
Article X: To see if the Town will vote to authorize the Select Board, on behalf of the Town, to petition the General Court for passage of a special law establishing a Martha’s Vineyard Housing Bank (the “Housing Bank”) as set forth in the document entitled “An Act Establishing the Martha’s Vineyard Housing Bank” (the “Housing Bank Act”) on file with the Town Clerk, subject to approval by a majority of the voters voting on such question at an annual or special Town election held in the same year as the Town Meeting vote approving submission of this petition to the General Court; provided, however, that submission of such petition to the General Court shall be contingent upon approval of this petition by not less than four towns located on Martha’s Vineyard. The Housing Bank Act may be amended prior to submission to the General Court by a body composed of one designee appointed by the Select Board of each town on Martha’s Vineyard that approves this article (the “Housing Bank Review Committee”), provided that the Housing Bank Act shall be subject, to the maximum extent possible, to the following parameters:

Initial Members and Local Acceptance: The initial members of the Housing Bank shall be those towns that vote to accept the Housing Bank Act, as passed by the General Court, as provided for in this article.

Housing Bank Commission: The Housing Bank shall be administered by a Housing Bank Commission (the “Commission”) consisting of one resident of each member town elected by town-wide vote for staggered three-year terms, and one person elected at-large by an island-wide vote for a two-year term. The Commission shall be subject to G.L. c. 30A, §§18-25 (the “Open Meeting Law”) and shall be deemed to be a municipal agency for purposes of G.L. c. 268A (the “State Conflict of Interest Law”).

Town Advisory Boards: A Town Advisory Board shall be established within each member town to assist the Commission with the administration of the Housing Bank Act. Town Advisory Boards shall be composed of: one representative appointed by each of the select board, conservation commission, planning board, board of health, zoning board, and, if one exists, wastewater committee, and two members appointed by the town housing committee. Town Advisory Boards shall be consulted by the Commission in developing regulations to implement the Housing Bank Act. Approval by a two-thirds majority vote of the Town Advisory Board(s) in the town or towns in which a project will be located, or in which a real property interest will be acquired, shall be required for any expenditure or use of Housing Bank funds, including the making of any loans or the disbursement of any down payment assistance as provided in this article. The Town Advisory Boards shall each be subject to the Open Meeting Law and be deemed to be a municipal agency for purposes of the State Conflict of Interest Law.

Activities: The purpose of the Housing Bank shall be to promote both year-round housing, and housing affordable to households which earn up to 240% of the applicable household area median income for Dukes County as determined by the federal Department of Housing and Urban Development (“AMI”), in the manner determined by the Housing Bank. In furtherance of said

purpose, the Housing Bank shall be authorized to make grants for the acquisition, renovation, or construction of housing and housing-related infrastructure; provide loans, loan and bond guarantees, lines of credit, interest subsidies, rental assistance, and other means of financial assistance; purchase, receive, lease, grant and sell property and real property interests; and provide shared appreciation equity loans through which the Housing Bank receives a portion of the appreciation of the applicable property upon resale. The Housing Bank shall not be authorized to develop, renovate, manage, or operate properties, but shall fulfill its purposes primarily through funding projects proposed by non-profit and for-profit corporations and organizations, individuals and public entities. In considering projects for funding, the Housing Bank shall use as guidelines town or regional master plans, wastewater plans, watershed management plans, open space plans, and climate and energy goals.

The Housing Bank may: (i) provide loans or down payment assistance to individuals who are members of households which earn up to 240% of AMI, subject to imposition of perpetual year-round occupancy restrictions (as defined by the Commission); and (ii) purchase year-round occupancy restrictions from any property owner with respect to properties located within member towns. Except as provided in the foregoing sentence, all housing units created, renovated, rehabilitated or acquired with Housing Bank funds shall be restricted in perpetuity to require occupancy by households earning up to a specified AMI not to exceed 240% of AMI, and shall be subject to perpetual maximum sale price and year-round occupancy restrictions. If a project includes income-restricted and market-rate units, any Housing Bank funding shall be applied only to income-restricted units in such project.

The Housing Bank will pay its own expenses from Housing Bank revenue. In order to expand public participation, in alignment with local diversity, equity and inclusion goals, Commissioners may be paid a stipend not to exceed \$2,000 annually, subject to approval by a two-thirds majority vote of every Town Advisory Board, unless a higher amount is both authorized by a majority vote of town meeting in every member town and approved by a two-thirds vote of every Town Advisory Board.

