




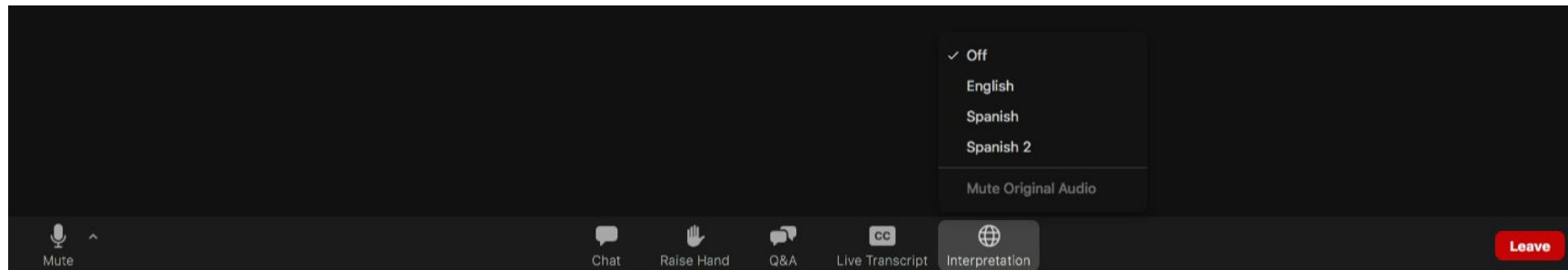
Let's Go Better Listening Session

Affordable Homeownership, 8/26/2021



Language Interpretation Services

- Simultaneous interpretation services are being provided for this meeting.
- To switch languages from English, please select the globe icon  that will appear at the bottom of your screen and select the language of your choice.
- If you are listening in English, choose English.



- **Language Access Orientation**
- **Introductions**
- **Mayor Janey's Vision for Boston's Federal Funds**
- **Funding Overview & Timeline**
- **The Current Reality of Homeownership in Boston**
- **Existing Efforts and Best Practices**
- **Listening Session**
- **Conclusion**

Closed Captioning

Closed captioning is being provided. To access:

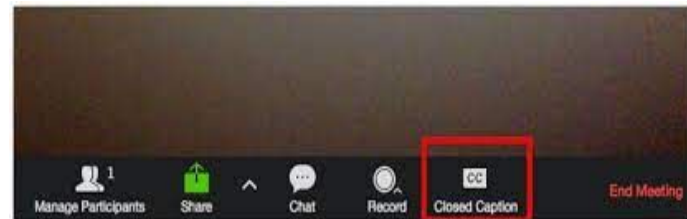
1. Find “Closed Caption”
2. Drop-down menu

Subtítulos

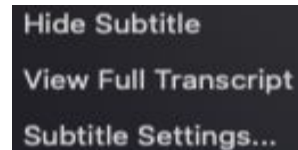
Se proporcionan subtítulos. Para acceder:

1. Busque “Closed Caption” (Subtítulos)
2. Abra el menú desplegable

1.



2.



- We will be recording the presentation and posting it on our website and will shut off the recording during the question and answer period.
- Please ask questions by typing them in the chat. If we do not get to your question or are on a phone, you can email the recover@boston.gov and we will answer your questions in the coming days.

Participant Controls



Audio



Mute and unmute your microphone. Audio Controls (click the ^ arrow next to Mute / Unmute): Allows you to change the microphone and speaker that Zoom is currently using on your computer, leave computer audio, and access the full [audio settings](#).

Video



Start Video / Stop Video : Turns your camera on or off.

Participants



Participants : See who's currently in the meeting.

Chat



Chat: Access the chat window to [chat with other participants](#).

Reactions

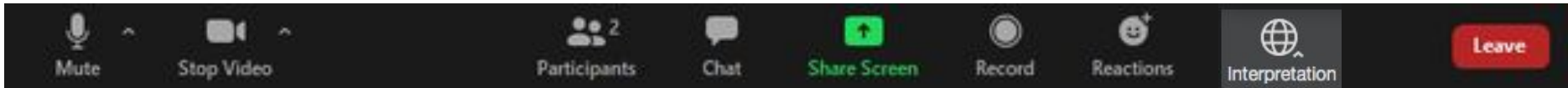


Reactions : [Meeting reactions, nonverbal feedback, and Raise Hand](#) allow you to communicate issues or feedback to the host or presenter without disrupting the meeting. These reactions are shown on your video panel and next to your name on the participants panel.

