



2018 UPDATE

MAYOR MARTIN J. WALSH HOUSING A CHANGING CITY BOSTON 2030



SEPTEMBER 2018

TABLE OF CONTENTS

Executive Summary	3
Demographic Changes and New Production Goals	6
Housing Boston’s Low Income (Non-elderly) Households	11
Preservation Of Affordable Housing	13
Boston’s Middle Class	15
Housing Boston’s Seniors	17
Housing Boston’s Students	19
Fair Housing and Equity	21
Preventing Displacement and Supporting Housing Stability	22
Increasing Homeownership	25
Expanding Resources	27
Sustainable and Climate-Ready Housing	30
Housing Innovation and Government Efficiency	32
Appendix A: Additional Data and Analysis	35
Appendix B: Demographic Methodology	38
Mayor’s Advisory Housing Task Force Members	40

EXECUTIVE SUMMARY

Background:

In 2014, one of Martin J. Walsh's first acts as Mayor was to convene a Task Force to create an overarching housing policy for the City of Boston. The Mayor's Housing Advisory Task Force brought together housing development professionals from both the nonprofit and for profit sectors, housing advocates, service providers, academics, legislators, funders, and a broad array of professional staff from across City government. The resulting housing policy, **Housing a Changing City: Boston 2030**, was released in October 2014, with ambitious goals focused on one issue: Boston's growing population was outstripping its housing supply, leading to escalating needs for affordable options in Boston's housing market.

In response to this need to create a more affordable and inclusive city, the 2014 plan called for building 53,000 new housing units by 2030 with specific targets for production at different affordability levels. These included 6,500 new units for low-income Bostonians, 20,000 new units for middle-income households, 3,500 units for seniors, and 18,500 new dormitory beds for undergraduate and graduate students. The plan also called for reinvestment in Boston's public housing stock, retention of existing affordable housing, protections for groups at the highest risk of housing crisis, and continued innovation in the approach to housing affordability. These values were incorporated into the Imagine Boston 2030 (IB 2030) planning effort, and reflected in the 2017 release of Boston's first citywide plan in a generation.

As public policy, **Housing a Changing City: Boston 2030** was created to be a living document with reporting requirements and evaluation built into its structure by the Walsh Administration. A planned critical evaluation of the underlying assumptions, goals, and outcomes was the catalyst for reconvening the Housing Task Force in 2018 in order to produce this update to the Plan.

2018 Update:

In 2014, the City based housing goals on a projected growth in Boston's population to 709,000 people by 2030. With more than 27,000 units permitted or completed thus far, Boston has been outperforming Mayor Walsh's 2014 housing plan goal of building 53,000 units by 2030.

Despite these successes, Boston's population is growing faster than expected. The Boston Planning and Development Agency (BPDA) has been working with the Metropolitan Area Planning Council (MAPC) and the Metropolitan Mayors Coalition (MMC) Regional Housing Task Force to forecast housing need. Using the best

demographic data now available, Boston's 2030 population is projected to be closer to 760,000 people. To house this increased population, Boston's housing production goal must increase from 53,000 units to 69,000 new units by 2030.

The need for more housing, however, does not stop at Boston's borders. All available data and forecasts indicate that the current housing crisis is regional in nature, and must be solved regionally. Working with the MMC Regional Housing Task Force, MAPC has analyzed how robust economic growth is driving increased demand for new housing in the region. Since all communities will have a role to play in meeting that future demand, the Mayors and Managers of the MMC are currently working to establish an MMC regional target for housing production, and committing to collaboration on the policy changes needed to make housing more abundant and affordable. The current housing crisis is both regional and national in scope, and larger scale solutions and stronger collaborative efforts are necessary.

In the pages that follow, the City of Boston will reaffirm and update its commitment to the original 2014 plan goals *and* to the additional 16,000 units, while explicitly affirming greater commitment to housing affordability, **increasing access to homeownership, preventing displacement, and to promoting fair and equitable housing access**. Specifically, the City of Boston is committed to maintaining the one in five rate of income-restricted units in Boston and will create an additional 15,820 units of income-restricted housing, bringing the total number of income-restricted units in Boston to nearly 70,000. In addition, the City will collaborate with advocates, providers, and other professionals to reduce the number of evictions in both the subsidized and private housing markets, and to implement strategies that raise the rate of first-time homebuyers, particularly among households of color.

Please note that the update contained here does not provide a detailed scorecard on the original plan's goals. The City has provided quarterly and yearly updates on housing progress which can be found [on the City's website](https://www.boston.gov/departments/neighborhood-development/housing-changing-city-boston-2030). (<https://www.boston.gov/departments/neighborhood-development/housing-changing-city-boston-2030>)

The major themes of this update can be summarized under three major housing affordability categories: **production** of new housing, **preservation** of existing affordable housing, and **protection** of those households most at risk.

Production:

- **Build 69,000 new housing units across a range of incomes by 2030:** To accommodate faster than expected regional growth, the City of Boston is committing to increase its goal as part of a regional housing development strategy.

- **Redirect development pressures away from core neighborhoods and towards opportunities for growth:** Building upon the Imagine Boston 2030 planning framework, focus on preserving and enhancing existing neighborhoods by guiding concentrations of new development to the IB 2030 “expanded neighborhood” areas while continuing contextually sensitive development citywide. This will help manage development pressure within existing neighborhoods.
- **Create 15,820 income-restricted long term affordable homes:** This will bring the total number of income-restricted homes in Boston to nearly 70,000.

Preservation:

- **Retain Boston’s existing income-restricted/affordable housing:** Reaffirm the 2014 plan goal of preserving 97 percent of all affordable housing units as well as 85 percent of the 4,000 units in privately-owned affordable units at highest risk of being lost (“expiring use” properties).
- **Rebuild Boston’s Public Housing:** Homes provided by the BHA serve many of Boston’s poorest and most vulnerable residents. The City must prioritize efforts to re-develop and renovate up to 4,500 BHA units with both public and private financing, a goal likely to extend beyond the year 2030.

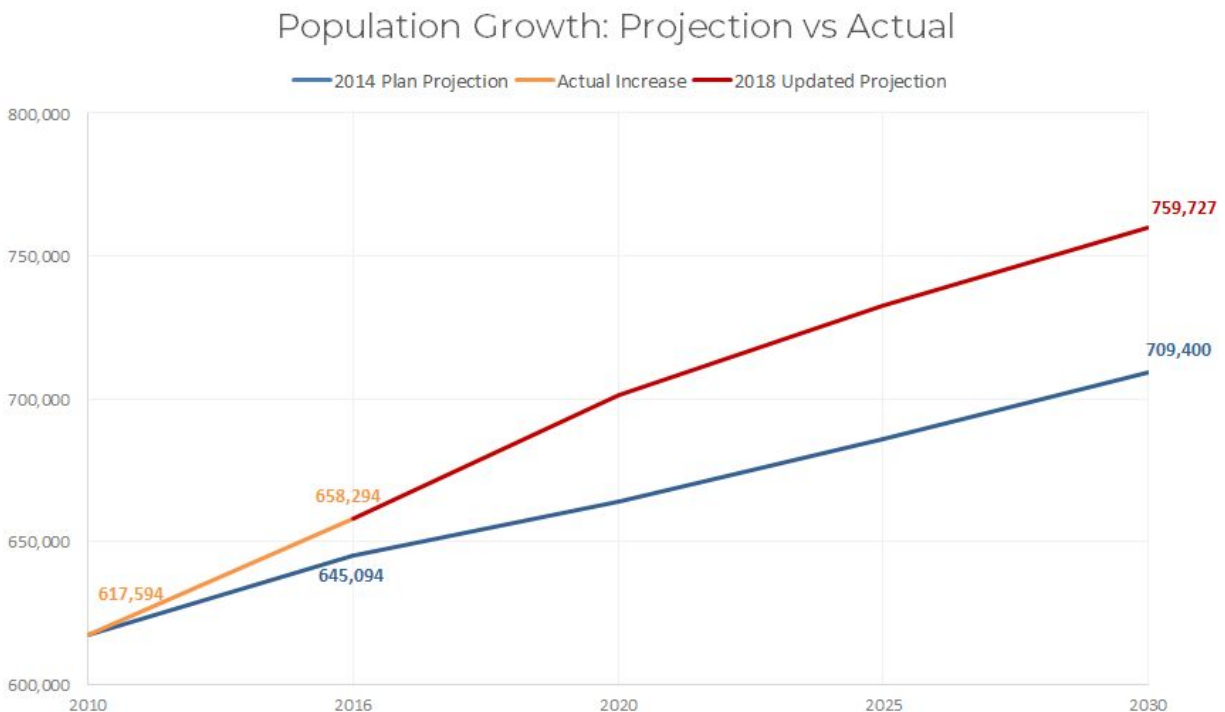
Protection:

