



Deep Dive: Housing Stability & Displacement Prevention



boston planning &
development agency

October 22, 2018



PLAN: Glover's Corner Dorchester

Preserve. Enhance. Grow.



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

PLAN: Glover's Corner Dorchester

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Overview of Relevant Research



PLAN: Glover's Corner Dorchester

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What we know: impact of new supply at the metro level

- Among economists there is little disagreement that at the metro level, adding housing supply reduces cost for housing. (See: Glaeser and Gyourko, 2018)

How is the metro level different from the local level

- At this time there is not an academic study that directly answers the following question: How does the relation of new building and housing prices vary by the spatial unit of interest (e.g. impacts on the surrounding 3 blocks, vs. impacts on the neighborhood, vs. impacts on the metro area, etc.)

Related studies

- Brookings paper by Jenny Shuetz: Building permit data show that areas with high pressure, but no new construction, have seen spikes in alteration permits and other signs of upgrading. This raises the possibility that this type of activity is more damaging to affordability compared to areas where new home construction is happening and adding to the overall supply. This study shows an example of where stopping development did not necessarily stop the activity that increases prices and rents.
- Study by the California Legislative Analyst's Office: Have jurisdictions that have permitted more housing seen lower rent growth for low income renters, and less displacement? Yes: those jurisdictions that have built more have seen lower rent growth at the bottom. Here we've moved from the metro area level to the jurisdiction level, which makes the geography smaller, though not as small a geography as discussed in the September deep dive meeting. (Question raised about causal factors: perhaps communities more permissive of housing expansion also more actively use other affordability tools, and that those policies are also responsible for the better outcomes for low-income renters. Boston does employ a variety of such affordability tools, which will be discussed by the Department of Neighborhood Development later in this presentation.)

Further Reading: Links to Studies

Glaeser and Gyourko, 2018

- <https://tinyurl.com/supplyimplications2018>

Brookings paper by Jenny Shuetz

- <https://tinyurl.com/schuetzbrookings>

California Legislative Analyst's Office Study

- <https://tinyurl.com/californialao>

PLAN: Glover's Corner Dorchester

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Department of
Neighborhood Development





MAYOR MARTIN J. WALSH
HOUSING A CHANGING CITY
BOSTON 2030
2018 UPDATE



2014 Housing Boston 2030 Overview:

Boston's population was estimated to be 709,000 by 2030

2014 Plan projection: 53,000 new housing units by 2030

- 6,500 low income
- 5,000 seniors, 1,500 income-restricted
- 20,000 middle income, 4,000 income-restricted
- 18,500 dorm beds
- Increased resources
- Many neighborhood stabilization efforts



2014 Housing Boston 2030 Outcomes: Production

27,513 Units
Permitted

5,191 Affordable
Units
Permitted

5,898 Dorm Beds
Permitted

18,029 Units
Completed



O'Connor Way, South Boston

47 affordable senior housing units:

- 34 units for households \leq 60% AMI
- 12 units for households \leq 30% AMI
 - 5 for homeless seniors



2014 Housing Boston 2030 Outcomes: Resources

Since 2014, the City of Boston has:

- Awarded more than \$115 million in City funding
- Made 1.4 million sf of City-owned RE available for affordable housing
- Updated Inclusionary Development, extracting more from market-rate development
- Voted in CPA, a 1% property tax levy, an ~\$20M per year
- Raised the linkage rate for commercial RE by 8% from \$8.34 per square foot to \$9.04



345 Harrison Avenue

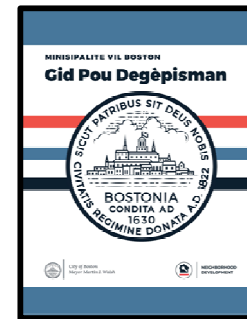
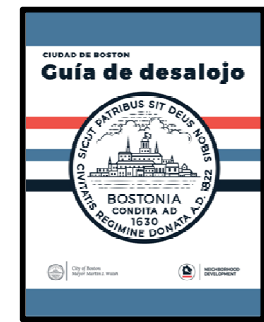
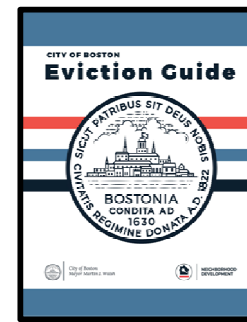
58 affordable rental units:

- For households \leq 70% AMI
- An additional \$11,800,000 payment to the IDP Fund



2014 Housing Boston 2030 Outcomes: New Initiatives

- Created the Office of Housing Stability: Since OHS was established in 2016, the eviction rate in Boston has declined.
- Established a Disability Housing Task Force to assess how Boston was meeting the housing needs of disabled persons.
- Launched the Mayor’s Housing iLab to pilot/scale new affordable housing solutions: Additional Dwelling Units, Compact Living, and Housing with Public Assets.
- The Mayor’s Neighborhood Homes Initiative offers City-owned land to be developed into new homes affordable to middle-income households. Since 2014, more than 200 homes have been completed or are in the pipeline.

