposed
- Meet with Chelsea’s legislators and share data and stories about local housing needs
- Pass a local resolution at City Council in support of a proposed State policy
- Support advocacy organizations who are already working with their coalitions to support housing priorities
- Conduct resident outreach and engagement about certain policy priorities
- Coordinate with the Metropolitan Area Planning Council and other municipalities to enhance promotion of policy priorities through the Metropolitan Mayors Coalition Regional Housing Task Force

Recommendations marked as **~PRIORITY STRATEGY~** or **~PRIORITY POLICY~** were selected by the community as high priority items during the direct engagement process.

Goal 1: Address barriers that limit access to housing for residents, including cost, legal, and navigational barriers.



Strategy 1.1: Work with the Governor’s administration to simplify and improve the accessibility of waitlists for public housing and state/federal voucher programs.

Impact: Medium

Cost: Low

Lead Agency: CHA

Retaining a spot on public housing waitlists for state and federal voucher programs requires responding to semi-regular communications from the administering agency and updating household information. These requirements pose a barrier to residents who are unhoused, move frequently, face displacement, do not speak English, have limited literacy, have disabilities, or are simply unaccustomed to the processes.

This strategy involves the need for increased transparency, improved customer service, and designated navigational support for residents completing the online CHAMP application and monitoring the portal. Accessible customer service should be increased to aid residents with applying to public housing and state housing vouchers, updating relevant information, and obtaining updates on waiting list status.



Strategy 1.2: Consider limiting the use of background checks to disqualify tenants who are being screened for Chelsea Housing Authority properties and make clear that SSNs are not required for state-funded CHA properties.

Impact: Medium

Cost: Low

Lead Agency: CHA

Background checks and credit checks pose severe barriers for low-income residents and residents of color who are more likely to have a criminal record due to structural racism and economic necessity. The use of social security numbers (SSNs) to verify credit also poses a barrier to low-income and undocumented residents who may not have had the opportunity to build credit.

While there is little the City of Chelsea can do to regulate this for the private market, there may be opportunities to limit the use of background checks in disqualifying tenants being screened for Chelsea Housing Authority properties when that tenant has been convicted of a non-violent offense such as marijuana possession or larceny. In recent years, the federal Department of Housing and Urban Development (HUD) has encouraged public housing authorities to give “second chances” to formerly-incarcerated individuals while also ensuring the safety of all residents in public housing.

Though federally-funded public housing does require reporting of SSNs, Massachusetts does not require this for public housing that is funded by the state. The City should make it clear to residents that there is this major distinction between CHA units.



Strategy 1.3: Adopt a language justice ordinance requiring the translation of City materials along with housing application materials for all units being marketed across the city.

Impact: High

Cost: High

Lead Agency: H+CD

Chelsea’s City Council should adopt a language justice ordinance, requiring the translation of all City permits, applications, and materials into common languages requested by residents. The ordinance should require that all City permits, applications, and materials be translated into the City’s five most spoken languages, at the time of publication.

In addition to City materials, the local ordinance should explicitly require the translation of housing application materials across all units being marketed in the City. This policy would address language barriers that many immigrant residents face to simply applying for new housing. The policy in question should include avenues for enforcement, to ensure compliance.



Strategy 1.4: Continue local rental assistance program for move-in costs and identify recurring funding streams.

Impact: Medium

Cost: High

Lead Agency: H+CD

The up-front costs of renting a unit can total thousands of dollars, sometimes equating up to four months of rent, and effectively excluding residents without cash savings from securing new housing. The City’s Department of Housing & Community Development currently operates several local programs which provide tenant assistance with up-front moving costs. The City should identify recurring funding streams for these programs.



Strategy 1.5: Establish a culturally-relevant housing search program, expanding on existing bilingual rapid rehousing and housing search programming in the City.

Impact: Medium

Cost: Medium

Lead Agency: H+CD

The process of finding, applying to, and securing an apartment is arduous and often inaccessible. In a tight housing market with few vacancies, residents struggle to locate units, and even once a unit is identified, face a myriad of barriers to securing the apartment. Moreover, traditional housing search program models lack the strategies and flexibility necessary to locate and secure apartments for undocumented households and households searching for room rentals.

Expanding on existing bilingual rapid rehousing and housing search programming in the City, culturally-relevant housing search programs would combine direct engagement and relationship building with local property owners with navigational support and advocacy on behalf of residents completing application requirements. Local program models would include assistance locating safe room rentals, given the prevalence of sub-leasing in Chelsea. They would be designed to leverage existing rental assistance funding, and legal assistance to address the complex barriers and discrimination faced by many vulnerable residents.



Strategy 1.6: Establish a housing program focused on the needs of newly-arrived residents that integrates housing with other wraparound services.

Impact: High

Cost: Medium

Lead Agency: H+CD

Chelsea is a historically immigrant community that has welcomed waves of migrants throughout its history. A housing program focused on the needs of newly-arrived households could integrate temporary and permanent housing placement with workforce development opportunities, ESOL and language courses, immigration services, navigational support, health and mental health services, and other wraparound programming.



Strategy 1.7: Implement a local Landlord Incentive/Guarantor Program designed to support residents seeking to rent a new unit with overcoming barriers to accessing new housing.

Impact: High

Cost: High

Lead Agency: H+CD

Chelsea should implement a local program designed to support residents seeking to rent a new unit from overcoming barriers to accessing new housing. The program could include incentives for landlords, a guarantee of assistance in case tenants fall behind on rent, and/or short-term forward-looking assistance. The program could also aid tenants with connections to wraparound services such as case management and counseling.

Another complementary local program should be implemented that is designed to encourage landlords to rent to voucher holders who have formerly experienced homelessness or other vulnerable populations. For the landlord, the City could guarantee rent if the tenant falls behind and cover damages or mediation if needed. This would allow tenants to make connections to social services and support residents with access to credit for those who don't have established credit through the formal banking system.



Strategy 1.8: Promote credit rebuilding programs and create population-specific programming for victims of domestic violence along with youth and young adults.

