

**OFFERED BY COUNCILORS RUTHZEE LOULJEUNE, TANIA FERNANDES ANDERSON, BREADON, COLETTA, DURKAN, FITZGERALD, MEJIA, MURPHY, PEPÉN, SANTANA, WEBER, AND WORRELL**



## **CITY OF BOSTON IN CITY COUNCIL**

**ORDER FOR A HEARING TO EXPLORE MUNICIPAL BONDS AND OTHER FISCAL OPTIONS TO INCREASE AFFORDABLE HOUSING, SCHOOL BUILDINGS, AND COMMUNITY INVESTMENTS**

- WHEREAS,** The City of Boston has maintained a AAA bond rating since 2014, and in fiscal year 2023, the City's debt servicing expenditures accounted for only 5.8% of operating budget expenditures, well below the 7% debt management policy; *and*
- WHEREAS,** The City has been rapidly retiring its debt, representing an opportunity to leverage the City's strong bond rating and financial position to address expanded supports for long term city goals; *and*
- WHEREAS,** The City of Boston must explore its capacity to issue bonds under the current debt management policy, and discuss the appropriate service percentage as a cost-effective strategy to increase the supply of affordable housing while not negatively affecting the city's bond rating and operating budget; *and*
- WHEREAS,** In December 2020, the City of Boston issued its first series of Green and Social Bonds, with \$25 million for Green Bonds to retrofit municipal buildings and build climate resilience infrastructure, and \$35 million for Social Bonds to finance affordable housing projects; *and*
- WHEREAS,** Boston should continue to support bonding to build up Boston's stock of affordable public housing units to meet our "Faircloth Limit" and utilize social housing bonds to create a fund for short-term, construction-period bridge loans to new, multifamily housing projects developed by the BHA to make these units financially sustainable; *and*
- WHEREAS,** The City of Boston should implement strategies that allow the quick scaling up of eligible projects, and improved project management capacity, to better and more reliably maximize its annual debt issuance in support of key collective priorities; *and*
- WHEREAS,** Issuing bonds for affordable housing, new school buildings, and green infrastructure can allow the city to reallocate parts of its operating budget to

redress historic policy wrongs, and explore new programs such as guaranteed income and more; *and*

***WHEREAS,*** The City of Boston must leverage its fiscal prosperity as a means to an end - to ensure the prosperity of Boston residents, especially those who have been historically excluded from experiencing the benefits of this city's wealth; ***NOW, THEREFORE BE IT;***

***ORDERED:*** That the appropriate committee of the Boston City Council, and other appropriate municipal agencies and departments, including Treasury, Auditing, Administration and Finance, Boston Finance Commission, Boston Municipal Research Bureau, and other interested parties be invited to a hearing to discuss exploring bonding and other fiscal options for increasing affordable housing, infrastructure, and community development.