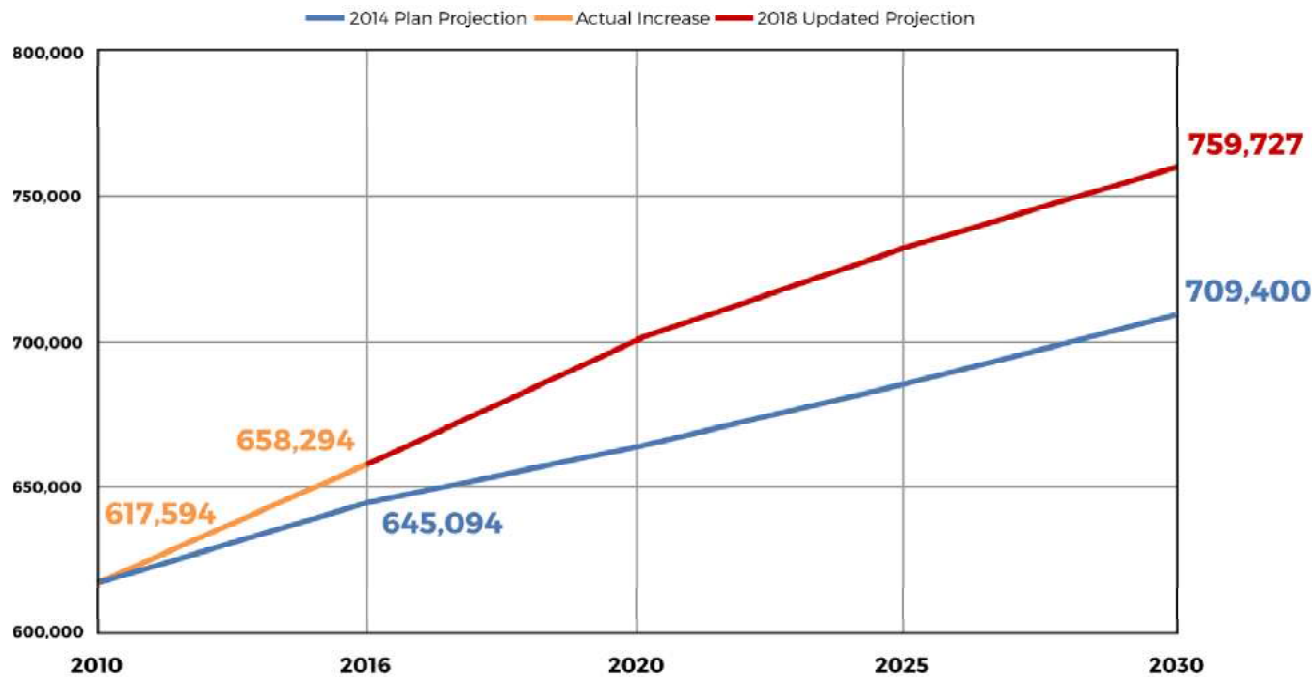


2018 Housing Boston 2030 Update

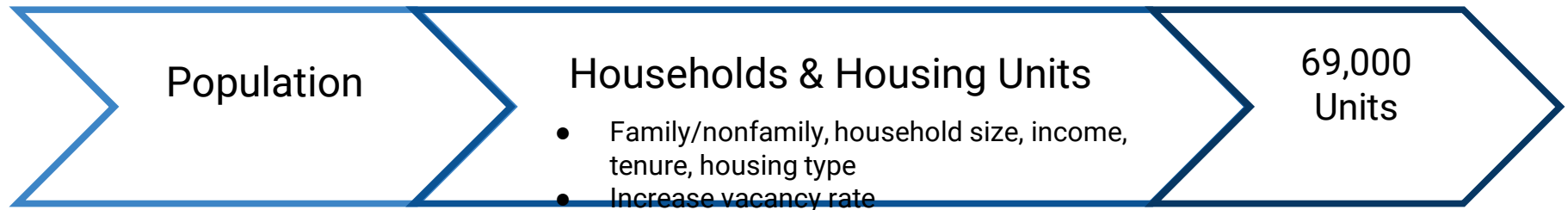


2018 Housing Boston 2030 Update: Population

Population Growth: Projection vs Actual



2018 Housing Boston 2030 Update: Production

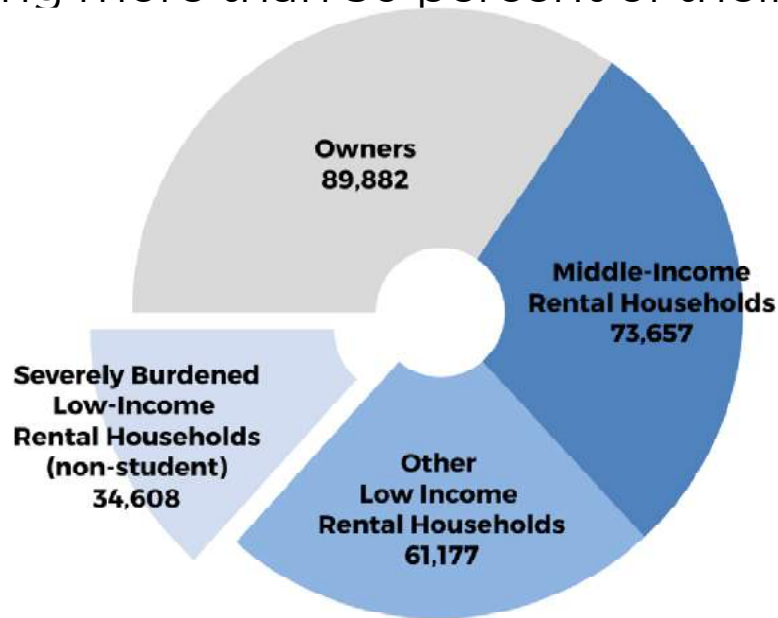


Population Assumptions & Housing Unit Goals	Projected Pop. by 2030	Projected Pop. Growth 2011-2030	New Housing Units Proposed
2014 Plan	709,400	+91,806	53,000
2018 Update	759,727	+142,133	69,000



2018 Housing Boston 2030 Update: Affordable Housing Needs

Out of Boston's 260,000 households, more than 34,000 are low-income renter households (non-students) that are severely cost burdened, paying more than 50 percent of their income on rent.



2018 Housing Boston 2030 Update: Affordable Housing Goals

- Currently, twenty percent of Boston's housing is income-restricted. As Boston grows, the City is committed to maintaining this percentage of income-restricted units, bringing the total number of income-restricted units to 70,000.

Income Category	2014 Plan Goal	2018 Updated Goal	Existing Income Restricted Units	Total Income Restricted Units by 2030
Low Income Senior	1,500	2,000	12,800	14,800
Low Income (non senior)	6,500	8,300	35,200	43,500
Middle Income Restricted	4,000	5,520	6,000	11,520
Total Income Restricted	12,000	15,820	54,000	70,000



2018 Housing Boston 2030 Update: Total Affordability

- Income-restricted housing cannot be the only answer, therefore we will also increase our goals for new construction of “naturally occurring affordable housing”

Income Restricted Category	2014 Plan Goal	Updated 2018
Income Restricted (previous slide)	12,000	15,820
Market but Middle Income Accessible	16,000	20,700
Total Income-Restricted + Market-Rate Affordable to Middle Income	28,000	36,500
Total Affordable % of overall growth	53%	53%



2018 Housing Boston 2030 Update: Resources

