



PLAN

Dorchester
Glover's Corner

Maintaining Affordability in Glover's Corner

City Planning Team

Boston Planning and Development Agency

**Real Estate Market Analysis/Economic Feasibility
– Landwise and Next Street (Consultants)**

**Housing – Department of Neighborhood
Development, Boston Housing Authority, Fair
Housing**

Imagine Boston 2030 – Mayor's Office

**Economic Development – Mayor's Office of
Economic Development, Office of Business
Development**

**Public Financing – Treasury, Assessing, Economic
Development & Industrial Corporation (EDIC)**

**Public Facilities – Boston Public Schools, Boston
Public Library, Boston Police Department,
Boston Fire Department, Property &
Construction Management**

Open Space - Parks and Recreation

Arts & Culture – Mayor's Office of Arts and Culture

Public Transportation – MBTA

**Transportation – Kittelson & Associates, Inc
(Transportation Consultants) Boston Transportation
Department, Boston Bikes, MassDOT**

**Public Works – Public Works Department, Public
Improvement Commission**

Water – Boston Water & Sewer Commission

**Environment/Sustainability/Climate Change –
Environment Department, Boston Landmarks
Commission, Boston Public Health**

Boston Centers for Youth & Families

Elderly Commission

Commission for Persons with Disabilities

Agenda

- 1 Presentation: Introduction and project history
- 2 Exercise in Developing Housing
- 3 Presentation: Dorchester market report and affordable housing tools
- 4 Presentation: Next Steps



1

Introduction and project history



Glover's Corner Visioning Workshop May 2017

Planning Process Overview

FEBRUARY 2017 - Question Campaign

MARCH 8, 2017 - Open House

MAY 4, 2017 - Walk Bike Tour

MAY 18, 2017 - Visioning Workshop

JUNE 15, 2017 - Transportation Consultant

JUNE 28, 2017 - Planning Workshop

JULY 2017 - Advisory Group Finalized

OCTOBER 25, 2017 Land Use Workshop

NOVEMBER 29, 2017 Transportation Workshop

JANUARY 10, 2018 Community Conversations Workshop

MARCH 29, 2018, Housing Toolkit Workshop

MAY 16, 2018 Exploring Housing Ideas Workshop

JULY 31, 2018 Neighborhood Character Outdoor Workshop

SEPTEMBER 20 2018 Maintaining Affordability Workshop



Housing Toolkit Workshop, March 29, 2018



Planning Workshop, June 28, 2017

PLAN: Glover's Corner Dorchester



Preserve. Enhance. Grow.

Past

Sharing Ideas:

What would you like to see in the Study Area in the future?

Past workshops were about this and we will have more workshops on topics like transportation.



Past workshops have discussed needs like housing affordability. We still want to hear your voice at future workshops!



Today, we will be talking about how we test future scenarios (economic feasibility)



Neighborhood Character Workshop What We Did

Participants and people passing by shared their ideas around the look and feel of different concepts.



Attendees discussed neighborhood character with BPDA staff.



Example of what buildings up to 6 stories/70 feet would feel like



Example of a linear park concept.

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Neighborhood Character Workshop What We Heard

We heard that many participants were **enthusiastic** about:

- New open space
- Active street fronts
- Improved sidewalks and safer streets for bikers and pedestrians.

We heard that many participants were **concerned** about:

- Affordable housing
- Displacement of residents and businesses
- Traffic

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Small-scale buildings and streets
Examples of what small-scale buildings and streets could look and feel like

What do you think about the **heights and scales** in these examples?

Highland Park
Roxbury
up to 40 feet, 3 stories

Tremont Steet
Mission Hill
up to 45 feet, 4 stories

Port Landing
Cambridge
up to 45 feet, 4 stories

What do you think about the look and feel of these **sidewalks and streets**?

Traveler Street
South End

North Capitol Hill
Seattle

Harvard Street
Cambridge

Tell us what you think!
Like what you see? Place a sticker here. (Blue circles)
Don't like what you see? Tell us why! (Red circles)

Share what you liked and didn't like:
Write or sketch your thought here.

Handwritten notes include:
- Need to deal with the land traffic
- Want more passive park open space, dark-wash land
- AKA super gentrified neighborhood
- Greening, transparency, human design, better, Jan Diering
- Traffic on East Ave and Project 25 is already very crowded
- TRAFFIC CONGESTION ON EAST AVE
- CITY - RUC. Cool station work RUC
- CITY OF A ECONOMIC STRATEGY WORK FORCE
- More middle income housing
- nice streets, nice small walkways, about 5 years now to fresh up?
- ability lots of parking, some historical architecture

Neighborhood Character Workshop

What We Learned and Next Steps

Transportation Improvements

For a future discussion, we are using your feedback to propose plans for:

- Pedestrian and bike network
- Street improvements and safety
- Traffic congestion.

Neighborhood Character

We are using your feedback to shape draft urban design strategies to make sure future buildings balance existing character.

Community Stabilization

Today, we will discuss the challenges of creating affordable housing and how we can address the gap and help stabilize households.

In a future meeting, we will discuss economic development, jobs, and small business stabilization.

2

Inclusionary Development

*A Private Tool to Create
Income-Restricted Housing*

Exercise on Housing Creation



Savin Hill Avenue

The Inclusionary Development Policy (“IDP”) was first created in 2000.