Click reactions icon and select hand icon to Raise Hand / Lower Hand

Interpretation

To switch languages, please select the globe icon that will appear at the bottom of your screen and select the language of your choice.



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Agenda Details

Date



- **Introduction (5 min) - Emilio**
- **Language Access Orientation (3 min) - Omar**
- **Mayor Janey's Vision for Boston's Federal Funds (5 min) - Omar**
- **Funding Overview & Timeline (3 min) - Omar**
- **Briefing on the current reality of problem/gap in Boston (7 min) - Maureen**
 - Highlight wealth gap
- **Existing efforts and thoughts on best practices (7 min) Sheila**
 - Let's give people a sense of context and how much things cost
- **Listening Session (60 min) - Intro - Emilio 2-3 minutes**
 - Homeownership (30 minutes) - Maureen
 - Policies and programs to help homebuyers
 - Housing Production (30 minutes) Emilio/Sheila
 - Policies and programs to help us build more/affordable housing
- **Report back (10 min) (In summary idea & next steps)**



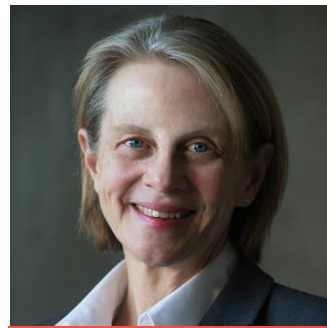
OMAR KHOSHAFI

*Director of Key
Initiatives & Strategic
Planning,
Mayor's Office*



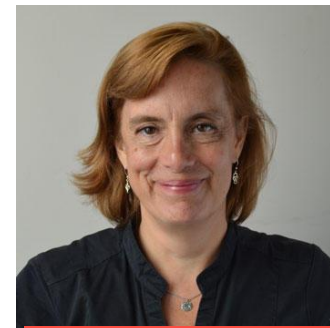
EMILIO DORCELY

*Chief Executive
Officer, Urban Edge*



SHEILA DILLON

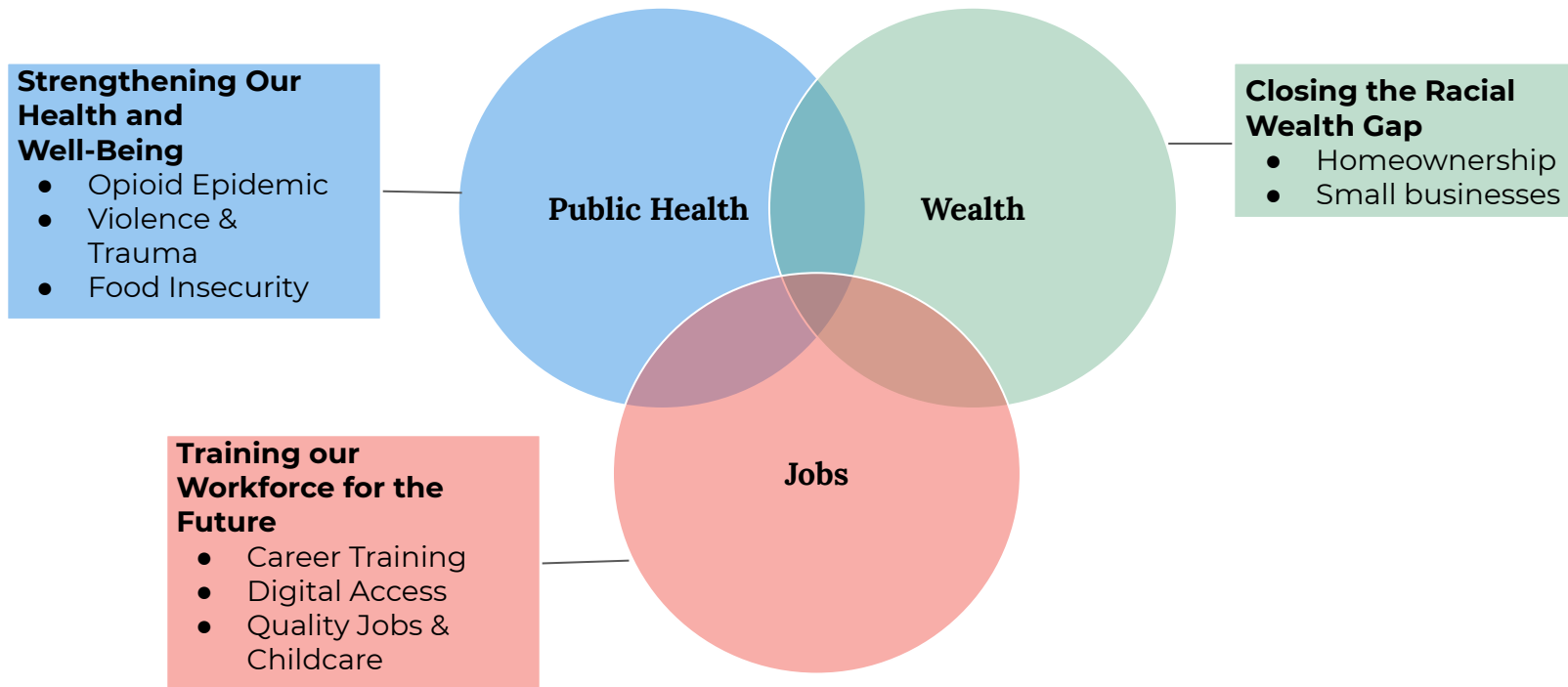
*Chief of Housing,
Director of
Neighborhood
Development*

