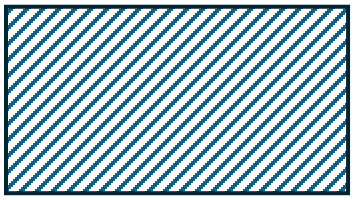
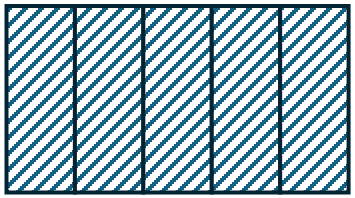
What is an acre?

1 Acre = 43,560 square feet



SR10 = 10,000 square foot lot (23% of an acre)

In order to create one acre you need five 10,000 square foot lots



Impact of Proposed Density Multiplier to Existing Zoning

Proposed Variable Density:

- increases the maximum number of units/acre
- reduces the lot size/unit
- effectively rezones the town

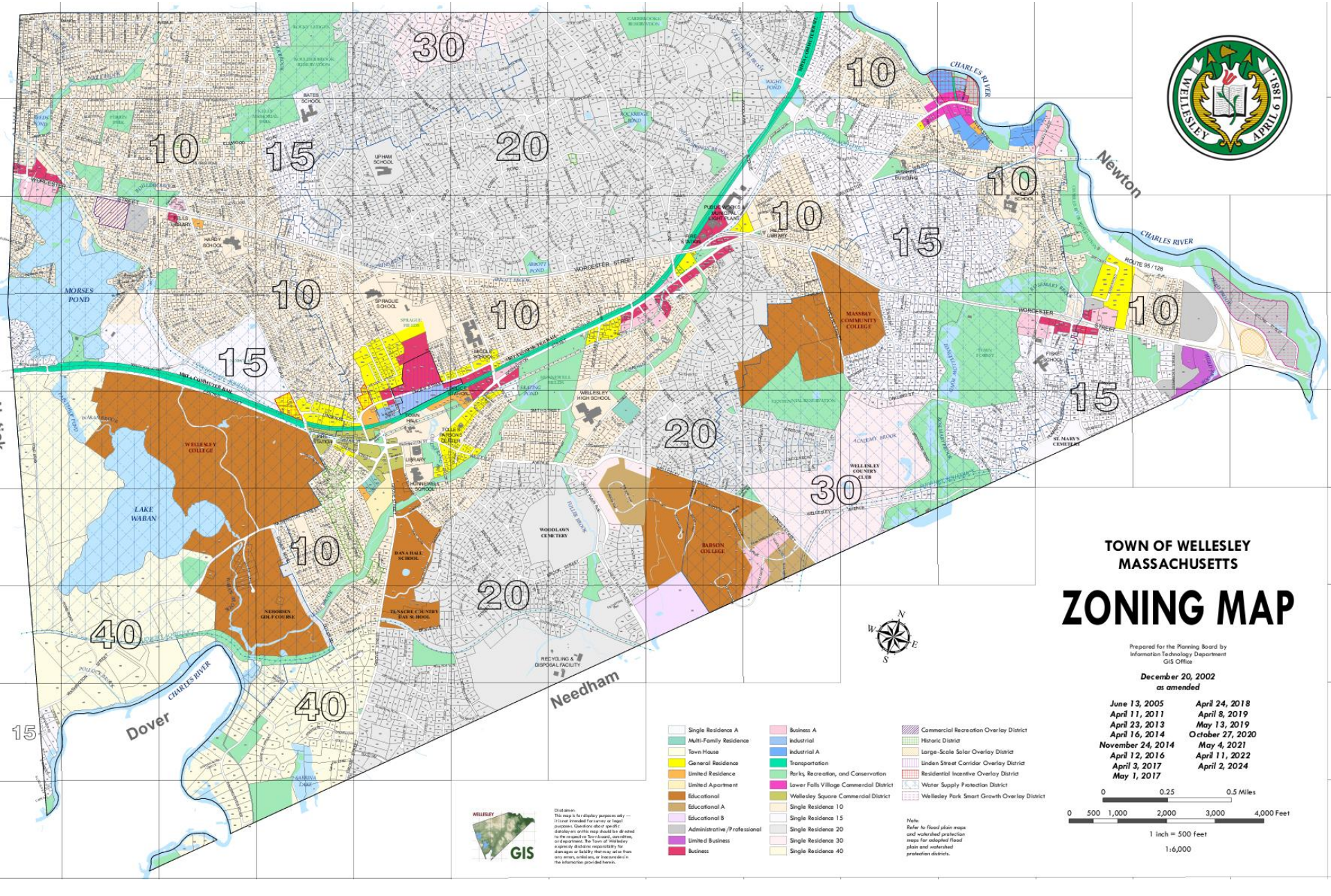
Example using SR10 district

Current Zoning
SR10 = 10,000 sq ft/lot
Primarily 1 unit/lot (may consist a single family home with special permit to convert to two family)

