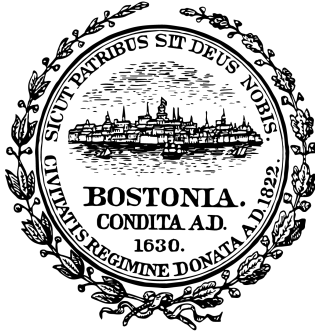


OFFERED BY COUNCILORS HENRY SANTANA, BREADON, COLETTA, DURKAN,
FERNANDES ANDERSON, FITZGERALD, FLYNN, MEJIA, MURPHY, PEPÉN, WEBER,
WORRELL, AND LOUIJEUNE



CITY OF BOSTON IN CITY COUNCIL

ORDER FOR A HEARING TO EXPLORE STRATEGIES FOR DEVELOPING MIXED-INCOME SOCIAL HOUSING TO INCREASE HOUSING ACCESS AND AFFORDABILITY FOR ALL BOSTONIANS

WHEREAS, Social Housing is publicly financed, mixed-income housing that recoups public investment for the public good, and has been proven to be a sustainable method to produce and maintain high-quality and affordable housing for a wide range of income levels; *and,*

WHEREAS, The majority of Boston households are renters, and the majority of Boston renters are housing cost-burdened: Households are commonly defined as housing cost-burdened if they spend over 30 percent of household income on housing costs. The American Community Survey (ACS) conducted by the United States Census Bureau found that as of 2022 (the latest data available), renters live in 65.1 percent of occupied Boston housing units. The ACS further found that 53.5 percent of Boston renter households were cost-burdened, including 12.2 percent of renter households with income over \$100,000, 54.1 percent of renter households with income between \$75,000-100,000, 71.5 percent of renter households with income between \$50,000-75,000, and 82.6 percent of renter households with income under \$50,000; *and,*

WHEREAS, The vast majority of Boston households have household income below \$194,188 required to afford to purchase an average home in the Boston metro, and 27.5 percent of existing homeowners are already cost-burdened: Per data reported by Redfin, the median Boston metro home price was \$712,000 as of August 2023, requiring \$194,188 in annual household income to afford. ACS reports the median Boston household income was only \$86,331, with 80.6 percent of Boston households having income below \$200,000, the approximate income necessary to afford an average Boston metro home, including 74.3 percent of family households who cannot afford a median-priced Boston home. ACS also reports that 27.5 percent of existing homeowners are cost-burdened; *and,*

WHEREAS, Housing is a human right, everyone deserves to have a home, and data demonstrates housing is currently unaffordable for most Bostonians; *and,*

WHEREAS, Public housing owned and/or operated by the Boston Housing Authority (BHA) is one tool to address housing needs for low-income households; *and,*

WHEREAS, There is insufficient BHA housing to meet demand, as evidenced by waiting times for BHA housing that application guidance notes “can be over ten years from your date of application,” and “a community's waiting list may range from 1,200 to 13,000 applicants;” *and,*

WHEREAS, Alternative financing strategies for housing creation are necessary because federal restrictions limit how much additional traditionally-financed BHA public housing Boston can add: The “Faircloth Amendment” of Section 9(g)(3) of the United States Housing Act of 1937 limits the number of public housing units for which the Department of Housing and Urban Development (HUD) can provide Capital Fund or Operating Fund allocations for each municipality. This effectively caps how many additional BHA public housing units can be created or acquired and have their ongoing maintenance funded by the federal government, noted in January 2024 by the Boston Planning and Development Agency as a limit of 2,891 new units, approximately a 23 percent increase from the approximately 12,623 units BHA currently owns or operates per its website; *and,*

WHEREAS, Income limits on BHA, Inclusionary Development Policy (IDP), and Housing Choice Voucher program restrict eligibility and create financial cliffs: While these programs are hugely beneficial for the people they serve, many Bostonians who are housing cost-burdened are ineligible for these programs, even if there were sufficient supply of public housing, IDP units, or housing vouchers to eliminate long waitlists. Additionally, residents currently utilizing any of these programs can face challenging or insurmountable financial decisions in cases where their income increases enough to cease qualifying for a housing program, but insufficiently to afford market-rate housing; *and,*

WHEREAS, Middle-income housing is needed for our police officers, firefighters, emergency medical responders, nurses, teachers, City workers, young professionals, and many others to afford to live in the city of Boston: many Boston residents have enough income to not qualify for subsidized housing programs yet are far from being able to sustainably afford market-rate housing. Boston needs more housing affordable across all income levels, in addition to the extremes of market-rate and low-income. Housing affordable to a variety of income levels also provides stability against displacement and changing life circumstances; *and,*