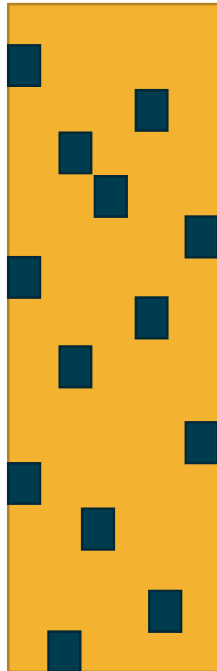
Mayor Martin J. Walsh revised the policy in December 2015.

IDP Creates Income Restricted Housing with Private Funding

Developers can meet IDP commitment through three methods:

On-Site

13% of units, scattered throughout the project



Off-Site

15% to 18% of units, in nearby location

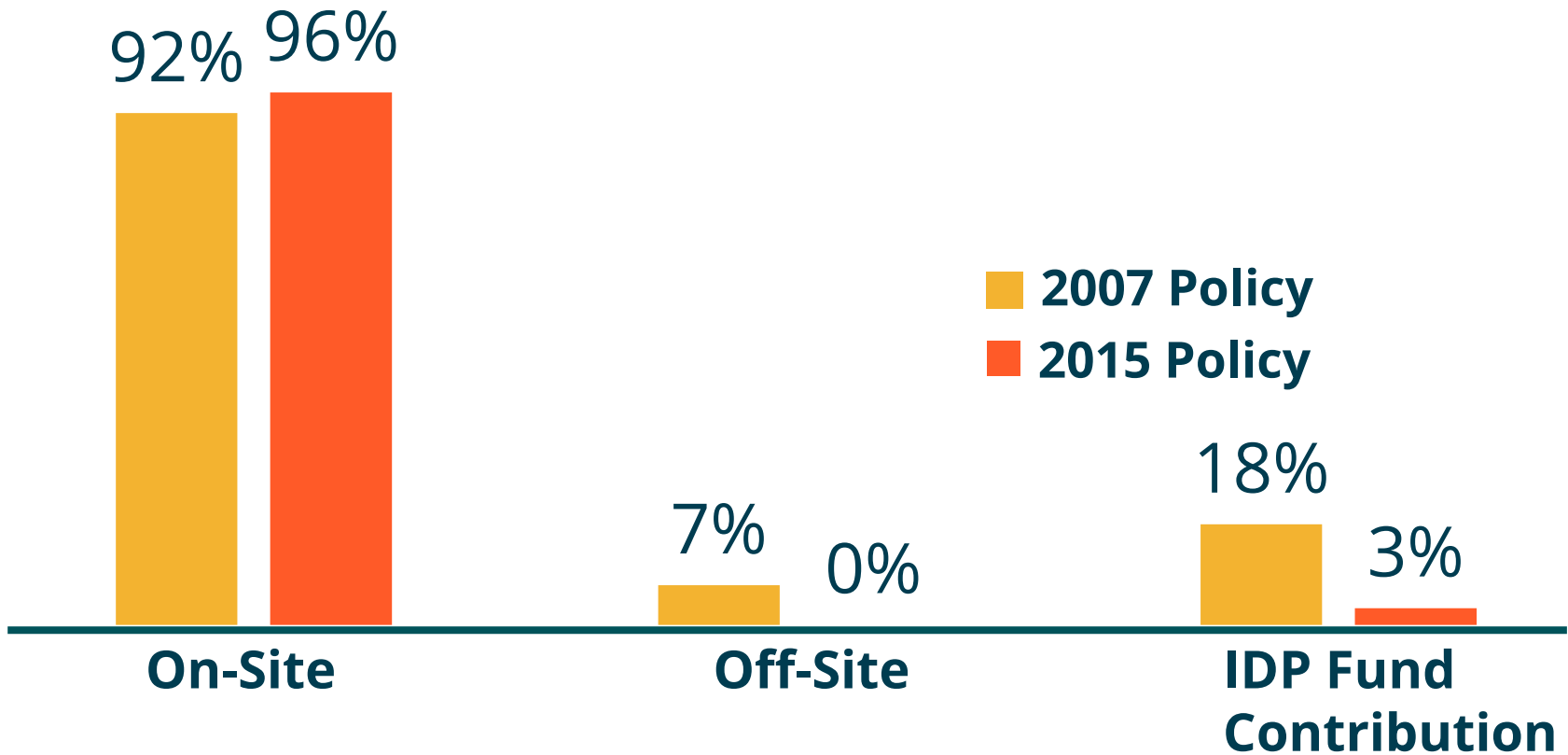


IDP Fund

Contribution based on 15% to 18% of units



City-wide IDP commitments are largely met with on-site units, but a combination of approaches is possible.



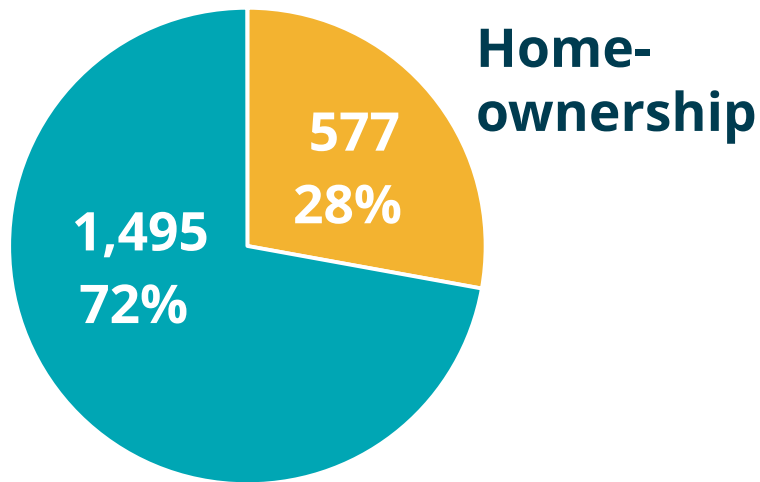
Data is City-Wide

City-wide IDP commitments are largely met with on-site units, but a combination of approaches is possible.