- Achieving the updated goals will require an annual production budget of \$50 million from the City.

Income Category	Units Funded and Permitted through 6/30/18	Units remaining to reach updated goal	Estimated city resources needed
Low Income Senior	345	1,655	\$130 million
Low Income (non senior)	2,085	6,215	\$408 million
Middle Income Restricted	2,761	2,759	\$61 million
Total 12.5 Year Need			\$599 million
Estimated Annual Budget			\$50 million
Average Annual Increase Required:			\$9 million



2018 Housing Boston 2030 Update: New Focus Areas

Regional Housing Task Force: chaired by Mayors Walsh & Curtatone

- Announced a 185,000 housing unit Regional Target this week
- Regional Housing Plan uses MAPC's analysis, as Boston does

Preservation of Affordable Housing: is critical to maintaining Boston's significant inventory of income-restricted housing and requires:

- Redeveloping 4,500 BHA units through public-private development
- Retaining 97% of income-restricted rental housing units, including 85% of the privately-owned affordable housing units most at risk



2018 Housing Boston 2030 Update: New Focus Areas

Preventing Displacement: has expanded its focus to include:

- Acquiring 1,000 market rate rentals & making them income-restricted.
- An Eviction Prevention Task Force to focus on tenancy preservation
- Crafting a new legislative package to prevent displacement

Increasing Homeownership: to address the wealth gap, Boston will:

- Create mortgage products for low and moderate income homebuyers
- Expand homebuyer education & credit repair support, with a focus on immigrants and persons of color



2018 Housing Boston 2030 Update: Key Takeaways

The **HB2030 2018 Update** goals cover 3 categories: **production** of new housing, **preservation** of existing affordable housing, & **protection** of those most at risk.

