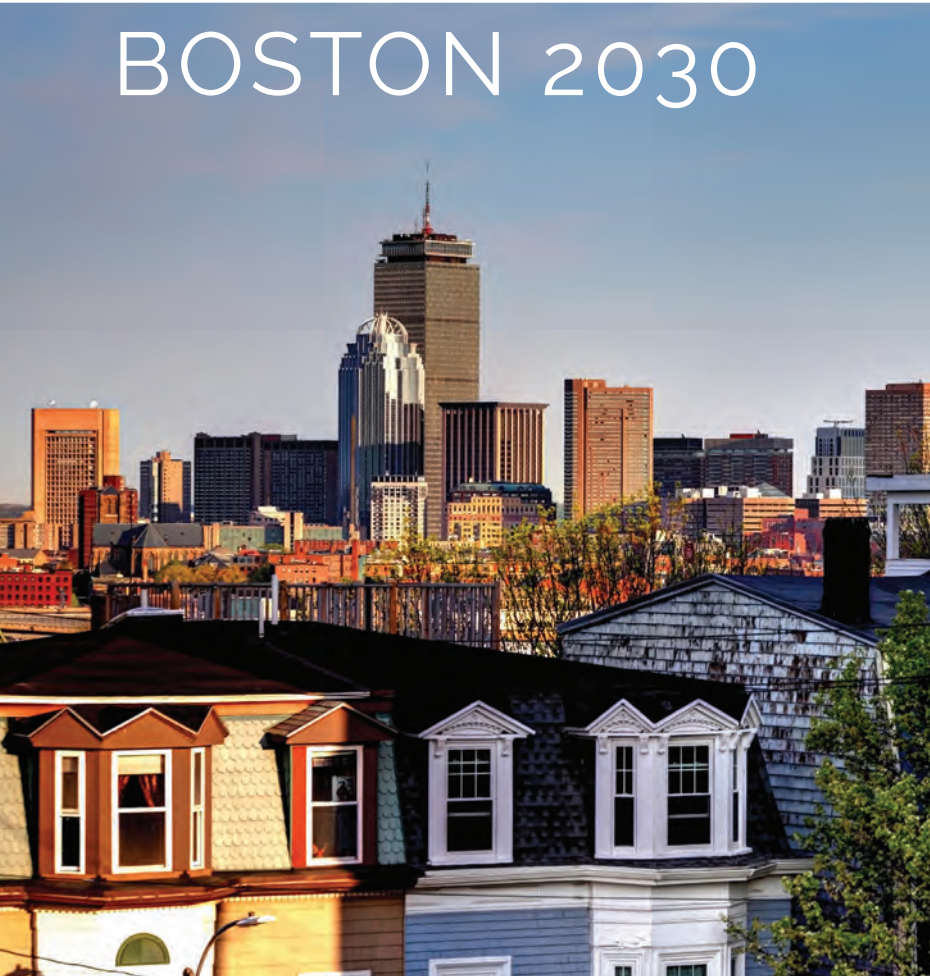


MAYOR MARTIN J. WALSH

HOUSING A CHANGING CITY

BOSTON 2030



EXECUTIVE SUMMARY

2014



EXECUTIVE SUMMARY

In 2030, Boston will celebrate its 400th anniversary, and as we approach this milestone, Mayor Walsh has articulated that his vision for our city is one of diversity and equity; a city of growth and prosperity for all. This plan outlines how the housing strategy for our city will advance this vision, through a sound housing policy that supports educational outcomes, neighborhood health, the environment, community and economic growth.

This plan envisions a city where all Bostonians, regardless of race, age, economic status, or physical ability can find a place to call home. To achieve this goal, our housing policy must address issues of affordability at the root cause, creating long-term solutions for increasing housing supply and preserving our existing units. It must ensure that seniors who wish to remain in their homes are able to do so, while providing resources and support for those who wish to downsize. It must assure Boston's children that they will have a place to study and rest so they

can succeed in school, and it must help the city retain a strong middle class while strengthening and stabilizing Boston's neighborhoods.

To meet these challenges, this document outlines a plan to produce 53,000 new units of housing. This plan will accommodate the projected 20 percent growth in Boston's households, generate \$21 billion in new development, and create 51,000 construction jobs through the year 2030.



To execute this plan, the City will develop a comprehensive workplan that outlines both short-term and long-term deliverables, and will set in place processes and scorecards to ensure these goals are met.

We would like to acknowledge the hard work of the Housing Transition Team and the Housing Advisory Task Force (See Appendix B). Their thoughtful analysis

and creative ideas serve as the basis for many of the initiatives contained in this plan.

The individuals, groups, and community members who helped shape this plan will also be pivotal partners in helping us implement this vision for Boston's future. Our most important partners, however, are our neighbors and fellow Bostonians. We will rely upon them in the coming years to ensure that this plan creates a better Boston for us all.