Impact: Medium

Cost: Medium

Lead Agency: H+CD

Access to good credit is a major barrier residents face when attempting to rent an apartment. Moreover, low-income residents, residents of color, and immigrants have been systematically denied access to good credit and subject to predatory payment schemes.

Credit rebuilding programs can provide residents who have poor or no credit with an opportunity to improve their credit score. Through educational opportunities such as workshops, residents can learn how to read a credit report and best practices to increase their credit scores. Through individualized programming, residents can receive support taking steps to manage debts and build credit. Many local partners offer such credit rebuilding programs that the City could actively promote.

In addition to educational opportunities, a local credit building loan program operated by the City could provide residents with small loans, meant to be repaid over a set amount of time, while allowing residents to build credit. Population specific programming could also be made available to survivors of domestic violence, who have faced economic abuse affecting their credit scores, as well as to youth and young-adults beginning to utilize credit.



Strategy 1.9: Advocate for state-level policies that advance local priorities related to housing access.

Impact: High

Cost: Medium

Lead Agency: H+CD

State Policy Priorities:

- Rent stabilization – Enacting local rent stabilization policies is not permitted under state law. Landlords can legally increase a tenant's rent any amount, so long as an increase is executed correctly. Rent stabilization would allow municipalities to implement policies limiting rent increases. Given dramatic increases in housing costs, the prevalence of investor activity, and resulting, accelerated displacement occurring daily throughout the

City, rent stabilization is a needed tenant protection to prevent the sweeping displacement of low income residents. ~PRIORITY POLICY~

- **Eviction sealing** – Currently, evictions are public record and many landlords use the presence of an eviction record to automatically disqualify potential applicants. There is no way for a tenant to seal their eviction record even if they won their case or the case was brought wrongfully. Passage of the HOMES Act would create a pathway to eviction sealing for most eviction cases. Processes would be based on the type of eviction, the outcome of an eviction process, and a tenant’s compliance with court agreements. Once enacted, a local program could provide capacity for legal services to make record sealing accessible to Chelsea residents.
- **MRVP expansion** – The Massachusetts Rental Voucher Program (MRVP) is the State’s primary rental voucher program. It provides vouchers to households with incomes at or below 80% of the Area Median Income and does not restrict vouchers based on immigration status. Families contribute between 30% and 40% of their income toward their rent, and the voucher covers the remaining total. However, unlike other means-tested benefit programs, there is a scarcity of vouchers and waitlists are years-long. The Commonwealth should invest in the expansion of the MRVP program, beginning with implementation in Environmental Justice communities to provide an equity-based framework for scaling up the program.

Goal 2: Increase the supply of affordable housing through both production and preservation mechanisms.



Strategy 2.1: Enact an SRO Preservation Ordinance, providing the City with tools to intervene in the sale and conversion of SROs, provide tenant protections, and prevent the displacement of residents.

Impact: Medium

Cost: Low

Lead Agency: H+CD

Single Room Occupancy (SRO) buildings have historically offered affordable housing opportunities to low-income single adults, including formerly homeless individuals and migrant workers. The few remaining SRO buildings in Chelsea are at heightened risk of conversion to market-rate and luxury microunits or of otherwise becoming inaccessible to the low-income residents who have historically relied on rooming houses to remain housed in the community.

Implementing a local ordinance would provide the City with tools to intervene in the sale and conversion of SROs, provide tenant protections, and prevent the displacement of residents. A model for enacting such an ordinance is the City of Chicago. Their policy requires notification of an SRO building owner’s intent to sell or make major modifications to the property, 180 days prior, and requires good-faith negotiations with potential buyers intending to preserve SROs as affordable. They also have an accompanying program that offers funding for SRO operators to make meaningful improvements in exchange for maintaining their units as affordable.



Strategy 2.1: Support the production of permanent supportive housing units through technical assistance, planning, design, and financing.

Impact: High

Cost: High

Lead Agency: H+CD

Supportive housing provides housing to vulnerable populations by combining permanently Affordable Housing with supportive services. Supportive housing generally offers an array of services including access to health and mental health care, case management, economic empowerment programming, and employment assistance. Services are tailored to residents' needs and participation is not a condition of housing, rather services are made available to residents of the property by choice.

The City should actively and comprehensively support the production of permanent supportive housing through technical assistance, planning, design, and financing. These efforts should cater to seniors, persons with disabilities and medical complexities, and formerly homeless individuals.



Strategy 2.3: Adopt an Affordable Housing Overlay Zoning District to incentivize the development of deed-restricted Affordable Housing. ~PRIORITY STRATEGY~

Impact: High

Cost: Low

Lead Agency: H+CD, P+LUP

An Affordable Housing Overlay District would be designed to incentivize the development of deed-restricted Affordable Housing. An overlay could streamline the permitting and approval process for Affordable Housing developments in the district to decrease the cost of development and address barriers that make it economically infeasible to develop Affordable Housing without large subsidies. An overlay district could also allow for increased density, taller buildings, parking relief, and other more flexible zoning requirements.

To incentivize the production of family sized-units, the overlay could target zoning requirements that limit the production of larger units by including additional relief from open space, setbacks, parking requirements, etc., in exchange for larger units.



Strategy 2.4: Establish an Accessory Dwelling Unit (ADU) Ordinance and Financing Program, intentionally structured as a tool for increasing the supply of affordable rental housing, bringing illicit units up to code, and supporting low- and moderate-income homeowners with new sources of rental income.

Impact: High

Cost: High

Lead Agency: H+CD, P+LUP, ISD

Accessory Dwelling Units (ADUs) are independent residential units located on the same property as a larger unit. They can be affixed to existing properties or be stand-alone units. ADUs provide an opportunity to increase housing stock without large scale development.

The City should advance a local ADU ordinance to allow for the construction and permitting of ADUs. The ordinance should be intentionally structured as a tool for increasing the supply of affordable rental housing, bringing illicit inhabited units up to code, and supporting low- and moderate-income homeowners with new sources of rental income.

