

MEETING NOTES - FINAL February 16, 2023 (via ZOOM)

Present for the Housing Committee and attending the Zoom meeting were Jim Feiner – Chair, Andrew (Andy) Goldman, Bill Rossi, Ann Wallace, Allison Cameron Parry, Nettie Kent Ruel and Alison Kisselgof - Administrator. Also in attendance were Jessica Roddy, Clark Goff, Phil Banta, Laura Silber, Russell Maloney, Billy Meegan, David Vigneault, Michael Kim, Marie Larsen and Jefrey DuBard.

The meeting started at 9:00 AM.

WORKPLACE AFFORDABLE HOUSING CONCEPT: Phil introduced Michael Kim who is a fellow architect, a graduate of MIT, a commissioner of the Martha's Vineyard Commissions appointed by the Governor, the chairman of the Massachusetts' Designer Selection Board and on the board of directors of the Builders Association of Great Boston.

Michael shared the draft Martha's Vineyard Workforce Housing Study document on screen. He mentioned that his architectural firm has a contract with the city of Boston for the last 6-7 years to create affordable housing. Michael said the typical affordable housing project is expensive with low density housing, take a minimum of 5 years from start to finish and has a cost of ~\$200,000 per unit in subsidies. Michael theorized that it should be affordable for a low level professional to build an efficient housing unit if land cost and high administrative fees were removed. The workforce housing study tests this theory on the Vineyard by focusing on locations where the land was already owned by private businesses, institutions and municipalities.

The study looks at two prototypes, one for year-round and one for seasonal housing, at 8 sites around the island. Michael said they are collaborating with a local builder to get cost estimates. The year-round prototype looks like and is the same size as an average Colonial house and contains four studios and one 2-bedroom unit. The seasonal prototype is one floor and could sleep up to 6 people. The building would consist of four studio units around a common area, 2 bathrooms and an outdoor shower. There would be no insulation. Michael said that this seasonal prototype could be quickly constructed and felt a unit could be built for under \$200,000. In one concept, the common area is insulated to allow a caretaker to live in it year-round which would affect the amortization favorably. Sites studied for the year-round prototype were MV Regional High School, MV Boys & Girls Club, MV Charter School and MV Hospital. Sites studied for the seasonal prototype were a second site at MV Regional High School, Ghost Island Farm, Aquinnah Town Hall and Island Gymnastics. Michael presented the case study for each location, mentioning zoning issues and other obstacles that would be encountered. The financial analysis is still underway and Michael mentioned MV Savings Bank would be assisting. Michael concluded by saying that this concept is ready for trial and he is looking for an interested organization.

Bill asked about whether zoning changes were needed for the concept locations studied. Michael answered that half of the sites looked at would not need zoning changes while others would need a special permit or variance. He mentioned that Edgartown had a staff housing by-law that could be adopted by the rest of the towns to allow for the prototypes to be built anywhere.

David wondered whether Michael had looked at municipal housing restrictions that may dictate who could be

housed in the units. Michael had not had a chance to thoroughly look at restrictions. He did mention he was aware that Aquinnah had restrictions which stated affordable housing needed to open to anyone.

Laura offered that Jackson Hole, Wyoming has faced similar housing problems to the Vineyard and incorporated solutions like the one Michael presented with much success. She mentioned that there are ways to make this type of housing very feasible with private and municipal partnerships. Laura also said that municipal housing restrictions are an active conversation at the state level.

Phil asked if there is a pathway forward in Chilmark for the workforce housing presented. Michael offered that the study looked a few sites in Chilmark including a couple of inns and a farm but did not have a chance to speak with the owners about the project. Laura mentioned that MassHousing has a grant program to help towns identify suitable locations for higher density housing which would be available to Chilmark. Jefrey asked if Michael has any preliminary financial information about building costs to share. Michael answered that his initial calculations have costs at \$400/square foot for year-round housing and \$200/square foot for seasonal housing. Bill commented that there is little area in Chilmark center for housing but is interested in what other properties would qualify for this type of construction.

PEAKED HILL PASTURES UPDATE: Andy recounted that the Peaked Hill Pastures (PHP) RFP Committee had hired Vineyard Land Surveying & Engineering (VLSE). This past Tuesday, February 14th, the PHP RFP Committee met with Reid Silva of VLSE to go over a preliminary schematic of the PHP development, which included location of the buildings and wells. Andy said that there is another meeting scheduled for next Tuesday, February 21st, with Reid where he is expected to incorporate PHP RFP Committee comments into the schematic. Andy mentioned that he felt the PHP RFP Committee had done an excellent job in making the warrant concept a reality – preserving as much of the land as possible, keeping within the zoning and maximizing the amount of housing allowed. He said that the PHP RFP Committee will be requesting CPC funds at the town meeting to pay for VLSE services. In the meantime, Molly Flender Affordable Housing Trust funds were approved to be used to pay expenses. Andy has requested to read a summary report from the PHP RFP Committee at the beginning of town meeting. Andy offered that there could be a few hurdles in the planning, including issues with the current electrical system to the area.