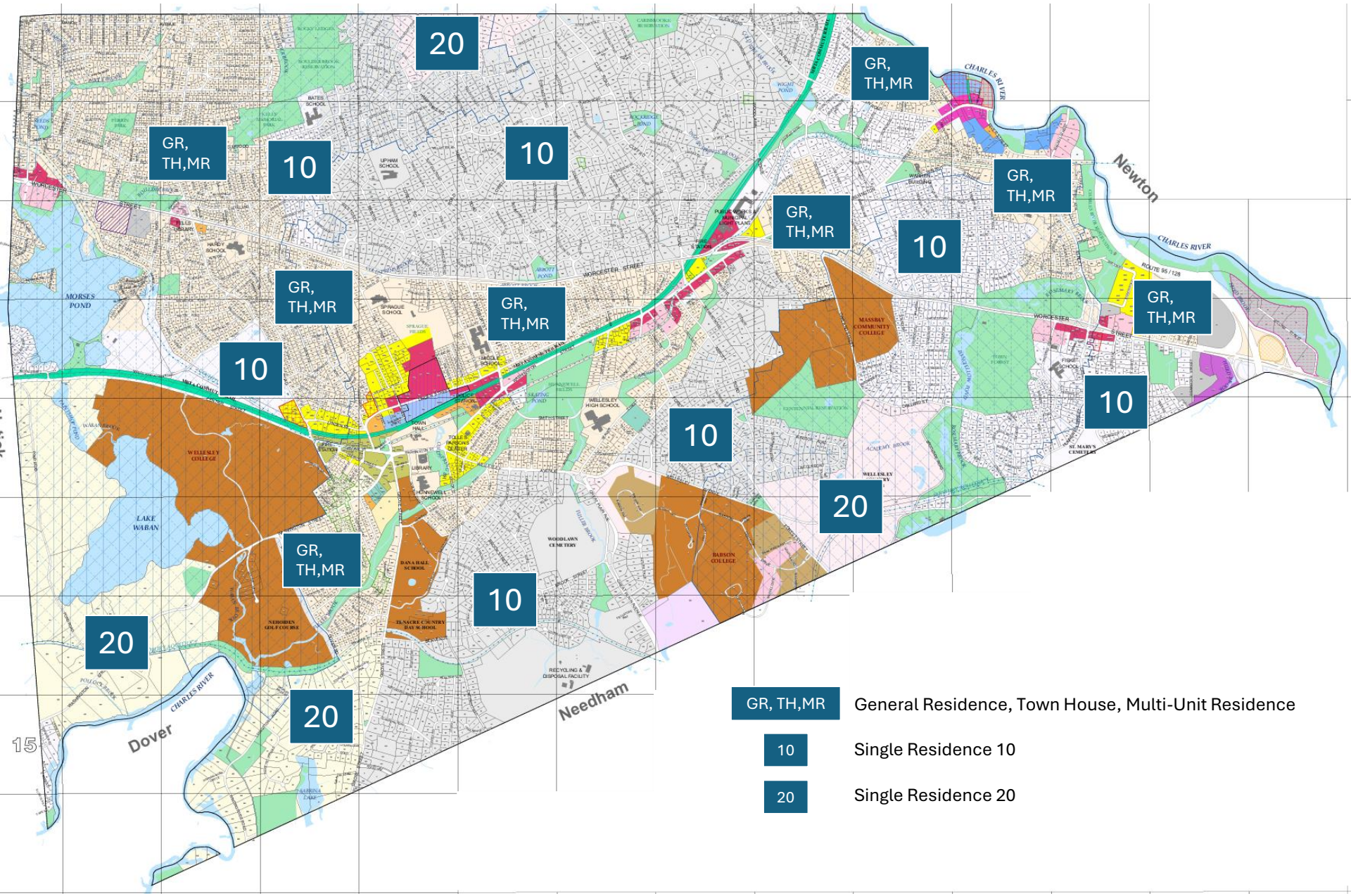
Impact of Proposed Multiplier
6 units/acre proposed = 7,260 sq ft/lot
Corresponding Zoning District: General Residence, Town House, Multi-Unit Residence

Current Zoning				Impact of Proposed Multiplier		
Zoning District	Acreage	Traditional # Housing Units/Lot	# Lots Required to Create 1 Acre	Density/Acre	Lot Size/Unit	Corresponding Existing Zoning District
SR10	10,000	1	5	6	7,260	General Residence, Town House, Multi-unit Residence
SR15	15,000	1	3	4	10,890	10,000 (SR10)
SR20	20,000	1	3	3	14,520	10,000 (SR10)
SR30	30,000	1	2	2	21,780	20,000 (SR20)
SR40	40,000	1	2	2	21,780	20,000 (SR20)

Current Zoning Districts



Impact on Zoning Districts using Proposed Multiplier



Should total lot size guide number of units/acre?

In large-scale RIO development, the total lot size is used to count toward the number of units eligible to be built.

But should it be?

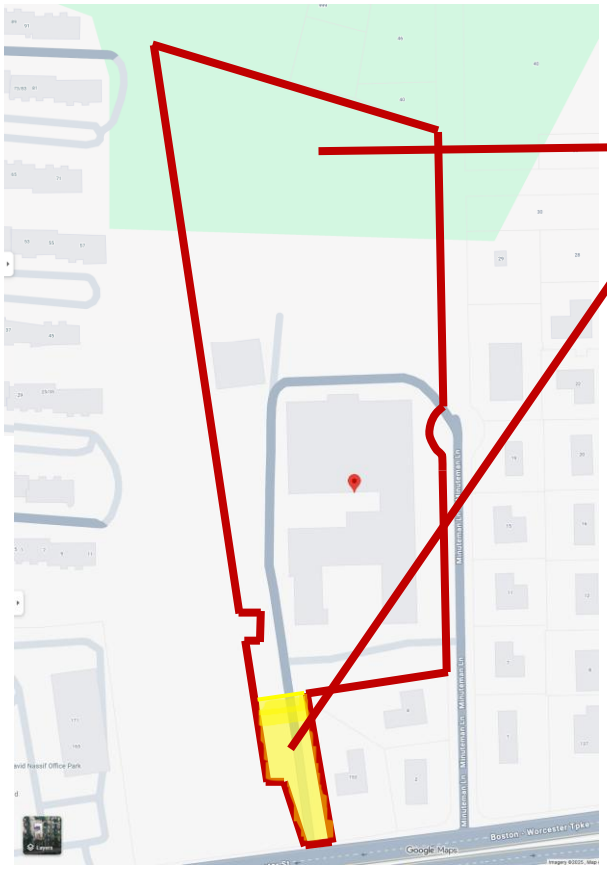
Should all lots be treated equally?