Through a home-rule petition following Salem’s example, Chelsea could seek approval for ADUs rented at an affordable rate, to be exempted from homeowners’ property taxes. Additionally, the City could implement a financing program to provide income-eligible homeowners with financing to construct ADUs.

Given the prevalence of illicit units as a form of survival for vulnerable residents, a local ADU ordinance would necessitate anti-displacement provisions and accompanying engagement to ensure residents occupying illicit units are not displaced from the community.



Strategy 2.5: Amend the City’s Inclusionary Zoning Ordinance to promote the production of family-sized housing and increase the number of ADA-accessible units.

Impact: High

Cost: Low

Lead Agency: H+CD, P+LUP

The City should encourage the production of family-sized and fully accessible housing units by allowing three-bedroom units that are Affordable or accessible to count as more than one inclusionary zoning unit (e.g., one Affordable three-bedroom unit could equal 1.25 Affordable units for the purposes of the IZ requirement) and by reducing parking requirements for family-sized Affordable units provided through IZ.



Strategy 2.6: Utilize creative financing strategies to acquire and preserve properties with naturally-occurring affordable housing (NOAH) units.

Impact: High

Cost: High

Lead Agency: H+CD, CHA, AHTF

Acquiring and preserving the affordability of Naturally Occurring Affordable Housing (NOAH) units poses complex financing challenges. This strategy seeks to incorporate the role of multiple stakeholders to advance creative financing mechanisms:

- Chelsea Housing Authority (CHA) has the ability to convert eligible mobile vouchers within their allocation to Project Based Vouchers (PBVs) by assigning them to developments. The assignment of PBVs offers an opportunity to provide deeply affordable units on small-scale projects.
- The Affordable Housing Trust Fund (AHTF) is an independent Board with the ability to acquire, develop, renovate, and sell property for Affordable Housing projects. Creative acquisition strategies for small-scale properties could be carried out in conjunction with the AHTF, utilizing the Board’s specific powers and capabilities.
- Packaging multiple scattered sites and seeking financing for multiple smaller buildings allows for more efficient and attainable financing. Strategies for covering operating costs and renovation subsidies should be included.
- Collaborating with the Affordable Housing Trust Fund Board to employ land banking and other tools to acquire and preserve housing at risk of imminent sale.



Strategy 2.7: Seed a flexible capital pool to allow the City, Affordable Housing Trust Fund, and Affordable Housing developers to compete with market-rate developers in acquisitions.

Impact: High

Cost: High

Lead Agency: H+CD, AHTF

Seeding a flexible capital pool would allow the City, Affordable Housing Trust Fund, and Affordable Housing developers to compete with market-rate developers in acquisitions.



Strategy 2.8: Support redevelopment Chelsea Housing Authority properties to add increased density at existing sites and make use of vacant and underutilized land owned. ~PRIORITY STRATEGY~

Impact: High

Cost: High

Lead Agency: CHA

The City should support the redevelopment of local Housing Authority properties to increase the density of Affordable Housing on existing sites as well as utilize vacant and underutilized land. Chelsea’s public housing developments were constructed between the late 1940s and mid 1970s and many require capital upgrades. CHA, in partnership with the City and a host of public and private partners, has undertaken an innovative public/private partnership to transform the Innes Apartments, preserving deeply affordable public housing and adding new housing units. Informed by the redevelopment of Innes, existing sites, such as the Prattville Apartments, with vacant land which could be explored for future affordable housing production. Redevelopment models should seek to maximize the number of Affordable units, accounting for the need for deeply Affordable Housing units, even in mixed-income developments.



Strategy 2.9: Advocate for state-level policies that advance local priorities related to the production and preservation of affordable housing.

Impact: High

Cost: Medium

Lead Agency: H+CD

State Policy Priorities:

- Real estate transfer fee – Implementing a fee on real estate transfers would generate revenue for the Affordable Housing Trust Fund, and consequently ongoing Affordable Housing production. Existing models often exclude owner-occupied properties or sales below a certain threshold, targeting fees at large developers and investors who profit from the real estate industry. Several communities have filed home-rule petitions to implement transfer fees and during the 2013-2014 legislative session, legislation was proposed to allow municipalities to implement transfer fees without seeking state approval. **~PRIORITY POLICY~**
- Reform to Affordable Housing financing programs – Acquisition and construction costs have increased, but the funding levels of state financing programs have not been proportionally increased, limiting the construction and rehabilitation of Affordable Housing. Through the Qualified Application Plan (QAP), the State has the opportunity to address these barriers by increasing overall funding levels for affordable housing

financing programs and increasing per unit subsidies.

- Targeted tax relief and HDIP reform – The Housing Development and Incentive Program (HDIP) is the State’s only tax credit program for market rate development. The program provides tax incentives to developers undertaking new construction or substantial rehabilitation in Gateway Cities. A recent report published by the Massachusetts Law Reform Institute documents that only 2% of units produced through HDIP were Affordable, which goes against the City’s anti-displacement goals.

Suggested reforms to the program include requiring a minimum level of affordability on HDIP projects or requiring that a percentage (20%) of annual credit awards be allocated to projects with Affordable Housing units, administratively prioritizing the development of family housing, and introducing requiring reporting requirements to meaningfully monitor and evaluate the impact of HDIP developments on the communities they are located in.

- Dedicated funding for housing specific subpopulations – Fully accessible housing units are in short supply, as is housing oriented towards youth, young adults, individuals with chronic medical complexities, and other subpopulations. The state should create and bolster programs that support the production of fully accessible, ADA compliant units, as well as programs to support modifications to existing housing, to address a range of accessibility needs for disabled residents, youth, and other vulnerable subpopulations.
- Expansion of Chapter 40T – Chapter 40T is a preservation tool for properties with certain expiring Affordable Housing restrictions. When the affordability of properties covered under 40T lapses or the property is going to be sold, the law requires that notices be sent to tenants and public entities. The law grants the Executive Office of Housing and Livable Communities (EOHLC) the right of first offer and first refusal upon the sale of the property. The law also includes tenant protections in cases where affordability is terminated, limiting rent increases for a property’s existing tenants. Chapter 40T should be expanded to include additional programs with expiring affordability restrictions that are not currently covered.
- Dedicated funding stream for NOAH – Naturally Occurring Affordable Housing (NOAH) are properties where rents are affordable without a subsidy. NOAH units are easily lost in speculative markets, resulting in the displacement of low-income families and the loss of affordable housing units. Dedicated funding streams to support NOAH acquisition and preservation are necessary to prevent displacement.

