



Boston City Council
ED FLYNN
Councilor - District 2

August 30, 2023

Alex Geourntas
City Clerk
1 City Hall Square, Room 601
Boston, MA 02201

Re: Reassigning Docket #1293 to the Committee on Planning, Development, and Transportation

Dear Clerk Geourntas:

Please note that due to new authority granted in Chapter 365 of the Acts of 2020, the Boston Planning and Development Agency (BPDA) must notify the Boston City Council after its vote to adopt the zoning amendment to establish inclusionary housing requirements in the zoning code. The Boston City Council then has 60 days from the date of the notification to reject the zoning amendment by votes of two-thirds of its members. If the City Council does not take action within 60 days, the zoning amendment will proceed to the Boston Zoning Commission for passage or rejection.

The notification from the BPDA was filed at the August 9th, 2023 City Council meeting under "Reports of Public Officers and Others" as Docket #1293, and was placed on file. As the City Council has the ability to act on this notification within 60 days, Docket #1293 will be reassigned to the Committee on Planning, Development, and Transportation for action.

Sincerely,

Ed Flynn
Boston City Council President
District 2

Attached: Docket #1293



Office of the City Clerk

ALEX GEOURNTAS

City Clerk

July 17, 2023

To the City Council

Dear Councilors:

In compliance with the order passed by your Honorable Body December 6, 1976, this is to inform you that the following was filed by the Boston Planning and Development Agency with the City Clerk on July 17, 2023.

“Notice regarding inclusionary zoning changes to the Boston Zoning code..”

Respectfully,

Alex Geourntas
City Clerk

MF/pmf



July 17, 2023

Boston City Council
1 City Hall Square, Room 550
Boston, MA 02201-2043

Dear City Council,

This letter hereby notifies you that on Thursday, July 13, 2023, the Boston Redevelopment Authority, d/b/a the Boston Planning and Development Agency (the “BPDA”), unanimously voted in favor of the attached inclusionary zoning changes to the Boston Zoning code. Over the course of 2022, the Mayor’s Office of Housing held numerous working groups with industry experts and affordable housing leaders to craft the new policy. Following this effort, the BPDA held three public meetings and received a total of 298 public comments. Based on community feedback, outside expert analysis on the feasibility of inclusionary zoning, and housing conditions in the city, we believe these changes offer a balanced policy approach to address the critical need for greater affordable housing in Boston.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Jemison", with a horizontal line above the first few letters.

James Arthur Jemison
Chief of Planning and Director of the BPDA

Attachments:
BPDA Board Memorandum on Inclusionary Zoning
Text Amendment proposal to Article 79-Inclusionary Zoning

MEMORANDUM

July 13, 2023

**TO: BOSTON REDEVELOPMENT AGENCY
D/B/A BOSTON PLANNING & DEVELOPMENT AGENCY (BPDA)
AND JAMES ARTHUR JEMISON II, DIRECTOR**

FROM: AIMEE CHAMBERS, DIRECTOR OF PLANNING

SUBJECT: INCLUSIONARY ZONING

SUMMARY: This Memorandum requests authorization for the Director to petition the Boston Zoning Commission to adopt a text amendment to the Boston Zoning Code to incorporate Inclusionary Zoning into the zoning code.

BACKGROUND

The City of Boston's Inclusionary Development Policy ("IDP") has, for over 22 years, secured commitments to affordable housing from developers of market-rate, unsubsidized housing developments that required zoning relief. After the passage of a home rule petition by the state legislature in January 2021, Boston is now able to incorporate the IDP into Boston's zoning code. In doing so, it will, among other things, increase the number of developments that must provide affordable housing and the size of those affordable housing units.

POLICY HISTORY

The IDP was created through a 2000 Executive Order of Mayor Thomas M. Menino. The Executive Order was revised in 2003, 2005, 2006, and 2007 by Mayor Menino, and in December 2015 by Mayor Martin J. Walsh. Under the current IDP, whenever a developer of a project with ten or more housing units requires a zoning variance, the IDP applies to the project and the developer must provide income-restricted units as part of the development as described in greater detail below.