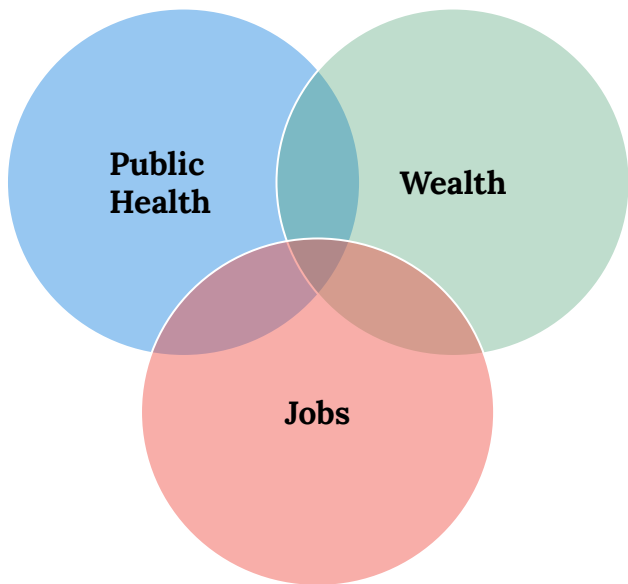


MAUREEN FLYNN

*Deputy Director,
Boston Home Center,
Department of
Neighborhood
Development*

An Equitable Recovery for All Boston Residents



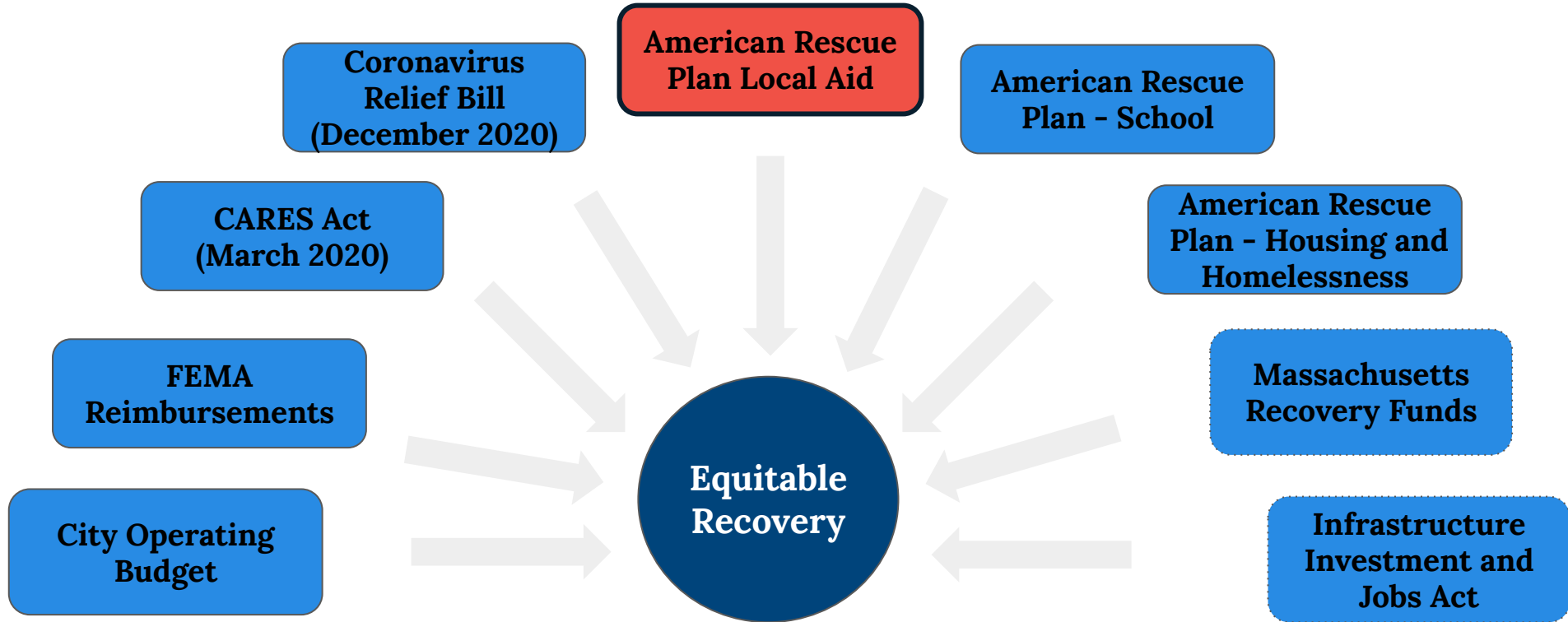


Additional Lens

*While exploring investment opportunities in these areas, there will be an emphasis on solutions that incorporate **Arts & Culture** and **Climate Resiliency***

What are Boston's available resources for recovery?

Funding Overview



Total Funds

- Boston estimated to receive **\$558 Million** from ARPA, with \$424 Million coming directly to Boston and an additional \$134 Million from Suffolk County to come from the Commonwealth.
- **\$136.5 Million** has been allocated to date for emergency relief investments and stabilizing Boston's budget

Guardrails

- ARPA funding must be committed **through December 2024**
- Fit into one of the **eligible “uses” of spending** on the next slide

What are Boston's eligible uses of ARPA Funding?

Funding Overview



Support Public Health Response

- **Services to contain and mitigate the spread of COVID-19**, including vaccination, medical expenses, testing, contact tracing, quarantine costs, capacity enhancements, and many related activities
- **Behavioral healthcare services**, including mental health or substance misuse treatment, crisis intervention, and related services
- **Payroll and covered benefits** for public health, healthcare, human services, and public safety staff to the extent that they work on the COVID-19 response

Address Negative Economic Impacts

- **Deliver assistance to workers and families**, including support for unemployed workers, aid to households, and survivor's benefits for families of COVID-19 victims
- **Support small businesses** with loans, grants, in-kind assistance, and counseling programs