A Growing City: Demographic Projections and Housing Targets

Boston is growing. From 2000 to 2010, the city gained more than 28,000 residents, continuing the population recovery that has been underway since approximately 1980. More recent population estimates from the US Census Bureau indicate that the city's growth is accelerating -- Boston is now gaining population twice as fast as the rest of the state.

Boston will continue to grow. Our world-renowned educational institutions are training a young and highly-skilled workforce that is extremely attractive to the fast-growing technology and innovation sectors. Almost 20 million square feet of new commercial and institutional floor space is either already under construction or approved by the City for construction in the near future.

We must manage this growth to ensure that a bigger Boston is also a better Boston. We must plan for this growth, carefully balancing needed increases in density with open space and other amenities to ensure that quality of life in our neighborhoods remains high. Most importantly, we must ensure that this growth creates opportunities for people at all income levels.

Good growth management requires that we accommodate the needs of our young, skilled workforce while making room for existing and new lower-wage

workers. It requires our city to find ways to retain and expand our middle class while also finding ways to care for our seniors, ensuring that they can retire here in safe, affordable housing.

To better understand this growth, the City of Boston partnered with the Metropolitan Area Planning Council (MAPC) to prepare detailed demographic forecasts from 2010 through the year 2030. MAPC's demographic and economic modeling is among the most sophisticated available, serving as a reliable and independent basis for Boston to make informed decisions about guiding the city's growth. For a detailed explanation of how MAPC conducted their analysis, please see Appendix A.

MAPC projects that by the year 2030, Boston will have a population of 709,000 people. We will gain more than 91,000 people, who will make up 49,100 households. The last time Boston was home to more than 700,000 residents was in the late 1950s. Since this time, however, average household size has decreased. Today, fewer people inhabit each unit of housing, making our current housing stock insufficient to accommodate this growth. In addition to serving the growing population, this plan also envisions building enough units to create a reasonable vacancy rate to stabilize market prices.



The City of Boston believes that accommodating growth and stabilizing the market will require the creation of 53,000 new units of housing by 2030, a 20 percent increase in housing stock (Table 1).

To sustain this growth rate, Boston must focus on creating appropriate housing that will be affordable to its rapidly expanding workforce. We expect that by 2030, Boston's workforce will form more than 26,500 new households, a 13 percent increase. All of these households will require housing to suit their income levels.

Boston's seniors represent the most rapidly-growing demographic group, as the Baby Boom generation

reaches retirement age. By 2030, one in five Boston households will be headed by someone over the age of 65. Between 2010 and 2030, Boston will gain 22,500 senior households. This plan estimates that 17,500 of these households will choose to age in place, while the remaining 5,000 will live in newly created units of senior housing.

The growth in the number of seniors in Boston means that fewer units will become available through turnover to working-age households, requiring construction of 17,400 units of workforce housing to replace those units that will be occupied by seniors. Taken together with the workforce household growth of 26,500, the total demand for workforce housing in 2030 is estimated be 44,000 units (Table 2).

TABLE 1: Summary Demographic Projections for Boston 2010-2030

Demographic Group	Income Category*	2010 Housing Units	2030 Housing Units	Growth 2010-2030	% Growth 2010-2030
Householder Age 65+	<\$50,000	27,990	42,599	14,609	52%
	\$50,000-\$125,000	10,386	16,106	5,720	55%
	>\$125,000	3,640	5,728	2,088	57%
	ALL SENIOR	42,016	64,433	22,418	53%
Householder Age <65	<\$50,000	87,138	96,888	9,751	11%
	\$50,000-\$125,000	80,631	91,071	10,440	13%
	>\$125,000	42,914	49,380	6,466	15%
	ALL WORKFORCE	210,683	237,340	26,657	13%
Total	<\$50,000	115,128	139,487	24,360	21%
	\$50,000-\$125,000	91,017	107,177	16,160	18%
	>\$125,000	46,554	55,108	8,555	18%
	Vacancy Rate**	12,209	16,203	3,994	33%
	ALL	264,908	317,976	53,069	20%

Source: MAPC Demographic Forecasts For Boston, August 2014. MAPC provided household income projections by Area Median Income (AMI); the City converted these into the dollar income ranges used in this plan. For the purposes of the City's analysis, <\$50,000 is considered to be 0-60% AMI, \$50,000-\$125,000 is considered to be 60%-150% AMI, and >\$125,000 is considered to be >150% AMI. ** Vacancy Rate necessary to stabilize the market.

Overall, the City expects that the bulk of new housing production will be primarily targeted to these workforce-aged households.

City-funded or -mandated housing production will represent a significant share of Boston's new housing production. City resources will be used to create approximately 8,000 affordable units (both senior and workforce), while approximately 4,000 middle-income assisted units will be created via the Inclusionary Development Policy or in mixed-income developments. The City also expects to see the creation of approximately 13,500 privately-produced middle-income units, which will include workforce housing in lower-priced areas, as well as units created for downsizing senior homeowners. The City is also anticipating that new dormitory construction will result in fewer students in off-campus housing, opening up approximately 5,000 additional workforce housing units formerly occupied by students (Table 3). More specific information on how the City plans to achieve these production targets can be found in the chapters of this plan that examine four key demographic groups: Seniors, Low-Income Households, the Middle Class, and Students. For information on how production and programs will be funded, please see Chapter 8: Resource Development.