- **Launch a 1,000 homes campaign:** With prices remaining high in much of Boston’s rental housing market, the City commits to combat displacement by establishing a goal of supporting the purchase of 1,000 rental housing units from the speculative market and income-restricting them via an expanded Acquisition Opportunity Program. These units will be counted as part of the 15,820 affordable unit production plan.
- **Prevent evictions and promote housing stability:** The City will work with affordable housing partners citywide to reduce the eviction rate in both subsidized and market rate housing, prioritize the creation of income-restricted affordable housing to protect Bostonians from the pressures of the housing market, and mitigate impacts of gentrification through targeted homebuying programs, strategic acquisitions, community land trusts and cooperative housing, tenant assistance, and expanded outreach to seniors.
- **Strengthen communities through homeownership:** The updated plan will include commitments to increase the resources the City and others provide to first time homebuyers to offer additional pathways for moderate and middle income families to become homeowners in Boston.

DEMOGRAPHIC CHANGES AND NEW PRODUCTION GOALS

Boston’s population and employment has been growing at a rate outpacing the projections used to establish production goals in the 2014 plan: *Housing a Changing City: Boston 2030*. In order to meet the needs of Boston’s growing population and keep pace with demand, the City has revised population projections and housing production goals, utilizing data analysis by the the BPDA Research Division and the Metropolitan Area Planning Council (MAPC).¹

In *Housing a Changing City: Boston 2030*, the City projected that population would grow by 91,806 people between 2010 and 2030, bringing the total population to 709,400 by 2030. By 2016, however, actual population growth had exceeded that projection by more than 13,000 people, from a projected 27,500 person increase over 6 years to an actual increase of 40,700².



To reflect the city's more rapid growth, BPDA produced new population projections to the year 2030 using more recent demographic information. Based on these analyses, the new projection for Boston’s 2030 population is 759,727 people, more than 50,000 people above the original projection.

¹ See Appendix A for addition demographic data; Appendix B for more detail on methodology.

² Source: U.S. Census Bureau, 2016 American Community Survey 1-Year Estimate, BPDA Research Division Analysis.

Growth Model	Total Population by 2030	Projected 2011-2030 Growth
Original Plan's Projected Growth	709,400	+91,806
New Projected Growth	759,727	+142,133

MAPC utilized these population projections to estimate the household growth and income distribution for 2030. As shown below, senior households will represent 56% of the *projected growth* in all households as increasing numbers of baby-boomers age past 65. MAPC projects that 43% of all new growth in households will be in the low-income demographic group; eighty percent of these new low-income households will be senior households, whose low to moderate income will decrease with the transition to living on a fixed income.

Age Group of householder	Share of 2010-2030 Growth
Workforce (Age <65)	44%
Senior (Age 65+)	56%

Income Group	Share of 2010-2030 Growth
Low (<\$49,000 household of 3)	43%
Middle (\$49,000 - \$116,000 household of 3)	29%
Upper (Over \$116,000 household of 3)	27%

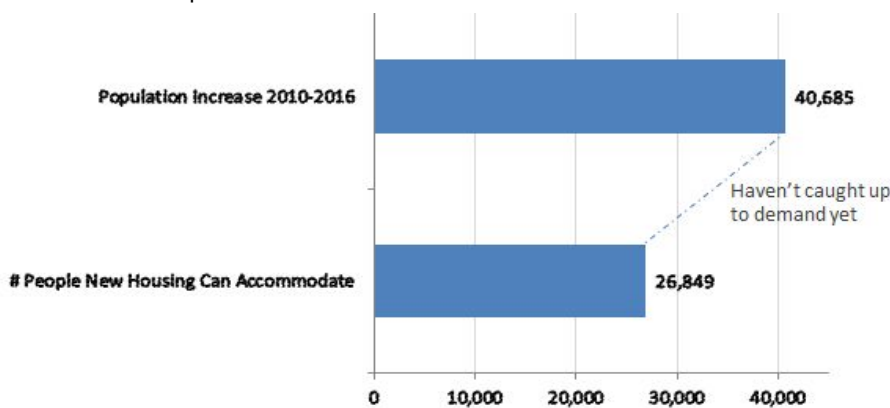
Job growth is a leading contributor to population growth. Payroll employment in Boston increased by 81,385 jobs from 2010 to 2016³, a 2.5% annual growth rate. Between 2014-2018, 19.3 million square feet of commercial space has been completed or is in construction, accommodating 34,700 new workers. Another 24 million square feet, enough to accommodate an additional 46,000 new workers, is currently in the development process. While not all of these new jobs will be held by Bostonians, 39% of current jobs in Boston are held by Boston residents,⁴ contributing to increased housing demand.

³ Source: U.S. Bureau of Economic Analysis (BEA), Massachusetts Executive Office of Labor and Workforce Development (EOLWD), BPDA Research Division Analysis.

⁴ Source: U.S. Census Bureau, 2016 American Community Survey 1-Year Estimate, BPDA Research Division Analysis.

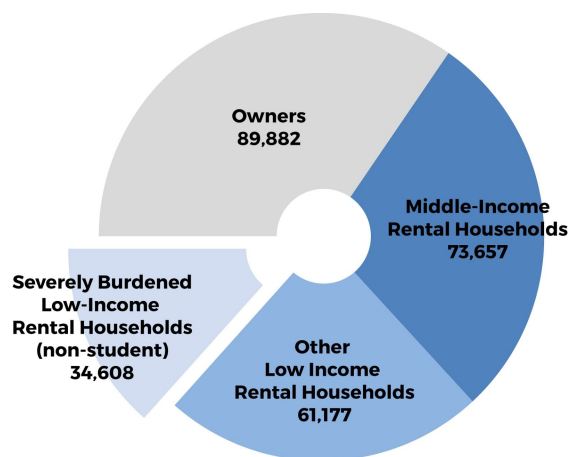
The Housing Shortage Continues

Since *Housing a Changing City: Boston 2030* began, 17,993 units have been completed, and another 9,480 are in construction. Income-restricted housing stock has grown along with overall new production. Currently, 54,000 units of Boston's overall housing stock, 19% or nearly one in five, are income-restricted. More than 25%, or one in four rental units are income-restricted. Despite clear success toward the 2014 plan goal of 53,000 new housing units, population and job growth have outpaced production⁵. From 2010-2016, the population increased by 40,000 people, but newly built housing could only accommodate 26,800 people. This scarcity in supply perpetuates low vacancy rates, and continues to put upward pressure on rents and sales prices.

