



# **Local Action Units in the City of Melrose**

**City of Melrose  
Office of Planning and Community  
Development**

**February 24, 2021**

# Melrose Background

- Melrose has a population of approximately 28,000 and there are about 11,300 households
- 55% are single family homes while the remaining 45% are in multifamily structures
- Melrose has reached 8% affordability with 934 affordable units on the Subsidized Housing Inventory
- Lack of affordability is a huge concern as the median home sales price is \$750k and the average rental listings for all unit sizes except studios exceed \$2k per month
- Roughly 61% of renters and 36% of all households are low-income and almost 30% of Melrosians are housing cost burdened

# Incentive Zoning in Melrose

- Affordable Housing Incentive Program (AHIP) has been in place since 2004 and is the main tool for creating affordable housing in Melrose
- Oak Grove Village was the genesis for exploring inclusionary zoning
- Program has generated about 120 affordable units and over \$237k for the Affordable Housing Trust Fund



# Incentive Zoning in Melrose

- Allows for bonus units and parking reduction incentives
- Zoning was updated in 2019 to increase affordable % from 10% to 15%, require a monetary contribution for small developments (5-7 units) and when affordable housing calculation results in a fraction less than  $\frac{1}{2}$ , and remove the in lieu option for larger developments



# Zoning for Smart Growth

- Melrose has been successful at generating units through AHIP because it is coupled with progressive zoning
- Smart growth overlay districts near Oak Grove station and the three MBTA Commuter Rail stations allow up to 35 units/acre and most base business districts and urban residential districts also allow high density multifamily/mixed used development
- Zoning Ordinance contains additional parking reduction provisions to encourage transit use
- Planning Board is currently working to create another tool that will allow for additional density in exchange for a variety of community benefits

# North Suburban Consortium

- Through its seat on the North Suburban Consortium (NSC), Melrose harnesses HOME funding to support the creation of additional affordable units
- We partner with Melrose Affordable Housing Corporation (MAHC) to acquire and convert units in multifamily homes to affordable units
- We work with market-rate developers to apply for funding to buy down additional affordability in their properties beyond what is required by AHIP

# North Suburban Consortium

- 45 affordable homes created through collaboration with NSC and MAHC
- Centerboard Project: Conversion of funeral home to 13-unit Single Room Occupancy (SRO) for pregnant teens and new mothers
- Caritas Project: Conversion of nursing home to 15-unit SRO



# Questions?