



BOSTON CITY COUNCIL

Committee on Planning, Development and Transportation
Sharon Durkan, Chair

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REPORT OF COMMITTEE CHAIR

July 8, 2026

Dear Councilors,

The Committee on Planning, Development and Transportation was referred the following docket for consideration:

Docket #0968, An order authorizing the City of Boston Mayor's Office of Housing to accept and expend Thirty Million Dollars (\$30,000,000.00) from the Inclusionary Development Policy Fund.

This matter was sponsored by Mayor Michelle Wu and was referred to the Committee on May 13, 2026.

Summary of Legislation

Docket #0968 is an order authorizing the City of Boston's Mayor's Office of Housing to accept and expend Thirty Million Dollars (\$30,000,000.00) from the Inclusionary Development Policy Fund (IDP Fund).

The IDP Fund was established by executive order in February of 2000 to support the production and preservation of affordable housing in new market rate housing developments. The IDP required all developers of residential development projects with ten or more units to include affordable units in their projects as a condition of receiving relief from the Boston Zoning Code. Further, the executive order provided the option for developers to make contributions to the IDP Fund in lieu of providing on-site affordable units, subject to the approval of the Boston Planning and Development Agency (BPDA).

At the inception of the Policy, the Fund had been maintained and administered by the BPDA. In September 2013, the Administration of the IDP was transferred from the BPDA to the Mayor's Office of Housing.

IDP policies were updated in 2023 and implemented in October of 2024. Changes include lowering the threshold to trigger the policy from 10 units to 7 units, increasing the proportion of the project that is income-restricted from 13 percent to 17-20 percent (depending on the size of the building and affordability of income-restricted units), adding 3 percent of units as set-aside for households with mobile housing vouchers at large rental projects, and deepening affordability requirements from 70 percent of Area Median Income (AMI) to an average of 50 percent or 60 percent of AMI (depending on the number of IDP units).

Information Received at Hearing

The Committee held a hearing on Thursday, June 25, 2026 to discuss Docket #0968. For this hearing, the Committee heard testimony from panelists which included Rick Wilson, Director of Administration and Finance, Mayor's Office of Housing, Christine O'Keefe, Director of Neighborhood Housing Development, Mayor's Office of Housing, and Andy Feldman, Housing Policy Manager, Mayor's Office of Housing.



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Panelists explained that the City of Boston established the Inclusionary Development Policy (IDP) Fund through an executive order in February 2000 to support the creation and preservation of affordable housing within new market-rate residential developments.

Under the updated policy, developers proposing residential projects with 10 or more units are required to provide affordable housing units as a condition of receiving zoning relief (either on-site or at a nearby location, off-site). The policy also allows developers, with approval from the Boston Planning and Development Agency, to make financial contributions to the IDP Fund instead of providing affordable units on-site.

The panelists further noted that the IDP Fund was originally administered by the BPDA. In September 2013, responsibility for administering the policy was transferred to the Mayor's Office of Housing.

Panelists stated IDP Fund revenue comes from payments in lieu of onsite/offsite units and from smaller one-time "partial unit" payments. Fund usage is subject to eligible activities, which include creation and preservation of long-term affordable housing units. Units can be homeownership, rental, cooperative or other forms of permanent or transitional housing. All affordable units will be subject to an affordable housing restriction.

Rental units utilizing IDP funding have a maximum income limit of 70% of AMI, although many units are restricted to lower incomes. Homeownership units utilizing IDP funding have a maximum income limit of 100% of AMI, though within any given project, at least 50% of units must be income restricted to 80% of AMI or less. MOH is responsible for tracking, invoicing, and awarding IDP funds, while the Treasury Department receives and deposits payments.

Committee Chair Recommended Action

As Chair of the Committee on Planning, Development and Transportation I recommend moving the listed docket from the Committee to the full Council for discussion and formal action. At this time, my recommendation to the full Council will be that this matter **OUGHT TO PASS**.

Sharon Durkan, Chair
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