Commercial Street Zoning Proposal

May 18, 2026

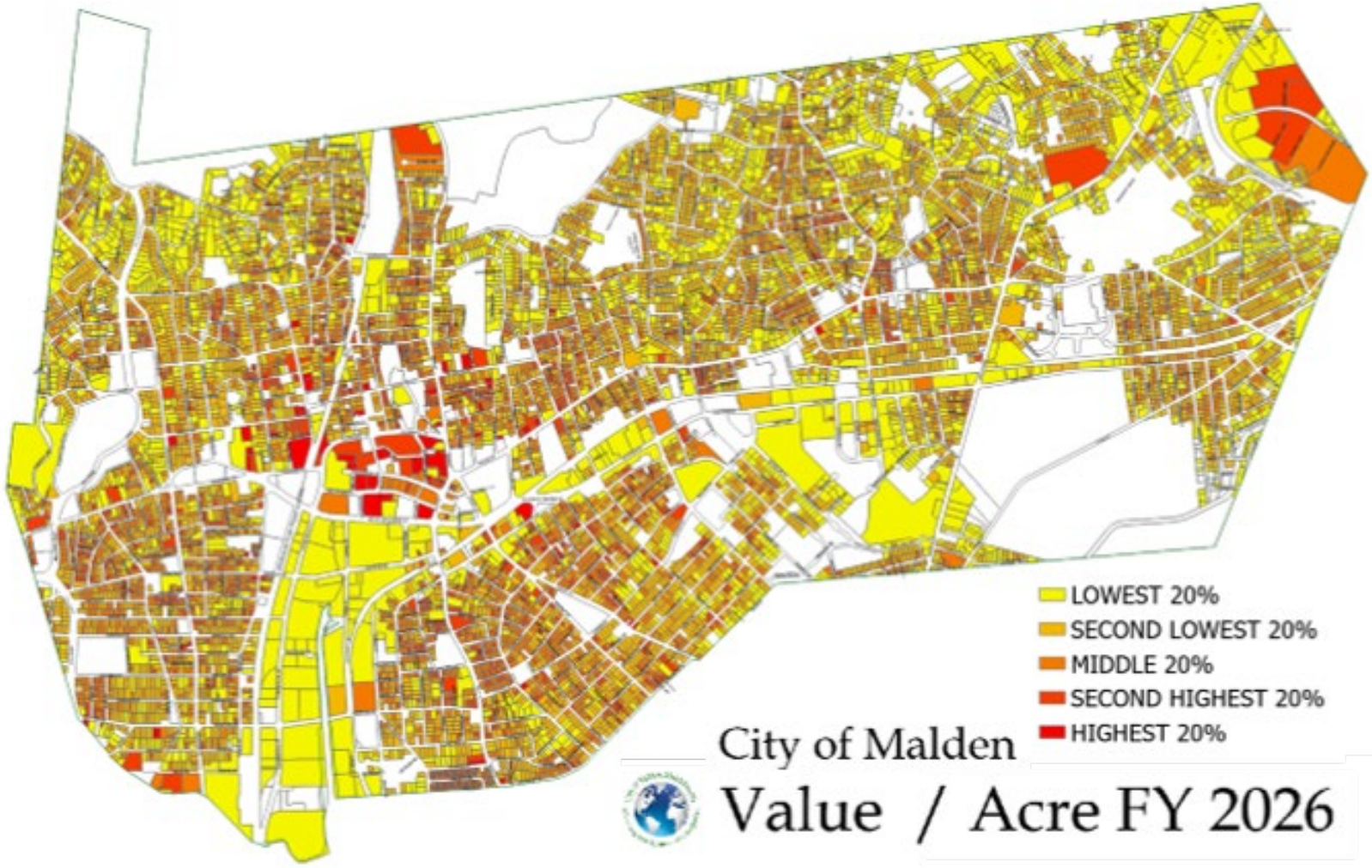
Alex Pratt, OSPCD Director
Zachery Lemel, Deputy Director, OSPCD
Elena Eimert, Senior Planner, OSPCD

Agenda

- Project Background & Priorities
- Market Context
- Zoning Concept
- Questions and discussion

Project Background

- Staff brief City Council on property values per acre during October 2025 meeting on new growth and economic development.
- Council requests zoning options to increase Commercial St tax base faster than typical 10-15 year development window.
- City staff engage economic consultant to conduct market analysis and develop zoning proposals for the Council.
- Staff refine proposals.



Commercial Street's Underrealized Potential

Commercial St hosts **Malden's lowest assessed values per acre.**

Current Condition:

- Lowest property values per acre (bottom 20% citywide)
- Current values driven by land value more than building value
- Parcels feature single story industrial, office, and retail buildings with large surface parking lots

