

Boston is growing, and 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.

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.

Background

By 2014, when Mayor Martin J. Walsh commissioned a new housing plan to guide Boston's residential development, Boston had experienced three years of economic expansion where the population increase outpaced the growth of the city's housing supply. The resulting housing shortage created significant upward pressure on prices.

In 2014, the City of Boston engaged the Metropolitan Area Planning Council (MAPC) to assess the city's increasing population and to develop a housing production target that would not only accommodate growth, but also the new demands for housing types that would arise from Boston's shifting demographics.

The resulting plan, produced by a cross-departmental City team and task force of external experts, recommended a target of 53,000 new units to rebalance the market and prevent future housing shortages through 2030.

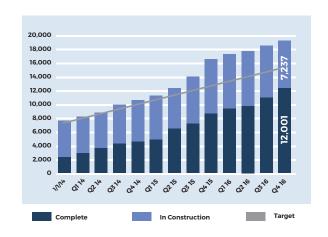
Housing a Changing City: Boston 2030 aims to meet the need of Boston's future by expanding the supply of new housing to catch up and keep up with growth, resulting in decreased pressures on rents and housing prices.

A key factor in the success of the plan will be to pull significant numbers of higher-wage households out of existing housing stock as they upgrade into the new units. We expect that when there are fewer higher-wage workers competing in the market for existing units, rents and prices will be kept in check by new vacancies in the stock.

How we're doing: Results to date

- Through Dec 31, 2016, 12,001 new units have been completed and another 7,237 units are in construction for a total of 19,238 new units.
- Another 21,865 units are in the permitting and development approval process for a total of 40,923
 new units that are either built, in construction or active in the pipeline, representing 121 percent of
 the City's target for this point in the plan.
- 2015 was the first year completions of housing units outpaced population growth. (3,785 units completed, compared with an estimated population growth requirement of 2,650 units).
- The new production now appears to be having the desired effect on the real estate market, easing the rent burden on existing housing stock. (See next section.)

YEAR TWO HOUSING PRODUCTION ACTIONS		
ACTION	UNITS	
COMPLETED	12.001	
PERMITTED	7,237	
PLANNING	21,865	
TOTAL IN PROCESS	40,923	



How we're doing: Rental market trends

As 12,000+ newly built, higher-priced rental units came onto the market, list prices for older 0-3 bedroom units* decreased by 4% from 2015 to 2016. The sharpest decreases were in 0 and 1-bedroom units, the most common unit sizes in newly built buildings. Two-bedroom units saw modest decreases; three-bedroom units remained stable.

CITYWIDE RENTS IN OLDER HOUSING STOCK BY UNIT TYPE			
UNIT SIZE	2015	2016	% CHANGE
0 BR	\$1,607	\$1.481	-8%
1 BR	\$2,032	\$1,849	-9%
2 BR	\$2,107	\$2,074	-2%
3 BR	\$2,282	\$2,282	0%
ALL*	\$2,071	\$1,984	-4%

^{*}Rents in these tables are reported as weighted averages for 0, 1, 2, 3 bedroom units that correct for over- and under-sampling errors.

Rents in older units decreased or stabilized, including those in neighborhoods with the most new development in the past 5 years: Central (-3%), South Boston (-9%), South End (-5%), and Allston/Brighton (-5%). Neighborhoods with rent increases have little new housing production: Mattapan (4%) and West Roxbury (1%).

While rents in older units are stabilizing, demand for newly constructed units remained high in 2016. Among the five neighborhoods with the most listings in new stock, average rents rose between 2015 and 2016.**

* "Older" units were built before 2011.**Rental listings from MLS and RentalBeast.com.

CITYWIDE RENTS BY UNIT TYPE IN NEW HOUSING STOCK			
NEIGHBORHOOD	2015	2016	% Change
Allston/Brighton	\$2,663	\$3,547	33%
Central	\$3,581	\$4,488	25%
East Boston	\$2,264	\$2,480	10%
Fenway/Kenmore	\$2,901	\$3,371	16%
South Boston	\$3,719	\$3,502	-6%
TOTAL	\$2,973	\$3,507	18%

RENT IN OLDER HOUSING STOCK			
NEIGHBORHOOD	2015	2016	% Change
Allston/Brighton	\$1,913	\$1,811	-5%
Back Bay/Beacon Hill	\$ 2,88 7	\$2,894	0%
Central	\$2,824	\$2,748	-3%
Charlestown	\$2,734	\$2,673	-2%
Dorchester	\$1,665	\$1,573	-5%
East Boston	\$1,685	\$1,639	-3%
Fenway	\$2,192	\$2,135	-3%
Hyde Park	\$1,574	\$1,479	-6%
Jamaica Plain	\$2,061	\$1,959	-5%
Mattapan	\$1,381	\$1,438	4%
Roslindale	\$1,668	\$1,639	-2%
Roxbury	\$1,757	\$1,598	-9%
South Boston	\$2,477	\$2,262	-9%
South End	\$2,851	\$2,704	-5%
West Roxbury	\$1,731	\$1,747	1%
CITYWIDE	\$2,071	\$1,984	-4%



To responsibly plan for growth, the City has undertaken a number of actions:

- By significantly enhancing collaboration between all departments responsible for housing, the City has created a development environment that is more streamlined, efficient, and functional.
- Working closely with the development community to help them respond to the demands of this housing plan, the City has found the development community to be a thoughtful, innovative partner.
- Permitting systems have been significantly improved; a special Thursday night Zoning Board of Appeals Hearing now hears the more minor cases that had been impeding the ZBA system.
- New Strategic Planning Areas are being created to allow well-designed density in transit-oriented areas that have underutilized commercial uses.
- The City has significantly expanded its offerings of City-owned real estate available for housing production. 140 parcels have been put under agreement since 2014, encompassing 838,000 square feet of land, a quarter-billion dollars in new development, and 580 new units of housing.
- The City has added significant monetary resources to the development of housing, including increasing the City's operating budget, changing the Inclusionary Development Policy to better leverage the strong market to build affordable housing, and supporting passage of the Community Preservation Act, which is expected to add to the resources available to create new housing.
- The City is promoting innovation in housing production, including new compact living models, facilitating the creation of accessory apartments, energy-positive developments, and pilot density bonus programs.



Joanne, a single mom, sits with her dog in her new home, an affordable rental unit at 66 Hudson Street. available to those earning at or below 30% of Area Median Income.

Boston has the highest rate of deed restricted housing in the US -- nearly 20 percent of our units are deed restricted affordable housing. But with a rapidly growing population, it is imperative that we boost production to provide housing for the anticipated additional 10,000 low income households expected to move to Boston by 2030.