Should total lot size guide number of units/acre? (Reminder 1 acre = 43,560 sq ft)

Fig. 1
42 units on 7.01 acres

Source Data:
Variable Density White Paper

Fig. 2
42 units on 3.79 acres



Source Data: Google Maps

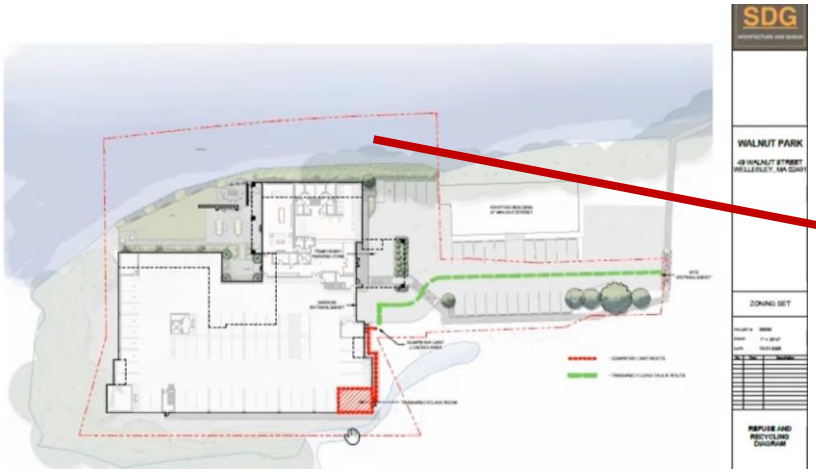
14 Minuteman Lane
Original Zone: Single Family 10
Allowable units/acre: 4.4

Roughly 121,657 sq ft (2.79 acres) is forested
Driveway is roughly 13,928 sq ft (.32 acres)

Should there be a limit to building only on nonpermeable surface?

Should there be a reduction in the number of allowable units based on unbuildable space.

Should total lot size guide number of units/acre? (Reminder 1 acre = 43,560 sq ft)



Source Data: September 17, 2025 Design Review Board Meeting

49 Walnut Park – 28 units/acre to be built
Original Zone: Industrial
Allowable units/acre: 17 by-right build with special permit

Total lot size: 1.7 acres
Per registered deed: 12,658 sq ft in river

Removing river yields: 61,394 sq ft

Units if removing river sq ft: 24

Source Data: Planning Board Meeting 2024

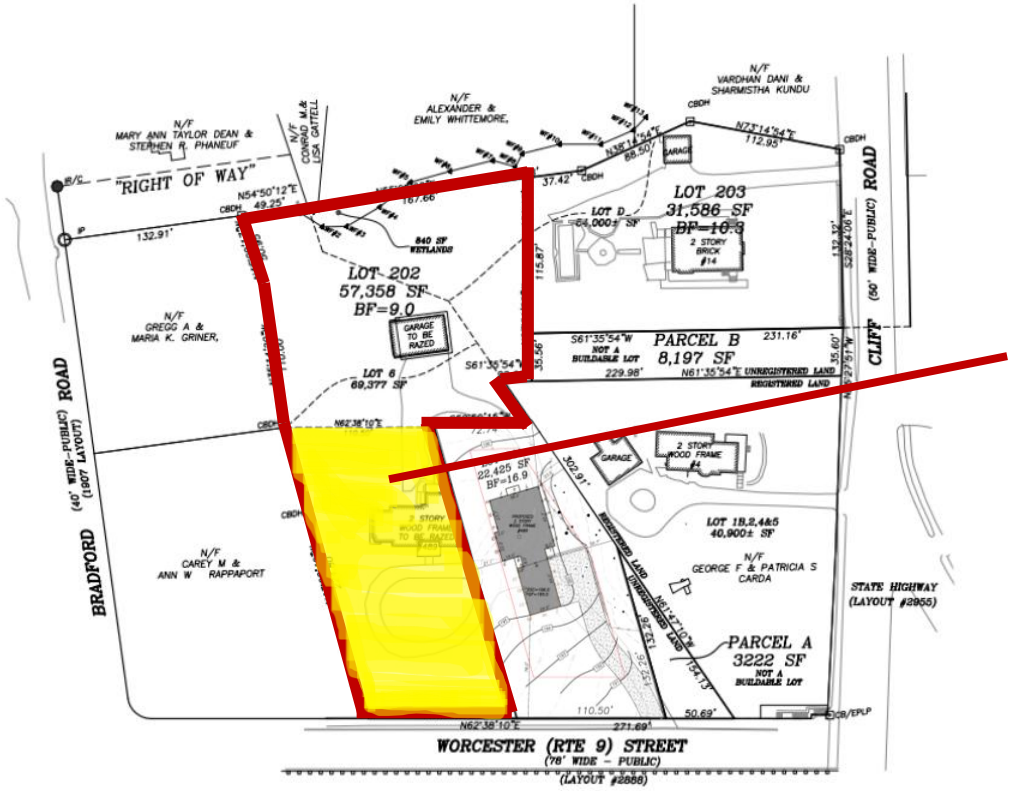
The Bellwether – 34 units/acre to be built
(192-194 Worcester/150 Cedar)
Original Zone: Split Zone – Industrial and Single Family
Allowable units/acre: 24 with approved RIO ATM 2024