- **Speed the recovery of impacted industries**, including the tourism, travel, and hospitality sectors
- **Rebuild public sector capacity** by rehiring staff, replenishing state unemployment insurance funds, and implementing economic relief programs

Equity-Focused Services

- **Additional flexibility for the hardest-hit communities and families** to address health disparities, invest in housing, address educational disparities, and promote healthy childhood environments
- **Broadly applicable** to Qualified Census Tracts, other disproportionately impacted areas, and when provided by Tribal governments

Replace Public Sector Revenue Loss

- **Ensure continuity of vital government services** by filling budget shortfalls
- **Revenue loss is calculated** relative to the expected trend, beginning with the last full fiscal year pre-pandemic and adjusted annually for growth
- **Recipients may re-calculate revenue loss** at multiple points during the program, supporting those entities that experience revenue loss with a lag

Broadband Infrastructure

- **Focus on households and businesses** without access to broadband and those with connections that do not provide minimally acceptable speeds
- **Fund projects that deliver reliable service** with minimum 100 Mbps download / 100 Mbps upload speeds unless impracticable
- **Complement broadband investments** made through the Capital Projects Fund

Water & Sewer Infrastructure

- **Includes improvements to infrastructure**, such as building or upgrading facilities and transmission, distribution, and storage systems
- **Eligible uses aligned to Environmental Protection Agency project categories** for the Clean Water State Revolving Fund and Drinking Water State Revolving Fund

What will the process look like?

