



Remarks of Mayor Martin J. Walsh
John T. Dunlop Lecture, Joint Center for Housing Studies of Harvard University
March 20, 2017

As prepared for delivery

Thank you, **Chris [Herbert]**, Director] and everyone at the Joint Center for Housing Studies. Special thanks to Associate Director **David Luberoff**, a good friend of the policy team at Boston City Hall. Thank you Dean **[Mohsen] Mostafavi**, for hosting us here at the Graduate School of Design. Good evening to all the students, faculty, and guests.

It's a pleasure to join you, especially in memory of a man like **John Dunlop**. He was not only someone who personally crossed over from university to government, as a Labor Secretary. In forums like the Harvard Trade Union Program, he spent his career bringing together academics, government officials, workers, and labor leaders, to better understand our shared challenges. It's something we could use more of today. I've found that kind of dialogue and collaboration to be invaluable throughout my career, whether in labor, in the state legislature, or in the mayor's office. That's especially true as it pertains to tonight's topic of housing.

I want to start by talking briefly about the relationship between housing and inequality. It's a strong relationship. Homeownership is a major marker of wealth gaps. And rents disproportionately burden lower income households, even putting them in danger of displacement and homelessness.

But the relationship between citywide inequality and housing is a bit more complex. By some income measurements, Boston is among the most unequal of cities. We are working to change that. But we want to do it in a way that lifts up our people, not just our numbers.

Inequality metrics miss some things about Boston. For example, consider the following facts. 19% of the housing units in the City of Boston are subsidized, low-income units. That's higher than any major city nationwide, as far as we can tell. A study by the Urban Institute in 2015 looked at housing in the 100 most populated counties in the United States. It found that Suffolk County, which is primarily the City of Boston, has the highest ratio of affordable units compared to "extremely low income" renters.

We are also home to around 150,000 college and graduate students, with nearly 40,000 living off campus. Many, probably the vast majority, have low incomes. Maybe some of you can confirm that!

If these lower income populations couldn't live here, we might look like a more equal city. But we don't want to displace people to somewhere else. We want those people to achieve financial security right here. And in any case: without public housing and universities, we'd lose something more. We'd lose a big piece of our identity. We wouldn't be Boston.

The biggest drivers of inequality are global forces and national policies. Our role in that national conversation is to educate people on the impacts of inequality, and advocate for solutions. That means healthcare; paid family leave and affordable daycare; strong labor laws and fair tax laws; financial regulation; infrastructure investments. Those are issues that I highlight when I get together with other mayors on national platforms.

But locally, our scope for action is better defined by mobility: the opportunity for people to get ahead in life and achieve financial security. Mobility requires safe, affordable housing. And it also requires high-quality prekindergarten, great K-12 education, job training, transportation, open space, public safety, and small business opportunities. Mobility is a framework that binds together all the different issues tied up in housing and community development. We are increasingly striving to integrate our policy work and our planning work to reflect those connections.

That effort moves forward through a wide set of partnerships: with other levels of government, with foundations and nonprofits and advocates, with businesses and developers. I want to share with you some of my experience working in those partnerships, because they have shaped my career, and because I think they are the key to moving urban policy forward, despite the challenges cities are presented with at this moment in time.

In 25 years or so, I've learned a lot about housing: how it gets built, the role it plays in working people's lives, and the role it plays in community development. I started out as a construction laborer, served my local union as president, and later became head of the combined Building Trades unions in Greater Boston. In that role, I negotiated Project Labor Agreements for large mixed-use projects. I learned what it takes to get significant amounts of housing built. It was not just assembling teams of workers and establishing their compensation. It was about making sure the project was done to high quality and safety standards, and was financially viable.

Ultimately it required forging productive partnerships among players whose interests are not perfectly aligned. Those players go beyond management and labor. They include abutters, neighborhood groups, state and local officials, environmental agencies, affordable housing advocates, tenants' rights groups, and everyone in between. It can seem impossible at first. But you find common ground and you build on it. You figure out how you can make a project work for everyone.