Total lot size: 1.44 acres
5274 sq ft used for driveway (Cedar Street- SR side)

Removing driveway yields: 57,452.4 sq ft

Units if removing driveway sq ft: 31

Should total lot size guide number of units/acre? (Reminder 1 acre = 43,560 sq ft)



Source Data:
Town of Wellesley Building Department Website, Residential Building Permit: RES-25-667
Town of Wellesley Building Inspector, Michael Grant

489 Worcester Street - Lot 202
Original Zone: Single Family 20
Allowable units/acre: 2 by-right

Total lot size: 57,358 (1.32 acres)

24,840 sq ft in future driveway
Driveway is not buildable (southern strip)

Housing Multiplier yields: 3 units

Removing driveway yields: 32,518 sq ft

Would lot be limited to one single family home on the lot?

Representative example:

*For this purposes of this, think of lot 202 as a multi-unit lot.
**No development has been formally presented to or approved by the Town for this lot.

Hypothetical Zoning

While rezoning is not within the RIO Task Force's purview, conversations about zoning changes are unavoidable because they directly influence how and where housing can be built. In some cases, full rezoning rather than relying solely on an overlay district may better align with the town's long-term planning goals.

The chart below provides a snapshot of several parcels in the Single Residence 10 that are not used for single family homes. The SR10 acreage of this chart is just over 7.3M square feet.

RDF	3,412,490	SR10
WHS	657,013	SR10
Library	108,395	SR10
Hunnewell School	242,451	SR10
Cameron Street Lot	52,967	SR10
Town Hall	553,876	SR10
Sprague School	171,111	SR10
Hardy School	390,030	SR10
Sprague Fields, parking lots and field house	1,119,492	SR10
McKinnon Playground	170,458	SR10
HS Parking lot	149,059	SR10
Middle School	275,895	SR10

Hypothetical Zoning of Single Resident Parcels that are In or Abut Commercial Districts

The meeting document, Data-4 SR parcels in-abut Commercial, provides a list of 27 parcels which consist of a total of 254.32 Acres for development and have been indicated as the reason a RIO is needed. The data provided for each parcel included:

- Owner
- GIS Area (Square footage and Area)
- Zones in Parcel
- Abut Commercial Zones
- Precinct

For the purposes of analysis, additional information was gathered about each parcel using Wellesley's GIS property viewer and The Town of Wellesley Assessor Property Cards, including:

- Square footage breakdown for each split-zoned parcel
- Geographical context

Hypothetical Zoning of Single Resident Parcels that are In or Abut Commercial Districts

Data in the following tables have been organized by:

1. Current parcel information
   - sourced from the Data Set 4 meeting document
   - supplemental data was gathered from the Assessor's property cards

2. Current by-right build
   - details how many units can be built using the square footage as zoned
   - for split zones, housing units have been calculated by split

3. Number of Units/Acre calculated using
   - Traditional RIO
   - Variable Multiplier White Paper
   - When the number of units is the same for both the Traditional RIO and the Multiplier, the blue color is found in both columns

4. Hypothetical Zone Change and Build
   - identifies a hypothetical zoning change and the number of units that would be associated with such change

Hypothetical Zoning Analysis – Page 1

The charts on the following pages outline how the 27 parcels could, ***hypothetically***, be zoned.

Meeting Document + Additional Info from Assessor's Database						Current	Number of Units/ Acre		Hypothetical	
Owner	Zones in Parcel	Address	Acreage	Split Zoning Breakdown	Geographical Context	Current Build By-Right Units (no RIO)	Traditional RIO	White Paper Variable Multiplier	Zone Change	Number of Build By-Right Units
Town of Wellesley (Cochituate Aqueduct Trail)	SR10, LtR	521 Washington St	2.34	6043.3 sq ft LtR 102,971.7 sq ft SR10	strip of land in front of police station, through Morton Park, across the Town Hall parking lot to Cabot Street 1649' long 70' wide at widest point	2 units (LtR) + 10 single family homes (SR10)	56	14	SR10	10
Town of Wellesley (Town Hall and Duck Pond)	SR10	525 Washington St	12.82			55 single family homes (SR10)	307	307	Business	223
KD Realty Corp (Toyota Dealership)	Bus, Bus A, SR15	216 Worcester	1.69	38,022.01 sq ft in Bus/BusA 36,097.99 sq ft in SR15		15 units (Bus/Bus A) + 2 single family homes (SR15)	40	40	Business A	29
Atrius MSO, LLC (Harvard-Vanguard Medical Building)	Bus, Bus A, SR15	230 Worcester	2.31	89,783.1 sq ft Bus/Bus A 8,961.9 sq feet SR15	Abutting property is PAWS at 63 Hastings	34 units	55	55	Business for 1,469.3 sq ft Business A for 7,492.6 sq ft	40
							55	55	General Residence (would need to modify bylaw as it does not have frontage on Washington)	16 - 20
Office Space	SR10, Ad/P	888 Worcester Street	5.93	21,941.2 sq ft SR10 236,639.6 sq ft Admin/Prof		2 single family homes (SR10)	142	142	Admin/Professional	N/A
Wellesley Hollow Condos	SR10	12 Russell	1.51		28 units	6 single family homes (SR10)	36	30	Multi-Unit Residence	21
Albany Road - Wellesley LLC (Boston Sports Institute)	SR10	900 Worcester	7.83			34 single family homes (SR10)	187	187	Business or Educational	136