Production:

- Build 69,000 new housing units across a range of incomes by 2030
- Redirect development pressures away from core neighborhoods
- Create 15,820 income-restricted homes; brings total unit count to 70,000

Preservation:

- Retain Boston's existing income-restricted/affordable housing
- Redevelop 4,500 BHA units with public and private financing

Protection:

- Purchase & income-restrict 1,000 market rate rental units
- Reduce the eviction rate in subsidized & market rate housing
- Increase the resources and pathways for moderate and middle income households to become first time homeowners in Boston



B

Department of Neighborhood Development Overview & Introduction

*Department of
Neighborhood
Development*



City of Boston
Mayor Martin J. Walsh

Neighborhood Housing Development

NHD works to build strong, inclusive communities with access to stable and affordable housing for all through investing public resources in:



Neighborhood Housing Development

Residences at Brighton Marine



Highland Street E+



*Throughout our work, we
seek to support the
following mission-oriented
activities:*

- Sustainability*
- Supportive Housing*
- Local, Minority &
Women Employment*



Current NHD Pipeline FY 19

Twenty seven projects are estimated to commit and/or close in the following areas:

Dorchester - 8
Roxbury - 8
Mattapan - 4
East Boston - 0

Chinatown - 1
Jamaica Plain - 4
Hyde Park - 1
North Station - 1

Total Number of units

1221

Total Number of Affordable Units

845

Total City Funding

\$75M

(including CPA & Linkage)