Background

In an era of declining funding for affordable housing, and with historic levels of growth bringing more low income people to Boston, the City is committed to encouraging the development of affordable throughout the city, while improving access to existing affordable units by those households most in need of them.

Boston 2030 Goals

- Increase the pace of low income production by 50 percent over the pre-Plan rate, to create 6,500 new units by 2030.
- 1,700 of those units will be set aside for extremely low income and homeless households.
- Increase the ability of low income and highly rent-burdened households to access new and turnover affordable housing units by centralizing information and procedures.
- Improve access to housing that will accommodate non-elderly persons with disabilities by
 working with the Disability Commission to acquire a better understanding of the needs of the
 disabled community, establishing production targets and procedures to make it easier for
 the disabled community to occupy accessible housing.

How we're doing it: Results to date

- To date, 1,118 new low income units have been completed, with another 397 in construction, for a total of 1,515 new low income units.
- This is 93 percent of the City's target for this point in the Plan. Production of units of housing for Extremely Low Income households is running at 104 percent of target. Another 1,019 low income units are in the City's development pipeline.

DEVELOPMENT PIPELINE: LOW INCOME, NON-ELDERLY HOUSING		
PERMITTED OR COMPLETE	1,118	
IN CONSTRUCTION	397	
IN DEVELOPMENT PIPELINE	1,019	
TOTAL	2,534	

Mayor Walsh convened the Mayor's Disabilities Housing Task Force to begin the process of assessing access to appropriate housing, including low income housing, for disabled Bostonians. The Task Force will be issuing their report on improving access to housing in March 2017. They will also publish a consumer-facing brochure, available in English, Spanish, and on-line, that clearly identifies the programs and services that aid disabled Bostonians in finding appropriate, accessible housing.

Resources

- Since 2014, the Walsh administration has committed nearly \$100 million to affordable housing in four separate funding rounds. Together, these funds will help create 2,580 affordable units, including 476 units set aside for formerly homeless people.
- In late 2014, the Inclusionary Development Fund was transferred to the City's Department
 of Neighborhood Development (DND), allowing the City and DND to increase the resources
 available for affordable housing funding rounds, and to move resources very quickly into use
 once the funds are collected.
- Mayor Walsh also increased funding for affordable housing in the City's FY16 operating budget.
- Mayor Walsh announced his support for the Community Preservation Act in April of 2016. The
 Act was voted in by an overwhelming majority in November. Currently, the City is working to
 compose the board that will vet applications for CPA funds.

Policies/Programs

- The City has now inventoried its entire portfolio of City-owned property, allowing us to build a substantial pipeline of available real estate to support the production of new affordable housing. Since 2014, the City has designated developers for 837,910 square feet of City-owned real estate that will, when built, create 580 new units of housing, including almost 300 low income units.
- In the summer of 2016, a pilot Density Bonus Program was proposed for the PLAN: JP/Rox strategic planning area. Under this program, developers are able to build at greater density than underlying zoning provided they agree to set aside a share of the additional units for lowincome households.
- In the spring of 2016, the Acquisition Opportunity Program was launched with \$7.5 million of Inclusionary Development funds. This program helps community-based developers acquire rental buildings as they come on the market and convert them into affordable housing.
- Working with the Department of Fair Housing, a critical project has been the introduction of a new platform for Metrolist, which assists with affirmative fair housing marketing plans. The new platform is currently in beta, and a formal rollout is expected in March 2017.





Iris is a longtime tenant at Burbank Gardens, a 51 unit rental property that is losing its rental subsidy. Fenway CDC, with assistance from DND and state resources, is acquiring the property and will be able to keep these apartments affordable for Iris and her fellow tenants.

Although Boston has demonstrated a strong commitment to affordable housing, with 52,800 subsidized units to help house its low- and moderate-income residents, these critically important assets can become at risk. Boston's strong real estate market makes it extremely attractive for landlords with expiring affordability restrictions to convert their property to market-rate housing.

Background

There are 30,477 affordable units in Boston that are privately-owned that were funded from the State and Federal programs over the last 50 years. These units are potentially at risk because most have reached the end of their initial affordability requirements, and owners may convert to market rate. While many units are at low risk because of non-profit ownership or already-executed affordability extensions, there over 4,100 units considered to be at moderate or elevated risk.

Boston 2030 Goals

- Retain at least 97 percent of privately-owned affordable rental housing.
 - Retaining at least 97 percent of the City's 30,435-unit portfolio may be difficult, given the twin challenges of the 13A issue and declining Federal support. Attaining this goal will require a commitment of significant resources from the City and State. To this end, the City understands that to best use our scarce housing preservation resources, the preservation of at-risk units, especially 13A units, must take precedence over upgrading affordable units that are not at risk.
- Seek to preserve all of the 13A developments; where preservation is not an option, ensure that 100 percent of tenants in those developments have access to alternative housing options.

Unlike other affordable housing opt-outs, in 13A developments there are no tenant protection vouchers available to low income residents if that development converts to market-rate housing. Working with our partners at the State and in the non-profit community, we will execute strategies to provide assistance to tenants of units that, despite best efforts, may not be preserved.

How we're doing: Results to date

- The 97% retention target means that no more than 161 units can be lost by the end of 2016. With only 61 units lost to date, the City is well ahead of target.
- Of the 4,100 units identified as at moderate or elevated risk, 1,013 have been preserved and only 61 units lost.
- Nine preservation projects, compromising 376 affordable units, were funded by the City between 2014 and 2016. The City contributed \$6.5 million to these projects, which in turn leveraged \$123 million in State, Federal, and private funds.
- There are 600 units in nine 13A developments across the city that are at risk of loss of affordability.
 DND staff continue to meet with tenant groups, owners, and potential developers in hopes of preserving many of these units as affordable, and where that is not possible, to protect the current tenants from excessive rent increases and eviction.

- Working with partners at the State, City staff are prioritizing projects most at risk for loss of
 affordability due to market pressures, financial feasibility, or physical condition. With CEDAC
 and Mass Housing, DND is providing owners with financing options that would allow them to
 take advantage of programs such as RAD, tax-exempt bond financing, and other resources and
 tools as encouragement for them to make a decision to preserve tenancies and secure the
 long-term affordability of the development.
- The City and the State have been reaching out to the owners of the 13A developments, to encourage preservation of the tenancies of low- to moderate-income residents, beyond the protections offered under 40T.
- The City expects to close on the first acquisition of a Boston 13A development by the end of March of 2017.

