



ADVISORY PANEL

MAYOR THOMAS M. MENINO,
CHAIR

Initial Meeting
May 20, 2013

TODAY'S AGENDA

I WELCOME, OVERVIEW, AND CHARGE TO THE PANEL

Thomas M. Menino Mayor

II INTRODUCTION OF THE PANEL + GOALS

Sheila Dillon

Department of Neighborhood
Development

III HOUSING BOSTON 2020: OUR OPPORTUNITIES + CHALLENGES

Peter Meade

Boston Redevelopment Authority

William McGonagle

Boston Housing Authority

Sheila Dillon

Department of Neighborhood Development

IV INITIAL FEEDBACK; DISCUSSION + FORMATION OF WORKING GROUPS

V WRAP UP + NEXT STEPS



HOUSING BOSTON 2020

OPPORTUNITIES AND CHALLENGES

LEADING THE WAY SINCE 2000



- Leading the Way transformed Boston's housing economy
- Balanced growth agenda serving all Bostonians
- From 2000 to 2010
 - Completed more than 20,000 units of housing
 - Injected \$7b of investment into the economy
 - 6,100 of these units affordable; nearly 500 for homeless
 - Created more than 10,000 new dorm beds, freeing up apartments for neighborhood families



ECONOMIC GROWTH AND HOUSING



Aggressive job growth

- Projections: Job base grows **100,000** by **2020**
- In 2011, base grew by more than 14,000; **virtually all recession losses recovered**

Requires significantly more housing

- Demand for **29,000** new units **by 2020**
- If more workers choose Boston, **number could be higher**
 - Since 2000, share of workers living in Boston risen from 34 to 39 percent
 - If rise continues, could require **4,000 more units**



GROWTH DEMOGRAPHICS

20-34 year olds

- Colleges are a magnet
- In-migration of more than **70 thousand** in the 2000's.
- **Growing, well-educated workforce**
- **To retain:** *right* kind of housing: price and location

Retirees

- **High retention rates:** 80 percent of retirement age population stayed in Boston
- Boomers retiring in 2010's **increase** retiree numbers by **13 thousand**
- Many **remain in their homes**; their jobs will be open, but their housing will not, adds to tight market
- Those who move need the right kind of housing: location, services, layout



DEMOGRAPHICS TO STRENGTHEN



Families

- Downtown: jump in number of children
 - Back Bay/Beacon Hill: Up 30 percent; South End: Up 15 percent.
- 20-34's hit childbearing age in 2010's
- Need right-size housing, right neighborhoods, appropriate price

Middle Class (\$50K - \$100K)

- Losing share – lower in Boston than state + US
 - 26 percent v. 29 percent state and 30 percent US
- Hardest-hit by foreclosures
- Privately-developed housing out of reach
- Too well-off for government assistance
- Both sectors must serve this group



THE DEVELOPMENT AGENDA



30,000 units

- Building the Town of Brookline + more.

Current pipeline

- 19,000, including 1,600 dorm beds

The challenges

- Support the right kind of growth
- Protect quality of life



THE STATE OF PUBLIC HOUSING

SERIOUS CHALLENGES



- Taking steps forward, but **seriously underfunded**.
- 12,000 public housing + 11,000 vouchers for leasing
- Greatest challenge: **Finding funding**
 - Operations + capital
 - Leased housing
 - Unmet capital need: \$500m
 - Available capital funds: below \$10m
 - Facing \$25m in 2013 cuts to public + leased housing
- **Non-profit service programs** supporting residents facing cuts as well.



POSITIVE STRIDES AND OPPORTUNITY



- Improvement in occupancy rates: **98 percent**
- **\$200m capital improvements** in past five years
- **Nationally recognized** redevelopment initiatives
- Innovative approaches to **energy + sustainability**
- **Resident empowerment** initiatives in place



**PRIVATE
AFFORDABLE HOUSING**

CURRENT STATUS



- Boston exceeds target of 10 percent affordable, has **20 percent of MA affordable housing stock**
- **30 percent** of new production since 2000
- **Cost** is massive challenge: **1 in 5** Bostonians spends half their income on housing: **46 thousand households**
- Recent lottery: **1500 applicants** for **25 units**



CHALLENGES: AFFORDABLE HOUSING



Resources + outputs declining

- CDBG down 36 percent; HOME down 46 percent
- Linkage was down during recession; seven years since adjusted for inflation
- Inclusionary development cash-outs declined during housing slump

Rising cost of new units

- 49 percent increase since 2000



CHALLENGES + TOOLS

CHALLENGES



- Growing city
- At-risk public housing system
- Rent-burdened individuals
- Middle income
- Aligning families with housing stock
- Attractive retirement city



OUR TOOLS



- Article 80
- 121A
- Real Estate
- Linkage/IDP/Leading the Way
- Excellent transit system
- Innovative, enthusiastic development community



DISCUSSION + QUESTIONS