

MEETING NOTES - APPROVED January 18, 2024 (via ZOOM)

Present for the Housing Committee and attending the Zoom meeting were Jim Feiner – Chair, Ann Wallace, Allison Cameron Parry, Peter Cook, Nettie Kent Ruel and Alison Kisselgof - Administrator. Also in attendance were Colin Frolich, Michael Kim, Zack Davidson and Jeffrey DuBard (entered at 9:50 AM).

Bill Rossi was not in attendance.

The meeting started at 9:01 AM.

LEASE TO LOCALS PRESENTATION: At the previous Housing Committee meeting, Jim shared a conversation that he had with Kai Frolich of Placemate regarding their Lease to Locals program. The Housing Committee invited Placemate to today's meeting to discuss a Chilmark-specific proposal they provided.

Placemate co-founder Colin Frolich joined the meeting to present and started by recounting the history of Placemate. Colin then shared the proposal on screen. He said that the idea of Lease to Locals is to identify existing underutilized housing stock and provide incentives for the property owners to create long term housing.

Jim offered that the Town's Rental Assistance Program (RAP) had a similar mechanism to create housing by subsidizing rentals up to a certain price point. He said that there were currently 5 rentals in this program.

Colin said that Placemate has worked with towns that already had programs in place and that existing programs would be taken into account but mentioned that today's proposal assumed there wasn't already a program.

Nettie said that she is one of the families utilizing RAP and that there were currently only 4 rentals in the program. She mentioned that the house she lives in needs to new windows and there is concern that the landlord will change the rental to short term. She asked what kind of incentives the Lease to Locals program would offer. Nettie is aware of several homes that would potentially be interested in renting but would need to repair or insulate spaces to do so.

Colin answered that incentives were cash and that landlords would be allowed to use the money as they see fit. He said that money was a good motivator for homeowners to consider joining the program. Colin said that the Lease to Locals program usually starts with a 1-2 year pilot program. As part of the process, Placemate would interview potential landlords and report back to the Town on what was said regarding the specific program structure to help fine tune it. Colin went over some of the locations that Lease to Locals programs have been put into place and mentioned that the Nantucket program has been their most successful program to date in terms of number of rentals unlocked. He offered that Placemate has had conversations with ~2500 homeowners and

converted ~500 of these into long term rentals, housing over 1100 people. A program in Provincetown is scheduled to begin in the spring.

Colin began the Chilmark-specific proposal that Lease to Locals prepared. He said one of the first steps was to identify the supply of housing – he said that they focused on short term rentals in their assessment of Chilmark but would like to hear from the Town on its priorities. Colin also said that defining target unit sizes and prospective tenant requirements also needs to be determined. He mentioned that their program would have local working requirement and therefore remote workers and unemployed residents would not be included. There would also be rental caps as defined by the town. Placemate had been given a \$200,000 budget to work with for this presentation. Colin offered that he formerly worked for AirBNB and has a lot of knowledge of how short term rentals work. Analysis of rental market and monthly rental incomes were used to propose a model for Chilmark that would potentially unlock 11 rentals for the budget given. Landlords would be offered money to cover the difference between what they could earn from a short term seasonal rental vs. a long term year-round rental. Jim asked if the incentive would come from the Town to which Colin answered yes.

The budget included a portion that would be paid to Placemate. Colin said that Placemate's role in the program would consist of marketing and customer service to identify units. The work wouldn't require any Town staff. Colin mentioned that owners could self-list their available spaces too. Placemate would verify all qualifications of potential landlords, give feedback received about the program and help with deed restrictions for long-term housing. It would be up to the Town to decide how long the program would run. Colin said the program would take 3-6 months to set up and that the next step would be to appropriate a budget and set a launch date.

Jim asked what time of year is best to launch the program. Colin answered that either before summer or at the end of the season so either April or September. He mentioned that the Town may want to look at the launch date from a workforce housing perspective and coincide the launch to when people are trying to secure housing for the season. Jim offered that 60-70% of houses probably already have summer bookings and suggested fall might be a better time for program launch. Colin said that the program could be announced early – for example, announce in the summer that a program would begin in the fall. He mentioned that Nantucket followed this time frame and exceeded its goals very quickly.