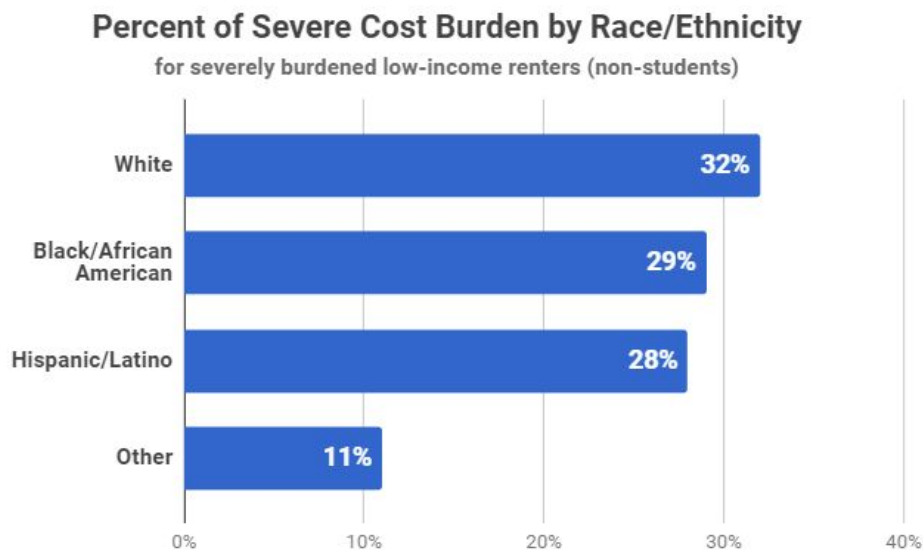


Boston residents feel this pressure on housing prices every day. Of all non-student households in Boston, 22 percent are severely cost burdened households, paying more than 50 percent of their income on housing costs. This burden is exacerbated for low-income renters, who are at higher risk of displacement from their homes. Over 34,000 non-student renter households are low-income and severely cost burdened in Boston.

⁵ Source: U.S. Census Bureau, 2012-2016 American Community Survey, DND Analysis of Permitting Data.



Of these low-income households, two thirds are households of color, demonstrating the deep need among these populations.



Homeowners also face challenges in the current housing market⁶. Fourteen percent (14%) of all homeowners are severely cost-burdened, and homeownership rates among households of color in Boston are well below the citywide average.⁷

Updated Goals

⁶ Additional data on homeowners available in Appendix A.

⁷ Source: U.S. Census Bureau, 2016 American Community Survey 1-Year Estimate, BPDA Research Division Analysis.

The accelerated pace of population and job growth has made the goals set in *Housing a Changing City: Boston 2030* insufficient to keep pace with demand and required the City to revise its goals. Based on MAPC’s analysis, Boston is committing to add an additional 16,000 housing units to its original 53,000 unit commitment. This brings the total unit goal between 2010-2030 to 69,000 units.

Growth Model	Projected Population Growth 2010-2030	Housing Demand (units) 2010-2030
Original Projection	91,806	53,000
New Projection	142,133	69,000

Increasing capacity to serve low- and middle-income households is crucial to addressing the displacement and housing cost burdens occurring in Boston’s neighborhoods. The City of Boston is committed to ensuring that as the number of total units grow, it will maintain the one in five rate of income-restricted units in Boston by adding 15,820 units of income-restricted housing. This will bring the total number of income-restricted units in Boston to nearly 70,000. These 15,820 income-restricted are broken down in the table below.

Housing Targeted To:	Original 2030 Goal	Updated 2030 Goal
Low-Income (non-senior)	6,500	8,300
Low-Income Senior	1,500	2,000
Middle-income-restricted	4,000	5,520
Total income-restricted	12,000	15,820

In addition, the market is expected to continue producing new units that are unassisted by government but are priced at levels that are affordable to middle-income households. This is particularly the case for new development located in non-downtown locations. The City’s goal for this category of market-rate middle-income housing⁸ is now 20,700 units. This will raise the total number of income-restricted and market-rate units affordable to middle-income wage earners to 36,520, or 53% of the 69,000 unit updated production goal.

Category	2014 Plan Goal	Updated 2018
Income-Restricted Units	12,000	15,820

⁸ The City tracks sales and rent prices for new units to determine if it is affordable to a middle-income household (income up to 125% AMI, paying up to 33% of income on rent or a mortgage).

Market-Rate Middle-Income Units	16,000	20,700
Total (Restricted and Market-Rate)	28,000	36,520
Total % (of overall growth)	53%	53%

In addition to these production strategies, other interventions are needed to serve those most in need and make Boston more affordable. The following chapters will address these strategies and actions, including: preserving existing affordable housing, acquiring and converting market-rate buildings to affordable housing, creating more dorm beds to house students outside of the private rental housing market, providing housing assistance and stability to tenants, and increasing homeownership rates.

HOUSING BOSTON’S LOW INCOME (NON-ELDERLY) HOUSEHOLDS

Context
<p>Boston has more than 54,000 existing units of housing, or nearly one out of every five units in the City, that have an income-based restriction. The 2014 Housing Boston 2030 plan established a production goal of 53,000 new units with 23% of those units to be affordable and income-restricted. This update increases the overall production target to meet new accelerating population growth projections. The City is committed to continuing to target 23% of the new production as income-restricted units. The plan now calls for a new goal of 8,300 units of affordable housing targeted to low-income (non-elder) households.</p> <p>Since beginning Housing Boston 2030, the City has permitted 2,085 low-income restricted rental units. Thirty percent, or 639 units, are restricted to extremely low-income households (30% of AMI), including 489 units set aside for Bostonians who have experienced homelessness. To reach the 8,300 unit goal by 2030, the City will need to create another 6,215 units affordable to low-income households. In addition, the City will continue to work with the Mayor’s Disability Housing Task Force to ensure that units created meet the needs of low-income households with disabilities.</p> <p>The new goal of 8,300 units also includes the commitment to support the acquisition of 1,000 units out the speculative market by 2030 under an expanded Acquisition Opportunity Program (AOP). This program converts unrestricted but affordable market-rate housing to long term income-restricted units, providing a cost effective method of increasing affordability while preventing displacement.</p> <p>While Boston will continue to be a national leader in providing low income housing, the need for affordable housing is regional and will only be met when all communities throughout the greater Boston area work towards providing</p>

affordable units for low-income residents. Therefore, Boston will continue to advocate for policies that advance low-income housing across all cities and towns.

Goals

1. Increase housing production for low-income, non-elderly households by creating 8,300 new low-income affordable housing units by 2030. (updated)
2. Ensure that 1,900 units are accessible to extremely low-income households. (updated).
3. Increase the ability of low-income and highly rent-burdened households to access new and turnover affordable housing units. (original)
4. Improve access to housing that will accommodate non-elderly persons with disabilities. (original)

Actions

1. Launch a 1,000 Homes campaign to expand efforts to acquire existing rental properties and convert them into permanent income-restricted housing for low- moderate- and middle-income tenants. (new)
2. Leverage additional project-based rental assistance for affordable housing developments to enhance and supplement the 10% Homeless Set-aside policy for developments, in order create additional units for extremely low income tenants. (new)
3. In conjunction with the BPDA, Office of Fair Housing, and the Mayor’s Disability Housing Task Force, work to streamline and standardize the application process to improve access to units for disabled households. (new)
4. Support the BHA applications for Rent Subsidies and Certificates, such as Section 811, VASH, etc., which will increase the number of accessible units produced and affordable units available in Boston. (updated)
5. Prioritize cost-efficient, high-quality developments when selecting projects for City and State funding programs. (original)
6. Raise additional funds to support expanded low-income housing production (see Resources Chapter), while working with developers, real

estate professionals, and building trade representatives to reduce costs of affordable housing production. (original)

