

Walsh Administration Releases Eagerly-Awaited Housing Plan

October 24, 2014

David Linhart

The Walsh administration has released its eagerly-awaited housing plan, "Housing a Changing City: Boston 2030," targeting the creation of 53,000 new housing units by Boston's 400th year anniversary in the year 2030. Prepared with assistance from a task force comprised of non-profit and for-profit housing developers, public officials and labor representatives, the housing plan places a strong emphasis on workforce housing, which it defines as non-senior, non-student housing.

Based on demographic projections from the Metropolitan Area Planning Council, the housing plan sets production goals for workforce units, senior units, student units, and surplus units to stabilize the housing market, all across varying income levels. The housing plan proposes new policies and funding sources to stimulate production of 18,500 market rate units and to address affordability for the balance of production, including:

- \$20 million increase to the \$31 million City-controlled affordable housing budget through the collection of outstanding Inclusionary Development Program (IDP) obligations, a possible increase in the IDP cash-out obligation for luxury projects, indexing of linkage fees, exploration of a ballot referendum to adopt the Community Preservation Act and a budget line item for senior housing;
- Increased density and tax incentives, such as property tax elimination during construction and property tax reduction during stabilization, in "growth districts" where market rate housing is affordable to middle-income households;
- Negotiation of union wage rates to reduce housing construction costs;
- Availability of City- and State-owned surplus land for mixed-income housing, availability of City-owned infill lots with long-term affordability protections and a streamlined permitting process;
- Acquisition/conversion program to facilitate acquisition of existing rental housing and conversion into permanent affordable housing;
- New resources to mitigate the reduction of federal senior housing funding, availability of City-owned land and buildings for affordable senior housing, exploration of senior housing creation in "Main Streets" districts and exploration of in-law apartments; and

- Exploration of public-private partnerships to create off-campus dorms and student villages, for example, through shared master leasing among several universities within one development.

Goulston & Storrs will continue to monitor implementation of initiatives highlighted in the housing plan, including a work plan with milestone dates, identification of “growth districts” as described above, and a universal online application portal allowing developers to track project permits. For questions about the information in this advisory, please contact your usual Goulston & Storrs attorney or either of the individuals listed below.

David Abromowitz

Director

(617) 574-4016

dabromowitz@goulstonstorrs.com

Matthew J. Kiefer

(617) 574-6597

mkiefer@goulstonstorrs.com

This advisory should not be construed as legal advice or legal opinion on any specific facts or circumstances. The contents are intended for general informational purposes only, and you are urged to consult your own lawyer concerning your situation and any specific legal questions you may have.

©2014 Goulston & Storrs PC All Rights Reserved