Nettie asked for more details about their marketing techniques and Colin went over some strategies that Placemate has employed, including special website landing pages for locations. He shared the Placemate page for Nantucket on screen. Allison asked if Placemate has ever worked with employers for private programs as opposed to taxpayer-funded. Colin said that Placemate is actually working on a project with this type of funding but there are some drawbacks that make it more difficult. He said that employment tied to housing could create bad scenarios.

WORKFORCE HOUSING PLAN UPDATE: Michael Kim had previously joined the Housing Committee in February 2023 to present his Workforce Housing concept. He returns today with more details on this project.

Michael started by introducing himself and stating this project is sponsored by his architectural firm. He introduced Zack Davidson, his current assistant on the project. Michael said that the financials for the project were not available at the last presentation but are now included and are very interesting. He offered that a local Brazilian builder was consulted to determine build pricing for the two prototypes and Martha's Vineyard Bank had supplied financing amounts for the analysis. Michael went over prototype B which would look like a medium

size Colonial house causing no visual impact. The prototype could house 6 people but would be unheated. Michael mentioned various locations and organizations that were approached as part of the project. He said that the financing would be a net cost of zero to the employer but that this translated to no profit for the developer.

Michael said that he has been speaking with David Vigneault at Dukes County Regional Housing Authority and all town affordable housing committees with questions about regulations and to gather input. He also mentioned that a model unit of 500 sf was built which was found to be fairly comfortable living space. Michael said the response has been positive so far but there is still a lot of work to do to see if this is a viable solution.

<u>APPROVAL OF 2023 ANNUAL REPORT:</u> After a brief discussion about the draft annual report, a motion was made to accept the annual report as written. The motion was seconded and passed unanimously.

AFFORDABLE HOUSING IMPROVEMENT RESOURCES DISCUSSION: Alison said that Nettie has suggested the creation of a resource on the Housing Committee webpage that lists resources for affordable housing improvements. Alison said that she could start a page if members could send her resources to include. She mentioned that she was already aware of the Cape Light Compact programs, Vineyard Power and The Source. Ann suggested to add Michael Kim's presentation about workforce housing.

TOPICS NOT ANTICIPATED: Nettie asked whether the Committee was still in need a member. Jim responded that there was still a vacancy and that members should reach out to anyone that they believe would be a good candidate.

Allison asked about vacancies at Middle Line Road (MLR) and the Town's process for accepting applicants. Alison said that the Town has been gathering potential renter info and sending it over to Dukes County Regional Housing Authority (DCRHA) to add them to the waitlist and confirm that people have submitted their information to DCRHA for income verification. Alison said that she hadn't confirmed a 2 bedroom vacancy with DCRHA but she has been sending them names of potential tenants. Allison expressed disappointment in the long timeframe of the selection process. Nettie asked if people should contact the Town or DCRHA about the rental. Alison answered that it would be better to contact DCRHA since it would start the income verification process, which confirms the applicants' rental qualification. Allison asked if DCRHA has been accepting applicants up to 150% AMI, since MLR allows for up to this income level. Alison confirmed this was true. Allison had more questions about the tenant selection process and Ann suggested she reach out to David at DCRHA directly. Jim mentioned that not everybody was aware of the process and thanked Allison for voicing her concerns.

Jim asked if the Committee would be talking about Peaked Hill Pastures (PHP). Alison said it was unfortunate that Peter was not present since he is on the RFP Committee. She mentioned that the PHP RFP Committee has joined the Select Board at a meeting recently to present the draft RFP and request guidance on questions still pending about the project. Alison went over the questions and Select Board responses. Alison mentioned that the Select Board had indicated they would like to have the RFP released in time for a warrant at the annual town meeting but it was doubtful this timeframe would work. Jim would like to know what the steps are going forward. He also expressed concern that there would be no land left for future development. It was also mentioned at the Select Board meeting that a 40B could not be used after the development was built and that the Town did not want to take out any new bonds for at least two years. Alison said that she would keep the Committee informed of any new developments on the project.

APPROVAL OF DRAFT MINUTES: A motion was made to accept the draft minutes from 12/21/23 as written.

The motion was seconded and passed unanimously.

DOCUMENTS:

Lease to Locals Chilmark Proposal Workforce Housing Updated Presentation 2023 Draft Annual Report 12/21/23 Draft Minutes

NEXT POSSIBLE MEETING: February 15, 2024 @ 9:00 AM

With no further business to conduct the meeting adjourned at 10:25 AM.

Respectfully submitted by Alison Kisselgof, Board Administrator.