WHEREAS, Mixed-income communities are needed to break down historical socioeconomic and racial segregation, and knit the city of Boston back together: Boston’s history of redlining by deeming areas “hazardous” for lending by the federal Home Owners’ Loan Corporation based on racist, anti-immigrant, and classist assumptions beginning in the 1930s; race-based restrictive covenants limiting where people could live based on race from the 1840s through 1940s; and urban renewal programs from the 1950s through 1960s which demolished diverse working-class communities and communities of color, created a city segregated by race and socioeconomic status. Though the policies that created that segregation have been stopped, a 2022 Harvard Chan School of Public Health report found that geographic segregation nonetheless persists even decades later, with roughly twice the poverty level, roughly twice the Black population, and roughly twice the level of household crowding in neighborhoods redlined in the 1930s as compared to those not. A 2023 Boston Public Health Commission report noted the stark difference in life expectancy of 92 years for a census tract in Back Bay, versus 69 years for a census tract in the historically redlined Roxbury less than 2 miles away; *and,*

WHEREAS, Social Housing is a proven method long leveraged by other cities to sustainably create and maintain housing that is affordable for all income levels, and create socioeconomically integrated communities: Vienna has employed Social Housing for over a century to maintain high-quality and low-cost housing while funding ongoing housing development and maintenance to keep pace with demand; nearly half of the Vienna housing market is made up of city-owned or cooperative units, and over 60 percent of Vienna’s 1.8 million residents live in subsidized housing. Vienna is not alone, with similar programs encompassing approximately 17 percent of housing in Helsinki, and creating homes for more than 80 percent of residents in Singapore; *and,*

WHEREAS, Montgomery County, Maryland has successfully demonstrated Social Housing can be built in the United States without federal Low Income Housing Tax Credit (LIHTC) nor long-term Housing Initiative Fund (HIF) funding, creating a 268-unit mixed-income, mixed-use development rich with amenities that opened in 2023 and has already replenished the County’s revolving fund used to finance it: unlike other public financing strategies, the funds can now be used again, and the Housing Opportunities Commission is continuing progress on a master development plan which includes 1,014 multifamily units, 100 for-sale condominiums, 406 townhomes, up to 82,000 sq. ft. of retail, and a public library; *and,*

WHEREAS, Mixed-Income Social Housing is a self-sustaining and fiscally responsible housing production strategy that would enable Boston to treat public funds as investment instead of expense, generating public benefit instead of private profit: in most housing programs, the government serves as a subsidizer, giving away our public funds and public land to a private developer, and limiting our public assets to a single use. In contrast, Social Housing utilizes a revolving fund that finances the creation of mixed-income housing, which is replenished with proceeds from the development. This enables reinvesting the fruits of our public resources for further public benefit by developing additional housing; *and,*

WHEREAS, Traditional federal public housing strategies create units prone to falling into disrepair and being stigmatized because their reliance solely on external financial subsidization is challenging to maintain; Social Housing addresses this by integrating mixed-income housing that generates income, enabling higher-quality development and funding ongoing maintenance; *and,*

WHEREAS, Mixed-Income Social Housing programs can create housing accessible across a wide range of incomes, without disrupting private and nonprofit housing production: Boston's housing affordability crisis necessitates more housing supply across all levels, and private developers, community development corporations and other mission-driven nonprofits creating affordable housing, and public value capture programs like IDP, can all be part of that. Social Housing simply expands our toolbox, adding a tool that can overcome the tendency of striated housing split across market-rate and low-income that tends to arise from underlying objectives and financing options available to other housing development strategies, and which can continue to produce housing during countercyclical markets; *and,*

WHEREAS, Rhode Island is moving forward with a Mixed-Income Social Housing pilot program, and the Healey-Driscoll Administration has proposed including a Social Housing pilot fund in the Massachusetts Affordable Homes Act; *and,*

WHEREAS, Boston must also explore all options to address our housing affordability;
NOW, THEREFORE BE IT

ORDERED: That the appropriate committee of the Boston City Council holds a hearing to explore strategies for developing Mixed-Income Social Housing in the city of Boston to create socioeconomically integrated communities, contribute to the access and affordability of housing for residents across all income levels, and invest in community ownership of housing. Representatives from the appropriate departments of the administration and experts on Social Housing programs will be invited, and members of the public are encouraged to attend and testify.