Please note that this housing plan does not address issues of homelessness; the City of Boston is currently executing an action plan to house Boston's homeless entitled "Bringing Boston Home". Information about that plan can be found on the City of Boston's website.

TABLE 2: **Demographics of New Housing Production 2010-2030**

Demographic Group	New Units
Seniors	5,000
Workforce	44,000
Vacancy to stabilize Market	4,000
Total	53,000

TABLE 3: **Sources of New Housing Production 2010-2030**

Production Source	New Units
City Assisted Low-Income: Non-Senior	6,500
City Assisted Low-Income: Senior	1,500
Middle-Income Inclusionary/Assisted	4,000
Middle-Income Unassisted: Non-Senior	11,000
Middle-Income Unassisted: Senior	2,500
Middle-Income Units Released via Dorm Production	5,000
Market-Rate Unassisted: Senior & Non-Senior	18,500
Market-Rate Units to Support Market-Stabilizing Vacancy Rate	4,000
Total	53,000



Housing Boston's Low-Income, Non-Elderly Households

Since building its first public housing units in the 1930s, Boston has maintained a 75-year tradition of creating housing for its low-income residents. The result is a city that now has a greater share of its housing stock set aside as affordable housing than any other major city in the country. Boston currently has 52,800 units of affordable housing, comprising 19 percent of its housing stock.

Yet despite these accomplishments, Boston still has a significant need for more low-income housing. The 2010 American Community Survey reports that there are 28,400 non-elderly, low-income renters paying an excessive share of their income in rent, who are in need of more affordable housing options. In addition, demographic projections indicate that by 2030, the city will see a net increase of 9,750 low-income workforce households, all of whom will need affordable housing. In total, the City anticipates that by 2030 there will be 38,200 low-income, non-senior households who may be in need of affordable housing.

It is also projected that of these, 55 percent, or 21,000 households, will have extremely low incomes (below

\$25,000), such that they can only be housed if their rent is subsidized, as even the rents for most affordable housing units will be too high for them to afford. These households will be in danger of becoming homeless, and strategies to assist them will be critical.

Given the constraints of space, the high cost of land, declining federal funding, and a finite amount of City dollars available, we must acknowledge that the City cannot build its way out of this problem; rather, several practical strategies must be put in place that, taken together, will further meet the needs of Boston's low-income households.

In addition, increasing our affordable housing stock will require regional action. In Greater Boston, only nine out of 37 communities meet the state's Chapter 40B threshold of having ten percent of their housing stock in affordable housing. If every community met the ten percent requirement, there would be 11,500 more affordable units in Greater Boston. The lack of affordable options in the suburbs only serves to heighten demand for affordable housing in communities like Boston.

GOALS: **The City has four primary goals for housing low-income, non-elderly households:**

1. Increase housing production for low-income, non-elderly households by 50 percent, creating 6,500 new affordable housing units
2. Ensure that 1,700 of these new, affordable units are accessible to extremely low-income households
3. Increase the ability of low-income and highly rent-burdened households to access new and turnover affordable housing units
4. Improve access to housing that will accommodate non-elderly persons with disabilities

ACTIONS: **To achieve these goals, the City intends to undertake the following actions:**

1. Prioritize cost-efficient, high-quality developments when selecting projects for City and State funding programs
2. Raise additional resources for affordable housing production, (See Chapter 8, Resources) while working with developers, real estate professionals, and building trade representatives to reduce costs of affordable housing production
3. Create new, permanently affordable units to serve extremely low-income households by converting at least 1,700 Section 8 mobile vouchers into project-based assistance
4. Create a new Acquisition/Conversion Program that will make it easier to acquire existing rental properties and convert them into permanent affordable housing
5. Create a new financing model that supports the creation of new, low-income rental housing and does not depend on 9% Low Income Housing Tax Credits (LIHTC)
6. Create new processes to help those with the greatest need efficiently access affordable units
7. Working with the Commission for Persons with Disabilities, establish a task force to better understand the on-going housing needs of the disabled community
8. Work with housing advocates and other municipalities to increase the supply of affordable housing in the Greater Boston region



Preservation of Affordable Housing

Although Boston has a strong commitment to affordable housing, with 52,800 subsidized units to help house its low- and moderate-income residents, some of these units are at risk. Federal funding has declined significantly, while strong market conditions make it more and more likely that landlords will choose to convert previously affordable units to market-rate housing. With the costs to create affordable housing units at an all-time high, it is critical for the City to assist in preserving every possible unit of affordable housing. Affordable housing preservation can be broken into two categories:

