

MEMORANDUM

To: Deborah Burke, Executive Director, Malden Redevelopment Authority (MRA) and Maria Luise, Special Assistant to the Mayor

From: Francis Goyes, Regional Housing + Land Use Planner, MAPC

On: 10/15/2018

Re: Malden Housing Production Plan, 9/26/2018 Meetings

OVERVIEW

MAPC staff visited Malden on Wednesday, September 26th, 2018, from 9:00AM to 12:00PM to meet with various groups to inform the start of the Housing Production Plan (HPP) process. MAPC was accompanied by Deborah Burke, Executive Director of the Malden Redevelopment Authority (MRA), and Maria Luise, Special Assistant to Mayor Gary Christenson. MAPC staff attended three meetings at the Housing Families offices with various groups to understand the city's *current conditions*, including housing challenges facing housing-insecure Maldonians and recent development trends. The purpose of these meetings was to ensure that MAPC understand the perspectives of local real estate professionals and those working with residents living in poverty or states of homelessness.

HOUSING FAMILIES

MAPC staff met with representatives of Housing Families, an agency that provides temporary shelter, affordable housing, pro bono legal services, and counseling to homeless and at-risk families. The meeting included an overview of Housing Families services, challenges regarding housing and homelessness in Malden, and types of housing and programs needed to meet the needs of homeless and at-risk households.

Housing Families currently serves households in the cities of Everett, Malden, and Medford. Annually, Housing Families provides support to more than 1,009 homeless families, and has served over 4,000 families since its inception in 1986. Presently, Housing Families owns or leases 168 units, including 100 emergency shelters and 68 affordable housing units. The agency receives funding from the Massachusetts Department of Housing and Community Development (DHCD) for its housing and shelter programs, which serve households with an income at or below 150% of the poverty line.

According to Housing Families, rising housing prices and stagnant wages were by far the greatest contributors to housing instability. Following a decrease in housing prices after the subprime mortgage crisis in 2009, Malden has seen a surge in prices since 2014. Housing Families representatives stated that many of their clients are households with two working individuals who are unable to afford rental prices despite their dual incomes. The agency represents a variety of household types, including families with children, female-headed households, individuals, seniors, and school-aged children.

At-risk and homeless households face various barriers to housing access. Representatives described DHCD requirements for housing eligibility that demand families prove they have no feasible alternative housing, including any temporary housing with relatives, friends, or charitable organizations. An additional barrier is the lack of available preventative services to support households at risk of homelessness. Most households that the agency represents are also unwilling to leave Malden for communities with more affordable rents due to their social networks in the area, transit access, and the well-performing schools, limiting the possibilities for housing placement.

Representatives expressed interest in affordable housing units for a range of income levels, flex funding for preventative services, and workforce development programs to increase household incomes. The development of micro units, studios, and 1-bedroom units was also suggested to support at-risk and homeless households in the city.

REAL ESTATE PROFESSIONALS

MAPC was invited to Mayor Christenson's Quarterly Real Estate Broker's Meeting, where MAPC staff presented an overview of the HPP process and asked a series of housing questions. Representatives from various real estate companies were in attendance, as was Mayor Gary Christenson. Attendees were asked to share their insight into the Malden housing market, including demand trends and supply gaps.

Participants stated that housing sale and rental prices have risen significantly since the Great Recession. Prices have increased throughout the entire municipality, but areas around transit stops (Malden Center and Oak Grove) have increased more sharply. According to participants, buyers and renters are willing to pay more for the transit access and walkability that defines these areas. Although rental prices have almost doubled, participants said, landlords continue to find households willing to pay, especially for units that have been renovated or recently built.

According to participants, there has been a surge in Malden in- and out-migration. Many of the newer buyers and renters are residents that have been priced out of Cambridge and Somerville. Buyers are a mixture of young professionals (sometimes purchasing with other households), young families, and empty nesters. Participants have also witnessed an increase in buyers acquiring housing as investments. Households that are not financially able to downsize or purchase or rent in Malden have opted to move to Everett, Lynn, and other more affordable municipalities.

Participants have seen a decrease in home sales in recent months. They say demand was highest during spring and early summer. During that time, homes stayed on the market for less than a few days or a week, and oftentimes went way above the purchase price. Demand has slowed since late summer, and some home sellers have had to lower their asking prices. One of the reasons mentioned for this decrease has been the rise in interest rates, which impacts mortgage rates.

ACTION FOR BOSTON COMMUNITY DEVELOPMENT (ABCD)

MAPC met with representatives of ABCD, an anti-poverty agency. The meeting included an overview of services provided by ABCD, challenges regarding housing and homelessness in Malden, and types of housing and programs needed to meet the need of homeless and at-risk households.

ABCD provides low-income residents in Malden and the Greater Boston region with a range of services to stabilize and transition away from poverty. The agency was established in 1962 and is a federally designated anti-poverty community action agency for Boston under the Economic Opportunity Act. Starting in 2015, ABCD's designated service area was extended to include Everett, Malden, and Medford. In 2017, ABCD provided services to over 85,000 households.

In Malden, ABCD provides housing assistance to low-income households through a variety of programs. In coordination with the Massachusetts Department of Housing and Community Development (DHCD), ABCD identifies families eligible for temporary shelters and supports them in obtaining permanent housing through housing search services. ABCD also offers housing counseling services for eviction and foreclosure prevention, tenant rights, budget management, and landlord-tenant mediation. ABCD's Mobile Housing Outreach Team (MHOT) provides assistance to homeless households that includes referrals for services and resources for basic needs, assistance with finding and applying for affordable housing, and tenant rights and resources workshops. Previously, the MHOT also provided medical services for homeless households, but has had to suspend this program due to a loss of grant funding.

ABCD representatives stated that numerous challenges prevent low-income households from accessing housing, in Malden and elsewhere. Soaring rental prices has left many low-income households without housing options, despite many of them having one or more householders employed (often in the service sector). DHCD's shelter eligibility requirements also pose a barrier to households, who may not meet income levels or definitions of homelessness. Households must also demonstrate they have no other possible alternative for shelter, and ABCD representatives must first see the conditions that the households is living in prior to providing any service. Finally, funding for housing programs varies and is not always renewed, limiting ABCD's ability to serve households.

ABCD has identified different strategies for increasing housing support for low-income households. According to representatives, ABCD currently partners with other agencies serving low-income households, such as Housing Families and the Housing, Health, and Hunger Coalition, to provide housing services. The nonprofit is also interested in increasing workforce development and placement programs to increase low-income households' wages.