7. Work with housing advocates and other municipalities to create a regional housing plan to increase the supply of affordable housing in the Greater Boston region. (original)

PRESERVATION OF AFFORDABLE HOUSING

Context
<p>Preserving the existing affordable rental housing stock is critical to maintaining Boston's significant inventory of income-restricted housing. Boston has an obligation to protect the public investment that was used to create these units and to ensure safe, stable housing for Boston residents today and in the future.</p> <p>Of the 54,000 income-restricted units in Boston, approximately 39,000 are privately owned rental units. The majority of those units have restrictions in perpetuity, have terms beyond 2030 or are owned by non-profits and not considered to be at risk. However, approximately 4,200 privately-owned units have income restrictions that expire before 2030. This includes units originally financed under the 13A Program that are at great risk of loss due to the end of the Program and market pressures. Boston remains committed to working on extending restrictions and preserving units for all at risk properties, ultimately protecting the low-income tenants. When preservation is not possible, Boston will work with its partners, both state and local, to ensure that the residents are safe and rehoused.</p> <p>There are more than 12,000 income-restricted public rental housing units owned or operated by the Boston Housing Authority (BHA). The BHA continues its commitment to maintaining a 97 percent occupancy rate of this stock as set out in the Housing Boston 2030. These publicly owned units provide housing for many Boston's residents with the greatest need for low cost housing. Many of the units were built more than 50 years ago. The BHA has undertaken an ambitious and creative reinvestment strategy to redevelop approximately 4,500 units, which requires and deserves public support. A significant amount of capital investment will be required to redevelop and preserve these critically important units. Accomplishing this goal is likely to extend beyond the year 2030.</p>
Goals
<p>Private Affordable Housing</p> <ol style="list-style-type: none">1. Retain at least 97 percent of all income-restricted rental housing units, including at least 85 percent of the 4,200 privately-owned affordable housing units most at risk of being lost. (updated) <p>Public Housing</p> <ol style="list-style-type: none">1. Redevelop up to 4,500 BHA units through public-private development that generates resources via new market-rate housing added to BHA sites. (new)2. Maintain 97 percent or higher occupancy rate in BHA housing. (original)

3. Raise public awareness of the challenges faced by public housing while growing local support for a variety of preservation strategies. (original)

Actions

Private Affordable Housing

1. Grow the rental preservation resources for at-risk units, ensuring these limited resources are targeted to the most critical preservation activities. (updated)
2. Build capacity in non-profit programs that provide technical support and organization for tenants living in at-risk properties. (updated)
3. Continue aggressive preservation efforts for every unit of private affordable housing that is at risk for conversion to market rate. (original)
4. Work with State & Federal agencies, CEDAC, the non-profit community, and tenant advocates to refine and implement a comprehensive 13A preservation strategy, including a plan for rehousing assistance programs. (original)

Public Housing

1. Build neighborhood support for increasing mixed income housing at BHA sites in order to preserve and improve the existing public housing units. (new)
2. Partner with the Federal government to explore legislation to allow more flexibility between public and leased housing program funding. (original)
3. Develop site-by-site capital strategies for BHA properties that optimize assets and funding opportunities, including HUD's Rental Assistance Demonstration and Choice Neighborhoods programs. (original)
4. Diversify BHA's funding sources; linking new efforts to education, jobs and health programs. (original)
5. Continue to implement back-office efficiencies and technology enhancements at the BHA in order to reduce operating costs. (original)

BOSTON'S MIDDLE CLASS

Context

Maintaining a strong middle class is critical to ensuring that Boston continues to be a thriving, diverse city where people want to live and employers want to locate. The original **Housing 2030 Plan** identified the growing challenges middle income households earning between \$50,000 and \$125,000 have in finding housing that is affordable to them. To address this, goals were established for the creation of two types of housing targeted to this group: income-restricted housing, and market rate housing determined to be affordable to middle-income households.

The original plan called for 20,000 units for the middle-class: 4,000 income-restricted and 16,000 market-rate affordable. To date, the City has permitted 8,492 units that serve middle-income households, 113% of the target pace established in the plan. Of the units permitted, 2,761 are income-restricted -- that's halfway to the updated goal of 5,520 income-restricted units for the middle-class.

While overall efforts to create housing for the middle class are meeting the **Housing Boston 2030** goals, there is a specific need to increase overall homeownership, and address the gaps in homeownership by income and for households of color. A series of goals and actions created to address homeownership are outlined in a new focused section of the **Housing Boston 2030** plan.

Due to the fact that the City prioritizes most of its resources for low- and moderate- income households, many of the actions in this section are focused on efforts to encourage the private market to produce more housing that is naturally affordable to middle-income families, or income-restricted under the Inclusionary Development Policy.

Goals

1. Increase the goal for total middle-income housing production from 20,000 to 26,220 new units affordable to Boston's middle class. (updated)
2. Increase the creation of income-restricted middle income affordable units from 4,000 to 5,520. (updated)
3. Increase the target for market-generated middle-income housing from 16,000 units to 20,700 units. (updated)
4. Establish specific goals and actions for homeownership (see new Homeownership section). (updated)

Actions

1. Expand the Additional Dwelling Unit (ADU) pilot and implement a Compact Living program citywide to create new, lower cost housing options. (new)
2. Assess the Inclusionary Development Policy to see if the City can increase the number of middle-income units created through this policy, while maintaining the feasibility of creating market rate housing for middle-income households outside the downtown core. (new)
3. Support projects and planning that creates additional density in locations with good transit that are affordable to the middle class. (updated)
4. Continue to make improvements to the permitting process to help smaller builders create more housing on small, privately-owned parcels. (updated)
5. Work with building trades to reduce construction costs in developments that are producing middle-income priced housing. (original)
6. Pilot time-limited tax relief to developers building middle-class housing. (original)
7. Identify and make available City- and State-owned real estate to build mixed-income housing. (original)

HOUSING BOSTON'S SENIORS

Context

Bostonians over age 65 comprise the City's fastest growing demographic group, and both renters and homeowners face significant barriers to housing stability. Seniors who rent are more likely to become rent-burdened, while senior homeowners face the challenges of maintaining aging homes. In addition, older persons of color face specific housing disparities: 31 percent of African American Bostonians over 65 years are paying more than 50 percent of their income on housing costs, compared to 23 percent of the same age group of white households.

While the City increases the availability of affordable options for seniors, ensuring that the right housing units are accessible to those in need is also a key challenge. Boston must work to ensure secure, welcoming, and accessible housing for specific groups, such as LGBTQ elders and seniors who are disabled.

A key challenge in producing senior units has been funding. The federal 202 program--a long-standing and critical resource for senior development--ended in 2011. This has significantly hampered Boston's ability to meet its senior housing goals. In the face of this challenge, the City has made 92,000 square feet of City-owned land available to stimulate production. This action is supporting 476 new units in three new senior housing developments, 345 of which are complete, and 131 are currently in the pipeline.

Market rate production for senior units has also been lower than expected, with only 100 units permitted to date. There are indications that developers are catering to older Bostonians, particularly younger seniors, without age-restricting their buildings. Given this reality, the 3,500 unit goal for market rate senior production from the original plan has been rolled into the overall production target.

The City is also committing to work with the development and senior advocacy community to create better downsizing options and tools for senior homeowners interested in converting their home equity into housing that is more affordable and physically better suited to their needs. The Housing Innovation Lab is also advancing efforts to help seniors remain in their homes affordability, promoting intergenerational living and senior home share programs.