INCLUSIONARY ZONING

In 2019, the Boston City Council passed a Home Rule Petition that would enable the City of Boston to establish inclusionary housing requirements in the zoning code. In January 2021, this Home Rule Petition was passed by the Massachusetts Legislature and signed into law by Governor Baker as Chapter 365 of the Acts of 2020 ("the 2021 Legislation"). In order to establish inclusionary housing requirements in the zoning code, the Board of the Boston Redevelopment Authority ("BRA") d/b/a the Boston Planning & Development Agency ("BPDA") must first make a recommendation as to the contents of the zoning amendment. After this vote, the BPDA notifies the Boston City Council of the proposed zoning text amendment. The City Council has, from the date of notification, 60 days to reject the zoning amendment, by two thirds vote of all its members (i.e., nine votes). If the City Council fails to reject the zoning amendment or takes no action within the specified 60 days, then the zoning amendment proceeds to the Boston Zoning Commission for passage or rejection.

CURRENT IDP REQUIREMENTS

The current IDP applies to projects with ten or more residential housing units. Citywide, a developer is required to income-restrict 13 percent of their on-site units. In some instances, the developer is allowed to create income-restricted off-site units, pay into the Inclusionary Development Policy Fund ("IDP Fund") which is managed by the Mayor's Office of Housing ("MOH"), or provide a combination of the options. The requirements for these options vary, depending on the neighborhood and the tenure of housing being developed.

For some development projects, feasibility is improved and/or the City's affordable housing goals are better met if off-site units or the IDP fund contribution option (or a combination) is undertaken. For off-site units, in Zones A and B, the number of units to be created equals 18 percent of the total units in the proposed project. In Zone C, the number of off-site units is based on 15 percent of the total number of units in the proposed projects. Similarly, payments into the IDP Fund are based on 18 percent or 15 percent of the units, depending on the zone.

Both on-site and off-site inclusionary units are required to be affordable for a term of 30 years, with an extension for an additional 20 years, for a total of 50 years. Rental units are income restricted at a maximum of 70 percent of Area Median Income (“AMI”). For homeownership units, at least half must be income restricted to no more than 80 percent of AMI, and the remaining units may be restricted up to 100 percent of AMI.

The current IDP and other key documents may be found at <http://www.bostonplans.org/projects/standards/inclusionary-development-policy>.

OUTCOMES OF THE IDP

Because of the IDP, developers have created over 4,000 on- and off-site income-restricted housing units, and 688 are in construction. In addition, developers have made over \$200 million in IDP contributions. For every \$1 spent from the IDP Fund, \$6 in matching City, State, and/or Federal funds is also spent on the creation or preservation of affordable housing. As a result, over 3,100 income-restricted units, located across the City, have been completed or preserved with IDP funds, and 484 units are in construction.¹

CURRENT STATUS

In order to proceed with incorporating the IDP into zoning, and in accordance with the 2021 Legislation, the BPDA and MOH staff have considered the following in its recommendation: (1) Boston housing cost trends; (2) market and income-restricted housing production goals; (3) providing housing at a cost not generally available in the city; (4) the City’s goal of maintaining racial and economic diversity and affirmatively furthering fair housing for members of protected classes and the larger community and; (5) financial and other considerations regarding the production and cost of market-rate residential development projects and income-restricted housing units. The following reports/studies were consulted in order to make this recommendation:

¹ Completion and construction data as of April 30, 2023.

