

OFFERED BY COUNCILOR TANIA FERNANDES ANDERSON, JULIA MEJIA, RUTHZEE LOUIJEUNE, BAKER, BREADON, MURPHY, FLAHERTY, FLYNN AND ARROYO



CITY OF BOSTON IN CITY COUNCIL

ORDER FOR A HEARING CALLING FOR DISTRICT INCREMENT FINANCING (DIF) TO BE UTILIZED IN DISTRICT SEVEN

- WHEREAS,** District Increment Financing (DIF) is an impactful economic tool, provided by the Massachusetts state legislature in M.G.L. Chapter 40Q, through investment in arts & culture, economic development, small businesses, the acquisition of available land and workforce training; *and*
- WHEREAS,** DIF allows cities to incorporate a portion of property tax revenues within a specified area (IE, a DIF district) to support various projects in that area; *and*
- WHEREAS,** District Seven is a dense district with a disproportionate percentage of affordable rentals compared to most neighborhoods in Boston, making the prospect of land acquisition a DIF could help institute quite compelling; *and*
- WHEREAS,** The average resident of Roxbury makes \$34,000 a year, which is 53 percent less than the \$71,000 made by the average Boston resident, meaning that Roxbury is a prime location for the resources that could accrue to the neighborhood via the utilization of DIF; *and*
- WHEREAS,** DIF does not represent a new tax on constituents, as the money is raised from existing taxes that people already pay, DIF utilizes existing tax dollars in ways that better assist residents that are dealing with problematic socio-economic indicators; *and*
- WHEREAS,** DIF captures a portion of tax revenues from new real estate development, which can help to combat the rampant gentrification currently at work in the community and redirects some of those resources back to the citizens in the communities being impacted; *and*
- WHEREAS,** While DIF districts do not currently exist within Boston, they have been instituted in a number of surrounding communities, including Assembly Square in Somerville and in Downtown Brockton; *and*
- WHEREAS,** In Assembly Square in Somerville, the DIF was put in place in December of 2010 for an area of 66.5 acres, and has generated an estimated \$25 million in revenue,

whereas in Brockton, the DIF was adopted in July of 2015, for an area of 190 acres and is estimated to generate \$31 million in revenue; *and*

WHEREAS, Only 26 percent of Roxbury residents own their own homes, which is one of the lowest rates of homeownership in the City, and the poverty rate of Roxbury is 33.9 percent, which represents more than one-third of the residents of the community, meaning that a well thought out and executed DIF could make significant strides for the neighborhood in both workforce training and the acquisition of land for purposes of the creation of homeownership opportunities for residents; *and*

WHEREAS, A DIF is put in place for a 30 year term, which allows for a portion of the property taxes raised thereby to be put toward new development and for the increased assessed values of existing properties to be set aside for projects ensconced within DIF boundaries; *and*

WHEREAS, To properly utilize and implement a DIF, it should be ensured that longtime residents, business owners, and community and civic leaders are represented and inform how revenue is earmarked and distributed for projects, and this is done through a DIF being owned by a group that is entrenched and embedded in the community and has a proven track record of serving the needs of the people ; *and*

WHEREAS, An equity based scorecard, or some kind of streamlined form of communication which documents who is benefiting, should be created and used to guide how projects are funded, that accounts for who benefits, and notes whatever displacement may possibly accrue from said projects, so that community members can reconvene and alter a project that may be counterproductive to community interests; *and*

WHEREAS, The community must proactively work to increase economic opportunities for Black, Brown, and working class Boston on a variety of fronts, keeping in mind the oft-quoted statistic that the average white family in Boston possesses \$247,000 while the average Black family has 8 dollars of wealth, utilizing industries and sources of knowledge often ignored; *and*

WHEREAS A truly impactful DIF must enforce requirements that all projects hire locally and support local businesses, ensuring economic and social benefits to the Black, Brown, and working class communities, particularly by actualizing scenarios that manifest profound artistic and cultural contributions from those deeply ensconced within the communal confines of the neighborhood benefiting from the DIF; *and*

WHEREAS, A DIF can function as an impactful economic change agent in the realm of arts & culture, creating employment opportunities for cultural creators, muralists & performers of various stripes, as well as creating the conditions of development, land acquisition, and the funding of infrastructure projects, leading to communities within the confines of District Seven benefiting appreciably from their implementation; **NOW, THEREFORE BE IT**

ORDERED: That the appropriate committee of the Boston City Council hold a hearing to discuss the ways in which District Increment Financing (DIF) can assist District Seven communities in Boston via its abilities to positively contribute to land acquisition, workforce development, and the funding of infrastructure projects.

Filed on: February 8, 2023