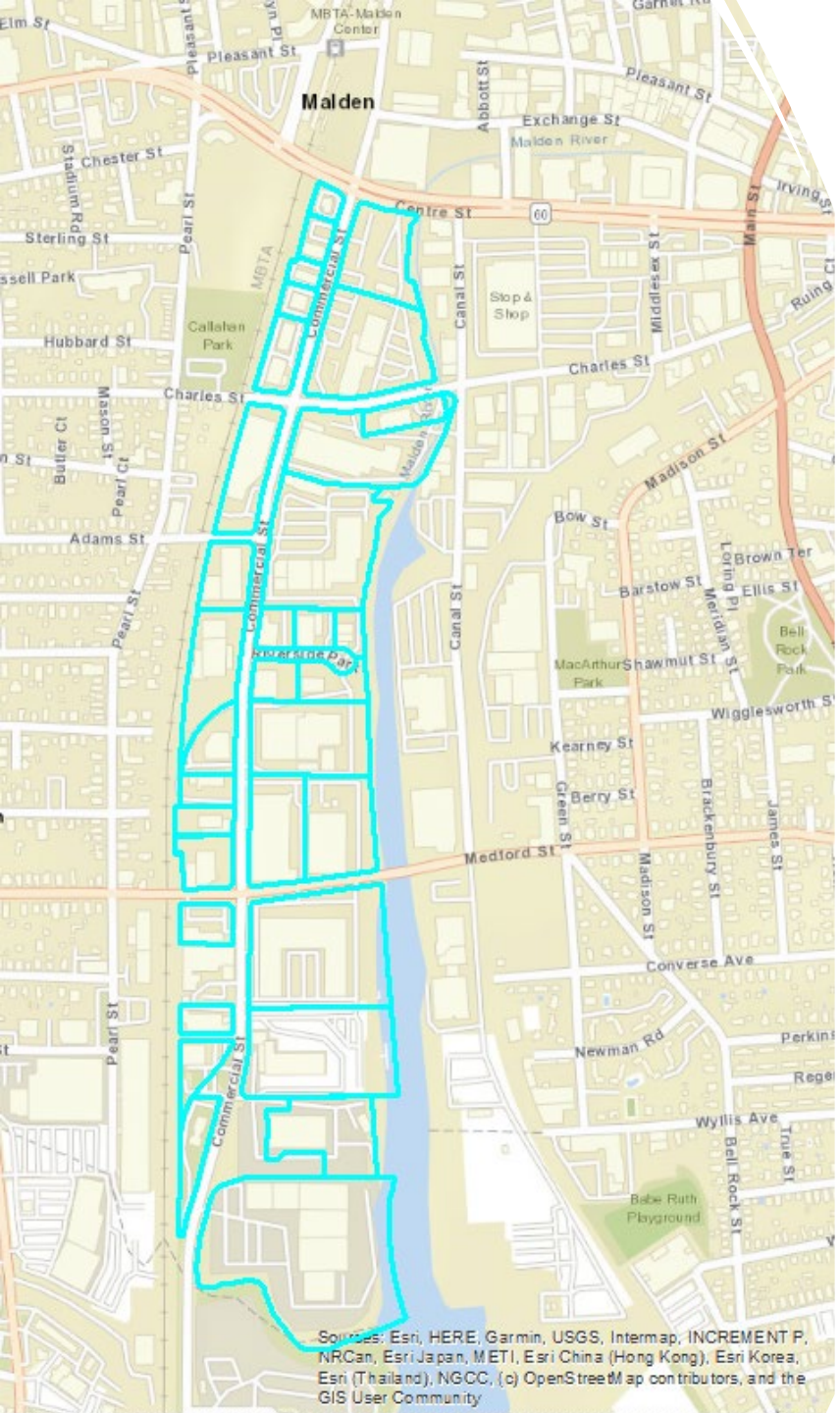
Future Potential:

- Greatest impact on improving City's tax base
- Lower acquisition costs for new development
- Large parcels allow greater flexibility

Project priorities

- **Increase tax base** by encouraging new development
- **Retain existing commercial and industrial base** while allowing new economically feasible projects
- **Improve access** to the Malden River

Image: Looking south along Commercial Street, along National Grid property.
Credit: City of Malden, 2025.



Existing Conditions

- **Project area:**
  Centre Street to the north, Medford city line to the south, MBTA rail line to the west.
- **Notable landowners in the corridor:**
  National Grid, Combined Properties, City of Malden.
- **Notable businesses and employers:**
  Piantedosi Baking Company, National Grid, Old Town Trolley, Dom's Sausage Co Inc.
- **Ongoing Projects:**
  2025 MassWorks grant to redesign Commercial Street’s vehicle and pedestrian infrastructure.

Features Attractive to Development

- Proximity to:
  - Malden River
  - Malden River Works Park
  - River's Edge
  - Transit options, Rt. 16
- Large property owners in corridor (ex. Combined)
- Large parcels, average of 1.88 acres.