Hypothetical Zoning Analysis – Page 2

Meeting Document + Additional Info from Assessor's Database						Current	Number of Units/ Acre		Hypothetical	
Owner	Zones in Parcel	Address	Acreage	Split Zoning Breakdown	Geographical Context		Traditional RIO	White Paper Variable Multiplier	Zone Change	Number of Build By-Right Units
Town of Wellesley (Cross-Town Trail)	SR10	29 Overbrook Drive	3.74			16 single family homes (SR10)	89	89	SR10	16
Cohen, Steven A, Trustee ("Renaissance" office building)	SR10, Bus	981 Worcester	2.6	33,876 sq ft in SR10 79,864 sq ft Bus		3 single family homes (SR10) + 31 units (Bus)	62	62	Business	45
Worcester Street 965 Group, LLC (Mazda Dealership)	SR10, Bus	965 Worcester	1.35	34,023.7 sq ft Bus 24,660.3 sq ft		13 units (Bus) + 2 single family homes (SR10)	32	32	Business	23
Town of Wellesley (Cochituate Aqueduct)	SR10	Cedar Street	2.35		Adjacent to 66, 70 and 80 Walnut Street lots to the north Adjacent to Ardemore Apartments to the south 860' long by 74.8' at its narrowest and 188.1' at its widest	10 single family homes (SR10)	56	56	Business A	40
Edgemoor Circle Condos	SR10	Overbrook Drive	1.54		12 townhomes	6 single family homes (SR10)	36	23	Townhouse	16
Boston Gas Company (National Grid)	SRA	66 Walnut Street	1.48		Adjacent to Bus-A (enter office building through Bus-A)	1 single family home (SRA)	35	35	Business A	25
Hastings Village, Inc.	SR15	62-66 Hastings	2.19		52 apartments (built 2006)	6 single family homes (SR15)	52	43	Multi-Unit Residence	31
Commonwealth of Massachusetts	Ind A, SR10	50 River Street	1.8	21,516.6 SR10 37,167.4 Ind A	wooded 27' drop in elevation per topographic map - front to back of property	2 singles family homes (SR10) + 14 units (Ind A)	43	43	Industrial A	31

Hypothetical Zoning Analysis – Page 3

Meeting Document + Additional Info from Assessor's Database						Current	Number of Units/ Acre		Hypothetical	
Owner	Zones in Parcel	Address	Acreage	Split Zoning Breakdown	Geographical Context		Traditional RIO	White Paper Variable Multiplier	Zone Change	Number of Build By-Right Units
River Place Limited Partnership	Ind A, SR10	57 River Street	2.46	39123.4 sq ft SR10 68,234.6 sq ft Ind A	office building	3 single family homes (SR10) + 27 units (Ind A)	59	59	Industrial A	43
Haymac LLC	LFCVD, SRA	40 Washington	1.93	33,302.4 sq ft LFCVD 50,483.6 sq ft SRA	office building	13 units (LFCVD) + 1 single family home (SRA)	46	46	Lower Fall Commercial Village District (modify bylaw to: allow for structures with height no taller than 2 stories to allow for smoother transition between single family and business)	33
McQuillen, Mary C. Trustee	LFCVS, SR10	6 Washington Court	1.07	40,475.2 sq ft SR10 5,981.8 sq ft LFCVD	57% Res, 43% Comm (6,8,12-14 Wash Ct)	4 single family homes (SR10) + 2 units (LFCVD)	25	6	SR10	4
Roman Catholic Archbishop of Boston (St John's)	LFCVS, SR10	9 Ledyard St	1.58	37,486.4 sq ft LFCVD 32,234.6 sq ft SR10		15 units (LFCVD) + 3 single family homes (SR10)	37	37	Lower Fall Commercial Village District	27
Town of Wellesley (DPW offices and operations)	SR15	20-30 Municipal Way	10.84			31 single family homes (SR15)	260	260	Business	188
Town of Wellesley (DPW offices and operations)	SR15	25 Municipal Way	2.9			8 single family homes (SR10)	69	69	Business	50
Town of Wellesley (Eaton Court Parking Lot)	SR20, Bus	24 Eaton Court	1.34	456.8 sq ft Bus 58,380.2 sq ft	Townhomes adjacent at 1218 Eaton Court	5 single family homes (SR10)	32 32 32	26.8 20 16	Multi-Unit Residence Townhouse General Residence	19 14 9-11

