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**Gary Christenson, Mayor**

September 3, 2019

Malden City Council  
Attn: Jadeane Sica, President  
110 Pleasant Street  
Malden, MA 02148

Dear President Sica:

As Greater Boston's population soars, so does the pressure on our housing market. As detailed in Malden's Housing Needs Assessment completed this past July, Malden's low-income residents are especially at risk of cost-burden and displacement as housing costs skyrocket. In partnership with the Malden Redevelopment Authority (MRA), we have spent the summer working on strategies to address the unmet needs in our community. I propose that we work together on the following three (3) initiatives:

**1. Affordable Housing Trust Fund**

More than 100 Massachusetts communities rely on municipal Affordable Housing Trust Funds to create and preserve Affordable housing. These funds preserve expiring Affordable housing units, convert existing homes into Affordable housing, and help underwrite the cost of creating new Affordable housing, usually with non-profit partners. The Trust Fund involves the creation of a locally-controlled entity with the resources and expertise to achieve our housing goals. It is created by ordinance and the MRA has worked on a proposed draft with Councillor Craig Spadafora. This will be discussed and reviewed by the Ordinance Committee.

Affordable Housing Trust Funds receive money from a variety of sources, like Community Preservation Act funds, developer mitigation fees, federal grants, private donations, and other funds. As you know, developer mitigation fees are currently split between the Mayor's office and the Council. To underscore our commitment to addressing Malden's affordable housing, we propose amending the City's Expendable Trust ordinance to require that half of all mitigation funds moving forward be directed to the Affordable Housing Trust Fund. The remaining half would be split between the Council and the Executive branch consistent with current practice.

**2. Inclusionary Zoning**

Inclusionary zoning is a locally-controlled policy that requires developers to build Affordable housing units as a part of new construction. Boston, Cambridge, Somerville, Arlington, Medford,

Wakefield, Winchester, Woburn, Melrose, Saugus, Everett, Quincy, and Chelsea are among dozens of Massachusetts cities and towns that have all adopted inclusionary zoning, leveraging the private sector housing market to create new Affordable units for low-income residents.

To make sure that Malden's inclusionary policy fits the specific needs of our community and the realities of our housing market, the MRA will be applying for funding to conduct an Inclusionary Zoning Financial Feasibility Analysis. However, an analysis is only helpful if we are prepared to pursue inclusionary zoning. To that end, several Councillors have sponsored a resolution expressing the Council's interest in pursuing inclusionary zoning and supporting the application for an analysis to ensure that our policy is the right fit for Malden. The MRA estimates the cost of this analysis to be between \$25,000 to \$35,000.

### 3. Security Deposit Pilot Program

To help stabilize at-risk Malden households in the short term, we propose a Security Deposit Pilot Program. Less than 6% of all Malden apartments are vacant right now, and it's hard for families being priced out of one apartment to find another. What's even more difficult is the cost of first, last, and a security deposit – equal to three months' rent – that families need to pay up front, even before their last security deposit has been released.

This month ABCD, our local anti-poverty organization, will apply for CPC funds to establish a Security Deposit Pilot Program. This proposed program will be administered by ABCD with oversight from the MRA and would help eligible households get housing by paying a security deposit directly to their landlord. At the end of the tenancy, the security deposit would be returned to ABCD for use in this or other Malden-specific housing programs.

This is an innovative pilot program designed to meet the most pressing needs of vulnerable Malden households. ABCD has experience managing security deposit assistance programs, and we look forward to continuing our partnership with them on this project. This application will be submitted to the CPC in the coming weeks, and you can expect to hear more about the program as the CPC goes through its process. Again, Councillors have sponsored a resolution supporting ABCD's application for CPC funds.

These three strategies each address our housing needs in a different way and will be explained in greater detail by Alex Pratt and Evan Spetrini of the MRA. We believe that these programs will make a real difference in the lives of many Malden residents. Thank you for your consideration and I look forward to working together.

Sincerely,



**GARY CHRISTENSON**  
Mayor, City of Malden