Total Amount Leveraged

\$765M

Neighborhood Housing Development

Multifamily Development Process

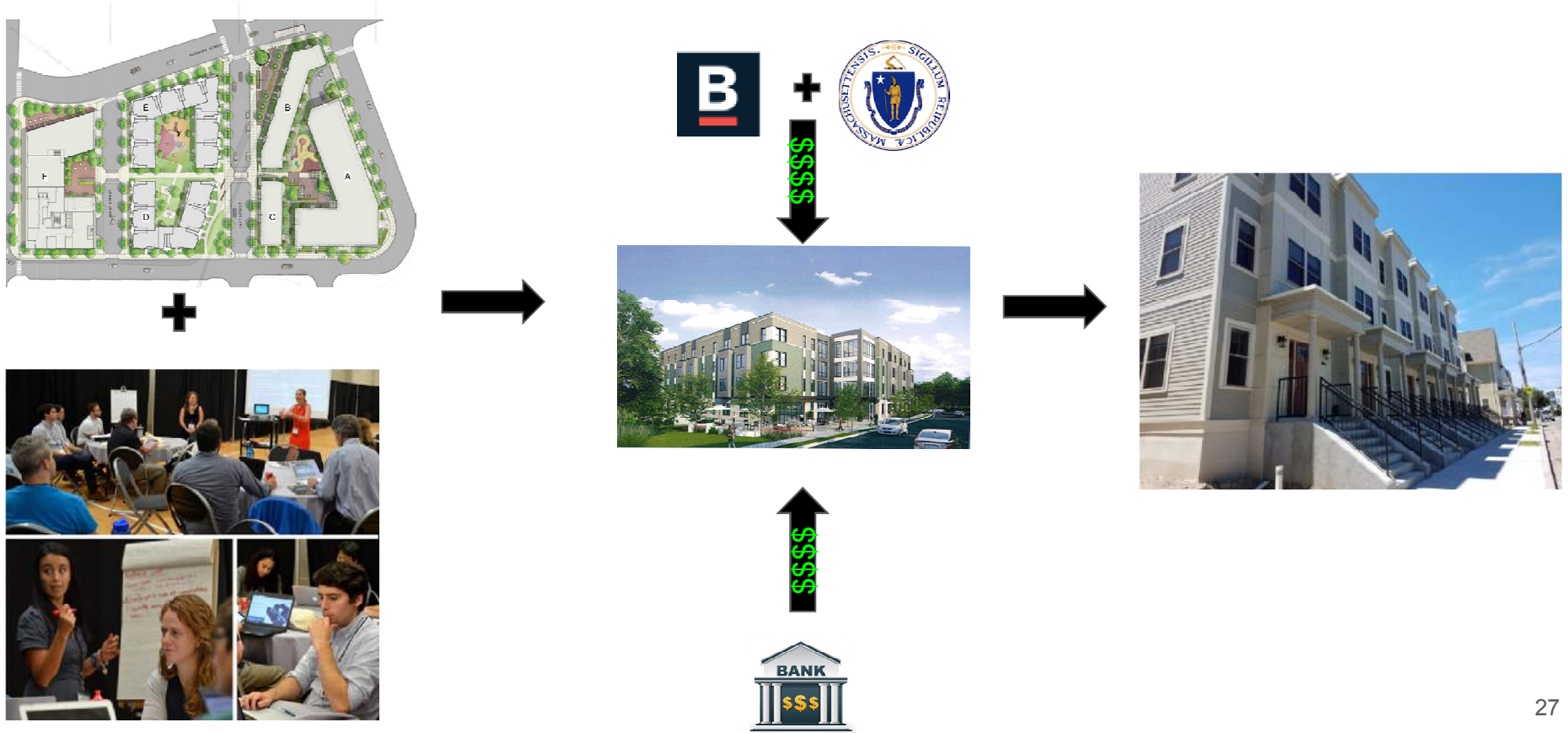


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Neighborhood Housing Development

Multifamily Development Process



Neighborhood Housing Development

Homeownership Development Process



Housing Production

Indigo Block Apartments

Indigo Block
65 East Cottage Street



View of residential building from new private way. 89 apartments for a mix of low- and middle-income households.



Indigo Block
65 East Cottage Street



View of commercial building from East Cottage Street. 21,400 SF of light industrial space.



Indigo Block
65 East Cottage Street



View of home-ownership condos from Hillborn Street. 9 condo units with a mix of 2 and 3 BRs.



ABOUT THE PROJECT:

- Construction of 89 mixed income housing units for families and individuals, of which 57 will be affordable rental units.
- 23 units will be available at or below 100%AMI.
- 9 units will be market rate Ownership.
- 20,000 sq. ft. commercial space.
- Construction start-Spring 2019

DND SUBSIDY:

\$2,544,055 IDP
\$1,000,000 NHT

EST. COMPLETION:

Summer 2020

AFFORDABLE UNITS: 57

- 15- 1 Bedroom units;
- 35-2 Bedroom units;
- 7 - 3 Bedroom units

MARKET RATE UNITS:

- 9 - 3 Bedroom units

Supportive Housing Development

The Harmon Apartments



ABOUT THE PROJECT:

- 36-unit, mixed-income rental development.
- The Boston Home will create the Harmon Apartments on their campus.
- Residences will be for individuals and families with progressive neurological disabilities.
- 30 affordable and 6 market rate units.
- All units will be equipped with ADA compliant handicapped accessible technology and services.

DND SUBSIDY:

\$1,425,000 DND

\$1,000,000 NHT

EST. COMPLETION:

Fall 2018

AFFORDABLE UNITS: 36

- 26: 1 Bedroom units
- 10: 2 Bedroom units

Acquisition Opportunity Program

875 American Legion Highway



ABOUT THE PROJECT:

- Acquisition of 8 rental townhome units in Roslindale.
- Prevented displacement of 8 families.
- 4 units are restricted at or below 60%AMI.
- 4 units are restricted at or below 100%AMI.

Total Assessed Value:
\$1,820,000

DND Subsidy:
\$600,000

AFFORDABLE UNITS: 8

- 8 - 4 Bedroom units;

Preservation Program

Burbank Gardens



ABOUT THE PROJECT:

- Acquisition of a 52 unit 13A property in the Fenway.
- The 13A program is a state subsidy and mortgage program that has been discontinued.
- Burbank Gardens would have lost its subsidies and affordability restrictions in March 2018.
- 6 units will be available to homeless individuals.
- 5 units will be available at or below 30%AMI.
- 7 units will be available at or below 50%AMI.
- 21 units will be available at or below 60%AMI.
- 13 units will be available at or below 100%AMI.

Total Assessed Value:

\$1,820,000

DND Subsidy:

\$2,500,000 DND

\$1,000,000 NHT

The Neighborhood Homes Initiative:

Edson/Peacevale & Glenway/Roxton



ABOUT THE PROJECT:

The construction of 18 total ownership units in Dorchester and Roxbury. The two projects were a collaboration between DND and OxbowUrban LLC.

The creation of a Community Pathway constructed by the developer and owned/maintained by New England United for Justice.

