Local Action Units in the City of Melrose

City of Melrose
Office of Planning and Community Development

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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 faction 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?