2,072

On-Site and Off-Site Units Completed

325 Completed in 2017

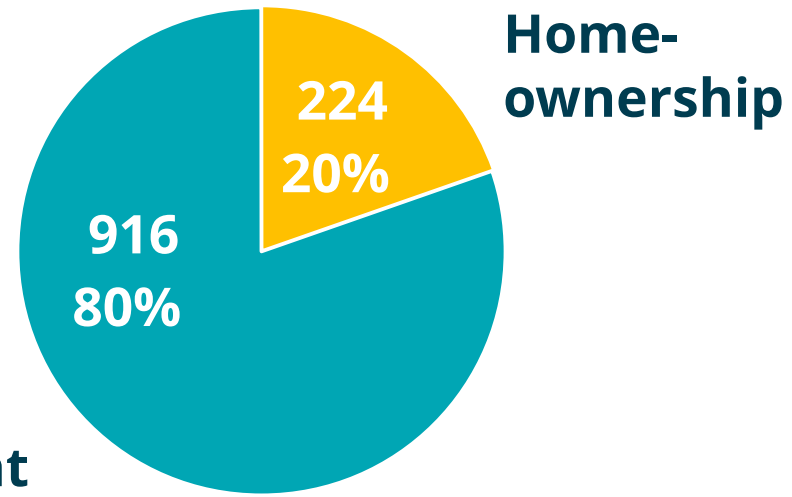


Rent

1,140

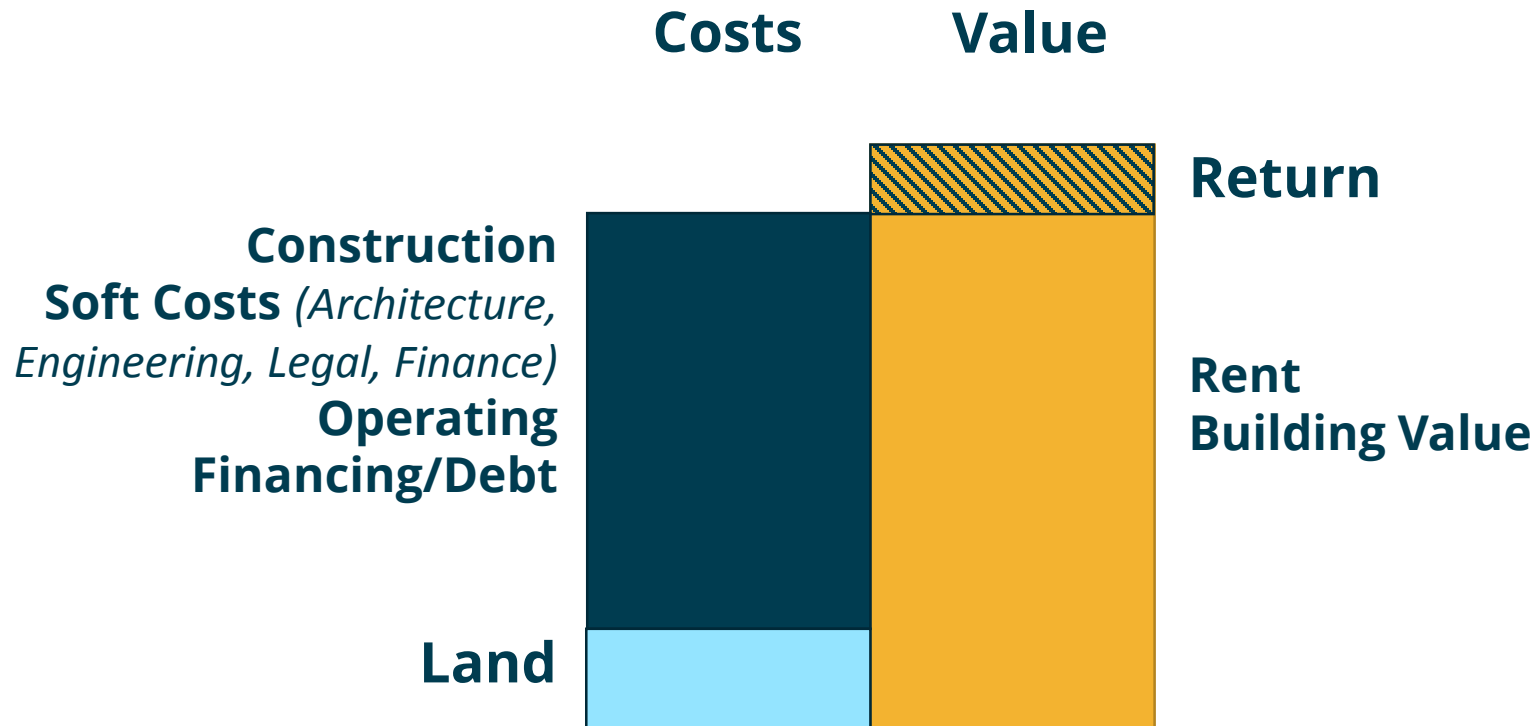
IDP Contribution-Funded Units Completed

126 Completed in 2017



Rent

How Does Inclusionary Development Work? Balancing Costs and Value



How Does Inclusionary Development Work? Effects on Stakeholder Results

**By Including Below
Market Units,
the Developer
Receives Less
Income**



Developer Decisions

1. Pays Less for Land

and/or

2. Gets Less Return

Housing Development Exercise

“Test Your Knowledge”

We will have a hands-on learning session together to make sure everyone understands why feasibility is important and how housing is created.