Timeline



1 Phase 1 Events

Affordable homeownership	AUG 26	Supporting small businesses	AUG 31	Substance use disorders	SEP 1
Access to Internet and career training	SEP 1	Career training for quality jobs	SEP 8	Quality jobs and childcare	SEP 15

1 Phase 1 Tools

- **More info:** [Boston.gov/recover](https://www.boston.gov/recover)
- **Survey:** bit.ly/gobetterbos
- **Phone:** Call 311 to provide your feedback
- **Meetings:** bit.ly/gobettermeetings

Boston's Equitable Recovery Taskforce Members



Aisha Francis, CEO, Benjamin Franklin Institute of Technology

Andrea Swain, Executive Director, Yawkey Club of Roxbury

Ayele Shakur, CEO, BUILD

Bob Giannino, CEO, United Way

Bob Luz, CEO, Mass Restaurant Association

Catherine D'Amato, President & CEO of Greater Boston Food Bank

Corey Thomas, CEO, Rapid7

Dan Hunt, State Representative

Danella Clark, President, Boston Arts Academy Foundation

Darlene Lombos, Executive Secretary, Greater Boston Labor Council

Elsie Taveras, Chief Health Equity Officer, Mass General Brigham

Emilio Dorcely, CEO, Urban Edge

Emily Ruddock, Executive D, MASSCreative

Frederica Williams, CEO, Whittier Street Health Center

Glynn Lloyd, Executive Director, Foundation for Business Equity

Gustavo Quiroga, Director of Neighborhood Strategy/Development, Graffito

Jacquetta Van Zandt, Vice President of Engagement, The Partnership

Jaimie McNeil, General Agent, UNITE HERE Local 26

Jim Rooney, President & CEO, GB Chamber of Commerce

Joel Sklar, Board Chair, Boston Main Streets; Principal, Samuels & Associates

Kalila Barnett, Program Officer, Climate Resilience, Barr Foundation

Karen Chen, Executive Director, Chinese Progressive Association

Lew Finfer, Special Projects Director, Massachusetts Communities Action Network

Manny Lopes, President/CEO, East Boston Neighborhood Health Center

Michael Curry, President & CEO, Mass League of Community Health Centers, Co-Chair, COVID-19 Health Inequities Task Force

Michael Flaherty, Boston City Councilor, At-Large Chair, Committee on COVID-19 Recovery

Pam Kocher, President, Boston Municipal Research Bureau

Quincy Miller, President, Eastern Bank

Sam Acevedo, Executive Director, Boston Higher Education Resource Center

Segun Idowu, Executive Director, Black Economic Council of MA (BECMA)

Stacy Thompson, Executive Director, Liveable Streets

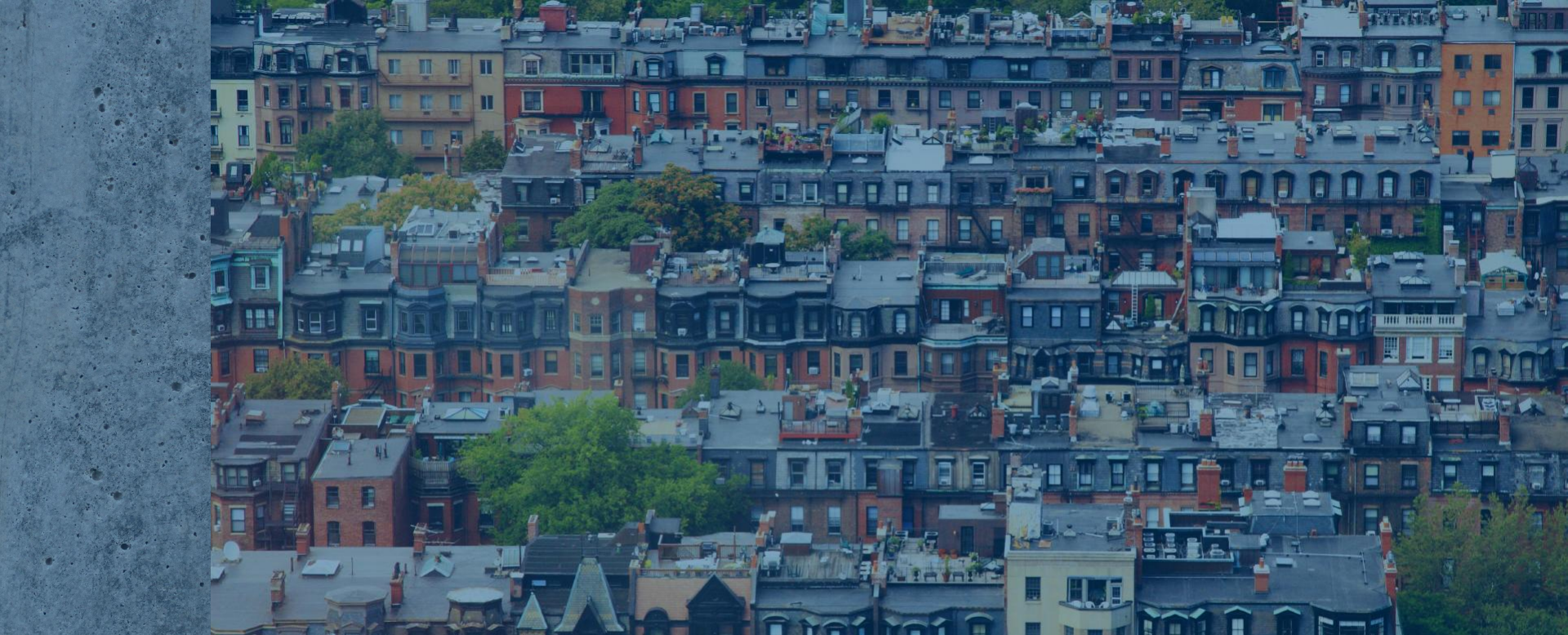
Suzanne Lee, Former Principal, Josiah Quincy School President Emeritus, Chinese Progressive Association