- *The Boston Housing Conditions & Real Estate Trends Report* (available at https://docs.google.com/document/d/1t7Hlb6jlKe1mDnGK2ivArejDdZKrQ_sZ5DrOxEs2Jo/edit?usp=sharing);
- *City of Boston Assessment of Fair Housing* (available at https://docs.google.com/document/d/1A59pPt03h1bnTfL_HptUjZkIPrlqfV59dXurFUBEg/edit);
- *Housing Boston 2030: Housing a Changing City, 2018 Update* (available at https://docs.google.com/document/d/1WRWTkvlD7_hAKiKz-F8-J_HCq5mCrWKxBUeFOVgwaM/edit); and
- *City of Boston Inclusionary Development Policy: Financial Feasibility Analysis Technical Report* (available at <https://www.bostonplans.org/documents/projects/inclusionary-development-policy/city-of-boston-inclusionary-development-policy-fin>), RKG Associates.

HOUSING CONDITIONS REPORT

In December 2022, the Mayor’s Office of Housing (“MOH”) released *The Boston Housing Conditions & Real Estate Trends Report*. This 82-page report provides a detailed understanding of Boston’s housing market and housing need, to guide the Wu administration in establishing housing goals. This report also served as a Housing Needs Assessment which is needed in order to update or adopt the Inclusionary Development Policy.

FEASIBILITY STUDY

In order to understand the financial impact of increasing the IDP requirements on development, MOH advertised a Request for Proposals in February 2022 for consultant services. In May 2022, MOH signed a contract with RKG Associates, Inc. (“the Consultant”) to complete a feasibility study. The Consultant initiated a collaborative process, engaging City staff, housing developers, debt and equity investors, and other real estate professionals to understand the Boston market and the potential impacts to IDP. The report, completed with recommendations for changes to the IDP, was delivered to MOH in February 2023.

The report presents a comprehensive model of potential changes to the IDP. The findings can be summarized as follows:

- **The current IDP policy is generating above the 13% minimum requirement through the development review negotiations** – Developers are already building into their financial assumptions a greater commitment to more set aside units than required. On average, the current process is generating a set aside of 17% of units.
- **Core areas of Boston (or IDP Zone A) have high land and development costs that result in higher rent and sales prices** – These high costs can help to offset an increased IDP policy. Neighborhoods outside of the inner core of the city (Zone B and C) are more sensitive to a policy change due to lower rents.
- **Construction costs are high in the City of Boston** – These costs have a significant impact on the feasibility of projects and developer returns.
- **Financial feasibility is worth consideration** – Projects are significantly impacted when extremely low area median incomes are introduced due to the rent not supporting the operation and maintenance cost of the unit.
- **Deeper affordability is possible when tenant-based vouchers are introduced into a project** – Tenant based voucher holders generally have an area median income of 30% and pay a portion of rent based on income. Developers are allowed to charge a higher rent based on the program rent limits. This allows the units to serve a lower average household while maintaining the financial feasibility of a project.
- **Projects that are 6 or less units are more sensitive to an increased IDP policy.**

RECOMMENDATIONS FOR INCLUSIONARY ZONING

Policy Area	Current IDP	Recommendation
<i>Threshold</i>	10 or more units	7 or more units
<i>Rental On-Site Percentage & AMI</i>	13% of units at 70% of AMI	Small Projects: 1.7% of units/square footage at an average of 60% of AMI (maximum of 70% of AMI)

		<p>Large Projects: 18% of units/square footage (15% at average of 50% of AMI (maximum of 60% of AMI), additional 3% voucher set aside)</p> <p>or</p> <p>20% of units/square footage (17% at average of 60% of AMI (maximum of 70% of AMI), additional 3% voucher set aside)</p>
<i>Homeowner On-Site Percentage & AMI</i>	<p>13% of units, half at 80% of AMI, half at 100% of AMI</p> <p>Average AMI: 90%</p>	<p>Small Projects: 17% of units/square footage where half of the total units are up to 80% and half are up to 100% of AMI</p> <p>Large Projects: 20% of units/square footage where half of the total units are up to 80% and half are up to 100% of AMI</p>
<i>Off-Site Units</i>	<p>Zones A & B, 18% of units</p> <p>Zone C: 15% of units</p>	<p>Small Rental/Homeownership Projects: not allowed</p> <p>Large Rental Projects: 20% of units/square footage at average of 60% of AMI, maximum of 70% of AMI</p> <p>Large Homeownership Projects: 20% of units/square footage.</p> <p>Off-site rental units are permitted at an average of 60% of AMI, and maximum of 70% of AMI.</p> <p>Off-site homeownership units are permitted with half of the total units are up to 80% and half are up to 100% of AMI</p>