Exercise Goals

1. Learn about values and costs when considering a new building.
2. Learn the costs associated with creating benefits
3. Learn about trade-offs between additional density and benefits



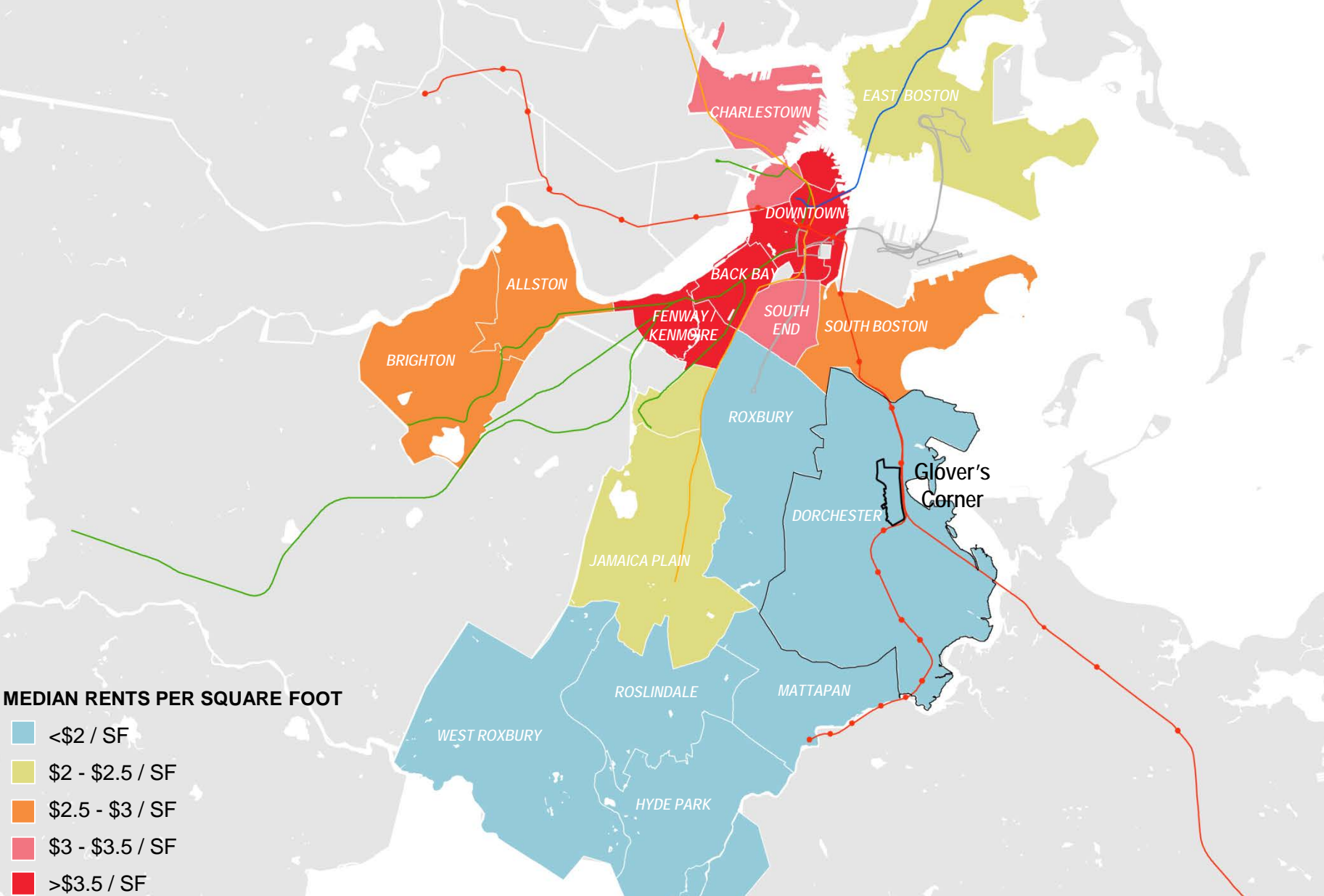
3. GLOVER'S CORNER FEASIBILITY STUDY

AFFORDABLE HOUSING – FEASIBILITY TESTS

Landwise ran a variety of feasibility tests with the following assumptions:

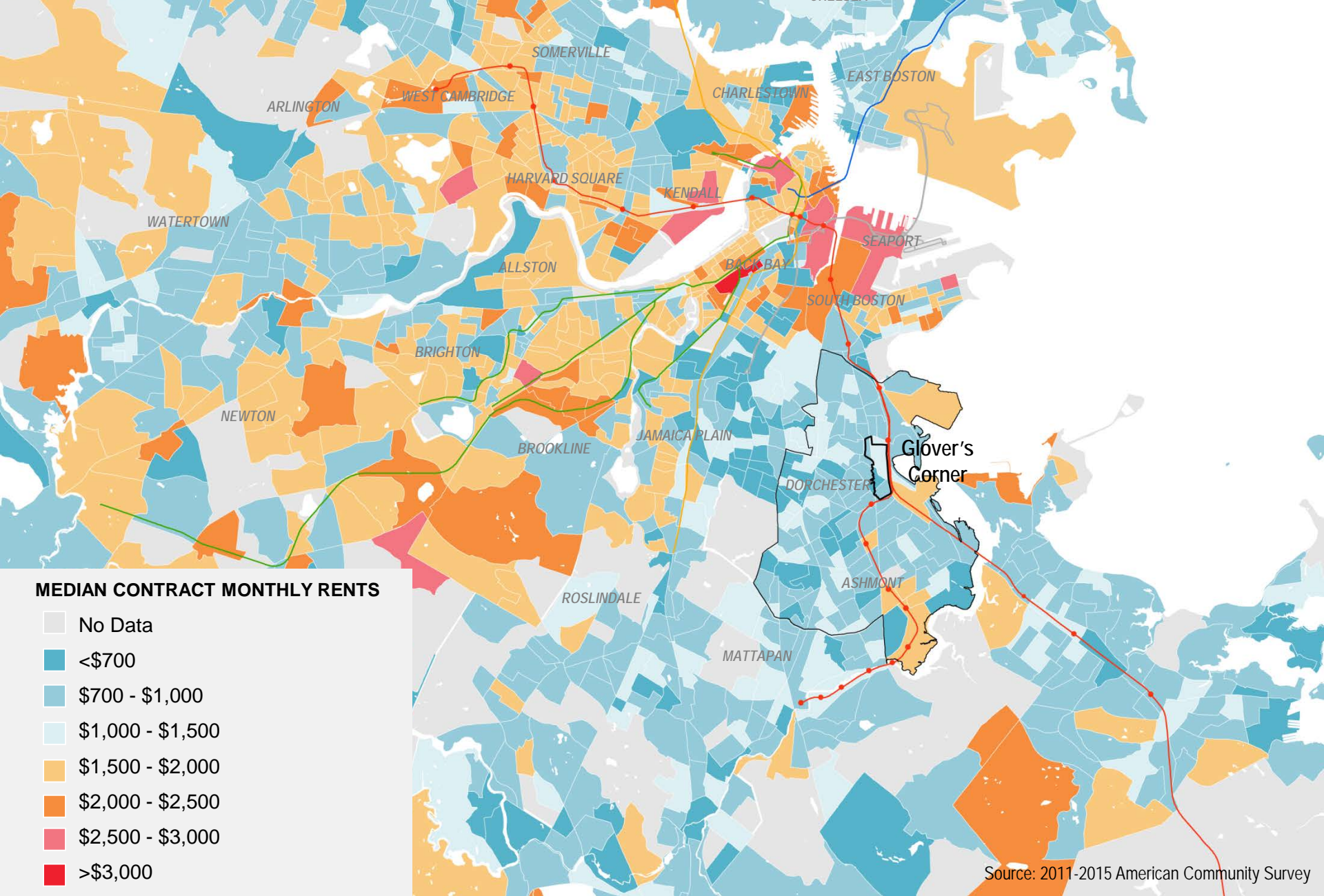
- New construction; mixed-use buildings of 70 feet
- Active ground-level uses such as retail, restaurants, and services
- Cost and income levels consistent with recent neighborhood comparables
- Developer pays for construction of new streets and open space amenities
- Average affordable unit ranging from low-income to moderate-income income-restricted units (50% AMI and 70% AMI)

