

Executive Order
of
Mayor Thomas M. Menino

An Order Relative to Affordable Housing

I, Thomas M. Menino, Mayor of Boston, order that any residential development project, undertaken or financed by any agency of the City of Boston or to be developed on property owned by the City of Boston that proposes to include ten or more units of housing, shall require that no less than ten percent (10%)¹ of those units be made affordable to moderate-income and middle-income households. No less than 50%² of these affordable units must be affordable to moderate-income households earning less than 80% of the metropolitan-area median income³ in effect on the date that the property is sold or leased. No more than 50% of these affordable units may be affordable to middle-income households earning between 80% and 120% of the metropolitan-area median income that is in effect on the date that the property is sold or leased, provided that, on average, these middle-income units are affordable to households earning 100% of median income as defined above. I request the BRA to adopt the above order as its policy in connection with residential development projects undertaken by it.

I further order that relevant City agencies immediately develop and implement policies to ensure that any proposed residential development project that proposes to include ten or more units of housing, and that requires relief from the requirements of the Boston Zoning Code, shall require, as a condition to the grant, approval or adoption of such Zoning relief, that no less than ten percent (10%) of those units be made affordable to moderate-income and middle-income households. No less than 50% of these affordable units must be affordable to moderate-income households earning less than 80% of the metropolitan-area median income in effect on the date that such Zoning relief is granted. No more than 50% of these affordable units may be affordable to middle-income households earning between 80% and 120% of the metropolitan-area median income that is in effect on the date that such Zoning relief is granted, provided that, on average, these middle-income units are affordable to households earning 100% of median income.

I further order that, subject to the approval of the head of the relevant City agency⁴, developers may propose to achieve these affordable housing obligations through the direct construction of affordable units off-site in a number equal to the total number of dwelling units in the proposed residential development project multiplied by 0.15⁵. No less than 50% of these affordable units must be affordable to moderate-income households earning less than 80% of the metropolitan-area median income in effect on the date that such Zoning relief is granted. No more than 50% of these affordable units may be affordable to middle-income households earning between 80% and 120% of the metropolitan-area median income that is in effect on the date that such Zoning relief is granted, provided that, on average, these middle-income units are affordable to households earning 100% of median income. Subject to the approval of the head of the relevant City agency, developers may also propose to achieve these affordable housing obligations by making a dollar contribution to an affordable housing fund calculated by multiplying the total number of dwelling units in the proposed residential development project by 0.15, and multiplying the result by the Affordable Housing Cost Factor⁵, currently standing at \$52,000. This Affordable Housing Cost Factor will be adjusted annually on July 1 of each year in an amount commensurate with the cost of producing affordable housing.

I further order that any such affordable units created, whether on-site or off-site, must be comparable in size and quality to the average of all market-rate units in the development and must include provisions that ensure long term affordability for the maximum period permitted by law.



Thomas M. Menino
Thomas M. Menino
Mayor of Boston

Dated: 2/29/00

¹ Where the 10% or 15% calculation results in a fraction of a unit, the number of units will be rounded to the nearest integer. This rounding does not apply to the Affordable Housing Fund Contribution option.

² Where an odd number of affordable units is to be produced, this requires that moderate-income units be the majority of the affordable units (e.g. in a 10-unit project with one inclusionary unit, that unit must be for a moderate-income household).

³ Defined as the median income of the Boston Metropolitan Statistical Area ("MSA") as determined by the U. S. Department of Housing and Urban Development

⁴ Proposals for developments on City land will be reviewed by the Director of the Department of Neighborhood Development. Proposals for development on BRA land or private land requiring zoning relief will be reviewed by the Director of the BRA.

⁵ The Affordable Housing Cost Factor is defined as the average total public subsidy per new construction affordable housing unit permitted in the City of Boston for the previous calendar year.



CITY OF BOSTON • MASSACHUSETTS

OFFICE OF THE MAYOR
THOMAS M. MENINO

September 8, 2003

Mark Maloney
Chief Economic Development Officer
City of Boston
One City Hall Square
Boston, MA 02201

Dear Mark,

I congratulate the Boston Redevelopment Authority ("BRA") on its efforts related to affordable housing in Boston, especially in its implementation of the inclusionary development policy.

In order to ensure that affordable housing continues to be available in all of Boston's neighborhoods, I encourage the BRA to expand its efforts with the private sector to produce even more affordable housing units than currently achieved under the inclusionary development policy. While the inclusionary development policy has proven of great benefit to the residents of Boston, I ask that the BRA adopt a temporary demonstration program that would seek even greater affordability within otherwise market-rate development projects. I encourage you to work with developers to secure an affordability level of 15% of the total market-rate units proposed or the equivalent of 15 affordable units for every 100 market-rate units. I propose that the BRA adopt this temporary demonstration program in order to ascertain the impact on Boston's residential market.

Thank you for your attention. I look forward to seeing your results.

Sincerely,

Thomas M. Menino
Mayor of Boston



CITY OF BOSTON • MASSACHUSETTS

OFFICE OF THE MAYOR
THOMAS M. MENINO

EXECUTIVE ORDER
OF
MAYOR THOMAS M. MENINO

An Order Relative to the Affordable Housing Cost Factor

I, Thomas M. Menino, Mayor of Boston, recognizing that the rising cost of affordable housing construction has the potential to limit the capacity of the Inclusionary Development Policy to create off-site affordable units as outlined within *An Order Relative to Affordable Housing* dated February 29, 2000, hereby order that the Affordable Housing Cost Factor, as defined within that Order, be increased to the average per unit subsidy of \$97,000, the amount calculated by the Department of Neighborhood Development and Boston Redevelopment Authority, in order to ensure funding necessary for the off-site construction of affordable units.