Symone Crawford, Director of Homeownership Education, MAHA

Tomas Gonzalez, COO, Core Cannabis

Vanessa Calderon-Rosado, CEO, Inquilinos Boricuas en Accion

Willie Broderick II, Senior Pastor, Twelfth Baptist Church



Affordable Homeownership

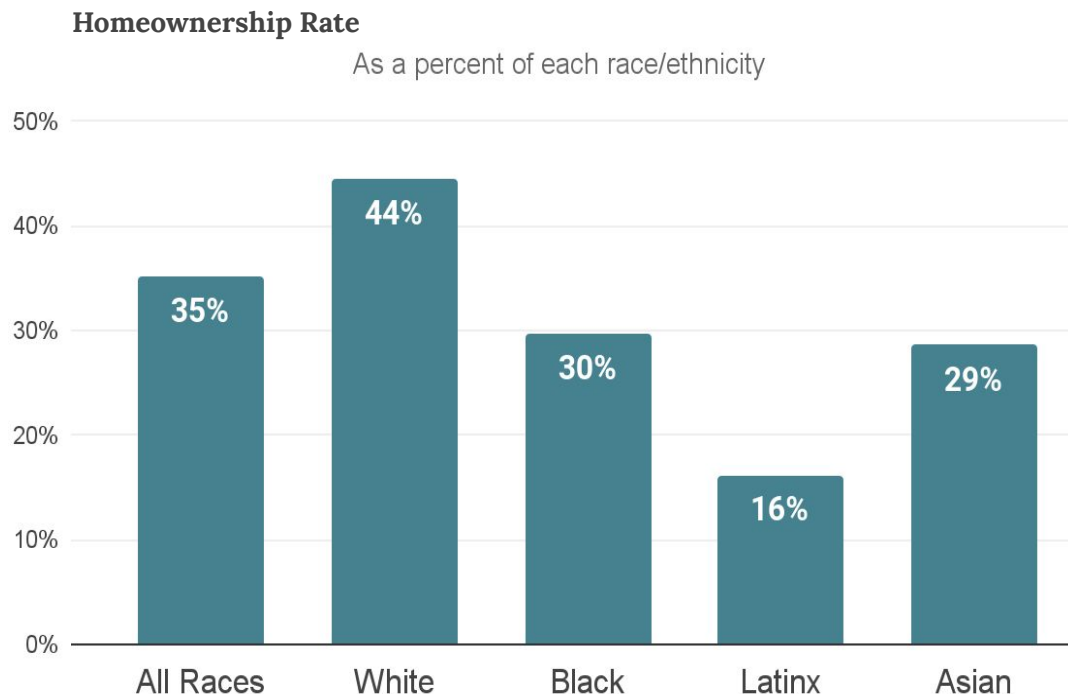
A Briefing on the Current Reality

CLOSING THE HOMEOWNERSHIP GAP IN BOSTON

A national issue with profound impacts on BIPOC households



There are significant disparities in the homeownership rate, by race/ethnicity, which contributes to the disparities in wealth.