Public Housing

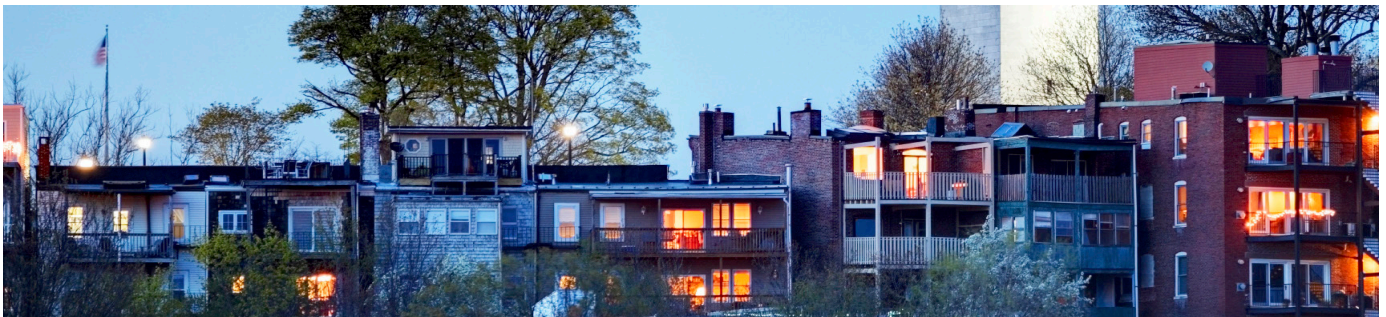
One in ten Bostonians depends on the Boston Housing Authority for housing. The BHA owns more than 12,000 public housing units, and financially supports another 11,000 private units leased with BHA support. But even with its size, the BHA has had to take significant cost-cutting measures in operations and maintenance in response to declining federal

support. In addition, the BHA has cut staffing by 100 positions and has limited its capital investments to only immediate health and safety issues.

Private, Affordable Rental Housing

One in every eight Bostonians lives in one of the city's 30,400 privately-owned affordable rental units. Many of these units were created with affordability restrictions lasting 30-40 years; today, some of these units are reaching the end of their affordability terms.

While most of these units (26,200) are relatively safe because they are either owned by non-profits or because their owners have entered into affordability extensions, 4,200 units remain at risk of being converted into market-rate housing. Of those, 3,038 units are at elevated risk, including 607 units that were financed under the State 13A program. Unlike tenants in federally funded developments, who are protected with tenant-based rental assistance, tenants in 13A developments do not have these protections.



GOALS: **The City has four primary goals to preserve the public and private portfolios of affordable housing:**

1. Maintain a 97 percent or higher occupancy rate in BHA housing
2. Raise public awareness of the challenges faced by public housing while growing local support for a variety of preservation strategies
3. Retain at least 97 percent of Boston's 30,435-units of privately-owned, affordable rental housing, including more than 85 percent of the 4,200 units currently at risk
4. Seek to preserve all of the 13A developments, and where preservation is not an option, ensure that 100 percent of tenants in those developments have access to alternate affordable housing

ACTIONS: **To achieve these affordable housing preservation goals, the City intends to undertake the following actions:**

- PUBLIC**
1. Partner with the Federal government to explore legislation to allow more fungibility between public and leased housing program funding
 2. Develop site-by-site capital strategies for BHA properties that optimize assets and funding opportunities, including HUD's Rental Assistance Demonstration and Choice Neighborhoods programs
 3. Maintain energy performance contracting at the BHA
 4. Diversify BHA's funding sources; linking new efforts to education, jobs and health programs
 5. Continue to implement back-office efficiencies and technology enhancements at the BHA in order to reduce operating costs
- PRIVATE**
1. Continue aggressive preservation efforts for every unit of private affordable housing that is at risk for conversion to market-rate
 2. Work with State and Federal agencies, CEDAC, the non-profit community, and tenant advocates to develop and implement a comprehensive 13A preservation strategy
 3. Create 13A tenant rehousing assistance programs when tenancies cannot be saved
 4. Re-prioritize rental preservation resources towards at-risk units, ensuring that limited resources are targeted to the most critical preservation activities
 5. Continue to support nonprofit programs that provide technical support and organization for tenants living in at-risk properties



Boston's Middle Class

Maintaining a strong middle class is critical to securing Boston's future. Today, however, Boston's middle class faces a unique set of challenges, and its ability to access the market is diminishing in the face of rising prices. Retaining and growing our middle class is critical to building the strong, inclusive city this plan envisions.

The City is defining its middle class as households with incomes between \$50,000 and \$125,000. The range begins at \$50,000, reflecting Boston's median income of \$53,000. Household income of \$50,000 is also the level where eligibility for most government-assisted housing ends, so market-based solutions become critical.

Boston still has a sizable middle class, representing 34 percent of its households. Compared to the region, however, Boston's middle class is smaller, younger, and has a lower homeownership rate (43 percent) compared to the region (69 percent).