I further order that the Affordable Housing Cost Factor hereafter shall automatically increase yearly beginning on July 1, 2006, based upon the most recent annual increase in the combined index, as outlined in *An Act Authorizing Certain Actions by the City of Boston to Mitigate the Effects of New Large-Scale Commercial Real Estate Development (Linkage)*, Chapter 371 of the Acts of 1987, which measures the increase in price levels by combining in equal proportions the consumer price index for all urban consumers ("CPI-U") with a 1967 index of 100 and the housing component of said CPI-U for the Boston metropolitan area, as these indices are published from time to time by the Bureau of Labor Statistics, United States Department of Labor.

I further order that relevant City agencies immediately implement said change in the Affordable Housing Cost Factor in the application of *An Order Relative to Affordable Housing*.

I request the BRA to adopt the above Order as its policy in connection with proposed projects.

Thomas M. Menino
Mayor of Boston

Dated: 2/3/05



CITY OF BOSTON • MASSACHUSETTS

OFFICE OF THE MAYOR
THOMAS M. MENINO

EXECUTIVE ORDER

OF

MAYOR THOMAS M. MENINO

An Order Relative to the Inclusionary Development Policy

I, Thomas M. Menino, Mayor of Boston, recognizing the need to increase access to affordable housing for moderate and middle-income households; and that the rising cost of affordable housing construction has the potential to limit the capacity of the Inclusionary Development Policy (the "IDP") to create a sufficient number of off-site affordable units as outlined within *An Order Relative to Affordable Housing* dated February 29, 2000, as amended by An Order Relative to the Affordable Housing Cost Factor, dated February 3, 2005, (collectively, the "Order") hereby order the following changes to the IDP.

That the number of affordable units required in projects subject to the IDP be not less than a number equal to fifteen percent (15%) of the market rate units.

That the affordable units shall be made affordable to households earning between 130% and 160% of the Boston Median Household Income ("BMI") as determined by the American Community Survey conducted by the US Census Bureau ("ACS") for ownership housing; and between 100% and 125% of said BMI for rental housing, as adjusted for household size.

That the Affordable Housing Cost Factor, as defined within the Order, for ownership housing shall be changed to an amount not less than one-half the difference between the price of the average market-rate unit and the price of an on-site affordable unit as determined by the Boston Redevelopment Authority, or \$200,000, whichever is greater. All money shall be due prior to the issuance by the Inspectional Services Department of a building permit for a project.

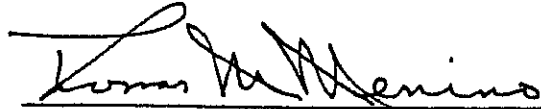
That the Affordable Housing Cost Factor, as defined within the Order, for rental housing shall be \$200,000 to be paid in seven (7) equal annual installments with the first payment required prior to the issuance by the Inspectional Services Department of a building permit for a project.

I further order that one-half of the funds collected under this Order shall be prioritized to producing and/or preserving affordable housing in neighborhoods with less than the citywide average of affordable housing or in areas of the city that demonstrate a need for producing and/or preserving affordable housing.

The Boston Redevelopment Authority shall develop and oversee a competitive funding process to award money collected through the implementation of the IDP.

I further order that relevant City agencies immediately implement said changes in the Inclusionary Development Policy in the application of *An Order Relative to Affordable Housing*.

I request the Boston Redevelopment Authority to adopt the above Order as its policy in connection with proposed projects and develop procedures and guidelines to ensure the successful implementation of the IDP.



Thomas M. Menino
Mayor of Boston

Dated:

5/16/06



CITY OF BOSTON • MASSACHUSETTS

OFFICE OF THE MAYOR
THOMAS M. MENINO

EXECUTIVE ORDER
OF
MAYOR THOMAS M. MENINO

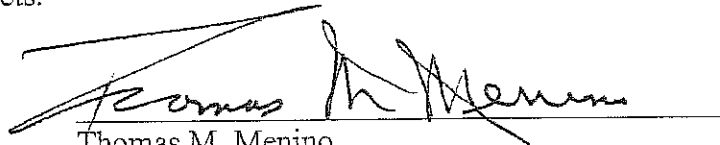
An Order Relative to the Inclusionary Development Policy's Income Policy

I, Thomas M. Menino, Mayor of Boston, created the Inclusionary Development Program (IDP) through An Order Relative to Affordable Housing dated February 29, 2000, as amended by An Order Relative to Affordable Housing Cost Factor, dated February 3, 2005, and later amended by An Order Relative to the Inclusionary Development Policy, dated May 16, 2006, (collectively the "Order"). To provide further clarification and ease of implementation, the following changes are ordered.

That 50% of the on-site and off-site affordable homeownership units, required in projects subject to the IDP, be made affordable to households earning less than or equal to 80% of the Area Median Income ("AMI") and that 50% of the affordable units be made affordable to households earning greater than 80% and less than or equal to 100% of the Area Median Income. The City of Boston recognizes that these income restrictions are comparable to 130% and 160% of Boston Median Income ("BMI").

That the on-site and off-site affordable rental units, required in projects subject to the IDP, be made affordable to households earning less than or equal to 70% of the AMI. The City of Boston recognizes that these income restrictions are comparable to 100% and 125% of the Boston median Income (BMI).

I request that the Boston Redevelopment Authority adopt the above Order as its policy in connection with proposed projects.



Thomas M. Menino
Mayor of Boston

Dated: 9/27/07