BURBANK GARDENS, a 51 unit building located in the Fenway, was at risk of loss of its affordability because its subsidy program was ending. The City, State and Mass Housing worked out an acquisition and rehabilitation plan with Fenway CDC that will protect the current tenants and preserve affordability at the property for a mix of incomes in the future.





Marty is a tenant living in an accessible unit in the newly built O'Neill Building as a result of a public/private partnership between the Boston Housing Authority and Beacon Communities. Formerly the Old Colony development in South Boston, the site has been renamed the Anne M. Lynch Homes at Old Colony.

The Boston Housing Authority and other housing authorities are confronting long-term budget deficits in their federally-subsidized housing portfolios. While the Leased Housing budget has stabilized, averting the need to take families off the program, the future of public housing and the viability of its physical buildings remains threatened.

Background

At the time that Housing Boston 2030 was being formulated, the BHA faced continued, long-term federal cutbacks to public housing funding. Accordingly, the BHA's only goal at the time was to maintain its occupancy at 97 percent or above, despite the planned federal cutbacks.

Since that time, BHA's federal public housing operating and capital appropriated budgets have continued to fall well below the amounts needed to adequately maintain and preserve this badly needed affordable housing resource into the long-term future. These cutbacks have put in jeopardy all of the occupancy gains achieved by the BHA over the previous 15 years, although the BHA continues to retain a very high occupancy rate.

Since the initial release of Housing a Changing City: Boston 2030, the BHA has significantly advanced a new public/private model for redevelopment that that would preserve all affordable units, many within mixed-income communities that would be less reliant on public subsidy and would instead rely on the value of land and market forces to help support the preservation of the affordable units.

In 2014, the plan had not been sufficiently vetted with tenant organizations to be included in the City's housing plan; however, today, the BHA is well underway in executing this new redevelopment model, and has established a new target of redeveloping at least 3000 public housing units, or about 25% of its portfolio, by 2030.

Boston 2030 Goals

Maintain a 97 percent or higher occupancy rate in BHA Housing.

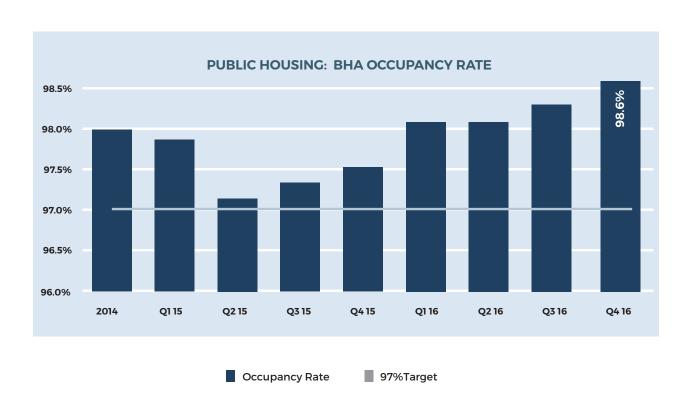
BHA's top priority is keeping units available and occupied. Where appropriate, identify, and secure Federal programs such as Choice Neighborhood Grants, Rental Assistance Demonstration (RAD), and private investment of capital to support this effort. Functions and activities that do not directly support this goal will be impacted first to address funding shortfalls.

The new James O'Neill Building was Phase I of the three planned phases of redevelopment at Old Colony in South Boston. The O'Neill has 116 rental units, 12 of which are available to those earning less than 30% of Area Median Income.



How we're doing: Results to date

- Occupancy Target: With an occupancy rate of 98.6% on Dec. 31, 2016, the BHA continues to exceed its occupancy target of 97%.
- Redevelopment Target: Since 2014, 169 redeveloped units have been completed, and another 90 units are currently in construction for a total of 259 units to date.
- Helping end chronic homelessness: In the past two years the BHA has provided vouchers to 622 families referred by the Commonwealth through its Leading the Way Home program, and an additional 275 homeless families moved into public housing through referral programs.
- Additionally, 319 chronically homeless elders and homeless veterans have been housed at the BHA with supportive services, and the use of VASH vouchers.





Ronald is a tenant living in the new O'Neill Building in South Boston.

- The BHA has issued competitive and public Requests for Proposals and designated developers for seven redevelopment projects under its new redevelopment model.
- The BHA currently has an active pipeline of projects to redevelop 2,714 public housing units. With a combined development portfolio of 2,973 units, and more than 1,500 additional units planned, the BHA has enough development planned or underway to achieve its 2030 goal.
- The City/BHA team was awarded a \$30 million Choice Neighborhoods grant from HUD that will redevelop over 200 existing public housing units at the Whittier St Development and create 250 new units for a mix of incomes in the Roxbury community.
- The first project under the BHA's new redevelopment model started construction in December 2016 -- Orient Heights Phase I in East Boston will redevelop 120 public housing units.
- Although the BHA has prioritized housing homeless families and individuals for many years, it
 has increased its efforts by entering into several special initiatives. In addition to working closely
 with the State to house homeless families, the BHA is an active partner in the implementation of
 the City's Plan to end Chronic and Individual Homelessness.



Elizabeth, Jesse, and their daughter enjoying their new home, which they acquired via a lottery after qualifying to participate in Mayor Walsh's Neighborhood Homes Initiative. The single-family property was tax-foreclosed. long vacant, and in huge disrepair until it was gut-rehabbed, completely updated, and offered as a family home.

With its long history of offering opportunity to its citizens at all income levels, the city of Boston is proof that an economically inclusive city not only provides employers with the diverse workforce they need to build and maintain a strong economy, but also that providing opportunity across income levels leads to strong, healthy neighborhoods. Maintaining a strong middle class is critical to ensuring that Boston continues to be a thriving, diverse city where people want to live and employers want to locate.

Background

More than any of the goals put forward in *Housing Boston 2030*, the goals for the middle class are the most challenging. The City has determined that it will need to grow its middle class by 20,000 households if the middle class is to represent the same share of Boston's population in 2030 as it does today.

As part of its housing plan, the City is encouraging and incentivizing developers to produce more moderately-priced new housing in areas of the city outside the downtown core. Additionally, the City is working to leverage its Inclusionary Development Policy to create new middle-class housing either directly through the on-site option or indirectly though the Cash-In-Lieu option.

Homeownership is a crucial part of maintaining a strong middle class, and the City understands that retaining its middle class requires better access to homeownership, and an innovative approach to programs and services to help ensure that access.

Boston 2030 Goals

 Double the pace of middle income workforce housing production, creating 20,000 units citywide by 2030.

Reaching this goal will require 15,000 new units of housing. Of these, approximately 4,000 units will be created via the Inclusionary Development Policy or from units subsidized in mixed income developments. Additionally, Boston's college and university partners must produce new dormitories in order to open up 5,000 units currently being utilized by students to the middle class housing market.