EST. COMPLETION:

Fall 2018

AFFORDABLE UNITS: 12

- 4 Two-Family
- 4 Single-Family

MARKET-RATE UNITS: 6

- 2 Duplex-Style units
- 2 Two-Family

Talbot Commons:



STREET ELEVATION (14 NEW ENGLAND AVENUE & 18 NEW ENGLAND AVENUE)

ABOUT THE PROJECT:

- Construction of 40 mixed income housing units for families and individuals, of which 40 will be affordable rental units.
- 30 units will be available at or below 60%AMI.
- 6 units will be available at or below 30%AMI.
- 4 units will be available to homeless individuals.
- Construction start-Fall 2018

DND SUBSIDY:

\$700,000 IDP
\$750,000 NHT

EST. COMPLETION:

Fall 2020

AFFORDABLE UNITS: 40

- 7 - 1 Bedroom units;
- 27 - 2 Bedroom units;
- 6 - 3 Bedroom units

TALBOT COMMONS (PHASE 1)

CODMAN SQUARE NEIGHBORHOOD DEVELOPMENT CORP.





Office of Housing Stability



Our Mission:
Promote housing preservation and
stabilization by helping residents
find and maintain stable, safe and
affordable housing.

Our Work



Case Management: Coordination and Triage

We are a 7-person housing advocate team opening over 100 new cases each week to help Bostonians in housing crisis find and maintain safe, stable, and affordable housing.



Program Management: Housing Stabilization Services

We fund non-profit partners to expand our capacity to provide housing resources to Bostonians, including shelter, financial assistance, court advocacy, eviction prevention, stabilization, and counseling services.



Informed Policy-Making

We collect and analyze data, community input, and stakeholder feedback to develop policies, programs and educational materials to address displacement.

Housing Search Assistance

1. Metrolist
 - a. Rental and Homeownership Lotteries
 - b. Affordable Rental Opportunities
 - c. Newsletter Emailed weekly
2. HousingWorks Database for Affordable Housing Applications
3. Monthly Housing Search Evening Clinic and Community Outreach

Housing Stabilization Services

1. Educate Tenant about their rights and responsibilities
2. Assess resources to preserve tenancy
 - a. City Flex Funds
 - b. Landlord Counseling
 - c. Legal Assistance
3. Refer to vendor partners for assistance if at risk of immediate displacement
 - a. Homestart
 - b. ELAHP
 - c. Project Hope
 - d. MetroHousing Boston

THE BOSTON HOME CENTER

Homebuyer

Education • Seminars • Workshops



2018

THE BOSTON HOME CENTER

Homebuyer

HOMEBUYER 101 (HB101)

Become a Smarter Homebuyer!

- The Mortgage Process and How to Qualify for a Mortgage
- Managing Debt and Credit
- How to Budget
- How to Shop for a Home
- Legal Aspects of Purchasing a Home
- Choosing a Mortgage Product that “fits” you



2017

THE BOSTON HOME CENTER

Homebuyer

ADDITIONAL WORKSHOPS

- Structuring Your Finances for Homeownership
- Homebuying 100 - Introduction to Homeownership
- Budgeting for Homeownership - Before and After
- Homebuyer Financing Programs
- Homebuying 102 - How to Buy a Condo



2017

THE BOSTON HOME CENTER

Homebuyer

FINANCIAL ASSISTANCE PROGRAM (FAP)

- **Up to 5% of purchase price for a home - depending on the type of loan**
- **Zero interest - deferred payment (No payments until home is sold)**



2017

THE BOSTON HOME CENTER

Homebuyer

ELIGIBLE APPLICANTS

- 1st time homebuyers (Applicant has not owned a property in the past 3 years)
- Complete Homebuyer 101
- Obtain a 1st Mortgage Pre-Approval from a City of Boston Participating Lender
- Buy a 1, 2, or 3 family residential property or condominium
- Contribute - from your funds
- Primary residence

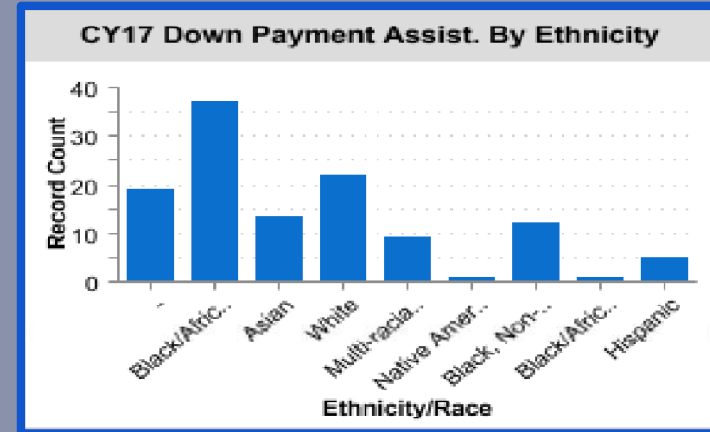
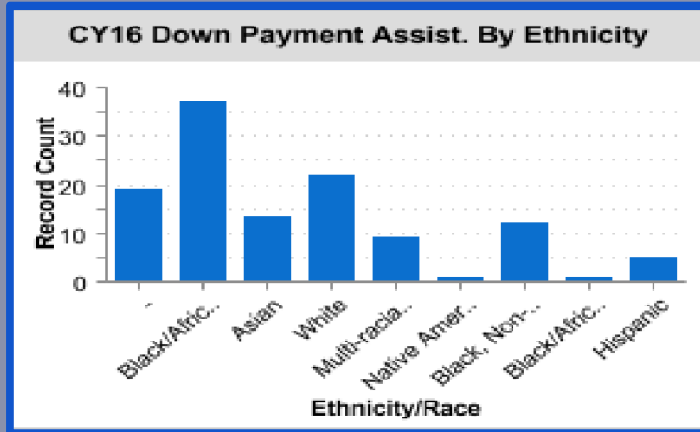