Two funding streams that would be beneficial include flexible acquisition funding available to municipalities and Affordable Housing developers looking to purchase NOAH units and preserve them as Affordable along with dedicated rehabilitation funding to support upgrades to NOAH properties. Both funding streams should include rental assistance for households residing in NOAH properties, either by capitalizing an operating reserve or otherwise providing shallow subsidies, while permanent financing to support long-term affordability is secured.

Goal 3: Address poor housing conditions and mitigate future issues by improving processes and policies for reporting and enforcement.



Strategy 3.1: Address barriers to filing housing complaints and oversee the modernization of Chelsea’s Inspectional Services Department (ISD).

Impact: Medium

Cost: Medium

Lead Agency: ISD, H+CD

This strategy focuses on an overhaul of the housing complaint process. The current process provides little control, transparency, or protection to renters, whose health and wellbeing are most often affected by poor housing conditions. Furthermore, many residents share legitimate concerns of retaliation when filing complaints.

Addressing barriers to filing as well as to participating in the housing complaint process will require increasing capacity within the Inspectional Services Department (ISD), making the filing process more accessible to residents, and providing renters with protections and navigational support. While renters are currently able to file housing complaints, most communications with ISD regarding inspections and repairs happen through property owners, and tracking the status of a complaint does not align with a standardized process.

Staffing levels in ISD should be increased to meet demand and successfully implement new initiatives and reforms. Training should be provided to highlight the lived-experience of residents filing housing complaints, contextualize housing conditions in decades of environmental racism and economic injustice, and emphasize the risks and repercussions faced by residents when filing complaints. As part of a comprehensive overhaul to the housing complaint process, the City could introduce practical modernization efforts, such as the implementation of a virtual housing complaint filing process and modernized software better track the progress of housing complaints, fines, and repairs.



Strategy 3.2: Establish a tenant anti-harassment and anti-displacement policy that protects tenants from retaliation when filing housing complaints and includes provisions protecting tenants in illegal or overcrowded units.

Impact: Medium

Cost: Low

Lead Agency: H+CD, ISD

Tenants often fear retaliation or harassment when filing housing complaints. A local policy prohibiting the harassment of tenants, including by refusing to make repairs or acting in a retaliatory manner toward tenants who raise the need for repairs, would outline clear expectations for landlords and give tenants additional ground to seek legal recourse if subjected to harassment.

A local policy should include provisions to protect tenants residing in illicit units and overcrowded situations. “Doubling-up” and other informal living arrangements are forms of survival for residents who would otherwise face displacement from the community. Because of a legitimate fear of displacement, households residing in precarious situations often report feeling uncomfortable reporting unsafe housing conditions.



Strategy 3.3: Establish a rodent control program along with adopting a local policy requiring construction projects to submit a rodent control plan and imposing tighter standards for baiting and control on site.

Impact: Low

Cost: Medium

Lead Agency: BoH

Rodents are a pervasive nuisance in Chelsea, which impact the health and safety of the public through exposure to infectious diseases, allergies, respiratory illness, and damages to property. An enhanced rodent control program would expand rodent control provisions on residential and retail properties as well as expand oversight and inspections.

The City should also seek to adopt a local policy requiring construction projects to submit a rodent control plan and impose tighter standards for baiting and control on site.



Strategy 3.4: Establish an indoor air quality and sound insulation program to protect properties from elevated air and noise pollution.

Impact: Medium

Cost: Medium

Lead Agency: H+CD

Chelsea residents are exposed to a myriad of environmental pollutants, including elevated air and noise pollution. Residents suffer disproportionately from respiratory illnesses, and the city's aged housing stock further contributes to poor indoor air quality and ventilation. Noise pollution is linked to health effects including stress, sleep disruption, headaches, and high blood pressure.

Through a loan or grant program, the City should advance indoor air quality and sound insulation programs to support residents with sound proofing and the installation of HEPA filters. The program should target low- and moderate-income residents, residents with medical vulnerabilities, as well as buildings most exposed to noise pollution. Programs should include engagement efforts and pathways for renter-occupied properties where landlords are unlikely to proactively seek or invest in home improvements.



Strategy 3.5: Establish a mold abatement program to remediate and prevent mold growth.

Impact: Medium

Cost: Medium

Lead Agency: H+CD

Humidity is difficult to control in old buildings without proper ventilation and costly utility expenses, leading to the prevalence of mold and water damage. Exposure to mold can have long-term adverse health consequences for occupants.

Through a loan or grant program, the City should advance a mold abatement program designed to remediate and prevent mold growth. The program should target low- and moderate-income residents, residents with medical vulnerabilities, as well as buildings most exposed to noise pollution. Programs should include engagement efforts and pathways for renter-occupied properties where landlords are unlikely to proactively seek or invest in home improvements.



Strategy 3.6: Establish a repair incentive program that provides financing to homeowners to make meaningful repairs to buildings while improving the safety and quality of housing.

Impact: Medium

Cost: High

Lead Agency: H+CD

A repair incentive program would provide financing to homeowners to make meaningful repairs to buildings that improve the safety and quality of housing. The City, through the Department of Housing & Community Development, currently offers a senior home repair program which assists low-income seniors, primarily with renovations to increase accessibility.

The program should prioritize households with low-income residents and should include engagement efforts and pathways for renter-occupied properties where landlords are unlikely to proactively seek or invest in home improvements.



Strategy 3.7: Advocate for state-level policies that advance local priorities related to improving housing conditions.