 Expand and enhance homebuyer programs to help 5,000 middle class homebuyers purchase their first home.

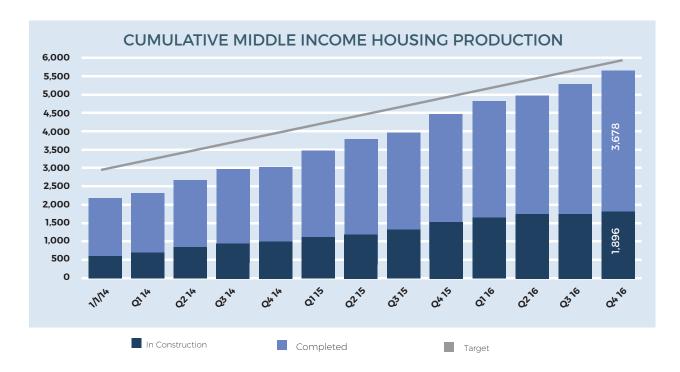
This expansion will include buyers receiving financial assistance through the Boston Home Center, as well as buyers purchasing an income-restricted unit developed in partnership with the City. While the majority of housing unit demand is projected to remain with rental housing, there will be an increased demand for homeownership units as well. Achieving this goal will require major efforts to increase private-sector housing development for the middle class in Boston.

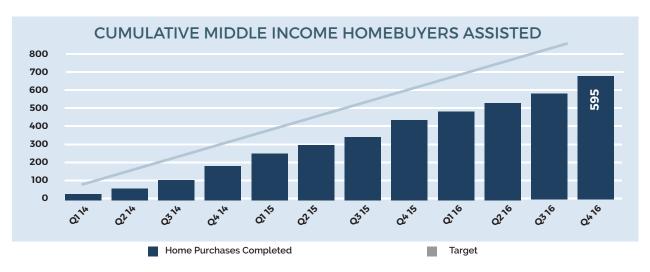
 Work with non-profit and lending partners to increase mortgage lending, and ensure equal access to home mortgages.

This will require that the City better understand current lending practices, rates, and disparities in the mortgage market. The City will work with lending institutions and non-profit advocacy groups to develop solutions and programs and establish ongoing monitoring of progress.

How we're doing: Results to date

- With 3,678 new units completed, and another 1,896 units in construction, a total of 5,574 new middle income units are either underway or complete.
- This represents 93 percent of the City's target of 6,000 new units by this date.
- With the stong encouragement of the City, development partners are responding to the need to invest in non-downtown, less expensive locations. Prior to 2014, only 24 percent of new market-rate starts were outside downtown. By 2016, that share had risen to 62 percent.
- Homebuyer assistance has increased 72 percent since 2014. With 595 homebuyers assisted through 2016, the City is running at 67 percent of target, with additional programs scheduled to come online in 2017.





- To encourage new housing affordable to the middle class, the City has created two Strategic Planning Areas (SPAs) outside the downtown core neighborhoods that allow for higher density, in close proximity to transit. These SPAs include PLAN: JP/Rox and PLAN: South Boston/DotAve.
- The City created a Density Bonus Pilot in the South Boston/DotAve SPA, which allows increased density when developers agree to create additional units affordable to the middle class.
- The City successfully sponsored legislation to allow the City to provide tax abatements to developers who create middle income housing in areas affordable to the middle class.
- The City rolled out Mayor Walsh's Neighborhood Homes Initiative, offering packages of smaller City-owned lots and Inclusionary Development funded subsidies to small contractor-builders. These packages are used to create new housing, of which two-thirds will be affordable to the lower tier of the middle class. Creating this initiative included conducting a long-overdue inventory and assessment of all City-owned parcels, to determine which had potential for development, and which were suited to other uses, such as urban agriculture or urban wilds.
- Mayor Walsh signed an Executive Order implementing revisions to the Inclusionary Development Policy (IDP), which went into effect January 1, 2016. This order increases the incentives for downtown developers to create on-site or off-site middle income units, rather than cashing out.

A new two-family home built on vacant land formerly owned by the City of Boston in Dorchester. These high quality homes are part of Mayor Walsh's Neighborhood Homes Initiative and are offered via a lottery to income-eligible buyers who earn at or less than 80% or 100% of Area Median Income.





William, in his new studio unit at Hong Lok House, newly renovated rental units for seniors earning at or below 50% of average median income (AMI), with on-site services and management.

In order to ensure that Boston continues to support its seniors, and to maintain the stability and diversity of our neighborhoods, Boston will need to provide its seniors with viable housing options and support services. Providing this housing and associated supports must be done while adjusting to the reality that federal funding for developing affordable senior housing has decreased substantially.

BACKGROUND

With a projected 53 percent increase between 2010 and 2030, seniors are Boston fastest-growing demographic group. But unlike the workforce demographic that is growing because new people are arriving to take new jobs, the senior demographic is growing because people already living in Boston are reaching retirement age. Almost all of the seniors living in Boston in 2030 are already here and already housed.

But staying in existing housing is not always the best option for all seniors. Some may wish to downsize into more appropriately sized housing. Some seniors have physical limitations that impact their living situation, and others may experience such a large drop in income at retirement that maintaining their existing housing can become prohibitively expensive.

BOSTON 2030 GOALS

 Maintain Boston's historic pace of creating new low income housing for seniors, despite the termination of Federal Section 202 development funding.

The City will assist with the production of 1,500 units of new, low income senior rental housing by using a combination of local, state and federal funding.

- Encourage the market to develop 3,500 units of senior-oriented housing.
 - Develop 3,500 units of market-rate housing for the elderly. This will also allow more than fifteen percent of elderly homeowners to downsize and will provide seniors with more supportive housing options. This initiative will also free up larger homes for Boston families.
- Provide increased housing stabilization and support services to senior homeowners and renters.
 - The City will meet this goal by identifying the most critical services needed to help seniors retain their existing housing, or assist them to access alternative housing. Working with non-profit partners, the City will create and expand service programs for Boston's seniors.

The Cais are pleased to be able to stay in their Chinatown neighborhood as they age in place at Hong Lok House.



Results to date

Senior Housing Production

- 264 new units for low income seniors have been either permitted or completed. This number is lower than hoped, as the City experienced a three-year production deficit, caused by the federal defunding of the Section 202 elderly housing program. Currently, production is running at 63 percent of target.
- In the past two years, the City has been able to establish some new funding resources and to provide City-owned land for development, which has helped build a 192-unit pipeline. Of these, 162 units are in the permitting phase, with the expectation that they will come on line soon.
- Private developers have permitted 101 new middle- and market-rate elderly units to date. This is 10 percent of the City's target for this point in the Plan.