Zones	Current	Changes
A	Back Bay, Bay Village, Beacon Hill, Chinatown, Downtown, East Boston (waterfront parcels), Fenway, Leather District, North End, South Boston Waterfront, West End	Charlestown moved from Zone B to Zone A
B	Allston, Brighton, Charlestown, Jamaica Plain, Mission Hill, South Boston	East Boston moved to Zone B from Zone C
C	Dorchester, East Boston, Hyde Park, Mattapan, Roslindale, Roxbury, West Roxbury	

THE TEXT AMENDMENT TO THE ZONING CODE

The text amendment to the Boston Zoning outlines the programmatic features summarized above. Additionally, the text includes provisions for satisfying criteria where a partial unit is required, requirements for the development of off-site units, and unit characteristics. The length of the restriction will remain 50 years.

NEXT STEPS AND IMPLEMENTATION

A virtual public meeting was held May 30, 2023. Since that time, the following changes were made to the proposed text:

- Staff have added clearer definitions of a "series of projects" which may require IDP

- The maximum AMI has been lowered from 70% to 60% for On-Site Option A for Large Rental Projects
- The thresholds for homeownership have been modified to remove the 90% average and allow for lower AMI households
- Developers' ability to satisfy the requirement through square footage (by creating larger units) is no longer limited to two- and three-bedroom units
- The proposed effective date of the zoning is moved to October 1, 2024

If approved by the Board, the text amendment shall be forwarded to the Boston City Council. The Council has 60 days to vote on the zoning amendment. If nine Councilors vote to reject the zoning amendment, the amendment will not proceed to the Zoning Commission. Otherwise, the zoning amendment will proceed to the Zoning Commission. Upon final approval, the BPDA will promulgate additional policies and procedures to implement the zoning amendment.

RECOMMENDATION

It is therefore recommended that the Director be authorized to petition the Boston Zoning Commission to adopt the text amendment to the Boston Zoning Code to incorporate Inclusionary Zoning into the zoning code.

An appropriate vote follows:

VOTED: That the Director be, and hereby is, authorized to petition the Boston Zoning Commission to adopt the text amendment to the Boston Zoning Code, in substantial accord with the text amendment presented to the Boston Redevelopment Authority at its meeting on July 13, 2023.

1. In the Boston Zoning Code, before Article 80, Development Review and Approval, insert the following new Article 79-Inclusionary Zoning:

Article 79-Inclusionary Zoning

79-1 Statement of Purpose

This Article is written to promote the public health, safety and welfare of the residents of Boston by helping to ensure a range of housing options with sizes, types, and levels of affordability to support a diverse populace. A supplemental Inclusionary Zoning Policy, developed and managed by the Boston Planning and Development Agency (BPDA) and the Mayor's Office of Housing (MOH), provides additional context related to the research, data, and process which resulted in this Article.

79-2 Applicability

A. This Article applies to any Proposed Project or series of Proposed Projects put forward by the same Applicant or affiliated Applicants at the same time which result in seven (7) or more residential dwelling units, whether such development occurs through one or more of the following: Construction of a new structure or structures, construction of an addition to an existing structure that results in an increase in the total number of units, alterations within an existing structure that result in an increase in the total number of units, or a change of use that results in an increase in the total number of units (each such Proposed Project and series of Proposed Projects are referred to in the Article 79 as "Covered Projects").