Impact: High

Cost: Medium

Lead Agency: H+CD, CHA

State Policy Priorities:

- Increased funding for public housing – Public housing is chronically underfunded and developments are now decades old, necessitating major capital repairs as well as an investment in building upgrades and maintenance. Increasing renovation funding is necessary for the preservation of public housing stock and for the health and safety of residents. EOHLC estimates \$3.7B is needed to undertake necessary capital repairs in public housing developments across the Commonwealth, with public housing administrators’ estimates far surpassing. Despite these estimates, allocations are drastically insufficient. Increasing funding, beginning with Environmental Justice (EJ) communities, provides a pathway to addressing necessary basic improvements to public housing in communities with fewer resources.

Goal 4: Improve housing stability by preventing incidents of displacement and addressing the root causes of displacement.



Strategy 4.1: Institutionalize funding for local anti-displacement, housing stability, and safety-net programs that were developed by the City during the pandemic in conjunction with local partners. ~PRIORITY STRATEGY~

Impact: High

Cost: High

Lead Agency: H+CD

During the pandemic, the City, in conjunction with local partners, developed a robust network of housing stability and homelessness prevention programs. The majority of existing City programs

are funded through the American Rescue Plan Act (ARPA) and provide households with legal assistance, shelter placement, housing search, rental assistance, and case management. They are vital to preventing homelessness and ensuring that residents, regardless of immigration status, have access to safe shelter and basic needs in times of crisis. Moreover, these programs have proved effective, aiding hundreds of residents facing homelessness and leveraging over \$7M in state rental assistance for Chelsea residents. Identifying recurring funding sources for these programs should be maintained as a City priority.



Strategy 4.2: Strengthen City’s condo conversion policy to include additional provisions that protect tenants.

Impact: Low

Cost: Low

Lead Agency: H+CD, City Council

Chelsea’s existing condo conversion policy reverts to the state’s policy (Condo Conversion Act of 1983), providing no additional anti-displacement measures. To strengthen the condo conversion policy, the City should seek to include provisions that protect existing tenants including:

- Requiring owners to seek a conversion permit. Following Amherst’s policy, approval or denial of the permit should consider the impact of the conversion on existing residents of the building, the availability of rental housing, efforts to lessen impacts on tenants, the condition of the property and financial feasibility of maintaining rental housing.
- Strengthening notification requirements, including by requiring longer notification periods for elderly, handicapped, and low income residents, as well as to the City. Following Boston, the policy should require the extension of leases through the duration of the extended notification period.
- Increasing relocation and compensation benefits for existing tenants.
- Limiting evictions to “just cause evictions.”
- Expanding protections for elderly residents to older adults ages 55+.



Strategy 4.3: Increase the surcharge rate for the Community Preservation Act (CPA) from 1.5 to 3% via ballot referendum while continuing current exemptions.

Impact: High

Cost: Low

Lead Agency: H+CD

Chelsea voters adopted the Community Preservation Act (CPA) in 2016, authorizing a 1.5% surcharge from real estate property taxes which is coupled with a state match. The CPA provides funding to community projects related to housing, historic preservation, and open space. This recommendation suggests:

- Increasing the CPA surcharge from 1.5% to 3%, which could generate around \$1M in annual revenue for the CPA fund.
- Continuing current exemptions for low-income households, low- and moderate-income senior households, and for the first \$100,000 of property value.



Strategy 4.4: Institutionalize funding for the city’s existing legal services program and enhance the program with increased capacity to pursue affirmative cases and test novel legal strategies.

Impact: High

Cost: Medium/High

Lead Agency: H+CD

With funding provided by ARPA and Beth Israel Deaconess Medical Center, the City had funded and implemented a legal services program focused on eviction prevention, emergency assistance access, and consultations with tenants facing housing instability. In addition to institutionalizing funding for the existing program, an enhanced program could increase capacity to pursue affirmative cases and test novel legal strategies. This can be expanded beyond housing to other areas of law including immigration, employment, elder and disability law, health law, and CORI.



Strategy 4.5: Implement a local program focused on providing navigational services and advocacy to assist residents in accessing relief from utility costs, as well as funding to supplement LIHEAP.

Impact: High

Cost: High

Lead Agency: H+CD

Most rental and utility programs focus as emergency measures, designed as one time funding sources for households facing an acute housing emergency. Most do not take into account a household’s ongoing economic stability or the systemic nature of the existing housing crisis.

The City should implement a local program focused on providing navigational services and advocacy to assist residents in accessing utility relief and reducing monthly utility costs by aiding residents with accessing discount rates and other means-tested programs. A local program could supplement LIHEAP by assisting residents who are ineligible for the program, or by assisting residents with additional funding outside of the winter months covered by LIHEAP.

The City should consider deploying shallow subsidy models to offer forward-looking assistance, incorporate landlord and utility company engagement, and offer wraparound services. Targeted programs could be designed as population-specific models to address specific barriers and needs faced by vulnerable populations of residents.



Strategy 4.6: Expand capacity and identify permanent funding for the City’s existing emergency housing and homeless prevention program.

Impact: High

Cost: High

Lead Agency: H+CD

Not all households are eligible for family shelter, and individuals facing homelessness have few options beyond congregate shelter and private shelters with daily lotteries and waitlists. The City, through the Department of Housing & Community Development, has operated an emergency housing and homelessness prevention program which provides unhoused households with assistance accessing shelter, as well as temporary placements in local hotels while shelter applications are pending. The program has been a crucial resource to support families who are ineligible for shelter, as well as families awaiting placement. Identifying permanent funding for this local safety-net program, as well as expanding the program to include additional capacity

to serve individuals, is necessary for ensuring extremely vulnerable residents have access to safe shelter and basic necessities.



Strategy 4.7: Continue to plan proactively for the loss of Affordable Housing units at the expiration of affordability restrictions and invest in these preservation efforts.

Impact: High

Cost: High

Lead Agency: H+CD

The City, through the Department of Housing & Community Development, has sought to prevent the loss of Affordable units at the expiration of affordability restrictions. The City should continue to proactively plan for expiring restrictions and invest in these preservation efforts by engaging with property owners to extend restrictions, seeking funding for extended affordability, and in the event of a sale, partner with mission-based Affordable Housing developers to manage properties. In the event preservation is not possible, the City should continue expanding outreach initiatives to households at risk of displacement.