Senior Housing Retention

Although there is not a numerical Boston 2030 goal for this activity, the city has made significant progress in this regard:

- 135 senior homeowners were able to save their homes from foreclosure through the Boston Home Center.
- 258 low income senior homeowners have been able to correct critical health and safety issues and modernize their homes through the Senior Homeowner Services, Emergency Repair, Lead Safe Boston, and Senior Saves programs.
- 485 senior renters were able to avert homeless through the City's Homelessness Prevention programs.
- 691 senior households living in privately-owned subsidized housing were provided with added housing security through affordability extensions beyond the year 2030.

YEAR TWO SENIOR HOUSING RETENTION ACTIONS			
PROGRAM	OWNER	RENTER	TOTAL
Senior Home Rehabilitation	258	0	258
Subsidized Housing Preservation	0	691	691
Home Foreclosure Prevention	135	0	135
Homelessness Prevention	0	458	458
TOTAL	393	1,149	1,542

Our strategies

City activity has focused on addressing the deficit in low income senior housing production created by the defunding of the Federal Section 202 program. To that end:

- Mayor Walsh created a new \$1.75 million line item in the City's FY16 budget to support new production of senior housing.
- The BPDA, the BHA, and DND have made more than 100,000 square feet of real estate available to spur the development of low income senior housing.
- We continue to work with our partners at the State to find additional resources for elderly housing. The State's Department of Housing and Community Development has continued to fund the City's elderly projects out of their existing programs.

Boston's Elderly Commission has targeted services to focus on stabilizing seniors in their homes:

- Created a Housing Unit which focuses on housing search, application assistance, landlord-tenant mediation, court advocacy, education, and access to other homeowner and renter programs and services. The unit also handles emergency cases, working collaboratively with ISD, DND, Boston Police Department, Boston Adult Protective Services, and other partners.
- Partnered with the Elders Living at Home Program, other community organizations, and City departments to create the Elder Homeless Prevention task force and coordinate services to end homelessness and expand access to housing for Boston Elders.
- Mayor Walsh and the City Council extended and expanded the Property Tax Work Off Program
 for older adults, doubling the number of slots in the program, increasing income eligibility, and
 extending the amount of time for "working off" the hours.
- Created a new guide, "Important Information for Boston's Senior Homeowners" to educate seniors in Boston about the programs and services available and how to access them.

To allow seniors to age in their communities, the City has also significantly expanded its Senior housing retention activities:

- In 2015, the Senior Saves program was launched at DND. This program helps lower income senior homeowners struggling to keep warm in the winter by replacing their older, inefficient furnaces with high-efficiency units that save money on heating costs, while also minimizing greenhouse gas emissions
- In addition, the Boston Home Center has developed and is implementing a comprehensive multi-point strategy to assist seniors who wish to stay in their homes with foreclosure prevention, emergency repairs, minor repair assistance (e.g grab bars, locks), lead abatement assistance, and winter emergency assistance. As a package of complementary services, the Seniors Homeowners Package seeks to address health and safety matters so that senior homeowners in Boston can age in place in their own properties.



One of Boston's greatest resources is the world-class network of colleges and universities that call the city home. These institutions are among the key drivers of the region's economic strength, and underpin Boston's worldwide reputation as a hub of innovation and learning. Despite the benefits Boston's thriving educational community brings to our city, these institutions also exert enormous pressure on the city's housing market.

The City of Boston and its university and college partners share responsibility in ensuring that all of Boston's students find housing that is healthy and safe, while maintaining vibrant neighborhoods in which student renters do not overtake the city's limited supply of workforce housing.

BACKGROUND

When Mayor Walsh took office, there were 24.492 undergraduate students living in off-campus apartments in Boston. While representing only four percent of Boston's population, these students have an outsized impact on the housing market because of financial capacity to outbid families for apartments by adding multiple rent paying roommates into a single unit.

To address this issue, the administration seeks to work with colleges and universities to create 18,500 new dorm beds, reducing the number of off-campus students and in so doing, return a significant number of units of what had been workforce housing back into the rental market.

BOSTON 2030 GOALS

 Create 16,000 new undergraduate student dorm beds, reducing the number of students living off-campus in Boston by 50 percent.

The City will do this by increasing dorm production rates and by working with universities to ensure that this new on-campus housing is affordable to students. Assuming current undergraduate enrollment growth rates, an increase of 16,000 beds will cut in half the number of students competing for off-campus housing by 2030.

The City estimates that production of these 16,000 dorm beds will effectively return 5,000 units of housing currently occupied by students to the Boston workforce.

Create dedicated housing for 2,500 additional graduate students.

Currently, there are only 3,404 dedicated graduate student beds citywide. Graduate student housing is difficult for universities to prioritize; however, many of these beds could be created by private developers at off-campus locations.

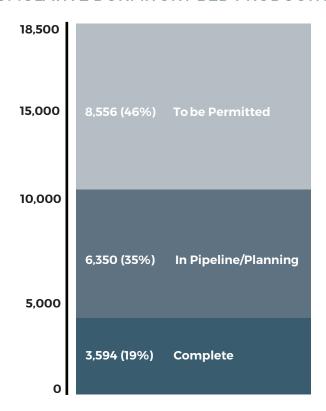
Improve living conditions for off-campus students

The City of Boston will use all tools to vigorously enforce housing codes and create improved communication with students and families.

How we're doing: Results to date

- Boston's gross off-campus undergraduate count decreased 4.7% (1,144 students) from 24,492 in 2013, to 23,348 in 2016.
- Nearly 3,600 undergraduate dorm beds were built from 2011-2016, including 1,030 in the past year alone.
- There are approximately 6,400 additional dorm beds under construction or planned which will result in the creation of 10,000 dorm beds.





In addition, the City has:

- Enacted the University Accountability Ordinance (UAR) in 2014, which requires all colleges and universities in Boston to list where all of their students are housed.
- Published Student Trends reports for the last three years that summarizes and analyzes the data collected by the University Accountability Ordinance.
- The City's Inspectional Services Department amended the student ordinance for better enforceability of housing code violations.



The City of Boston has worked collaboratively with Boston's colleges and universities to ensure that this key component of the City's housing plan is enacted.