Source: ACS 2015-2019 5-year estimates, Table B25003. Race/ethnicity categories sum to more than Total HHs because there is some overlap between race and ethnicity.

CLOSING THE HOMEOWNERSHIP GAP IN BOSTON

A national issue with profound impacts on BIPOC households



	Total Households (Renter + Owner)	Of Total Households, 51% are White, 22% are Black, etc.	Total Ownership Households	Of All Ownership Households, 64% are White, 19% are Black, etc.	How many ownership HHs would each race/ethnicity have if their Ownership share was proportional to their share of Total HHs?	Gap: Num of HHs who need to become Ownership HHs for their Ownership Share to be Proportional to their Share of Total Households
White non-Hispanic	137,415	51%	60,586	64%	48,147	-12,439
Black, non-Hispanic	60,096	22%	17,786	19%	20,769	2,983
Hispanic/Latino	45,774	17%	7,535	8%	16,049	8,514
Asian, non-Hispanic	24,545	9%	7,224	8%	8,497	1,273
Two or More races, non-Hispanic	10,570	4%	2,351	2%	3,776	1,425
Other, non-Hispanic	15,939	6%	2,317	2%	5,664	3,347
Am. Indian/Alaskan Native, non-Hisp	732	0.3%	139	0.1%	283	144
Native Hawaiian/Pac. Islander, non-Hisp	161	0.1%	24	0.03%	94	70
Total Households*	269,522	100%	94,406	100%	-	17,757

Understanding the Gap: For Example: Hispanic/Latinx households make up 17% of all HHs, but only 8% of all ownership HHs. In order for Hispanic/Latinx HHs to make up 17% of all ownership HHs, approximately 8,514 Hispanic/Latinx HHs would need to become homeowners.

Why is closing the homeownership gap so important?

- Closing the homeownership gap can help close the wealth gap as homeownership remains the way most individuals and families build wealth in the US.
- According to the Federal Reserve, as of 2019, the typical white family has eight times the wealth of the typical black family and five times the wealth of the typical Latinx family.
- Homeownership is also a means for wealth to be transferred from one generation to another in that parents who own homes have the ability to tap into equity for their children's downpayments, education, and other investments for the future.

The *Barriers to Homeownership Working Group* identified five top barriers to first time homeownership, particularly for low- and moderate income buyers and BIPOC (Black, Indigenous and People of Color) buyers:

1. Lack of affordable supply & high cost entry into homeownership
2. Lack of downpayment, especially for “first generation” buyers
3. Low Credit Scores
4. High Student Loan Debt
5. Inability to compete with cash offers

CURRENT PROGRAMS TO ADDRESS THESE BARRIERS




Mitigating impact on BIPOC households



Current Programs that Address Lack of Supply/High Cost

- **ONE+Boston** - offers a discounted interest rate & increased downpayment/closing cost assistance, which results in more purchasing power for first time buyers. In other words, buyers can afford to buy more house.

To date, over 70% ONE+Boston buyers are BIPOC and over 45% who purchased with ONE+ earned below 80% AMI and nine were below 60% AMI.

THE ONE+Boston DIFFERENCE			
			
MORTGAGE TYPE	Conventional	ONE Mortgage	ONE+Boston
Purchase Price	\$306,000	\$397,000	\$450,000
Your Down Payment Funds	\$15,300	\$5,955	\$6,750
Interest Rate	3.5%	3%	2%
Private Mortgage Insurance	\$322	\$0	\$0
Taxes & Hazard Insurance	\$361	\$467	\$527
MHP Interest Subsidy	\$0	-\$102	-\$104
Total Monthly Payment	\$1,989	\$1,989	\$1,989

CURRENT EFFORTS: INCREASING THE SUPPLY OF AFFORDABLE HOMEOWNERSHIP UNITS



2011-To Date	Total Owner Units	Affordable Owner Units	DND Funding	All Public Funding
PUBLICLY FUNDED				
Complete	534	284	\$29,559,209	\$39,744,079
In Construction	72	50	\$7,401,075	\$7,401,075
Total	606	334	\$36,960,284	\$47,145,154
PRIVATE				
Complete	8,149	303	\$0	\$0
In Construction	2,226	206	\$0	\$0
Total	10,375	509	\$0	\$0
ALL				
Complete	8,683	587	\$29,559,209	\$39,744,079
In Construction	2,298	256	\$7,401,075	\$7,401,075
Total	10,981	843	\$36,960,284	\$47,145,154