2017

THE BOSTON HOME CENTER

Homebuyer

PROGRAM ELIGIBILITY

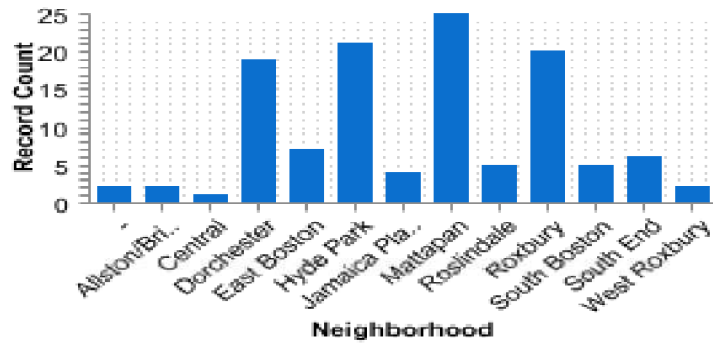


THE BOSTON HOME CENTER

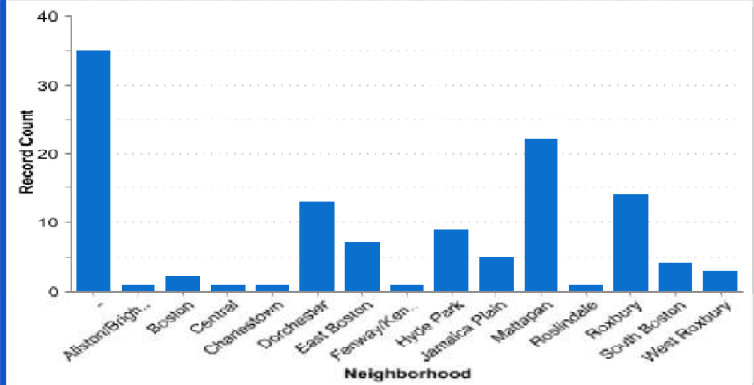
Homebuyer

PROGRAM ELIGIBILITY

CY16 Down Payment Asst. By Neighborhood



CY17 Down Payment Asst. By Neighborhood



THE BOSTON HOME CENTER

Homebuyer

Increasing Homeownership Rates in Boston Working Group

The purpose of the Working Group is to identify/outline barriers to homeownership in detail, identify possible solutions and then develop ten action steps that organizations can take or advocate for to increase homeownership rates for residents of Boston.

- **Identifying barriers in the purchase of different types of properties** (condos, SFs and multi-families) i.e., lending/insurance/underwriting standards and their application in Boston, price, credit issues, etc. **for various subsets of buyers** (people of color, LMI, middle-income, elders looking to downsize, immigrants, veterans, first-time homebuyers).
- **Identifying possible solutions to the barriers with an eye toward building off of existing programs that the City or others offer** – both on the production side and the subsidy side – with laser focus toward the solution addressing a barrier.
- **Developing ten action steps that folks in the room can take to increase the homeownership rates in Boston particularly for people of color and first time homebuyers** based on the barriers and best practices identified and resources available.





BOSTON HOME CENTER



Equal Housing
Opportunity

HOME REPAIR PROGRAMS

HOMWORKS HOME EQUITY LOAN PROGRAM
(HomeWorks HELP)

3D HOME EQUITY LOAN PROGRAM (3D HELP)

SENIOR HOME REPAIR PROGRAMS:

SENIORS SAVE

MINOR REPAIR

EMERGENCY REPAIRS

MODERATE REPAIRS

All home repair programs applicants must be...

- Boston owner-occupant of one to four family house or condominium (6 Units or less);
- Current with all real estate property taxes;
- Current with Boston Water and Sewer (BWSC);
- Current with their mortgage payment.
- Each program has additional qualifying terms and conditions.