- Mayor Walsh has met with the presidents of Boston's institutions of higher learning twice since taking office to discuss the Administration's housing priorities including off-campus student safety and the need for universities to increase the number of dorm beds available.
- The City has collected updates from 25 Boston-based universities on their plans for building new dorm beds, along with targets for housing their undergraduate students on campus. We have also collected information from universities regarding their policies for requiring students to live on campus.
- The City has encouraged private development UMass Boston recently broke ground on firstever on-campus private housing project with a total of 1,085 beds. An additional 400-bed new development for graduate students is currently under review.



Troy is a tenant at the Orlando Street development. Codman Square NDC utilized DND's Acquisition Opportunity Program to rescue this 24 unit building from bankruptcy and secure it as long-term affordable rental housing.

Boston is becoming an increasingly successful city, with desirable neighborhoods that offer easy access to downtown, and strong neighborhood business districts. With such success, though, comes the potential for gentrification and displacement. Gentrification puts increased pressure on moderately priced existing housing, making it less and less affordable to low- or middle-income households. This can quickly change the nature and dynamics of a neighborhood, and make it difficult for long-term residents to stay in their community. It is not acceptable that residents who worked diligently to strengthen their community could potentially be priced out of their neighborhoods.

BACKGROUND

While Boston's strong economic growth has brought the city significant benefits in jobs and economic opportunity, it has also put pressure on the housing market. In 2014, when Mayor Walsh commissioned a new housing plan to guide Boston's residential development, Boston had experienced three years of economic expansion where the population increase outpaced the growth of the city's housing supply. The resulting housing shortage created significant upward pressure on prices, which has a direct impact on Boston's long time residents, and the diverse and vibrant neighborhoods which make it so attractive to newcomers.

To support the health and well-being of those neighborhoods, *Housing A Changing City: Boston 2030* recognized that any new housing plan had to support the stability, diversity, economic empowerment, and the health of all of Boston's residents.

BOSTON 2030 GOALS

The goals in this area of the plan continue to evolve with the changing economic circumstances of Bostonians, in an effort to best meet the needs of Boston's residents. The original plan goals were to:

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

While most of the Housing Boston 2030 goals are related to production of units, there are additional housing priorities also critical to the success of the plan. In order to make sure that Boston is a fair and equitable city, the interdepartmental team working on Fair Housing has focused on:

- · Affirmatively furthering fair housing
- Expanding housing choices through an enhanced, centralized Metrolist/Affirmative Marketing program.

How we're doing: Results to date

In his 2016 State of the City address, Mayor Walsh established the Office of Housing Stability (OHS) elevating housing security to the top tier of his housing agenda. The creation of OHS represents a commitment to a core Walsh administration principle: the price of growth must not be displacement. Launched in the summer of 2016, OHS is charged with researching the impacts of displacement in Boston, assisting tenants in danger of displacement, and creating new policies that can be enacted to prevent further displacement. OHS joins several well-established anti-displacement programs already being operated by the City:

- DND's Supportive Housing Division funds a Homelessness Prevention Program to help families and individuals avert homelessness and retain their housing, as well as an Intervention Initiative to help tenants in subsidized housing fight eviction in Housing Court.
- DND's Boston Home Center (BHC) operates a Foreclosure Prevention Program that is a national model, helping homeowners avert foreclosure and retain their homes. The BHC is also working to expand Boston's homeownership market, reduce racial disparities, and narrow the wealth gap.
- The Mayor's Office of Housing and Fair Equity (OHFE) affirmatively furthers fair housing, deploying strategies which increase diversity in neighborhoods that lack it, and preserving diversity in those areas under threat from of displacement. Additionally, OHFE opposes discrimination in the housing market, and holds accountable those who pursue discriminatory practices.

The results of these efforts are:

- In its first six months of operation, OHS fielded more than 1,500 calls, and assisted more than 900 households in retaining their housing
- Since 2014, 1,639 families and individuals were able to retain their housing through the City's homeless prevention programs
- Since 2014, 856 families and individuals were able to retain their subsidized housing unit through the City's eviction intervention efforts
- Since 2014, the City's foreclosure prevention programs have helped 632 homeowners and 379 tenant households retain their housing
- In 2016, 194 homeowner foreclosures were prevented through City actions.
- In total, more than 3,500 households have been able to retain their housing with help from the City since 2014.
- The number of bank-owned foreclosed properties (REOs) dropped 22% to 170 REO properties
 by the end of 2016. While reaching the target of 20 foreclosures per year appears to be a more
 challenging goal than originally anticipated, the City remains confident that its foreclosure
 prevention strategy will ultimately result in bringing down the foreclosure rate to its target level.

Housing Stability

- Mayor Walsh funded OHS in his FY17 budget, concentrating disparate programs that helped residents avoid eviction and prevent homelessness. A Director was hired in September, and in the subsequent months, OHS has:
 - · launched night clinics, to give working Bostonians better access to its services and resources
 - · created a new, free landlord-tenant mediation service
 - worked in collaboration with advocates and stakeholders to create and file a comprehensive package of anti-displacement legislation
- In 2016, the City launched the Acquisition Opportunity Program, to support the acquisition of
 occupied moderately priced rental housing by qualified investor-owners, removing it from the
 speculative market, preventing the displacement of tenants, and preserving the affordability of
 that rental housing for a minimum of fifty years. To date, the City has funded three proposals for
 non-profits to acquire approximately 60 units.
- DND funded the Greater Four Corners Pilot Project with \$790,500 in City funds. This pilot will acquire four REO properties for conversion into long-term affordable housing

Foreclosure Prevention

- The City provided a total \$2.6 million of funding to support Foreclosure Prevention and Homebuyer Assistance services across over the 3 years of FY15-FY17.
- The City has provided \$934,500 over three years to provide foreclosure prevention services both by the City and through five community-based non-profits.

Clifton is a tenant at the Orlando Street development. Codman Square NDC utilized DND's Acquisition Opportunity Program to rescue this 24 unit building from bankruptcy and secure it as long-term affordable rental housing.



Fair Housing

- DND and the Department of Innovation and Technology worked to improve Metrolist the City's comprehensive list of affordable housing in Boston. The Metrolist is now available online as a searchable database, allowing families to search by neighborhood and to find appropriate units.
- In the fall of 2016, the City launched its Diversity Preservation Pilot Policy, which allows developers of affordable housing to provide a limited preference to area residents for new rental or homeownership opportunities in neighborhoods with a high level of diversity which is being threatened by the forces of gentrification.
- The City has been working identify ways to streamline and standardize the affirmative marketing program with an eye towards expanding access to those least like to apply for units and to foster trust in the process.