Goals

1. Maintain the historic pace of low-income senior housing production, creating 2,000 new low-income senior housing units. (updated)

2. Provide increased housing stabilization and support services to seniors who wish to remain in their current housing and assist those who need to find a more accessible, supportive setting. (updated)

Actions

1. Expand efforts to use innovative housing solutions to house seniors including senior “home share” programs and the “Additional Dwelling Unit” program pilot which is based on the more traditional model for “in-law” apartments. (new)
2. Utilize City-owned land and buildings for the creation of affordable age-restricted housing as part of the Mayor’s Housing Innovation Lab’s effort to combine housing and public assets. (updated)
3. Explore development models and zoning options in Main Street areas that provide incentives for the construction of senior housing. (updated)
4. Strengthen the partnership between healthcare providers and housing developers including work to identify revenue sources for senior housing creation. (updated)
5. Continue to support the Senior Housing Assistance Network to better connect seniors with available housing stabilization services, including advocacy, housing search, counseling, assistance with applications, and increased access to benefits. (updated)
6. Identify new sources for the creation of affordable senior housing and support services, including expanded City and State resources; work with the Federal government to restore Federal resources (original)
7. Provide Senior Energy Retrofit Loans to low-income seniors. (original)

HOUSING BOSTON'S STUDENTS

Context

Boston's world-renowned colleges and universities provide the city and region with unparalleled cultural resources, a thriving economic engine, and a talented workforce. However, the more than 147,000 students enrolled in Boston-based undergraduate and graduate degree programs place enormous strain on the city's residential housing market, contributing to higher rents and housing costs for Boston's workforce.

Since issuing *Housing A Changing City: Boston 2030* in 2014, the Walsh Administration has been focused on mitigating the impacts Boston's students place on the housing market and instituting policies to keep students safe and neighborhoods stable. Mayor Walsh has hosted four convenings of the area's college and university presidents to discuss higher education in Boston, and student housing has been a focus at each. Through the Institutional Master Planning process, the City and the BPDA have continued to enforce and strengthen commitments to student housing creation.

To date under Mayor Walsh's plan, more than 7,000 new dorm beds have been created or are in construction. The pipeline of site specific future dormitory beds stands at 1,500. However, this pipeline will need to expand in order to stay on pace and achieve the goal of 18,500 new dorm beds by 2030.

Students have long placed pressure on housing markets in the diverse neighborhoods of the Fenway, Mission Hill, and Allston/Brighton, but the growth of universities in the past twenty years has increased the pressure on housing markets across the city. Addressing the shortage of dorms is necessary to stabilize rents, reduce absentee ownership, and increase homeownership.

This 2018 update also clarifies that the original goal of reducing the number of undergraduate students living off campus in Boston's rental housing market will result in less than 12,000 undergraduates in Boston's private rental housing market by 2030--approximately a 50 percent reduction from 2014.

Goals

1. Reduce the number of undergraduates living off campus and participating in Boston's rental housing market by approximately 50 percent, to less than 12,000 undergraduate students. (updated)
2. Create 18,500 new student housing dorm beds (both undergrad and graduate) to mitigate the impact students place on Boston's housing market. (updated)

3. Improve living conditions for off-campus students through vigorous enforcement of housing codes and improved communication with students and families. (original)

Actions

1. Accelerate efforts to promote public-private partnerships to create off-campus dorms and student villages to expand the pipeline of future dorm development. (updated)
2. Continue to provide students and families access to information about private landlords and specific properties via tools like RentSmart.Boston.Gov and other platforms. (updated)
3. Partner with colleges and universities to set specific student housing commitments, creating clear plans and timetables for every institution to achieve its housing goals. (original)
4. Work with the community to establish approved locations for both on- and off-campus student housing facilities. (original)
5. Work collaboratively with Greater Boston area college leaders and mayors to address student housing issues in the region. (original)

FAIR HOUSING AND EQUITY

Context

In the original **Housing Boston 2030** document, references to fair housing issues and specific fair housing actions appeared in various sections of the document. The City of Boston believes, however, that the need for coherent and comprehensive treatment of fair housing issues is too central to the work of this housing plan to remain decentralized. All Fair Housing and Equity work will now be aggregated in this new chapter and will be consistent with the analysis, priorities and goals of the Department of Housing and Urban Development (HUD) required Assessment of Fair Housing that DND, the BHA, Fair Housing & Equity, and many community organizations and advocates have undertaken for more than a year.

The City of Boston had hoped to have this document available to draw on and inform this chapter, but unfortunately, due to a recent decision by HUD to withdraw the Local Government Assessment Tool, work on the HUD Assessment of Fair Housing has been halted. This is not the final word on that report, however. The City of Boston and the BHA have committed to completing an assessment of fair housing, and have hired a consultant to help produce a more readable, streamlined and action-oriented fair housing plan than the HUD-required Assessment. Once that plan is completed, the relevant goals and actions will be incorporated as appropriate into both the City's HUD Consolidated Plan and into this **Housing Boston 2030 Update**. In the meantime, the City will continue to take actions to affirmatively further fair housing.

Actions

1. Complete and publish Boston's Fair Housing Assessment and Action Plan. (new)
2. Seek approval to implement a rent burden preference to ensure that affordable housing units serve those with the greatest need. (new)
3. Continue investments in Metrolist to create a one-stop portal for make it easier for residents to apply for affordable housing opportunities. (updated)
4. Address the backlog of Fair Housing Marketing Plans and put in place procedures to streamline the affirmative marketing process. (updated)

PREVENTING DISPLACEMENT AND SUPPORTING HOUSING STABILITY

Context

While growing Boston's housing stock is critical to a more affordable housing market, it is equally critical that multiple strategies be used to mitigate the displacement of low- and moderate-income households. To that end, Mayor Walsh announced the creation of the Office of Housing Stability (OHS) in 2016. The work of OHS, other City departments, and external partners to prevent displacement and ensure housing stability is elevated in this plan through the creation of this new section, with updated goals and actions below.

Preventing displacement requires strategies on multiple levels. Tenants in housing crisis need direct legal and financial assistance, dedicated housing search support, landlord-tenant mediation, and assistance to access the network of housing supports across the City and the State. In addition, the City, non-profit tenant advocacy organizations, and the real estate community must continue to work on policies and legislation that reduce displacement. Mayor Walsh filed a series of bills in the 2017-18 legislative session aimed at preventing displacement by providing a right to legal counsel in eviction, a right for tenants to purchase foreclosed properties, real-time tools to track evictions, and tax relief incentives for landlords who keep properties affordable. While the State did not pass any of these laws, these efforts have laid the groundwork for new ideas and action in the 2019 session.

Since OHS' inception there has been an 8.3% decrease in eviction cases filed and an 18.6% decrease in evictions executed. While this trend is positive, there is more work to be done to reduce evictions and to track and understand informal evictions. To that end, the City has created an Eviction Working Group to focus on an action plan to reduce evictions and promote stable tenancies. This group will begin its work this fall, with an anticipated report in 2019.

In addition to evictions, broader displacement occurs when households can no longer afford housing prices in their neighborhoods. Boston's competitive housing market has put average rent prices for units on the 2017 rental market at approximately \$2,300, and sales prices at approximately \$600,000.⁹ Such high prices mean that households are putting more of their income than they can afford towards housing costs, leaving less for expenses like food, child care, and savings. Of high concern for displacement are the 34,608 households who are low-income renters that are severely rent burdened. To that end, the City must

⁹ Source: Rental Beast; MLS; The Warren Group

continue to build and preserve income-restricted housing and ensure that the households who are most at risk can access this important housing resource.