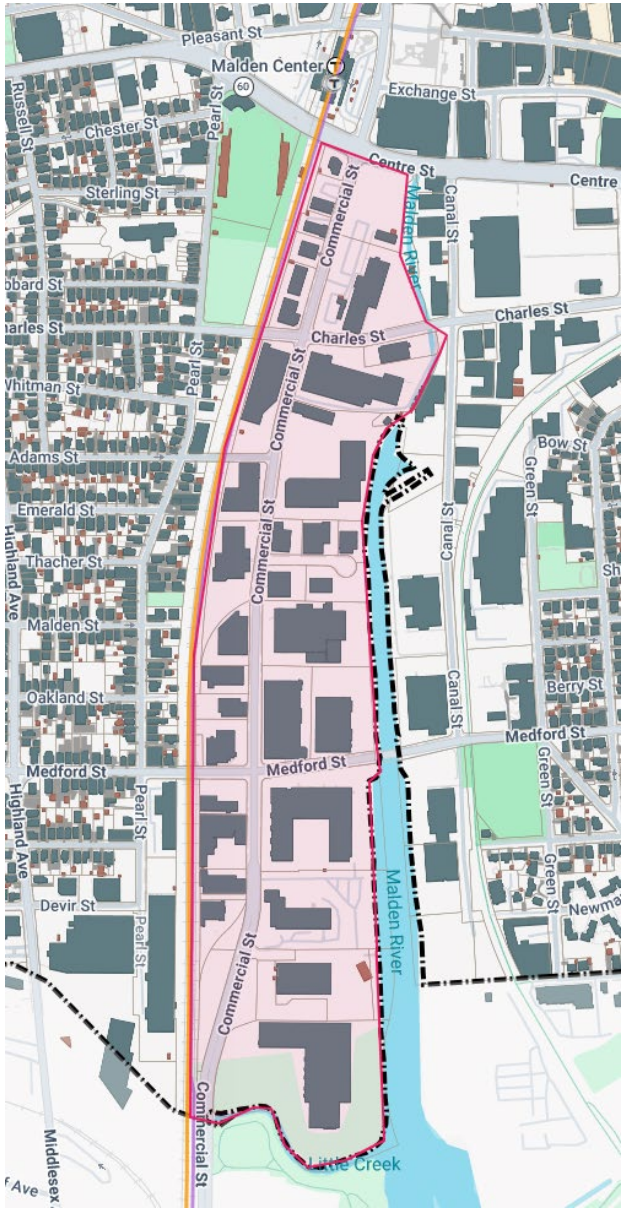


Image: Satellite imagery of Malden River Works, April 2025.

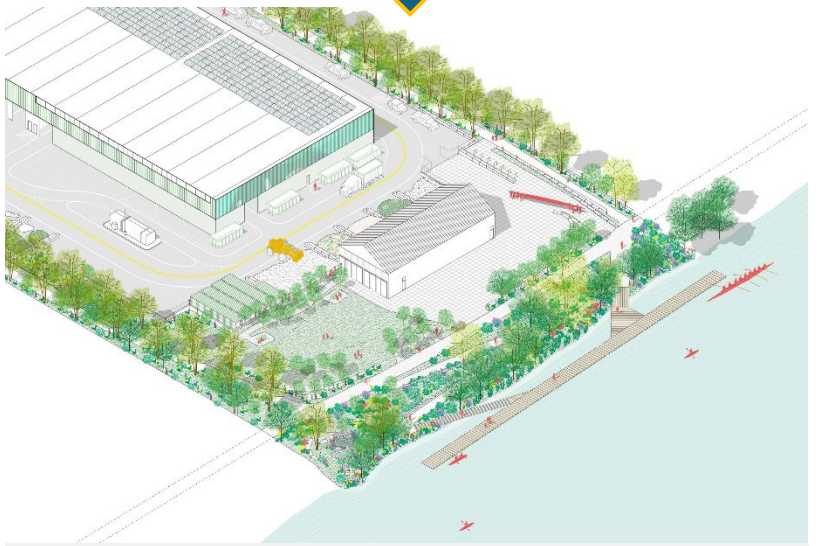


Image: Plan of Malden River Works. Credit: Malden River Works.

Current limitations on redevelopment:

Image: Satellite imagery of Commercial Street (shown in green) from April 2025.

National

- Market constraints

Private

- Contamination

Local Control

- Restrictive dimensional standards (ex. height, min lot size, setbacks)
- Limited by-right options
- Malden River Site Plan Review

Market Conditions

"... market conditions **favor new multifamily housing** and **industrial development** over the next decade. **Extremely weak market conditions for office and lab development limit the near to medium term opportunities** for their development in Malden and the inner suburban market area."

Karl F. Seidman Consulting Services and Levine Planning Strategies

Commercial Real Estate

Office, lab vacancies remain stubbornly high in Greater Boston

Unlock URL | Order Reprints | Gift this Article

Office, lab vacancies remain stubbornly high in Greater Boston. Boston's office towers are nearly one-fourth empty on average starting 2026.

GARY HIGGINS / BOSTON BUSINESS JOURNAL

Market Conditions: Lab and Life Sciences

Due to added supply since 2019, and falling rents as a result,"... developers have paused or shelved numerous projects or, in some cases, even sold development sites."