Proposed Legislation

The Office of Housing Stability was fundamental in preparing the package of anti-displacement legislation Mayor Walsh submitted at the State Housing in November, 2016. The five-bill package seeks to help existing tenants remain in their home by expanding tenants' rights, rewarding good landlords, and creating additional funding for affordable housing. The bills include:

An Act to Promote Homelessness Prevention in Massachusetts

Sponsored by Senator Sal N. DiDomenico, this bill will make legal representation in eviction proceedings a right, rather than an option. If a tenant can not afford his or her own attorney, one will be appointed by the Massachusetts Committee for Public Counsel Services.

An Act Relative to Zoning in the City of Boston

Sponsored by Representative Kevin Honan, this legislation would allow the City to amend the zoning code, protecting the Inclusionary Development Policy (IDP).

The Jim Brooks Community Stabilization Act

Submitted in City Council in December and sponsored at the State House by Representative Chynah Tyler, this home rule petition would codify conditions under which landlords can evict a tenant or former homeowner living in their foreclosed unit. In addition, the petition also creates requirements for landlords to notify the City in case of eviction, allowing the City's Office of Housing Stability to proactively reach out to tenants to inform them of their rights.

· An Act Regarding Right of First Refusal in the Event of Foreclosure and Short Sales

Sponsored by Senator Linda Dorcena Forry and Representative Daniel Cullinane, this bill will allow tenants a right of first refusal to purchase properties subject to foreclosure or short sale at fair market value. Lenders will be required to notify the City and tenants of the foreclosure.

An Act Regarding State Income Tax Credit for Renting Unsubsidized Properties at Below Market Rents

Sponsored by Senator Joseph Boncore and Representative Kevin Honan, this bill incentivizes landlords to charge below-market rents by providing an income tax credit of \$1,500 for landlords who provide unsubsidized units at below-market rents to qualifying households.



Mayor Walsh takes a tour of an under-construction E+ property.

As a coastal city, rising seas, storm surges, and other extreme weather events pose a significant threat to Boston's infrastructure and neighborhoods, including its housing stock. The City is currently in the process of updating its Climate Action Plan, which will be released by the end of 2014. The updated plan will help ensure Boston achieves its carbon reduction goals and is prepared for the impacts of climate change. It is important that Boston's housing goals support this initiative.

BACKGROUND

In 2014, the City released a Climate Action Plan (CAP) to guide its efforts in reducing Boston's carbon footprint and preparing for climate change. The CAP provides greater specificity and strategic analysis on the role of housing in addressing climate change. Accordingly, the City has adopted all of the CAP-specified housing goals as the goals for this housing plan. As more ideas and strategies come forward via Boston's Climate Ready Boston Initiative, a collaborative effort to create resiliency strategies in the face of climate change effects, goals will continue to be updated.

BOSTON 2030 GOALS

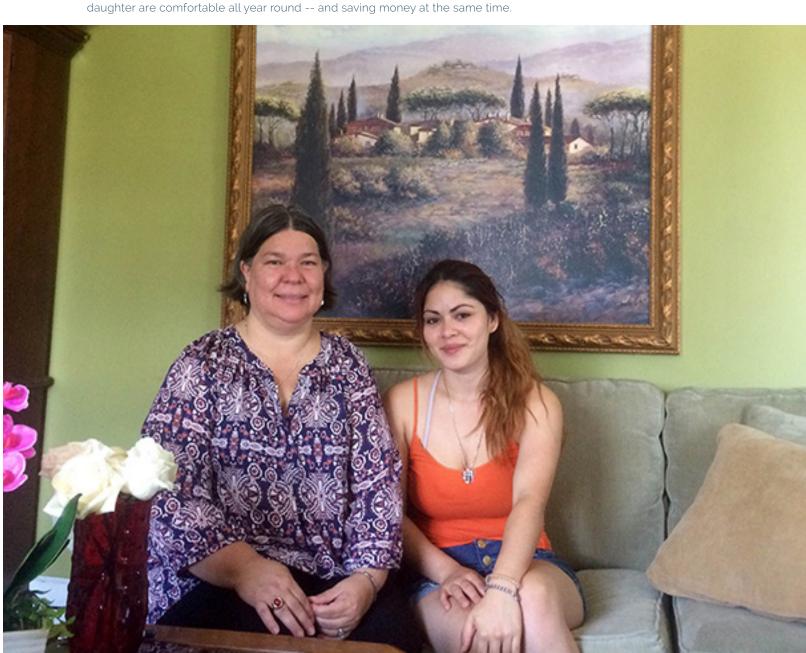
- Carbon Neutral Growth: Adding 91,000 new people and 53,000 new units of housing should add
 to the City's carbon footprint, but the City believes it can grow while reducing by encouraging
 new low-carbon development (high-efficiency and transit oriented development), reducing the
 carbon impact of existing older housing, and by substantially reducing the share of commuter
 trips from the suburbs. If the City is successful in this effort, it will mean that Boston's perhousehold residential carbon footprint will drop by half by 2030 compared to 2005.
- Provide 36,000 homeowners and tenants with energy audits between 2014 and 2020, and deliver substantial energy upgrades (weatherization, heating system upgrades, etc.) to 18,000 homes over the same period. The City's CAP recognizes that retrofitting Boston's older housing stock is a critical component of any strategy to reduce Boston's residential carbon emissions.
- Increase the jobs residency share (share of people who work in Boston who also live in Boston) from 39 percent in 2010 to 45 percent by the end of the Go Boston Transportation Plan in 2030. Achieving this goal will eliminate thousands of high-emission and congestion-inducing suburban commuter trips into Boston and replace them with much shorter trips or better yet, zero-emission transit trips. This can be achieved by promoting commercial growth nodes that have excellent transit access along with new, high density mixed-income housing production.

How we're doing: Results to date

- Four Zero Energy Demonstration developments with 17 new units in construction or complete
- 92 units in four Zero Energy projects in development, including the first 100 percent privatelyfunded development at 64 Allandale Road in Roslindale
- Completed 11,610 Renew Boston energy audits from 2014 to 2016. This is 75 percent of the City's target of 15,500 audits by this point in the Plan
- Completed 6,920 energy conservation improvements from 2014 to 2016. This is 90 percent of the City's target of 7,700 homes by this point in the Plan
- Provided 52 lower-income senior homeowners new high-efficiency furnaces
- 65 percent of all new housing production in Boston since 2014 is Highly Transit Accessible -within a five-minute walk of major transit. By comparison, only 42.6 percent of Boston's existing
 housing stock is in Highly Transit Accessible locations.
- The share of people working in Boston that also live in Boston rose, from 39 percent in 2010 to 40 percent in 2015.