B. Exemption: Residential development projects are exempt from this Article when the Covered Project is:

- 1) Financed as one entity and exceeds the affordability requirements set out in this Article.
- 2) A Dormitory as the term is defined in Articles 2 and 2A.
- 3) Other uses not defined as Residential Uses.

79-3 Inclusionary Zoning Zones

A. In order to take into account the geographic variability and sales prices and rents, and therefore the variability in developer feasibility, Boston was divided into three, distinct zones.

1. Zone A: Neighborhood Districts of Audubon Circle, Back Bay, Bay Village, Charlestown, City Square, the Fenway, the North End, and the South End, as well as the Chinatown District, the Leather District, the Government Center/Markets District, the Bulfinch Triangle District, the Cambridge Street North District, the Stuart Street District, the Central Artery Special District, the Greenway Overlay District, the Midtown Cultural District, the North End Economic Development Area, the South Station Economic Development Area, the Huntington Avenue/Prudential Center District, the North End/Downtown Waterfront District, the Harborpark Districts of the Charlestown Waterfront, Charlestown Navy Yard, and Fort Point Waterfront, and those parcels in East Boston regulated by Massachusetts General Law Chapter 91.
2. Zone B: Neighborhood Districts of Allston-Brighton, Jamaica Plain, Mission Hill, and South Boston, as well as East Boston, excluding those parcels in East Boston regulated by Massachusetts General Law Chapter 91.
3. Zone C: Neighborhood Districts of Dorchester, Hyde Park, Greater Mattapan, Roslindale, Roxbury, and West Roxbury, as well as the Dorchester Bay/Neponset River Waterfront District.

B. In the case where a Covered Project site is in more than one zone, the requirements of the less restrictive zone will apply.

79-4 Required Inclusionary Zoning Unit Contributions

Rental – IDP/IZ Only Projects; Small Projects pursuant to Article 80-E			
	Zone A	Zone B	Zone C
On Site	17% of total units Units shall be set aside for households with an average of 60% of AMI. (Max 70% of AMI)		
Off Site	Not allowed		

Rental – Large Projects pursuant to Article 80-B; PDAs pursuant to Article 80-C			
	Zone A	Zone B	Zone C
On Site Option A	18% of total units, provided, however, that a project may include fewer than 18% of units so long as the aggregate square footage of all Inclusionary Zoning Units is equal to or greater than 18% of the total usable residential square footage of the building. This 18% is composed of: 15% of units* set aside for households with an average of 50% of AMI (Max 60% of AMI) and 3% of units (minimum of two units*) set aside for voucher holders.		
On Site Option B	20% of total units, provided, however, that a project may include fewer than 20% of units so long as the aggregate square footage of all Inclusionary Zoning Units is equal to or greater than 20% of the total usable residential square footage of the building. This 20% is composed of: 17% of units* set aside for households with an average of 60% of AMI (Max 70% of AMI) and 3% of units set aside for voucher holders		
Off Site	Developers can meet their off-site obligation through the creation of rental units with approval from MOH. Additional requirements shall be met pursuant to Section 79-4B. Off Site Rentals: 20% of total units of the original Covered Project, provided, however, that a project may include fewer than 20% of units so long as the aggregate square footage of all Inclusionary Zoning Units is comparably equal to or greater than 20% of the total usable residential square footage. Units shall be set aside for households with an average of of 60% of AMI (Max 70% of AMI)		

*or equivalent total usable square footage in development projects where this method of calculation is utilized in lieu of total units.