Strategy 4.8: Institutionalize navigational services that support residents in accessing state and local programs.

Impact: Medium

Cost: Medium

Lead Agency: H+CD

Navigational services encompass support with form filling, document collection, and advocacy on behalf of residents. These services address accessibility barriers built into application processes, including language, literacy, and technology barriers. The City, through the Department of Housing & Community Development, has implemented navigational services programs to aid residents in accessing rental assistance, shelter, new housing, health insurance, and other public benefits. Institutionalizing navigational services through recurring funding streams would provide ongoing support to households accessing benefits they are entitled to and lessen disparities to access.



Strategy 4.9: Advocate for state-level policies that advance local priorities related to preventing and addressing the root causes of displacement.

Impact: High

Cost: Medium

Lead Agency: H+CD

State Policy Priorities:

- Tenant's right to counsel – Currently tenants do not have a right to representation in eviction proceedings despite the complexity of the eviction process and the fact that tenants in eviction court are facing the loss of their home and are often at risk of becoming homeless. Right to counsel legislation would provide low-income tenants and landlords the right to an attorney in an eviction proceeding.

As part of the implementation of a right to counsel policy, the State should ensure a range of housing legal aid agencies are eligible for funding, including local organizations that do not have a regional catchment area. Policy implementation should be coupled with programs and training for attorneys related to trauma informed service delivery and

cultural competency.

- Reform to EA shelter program – As a “Right to Shelter” state, Massachusetts guarantees shelter placement to extremely low-income families with children and pregnant women who meet the Emergency Assistance (EA) shelter program’s definitions of homelessness. Accessing the State’s family shelter system is an incredibly difficult process, necessitating arduous documentation requirements, interviews, and paperwork. Recommended reforms to the program include:
 - Increased income limits. Currently the income limit for the EA shelter program is 115% of the federal poverty level. Despite the fact that homeless households face a myriad of barriers to retaining income and often experience fluctuating income, income requirements are stringent and require complex verification.
 - Elimination of immigration status requirements. EA shelter eligibility was expanded to include households with at least one member who qualifies as a Permanent Resident Under Color of Law (PRUCOL). Removing immigration status requirements altogether would allow for more equitable access to shelter, and a more streamlined application process.
 - Geographic placements, and the ability to request localized placements at the outset of an application. Geographically disparate placements disrupt familial, community, and cultural networks that bind immigrant communities. Moreover, they interrupt schooling, medical care, and access to basic needs for the most vulnerable families.
 - Review and reform termination policies. Non-compliance and termination policies limit households’ ability to seek shelter within a twelve month period if services were denied, they limit households’ ability to increase income while in shelter, and as a whole can be punitive without accounting for the level of trauma many households entering EA shelter have faced.
 - Increased sensitivity and reforms to intake and case management.
- Reform to RAFT program – Residential Assistance for Families in Transition (RAFT) is the State’s primary program for providing housing assistance to low-income tenants and homeowners. While RAFT was significantly expanded during the COVID-19 pandemic, it is structured as a limited homelessness prevention program, primarily providing short-term assistance to households facing an emergency. Moreover, the application process can be long and burdensome. Reforms are needed to ensure the program can meaningfully support housing stability, be accessible to residents, and reflect the realities of immigrant communities:
 - Increase program benefits to provide up to \$10,000 in assistance per eligible household.
 - Address barriers residents face to meaningfully accessing RAFT for move-in cost assistance, especially the requirement that residents identify a unit prior to receiving funds. This could be addressed by adding additional navigational capacity, collocating housing search programs and RAFT access points, allowing tenants to be paid move-in costs directly, and providing modest landlord

incentives.

- Provide up-stream assistance through stipend assistance and the elimination of the Notice to Quit requirement, the requirement that homeowners accumulate three months of mortgage arrears or enter foreclosure, and the shut-off notice requirement for applicants seeking utility relief.
- Increase program accessibility by allowing for paper applications and providing increased navigational assistance. Provide funding to community based providers who can assist historically excluded populations with accessing assistance.
- Reform the program to meaningfully include a pathway to assistance for subleasing households.
- **Increased funding to LIHEAP** – Low Income Home Energy Assistance Program (LIHEAP) recently experienced program cuts. LIHEAP provides financial assistance to low income households, to reduce heating costs during the winter. With heating costs rising, increased funding for LIHEAP is necessary to meet demand, ensure low-income residents’ safety and economic stability in the wintertime.

Goal 5: Improve the process for enforcing fair housing regulations.



Strategy 5.1: Enhance the City’s existing “Good Standing” policy to remove the option to appeal, increase fines, implement a more comprehensive review process, and ultimately require developers to remedy poor conditions and pay fines to advance new development projects.

Impact: Medium

Cost: Low

Lead Agency: ISD, H+CD

The City should comprehensively account for outstanding housing complaints and other violations by creating true restrictions on new permitting for property owners with unaddressed violations. The current policy allows developers to remain in “Good Standing,” by appealing housing code violations, thereby circumventing both the fines attached to the violations and the restrictions on development. An enhanced policy would remove the option to appeal, increase fines, implement a more comprehensive review process, and ultimately require developers whose existing portfolio undermines the health and safety of residents to remedy poor conditions and pay fines, in order to advance new projects and development.



Strategy 5.2: Revamp the Human Rights Commission as a Fair Housing Committee with a visible and accessible process for receiving fair housing complaints, guiding residents to testing and enforcement options, and educating the public on fair housing laws and resources.

Impact: Low

Cost: Low

Lead Agency: Fair Housing Committee



Strategy 5.3: Implement a local fair housing testing program in partnership with legal fair housing groups, law schools, and the AGO to conduct testing for discrimination based on protected class, establish capacity to publicize/pursue legal action for discrimination, and establish referral system to AGO.