- The City has begun a Zero-Energy Housing Demonstration Initiative, using City-owned land and funding to support the private development of new housing that has zero or negative energy demand. The successful sale of these homes serves as "proof of concept" that paying zero on utility bills adds value to the homebuyer, and that the market will bear a higher purchase to offset the higher initial production costs, and will allow the program to scale.
- Renew Boston continues to be the go-to resource for residents interested in saving money, updating Boston's large inventory of older homes with energy efficient furnaces and fixtures.
 Renew Boston Works in concert with the Boston Home Center Home Repair program and other outside partners to ensure that low income homeowners have access to services.
- Senior Saves, an initiative designed to help elder Bostonians with limited resources replace their
 aging furnaces with new efficient, greener systems, was such a success in its pilot year that it has
 been added to the Boston Home Center's Senior Home Repair Program.

The Renew Boston Program made it possible for Patricia to retrofit her older home in East Boston so that she and her daughter are comfortable all year round -- and saving money at the same time.





To ensure the prosperity of the city reaches every corner of Boston, the City must be a responsible steward of public funds, carefully investing these valuable resources for the greatest benefit. The City is lucky to have strong partners who generously fund housing production and programs in Boston. Although the City has these strong partners, funding for community development and affordable housing is decreasing. It is more important than ever to control costs while identifying new sources to support Boston's growing demand for housing.

BACKGROUND

Affordable housing in Boston is funded using both public and private resources. Boston is fortunate to have strong working relationships with many public and quasi-public funders, including the US Department of Housing and Urban Development (HUD), the State Department of Housing and Community Development (DHCD), MassHousing, MassDevelopment, Mass Housing Partnership (MHP), the Massachusetts Housing Investment Corporation (MHIC), Metropolitan Boston Housing Partnership (MBHP), and the Community Economic Development Assistance Corporation (CEDAC). The City also benefits from a network of private banks, non-profit organizations, and philanthropic lenders that are committed to affordable and mixed income housing.

BOSTON 2030 GOALS

- Increase the amount of City-controlled resources available for affordable housing by \$20 million from \$31 million per year to \$51 million per year.
- · Work to maintain funding levels from existing programs, including CDBG, HOME and LIHTC.
- Evaluate the resources needed to achieve the production goals of the Houing Plan on an ongoing basis, recognizing that costs and revenues will change over time.

How we're doing: Results to date

- From the FY15 base of \$31 million, resources increased to \$50 million in FY16. FY17 revenues are projected to be \$52 million 101 percent of the City's resource target.
- In FY16 and FY17, the City saw a near tripling of Inclusionary Development collections, resulting from some one-time prepayments of IDP obligations.
- The Community Preservation Act (CPA) was approved. Resources from this tax revenue are expected in FY18. The Community Preservation Commission will decide how much of the CPA resources will be dedicated to affordable housing.

How we've done it: Our strategies

- In December 2014, management of the Inclusionary Development Fund was transferred from the then-BRA (now BPDA) to DND to ensure that IDP funds are collected and disbursed as efficiently and transparently as possible.
- In December 2015, Mayor Walsh signed an Executive Order that substantially increased the Cash-In-Lieu requirements for downtown developments – from a floor of \$200,000 per unit to \$380,000.
- In FY16, Mayor Walsh created a new \$1,750,000 elderly housing line item in the City Budget, to replace the loss of Federal Section 202 funding.
- In November 2016, voters approved the Community Preservation Act, which is expected to generate about \$20 million per year for affordable housing, open space, and historic preservation.



Successfully delivering on the goals of this plan requires that the City not only make significant changes in its approach to housing development, but also requires significant reforms in how it conducts its business. There are many existing administrative systems that, left unchanged, will present substantial obstacles to achieving the goals of this plan. A new administration presents a singular opportunity to make the necessary reforms toward a more efficient, and more transparent, City Hall.

BACKGROUND

A \$25 billion housing plan that proposes to accommodate growth in housing stock by 20 percent must have as its core principle a commitment to complete transparency and public accountability. A plan of this magnitude can not be executed without a well-informed and empowered public. Housing Boston 2030 proposes to substantially increase the pace of new development, homebuyer assistance, affordable rental preservation, and eviction prevention over the pre-2014 pace. In addition, these increases are to be achieved without substantial increases in City Hall personnel to ensure that almost all new resources go to housing and not to overhead. This will necessitate substantial increases in staff productivity and increased efficiency in the delivery of services.

BOSTON 2030 GOALS

- · Improve the permitting process to unlock greater housing production
- Commit to complete transparency on development
- Centralize the City's housing-related resources
- · Establish Boston's leadership in housing innovation by creating a Housing Innovation Lab
- · Ensure ongoing accountability to this plan

How we're doing: Results to date

- The City publishes Quarterly and Annual Reports on housing plan progress. Quarterly Reports provide factual information on the actions of the previous quarter and cumulative data; Annual Reports provide a more comprehensive review of the goals and progress toward them. The first Quarterly Report was issued for Q1 2015; The first Annual was issued in March 2016.
- In 2014, the DND launched a new development website that would make it easy for the public to see all active development projects. In 2016, this platform was upgraded to also assist with the identifying potential development opportunities using City-owned parcels.
- While per unit the total development cost of producing low-income housing did not decline over the last three years, the per unit City subsidy required to achieve affordability declined by 19% from \$64,000/unit in 2014 to \$52,000/unit in 2016. This was achieved by better leveraging of non-City resources.
- Productivity at Boston Planning and Development Agency (BPDA) has more than doubled. Board Approvals for new housing have risen from 3,928 units in 2014 to 8,533 units in 2016.
- Productivity in DND's real estate disposition has almost tripled: property put under agreement with developers has risen from 21 properties (129,000 square feet) in 2014 to 62 properties (370,000 square feet) in 2016.
- Inspectional Services commitment to streamlining the permitting process remains strong: In 2016, the number of permit applications more than doubled to 8,763 from 3,647 in 2015.

- In early 2015, the City was awarded a grant from the Bloomberg Foundation to fund the Housing Innovations Lab that would look for innovative approaches to more efficiently produce new market rate and affordable.
- The Housing Innovations Lab has two Density Bonus demonstrations underway in the Strategic Planning Areas ("SPAs"). In the South Boston/Dot Ave SPA, additional density is being exchanged for greater numbers of middle-income units; in the JP/Roxbury SPA the density bonus will be in exchange for additional low-income units.
- The Lab is also has a Compact Living Demonstration underway, and is developing policy to facilitate the creation of accessory apartments.
- In late 2014, the Inspectional Services Department created a new weekly Board of Appeals meeting every Thursday evening to quickly handle minor requests, and reduce the scheduling backlog for more major projects.
- The BPDA is proceeding with its transition from an antiquated information system to the same platform now used by DND SalesForce.