Homeownership – IDP/IZ Only Projects; Small Projects pursuant to Article 80-E			
	Zone A	Zone B	Zone C
On Site	<p>17% of total units, provided, however, that a project may include fewer than 17% of units so long as the aggregate square footage of all Inclusionary Zoning Units is equal to or greater than 17% of the total usable residential square footage of the building.</p> <p>Units shall be set aside for households where not more than half of households are up to 80% of AMI and not more than half are up to 100% of AMI.</p>		
Off Site	Not allowed		

Homeownership – Large Projects pursuant to Article 80-B; PDAs pursuant to Article 80-C			
	Zone A	Zone B	Zone C
On Site	<p>20% of total units, provided, however, that a project may include fewer than 20% of units so long as the aggregate square footage of all Inclusionary Zoning Units is equal to or greater than 20% of the total usable residential square footage of the building.</p> <p>Units shall be set aside for households where not more than half of households are up to 80% of AMI and not more than half are up to 100% of AMI.</p>		
Off Site	<p>Developers can meet their off-site obligation through the creation of rental or homeownership units with approval from MOH. Additional requirements shall be met pursuant to Section 79-4B.</p> <p>Off Site Condos: 20% of total units of the original Covered Project, provided, however, that a project may include fewer than 20% of units so long as the aggregate square footage of all Inclusionary Zoning Units is comparably equal to or greater than 20% of the total usable residential square footage.</p> <p>Units shall be set aside for households where not more than half of households are up to 80% of AMI and not more than half are up to 100% of AMI.</p> <p>Off Site Rentals: 20% of total units of the original Covered Project, provided, however, that a project may include fewer than 20% of units so long as the aggregate square footage of all Inclusionary Zoning Units is comparably equal to or greater than 20% of the total usable residential square footage.</p> <p>Units shall be set aside for households with an average of of 60% of AMI (Max 70% of AMI)</p>		

A. Partial Units

Where the total number of units required to meet the on-site and/or off-site unit contributions of this Article is calculated to a fraction below .5, the Applicant shall pay the fractional amount into the Inclusionary Development Fund as set forth in Section 79-7. Where the calculation is at or above .5, the Applicant shall either:

1. Round up to allocate an additional Inclusionary Zoning Unit; or
2. Pay a fee equal to the Full Unit Contribution into the Inclusionary Development Fund as set forth in Section 79-7.
3. Provide additional square footage to proposed Inclusionary Zoning Units in the form of two+ bedroom units so as to provide, at minimum, the required percentage of usable square footage.

B. Off Site Unit Requirements

1. Location: Off site units must be located within a half mile radius of the Covered Project making the off site contribution
2. Timing: The location of the off site unit contribution must be identified when the Covered Project files for BPDA approval. BPDA cooperation agreements shall cross reference the off site location, number of units to be developed, and intended household AMIs .
3. Conversions: Applicants may convert existing off-site market rate units to satisfy Inclusionary Zoning requirements, except that rental to condo conversions shall not be permitted to satisfy requirements related to off-site homeownership development.
4. A mix of on-site and off-site units may be allowed, subject to BPDA approval.

79-5 Inclusionary Zoning Unit Characteristics

Notwithstanding the provisions of the Inclusionary Development Policy Document:

1. At minimum, units shall be distributed in proportion to size and type (number of bedrooms) as the Covered Project as a whole. Pursuant to section 79-4 above, the City of Boston may permit a developer to use some of the required square footage to create larger units.
2. Units must be dispersed throughout the development and may not be clustered or stacked in any one area.
3. Units shall be indistinguishable in finishes and construction internally and externally.
4. Off-site units shall be reviewed and deemed substantially similar to the Covered Project.

79-6 Length of Restriction

A deed restriction and/or affordability covenant will be placed on each Inclusionary Zoning Unit, whether developed on- or off- site, for a period of at least 50 years.