MARKET CONTEXT – RESIDENTIAL RENTS



Source: Zillow, August 2017

MEDIAN CONTRACT MONTHLY RENTS



Source: 2011-2015 American Community Survey

RECENTLY CONSTRUCTED PROJECT RENTS



**2 BEDROOM
AVG RENT: \$3,300**



**2 BEDROOM
AVG RENT: \$3,000**



**2 BEDROOM
AVG RENT: \$2,700**



FIELDS CORNER

RENT LEVELS - AFFORDABLE UNITS VERSUS MARKET RATE

2 Bedroom Apartment

900 SF



Moderate-Income

\$1,642 monthly rent

Market Rent
Rent Required for Feasibility

\$3,000 - \$3,300

Low-Income

\$1,173 monthly rent

\$1,000

\$2,000

\$3,000

\$4,000

3 Bedroom Apartment

1,200 SF



Moderate-Income

\$1,823 monthly rent

Market Rent
Rent Required for Feasibility

\$3,700 - \$4,000

Low-Income

\$1,302 monthly rent

\$1,000

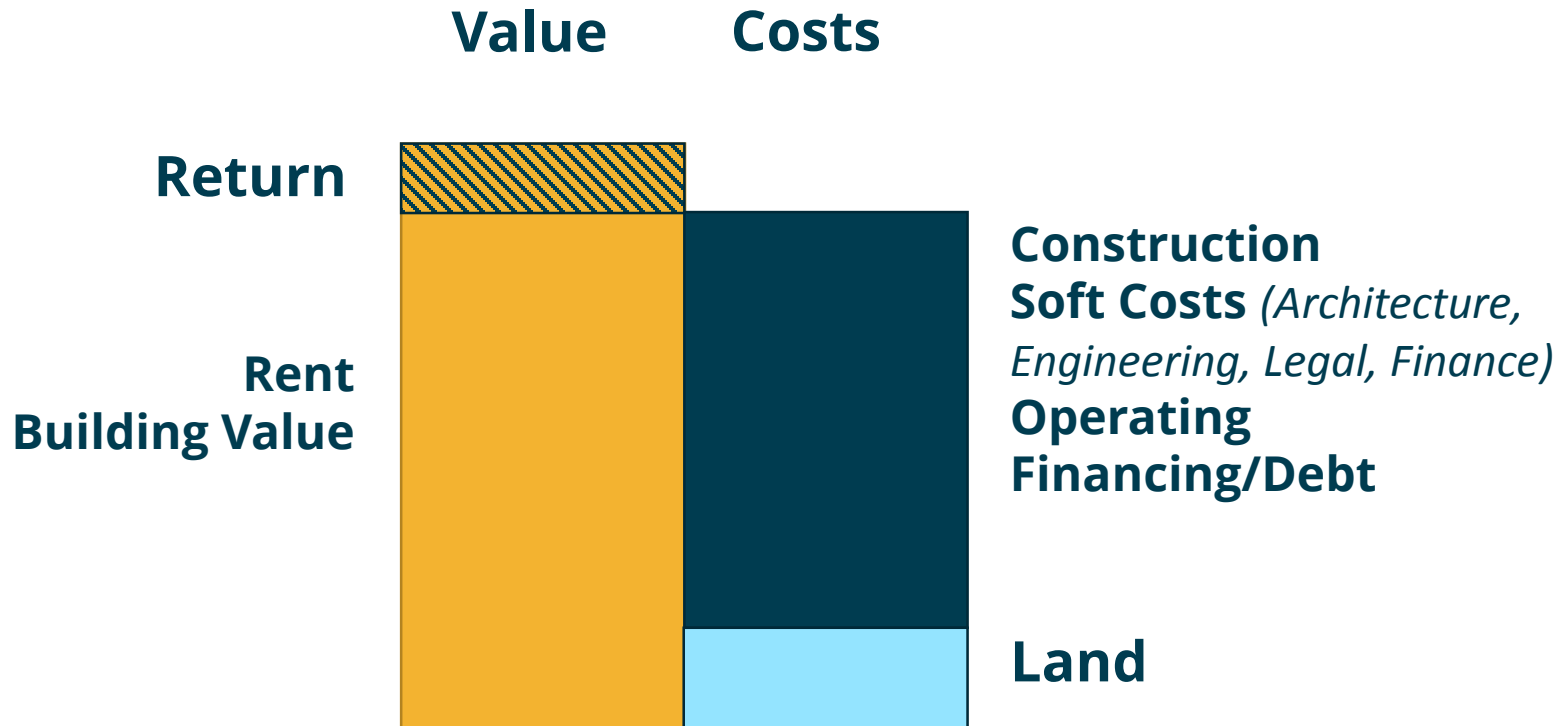
\$2,000

\$3,000

\$4,000

BALANCING VALUE AND COSTS

More return means development is more feasible and more likely to create benefits.



Including affordable unit can reduce feasibility. If residential projects are not feasible, what else can happen?

By Including Below Market Units, the Developer Receives Less Income



Developer Decisions

1. Pays Less for Land

and/or

2. Gets Less Return

AFFORDABLE HOUSING – FEASIBILITY TESTS

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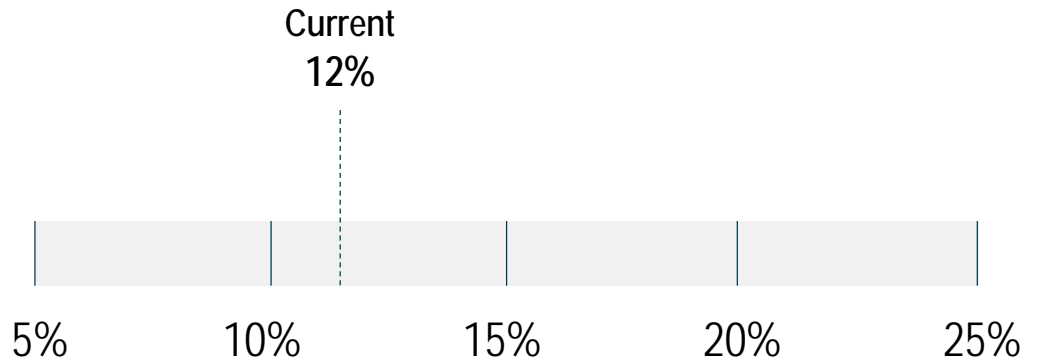
FINDINGS: FEASIBLE AFFORDABILITY PERCENTAGES

Assumption 1

- Pays for new streets and sidewalks
- At current land prices

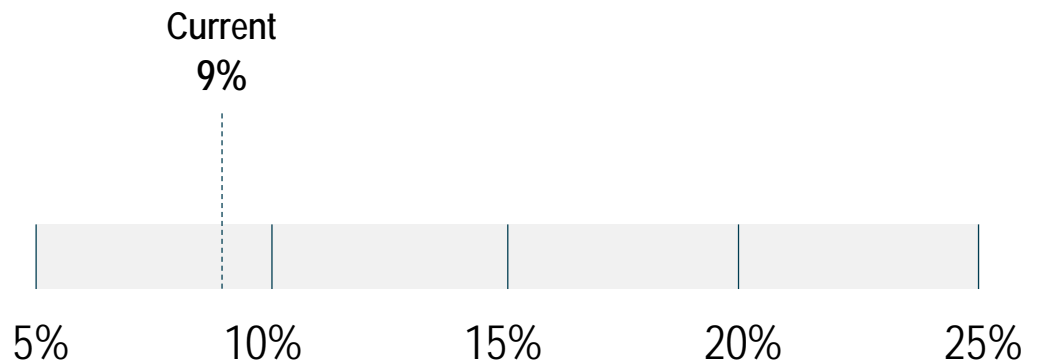
Affordable Percentage at Moderate-Income Levels

