

January __, 2024

Representative James Arciero
Chair, Committee on Housing
Room 146, State House
Boston, MA 02133

Senator Lydia Edwards
Chair, Committee on Housing
Room 413C, State House
Boston, MA 02133

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Dear Chair Arciero and Chair Edwards:

I write on behalf of the Town of _____ in support of Governor Healey’s bill, H. 4138 “An Act Known as the Affordable Homes Act”. We are especially supportive of provisions to create a Local Option Real Estate Transfer Fee in Sections 19-20 and a Seasonal Communities Designation provision in Section 10. We ask for your support for these measures in the Committee process and ask for consideration of our additional input below:

In 2022, Island voters overwhelmingly supported filing “An Act Establishing the Martha’s Vineyard Housing Bank” <https://malegislature.gov/Bills/193/S1782> to create an Island-wide Housing Bank funded by a transfer fee. This would allow regional collaboration across the six MV towns to fund affordable housing efforts, repurpose existing housing stock, spur new year-round housing for rent or purchase, and provide tools such as year-round deed restrictions to preserve existing inventory.

We applaud the inclusion of the Seasonal Communities Designation, Section 10, a recognition that the pressures on our region are different and require targeted tools we do not yet have. We further request that the Legislature insert into this section urgently needed mechanisms:

- 1) **The ability to deed restrict for year-round occupancy in perpetuity**, so we can protect existing year-round inventory from being lost into the seasonal market, as described in S861 “An Act Relative to Year-Round Occupancy Restriction” <https://malegislature.gov/Bills/193/SD1040/Bills>
This is a well-documented mechanism employed with great success across Colorado and California ski towns to create a “middle market” for year-round residents. The MA Seasonal Communities urgently need the same ability. Without it, we have inadequate tools to arrest the constant loss of our existing year-round inventory into the seasonal market.
- 2) **The ability to use public funds for municipal employee workforce housing** so we can keep our emergency services, town halls, schools, and wastewater departments staffed. Our public entities can neither attract nor retain staff without offering housing support, and we cannot serve our communities safely or effectively given the increasing volume of vacant positions across our public infrastructure.

We respectfully request that the Legislature adjust language in Sections 19-20 of H4138 so it best reflects how Transfer Fees work most effectively in seasonal communities, and allows the passage of “S1782 An Act Establishing the MV Housing Bank”:

- 1) Allowing a local option to place fee on the buyer. Through local process, Martha’s Vineyard voters voted overwhelmingly to levy the transfer fee on the buyer: With a median home price of \$1.5 million and rising, the Vineyard towns feel that it is more appropriate that purchasers

opting into high-end Island real estate pay the fee, rather than impacting the nest eggs of Island seniors and other longtime local homeowners leaving the island or trying to downsize.

- 2) Allowing Dukes County the same \$1 million exemption threshold as the rest of the state.
Driven by second home and investment spending, Dukes County median home price is \$1.5 million and rising, and Nantucket County median home price is a staggering \$3.3 million and still rising -- we are currently the only two counties in the state with medians over \$1 million. Our median home prices will continue to rise disproportionately further and faster than the rest of the state, in a matter completely detached from our year-round resident Area Median Income, as our available developable land continues to shrink due to our isolated geography and the demand for luxury vacation homes. Tying the exemption threshold to our ever-ballooning market-rate medians will deprive the Islands of significant available revenue to create vital housing solutions for our struggling year-round communities.

Regarding Accessory Dwelling Units, Section 12-13, we are grateful for the specific inclusion of municipal ability to restrict or prohibit the use of ADUs as short-term rentals, and request that :

- 1) Additional language be added to further clarify that municipalities “may restrict the rentals of ADUs to long-term or year-round occupancy” should they choose. Municipalities across our region are already doing this, and we seek clear language to preserve the right to promote and protect year-round housing opportunities via ADUs.

Thank you for your consideration of these measures, and we hope you will support them. We appreciate your focus and attention to these important matters.

Respectfully,

XXXX Name

Title

Town