



Boston's Linkage Policy: Background and Zoning Proposal

December 2022



The background of the slide is a dark blue wireframe illustration of a city, showing various building footprints, streets, and a central park area with trees. The lines are light blue and create a 3D effect of the urban layout.

What is a linkage policy?

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Boston's Linkage Policy is a development impact exaction/fee charged to large commercial development.

New commercial uses create new jobs, which means that there is also a need to house those new workers.

In addition, to assure that current Boston residents can get some of those new jobs, job training is required.



History of the Linkage Policy

- **1983: Boston adopts housing linkage policy.**
- **1986: Neighborhood Housing Trust created.**
- **1986: Boston adopts jobs linkage policy.**
- **1987: Neighborhood Jobs Trust created.**
- **1987: Legal authority codified into law by Chapter 371 of the Acts of 1987**
- **Fees increased in 2002, 2006, 2013, and 2018.**
- **2019: City Council passes Home Rule Petition that would allow Boston to change Linkage Policy without state legislative action.**
- **2021: State Legislature passes Home Rule Petition, adopted as Chapter 365 of the Acts of 2020.**
- **2021: Current fees established.**
- **2022: Current nexus/feasibility study initiated.**

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Current Linkage Policy

Current Policy

- Applies to projects with 100,000 or more of square feet of commercial space.
- The first 100,000 square feet of space is exempt from the fee.
- Fees
 - \$13.00/square foot for housing
 - + \$2.39/square foot for jobs
 - \$15.39/square foot total
- Housing Payments:
 - Seven annual, equal payments
 - First payment is made at time of building permit (downtown), or the earlier of 24 months after construction start or at certificate of occupancy (rest of city)
- Jobs Payments:
 - Two annual, equal payments
 - First payment is made at time of building permit



Current Policy: Example

Example:

Commercial Square Footage: 250,000
100,000 Square Foot Exemption: -100,000
Square Footage covered by Fees: 150,000

Housing Contribution:

Square Footage: 150,000
Fee/Square Foot: x \$13.00
Housing Fee \$1,950,000

Jobs Contribution:

Square Footage: 150,000
Fee/Square Foot: x \$2.39
Jobs Fee \$358,500

Outcomes

Since its inception in 1986, the Neighborhood Housing Trust has awarded more than \$227 million dollars in linkage funds for affordable housing, creating 9,183 new income-restricted housing units and preserving 6,057 existing income-restricted housing units.

Since its inception in 1987, the Neighborhood Jobs Trust has received over \$55 million in linkage funds for job training, which provides industry-recognized job training and education programs crucial to economic mobility including the Tuition Free Community College program.

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Proposed Linkage Policy

Proposed Linkage Policy



- **Threshold and exemption lowered to 50,000 square feet**
- **Rates will differ between lab and other commercial uses**
- **Increases will be phased in over two years**
- **First half of payment made at building permit, remaining payment at Certificate of Occupancy**
- **New policy does not apply to any projects that have already filed with BPDA as of the date of adoption**



Proposed Linkage Policy: Summary of Changes

Policy Area	Current Policy	1st Year Increase	2nd Year Increase
Jobs Linkage	\$2.39/sf	Lab: \$3.59/sf Commercial: : \$3.08/sf	Lab: \$4.78/sf Commercial: \$3.76/sf
Housing Linkage	\$13.00/sf	Lab: \$19.50/sf Commercial: \$16.17/sf	Lab: \$26.00/sf Commercial: \$19.33/sf
Total Linkage	\$15.39/sf	Lab: \$23.09/sf Commercial: s: \$19.25/sf	Lab: \$30.78/sf Commercial: \$23.09/sf
Square Footage Trigger	100,000 SF	50,000 SF	50,000 SF
Square Foot Exemption	100,000 SF	50,000 SF	50,000 SF
Payment Schedule Jobs Trust:	2 equal, annual payments, triggered by permit	First half payment at permit, remaining payment at COO	First half payment at permit, remaining payment at COO
Payment Schedule: Housing Trust	7 equal, annual payments (triggered at either permit or COO, depending on location)	First half payment at permit, remaining payment at COO	First half payment at permit, remaining payment at COO



Proposed Policy: Example (2023 Rates)

Example:

Commercial Square Footage: 250,000
 50,000 Square Foot Exemption: - 50,000
 Square Footage covered by Fees: 200,000

Housing Contribution, Lab Use:

Square Footage: 200,000
 Fee/Square Foot: x \$19.50
 Housing Fee \$3,900,000

Jobs Contribution, Lab Use:

Square Footage: 200,000
 Fee/Square Foot: x \$3.59
 Jobs Fee \$718,000

Housing Contrib, Commercial (Non-Lab): Jobs Contribution, Commercial:

Square Footage: 200,000
 Fee/Square Foot: x \$16.17
 Housing Fee \$3,234,000

Square Footage: 200,000
 Fee/Square Foot: x \$3.08
 Jobs Fee \$616,000

An aerial wireframe illustration of a city grid, showing various building footprints and street layouts in a light blue color against a darker blue background. The perspective is from a high angle, looking down on the city.

Next Steps/Public Process

Next Steps - Linkage

Public Process

- **Citywide Public Hearings: Wednesday, January 11th, 6:30 pm**
- **Web Site**
 - **Comment period open until at least Friday, January 13th**

BPDA Board vote, date to be determined

Zoning Commission vote, date to be determined