Talent

57,020
Life Sciences Workforce

5,595
Biomed degrees

38%
Undergraduate

62%
Graduate

Funding

$3.4B
NIH Funding

$8.1B
VC Funding

Company	Size	Series
TREELINE	$622M	A
kailera	$600M	B
ODYSSEY THERAPEUTICS	$213M	D

Market Outlook

Vacancy	▲
Demand	▲
Supply	▼
Rent	▼
Inventory (MSF)	57.8
Under Construction (MSF)	3.2
Avg. NNN Asking Rent ($PSF/Year)*	$70-$115
Fit Out Costs ($PSF)*	$325-$400
TI Allowance ($PSF)*	$325-$400

Sources: Colliers; EMSI; PitchBook; National Institutes of Health

**Assumes new 10-year lease, 1st generation space*

2015-2025 Life Sciences Market

Source: Colliers Q4 2025 Life Sciences Report | Greater Boston

Market Conditions: Office and Lab

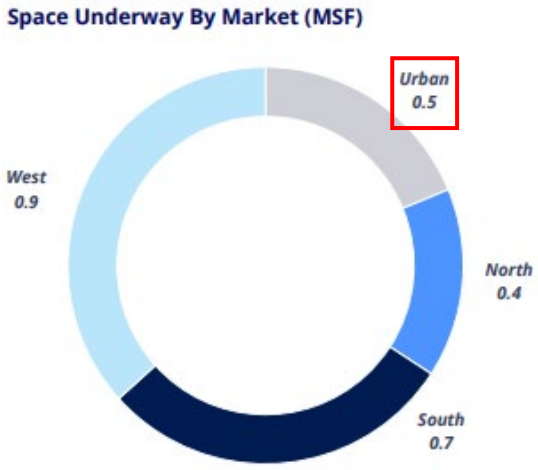
Market analysis performed by OSPCD's economic consultant:

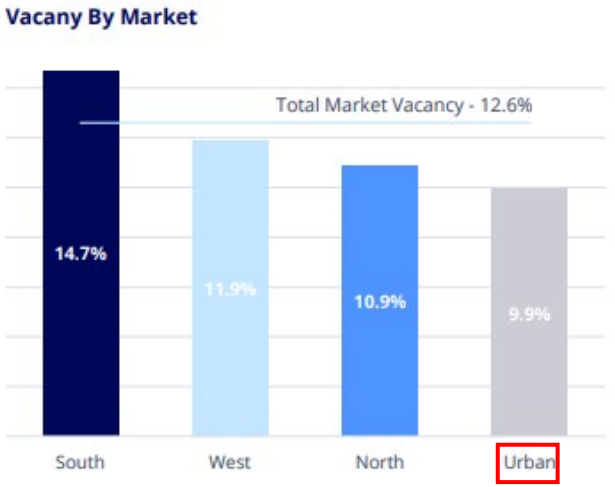
- **Viability of office and lab space in Malden is not strong.**
  - Significant vacancy in office space across Boston region.
  - Lab market conditions worsening across the region - supply of available (unleased) space growing to 18.5 million SF.
  - Vacancy growing fastest outside of inner core (Boston and Cambridge)

24% of office space in region vacant	**32% lab space in region vacant**

Market Conditions: Industrial

"While manufacturing space in Greater Boston has grown by 5% in the last five years, **flex space has grown by less than 2%, signaling limited supply.** As tenant profiles shift toward innovation-driven industries, **demand for these specialized spaces is likely to tighten**."





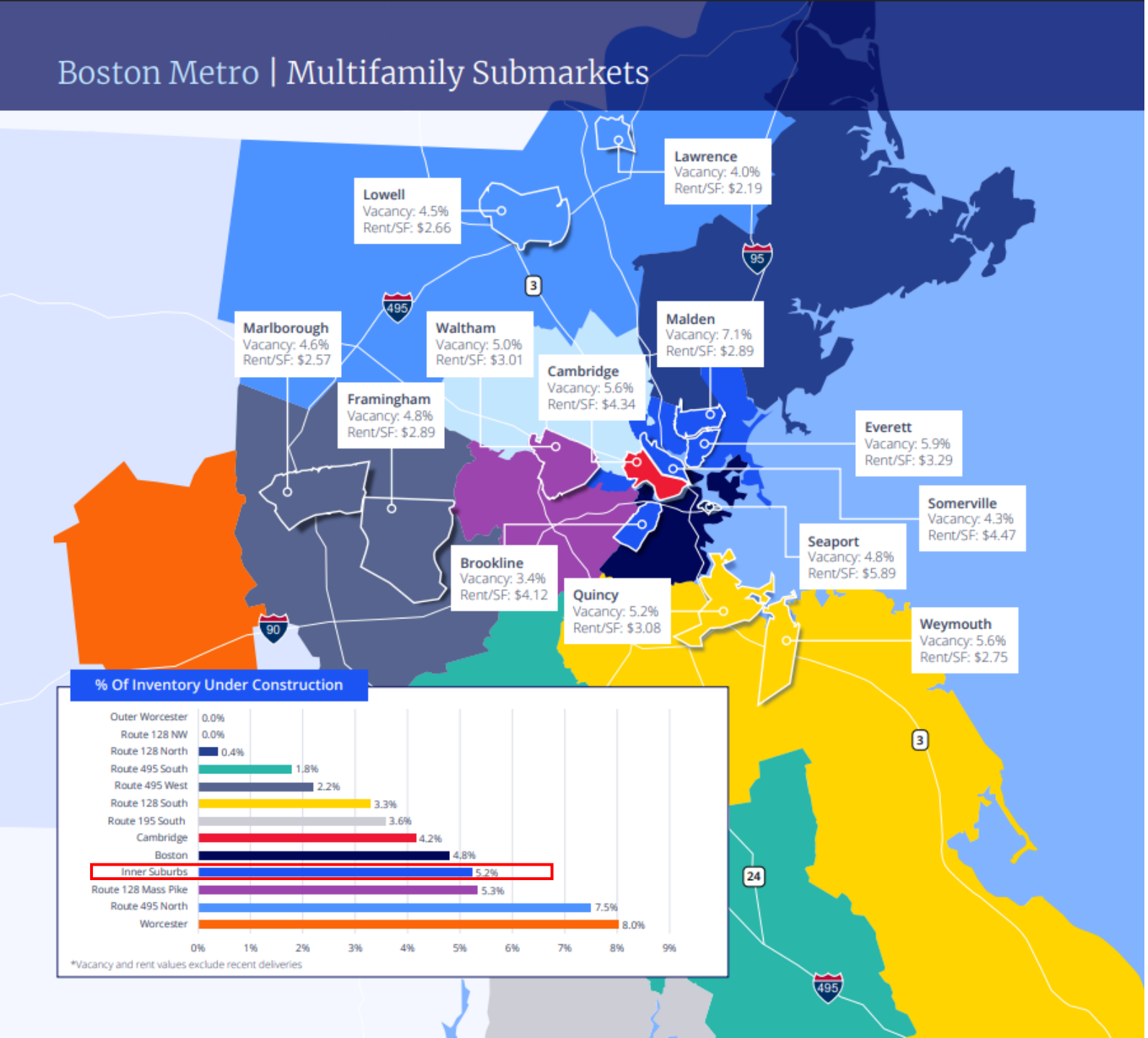
Source: Colliers Q4 2025 Industrial Report | Greater Boston