Goals

1. Prioritize the creation of income-restricted affordable housing to protect Bostonians from the pressures of the housing market and bring the total number of affordable housing units in Boston to 70,000 by 2030. (new)
2. Reduce the annual eviction rate in Boston through the creation of the Eviction Prevention Task Force that will focus on tenancy preservation and develop a report of actionable recommendations in 2019. (new)
3. Mitigate impacts of gentrification through targeted homebuying programs, strategic acquisitions, community land trusts and cooperative housing, tenant assistance, and expanded outreach to seniors. (updated)

Actions

Development Actions

1. Expand the use of the Acquisition Opportunity Program and other efforts to acquire 1,000 market rate rentals and convert them to affordable housing units with long-term affordability restrictions. (new)
2. Impose restrictions on practices which take units out of the housing market and drive up costs (e.g., short term rentals) (new)
3. Create preferences in housing lotteries so that Bostonians facing the highest degree of displacement pressure and housing cost burden have a priority status. (new)
4. Include a “Development without Displacement” selection criteria in all appropriate RFP's for residential development on City owned land which evaluates the track record of the developer in preventing evictions as well as promotes redevelopment of the site in a way that will benefit local community members (new)

Tenant Support and Protection Actions

5. Convene an Eviction Prevention and Tenant Stability Working Group to establish goals, understand best practices and implement strategies. (new)

6. Explore methodologies to better measure and track displacement trends within neighborhoods. (new)
7. Explore meaningful enhancements to tenant protections through legislative action. (new)
8. Create guides, toolkits and education materials to assist tenant stabilization and increase access to housing resources. (new)
9. Work with the largest property owners of both market and affordable housing to introduce strategies to preserve tenancies and prevent unnecessary evictions. (new)
10. Establish stronger mechanisms to understand the availability and risks of “Naturally Occurring Affordable Housing” in the rental market, as it provides moderate income households good housing options without the use of public subsidy. (new)
11. Continue improvements to application processes so as to expand access to income-restricted units, in conjunction with the MetroList. (new)
12. Work with smaller landlords to establish tools and strategies to make it easier to help them keep their tenants in place. (new)
13. Establish partnerships between the health care and housing development community to create programs that connect housing with health outcomes. (new)

INCREASING HOMEOWNERSHIP

Context

Boston’s homeownership rate is historically lower than the national average for cities of comparable size, with 35% of Bostonians owning their homes. This is in part due to Boston’s housing stock, which is largely multifamily. Still, this homeownership rate is disproportionately low for households of color. While 44% of Boston’s white, non-Hispanic households are homeowners, only 16% of Hispanic/Latino households, 26% of Asian households, and 29% of Black/African American households are. This is not just a Boston phenomenon; 67% of Massachusetts white households are homeowners, but only 25% of Hispanic/Latino households, 52% of Asian households, and 33% of Black/African American households are.

It is crucial that more Bostonians be able to own their own homes not only because homeownership provides long term housing stability, but also because homeownership is a significant means of wealth-creation in the US. Therefore, addressing disparities in homeownership will also serve to address the wealth gap and help make Boston a more equitable city.

The City is committed to assisting more households become homeowners. The City’s homebuyer programs are only available to moderate and middle income homebuyers (households making less than 120% of area median income) so that resources are targeted for those who need it most. Approximately 70% of families accessing City of Boston first time home buyer financial assistance are families of color. To expand homeownership opportunities and better address inequities, Mayor Walsh created a Barriers to Homeownership Working Group to identify the challenges faced by specific demographic groups, including low- and middle-income families, families of color, recent immigrants, and veterans. The group is charged with developing recommendations and initiatives aimed at providing more homeownership opportunities for those groups.

Because increasing homeownership is such an important part of the City’s overall plan, in this 2018 Update, the City of Boston has elevated this important issue to be its own section of the overall policy with appropriate goals and actions following.

Goals

1. Reduce barriers to affordable homeownership and increase opportunities for homeownership, particularly for low- and middle-income families and families of color. (new)

2. Work with non-profit and lending partners and the Massachusetts Community Banking Council to increase lending and ensure equal access to affordable home mortgages for families of color. (updated)
3. Reduce the number of foreclosures on owner-occupant homeowners to fewer than 20 per year. (updated)

Actions

1. In partnership with lenders like MassHousing and MHP, create lower interest mortgage products that would allow more low and moderate income homebuyers to afford a home in Boston. (new)
2. Make more City resources (e.g., Linkage, IDP Funds, and CPA and larger land packages) available to create income-restricted homeownership units, and advocate that some State resources be made available for homeownership; explore alternative forms of ownership such as community land trusts and cooperatives to boost the rates of stable, resident controlled housing. (new)
3. Track the number of middle-income units created by ownership type (rental/homeownership) as part of the Housing 2030 reports. (new)
4. Expand homebuyer education and counseling programs including: additional classes and support for those needing credit repair/help, with a focus on immigrant families and families of color; institute a buyer-broker pilot program at one or more nonprofits to help “graduates” of home buying classes; expand one-on-one counseling services; and create new outreach materials and classes that assist new immigrants overcome the language, credit, and other barriers to homeownership. (updated)
5. Strengthen foreclosure prevention and assistance programs by offering counseling through non-profit legal agencies. (updated)
6. Continue to work with banks and community groups to convert bank owned properties into new affordable homes. (updated)
7. Expand and enhance the City’s homebuyer assistance programs to meet the original goal of assisting 5,000 middle-income homebuyers to purchase their first home. (updated)

EXPANDING RESOURCES

Context

Both public and private resources are needed to fund affordable housing development. For public resources, Boston relies on payments from commercial and residential developments that generate Linkage and IDP funds, as well as funding allocations from the City's annual operating budget and federal sources (CDBG, HOME, NDF, LEAD, etc) to support housing production and other housing related programs. Since the launch of Housing 2030, the City has provided over \$50 million annually to support these efforts.

In addition to these City-controlled public resources, affordable housing developments also depend upon public funding from partners, such as MA Department of Housing and Community Development, MassHousing and Mass Development to secure state subsidy funding, low Income housing tax credits, and bond financing. Private resources are provided from agencies such as Mass Housing Investment Corporation (MHIC), Mass Housing Partnership (MHP), and many banks and investors that provide the debt and equity needed to create or preserve affordable housing.

Since 2014, each unit of affordable housing needs an average subsidy of \$350,000 from all sources to be created. The City's contribution accounts for 19%, with 29% coming from the State, 6% from other subsidy sources and 46% coming from LIHTC equity. The balance of the total development costs are covered by private debt from lending institutions and developer equity. It is currently estimated that \$600 million of City subsidy sources alone will be needed to fulfill the new goals for income-restricted housing. In addition, other subsidy sources will have to be scaled up proportionally.

In order to meet the new production goals of the updated housing plan and preserve existing affordable housing, additional resources must to be identified. A major step forward in new resource development occurred in 2016, when Bostonians passed the Community Preservation Act (CPA), creating an expected \$20 million annual funding stream for open space, historic preservation, and affordable housing. In addition, the City adjusted the IDP Program to generate more funds for affordable development when units are not built on site and recently increased Linkage fees on commercial developments by eight percent. The City and its partners need to continue to work to identify public and private resources that can be used to deliver on the goals of the Housing Boston 2030 plan, while continuing to identify ways to control development costs.