79-7 Payment in Lieu of Units

A payment may be made in lieu of the provision of a partial unit according to the below schedule. In addition, full unit requirements may be satisfied by payment in lieu of units (PILU) into the City of Boston Inclusionary Development Fund as follows:

Rental Units

	Zone A	Zone B	Zone C
Full Unit Contribution	May be allowed subject to MOH approval, at rates below		

Partial Unit Contribution	\$675/sf of the remainder of the on-site usable square footage requirement	\$460/sf of the remainder of the on-site usable square footage requirement	\$365/sf of the remainder of the on-site usable square footage requirement
---------------------------	--	--	--

Homeownership Units

	Zone A	Zone B	Zone C
Full Unit Contribution	20% of usable square footage paid at 75% of differential between market rate unit price/sf and Inclusionary Zoning Unit price/sf		
Partial Unit Contribution	\$850/sf paid on the remainder of the on-site or off-site percentage obligation	\$500/sf paid on the remainder of the on-site or off-site percentage obligation	\$300/sf paid on the remainder of the on-site or off-site percentage obligation

79-8 Payments into the Inclusionary Development Fund

Payment into the Inclusionary Development Fund must be paid to the City of Boston Treasury. Payment of 50% of the amount is due at the issuance of a building permit, the other 50% due at the issuance of a Certificate of Occupancy or Temporary Certificate of Occupancy.

79-9 Effective Date & Applicability of this Article to Developments having submitted an Application for Conditional Use and/or Application for Review Under Article 80

This Article shall become effective October 1, 2024. Notwithstanding the foregoing, any residential real estate development for which an application for a conditional use permit, exception, zoning map or text amendment or variance, Project Notification Form or other Article 80 application (including, without limitation, an application for a Planned Development Area) has been filed with the appropriate governmental authority prior to the effective date of such increase shall not be subject to this Article 79; and provided further, however, that the zoning commission may require adherence to Article 79 for any residential development project which, after the effective date of such increase, seeks additional relief through the filing of a Notice of Project Change, amendment of a planned development area, or other such zoning relief as specified by the zoning commission.

79-10 Enforcement

For all developments subject to this Article, the Commissioner of Inspectional Services shall not issue any building permit or use permit for a Covered Project that is subject to the provisions of this article unless:

An Affordable Housing Agreement and/or Affordable Housing Creation Agreement and/or Affordable Housing Contribution and/or Affordable Rental Housing Agreement and Restriction shall be executed between the City of Boston Mayor’s Office of Housing (MOH) or its successors or assigns and the Applicant.

Section 79-11 Severability

The provisions of this article are severable and if any such provision or provisions shall be held invalid by any decision of any court of competent jurisdiction, such decision shall not impair or otherwise affect any other provision of this article.

Additions to

Article 2: Definitions

“Area Median Income (AMI)”: The midpoint of a specific area’s income distribution. The AMI applicable to Boston is calculated on an annual basis by the BRA using data from the Department of Housing and Urban Development (HUD). AMI, or a percentage thereof, is used to determine the maximum income that a given household size may receive before becoming ineligible for an Inclusionary Development Unit.

“Dwelling Unit”: The room or group of rooms within a dwelling used or intended for use by one family or household for living, sleeping, cooking and eating.

“Inclusionary Development Fund”: The fund-held and managed by the City of Boston Mayor’s Office of Housing (“MOH”)—that serves as the recipient of monetary contributions received from residential real estate developments as a result of this Article.

“Inclusionary Zoning (IZ) Only Project”: A development project subject to Article 79 of the Zoning Code but not subject to Article 80 of the Zoning Code due to falling below Article 80E Small Project Review Requirements.

“Inclusionary Zoning (IZ) Unit”: Any dwelling unit that is income-restricted in compliance with the Inclusionary Development Policy (Article 79).

“Income-Restricted Unit”: Any dwelling unit that is subject to an income-restriction which limits occupancy to households not exceeding a specific AMI. Includes, but is not limited to Inclusionary Development Units.

“Required square footage”: A percentage of a development's total usable square footage equal to the percentage of units required in a proposed project.

“Usable Square Footage”: The actual space a tenant or owner occupies from wall to wall. Usable square footage does not include mechanical spaces or common areas of a building such as lobbies, restrooms, stairwells, storage rooms, and shared hallways.