Market Conditions: Industrial

- Industrial space in the Boston region reports healthy vacancy of 12.6%.
  - **Malden can be competitive here** – Commercial corridor already zoned Industrial.
- Very little new SF of flex space (light industrial with office, retail, or showroom space) produced in past 5 years.

"Revitalization of American industry is nationally acknowledged as critical to the country's economic strength, building a middle class, and equalizing wage disparities."

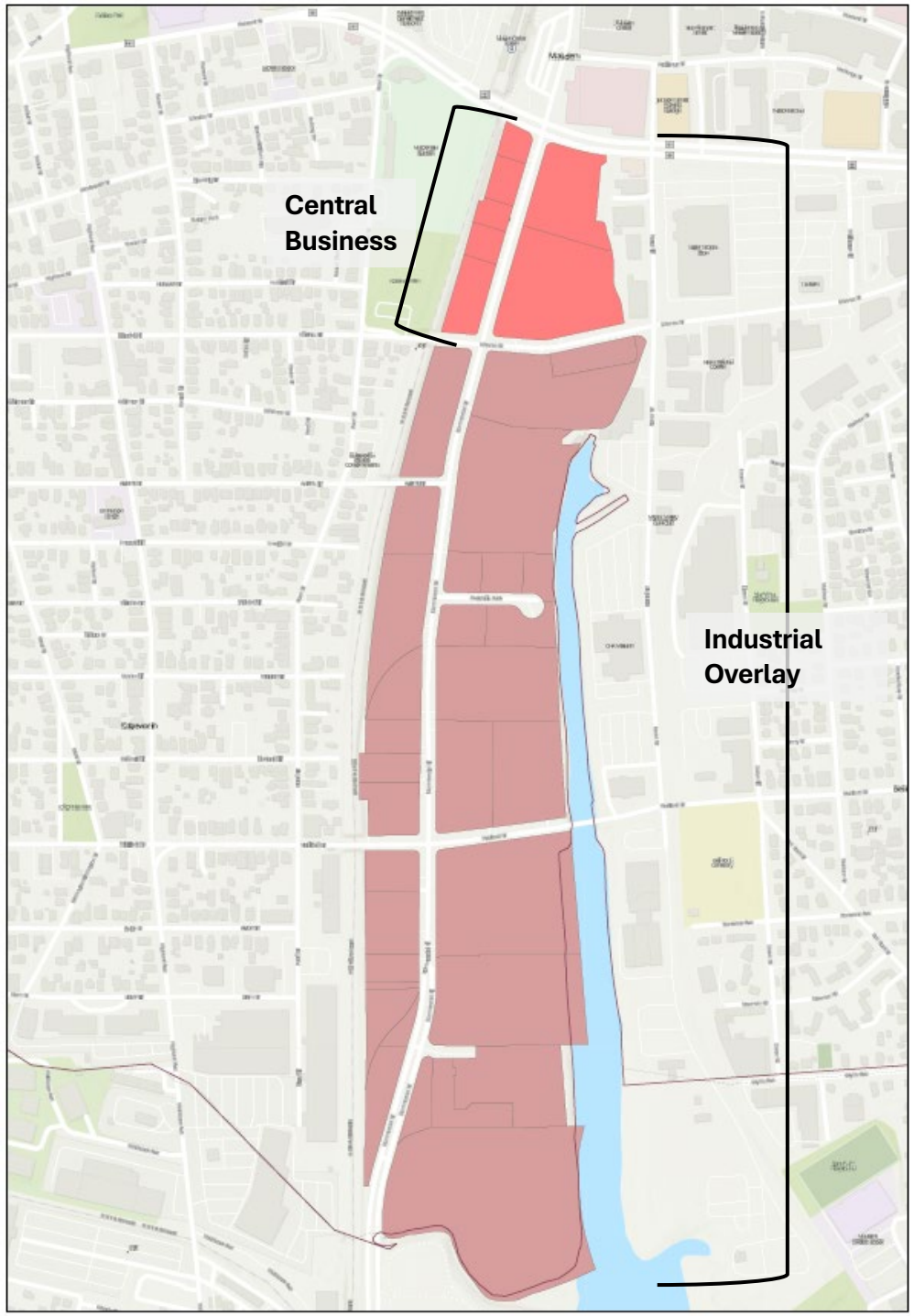
From MAPC's "Land, Economy, Opportunity: Industrial Land Supply and Demand in Greater Boston" 2023.