Impact: Low

Cost: Medium

Lead Agency: H+CD, City Solicitor

In partnership with legal fair housing groups, the Attorney General’s Office (AGO), and local law schools, the City should establish a local testing program to conduct testing for discrimination on the basis of protected classes. Testing should be expanded to discrimination experienced when seeking to rent a home (landlords, property managers) and purchase a home (banks and mortgage lenders). As a component of the program, the City should establish capacity to publicize and pursue legal action in cases where discrimination is identified and establish a referral system to the AGO.

The City should provide culturally-relevant and multilingual navigational support to ensure testing is accessible to all residents and that residents feel comfortable and supported accessing the program. Include outreach initiatives that promote the program to vulnerable and overlooked populations. To ensure local testing initiatives are sustainable and can have a reaching community impact, the City should seek recurring funding streams for programs.



Strategy 5.4: Offer enhanced legal services program focused on fair housing enforcement that could include additional capacity to press affirmative cases and novel legal strategies that seek to enforce fair housing violations.

Impact: Low

Cost: Medium/High

Lead Agency: H+CD, City Solicitor

Through the Department of Housing & Community Development, the City operates a no-cost housing legal services program, primarily for residents facing eviction or matters related to housing instability. An expanded legal services program focused on fair housing enforcement could include additional capacity to press affirmative cases and novel legal strategies that seek to enforce fair housing violations. The program should include strong navigational services, interpretation, culturally-relevant and client-centered service provision, and meaningfully connect residents to wraparound services including mental health supports.



Strategy 5.5: Advocate for state-level policies that advance local priorities related to the enforcement of fair housing regulations

Impact: High

Cost: Medium

Lead Agency: H+CD

State Policy Priorities:

- Increase fines/penalties for housing discrimination – Under Massachusetts General Law, Chapter 151B, maximum civil penalties for acts of housing discrimination are: \$10,000 for a first time offense, \$25,000 if one prior discriminatory practice during the previous 5-year period was found to have been committed, and \$50,000 if two or more

discriminatory practices within the previous seven-year period were found to have been committed. Fines are easily absorbed and should increase as a deterrent to fair housing violations and a meaningful penalty.

Goal 6: Increase homeownership opportunities for low- and moderate-income residents to promote wealth building and protect homeowners facing economic hardship.



Strategy 6.1: Utilize community land banking models, temporary ownership entities which can serve the role of acquiring and holding land for future strategic development plans.

Impact: High

Cost: High

Lead Agency: H+CD

Land Banks are temporary ownership entities, often public entities, which can serve the role of acquiring and holding land for future, strategic development plans. They can be an effective tool in particular because they reduce development costs by holding a property tax-free while financing for redevelopment or permanent ownership is secured. The Affordable Housing Trust Fund Board could seek to utilize land banks for the preservation of NOAH as well as for the development of homeownership opportunities.



Strategy 6.2: Work with the Governor's administration to institute reforms to Commonwealth Builder.

Impact: High

Cost: Low

Lead Agency: H+CD

MassHousing's Commonwealth Builder program is the State's main program for subsidizing Affordable homeownership. The program provides development subsidies for Affordable condominiums and single-family homes, with the goal of acting as a wealth-building opportunity for low- and moderate-income households. The program is structured to provide a 15-year affordability period, after which units revert to market-rate. This allows owners to benefit from the market-rate sale, however, the affordability lapse prevents multiple families from benefiting.

Recommended reforms to Commonwealth Builder include restructuring the program to allow for a new equity building model that benefits multiple families over a longer period of time, accepting applications during a set application period as opposed to operating the program on a rolling basis, and allowing bundled scattered sites to receive funding from the program.



Strategy 6.3: Establish a local first-generation homebuyers' program for eligible households that provides down payment assistance for the purchase of a home, aiming to address generational wealth disparities that have structurally excluded people of color and other marginalized populations from accessing homeownership

opportunities.

Impact: High

Cost: High

Lead Agency: H+CD

First-generation homebuyers' programs provide eligible households with downpayment assistance for the purchase of a home, aiming to address generational wealth disparities that have structurally excluded people of color and other marginalized populations from accessing homeownership opportunities. A local program would also impose an income eligibility restriction, to support low- and moderate-income first-time homebuyers.

Massachusetts Housing Partnership's One Mortgage Program offers an interest subsidy to qualifying, low-income homeowners. The subsidy reduces homeowners interest rates for the first seven years of homeownership. To deepen subsidies for first generation homebuyers, Chelsea could create a program similar to Boston's One+ Mortgage Program which offers additional downpayment and closing assistance, and further discounts mortgage rates.

Differing from a traditional homebuyers' program, a local program could be sequenced to allow households who may not initially be prepared for homeownership to access preparatory counseling and resources. This could be achieved through a range of services and educational opportunities such as credit enhancement, debt management, and others. Programs should be accessible and culturally-relevant.



Strategy 6.4: Invest in a financing and development program to support low- and moderate-income homeowners with wealth building by allowing them to purchase two- and three-family homes as a primary residence and renting the other unit(s) at an affordable rate.

Impact: High

Cost: High

Lead Agency: H+CD

As a pilot initiative, the City should invest in a financing and development project to support low- and moderate-income families with purchasing two- and three-family homes as a primary residence and renting the second and third unit at an affordable rate. The program presents an opportunity to both increase the supply of affordable rental housing, and support wealth building for first-generation homebuyers.

A program of this nature would necessitate the integration of ongoing counseling to the homeowner, to ensure they are supported in managing the rental unit, encompassing management of both finances and maintenance. Wraparound and supportive services should also be made available to tenants.



Strategy 6.5: Continue and expand the existing Homeowner Stabilization Fund to provide direct assistance to homeowners at risk of displacement.

Impact: Medium

Cost: High

Lead Agency: H+CD

The City should continue and expand the existing Homeowner Stabilization Fund to provide direct assistance to homeowners at risk of displacement. Displacement prevention programs can include mortgage assistance, tax relief, insurance assistance, utility assistance, and other costs. A

comprehensive program, designed to support the long-term stability of low-income homeowners, could include financial counseling to participating homeowners, culturally-relevant navigational support for residents seeking loan modifications and refinancing, as well as additional navigational services to access utility and other cost saving programs.