Representing workers, I was also closely engaged with the relationship between jobs and housing. Jobs give people the ability to manage their rent comfortably or invest in homes. Then they can contribute their time and talent to family, to community, and the whole spectrum of civic life. For example, we developed a program called Building Pathways, to help low-income people of color and women get into Building Trades careers. One of my key partners in creating that program was the Boston Housing Authority. We drew the participants from public housing residents. Graduates now have options beyond public housing. Many of them are becoming homeowners or saving to become homeowners. They

are building housing at work, and they are living the connection between jobs and housing access in their life.

In 1997, I was elected State Representative for the community where I grew up, in Dorchester. As a legislator in an urban district, I got a deep understanding of how communities value housing. For most homeowners, it is the foundation of their financial security. But housing is more than an economic transaction. It's safety, it's family, and it's home.

That's what it is for communities, as well. The patterns of housing in a neighborhood make up its sense of place. Changes that seem to threaten that identity can create tremendous insecurity. We shouldn't write it off as the "not in my backyard" syndrome. I consider myself privileged to have represented a community in Dorchester that saw affordable housing, supportive and sober housing, and diversity at the core of its identity. That's true of many neighborhoods in Boston. But residents still have legitimate concerns about change, and whether they are being treated fairly.

I found that the way a developer approaches a community process can make or break a proposal. That's true whether the developer is private, nonprofit, or a government agency. There has to be openness and dialogue from the start. And elected officials have to urge developers to embrace that dialogue, if they are to retain the trust of their constituents.

In 2013, I became Mayor. One of the first things I confronted was what more and more people were calling a housing crisis. Rents and home prices were rising beyond middleclass, working-class, and low-income people's budgets.

It's a complex issue. But one of the fundamental forces driving it is demand. It's the challenge of being a city that people from all over the country and the world want to live in. We have great universities. We have good jobs in a wide range of industries. We have a thriving startup scene. We have cultural amenities and strong public services. We have high quality of life and a diverse population. Last year that population reached close to 680,000. That's up by over 30,000 in 3 years, and getting close to levels not seen since the mid-1960s. We expect to surpass 700,000 in the 2020s.

In our Housing Plan, we calculated that we'd have to build 53,000 units by 2030 to keep pace with this growth. It's a good thing we are ahead of pace, because the population is growing even faster than we thought.

But the challenge is more complex than simply matching housing units to the population, or meeting market-driven demand. The challenge is to embrace our success as a city while retaining the core values that got us here. Those values center on inclusiveness, on opportunity, on social and economic diversity. We are a community that welcomes all and leaves no one behind. These aren't just ideals. They are pragmatic needs. I tell business leaders all the time, and they agree: we need housing working people can afford, or we won't have enough workers for our economy. And we need a secure middle class to support civic life and small businesses in our neighborhoods.

So Boston's challenge is to protect and grow low-income housing and senior housing; to prevent and end homelessness; and to create affordability for the working class and the

middle class—all while ensuring growth makes our communities more livable, not less livable.

Those goals mean that growth is not as straightforward as approving development plans. They take a variety of resources and collaboration to unlock. That's why our Housing Plan is more than a number. To begin with, it broke out that number into targets for each income level. Just as important, it laid out a set of strategies to reach those goals. And more than that, it created a platform to bring different players together who can forge new partnerships and solutions to meet those various needs. In other words, the plan called the entire city to that dialogue and cooperation I talked about earlier.

Here's what that has looked like in practice.

- We changed our Inclusionary Development policy to require more affordable housing from developers of medium and large scale developments. It took a lot of conversation to make sure we didn't discourage development. And we kept an incentive to build affordable units onsite, to push back against economic segregation.
- We joined a coalition of advocates to persuade Boston voters to adopt the Community Preservation Act. It's a property tax surcharge to support housing access, open space, and historic preservation. It passed with close to 75% of the vote, a strong endorsement of the need for more affordable housing and the City's ability to create it.
- We also got funding from the Bloomberg Foundation to create a Housing Innovation Lab. This team has developed a pilot program for Accessory Dwelling Units, also known as in-law apartments. It has toured model compact units around the city to get input about how they might fit into the fabric of different communities.
- We advanced community planning projects along rail corridors, to increase density in areas that needed development and could support it with transportation.
- We reformed the Boston Redevelopment Authority, and renamed it the Boston Planning & Development Agency. It now has a stronger planning focus and a more transparent, proactive community process.
- We've taken steps to address displacement. We created an Office of Housing Stability to support tenants and work with landlords to prevent evictions. We also put forth five pieces of anti-displacement legislation at the State House, tied to a Community Stabilization Act I filed at the City Council. It will help protect tenants from eviction and homeowners facing foreclosure. The Harvard researcher Matthew Desmond has been influential in our thinking on this issue. He has said that eviction is to black women what incarceration is to black men, in terms of limiting opportunity and inflicting trauma on whole families. It's another window into the role of housing not just in community development but human development.

