HOUSING A CHANGING CITY: BOSTON 2030
BOSTON IS GROWING

→ Projected to host 830,000 jobs – a 20 percent increase since 2010
→ 39 percent of those who work in Boston also live in the city
→ Our population will grow by 90,000 ➔ 700,000
  ▪ 1st time since 1950’s
  ▪ Elderly: +22,000 (fastest growing cohort)
  ▪ Workforce +27,000

→ Accommodating this growth will require 53,000 new units by 2030
  ▪ 44,00 workforce
  ▪ 5,000 for seniors
  ▪ 4,000 vacancy rate for stability
→ This represents a 20 percent increase in housing stock
ENSURING BOSTON GROWS RESPONSIBLY

4 key areas:

→ Champion low-income affordability
→ Strengthen middle class options
→ Support and house student population
→ Assist senior households
By 2030, we will need more than 38,000 affordable units

- 28,400 households today; additional 9,700 by 2030

Resources: a growing challenge

- CDBG -33%; HOME -48%
- 202 eliminated completely
AFFORDABLE HOUSING: GOALS & STRATEGIES

→ Increase the rate of production by 50% per year

→ Create 6,500 new low-income affordable units by 2030; additional 1,500 low-income senior units

→ Maximize occupancy at BHA properties; preserve 97% existing units

- Acquisition/conversion program
- New city financing product
- Simplify access to affordable housing for low-income households – new housing portal
- Find additional resources, e.g. increasing IDP and Linkage
- Regional response
36% of Boston’s population is in the workforce:
- $50,000 - $125,000 annual household income
- 2012 median household income: $53,136

At an income of $80,000 a middle class household can only afford:
- Rental Housing: 50% of the market
- Homeownership: Only the bottom 25% of the market.
MIDDLE INCOME HOUSING GOAL: CREATE 20,000 WORKFORCE UNITS BY 2030

→ Establish high-density growth zones
→ Create residential tax incentives for developers
→ Work with trades to establish workforce housing labor rate
→ Streamline permitting systems
→ Leverage publically-owned land (City and State)
→ Enhance programs to assist new homebuyers
Elders are Boston’s fastest-growing demographic: will add 22,000 by 2030

Maintain historic pace of creating new low-income senior housing -- despite termination of Section 202 funding: 1,500 units

Encourage the market to develop 3,500 units of new senior housing

Increase housing stabilization and support for seniors, so they can age in their communities
STUDENTS PRESSURE THE MARKET; AT RISK FOR UNSAFE HOUSING

→ 150,000 students in Boston-based programs
  ▪ 75,000 living in Boston; of these
  ▪ 38,000 are living off-campus

→ Clustered in 3 neighborhoods, with high rents and high competition for housing

→ Over 14,000 students living in condos or 1-3 family housing units

→ Student dorm creation is a workforce housing strategy
STUDENT HOUSING: GOALS

→ Create 18,500 new undergraduate student dorm beds
  - Reduces number of undergrads living off-campus by 50%
  - Returns 5,000 units of housing to the workforce
  - Total development cost of $2.2 billion
  - 7,000 units already in master plan pipeline

→ Unlock greater dorm production through public-private partnerships

→ Work with universities to set specific student housing commitments

→ Passed University Accountability Ordinance and use inspections to improve living conditions for off-campus students
PROGRESS TO DATE
HOUSING PRODUCTION UPDATE

→ New housing starts running at 119% of the pace to create 53,000 units by 2030.

→ 14,247 units complete or in construction

→ 9,029 approved

→ 4,535 more under review

→ In total, about 27,800 of the 53,000 units are already underway.
## LOW INCOME + SENIOR PRODUCTION

### Low-Income Production

<table>
<thead>
<tr>
<th>Low-Income Production</th>
<th>Target 2030</th>
<th>Units Permitted through 6/30/15</th>
<th>% of 6/30/15 Target* Achieved</th>
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<tbody>
<tr>
<td></td>
<td>6,500</td>
<td>1,204</td>
<td>114%</td>
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<td>*6/30/15 target is 1,054 units – proportionate to the 22.5% of the 20-year period timeframe for this goal (2011-2030) that has passed to date</td>
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### Senior Affordable Units by 2030

<table>
<thead>
<tr>
<th>Senior Affordable Units by 2030</th>
<th>1,500</th>
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<tbody>
<tr>
<td>Units Permitted through 6/30/15</td>
<td>284</td>
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<tr>
<td>% of 6/30/15 Target* Achieved</td>
<td>84%</td>
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<td>*6/30/15 target is 338 units</td>
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### Senior Market Rate Units by 2030

<table>
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<tr>
<th>Senior Market Rate Units by 2030</th>
<th>3,500</th>
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<tbody>
<tr>
<td>Units Permitted through 6/30/15</td>
<td>7</td>
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<tr>
<td>% of 6/30/15 Target* Achieved</td>
<td>1%</td>
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<tr>
<td>*6/30/15 target is 788 units</td>
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Low-income housing ahead of target

Senior affordable on target; market rate is a challenge
Interestingly, nearly half of all housing starts Q1 were affordable to middle income buyers compared to 26% middle income affordable in all of 2014.

62% of housing starts Q1 were either low-income affordable or middle-class housing.

Seeing a shift from higher priced downtown real estate to more moderately-priced neighborhoods.
STRATEGY RECAP

→ Publicly-owned land for development
  - Neighborhood Homes Initiative

→ Increasing City resources for development in FY16:
  - Linkage
  - Operating
  - IDP

→ Growth Zones:
  - Two preliminary SPAs
  - Process launched July

→ Privately-developed student housing

→ Construction Costs/Methods (Bloomberg i-Team)

→ Permitting and zoning reform