

~ Medford Home Update ~

Winter 2007

A newsletter from the City of Medford, Office of Community Development

For more information on the stories below, contact Affordable Housing Specialist Erica Schwarz at 781-393-2480 or 781-393-2520 or eschwarz@medford.org

Affordable Housing Ordinance Now Being Drafted

To address the high cost of housing in the City, Mayor McGlynn will propose an Affordable Housing Ordinance in upcoming months. The ordinance would become a part of Medford's zoning code and require that market rate developments of a certain size include a percentage of affordable units. This kind of ordinance is sometimes called Inclusionary Housing, as its goal is to maintain an inclusive community—to create homes that will not exclude low income families from community.

The strategy of requiring affordable units in market rate developments is already effective in Medford (for example at redeveloped surplus schools), but has required case by case negotiations and decision making. Passing the Affordable Housing Ordinance would systematize past successes. A new ordinance would eliminate the need for case by case negotiations. It would make clear from the start what would be expected from the City and the developer as a project moves forward.

Passing this ordinance would also put Medford in good company. Over 130 communities throughout the State have similar laws, including Arlington, Somerville, Melrose, Peabody, Cambridge, Brookline Boston and Newton. By joining them, Medford will be one step closer to providing the range of housing options that our families need. The Affordable Housing ordinance will not solve our housing problem, but will prevent many families from leaving Medford in search of a decent home they can afford.

More information is available in the Office of Community Development. If you have ideas about components that should be included in this ordinance or would like to be notified when public hearings on the topic are scheduled, contact Affordable Housing Specialist Erica Schwarz at the number above.



Two of the 15 condos being developed in the former Swan School will be permanently affordable.

Swan School Lottery Deadline Coming Up!

There is still time to get in on the Swan School affordable housing lottery. Applications must be postmarked by January 13th.

The lottery will determine the buyers of two 2-bedroom condos at the former Swan School at 75 Park Street. Each newly renovated unit is around 1,140 square feet and includes parking and storage.

First time homebuyer households of 1—4 people are eligible to apply, although preference will be given to households of at least 3 people. Applicants' household income must be at or below 80% of the Area Median Income (see income limits on back page). One unit will have a local preference for people who live in Medford or are employed by the City at the time of application.

Pick up your application from Room 308 in City Hall or find it online at www.ahcco.com.

Completed applications must be returned to the Affordable Housing Clearinghouse in Boston, postmarked by January 13th. The lottery itself will be held at City Hall in late January.

Upcoming Affordable Housing Opportunities in Medford

Applications for the following lotteries will be available in upcoming months. If you received this newsletter by mail, you will be notified. If not, add your name to the list by calling the number on the top of the previous page.

Amaranth Place

corner of Myrtle Street & Amaranth Avenue
two two-bedroom condos

Hillside School

15 Capen Street
three one- and two-bedroom rentals

Wellington Place

Brainard Avenue
five one- and two-bedroom rentals

Just What is an Affordable Housing Lottery?

There are always more families interested in living in newly created affordable units than there are units available. We need a fair and open process to determine who gets to live in affordable homes as they first become available— enter the affordable housing lottery.

After an extensive marketing period, the lottery process happens like this: People who want to purchase or rent an affordable unit in a particular new development complete an application and return it with documentation of their current income. The applications are reviewed. At the lottery event itself, the names of those applicants who meet income and other guidelines for the project in question get put into a special box. One by one, names are picked out of the box and the order in which they are picked is recorded. The first qualified name out of the box is the “winner” of the unit. If that person decides not to purchase or lease the unit, the name that was chosen second gets the chance, and on down the list. The first or second name on the list generally does take the unit.

In most lotteries, there are dozens of qualified applicants for only a handful of units. That’s one reason to keep working on multiple strategies for creating more housing that Medford families can afford.

Did you know?