Market Conditions: Multifamily

- Market opportunities favorable for multifamily housing.
- Context:
  - Household growth outstripping supply.
  - Low residential vacancy rates.
  - Strong state support (including financial incentives).

Source: Colliers Q4 2025 Multifamily Report | Greater Boston

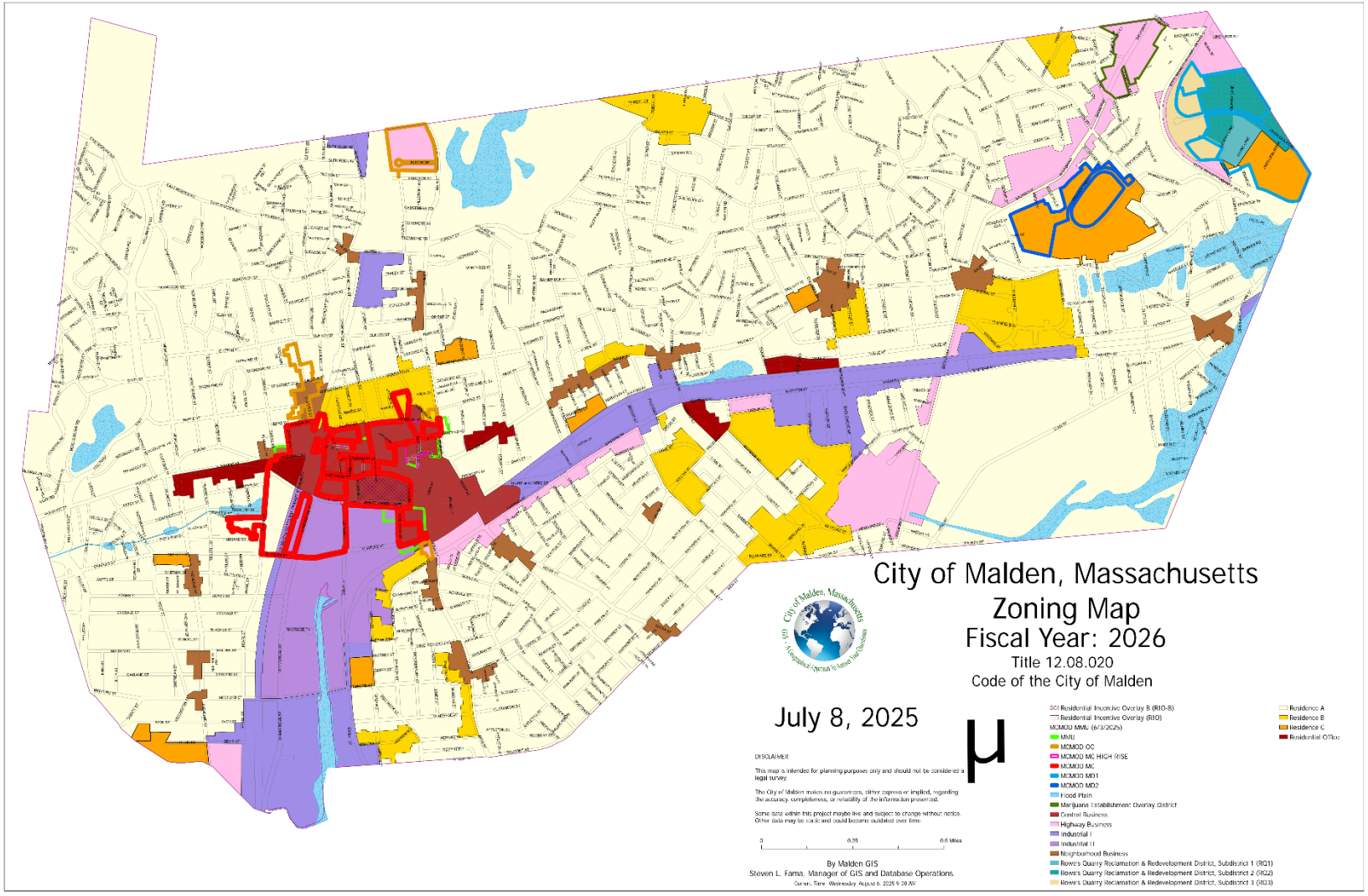


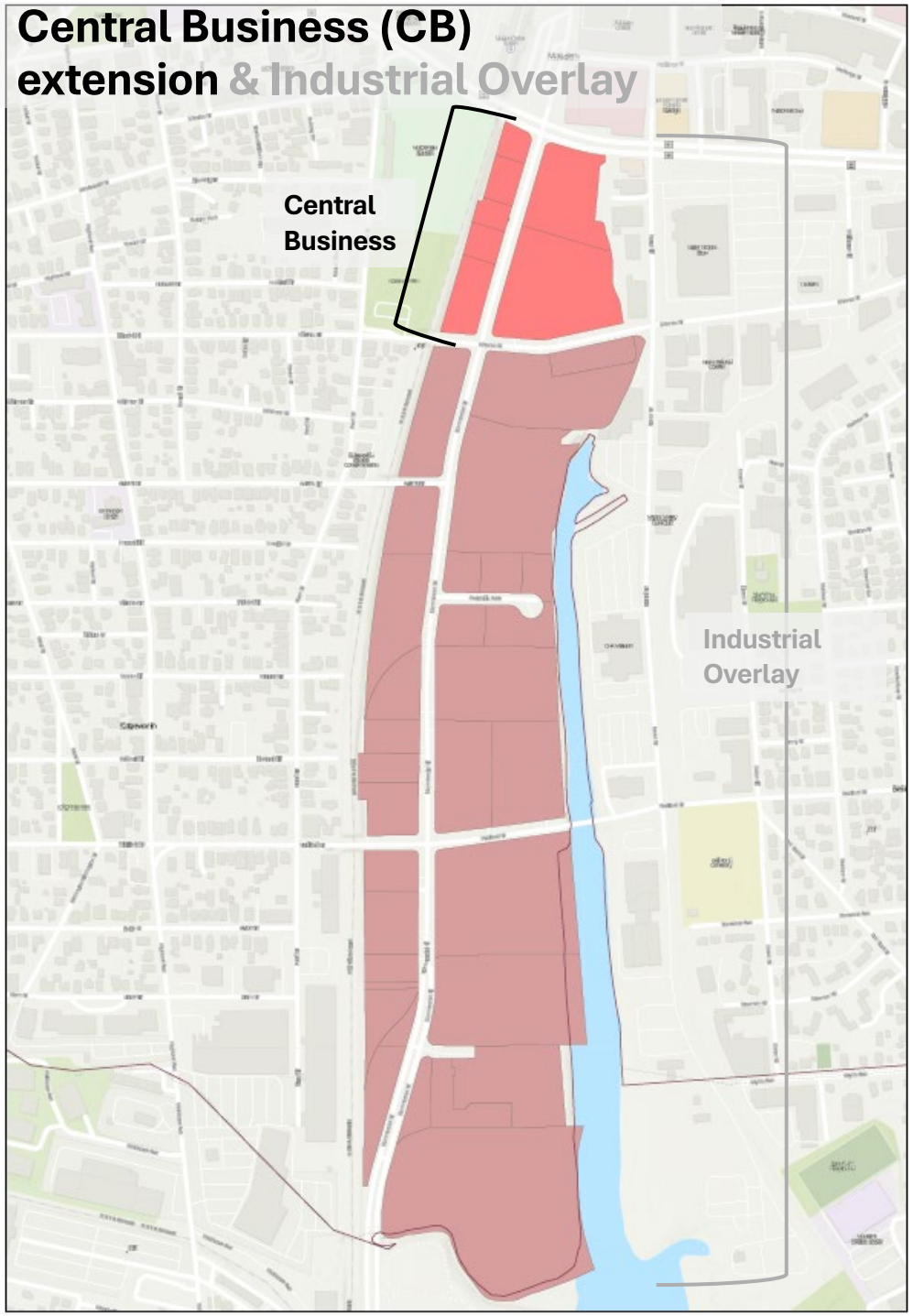
Zoning Concept:
Central Business (CB) extension & Industrial Overlay

- Relaxed dimensional standards for key commercial and industrial uses;
- Residential **only on upper floors** and **by special permit** in CB;
- Activation of the Malden River (supersede or amend Malden River SPR);
- Reduced off-street parking requirements;
- Leverage setbacks along Commercial Street for opportunity to improve streetscape.

Refresher on Zoning Overlays

- Flexibility via expanded allowed uses and dimensional standards.
- Base zoning remains.
- Expands development possibilities in a defined area.
- City of Malden existing overlay districts:
  - Residential Incentive Overlays (RIOs)
  - MBTA 3A Zoning