Middle class households face unprecedented difficulties in accessing the market. Today, a household with an income at the midpoint of middle class range (\$80,000) can only afford the bottom 23 percent of the homeownership market in Boston, and is priced

out of seven of Boston's 15 neighborhoods. That same \$80,000 income is currently enough to afford 51 percent of the rental market; however, rents are rising at five times the rate of income, making the rental market increasingly unaffordable as well.

Compounding these challenges is an underlying production cost issue. While funds are available from the City, State, and Federal government to subsidize affordable housing, and while the real estate market financially rewards builders who create higher-end housing, there are limited incentives to develop housing that is accessible to the middle class. The City will work with the development community to produce more of this housing, helping to lower the cost of production so that the market may respond.

The City must also support the ability of all potential buyers to purchase a home in Boston. Currently, non-white borrowers are less able to access the market. While 40 percent of Boston's middle class is non-white, only 20 percent of mortgages went to non-white borrowers. To correct a widening homeownership gap within the middle class, we must better understand these issues, and work with our non-profit and lending partners to take meaningful action.

GOALS: **The City has three primary goals to meet the needs of its current and future middle class:**

1. Double the pace of middle-income housing production, creating 20,000 new units of housing affordable to Boston’s middle class workforce
2. Expand and enhance the City’s homebuyer programs to help 5,000 middle class homebuyers purchase their first home
3. Work with non-profit organizations and lending partners to increase lending and ensure equal access to home mortgages

ACTIONS: **To achieve these goals, the City intends to undertake the following actions:**

1. Institute zoning relief in locations with good transit that are affordable to the middle class, allowing for more efficient development at significant densities
2. Provide tax incentives that offer time-limited relief from property taxes in targeted middle-income development areas
3. Enhance financial feasibility of middle-income housing in target areas by allowing reasonable cost-saving modifications to the Inclusionary Development Policy (IDP)
4. Work with the building trades to reduce the construction costs of producing middle-income housing
5. Identify and make available City- and State-owned surplus land for developers to build mixed-income housing
6. Make small City-owned infill lots available for mixed-income homeownership development, creating opportunities to produce mixed-income housing with long-term affordability protections
7. Make improvements to the permitting process to help small builders create more new housing on small, privately-owned parcels
8. Enhance homebuyer assistance services, and double the number of homebuyers assisted



Housing Boston's Seniors

Boston's elders are a rapidly growing demographic with very specific housing challenges. Providing opportunities for Boston's seniors to live in the city enriches and retains diversity in the neighborhoods. Boston must ensure that there are proper supports for seniors who wish to remain in their homes, and suitable housing options for those who need to downsize or find affordable housing.

After retirement, seniors often move to a fixed income and have lower incomes as a result. Technically, seniors are Boston's lowest-income demographic group. Sixty-six percent of Boston's seniors are considered to be low-income, compared to 38 percent of the workforce (ages 25-64). Although 62 percent of Boston's low-income senior renters are already in subsidized affordable housing, there are still 5,700 senior renters with high housing needs who are paying more than 50 percent of their income on rent. In addition, another 4,300 senior homeowners have incomes so low (less than \$25,000) that paying taxes and maintaining their homes can cause serious financial strain.

Seniors are also Boston's fastest growing demographic; their numbers are projected to rise 53 percent from 2010 to 2030, with an increase of 22,400

households. By 2030, one in five Boston households will be of retirement age. Notably, the growth in this senior population is not just from seniors moving in and looking for new housing; rather, it is a demographic shift of baby boomers who are already here and housed. For this reason, helping those seniors who wish to remain in their housing will be one key component of the City's housing strategy.

Another critical component will be creating more opportunities for seniors to age in vibrant, well-connected supported housing communities that have been designed to maximize senior independence and health. The City will encourage development of attractive senior housing for households wishing to downsize, opening existing larger units for working families.

The cost to produce affordable senior housing has increased by 89 percent since 2000, while Federal funding has decreased. The capital component of the Federal 202 program has been eliminated at the same time that the City's CDBG allocation has been cut by 33 percent. Both of these resources were historically used to create affordable senior housing. In order to produce additional units of affordable senior housing, the City must identify and secure new financial resources.