Goals

1. Identify new sources of funding to support affordable housing development and preservation in Boston, including the acquisition of market rate housing for conversion to long term affordable housing, and the redevelopment of 4,500 units of public housing stock. (new)
2. Continue to explore innovative ways to reduce the cost to build so that each dollar invested goes further in the development and preservation of affordable housing. (updated)
3. Maximize the amount of CPA funding for investment in affordable housing development. (updated)
4. Work to protect and maintain funding levels from existing federal programs, including CDBG, HOME, and LIHTC. (original)
5. Continue to work with State and lending partners to leverage resources that support Boston affordable housing developments. (original)
6. Evaluate the amount of resources needed annually to achieve the production goals of this 2018 Housing Plan update, recognizing that costs and revenues will change over time, impacting the resources needed to achieve the goals. (original)

Actions

1. Join with other cities, state agencies and affordable housing advocates to push for continued funding of existing programs like CDBG Funding, HOME Partnership Program, the LIHTC Program, as well as increase those resources and reinvest in programs like the 202 Elder Housing program. (new)
2. Prioritize focused advocacy efforts on statewide legislation that may increase revenues for affordable housing and increase funds available as a matching for CPA funding. (new)
3. Working with development partners, identify new resources from foundations and charitable organizations that will support the creation and preservation of affordable housing in Boston's neighborhoods. (original)

4. Consider local financing mechanisms to attract new equity and encourage investment in affordable housing development in strategic areas of Boston. (new)
5. With the BHA, consider bond financing to help fund the redevelopment of 4,500 identified BHA units. (new)
6. Continue City operating fund support from the annual budget for housing production and related affordable housing programs. (updated)
7. Work with the Community Preservation Committee to allocate the funds available annually under CPA to support the development of affordable rental and ownership opportunities and help to prevent displacement. (updated)
8. Review the Inclusionary Development Policy to potentially generate additional resources for housing creation, balancing the needs of creating middle-income units in market rate developments with creating more deeply affordable housing located in neighborhoods threatened with displacement and gentrification. (new)
9. Evaluate additional modifications to the Linkage program, which require commercial developments to support income-restricted housing. (updated)
10. Explore opportunities to leverage the value of public assets (e.g., libraries, fire stations, parking lots) to incorporate affordable housing with the current use. (new)
11. Work with housing developers to present the most competitive, cost effective affordable housing applications to funders, improving efficiencies and reducing costs. (original)

Sustainable and Climate-Ready Housing

Context

Utility costs in Boston are among the highest nationally and disproportionately impact households that are housing cost burdened. Green and E+ (energy positive) homes are more affordable for owners and renters to maintain compared to conventional housing because such homes have reduced or zero utility expenses. More efficient homes are not only less costly for owners and tenants; they also provide health and environmental benefits and help to lower harmful greenhouse gas emissions.

In addition, construction costs for green and highly efficient buildings have normalized and are now aligned with conventional construction costs. However, lack of awareness of the benefits and value of green buildings and misperceptions of costs continue to hamper widespread adoption of green building techniques.

Furthermore, as Boston's climate changes, many neighborhoods will face new risks including more frequent coastal flooding, extreme temperatures, and significant rain events. Continuing to build and retrofit Boston's homes to make them climate-ready will keep Boston residents safer and healthier while reducing housing costs for residents.

The City will continue to implement recommendations of the 2016 Climate Ready Boston report including expanding energy efficiency, green building, and resiliency retrofit programs and standards. Additionally, in 2017, Mayor Walsh committed Boston to being Carbon Neutral by 2050. Housing has great potential to contribute to advancing this goal and benefiting Boston's residents.

Goals

1. Protect vulnerable residents and communities by preparing Boston's housing stock for climate change including sea-level rise, extreme heat and precipitation, and natural disasters. (updated)
2. Promote affordability by increasing the energy efficiency of both existing and new housing. (updated)
3. Ensure existing and new housing supports Mayor Walsh's Carbon Neutral Boston 2050 goal by rapidly advancing building efficiency and resiliency, and transitioning to clean and renewable energy. (updated)

Actions

1. Promote housing affordability and stability for vulnerable populations by working with senior households to complete energy efficiency improvement projects including heating system replacement through the Senior Home Repair program. (new)
2. Strengthen Green Building outcomes for City-supported projects through increased minimum green building standards and onsite renewable energy requirements. (new)
3. Advance new energy-efficient affordable housing creation by promoting E+ (energy positive) and passive energy efficiency development on City-owned land; including on site renewable solar PV and thermal energy, onsite energy storage, or other solutions that increase affordability and resilience while contributing to Boston's carbon neutrality goals. (new)
4. Support the BPDA-led study of the use of height and density bonuses to encourage resilient, high performance and net zero carbon buildings. (new)
5. Improve coordination between Renew Boston and the Boston Home Center to pair home repair loans with energy efficiency and resiliency projects. (updated)

HOUSING INNOVATION AND GOVERNMENT EFFICIENCY

Context

Mayor Walsh is using Boston's spirit of exploration and innovation to help solve one of the most important issues facing Boston today: housing stability and affordability. A signature example of Boston's commitment to housing innovation is the Mayor's Housing Innovation Lab (iLab), launched in 2015 as a first-of-its-kind effort to pilot and scale new affordable housing solutions.

The iLab is currently piloting a number of efforts designed to help ease Boston's high costs and housing shortage, including a pilot that allows homeowners to add an additional unit to their homes and a program that matches older adults interested in sharing extra space in their homes with renters looking for reduced rents. The iLab is leading an effort to leverage Boston's public assets like libraries, fire stations and municipal parking lots to add housing while improving their facilities. A series of resident-engagement experiments led by the iLab have helped the City develop its first Compact Living Policy, intended to allow developers to build compact units that are well-designed, include thoughtful shared spaces, and mitigate transportation impacts.

Beyond the diverse portfolio of experiments run by the iLab, departments across the City are innovating to increase affordable housing access and promote development transparency. The Department of Neighborhood Development has created an easy-to-use online Affordable Housing database, called Metrolist, and is currently growing that website into a responsive application portal. Online permitting and development tracking are now available for Boston Planning and Development Agency projects and projects managed by DND. Finally, since the release of **Housing Boston 2030**, the Inspectional Services Department has created an online permit portal and continues to streamline and increase the efficiency of the permitting process.

Boston has made notable progress in innovation, efficiency and transparency since the release of **Housing Boston 2030**, but its work is not complete. The goals and actions below demonstrate Boston's continued commitment to these efforts.

Goals

1. Launch new initiatives that have the potential to bring down the cost of housing by designing, developing and funding housing differently. (new)

2. Maintain Boston's leadership in housing innovation by supporting the people-centered experiment-driven approach of the Mayor's Housing Innovation Lab. (updated)

Actions

1. Expand the Additional Dwelling Unit pilot to new neighborhoods, and grow it in scope to include backyard structures. (new)
2. Develop a strategic plan for building affordable housing along with redeveloping City owned real estate assets. (new)
3. Promote new tools to help older adults share their homes with students and other renters looking for reduced rents. (new)
4. Release a Compact Living Policy, which guides the development of compact units that use well designed and efficient use of space paired with shared amenities to make housing more affordable. (new)
5. Continue to study and test building methods and materials that can make housing more affordable. (new)
6. Create streamlined processes to access housing opportunities and assistance, presenting services based on customer need. (new)
7. Test new tools and platforms to support robust and accurate housing development community engagement. (new)
8. Test ways to help landlords who offer below-market rents continue to offer quality and affordable rentals. (new)
9. Make homeownership more affordable and accessible by testing methods to expand alternative homeownership models like co-ops, community land trusts, and shared ownership. (new)
10. Continue building on the existing BPDA online developer portal, and the universal online permit application portal in order to improve the permitting process and allow developers to track the status of all permits along with timeframes for regulatory decisions for both BPDA and ISD processes. (updated)

11. Continue residential planning and zoning reform processes with a focus on re-zoning for residential density and affordability around transit nodes. (updated)
12. Strengthen permitting performance management using data-driven accountability in order to deliver more timely and consistent results. (updated)
13. Build on recent improvements to the BPDA's development review web page and make it possible for residents to see all development activities and related public meetings in an easy-to-use and collaborative platform. (updated)

APPENDIX A: Additional Data and Analysis

This Appendix provides further data and information on housing production and population growth, as well data chronicling the housing needs of low- and middle income renters and owners in a high-cost city.