WEST TISBURY ADU WARRANT ARTICLE DISCUSSION: Jefrey shared a draft of the West Tisbury warrant article regarding accessory dwelling units (ADUs). He said that West Tisbury's warrant proposes that \$400,000 of short term rental tax would be put towards creating a fund to subsidize predevelopment costs of ADUs. These subsidies would be up to \$25,000 for creation of an ADU. The fund would also pay for a program manager. Jefrey mentioned the program would also partner with organization to publicize the ADU program and design and engineering partners to offer priority services. He said that both MV Savings Bank & Cape Cod 5 Bank have ADU creation financing programs and the ADU program manager would have fiscal oversight over West Tisbury projects. Jefrey expects quick adoption of the program and hopes to see other towns create similar programs.

Ann asked about the AMI for the ADU program, which was listed as 140% on the presented warrant. Jefrey answered that this was the highest limit for AMI that could be used in West Tisbury. He went on to say that the higher AMI may help potential homeowners afford to buy if there's an ADU offering extra income and also would allow owners to age in place by moving to the ADU to rent the main house. Nettie asked if the owner would have to qualify for their own ADU at or below 140% AMI, which Jefrey confirmed. Billy offered that Chilmark already has a similar program for an accessory apartment but did feel that a subsidy would encourage more town residents to create apartments.

ROOM OCCUPANCY EXCISE INCREASE DISCUSSION: Laura said that the Housing to Protect Cape Cod regional conversation includes proposals for metrics that towns will need to meet in order to be eligible for the proposed real estate transfer fee. Senator Cyr has already introduced a bill with defined metrics for the

transfer fee and it included putting a portion of the short term rental tax towards affordable housing. Laura said that another metric being discussed is that towns raise room occupancy excise to 6%. She said that the state does not want to see towns leaving available tools for housing solutions on the table and reaching for new tools. Martha's Vineyard may lose eligibility for the transfer fee if all towns are not at a 6% room occupancy excise. Laura says it's critical that all towns raise room occupancy excise, even if the money does not get earmarked for a specific fund at this time.

Bill said that he would like the raise in room occupancy excise to go to the voters and also that the money be allocated for a specific purpose. He suggested that the money be put towards bonding for the Peaked Hill Pastures project, which he felt would garner more support than not giving the money a purpose. He felt that there would be resistance from real estate agents or people who rent their houses. Laura mentioned that she forwarded an email to Bill from Ryan Castle, Executive Director of the Cape Cod & Island Association of Realtors. Ryan's email stated that their data shows no discernible difference in bookings between towns with a room occupancy excise of 4% and those with 6%. She offered to invite Ryan to a public meeting to speak. Jefrey asked about the community impact fee. Laura said that the community impact fee would only be effective if adopted regional because people could own properties in more than one town and avoid the fee. She mentioned that a percentage can only be earmarked for a stabilization fee, so a dollar amount would need to be established to transfer the extra 2% room occupancy excise to an affordable housing fund. Laura recommended talking to town counsel to word the warrant article correctly.

Nettie made a motion that the Committee request the town raise the room occupancy excise to 6%, and Ann seconded the motion. The motion passed by unanimous vote. Bill suggested that the extra funds be dedicated to a specific housing project in town, which he felt would be received better by the residents. He suggested earmarking the funds for Peaked Hill Pastures. There was a discussion about the amount and use of the short term rental tax funds, which are currently being deposited to the town's general fund. Billy expressed disappointment that none of this money has gone towards housing. Andy made a motion to allocate up to \$200,000 of revenue collected from an increase in the room occupancy excise to finance the Peaked Hill Pastures rental units. The motion was seconded and passed by unanimous approval.

<u>APPROVAL OF FINAL VERSION OF HOMESITE IMPLEMENATION GUIDELINES:</u> A motion was made to approve the Homesite Implementation Guidelines amendments as corrected in the previous meeting. The motion was seconded and passed unanimously.

TOPICS NOT ANTICIPATED: None.

APPROVAL OF MEETING MINUTES: Draft minutes for the 1/19/23 meeting were not prepared in time to be approved at this meeting and will be voted on at the next meeting.

DOCUMENTS:

Peaked Hill Pastures Schematic dated 2/20/23 Homesite Implementation Guidelines Final Amended Version Draft Martha's Vineyard Workforce Housing Study Draft West Tisbury ADU Warrant Article

NEXT POSSIBLE MEETING: March 16, 2023 @ 9:00 AM

With no further business to conduct the meeting adjourned at 10:08 AM.

Respectfully submitted by Alison Kisselgof, Board Administrator.