GOALS: **The City has three primary goals to meet the needs of its current and future seniors:**

1. Maintain the historic pace of low-income senior housing production, despite the elimination of Federal 202 capital funds and reduction of CDBG, creating 1,500 new affordable senior housing units
2. Encourage the market to develop 3,500 units of senior-oriented housing, allowing seniors to downsize
3. Provide increased housing stabilization and support services for seniors who wish to remain in their current housing, and assist those who need to find a more accessible, supportive setting

ACTIONS: **To achieve these goals, the City intends to undertake the following actions:**

1. Identify new sources for the creation of affordable senior housing and support services, including expanded City and State resources; work with the Federal government to identify new Federal resources
2. Utilize City-owned land and buildings for the creation of affordable senior housing
3. Explore options for siting senior housing in Main Streets districts and other neighborhood commercial centers, improving services and quality of life for seniors while providing foot traffic and vitality to the community
4. Engage the development community to better understand the opportunities and challenges related to the creation of market-rate senior housing
5. Examine best practices in other cities for “in-law” apartments. If appropriate, develop a pilot to design and zone for this type of housing
6. Establish a Senior Housing Assistance Network to better connect seniors with available housing stabilization services, including advocacy, housing search, counseling, assistance with applications, and increased access to benefits
7. Provide Senior Energy Retrofit Loans to very low-income seniors
8. Support Senior Housing Innovation Demonstration Projects that strengthen the partnership between supported housing and healthcare providers



Housing Boston's Students

Boston's world-class network of colleges and universities trains a high-skill labor force, which is an important driver of the region's innovation-based economy. Boston hosts more than 152,000 students attending college or university within the city. Of these 152,000 students, 20,600 undergraduate and 15,600 graduate students live in off-campus housing in Boston. These 36,000 students create pressure on the local rental market, and are also at risk of being taken advantage of by unscrupulous landlords who permit overcrowding in unsafe housing.

Between 1995 and 2010, undergraduate enrollment grew by 13 percent. The City wants to ensure that by 2030, on-campus housing for undergraduates not only keeps up with future growth, but also substantially reduces the number of undergraduates living in off-campus housing in Boston. Additionally, although graduate student enrollment grew by 47 percent from 1995-2010, very few graduate students are housed on campus. The City will encourage colleges and universities to create enough housing for graduate students to mitigate their impact on the market.



Mayor Walsh and other City officials meet with representatives from Boston's colleges and universities at the Parkman House.

GOALS:

The City has three primary goals for student housing:

1. Create 16,000 new undergraduate dorm beds to accommodate growth while reducing the number of undergraduates living off-campus in Boston by 50 percent
2. Create dedicated housing for 2,500 graduate students to mitigate the impact of graduate students on the housing market
3. Improve living conditions for off-campus students through vigorous enforcement of housing codes and improved communication with students and families

ACTIONS:

To achieve these goals, the City intends to undertake the following actions:

1. Partner with colleges and universities to set specific student housing commitments, creating clear plans and timetables for every institution to achieve its housing goals
2. Explore public-private partnerships to create off-campus dorms and student villages
3. Work with the community to establish approved locations for both on- and off-campus student housing facilities
4. Work collaboratively with Greater Boston area college leaders and mayors to address student housing issues in the region
5. Utilize the updated University Accountability Ordinance to obtain more complete information from institutions of higher education. This will improve the ability of City inspectors to ensure the safety of off-campus students, while also improving master planning for student housing
6. Establish routine proactive inspections of all off-campus student housing and, where necessary, levy the fines available under Boston's Problem Property Ordinance
7. Provide students and families access to information about private landlords and specific properties



Strong, Healthy Neighborhoods

Boston's strength lies in its vibrant neighborhoods. To support the health and well-being of those neighborhoods, a housing plan must support stability, diversity, economic empowerment, and the health of its residents. To strengthen its neighborhoods, the City must focus on the following:

Gentrification

In six of Boston's 15 neighborhoods, the share of the housing stock occupied by low-income households is declining, while the share occupied by more affluent households is on the rise. In an additional five neighborhoods, both low- and middle-income households have declining shares of the housing stock. Today, there are only four neighborhoods with no significant signs of gentrification. Ensuring that long-time residents are able to remain in their homes is critical to the stability of our neighborhoods.

Foreclosures

Although home foreclosures have declined by 90 percent from their 2008 peak, some homeowners are still at risk of foreclosure, with 131 homeowners receiving foreclosure notices in 2013. More than 200 bank-owned properties remain vacant, and need to be responsibly returned to the market.

Problem Properties

Abandoned and mismanaged properties can undermine a neighborhood's quality of life by attracting crime and

vandalism. In situations where owners are not willing or able to improve these properties, the City must hold the owners of these problem properties accountable for making the required improvements. Where vacant or blighted properties have remained on the tax-delinquency rolls for years, the City must prioritize foreclosures that benefit the neighborhoods.

Diverse Housing Choices

Strong neighborhoods provide a variety of housing options that build and support a diversity of ages, incomes, abilities, and races. These housing choices should include both homeownership and rental opportunities and should also include housing for emerging artists and young entrepreneurs, who can provide economic vitality in their neighborhoods.

Healthy Homes

Boston's world-class healthcare industry affords the City an opportunity to create partnerships between the housing development community and the health care community that support positive health outcomes. City programs already exist to serve as a foundation for these partnerships. For example, Boston has been a leader in lead paint abatement and other health and safety-oriented programs through the Healthy Homes Boston initiative. To further improve the health of our neighborhoods, we need to increase collaboration between the health care and development communities.

