

ACCOMMODATING GROWTH

2030 GOAL:

Create 53,000 new units of housing by 2030.

PERFORMANCE TO DATE

PERMITTING PROGRESS

More than 30,000 units are in the development process, which represents 57% of the City's 53,000 unit target.

Of those, 16,651 units are permitted or completed, representing 125% of the target rate needed to create 53,000 new units by 2030.

In addition, 13,522 units are in the development review and permitting process.

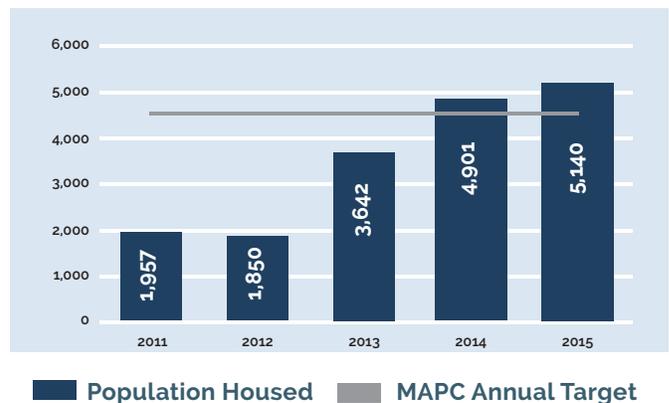
Permitted or Complete Units	16,651
BRA and DND Approved	8,539
BRA and DND Under Review	3,712
ISD Permit Applied Not Issued	1,271
TOTAL	30,173



POPULATION GROWTH CENSUS 2010-2015

While permitting may be ahead of plan, the completions needed to house Boston's expected population growth have only recently begun to keep up with projected demand. To meet the target population projections for 2030, enough housing to accommodate 4,700 new Bostonians needs to be added each year. From 2011 to 2013, production did not reach that level, resulting in lower vacancy rates and rising prices. By 2014, production began to meet the target. In 2015, production climbed to ten percent above target, which should result in less inflationary pressure on the market.

Growth Target Census 2010-2015	23,312
Capacity of Completed Units	19,782
Performance Toward Target	85%



2015 HIGHLIGHTS

NEW UNITS COMPLETED

- 3,807 new units of housing completed
- 75% increase over 2014 completions
- In 20 years of record keeping, this is the largest number of new units added in a single year to Boston's housing supply
- These new units represent enough housing to accommodate more than 5,000 new Bostonians



100 PIER 4

NEW UNITS PERMITTED

- 4,867 net new units were permitted, representing \$2.5 billion in housing investment
- This is the largest number of new units permitted in a single year in 20 years of record-keeping
- When complete, this housing will be enough to accommodate 7,000 residents



BOSTON EAST

NEW UNITS APPROVED

- A total of 4,140 new units were approved or funded by the City in 2015, but are not yet permitted.
- Of these approvals, 1,449 were for affordable units, representing 35% of all new approvals.
- This is a 55% increase over the 932 affordable units approved in 2014.



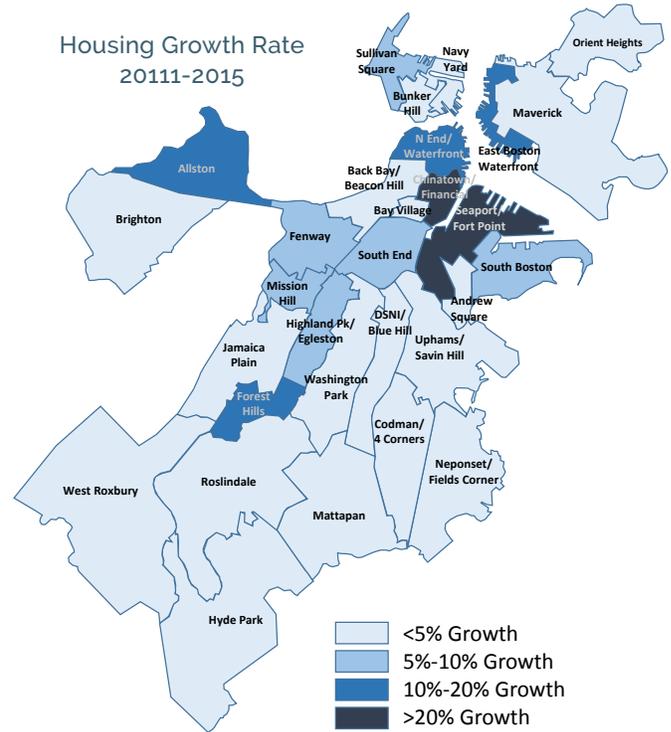
102-110 BROAD STREET

NEW INFORMATION TO CONSIDER

HOUSING GROWTH RATE 2011-2015

Boston's overall housing supply has grown by six percent since 2011; however, the pace of growth varies enormously between neighborhoods. In the centrally-located neighborhoods where market values make new development more economically attractive, developers are creating the greatest volume of housing. Boston's fastest-growing neighborhoods are the Chinatown/Financial District area and the Seaport/Fort Point area.