HomeWorks Home Equity Loan Program

(HomeWorks HELP)

&

3D Home Equity Loan Program

(3D HELP)



All program funding is subject to availability and subject to change

HOMWORKS HELP & 3D HELP

- Household income at or below 120% AMI are eligible for loans up to 100% of the cost (up to the maximum loan limit for their property type);
- Household income above 120% AMI – 135% AMI are eligible for loans of up to 50% of the cost (up to the maximum loan limit for their property type) for their approved repairs as long as they provide 50% of the cost or dollar-for-dollar match;
- Assets cannot exceed 75,000, inclusive of cash, equity in non-primary real estate and retirement funds will not be included in the asset assessment;

HomeWorks HELP benefits . . .

- A zero percent (0%) interest rate, deferred loan for home repairs of up to \$20,000.
- At least 1/3 of City funds **MUST** be used for exterior repairs.
- Homeowners with household incomes under 120% of HUD AMI may be eligible to receive City funding of 100% of the repair costs up to the maximum loan limit listed above.
- Homeowners with household incomes between 120% and 135% of HUD AMI may be eligible to receive City funding for 50% of the repair costs up to the maximum loan limit and must match the City-funded loan dollar-for-dollar with their own funds or with a bank loan.
- A DND Construction Specialist **will review your contractor's estimate** before your project begins and inspect the completed project.

3D HELP

3D HELP is intended to help preserve and support the traditional ownership of a triple decker where the homeowner resides in one unit and rents the other two.

SOME BENEFITS ARE...

- A zero percent (0%) interest rate, deferred loan for home repairs of up to \$30,000.
- At least 1/3 of City funds **MUST** be used for exterior repairs.
- A Boston Home Center Construction Specialist assists with a construction cost estimate, contractor bidding; contractor selection; construction monitoring; and inspect the completed project.

SENIOR HOME REPAIR PROGRAMS



- Participants must be at least 62 years old; 60 years old for Seniors Save
- Household income at or below 80% Median Household Income – median and other performance measurements determined by U. S. Department of Housing and Urban Development (HUD); and,
- For multi-family properties, at least half of households are of Low to Moderate income (at or below 80% MHI).

SENIORS SAVE

BENEFITS INCLUDE:

- Save money! New energy-efficient systems will reduce \$\$ spent on heat!
- A \$3,500 grant replace a failing or inefficient heating systems.
- A 0% interest, deferred loan will pay for any additional cost.

TO QUALIFY:

- Be a Boston resident 60 years of age or older.
- Have a heating system at least twelve (12) years old.
- Have an income of up to eighty (80) percent of Area Median Income (AMI) as established by the Department of Housing and Urban Development (HUD)

Senior Moderate Home Repair Program benefits...

- Elderly clients continue to live in their home having addressed health and safety repairs and more.
- Receive zero percent (0%) interest, deferred payment loan (payable upon sale, transfer of ownership, or cash-out refinancing).
- Make home repairs – like replace drafty windows, replace roof, porches, etc.
- Receive emergency grant for approved health and safety repairs.
- Senior agency representatives assist elderly clients with paperwork and answers questions. In addition, Program Manager and Construction Specialist, visit home for paperwork, monitor progress of the home repair project.

Minor Home Repair Program benefits . . .

Make minor home repairs – like replace window cords, fix leaking faucet.

TBHC Neighborhood-Based Partner Agencies:

Linda Morfin, Ecumenical Social Action Committee (ESAC), (617) 524-2555; Servicing Jamaica Plain, Roslindale, West Roxbury, Hyde Park, Brighton, and Allston.

Leo Moss, Kit Clark Senior Center, (617) 533-9141; Servicing Dorchester and South Boston

Anthony D’Andrea, Neighborhood of Affordable Housing (NOAH), (617) 418-8265; Servicing East Boston, Charlestown, West and North Ends.

Maria DePina, Tenants Development Corporation (TDC), (617) 247-3988 Servicing Boston Central, Back Bay, Dorchester (02121) Fenway, Mattapan, Roxbury, and South End.

Senior Home Emergency Repair benefits...

- Receive up to \$5,000 emergency grant for approved health and safety repairs such as a broken sewer pipe or leaking roof and a 0% deferred loan for additional cost of repair(s).
- A DND/BHC Construction Specialist, will survey the home to determine if an emergency condition exists. The Construction Specialist will also provide qualified contractors to correct the emergency condition. When the cost exceeds the above grant, a deferred loan at 0% interest rate and no monthly payments is available.
- The agency visits the home for application intake and answer questions.