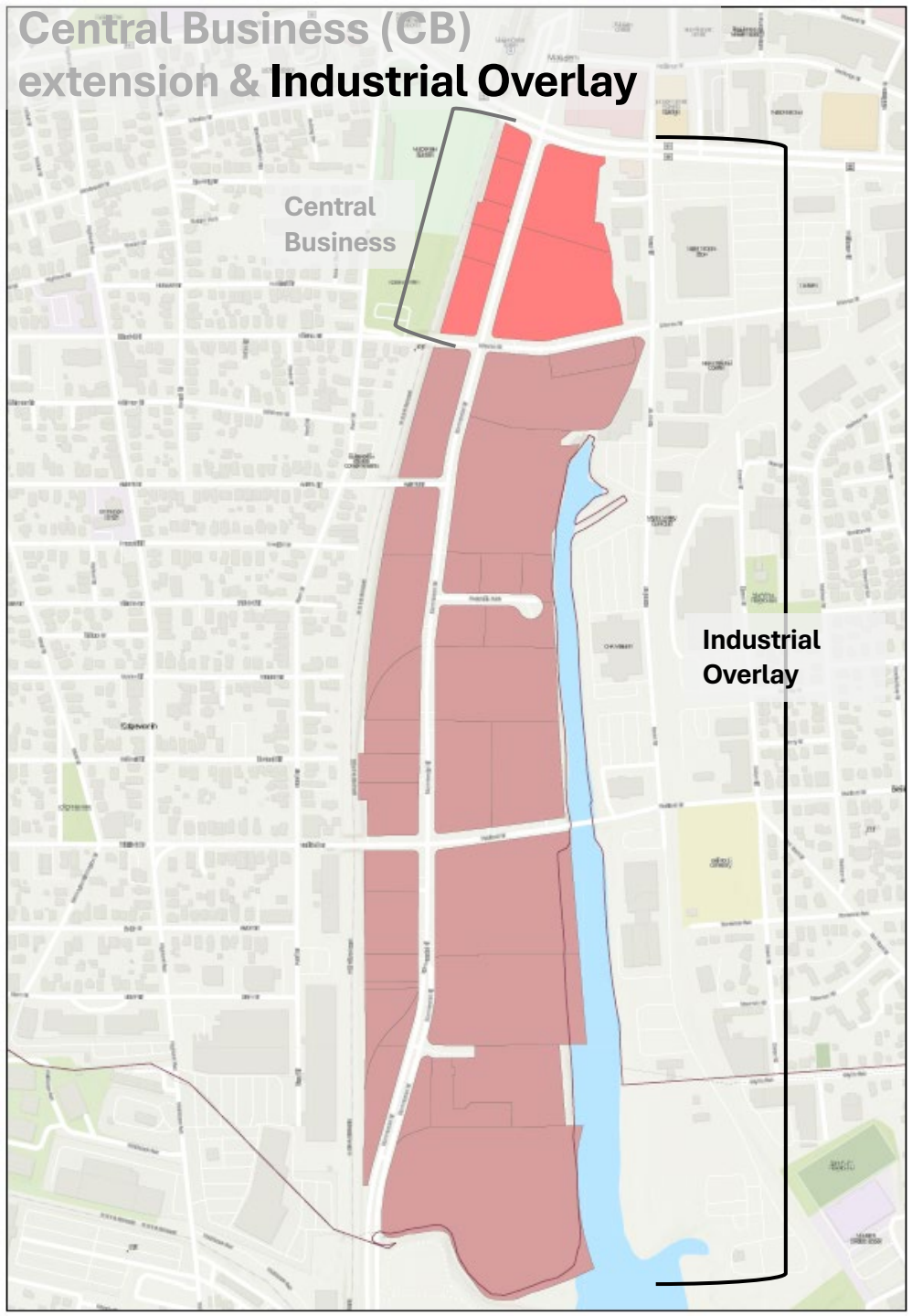


Rezone parcels between Centre and Charles Street from Industrial II to Central Business, given proximity to downtown core.

Use Allowance changes if base zoning changed

Greater allowance	Reduced allowance
✓ Residential (SP)	× Adult uses (theatre/store)
✓ Hospital	× Substance Abuse Treatment Center
✓ Business School	× Body Art*
✓ Funeral Home	× Marijuana Treatment Center
✓ Nursing Home (SP)	× Marijuana related businesses
✓ Restaurant*	× Building Construction & Contracting
✓ Convenience Store*	× Manufacturing and Repair
✓ Supermarket*	× Marina
✓ Public Service Corporation	× Motor Vehicle Services/Repair
	× Wholesale & Distribution
	× Asphalt, Brick, Concrete, and Soil recycling
	× Adult Day Health Center*

**Subject to change under proposed EcDev amendment.*



	Use Allowance	Minimum Setbacks	Minimum Open Space	Minimum Parking Requirements
	Industrial			
Residential				
Upper Story Residential	No			
Base Zoning	*No*			
Commercial				
Hotel	SPR	10' front & side, 15' rear	25%	Reduced or eliminated*
Base Zoning	*SP**	*20' all*		*1.2 / unit*
Office, general	Yes	10' front & side, 15' rear	25%	Reduced or eliminated*
Base Zoning	*Yes*	*10' front & side, 20' rear*		*4 / 1000 sf*
Industrial				
Research & Development	Yes	10' front & side, 15' rear	25%	Reduced or eliminated*
Base Zoning	*Yes*	*10' front, 15' side & rear*		*1.2 / 1000 sf*
Light Manufacturing	Yes	10' front & side, 15' rear	25%	None
Base Zoning	*Yes*	*10' front & side, 20' rear*		*1.2 / 1000 sf*

**Subject to elimination under proposed EcDev amendment.*

Height Allowance – Exisiting (stories and feet)

4**	
3	
2	
1	

** Max. height is 50'

Height Allowance – Proposed (stories and feet)

4**	
3	
2	
1	

** Max. height is 60' (above), or 75' for lab space

Possible Future Development

Intent: Expand opportunities to attract commercial, industrial, and flex space to Commercial Street.

599 Somerville Ave, Somerville – Flex space

100 Chestnut St, Somerville – Commercial and Lab

1130 Eastern Ave, Malden – Industrial and Office

200 Boston Ave, Medford – Lab and Office

Questions and discussion