GOALS: **The City's has six primary goals to support stronger, healthier neighborhoods:**

1. Mitigate impacts of gentrification through targeted homebuying programs, strategic acquisitions, community land trusts, tenant assistance, and expanded outreach to seniors
2. Reduce the number of foreclosures on homeowners to fewer than 20 per year
3. Reduce the bank-held REO inventory by at least 50 percent by 2016
4. Successfully resolve problem properties using all available regulatory tools
5. Support the creation of mixed-income developments and neighborhoods
6. Build on the Healthy Homes initiatives, forming new connections between housing and health

ACTIONS: **To achieve these goals, the City intends to undertake the following actions :**

1. Expand homebuyer assistance programs
2. Create a new acquisition/conversion program to increase the share of housing stock with long-term affordability restrictions
3. Explore the use of community land trusts
4. Support the creation of mixed-income developments and communities
5. Strengthen foreclosure prevention and assistance programs
6. Continue and expand the Problem Properties Task Force, enforcing financial penalties at the worst properties
7. Prioritize tax foreclosures on blighted/vacant properties remaining on the tax-taking list for multiple years with no resolution
8. Establish partnerships between the health care and housing development community to create programs that connect housing with health outcomes



Green and Sustainable Housing

A sound housing policy that responsibly manages growth is critical to regional and state efforts to reduce carbon. Urban living has a significantly lower environmental impact; the more residents who choose to live in Boston as opposed to the suburbs, the lower the region's carbon footprint.

That said, more than 20 percent of Boston's carbon footprint comes from housing. Boston's current Climate Action Plan calls for our housing stock to reduce emissions by approximately 100,000 metric tons of CO₂e by 2020. To meet this goal, we will be required to build housing that is more energy-efficient while we retrofit our existing housing stock.

In addition to making our housing more energy-efficient, we must also prepare for more extreme weather events. In anticipation of climate change, there are a variety of activities homeowners, renters, and landlords will need to take to minimize risk and potential property damage.

Boston is currently preparing an updated Climate Action Plan, a formal work plan that will help ensure that Boston achieves its carbon reduction goals and is prepared for the impacts of climate change. Specific goals and actions, e.g., percentage reductions for different categories, will be provided in that work plan.



Public Courtyard for Parker & Terrace E+ Development, Mission Hill

GOALS: **The City has three primary goals to ensure that our housing is both energy-efficient and ready for climate impacts:**

1. Increase energy efficiency of existing housing units
2. Work to reduce carbon impacts and incorporate advanced sustainable building design in new housing developments
3. Prepare Boston’s housing stock for sea-level rise, extreme heat, and other natural disasters

ACTIONS: **To achieve these goals, the City intends to undertake the following actions:**

1. Recognize and promote leadership in green building design and construction through the annual Greenovate Boston Awards and annual Green Home tour
2. Partner with high schools and universities to help students develop the job skills necessary for an evolving green building industry
3. Explore implementing a system of ratings for homes and apartments based on their energy efficiency
4. Support the building industry in meeting new stretch code energy standards; encourage and provide resources to new and existing buildings that go beyond the code
5. Identify opportunities to integrate no-cost home energy assessments with the permitting process
6. Utilize and expand community-based outreach to sign up residents for home energy assessments and support eligible projects through the weatherization process. Improve coordination between Renew Boston and the Boston Home Center
7. Improve multi-family housing energy efficiency and resiliency project financing by strengthening existing programs, developing innovative financing structures, and committing new investment capital to fund building system upgrades
8. Support developers, owners, and tenants in taking climate preparedness actions. Identify technical and financial resources, with special attention to the needs of vulnerable populations
9. Where feasible, encourage infill and density along existing and proposed public transportation corridors; reform parking standards and accelerate implementation of the Complete Streets Guidelines
10. Ensure that Boston Housing Authority buildings are prepared for the impact of climate change



Expanding Resources For Affordable Housing

To support its commitment to affordable housing, the City of Boston relies on both public and private resources to help fund development. Our partners range from the Federal government to the Commonwealth of Massachusetts, and include quasi-public agencies and a large number of non-profit organizations, private banks, and foundations.

As Boston looks to increase its affordable housing production, public resources for affordable housing are decreasing. Federal resources have declined over the last ten years: Federal Community Development Block Grant funding (CDBG) is down by 33 percent, the HOME Federal Investment Partnerships Program funding is down 48 percent, and the Federal Section 202 capital program has been eliminated.

State funding for affordable housing projects in Boston has remained strong, averaging \$35 million per year. Many of Boston's affordable housing projects receive allocations of 9% Low Income Housing Tax Credits (LIHTC). However, there is so much demand for this funding program that there is now a multi-year queue for these credits. Four percent LIHTC are more readily available, but generate between \$60,000 and \$70,000 less per unit in equity.