\$1,642 monthly rent for 2BR
\$67,950 annual income
Household size: 3



Affordable Percentage at Low-Income Levels

\$1,173 monthly rent for 2BR
\$48,550 annual income
Household size: 3



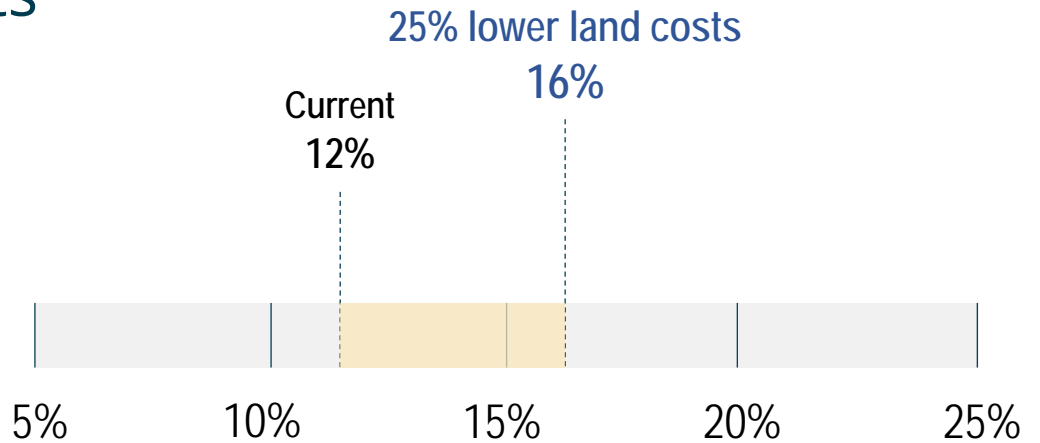
FINDINGS: FEASIBLE AFFORDABILITY PERCENTAGES

Assumption 2

- Pays for new streets and sidewalks
- At 25% lower land costs

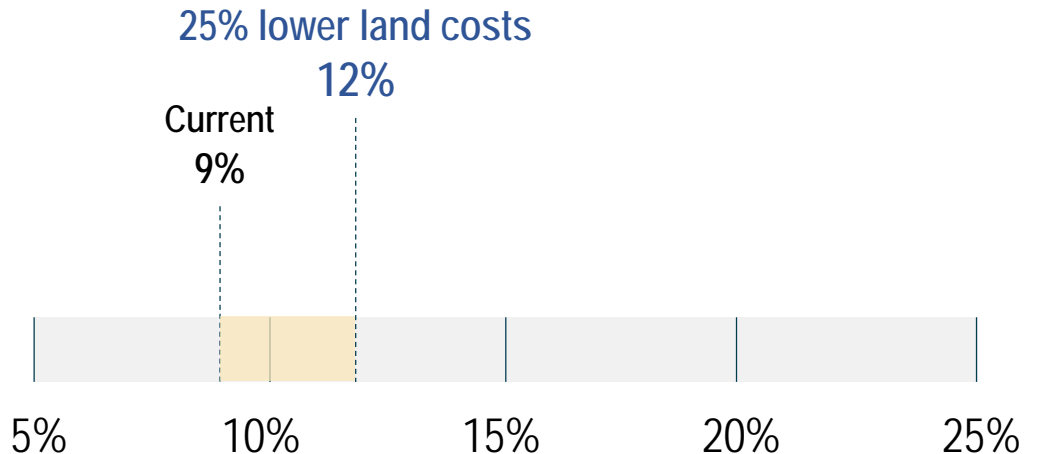
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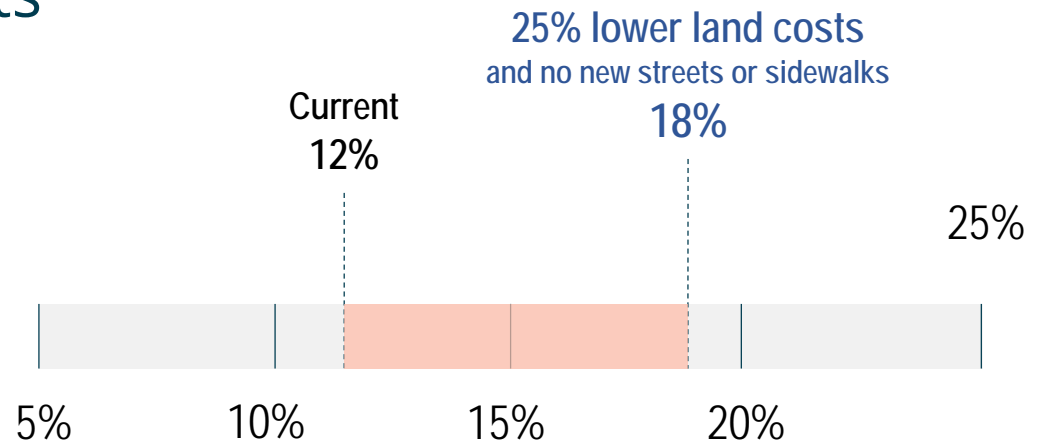
FINDINGS: FEASIBLE AFFORDABILITY PERCENTAGES