Hypothetical Zoning Analysis – Page 4

Meeting Document + Additional Info from Assessor's Database						Current	Number of Units/ Acre		Hypothetical	
Owner	Zones in Parcel	Address	Acreage	Split Zoning Breakdown	Geographical Context		Traditional RIO	White Paper Variable Multiplier	Zone Change	Number of Build By-Right Units
Babson College	Ed, Ed A, Ed B, SR30, Bus A	231 Forest St	174.22	433,286.2 sq ft SR30 7,152,067 sq ft all other zones	SR30 is wooded runs along Wellesley Avenue and Great Plain Avenue Heavy single family area	Too complex			Too Complex	
Melik - Berkeley Ltf Partnership	Bus, SR10	312 Washington St	1.08	24,828.4 sq ft SR10 21,851.6 sq ft Bus	33 units 90% apartments + 1 restaurant	2 single family homes (SR10) + 8 units (Bus)	25	10 - 12	General Residence (bylaw allows based on frontage on Washington, but need to modify bylaw to allow for restaurant and "at or west of" Cliff Road)	18
GPLF Realty, LLC	Bus, SR10	12 Seaward Road (aka 322-324 Washington St)	1.9	60,563.7 sq ft SR10 22,331.3 sq ft Bus	apartments - 48 units	6 single family homes (SR10) + 8 units (Bus)	43	22	General Residence (bylaw allows based on frontage on Washington Street and located east of Cliff)	13 - 16
Babar, LLC, Trustee	Bus, SRA	326-332 Washington	1.62	33,230.6 sq ft Bus 37,412.4 sq ft SRA	medical office and retail in Bus parking lot in SRA	13 units (Bus) + 3 single family homes (SRA)	38	16 - 19	General Residence (bylaw allows with frontage on Washington but need to modify to allow for use west of Cliff Road)	11 - 14
Babson House LLC	Bus, Bus A, SR10	16 Laurel Avenue	1.9	12,595.7 sq ft. SR10 46,088.3sq ft Bus/Bus A	office	1 single family home (SR10)	45	45	Business (for largest section of SR10) and Business A (for smallest section of SR10)	33
							45	19 - 22	General Residence	13 - 16

Hypothetical Zoning - Findings

Every parcel identified in the Data Set 4 document was located in portion of or fully within a single family zone.

After the hypothetical zoning exercise **3 parcels remained in SR zoned.**

District	Parcel Count
Admin/Professional	1
Business	5
Business A	3
Business/Business A or General Residence	2
Business or Educational	1
General Residence	4
Industrial A	2
Lower Fall Commercial Village District	2
Multi-Unit Residence	3
SR10	3
Townhouse	2
Too Complex	1

Appendix: Existing by-right build densities by zone

Source: Variable Multiplier White Paper (source: RIO TF Meeting Materials 11/18/25)

Example Zoning Districts	Current Max Housing Density (ft²/unit) / (Units/Acre)	Current RIO[1] Max Housing Density (Units/Acre)	Implied Incentive[2] *"multiplier"*	Potential Max Housing Density[3] (Units/Acre)
Business / A	2,500 / 17.4	24	1.4	**24**
Industrial / A	2,500 / 17.4	24	1.4	**24**
Lower Falls Village	2,500 / 17.4	24	1.4	**24**
Wellesley Square[4]	1,800 / 24.2	24	0	**24**
Educational / A / B	2,500 / 17.4	24	1.4	**24**
Limited Residence	2,500 / 17.4	24	1.4	**24**
Multi-Unit Residence	3,000 / 14.5	24	1.7	**20**
Town House[5]	4,000 / 10.9	24	2.2	**15**
Gen Res[6]	10,000 / 8.7	24	2.8	**12**
Gen Res[7]	6,000 / 7.3	24	3.3	**10**
SR10	10,000 / 4.4	24	5.5	**6**
SR15	15,000 / 2.9	24	8.3	**4**
SR20	20,000 / 2.2	24	11.0	**3**
SR30	30,000 / 1.5	24	16.5	**2**
SR40	40,000 / 1.1	24	22.0	**2**

Why RIO Redevelopment Cannot Deliver Entry-Level Housing

Wellesley needs a pro-housing approach grounded in how housing economics truly work.

1. New Construction Cannot Achieve Starter-Home Pricing
New construction in Wellesley can't deliver starter-home prices. Land is expensive and modern requirements (i.e. the Municipal Opt-In Specialized Energy Code, Wellesley's Sustainable Building Guidelines, MA's Stretch Code, EV-ready wiring, etc.) increase costs. Any new unit becomes a luxury rental, high-end condo, or market-rate townhouse beyond what typical starter-home buyers can afford.

2. The affordable units created under RIO are lottery-controlled, deed-restricted units, not starter homes. When redevelopment triggers inclusionary zoning, the resulting affordable units aren't simply lower-priced homes. They require income eligibility, an application, financial documentation, and a lottery. Buyers are restricted in how they can resell with appreciation capped. These units serve an important purpose, but are *not* open-market starter homes. And, because households above the income limits cannot purchase them, they do nothing for middle-income earners who earn too much to qualify. In that sense, redevelopment produces zero starter-home opportunities.

3. New Multifamily Redevelopment Often *Eliminates* Existing Starter Homes
Small capes, ranches, and older colonials are the closest thing the town has to market-rate entry housing, yet these are the first to be torn down. A $850k Cape on an SR10 lot can become a cluster of $900,000–$1.3 million luxury condos. The unit count goes up, but none are accessible to starter-home buyers. The one affordable house disappears. In practice, RIOs in SR districts accelerate the loss of remaining entry-level homes and produce market-rate units geared toward higher-income buyers.

4. Starter Homes Are a Product of History, Not Redevelopment
The starter homes that defined Wellesley were possible because land was cheap, costs were modest, codes were simpler, houses were smaller, and energy and design requirements were minimal. None of those conditions exist today. True starter homes emerge through the natural aging of modest housing, not through new construction.

5. A Pro-Housing Strategy Must Reflect Economic Reality
Supporting more housing in Wellesley means being honest about what can actually be built. Building in zones where multifamily construction is efficient creates larger-scale projects that can reliably produce more affordable units, preserve of naturally occurring affordable single-family homes (NOAHs), and meet MBTA Communities requirements with well-located, well-planned districts.

