

8/5/22

**COALITION TO CREATE THE MARTHA’S VINEYARD HOUSING BANK
(CCMVHB)**

TO: Housing Bank Review Committee
FROM: Executive committee of CCMVHB
DATE: 8/5/22
RE: Response to Vineyard Conservation Society Amendment Proposals

We appreciate VCS’ careful review of the legislation and their concerns. We have already incorporated some of their recommendations. Others we support. Others we do not.

The following comments are in the order of amendment proposals recommended in the VCS 7/6/22 letter to the HBRC.

• Line 266 VCS recommendation:

We support this amendment (changing “ecology” to “natural resources and ecological functioning”).

• Line 299 VCS recommendation:

In selecting proposals for funding, the commission shall only consider proposals that: (i) are close to existing services; (ii) are not in priority habitat areas as defined under the Massachusetts Endangered Species Act, or any successor act ...

We do not support this amendment. The following are examples of what the “only consider . . . close to existing services” provision amendment (and the amendment proposed in Line 265 – see below) would preclude:

- 1) The MVC recently denied a subdivision called Meeting House Place on Meeting House Way in Edgartown. The parcel is not close to existing services. The developers sued the MVC. Assuming the MVC prevails, the developers will be forced to use the parcel differently. Currently the 50 acre parcel consists of five 10 acre lots. *By right*, the owners could build five houses of unlimited size, + guest houses, garages, pools, etc. The Land Bank is not interested in the property. This is an ideal property for the HB to purchase and request proposals for development (RFP), with specific requirements. A permanently protected pocket neighborhood of affordable and community housing could be built and maintain the remainder of the property as Open Space and agricultural land. This

would be far better for the island in every way, but would be precluded because the property is not close to existing services.

- 2) The MV Land Bank cannot sell property. It can, however, engage in simultaneous collaborative purchase with other organizations. On several occasions (Eliakim's Way in West Tisbury, Kuehn's Way in Tisbury and others) the MVLB has purchased a large parcel in association with the Island Housing Trust. A small part of the property has been devoted to affordable housing and the remainder has been protected as permanent open space. Important collaborations like these would be precluded if all development must be located close to existing services.
- 3) The Housing Bank could not provide funding to town projects like Peaked Hill in Chilmark and Meshacket in Edgartown, which are not close to existing services.

We believe that these examples provide compelling reasons to leave this section of the legislation as submitted.

- **Line 271 VCS recommendation**

We support this amendment (to correct the HERS name to Home Energy Rating System).

- **Lines 267-272 VCS recommendation**

New **and rehabilitated existing housing** funded in whole or part by the housing bank shall be prohibited from using fossil fuels on site except as needed during construction, renovation, repair, temporary use for maintenance, or vehicle use. All new **and rehabilitated existing housing** funded in whole or in part by the housing bank shall (i) **[delete to the maximum extent possible]**, produce no new net nitrogen pollution, (ii), for rehabilitated existing housing, shall achieve a Home Energy Rating System (HERS) index of _____, and (iii) **for rehabilitated and for existing housing without immediate plans for rehabilitation, shall have a master plan to delineate a path to reduced nitrogen pollution and annual site energy consumption.**

We do not support this amendment. To achieve such high performance standards in all existing housing funded by the Housing Bank would be difficult, expensive, and in some cases unachievable, depending on the HERS rating required (left blank by VCS). In some cases it would be more expensive than the value of the building. This might lead to wastefully tearing down buildings rather than sensibly upgrading them or buying houses and placing restrictions on them with limited renovation.

Such a strict environmental requirement on existing housing would shift the Housing Bank's purpose from providing affordable housing to upgrading the island's existing housing stock. Upgrading and electrifying the island's housing stock is worthy of support, but it should be accomplished primarily with different funding. The voters did not vote to upgrade the Vineyard's housing stock; they voted to provide more affordable housing.

One of the primary activities of the Housing Bank may be to purchase existing houses that are currently in the short-term rental market and convert them to restricted year-round housing as they become available. Some of these houses may be perfectly good houses that are not up to the performance standards we would hope for. If the HB purchased a home that needed only minor renovations, this amendment's provisions would be invoked. That would tie the hands of the Housing Bank Commissioners by precluding sensible disposition of the property.

In addition, in a case where the Housing Bank is only supplying a small percentage of funding for a project or property, these provisions would apply to the whole project or property, which would potentially be a tremendous financial burden.

- **Line 265 VCS recommendation**

Consistent with Smart Growth principles, it is the intent of this act that the remaining 25% portion of expenditures be allocated in the already built environment, primarily as "infill" in town and village centers.

We do not support this amendment. The examples given in the Line 299 explanation of our non-support apply equally here. In addition, there is no mention of a "remaining 25%" in the legislation. There is only mention that a "minimum of 75% will be spent on existing developed properties" which means that **75-100%** will be spent on existing properties. It is important that new development, which will consist of, by definition, of 0-24% of all housing bank expenditures, be as flexible as possible. The environmental restrictions imposed on new construction are already very strong.

- **Line 277 VCS recommendation:**

Satisfaction of each of the provisions of this section shall be verified by local or regional experts identified by the commission.

We do not support this amendment. It will be the responsibility of the HB elected commissioners and their professional staff to employ and enforce the provisions of this Act, including but not limited to the environmental restrictions. They will, at times, need outside experts to advise them: appraisers, civil engineers, bankers, energy professionals, landscape architects, and others. It

should be at their discretion to use outside experts as needed, just as planning boards and zoning boards do today.

• **Lines 335-337 VCS recommendation:**

Grants or gifts of money or other assets to the housing bank shall be expended only for the purposes of the grant or gift and subject to any restrictions or limitations imposed thereon by the grantor or donor thereof, **and to all the restrictions, limitations, and guidelines laid out elsewhere in the Act**

We support this amendment.

• **Line 439 VCS recommendation:**

(n) transfer of a real property interest that is subject to and used consistent with an **existing** affordable housing restriction as defined in section 31 of chapter 184 of the General Laws...

We support this amendment.

• **Line 283 VCS recommendation**

Housing Related Infrastructure shall include, but not be limited to, investments in wastewater infrastructure, nitrogen mitigation, transportation (including sidewalks, school buses, Transit Authority bus stops), and support for municipal and/or regional budgets for public services including, for example, schools, police, and fire.

We do not support this amendment.

The statewide legislation currently under consideration would preclude some of these uses of funds. Housing related infrastructure should be limited to wastewater improvements, nitrogen mitigation, onsite transportation improvements such as roadways and bus stops, and other utility infrastructure. Funding school buses and public services would divert significant funds from the primary purposes of the Housing Bank.

Thank you for your attention to these comments. As the HBRC considers them, we would be happy to answer any questions you may have.