Assumption 3

- Does not pay for new streets and sidewalks
- At 25% lower land costs

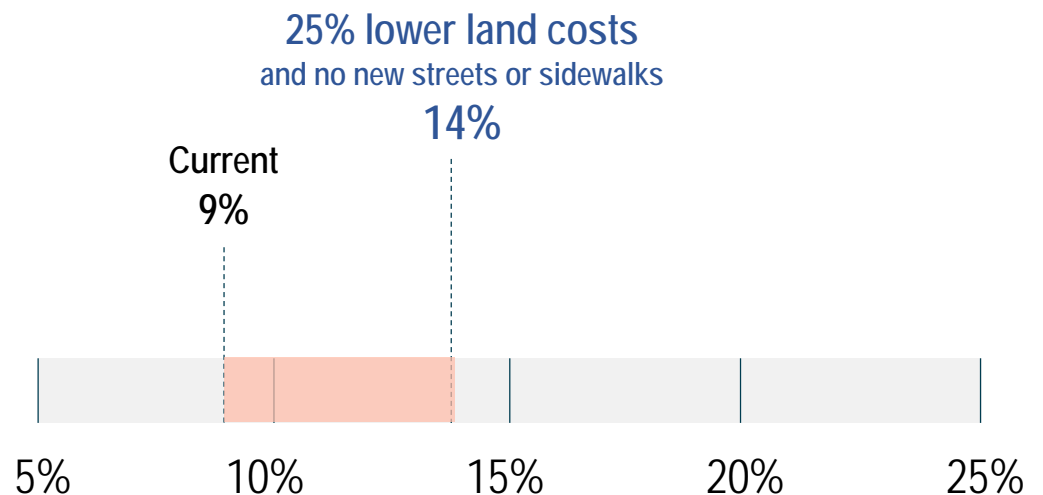
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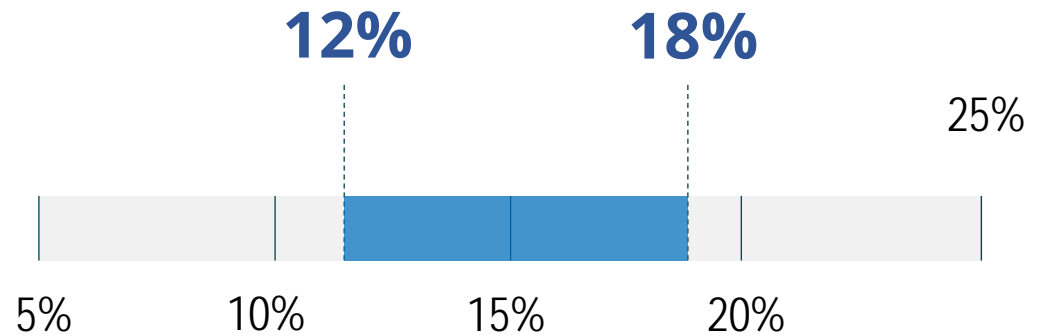


FINDINGS: FEASIBLE AFFORDABILITY PERCENTAGES

A range of feasible affordability percentages are possible depending on income levels, infrastructure costs, and land prices.

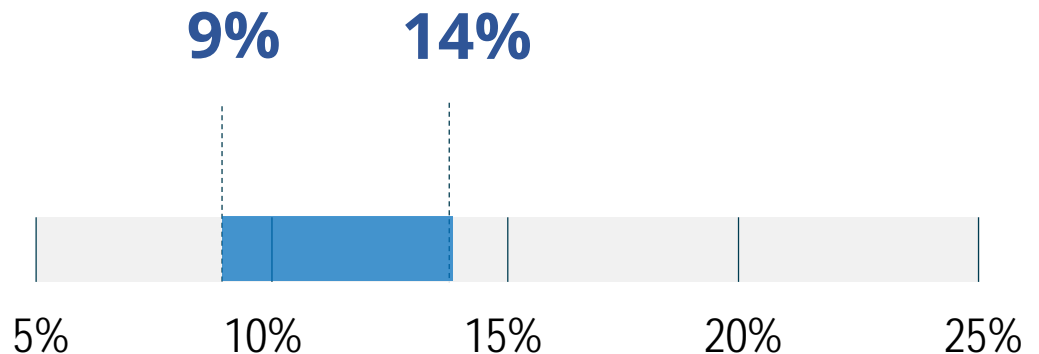
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ASSUMPTIONS USED FOR ANALYSIS

Challenges that cap the percentage of affordable units in market rates projects:

- Construction costs have been rapidly rising in the city (materials & labor)
- The real estate market requires the construction of parking spaces/decks
- The Developer pays for the cost of key infrastructure needs (i.e. roads and parks)
- The potential costs for off-site traffic/transportation improvements

Helping Private and Non-Profit Development Reduce Costs and Increase Affordability and Feasibility

- **Infrastructure Funding**
Leverage existing roads and infrastructure or tap into public funds for new construction
- **Reduce Parking Requirements**
Build shared parking and reduce parking requirements
- **Reduce Land Costs**
Identify lower land cost alternatives such as using publicly-owned land or public funding to help non-profit developers acquire sites
- **Provide Public Funding**
Leverage other available local/state incentives and work with mission-oriented developers

Increasing and Preserving Affordable Housing

- **Office of Housing Stability**

Stabilization programs to support especially low to middle-income renters in market rate housing (DND/OHS) including:

- Evening Clinics educating residents about tenants rights
- Landlord Guarantee Pilot Program
- City Flex Funds

- **Boston Home Center**

Reducing barriers to home ownership through funding assistance, training and programs.

- **Housing iLab**

Pilot and scale ways to increase housing affordability, including:

- Additional Dwelling Units
- Intergenerational Homeshare
- Housing with Public Assets

- **Neighborhood Housing Development**

Creating new affordable City assisted units through new construction, rehab of existing units, and preservation of historically affordable units.

**Thank you for your time.
We will now be available to chat and answer
questions.**

Follow-up Deep Dive Session

Monday, September 24, 6:00 pm – 7:30 pm
DotHouse Health, 1353 Dorchester Ave

- Content will be similar but more detailed
- We will explain and answer questions about assumptions and calculations in more detail