Sources:

"Proactive Preservation of Unsubsidized Affordable Housing in Emerging Markets: Lessons from Atlanta, Cleveland, and Philadelphia" 2018.(https://www.jchs.harvard.edu/research-areas/working-papers/proactive-preservation-unsubsidized-affordable-housing-emerging)

"*The State of the Nation's Housing "2023* Joint Center for Housing Studies of Harvard University (https://www.jchs.harvard.edu/sites/default/files/reports/files/Harvard_JCHS_The_State_of_the_Nations_Housing_2023.pdf)

Terner Center for Housing Innovation, UC Berkeley paper How Housing Supply Shapes Access to Entry-Level Homeownership.(https://ternercenter.berkeley.edu/wp-content/uploads/pdfs/How_Housing_Supply_Shapes_Access_to_Entry-Level_Homeownership_2019.pdf)

"Municipal Sustainable Building Guidelines", Town of Wellesley (https://wellesleyma.gov/DocumentCenter/View/17002/202221-MSBG-Ver28?bidId=)

Where Affordable Housing Actually Comes From: The Overlooked Role of NOAHs

Most affordable housing in the US is housing referred to as **NOAH**: ***N****aturally* ***O****ccurring* ***A****ffordable* ***H****ousing*. These are: older homes, smaller homes, modest rentals (like the ones in the Taylor Block set to be redeveloped), buildings without luxury upgrades, and units priced lower because the market values them that way. Just average people finding housing they can afford. These units are the backbone of affordability for middle-income earners (often called the Missing Middle). These are the homes most of us think of when we talk about homes that are affordable.

Wellesley used to have a lot of NOAHs: small capes, split-levels, two-family homes, older apartments, houses under 1,200 square feet, and modest rentals over retail. Over the past 30–40 years, these have been torn down, expanded, converted into luxury homes, replaced with much more expensive new construction. In the process, Wellesley has gradually eliminated the *only* form of affordability that middle-income households, including people at 100% AMI, could ever realistically access.

Deed-restricted affordable units created through Inclusionary Zoning do not replace NOAHs. These programs serve households at 80% or below of AMI and require lotteries. When residents say, “We want affordable housing so our kids can live here,” the truth is that the programs that increase “affordable” housing won’t help the people they have in mind. What they are really looking for is ***organically affordable*** homes: home that can be purchased or rented on the open market and that *allow buyers to build equity over time*. Preserving or creating new NOAHs is the realistic path. That means allowing smaller homes; preserving existing older housing stock; discouraging the aggregation of smaller lots into large luxury developments, encouraging modest infill, and continuing to support ADUs.

Starter homes in Wellesley are a product of history, not redevelopment. The starter homes that built Wellesley in the 1950s-1970s existed because of lower land prices, lower construction costs, simpler building codes, smaller house sizes, minimal energy requirements, fewer design constraints. None of these conditions exist today. New construction in Wellesley cannot produce starter homes, only expensive market-rate units and a small number of deed-restricted lottery units. Allowing overlays in Single Residence districts destroys the only natural starter homes Wellesley has left.

A nod to NORCs. A **NORC** is a Naturally Occurring Retirement Community, a place where many older adults live even though it wasn’t built as senior housing. For example, Wellesley Green has evolved into a naturally formed retirement community and Terraza has started out that way.

RIO Bylaw Concept:

Strengthening Wellesley's Housing Strategy by Refocusing RIO

Problem:

Many residents feel Wellesley needs more housing options: homes that young families can move into, older adults can downsize to, and people who work in and contribute to the community can realistically afford. At the same time, the state is pushing all communities to increase overall housing density, regardless of whether those new units are affordable or simply add to the housing stock. The Residential Incentive Overlay (RIO) created in the 1990s to redevelop large industrial or commercial parcels to help the town reach its 10% affordable housing goal, was never intended for small lots in low-density Single Residence (SR) neighborhoods. As RIO has expanded into SR zones, it has created tension between the goal of increasing housing and the realities of redevelopment economics, infrastructure capacity, and neighborhood suitability.

The issue is whether RIO in SR is able to create the types of homes Wellesley actually needs. In single family neighborhoods, RIO development tends to replace modest, naturally occurring affordable single-family homes with high-priced market-rate townhomes and luxury apartments. The required inclusionary units in these new developments are limited to a small income band and determined by lottery. Most families seeking entry-level homes in Wellesley still cannot access them.

Under the current RIO, up to 24 units per acre may be approved in any zoning district throughout town and, once approved, that density remains permanently with the parcel. This exposes single family neighborhoods, designed for one home per lot, to multifamily development in perpetuity. **Moving to variable density or adjacency-based eligibility does not solve this, but layers complexity and concentrates redevelopment pressure on a small number of SR parcels near commercial areas**.

Recent history has shown that ***new construction in Wellesley, whether at 24 units per acre or a reduced number, does not produce starter homes.*** High land values, regulations, and construction costs guarantee new units will be expensive and inclusionary zoning yields only a small number of lottery-restricted affordable units. The result is an ever expanding supply of high-end housing and a shrinking supply of modest, affordable homes. So housing diversity is not achieved, all while the remaining modest single-family homes (the only truly attainable entry-level housing in Wellesley) are at risk of teardown and redevelopment.

Two Main Goals of a Solution

1. **Preserve** the naturally occurring affordable housing stock in SR districts, where many modest homes still exist and serve as the most realistic entry point for families who do not qualify for subsidized or inclusionary housing.