The results so far have been very heartening. We've gotten nearly 20,000 units either built or in construction. That has taken pressure off the existing housing stock where working families live, bringing average rents down last year by 4%.

We also set records by producing thousands of units of low-income affordable housing. We have invested \$100 million in affordable housing projects. Our new inclusionary

requirements call for another \$45 million from recent project approvals alone. And we expect \$20 million a year from the CPA.

Finally, we've taken on homelessness like never before. We built a new 400-bed shelter in the heart of our city. And we made it the cornerstone of a new housing-first system that gets people into housing, with the supports they need to stay housed. We have housed roughly 1,100 chronically homeless individuals since July of 2014. We ended chronic veteran homelessness in our city, and we are on track to end all chronic homelessness by next year.

We know we have a long way to go to make housing truly accessible to all. But dialogue and collaboration and the creativity they unlock have proven the keys to making real progress. And that will be even more true as we move forward.

The phase of my career I can close with is the one that just started: being a Mayor during a new federal reality. The White House has announced its intention to pull federal support from public housing, from rental vouchers, from homeownership programs, from fuel assistance, from Community Development Block Grants. Looking at these proposed cuts reveals all over again how much housing is interwoven with so much else.

We've learned over the years to do more and more with less and less federal support. Prior administrations have helped us leverage that support through the wider partnerships I've discussed. But we've never seen reductions of the kind being proposed now. These cuts would bring many of those complex funding arrangements to a halt. It's an effort to end to the system of federal partnerships that date to the New Deal and Great Society commitments of the 1930s to the 1960s—without replacing them with any new concept of national progress.

But despite all this, I'm still counseling confidence. With the work I described above, we have put ourselves in a good position to respond to this moment. Even if the funding arrangements we've built seem threatened, the relationships we've built are strong. They will produce new solutions and new ideas. They will bring new partners to the table.

I've noticed this dynamic in forums like the United States Conference of Mayors. You would be surprised how closely aligned red state and blue state mayors are on these issues.

I hear it in meetings with CEOs, tech leaders, hospital presidents, university presidents. They may not all vote the same way on election day, but they understand the threat being posed to Boston's economy and to their employees' wellbeing. Boston is gearing up for a fight.

This sense of urgency will speed up our progress in developing new partnerships and new solutions. Take regional planning as an example. Boston's economy is a regional economy. Our housing market is a regional market. But those affordable housing numbers I cited earlier are not shared across our region. We need to share this responsibility more evenly. That will mean working through the state legislative process and working directly with towns and cities. We have already built a strong foundation in economic development partnerships. We no longer compete against our neighbors in Cambridge and Somerville. We work with them.

One final piece of dialogue and collaboration that this new era will motivate is in this room. I hope it inspires talented students to go into public service and housing advocacy. We are going to need you in the years ahead. I know some of you are already studying in our neighborhoods, and even in City Hall. I want to thank you for your interest in and commitment to our city.

Our Citywide plan, *Imagine Boston 2030*, identifies major opportunities for equitable, sustainable growth—from Beacon Yards in Allston, to Widett Circle, to Readville in Hyde Park. I probably won't be mayor by the time they all get developed into thriving communities. But you may well be on the team that makes them happen—or makes sure they are equitable, or makes sure they are green. I look forward to seeing some of you down the road at conference tables or construction sites. And I look forward to hearing your questions right now. Thank you very much for this opportunity.