Strategy 6.6: Advocate for state-level policies that advance local priorities related to increasing homeownership opportunities for low- and moderate-income residents.

Impact: High

Cost: Medium

Lead Agency: H+CD

State Policy Priorities:

- Passage of TOPA – The Tenant Opportunity to Purchase Act (TOPA) Enabling Act would allow municipalities the option to provide tenants of multifamily properties with a pathway to purchase their homes, with or without the support of a local nonprofit, housing authority, or Affordable Housing developer, thereby preventing displacement and the conversion of NOAH to luxury development.
- Expansion of MassDreams – The MassDreams program utilizes ARPA funding to provide grants of up to \$50,000 in downpayment assistance and closing costs to eligible homebuyers in 29 communities and \$30,000 in any municipality in the Commonwealth. Eligibility for the program includes an income restriction of up to 100% of the AMI. The program is funded through a \$65 million legislative appropriation of ARPA state and local fiscal recovery funds, set to expire in 2024. Locating a permanent funding source for the program is necessary to meet the demand and continue increasing access to homeownership opportunities for low- and moderate-income residents.

Goal 7: Enhance civic engagement and education around fair housing issues.



Strategy 7.1: Conduct an annual public education campaign along with targeted trust-building efforts that raise awareness about developing local issues, provide residents with information about their rights and available resources, and build meaningful trust and engagement with residents around issues related to fair housing.

Impact: Medium

Cost: Low

Lead Agency: H+CD

Culturally-relevant promotion of existing housing policies, programs, tenant rights, and resources is essential to guaranteeing equitable access and reaching vulnerable populations. Oftentimes, residents are understandably hesitant to access assistance due to fear of retaliation, concerns regarding immigration status, or stigma. Through an annual public education campaign, the City could raise awareness about developing local issues related to housing, provide residents with information about their rights and available resources, and build meaningful trust and engagement with residents around issues related to fair housing. An annual campaign would also serve as an opportunity to strengthen collaboration around key stakeholder issues in the City.

An annual campaign could be coupled with trust building efforts to promote awareness and accessibility of resources provided by the City among underrepresented or historically marginalized sub-populations of residents.



Strategy 7.2: Host housing education workshops encompassing a variety of topics related to housing and economic stability and provide a venue to share information on tenant rights, resources, and local programs.

Impact: Medium

Cost: Low

Lead Agency: H+CD

Housing education workshops can encompass a variety of topics related to housing and economic stability and provide a venue to share information on tenant rights, resources, and local programs. Conducted in decentralized locations and in conjunction with local leaders, they can serve as opportunities to build trust with residents.



Strategy 7.3: Institute community-based monitoring and reporting models that create trusted community access points where residents would be able to raise housing condition issues to designated community leaders.

Impact: Medium

Cost: Low

Lead Agency: ISD, H+CD

Often residents do not feel comfortable making housing complaints directly with the City. Especially among vulnerable residents living in precarious housing arrangements and among undocumented residents, fear and distrust can become a barrier to obtaining repairs of unsafe housing conditions. Formalized community-based monitoring and reporting models could be implemented to address this barrier, creating trusted community access points where residents would be able to raise housing conditions issues to designated community leaders. Community leaders could work closely with the Inspectional Services Department and legal service providers to facilitate the housing complaint and enforcement process.

Goal 8: Increase opportunities for upward mobility regardless of immigration or socioeconomic status.



Strategy 8.1: Implement zoning that requires or incentivizes on-site, ground-floor childcare in new medium and large residential developments that is accompanied by a local subsidy program to support the development of facilities.

Impact: High

Cost: Medium

Lead Agency: H+CD, P+LUP

The current shortage of childcare options, particularly affordable options, is a significant economic barrier for households in Chelsea, especially low-income and single-parent households. The City should implement zoning that would require or incentivize on-site, ground-floor childcare in new medium- and large-sized residential developments to address capacity constraints. Zoning should be accompanied with a local subsidy program to support the development of facilities.

To comprehensively address childcare needs, the City should continue to advance policy and program strategies to address capacity constraints, costs, and accessibility.



Strategy 8.2: Implement citywide public broadband to deliver Wi-Fi to all neighborhoods, improving connectivity and reducing costs.

Impact: High

Cost: High

Lead Agency: H+CD

Internet access is an essential utility, yet according to Everett, Chelsea, and Revere’s Digital Equity Plan, 15% of residents lack access to the internet and 42% of residents earning less than \$20,000 a year lack access at home. Moreover, affordability is an impediment to adequate speeds, even compared to the broadband speed residents are paying for. The City, through the Department of Housing & Community Development, is in the process of implementing a pilot initiative to install Wi-Fi at a Chelsea Housing Authority property. Citywide public broadband would deliver service to all neighborhoods, improving connectivity and reducing costs.



Strategy 8.3: Establish a local tuition subsidy program that provides funding to low-income residents enrolling in educational programs, particularly to undocumented students who are not offered in-state tuition rates at Massachusetts schools.

Impact: High

Cost: High

Lead Agency: H+CD

A local tuition subsidy program could provide funding for low-income residents enrolling in educational programs, reducing barriers to access. The City, through the Department of Housing & Community Development, underwrites two years of tuition for Chelsea Public School students attending Bunker Hill. An expanded program could provide no-cost enrollment to all income eligible residents, irrespective of graduation year.



Strategy 8.4: Enhance local economic mobility and workforce development programming.

Impact: Medium

Cost: Medium

Lead Agency: H+CD

Robust economic mobility and workforce development programming should encompass job training pathways, job placement infrastructure, foreign credential transferring pathways, public benefit enrollment and income maximization, youth workforce programming and professional development, among other approaches.

Local programming should differ from traditional models by:

- Including pathways to mobility for low and extremely low income residents. Traditional financial coaching models assume participants must meet certain thresholds of economic stability in order to participate in further programming.
- Reducing barriers residents face to accessing traditional programming by providing wraparound services such as childcare, stipends, interpretations, navigational support, and

transportation assistance. Without addressing barriers, programs risk being inaccessible to working class and immigrant residents.