



## Coalition for a Truly Affordable Boston





July 7, 2020

The Honorable Robert A. DeLeo Speaker of the House State House, Room 356 Boston, MA 02133

Dear Speaker DeLeo,

On behalf of the thousands of Boston residents our groups collectively serve, we are writing to thank you for your leadership in responding to the health crisis and economic impacts of Covid-19, and for your ongoing work to make the city and the Commonwealth more fair for all who live and work here. We are grateful for your leadership.

As you know well, the city of Boston has been impacted by unprecedented growth over the past several years. While this has brought with it many positive economic impacts, it has also contributed to a continued shortage of affordable housing. Residents have struggled to afford to remain in the city as rents and home prices have increased and wages have not always kept pace. As we navigate the challenges brought on by Covid-19, we must ensure that our recovery includes a focus on affordable housing and job training. Housing prices have remained high and inventory is still extremely limited. Without both expanded affordable housing stock and an increase in training that will give residents access to better paying jobs, our communities will continue to suffer.

While there are many proposals on the table that would provide badly needed resources, we want to draw your attention to one that we hope will be able to move quickly through the legislature. H.4115, *An Act authorizing the city of Boston to limit buildings according to their use or construction to specified districts*, was proposed by Mayor Walsh and unanimously passed by the Boston City Council in August of 2019. Versions of this legislation have been filed since 2014 in the city of Boston, and the language has evolved over time as various stakeholder input was taken into consideration, including that of developers. The language has been carefully fine tuned through various listening sessions, hearings, and working sessions throughout this time period, and we firmly believe that it strikes the right balance in supporting both development and the needs of our Boston residents.

The Joint Committee on Housing held a legislative hearing on H.4115 on December 17<sup>th</sup>, 2019. During this

hearing, <u>no party testified in opposition to the bill</u>, while many testified in support, including affordable housing advocates, Mayor Walsh, job training providers, and City Council members. At the close of the hearing, the Housing Committee immediately reported the bill out favorably, and it was subsequently ordered to a third reading in the House. It remains before that committee.

## H.4115 has two primary objectives:

- a. **Gives Boston the ability to adjust linkage ("development impact") fees:** These are the fees that developers of commercial buildings over 100,000 square feet pay to the city. The money from linkage fees goes to job training and affordable housing funds.
- b. Codifies the city's Inclusionary Development Policy (IDP): Requires developers who want to build a specific number (currently ten) of units of new housing to include a certain percentage of affordable units, to build affordable housing off site, or to pay money into Boston's Inclusionary Development Policy Fund.

<u>H.4115</u> as written does not require any additional state resources. Instead it allows the City of Boston to utilize alternative sources of funds and enables the City to use strategies that have proven effective.

As you know, as Boston's large scale commercial development gets back on track over the next months and years, this growth will put more and more pressure on our housing market, driving rents and home prices even higher. While Covid-19 has shuttered construction for several months, the housing market fundamentals have not changed. We still have far too many people in the city competing for far too few affordable homeownership opportunities and apartments. For many of our residents, the situation has gone from bad to worse. They are out of work and unable to pay their rent or their mortgage. And many will not be going back to the restaurant, hospitality, and other service sector jobs they had before.

Boston's future growth will create opportunities for Bostonians to advance economically, but only if they can afford to stay, and only if they can get training for new jobs that offer them a career ladder and a pathway to self-sufficiency.

Both the Linkage and IDP programs have been incredibly effective and successful programs. However, both need to be updated and adjusted periodically – and this legislation would enable the city of Boston to do that in response to changing markets and needs. Historically, the city leadership and administration has managed these programs well.

We hope you will work closely with the entire Boston delegation and leadership in the House and Senate to ensure passage of this bill before the end of this legislative session. At a time when state resources are strained and individuals are struggling to recover from the devastating impacts of this pandemic, we firmly believe that H.4115 is an important part of the solution.

Please contact us if we can assist you in any way.

Respectfully,

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Executive Director
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CC: The Honorable Kevin Honan, State Representative, 17<sup>th</sup> Suffolk District
The Honorable Aaron Michlewitz, Chairman, House Committee on Ways and Means
Seth Gitell, Chief of Staff, Office of Speaker of the House Robert DeLeo
House Members of the Boston delegation