2. **Encourage** new affordable and diverse housing types in districts where redevelopment is more economically feasible, environmentally efficient, and aligned with long-term planning goals.

Proposed Solution:

Adjust the RIO bylaw so that it is not available in any SR districts, and focus its use in zoning districts already suited to and zoned for by right for multifamily development.

How Would the Idea Work?

The idea has three main tenets:

1. The revised RIO would continue to support redevelopment where infrastructure, retail, and traffic patterns can accommodate it. In these areas, larger parcels and flexible zoning allow projects to incorporate affordability requirements efficiently, support sustainability goals, and create a greater number of units at scale.

2. RIO would no longer be available in any Single Residence (SR) zoning district, regardless of parcel size, proximity to commercial areas, or presence of split-zoning. This removes ambiguity and ensures that SR-designated neighborhoods retain the low-density, detached-housing form they were created to preserve.

3. A revised RIO framework would rebuild trust between residents and town boards. Today, the structure of the bylaw places the Planning Board in the position of advancing developer proposals. Refocusing RIO on the districts where it works best allows the Board to engage residents directly, align decisions with shared goals, and reduce the tension that has grown around RIOs in SRs.

Removing RIO from SR districts protects modest single-family homes and focuses multifamily projects in zoning districts already planned for higher-intensity or mixed-use development where they are more likely to produce real affordability and long-term benefit. It would work to honor Wellesley's commitment to its natural environment. Higher-density RIO projects in SR areas increase runoff, reduce permeable land, and stress wetlands, groundwater, and sewer infrastructure.

Why?

- **Why this approach helps expand meaningful housing options.**

Wellesley needs more homes of many types, but the locations where we build them matter. Single Residence districts contain most of the town's modest older homes, which function as our closest thing to naturally occurring affordable housing. Allowing RIO in these areas encourages teardown and replacement with high-priced units, reducing access rather than expanding it. Focusing RIO outside SR districts helps protect these organically attainable homes while still allowing the town to grow its housing supply in more strategic locations.

- **Why removing RIO from Single Residence districts supports equity and clarity**.

A clean approach of removing RIO from SR zones removes confusion, reduces unintended inequities, focuses attention in the areas best suited for increased density, and respects the town's current zoning map. Adding multipliers, adjacency rules, or split-lot formulas creates a complicated system that places pressure on only a handful of SR parcels that will create uneven impacts between neighborhoods and distract from the goal of producing the most effective affordable and diverse housing possible.

- **Why concentrating multifamily tools in higher-intensity districts improves affordability outcomes.**

Commercial and Industrial districts offer the infrastructure and parcel sizes needed to build housing at scales where affordability becomes real, not symbolic. Larger, well-located projects can deliver more deed-restricted units, better sustainability performance, and more inclusive housing opportunities. Keeping RIO in these districts supports the town's long-term goals: more housing choices, more affordability, and more environmentally responsible development, all while preserving the naturally affordable homes that keep Wellesley accessible to a wider range of households.

A Pioneer Institute paper by Andrew Mikula (Wellesley resident) found that inclusionary zoning is effective in big, high-demand cities where costs can be spread across large projects, not in small, high-cost suburban markets. In Wellesley, with its small parcels and expensive construction, mandatory set-asides can make 6–20-unit projects financially unviable, meaning overlays like RIO in SR districts may yield no development or only luxury units. Because developers shift affordability costs to market-rate buyers, this approach pushes prices even higher and does not create true entry-level housing.

https://pioneerinstitute.org/wp-content/uploads/Inclusionary-Zoning-White-Paper-03062025.pdf

The Tax Impact for a Wellesley Senior Selling a Home

For most seniors their home is their biggest asset, representing decades of savings they hope to leave to their children or grandchildren. When they discover how much of a sale's profit can be reduced by federal and state taxes, including capital gains, NIIT (Net Investment Income Tax), and the Massachusetts Millionaire's tax, they decide to hold onto their home and leave the house itself to their beneficiaries.

Assumptions: Married filing jointly; Primary residence, lived in ≥2 of the last 5 years; $1,500,000 gain on house sale; $250,000 ordinary income

1. Federal Home-Sale Exclusion

- Allowed exclusion for a married couple: **$500,000**
- $1,500,000 gain – $500,000 exclusion = **$1,000,000 taxable gain**

2. Federal Long-Term Capital Gains Tax

- Income plus gain = $250,000 + $1,000,000 = **$1,250,000**
- That puts the owner almost entirely in the **20% capital gains bracket**
- **Federal LTCG tax ≈ $200,000**

3. 3.8% Net Investment Income Tax (NIIT) Applies when income > $250,000 (for joint filers) and you have investment income.

- Net investment income = **$1,000,000 gain**
- 3.8% × $1,000,000 = **$38,000**

4. Massachusetts Income Tax

a) Base MA income tax

- 5% × $1,000,000 = **$50,000**

b) Millionaire's Surtax (extra 4%) Applies to income above ~$1,083,000.

- Income: $1,250,000
- Amount above threshold: ≈ $167,000
- 4% surtax ≈ **$6,700**

Total MA tax ≈ $56,700

Total Taxes = $290,000-$300,000

When a senior decides not to sell her home before she dies because she wants her grandkids to inherit as much as possible, the tax picture changes. **The home gets a full step-up in basis at death.**: The IRS pretends the house was "bought" at its current market value on the date she passes away. So if she bought it decades ago for pennies and it's now worth a small fortune, all of that appreciation effectively gets wiped clean for tax purposes.

Total Taxes = $0