This concentration of development will not create the variety of housing options that Boston's growth demographics demand. There is, however, an encouraging trend emerging: the pace of housing production outside downtown is up substantially – from 906 units in 2013 to 2,108 units in 2015. The share of new production outside downtown is also rising. In 2013 only 28% of new starts were outside the downtown neighborhoods. By 2015 that share had risen to 43%.



JOB ACCOMMODATING DEVELOPMENT

More than 10 million square feet of new commercial and institutional development has come on line or gone into construction in the last two years. This provides strong evidence that Boston's surging housing market is not a speculative bubble as has been experienced in the past, but rather is supported by the strong fundamentals of a growing economy.

Furthermore, another 11.6 million square feet of commercial development has been approved by the BRA and DND. This would indicate that a strong jobs-based housing demand can be expected in the years to come.

JOB ACCOMMODATING DEVELOPMENT 2014-2015

Type	Complete (SF)	In Construction (SF)	Total
Office	3,739,124	1,139,501	4,878,625
Institutional	1,241,897	1,127,408	2,369,305
Commercial	471,033	521,316	992,349
Hotel	336,060	1,209,058	1,545,118
Other	629,111	203,052	832,163
TOTAL	6,417,225	4,200,335	10,617,560

CHALLENGES & OPPORTUNITIES

To ensure that Boston's housing plan remains current and relevant, the City, along with the Housing Task Force, will review new policies annually with an eye toward making course corrections and improvement. Below are some challenges and opportunities that could impact the City's ability to accommodate growth.

Strategic Planning Areas

In July 2015, the BRA launched a public process for two Strategic Planning Areas, one focused on Dorchester Avenue in South Boston, and the second focused on portions of Washington Street and Columbus Avenue in Jamaica Plain and Roxbury. These two areas have been identified as locations that can support new housing due to access to transit options and other assets, as well as development opportunities via underutilized land and former industrial sites. At the completion of the public process, new zoning guidelines will be recommended for these areas that will encourage new residential development, while increasing the availability of other community assets that meet the community's vision.

Greater Regional Action to Accommodate Growth

While Boston is planning for growth, the Boston Foundation's recent *Greater Boston Housing Report Card, 2014-2015: Fixing an Out-of-Sync Housing Market* makes it very clear that the need for new housing, particularly multi-family homes, is regional in nature. The City of Boston alone, with all good intentions, cannot build enough units to support regional growth. For this reason among others, Mayor Walsh signed the Greater Boston Regional Economic Compact in December of 2015, along with the chief executives of Boston, Braintree, Cambridge, Chelsea, Quincy, and Somerville. These neighboring cities have committed to a regional economic development strategy to market the region to global corporations and to coordinate efforts in the areas of Housing, Sustainability, and Transportation. This landmark agreement recognizes that many policy issues facing Compact members do not stop at city borders, and that regional challenges may be best served by collaborating on regional solutions. By working together, Compact members have created a means for coming up with new, potentially innovative solutions to common issues that will benefit more than just their own residents.

How Much Growth To Plan For?

The Massachusetts Area Planning Council (MAPC) projections used for the targets in this Plan represented the best available analysis at the time. However, as the realities of development, changing demographics, and economic expansion unfold, updated plan targets may be necessary. Current Census estimates for Boston's population growth are outpacing earlier projections.

There are a number of factors that may be driving this accelerated growth pace. For example, the reality of development impediments in many Greater Boston communities may be channeling more growth into cities and towns that are more welcoming to managed growth. Also, Boston's anticipated 15 million square feet of commercial development could represent a shift in regional employment patterns that drive up demand for housing in the city.

In the longer view, continuing improvements to the school system may result in declining rates of outmigration of families, resulting in an even greater demand for housing in the city. In fact, the Census Bureau's latest data are showing that family households in Boston are driving the increase in the number of households, which may suggest that this demographic shift is beginning.