

Peaked Hill Pastures Affordable and Community Housing Project

Community Engagement Session 3, September 20, 2021

This project is supported by the Chilmark Select Board, Planning Board, and Affordable Housing Committee.

Project Background

Work on this project has been coordinated to date by members of the Planning Board's Peaked Hill Pastures Subcommittee including:

- Janet Weidner, Chair
- Peter Cook
- Richard Osness (Planning Board Chairman)
- Cathy Thompson
- Ann Wallace

With support from other local leaders and the Martha's Vineyard Commission (MVC).



New 2020 Census Data

- 2020 census data for Chilmark is limited until the end of September but some data has been released including:
 - Total population of 1,212, up from 866 in 2010, representing growth of 366 residents or 40%. (Island-wide increase of 25% and state-wide at 7.4%.)
 - There were 1,046 residents over age 18 compared to 710 in 2010, identifying a gain of 336 such residents or 32%.
 - 92% of residents are White with 101 minority residents.
 - Total of 1,574 housing units (year-round, seasonal, and second homes) down from 1,606 in 2010, representing a net loss of 32 units.
 - 34% housing occupancy rate, up from 25% in 2010, with a net gain of 140 year-round occupied units from 398 units in 2010 to 538 by 2020.
 - Note: Greater need for workforce housing with increased population.

Previous Sessions

- The first community engagement session, held on June 14th focused on the following issues:
 - Earlier Town efforts on the project
 - Housing needs
 - Site conditions
 - Planning Board project goals
- The second session followed on July 26th with attention to the following considerations:
 - Homeownership vs. rental issues
 - Turnkey vs. “you build” approaches
 - Financing/funding opportunities
 - Permitting options
 - Diverse development models both on and off Island

For recordings of these sessions, go to <https://chilmarkma.gov/planning-board>

What We Heard

- There was general support for developing the site including:
 - A thoughtfully designed cluster development or pocket neighborhood.
 - A recognition that the most pressing housing need was year-round rentals with recommendations for including some homeownership units as well.
 - Need for more community and housing diversity.
 - Multi-generational development with a mix of incomes to address year-round workforce and senior housing needs.
 - The need to provide a sense of community and preserve Chilmark's rural values.
 - Creative solutions to project resiliency and sustainability are important.
 - Suggestions ranged from more limited development to maximizing the limits on the property.
 - The "friendly Chapter 40B" process under the state Local Initiative Program (LIP) is an efficient and effective permitting tool.

Rental Considerations

- Rental is first priority as included in all Housing Needs Assessments and Housing Plans largely because:
 - Provide greater housing diversity as 80% of Chilmark's year-round housing stock is owner-occupied and all but 23 housing units are single-family detached dwellings.
 - Offer much-needed year-round workforce housing.
 - Better leverage of local and state resources as almost all current state funding is directed to rentals.
 - Take advantage of greater economies of scale.
 - All rental units will count towards the Subsidized Housing Inventory (SHI) under Chapter 40B.
 - Serves greater numbers of households over time.
 - Provide more appropriately sized units for increasing numbers of smaller households.
 - Can be targeted to several income levels.

Rentals – Preliminary Parameters

- Project parameters for consideration include:
 - Target to those with incomes at or below 80% AMI.
 - Relatively even mix of 1, 2, and 3-bedroom units.
 - 30-40 bedrooms or an average of 15-20 units or 4.8-6.3 units per acre based on the 6.3-acre primary development parcels.
 - Turnkey development model.
 - Town conveys property through a long-term ground lease to a qualifying developer selected through a Request for Proposals (RFP) process.
 - “Friendly 40B” permitting with 70% of units reserved for those who live or work in Chilmark.
 - Project will not qualify for some deeper rental subsidies because of relatively small size. Need a combination of resources including CPA, state Community Scale Housing Initiative, private donations, and bank financing.

Rental Financing Model – Scott's Grove in West Tisbury

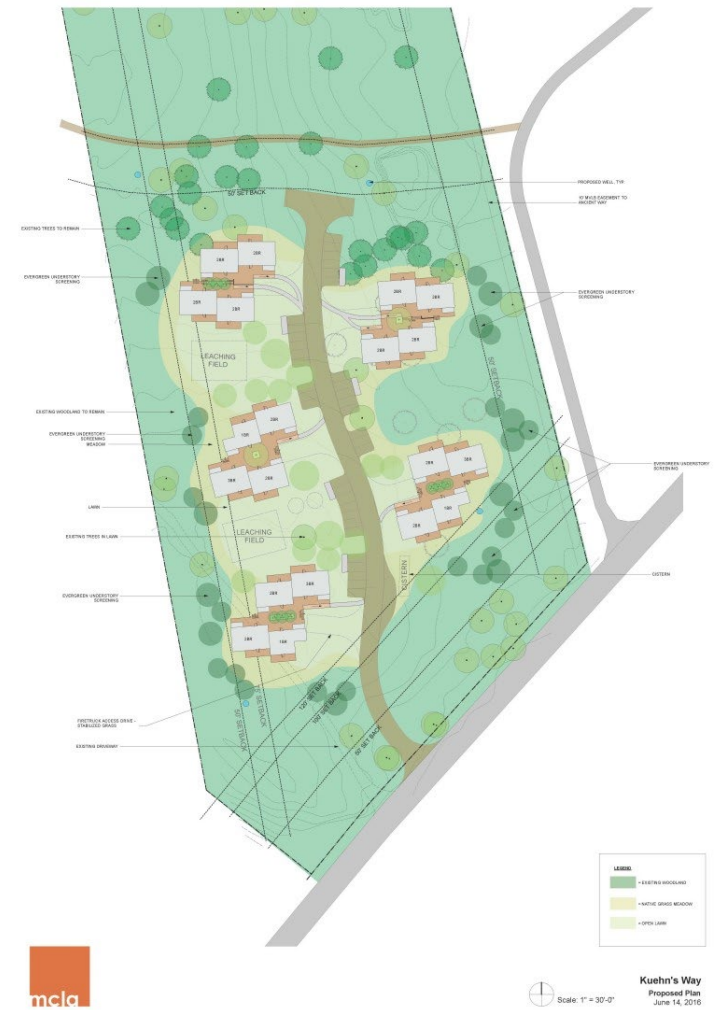
- Donated property developed by Island Housing Trust (IHT) in 2018.
- 9 total units in 5 buildings arranged in 2 “quads” around communal wooden decks.
- Even mix of 1, 2, and 3-bedroom units.
- Income levels included 50% AMI (4 units), 60% AMI (1 unit), 80% AMI (3 units), and 30% AMI (1 unit with MRVP rental voucher).
- Rents ranged from \$711 to \$1,243 depending on # bedrooms and income level.
- Property management by DCRHA including marketing/lottery activities.
- State-of-the-art, energy-efficient materials and construction techniques.
- Total Development Costs = \$3,271,836 or \$363,537 per unit
- Permanent sources of financing:
 - CPA = \$1,400,000 or \$155,555 per unit
 - DHCD CSHI grant = \$900,000 or \$100,000 per unit
 - Private donations = \$371,500 or \$41,278 per unit
 - Permanent debt = \$600,000 or \$66,667 per unit