City resources are playing an increasingly significant role in building affordable housing. Funding for affordable housing from the City's General Fund has remained stable at \$5.5 million. Inclusionary Development Program (IDP) funding is up significantly due to the strength of the residential real estate market. The City projects that IDP will generate approximately \$10-\$12 million annually. Linkage funding for housing has remained stable at about \$6-\$7 million annually. These resources, together with the City's annual allocation of HOME and CDBG funding, provide approximately \$31 million annually for affordable housing production and programs.

Delivering on all of the commitments in this plan will require the City to raise an additional \$20 million annually. The majority of these funds will be used to increase the production of affordable housing for Boston's workforce and its seniors. The City will explore a variety of potential sources to meet this need including passage of the Community Preservation Act (CPA), modifications to the Inclusionary Development Program, adjustments to the Linkage Program, and an increased commitment of funds from the City's Operating Budget.

GOALS: **The City has three primary goals for expanding affordable housing resources:**

1. Increase the amount of City-controlled affordable housing resources from \$31 million to \$51 million annually
2. Work to maintain funding levels from existing programs, including CDBG, HOME, and LIHTC
3. Evaluate the resources needed to achieve the production goals of the Housing Plan on an ongoing basis, recognizing that costs and revenues will change over time

ACTIONS: **To achieve these goals, the City intends to undertake the following actions:**

1. Review the Inclusionary Development Policy to create increased predictability for developers while increasing the cash-out obligation, especially in high-end developments
2. Evaluate the feasibility of securing a line item in the City budget for senior housing programs and services, increasing City funding to offset Federal cutbacks
3. Implement automatic Linkage adjustments and consider additional program modifications
4. Evaluate the feasibility of and support for enacting the Community Preservation Act
5. Identify new resources and maintain existing funding
6. Work with housing developers to present the most competitive, cost-effective affordable housing applications to funders, improving efficiencies and reducing costs
7. Work with the public and private lender community to develop alternative funding paths for new affordable housing production



Government Efficiency & Accountability

The successful delivery of a comprehensive plan requires that the City examine its own processes and procedures to ensure that it is functioning at the highest, most efficient levels. If administrative systems do not improve to match the goals established here, they could hinder the achievement of this plan.

The City must reform the permitting process, increasing transparency and efficiency. Better use of technology can improve communication and engagement, allowing the public increased access to and a better understanding of development matters in the neighborhoods.

While there are many City programs available to assist residents with their housing needs, there is currently no single point of entry. It can be difficult for residents to physically locate the assistance they need unless they are aware of the specific program or agency in which the program is located. With City housing services spread across buildings and departments, a better use of space and technology will improve the public's access to housing services, allowing residents to have answers quickly, transparently, and in their own language.

Additionally, the City needs to reach out to new partners in the innovation sector to seek their help in creating

and implementing new, practical housing models. Boston is a leader in innovation, but it has yet to use these resources to develop new housing for Bostonians at scale. By launching a Housing Innovation Lab, Boston can become a national and international leader in pioneering innovative housing models to serve the needs of Boston's current and future residents.

A plan with a 17-year timeline must be a living document, with built-in checks and balances to ensure accountability, and space for potential course corrections. As part of the execution of this plan, the City will commit to accountability and transparency toward achieving its goals and will create a workplan with attached dates and milestones.

Finally, Boston must remain a diverse and welcoming city by ensuring access to fair lending practices, addressing impediments to housing choice, reducing racial and economic segregation, improving access to employment and services, and facilitating broader access to quality healthcare and quality education. To that end, this Housing Plan will be enacted in a close working partnership with the Office of Fair Housing and Equity, bearing in mind that accessibility to opportunity is the key to achieving diversity.

GOALS: **The City has five primary goals to ensure government efficiency and accountability to this plan:**

1. Improve the permitting process to unlock greater housing production
2. Commit to complete transparency on development
3. Organize the City's housing-related resources to improve ease of access to service for Boston's residents
4. Establish Boston's leadership in housing innovation by creating a Housing Innovation Lab
5. Ensure ongoing accountability to this plan

ACTIONS: **To achieve these goals, the City intends to undertake the following actions:**

1. Create a universal online permit application portal to improve the permitting process; developers will be able to track the status of all permits along with timeframes for regulatory decisions
2. Launch a residential zoning reform process with more as-of-right support for housing production citywide; re-zone for residential density around transit nodes; and streamline ZBA processing
3. Strengthen permitting performance management using data-driven accountability in order to deliver more timely results
4. Create a Boston Development Online website where residents will be able to see all development activities and related public meetings in an easy-to-use and collaborative platform
5. Create streamlined processes to access housing opportunities and assistance, presenting services based on customer need
6. Continue strong partnerships with community-based organizations, encouraging collaboration among non-profits and with the City
7. Launch a Housing Innovation Lab to position Boston as a national and international leader in pioneering innovative housing models
8. Regularly convene the Mayor's Housing Task Force to create a comprehensive workplan for enactment of this housing policy
9. Establish timelines, milestones, quarterly scorecards, annual reports, and a regular meeting schedule