

How history has contributed to the housing crisis in Boston and who continues to bear the brunt of it

By Steph Trendell

Boston is one of the most expensive cities in the country for renters, along with Miami, Los Angeles and New York City, according to the [Greater Boston Housing Report Card](#). As of September 2022, the average rent in Boston was around \$3,000 a month.

Rus Lodi, director of public affairs for the Massachusetts Housing Partnership, says the current costs are not sustainable compared with the amount of money people are making. “If you’re spending more than 30% of your income on rent, then you’re not spending it on other things. Rent eats first,” he said.

The report defines a person who is paying more than 30% of their income on rent as “cost burdened.”

As of 2020, the report revealed that the amount of people living in the Greater Boston area, who were making between \$35,000-\$50,000 a year and were also cost-burdened by rent, was close to 80%.

Lodi mentioned a key historical factor that has inhibited housing production over the years, causing prices to go up. It goes all the way back to the 1980s with a law known as Proposition 2 ½.

The legislation limits the amount that a community can raise its property taxes annually, which has dramatically slowed housing production across the Commonwealth.

“If you grow your community, you’re going to have municipal costs. The way to address the rise in municipal costs is to raise taxes. After Prop 2 ½, communities started to control growth based on the argument that they couldn’t raise money to address these costs,” Lodi said.

Sen. John Kennan, chair of the joint committee on housing, said the lack of housing production over the years coupled with high competition for real estate in Massachusetts is why the state is so expensive to reside in.

According to new data from the Zillow Home Value Index, as referenced in the report, the average price for a low-tier home in Massachusetts is \$475,000.

“We are, in some ways, a victim of our own success,” Keenan said.

Keenan said the colleges, hospitals and science technology in Massachusetts are attractions for people across the country. "We have a hot economy in Massachusetts. It's a place where people want to live."

"If you've got 15 people competing for one house because of limited inventory, the people with the higher incomes are the ones who are going to be able to afford it and the same goes with rent," he said.

Lower income people and people of color are bearing the brunt of the housing crisis. More than half of Black and Latino renters in Greater Boston are cost burdened.

Lodi said, "People of color have been shut out of the housing market for so long. The generational wealth that white people usually enjoy is not shared by minority populations."

He also discussed another group of people who are feeling the adverse effects of high housing costs: young people.

Lodi said that older people who purchased homes a long time ago are actually benefiting from the suppressed market.

He said with the direction the housing market has been going, people who have already paid off their homes are less motivated to support housing reform and more dense zoning laws that are desperately needed by many young people just starting out their careers.

"Taxes don't go up, the value of their homes skyrockets. There's this vicious circle of self-interest and exclusionary practices in the fear of change," Lodi said

According to Keenan, many are also concerned about how certain reforms would affect their community. "They're worried about the traffic and parking impacts, infrastructure issues and impacts on schools," he said.

Despite efforts to make affordable housing more accessible, Keenan said it is still proving difficult because people are selling their homes for high prices due to inflation.

"Sellers are still expecting their big prices. The gap between what sellers expect and what buyers can afford is really significant right now," he said.

As of recently, there are some things being done to address the housing crisis.

The MBTA Communities Act, which was just passed earlier this year, is a start. The law requires communities with MBTA service to have at least one zoning district with multifamily housing within a certain distance of the transit stations.

Lodi noted that this housing will be built, "as-of-right."

“Once the zone is established, developers can go in and know that they don’t have to go through an extensive permitting process, seek variances, things like that,” he said.

Lodi noted that this law will help with the density issue, but they still need to find resources to support the infrastructure of these growing communities.