Scott's Grove



Island Rental Project Comparisons

- Scott's Grove in West Tisbury – 9 units on 2.8 acres or 3.2 units per acre.
- Kuehn's Way in Tisbury – 20 units on 3 acres or 6.7 units per acre.
- Southern Tier RFP in Oak Bluffs – 15 to 25 units in Phase 1 and 25 to 40 units in Phase 2 on 7.8 acres or 5.1 units per acre at a minimum.
- Meshacket RFP in Edgartown – 36 units on 6.7 acres or 5.4 units per acre.



Ownership Considerations

- Provide starter housing for families who are priced out of the market or potential opportunities for downsizing.
- Add to the continuum of housing opportunity by providing some units for those with incomes above 80% AMI.
- Provide affordable housing for municipal employees or other workers.

Ownership – Preliminary Parameters

- Homeownership
 - Targeted to households with incomes up to 100% AMI.
 - Four single-family homes focusing on 2- and 3-bedroom units for families.
 - Permitting either through “friendly 40B” process, where at least one of the units would have to be affordable at or below the 80% AMI level.
 - Turnkey development model.

Ownership Financing Model – Smalley's Knoll in Aquinnah

- Developed by Island Housing Trust (IHT) in 2018.
- Turnkey project.
- Two, 2-bedroom single-family detached homes @ 2,400 square feet each.
- Built with unfinished second floor to enable expansion of living space.
- Targeted to households with incomes up to 100% AMI.
- Sales price of \$255,000.
- Marketing and lottery activities coordinated by DCRHA.
- Donated property.
- Total Development Costs = \$792,111 or \$396,055 per unit.
- Sources of financing:
 - CPA = \$100,000 or \$50,000 per unit
 - Island Housing Trust = \$182,281 or \$91,140 per unit
 - Sale proceeds = \$510,000 or \$255,000 per unit

Smalley's
Knoll/2 homes
and
Jenney Way/
9 homes



2021 HUD Income Limits

HUD AREA INCOME LEVELS FOR DUKES COUNTY, 2021

# Persons in Household	30% AMI	50% AMI	80% AMI	100% AMI	120% AMI	150% AMI
1	\$23,100	\$38,500	\$59,200	\$73,290	\$87,938	\$109,935
2	\$26,400	\$44,000	\$67,650	\$83,760	\$100,512	\$125,640
3	\$29,700	\$49,500	\$76,100	\$94,230	\$113,076	\$141,345
4	\$33,000	\$55,000	\$84,550	\$104,700	125,640	\$157,050
5	\$35,650	\$59,400	\$91,350	\$113,076	\$135,691	\$169,614
6	\$38,300	\$63,800	\$98,100	\$121,452	\$145,742	\$182,178
7	\$40,950	\$68,200	\$104,850	\$129,828	\$155,794	\$194,742
8+	\$43,600	\$72,600	\$111,650	\$138,204	\$165,845	\$207,306

Sources: U.S. Department of Housing and Urban Development (HUD) and the Community Preservation Coalition for 100% AMI levels. The 120% and 150% levels based on 1.2 and 1.5 times CPA limits, respectively.

Major Development Questions

- What's the appropriate balance and number of rental vs. homeownership units?
- What should be the targeted income levels?
- What scale and amenities (e.g., community gardens, community center) can promote a sense of community as part of the development?
- Are there particular design or construction criteria that you believe should be incorporated into the development?
- Should there be 1 RFP for both ownership or rental components combined or 2 separate RFPs? Project phasing?

Next Steps

- Conduct community survey to obtain additional local input.
- Review all community feedback and reach agreement on project terms and conditions.
- Prepare and issue an RFP.
- Select most qualified developer.



Thank you for
your
participation!

- Members of the Planning Board's Peaked Hill Pastures Subcommittee and Consultant, Karen Sunnarborg, thank you for your participation in this 3rd Community Engagement Session.
- For a recording of this session and the previous 2, go to <https://chilmarkma.gov/planning-board>
- To make further comments, contact the following link:
 - <https://www.chilmarkma.gov/user/1251/contact>