

Mayor Walsh Updates Boston's Affordable Housing Policy

January 6, 2016

We previously advised that the Walsh administration's housing plan included an initiative to change Boston's Inclusionary Development Policy (IDP). In December of 2015, after nearly a year of study and outreach, Mayor Walsh issued an Executive Order that altered IDP requirements by neighborhood depending on market strength. Proposed residential projects in Boston of at least 10 units that will involve city financing, city-owned land or zoning relief are subject to the policy. Developers of such projects will want to be aware of how the Boston Redevelopment Authority (BRA) will apply IDP requirements effective on January 1, 2016.

For developers choosing to include on-site affordable units, the policy remains at 13% of the total units. However, if a developer proposes to provide either off-site units or a cash contribution to a city housing fund as an alternative, the updated policy applies differently according to three new neighborhood zones of high, average and low housing prices. In Zones A and B, the affordable unit requirement is increased to 18% for off-site affordable units, with increased cash-in-lieu payments per required unit. In Zone C, those requirements remain at 15% and the prior cash-in-lieu payment. Additional incentives for Zone C residential development include opportunities for required on-site units to be affordable to households earning a higher median income, and for proposed mixed-income projects containing at least 40% deed-restricted affordable rental units to be exempt from IPD requirements for the market rate component.

The full policy can be downloaded from the BRA's [housing website](#). Goulston & Storrs will continue to monitor the impact of the updated IDP. For questions about the information in this advisory, please contact your usual Goulston & Storrs attorney or either of the individuals listed below.

Matthew J. Kiefer

(617) 574-6597

mkiefer@goulstonstorrs.com

David Linhart

(617) 574-4049

dlinhart@goulstonstorrs.com

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