CURRENT EFFORTS TO INCREASE SUPPLY OF HOUSING

Neighborhood Homes Initiative



NHI 2015+	Units	DND Funding	DND Real Estate (Sq Feet)
Complete	117	\$9,070,456	369,471
In Construction	18	\$1,733,473	57,863
TOTAL	135	\$10,803,929	427,334

CURRENT EFFORTS TO TO ADDRESS THESE BARRIERS

Active Homeownership Pipeline



Pipeline	Total Homeowner Units	Affordable Homeowner Units
PUBLICLY FUNDED	813	497
PRIVATELY FUNDED	4,331	429
ALL	5,144	926



Average Cost per Unit - \$150K/unit per affordable unit in ownership deals = we will need about \$74 million to pay for all of the 497 units in our pipeline. Much of which is in the City budget.

Recently Expanded Programs to address lack of funds for downpayment, especially for “first generation” buyers

- ***Increased Financial Assistance***
 - Increased downpayment/closing cost assistance from an average of \$10,000 per household to up to \$40,000 per household
 - Made more households eligible for our assistance - increased eligibility from 120% AMI to 135% AMI
- ***First Generation Homebuying Program***
 - In partnership with MAHA, providing 2:1 match of a grant up to \$5000 for first generation buyers to put toward closing costs/downpayments.

Programs Currently “Under Construction” or Exploration

- **Credit Boost** program to provide grants for first time buyers to increase their scores
- Working in conjunction with Mayor’s Office iLab to understand **student debt** load and exploring programs that would suspend debt during purchasing process and add it to the debt on the home.
- Exploring ways a first time homebuyer could partner with a non-profit **to offer 100% cash** on properties.

Wealth Effect of Expanding Homeownership

Wealth accumulated in income-restricted and open market home sales



Wealth Effect of Homeownership	Income Restricted Units	Open Market Sales 2021
AVG Ownership Period	9.8	5.8
AVG Value Growth (Wealth Accumulated)	\$104,256	\$194,000
AVG Annual % Growth in Value	4.6%	4.7%



Discussion

Increasing Access to & Supply of Affordable Homeownership Units

DISCUSSION: STRENGTHENING PROGRAMS TO ASSIST HOMEBUYERS



- How can we target assistance to those that need it most?
- Are there other current programs that we should be expanding?
- Are there new solutions or initiatives we should start?

DISCUSSION: HOW DO WE INCREASE PRODUCTION OF AFFORDABLE HOMEOWNERSHIP UNITS?



- Should the City of Boston continue to fund production of affordable homeownership units?
- Are there new homeownership types that the City should consider supporting or “incentivizing”?
- Are there ways to decrease the cost of production so that we can build more?
- Other Ideas?

A scenic view of a city skyline with a large glass skyscraper and a park with a lake and trees. The image is overlaid with a blue gradient and the text 'Conclusion - What We Heard'.

Conclusion - What We Heard



B

Conclusion - Next Steps

B

- **Fill out our survey:** bit.ly/gobetterbos
- **Spread the word** about the other #LetsGoBetter meetings ----->
 - Repeating this meeting on 9/16
 - Other meetings on small businesses, substance use crisis, internet access, career training and childcare.
- You can also **email us** any follow up questions at recover@boston.gov

BOSTON, LET'S GO BETTER!

Help inform how the City of Boston invests \$400m in one-time federal funds to jumpstart Boston's equitable recovery.

To participate, you can fill out our survey, join us for a community meeting (schedule below), call **311** or visit boston.gov/recover to learn more.

Initial Community Meetings 5:30-7:30pm

August 26
Affordable Homeownership

August 31 (3pm)
Supporting Small Businesses

September 1 (12pm)
Substance Use Disorders

September 1
Access to Internet & Career Training

September 8
Career Training for Quality Jobs
(i.e. green jobs, life sciences)

September 14 (3pm)
Supporting Small Businesses

September 15
Quality Jobs & Childcare

September 16
Affordable Homeownership

October
Additional community meetings



SURVEY: [BIT.LY/GOBETTERBOS](https://bit.ly/gobetterbos)

To request translation and/or interpretation services, please contact: noreily.cirino@boston.gov and LCA@boston.gov two weeks in advance.