(the following was excerpted from a 2004 document by Business and Professional People for the Public Interest, which can be found at: http://www.bpichicago.org/rah/pubs/myths_stereotypesNEW.pdf)

Repeated research has shown that affordable housing has no negative impact on the price or frequency of sales of neighboring homes. A recent study of four very-low-income family housing developments in suburban Chicago – Victorian Park in Streamwood, Liberty Lakes Apartments in Lake Zurich, Waterford Park Apartments in Zion, and Brookhaven Apartments in Gurnee - revealed that affordable housing can have a positive impact on surrounding property values. A Wisconsin study of housing constructed under the Low Income Housing Tax Credit program concluded that property values surrounding these developments rose, even in relatively affluent areas. In addition, mixed-income buildings can boost the residential real estate market in many areas by replacing the blighted buildings that keep real estate values low. Numerous studies over time from around the country support the general notion that affordable housing has no negative impact on surrounding property values— especially if it is thoroughly integrated into the neighborhood.

If you are looking for affordable housing, be sure to do two things: apply for every lottery that suits what you’re looking for AND support all efforts to create quality affordable housing in Medford even if every effort won’t result in housing that fits your exact needs . To create the range of housing that we need, we all have to support a range of solutions.

If you’re interested in getting involved in designing policies and programs to address affordable housing in Medford, contact Affordable Housing Specialist Erica Schwarz at the number on the previous page.



Looking to buy your first home? Have you taken a First Time Homebuyer's Workshop yet?

For most people, buying a first home is an exciting dream come true, but it's also a confusing and bizarre process. You can eliminate a lot of stress by taking a course that explains how to go about finding, purchasing and maintaining the right home. Taking a First Time Homebuyer's course is also a requirement for many programs that help first time low-income buyers, such as the Soft Second Mortgage program and most downpayment assistance programs, including Medford's.

First Time Homebuyer courses are offered throughout greater Boston throughout the year. As long as the class you take is certified through CHAPA, the Citizens Housing and Planning Association, it will not only provide you with invaluable information, it will meet any requirement for completing a first time homebuyer class. The First Time Homebuyer's course is offered at Medford City Hall every summer. To find a complete list of CHAPA certified courses, you can go to their website: <http://www.chapa.org/housing.htm> or call the Affordable Housing Specialist at the number below.



Offer to Purchase
 This offer was made to purchase 47147
 47147
 which will be
 provided in the form of the Purchase and
 the necessary amount will be paid in full
 or during the term of the contract. This offer
 has been received with \$2,000.
 On this date, Mr. LaBraham will pay for the
 new house. This offer is made to purchase
 and pay up under the conditions of all
 the conditions and terms of the contract
 and when the contract is signed and the
 necessary amount is paid in full or during
 the term of the contract.



Purchase & Sale
 This offer was made to purchase 47147
 47147 which will be
 provided in the form of the Purchase and
 the necessary amount will be paid in full
 or during the term of the contract. This offer
 has been received with \$2,000.
 On this date, Mr. LaBraham will pay for the
 new house. This offer is made to purchase
 and pay up under the conditions of all
 the conditions and terms of the contract
 and when the contract is signed and the
 necessary amount is paid in full or during
 the term of the contract.



Who Qualifies for Affordable Housing?

Typically, any household earning 80% or less of the Area Median Income (AMI—set annually by the federal government) qualifies for affordable housing. In Medford around 40% of our households qualify under this standard! Many families in this group actually earn much less than 80%, such as nurse's assistants, school bus drivers, legal secretaries, and wait staff. Non-profit developers often create units that are affordable for families earning below 60% or below 30% AMI. This would especially makes sense when developing rentals for the 45% of Medford households that rent their homes, and may not be ready or able to buy.

INCOME LIMITS	30% AMI	50% AMI	60% AMI	70% AMI	80% AMI	100% AMI
Household of 1	\$17,770	\$29,450	\$35,340	40,513	46,300	58,900
Household of 2	\$20,200	\$33,650	\$40,380	46,331	52,900	67,300
Household of 3	\$22,750	\$37,850	\$45,420	52,106	59,550	75,700
Household of 4	\$25,250	\$42,050	\$50,460	57,881	66,150	84,100
Household of 5	\$27,250	\$45,400	\$54,480	62,519	71,450	90,800
Household of 6	\$29,300	\$48,800	\$58,560	67,156	76,750	97,600



The Medford Home Update is a publication of the
 City of Medford
 Office of Community Development
 781-393-2520 (Housing) or 781-393-2480 (General)
<http://www.medford.org>

Michael McGlynn, Mayor
 Lauren DiLorenzo, Director
 Erica Schwarz, Housing Specialist