Production Since the 2014 Plan: Since *Housing a Changing City: Boston 2030* began, 17,993 units of housing have been completed, and another 9,480 are in construction (2011-Q2 2018). Production is tracked starting in 2011, as the Plan's population and housing demand projections were pegged to the data from the 2010 census. These 27,513 units represent an unprecedented amount of new housing, enough to house 53,592 new Bostonians. As the plan has continued, the pace of completions has accelerated. Housing completed in 2017 accommodated approximately 7,144 people; in only the first six months of 2018, housing for another 4,300 people has been completed. The size of the housing unit is used to estimate the number of people who can be accommodated in it. The income-restricted housing stock has been growing along with this new production, with approximately 54,000 (19%) total units of income-restricted units in Boston. Nearly one in every five units in the city is income-restricted, and more than one in four rental units are income-restricted.

Population Growth: When *Housing Boston 2030* was formulated, a total unit goal of 53,000 to accommodate newcomers and create elasticity seemed an appropriate goal. However, by the end of 2016 the actual population count had surpassed the estimated growth by almost 14,000 more people. Despite Boston's better than expected production rates, this means vacancy rates continue to be low, and the supply of new rental and homeownership opportunities continues to be scarce, putting upward pressure on rents and sales prices. The revised production goals accommodate for both anticipated housing demand, as well as a healthy vacancy rate to stabilize the market.

Housing Cost Burden: Practitioners in the housing field usually define anyone paying more than 30 percent of their income to housing costs as "housing cost burdened," while those who are paying more than 50 percent of their income on housing are considered "severely housing cost burdened." For this report, the presented data is on those who are severely housing cost burdened, in order to focus attention on those who are at highest risk for displacement.

Table A shows the change in housing cost burden between 2010 and 2016. Of all non-student households in Boston, 22 percent are severely housing cost burdened, paying more than 50 percent of their income on rent or a mortgage. While the cost burden rate has remained essentially the same since 2010, the City recognizes that much remains to be accomplished to make housing in Boston more affordable.

Table A. Housing Cost Burden (for Non-Student Households)

	Percent	Number of Households
2010	23%	49,186
2016	22%	49,601

Homeownership Rates and Disparities: The data show that homeowners also face challenges in the current housing market. Fourteen percent (14%) of all homeowners are severely cost-burdened,¹⁰ and homeownership rates among households of color are well below the citywide average (Table B).

Table B. Homeownership Rates by Race/Ethnicity¹¹

Race/Ethnicity	Ownership Rate
White, non-Hispanic	44%
Black	29%
Hispanic	16%
Asian	26%
All	35%

While lower incomes and wealth are a large contributor to the disparities in homeownership rates, there is clear evidence that race also plays a significant role. Denial rates show that Blacks and Hispanics face more challenges in securing a home loan than Whites at all incomes--not just lower-income applicants (Table C). Additionally, when Blacks and Hispanics do secure a home loan, they are much more likely to receive an FHA loan than whites, which are generally more expensive loans for homebuyers (Table D).

Table C. Home Purchase Loan Denial Rates, by Race and Ethnicity, Boston 2016¹²

Race/Ethnicity	Denial Rate	Ratio to White Denial Rate
White	4.7%	1.00
Black	16.8%	3.55
Latino	13.0%	2.75
Asian	8.1%	1.71

¹⁰ Source: U.S. Census Bureau, 2012-2016 American Community Survey, PUMS, BPDA Research Division Analysis

¹¹ Source: U.S. Census Bureau, 2012-2016 American Community Survey

¹² Source: Source: Campen, Jim (2018). ["Changing Patterns XXIV: Mortgage Lending of Traditionally Underserved Borrowers & Neighborhoods in Boston, Greater Boston and Massachusetts, 2016."](#) Massachusetts Community & Banking Council, Table 22.

Table D. FHA Home Purchase Loans, as a Percentage of All Home Purchase Loans, by Race and Ethnicity, Boston, 2016

Race/Ethnicity	FHA Loans as a Percentage of Home Purchase Loans	Ratio to White Percentage
White	2.5%	1.00
Black	35.5%	14.20
Latino	29.5%	11.78
Asian	2.6%	1.03

Source: Campen, Jim (2018). ["Changing Patterns XXIV"](#). Table 4.

APPENDIX B: Demographic Methodology

The population projections used in this Plan update were prepared by the Research Division of the Boston Planning and Development Agency (BPDA). The household and housing demand projections were prepared by the Metropolitan Area Planning Council (MAPC), the regional planning agency for 101 cities and towns in Metro Boston. MAPC is responsible for preparing socioeconomic and land use projections for the region to support a variety of planning activities, and in January 2014 the agency released population and housing demand projections for the region and its municipalities to the year 2040. A full report, technical documentation, data visualizations, and data downloads are available at www.mapc.org/projections.

The original housing plan used MAPC's 2014 population projections. Those projections were developed in consultation with an advisory team that included academic experts, state agencies, neighboring regional planning agencies (RPAs), and staff from the City of Boston. This housing plan update uses the BPDA's population projections that were updated in 2018. Data sources for the projections include Decennial Census data from 1990, 2000, and 2010; American Community Survey (ACS) data from 2007 to 2016; and fertility and mortality information from the Boston Public Health Commission (BPHC). Using the BPDA population projections as an input, MAPC revised the projections of households and housing demand for 2030.

Population Projection Methodology

Boston's population and household projections reflect a variety of inputs and independently-developed estimates. The BPDA's population estimates were derived using historical trends from the 2010 Decennial Census and the ACS estimates to project Boston's 2020, 2025, and 2030 populations. The projections were developed using a cohort-component population projection model. This method estimates the future components of population change through natural change (births and deaths) and domestic in- and out-migration, as well as net international migration. The BPDA uses historical data on births, deaths, and migration to calculate birth, survival, and migration rates. These rates are applied to the population base from the 2010 Decennial Census for Boston and project out in 5-year intervals. The full technical documentation can be found in the "Methodology for Boston's Population Projections, 2016", available at <http://www.bostonplans.org/research/research-publications>.

Natural Change. Births and deaths are the two components of natural population change. BPHC birth data were used to estimate age-specific birth rates for Boston's female population. These rates measure the percentage of women of childbearing age who give birth in a year. There is a noticeable recent trend toward slightly lower fertility rates overall and a significant trend towards births at older ages. This is consistent with national data about the increase in mean age of mothers and U.S. Census projections of a slight decline in fertility in the U.S. over the next 40 years. Recent (2010-2015) death data from BPHC were used to calculate age- and gender-specific survival rates for use in the projections. The annual number of deaths in Boston declined over this period, despite the city's growing population. This is consistent with national data about the aging of the population.

Migration. The cohort component method directly estimates both domestic and international migration, rather than simply attributing the residual population growth beyond natural change to migration. Domestic migration measures both in- and out-migration flows separately. Domestic in-migration measures people who move to Boston from elsewhere in the United States. Domestic out-migration measures people who move from Boston to elsewhere in the United States. Annual net international migration data at the county level are calibrated in the model to estimate Boston's net international migration flows to and from Boston. Migration rates are calculated using 2007-2016 ACS data. Without migration, the current and projected growth in the Boston population would rely solely on natural change, and growth would shrink to less than 4,200 new Bostonians per year.

The result of the 2018 revised population projection is a forecasted 2030 population of 759,727 for Boston. These population projections are based upon the latest data and analysis available in the spring of 2018 and thus do not match prior published projections of Boston's population. MAPC used the 2018 BPDA population projections as inputs to MAPC's housing demand model to produce updated projections of households and housing demand for the city out to the year 2030.

Further explanation of MAPC's methodology will be added to this Appendix in the near future.