Limitation on Annual Debt Service: The Housing Bank may incur debt only to the extent that its projected annual debt service obligations prior to maturity with respect to any existing and any new debt will not, in the aggregate, exceed 10% of the average annual revenues received by the Housing Bank during its prior three fiscal years, commencing with the initial partial fiscal year following passage of the Act. Any issuance of bonds by the Housing Bank shall be subject to approval by two-thirds of the Town Advisory Boards and by the Commission. Each such vote of the Town Advisory Boards shall also require a two-thirds vote.

Requirements for Use of Funds: The Housing Bank shall address the greatest community need as determined from time to time by the Commission according to prevailing data. No less than 75% of island-wide annual funding commitments approved in each fiscal year shall be allocated to projects

on properties previously developed with existing buildings, or to fund infrastructure associated with such projects. All new construction shall use no fossil fuels on site (except as needed during construction, renovation, repair, temporary use for maintenance, or vehicle use), achieve a HERS (Home Energy Rating Service) rating of zero and, to the maximum extent possible, produce no new net nitrogen pollution. All new construction on undeveloped properties of more than five acres shall preserve a minimum of 40% of the property as open space and minimize tree removal, in order to promote clustering and preserve undeveloped property. All projects shall minimize disturbances to the local ecology.

If a project that receives Housing Bank funds includes income-restricted and market-rate units, the provisions of this section shall apply to the entire project. Satisfaction of each of the provisions of this section shall be as determined by the Commission.

Priorities: The Housing Bank shall prioritize projects that: are close to existing services (honor “Smart Growth” principles); are not in priority habitat areas as defined by the Massachusetts Natural Heritage and Endangered Species Act; and mitigate the effects of climate change, such as projects which (i) do not involve acquisition of fossil fuel equipment and (ii) have a master plan to delineate a path to fossil-fuel free operation and net-zero annual site energy consumption.

Transfer Fee: The Housing Bank’s activities will be funded by a two percent fee imposed on transfers of real property interests paid by the purchaser, such fee to be established either by general law or by the Housing Bank Act. An amount to be determined by the Commission annually, but not less than the first \$1,000,000.00 of the purchase price or other consideration paid with respect to any transfer of a real property interest, shall be exempt from the transfer fee. Additional exemptions shall be as set forth in any general law establishing the transfer fee or in the Housing Bank Act as amended prior to submission to the General Court.

Non-member Towns: No Housing Bank funds may be expended in any town which is not a member of the Housing Bank; provided, however, that the Housing Bank may expend funds in a town that withdraws to the extent such expenditures were approved before the date that such town provides notice to the Housing Bank that the member town has voted at a regular or special election to withdraw from the Housing Bank, and provided that transfer fees continue to be collected in that town.

Withdrawal and Sunset: Any member town may withdraw from the Housing Bank by the affirmative vote of a majority of the voters at any regular or special town election. The transfer fee shall continue to be collected in any town that votes to withdraw from the Housing Bank until satisfaction of the withdrawing town’s pro rata share of all Housing Bank debt incurred prior to the date that such town provides notice to the Housing Bank that the town has voted at a regular or special election to withdraw from the Housing Bank, determined as the ratio all transfer fees

collected by such town during its membership in the Housing Bank to all transfer fees collected by all member towns during the same period.

The Housing Bank Act shall expire 30 years after its passage unless extended by vote of the Commission and a majority vote of town meeting by at least four member towns; provided that, if extended, the Housing Bank Act shall remain in effect only for the towns that vote to extend. The transfer fee shall continue to be collected in any town that does not vote to extend the Housing Bank Act until satisfaction of all Housing Bank debt incurred prior to (1) the effective date of the extension of the Housing Bank Act if the Housing Bank Act is extended notwithstanding the town's vote, and (2) the expiration of the Housing Bank Act, if the Housing Bank Act is allowed to expire.

Taxes: All property and housing units created, renovated, rehabilitated or acquired with Housing Bank funds shall be taxed in accordance with assessed values.

The Housing Bank Act is subject to approval by the General Court, which may only make clerical or editorial changes of form to the bill unless the Select Boards of at least two thirds of the towns that approve this article vote to approve amendments to the bill before enactment by the General Court. Approval of this article authorizes the Select Board to approve amendments which shall be within the scope of the general public objectives of the Housing Bank Act. Adoption of the Housing Bank Act by any town, in the final form approved by the General Court, must be approved by the affirmative vote of a majority of the voters at any regular or special town election at which the question of acceptance has been placed on the ballot. The Housing Bank Act shall become effective on the date on which no less than four towns located on Martha's Vineyard accept its provisions as provided for in this article; or take any other action relative thereto.

3793\0000\795294.8