

Edgartown Affordable Housing Committee Meeting Minutes
August 15, 2023 at 5:00 PM
Edgartown Town Hall

Members in Attendance: Chairman Mark Hess, Vice-Chairman Jason Mazar-Kelly, Melissa Vincent, Maria Ventura, Cornelius Moriarty, Casey O'Connor

Chairman Mark Hess called the meeting to order at 5p.m.

Minutes: Cornelius Moriarty motioned to accept July 18, 2023 minutes. Jason Mazar-Kelly seconded. All present voted in favor and motion passed unanimously.

Old Business: Mr. Chairman announced the lottery Property (4 22nd St South) was successfully closed and the Town got the check today. The EAH Trust will reimburse the Town for this property Insurance coverage.

Mrs. Chandler said they followed all the procedures and everything was working they just wanted to get the committee approval to their lender. They already got approval for the Cape light Compact program and thanked the committee and Ms. Laura Silber for this information. Maria Ventura motioned to approve the Chandler HELOC request and Jason Mazar-Kelly seconded and all present voted in favor and motion carried. Mr. Chairman will sign the approval letter that will be sent to the Chandlers.

Community Outreach Draft letter – Mr. Chairman said this letter was terrific due to being clear and one paged, then list what needed to be edited. Mr. Chairman pointed out the final draft need to go to the Select Board for approval. Maria Ventura motioned to have final draft sent to Select Board for approval. Jason Mazar-Kelly seconded and motion passed. Questioned asked, How are we going to fund this Year-Round Rental program? The response was Dukes County Regional Housing Authority (DCRHA) have extra funds so we can start now with this program and depending on the Homeowners interest we can go to Community Preservation Coalition (CPC) for more funds. Cornelius Moriarty asked, How about we fund it from the Short Term Rental (STR) monies? Since Fiscal Year 2019 the Town of Edgartown has collected 14 million and currently collecting 4% from DOR. Also there is a discrepancy with what DOR said they gave to Edgartown and what Town of Edgartown said they received. The response was if the Edgartown Affordable Housing (EAH) Committee came up with a solid project that needs funding then the Town will fund it through the STR funds. Arthur Smadbeck suggested that EAH Committee invites James Hagerty to one of the meeting to explain how the Town financial disbursement works, so the Town is not taking from the Tax dollars to replenish the Tax dollars by increasing taxes. Cornelius Moriarty responded he understand that and doesn't advocate for raising taxes but do know that the STR are coming indirectly from tenants and by law the Town can get 6% instead of the 4% currently charging. He thinks it's ironic to say EAH has lack of funds when there are avenues like raising STR taxes to 6% that would give more funds that is not being utilized. Melissa Vincent responded she believe it is very important for James Hagerty to attend an EAH Committee meeting and explain about the funds disbursement since two years ago when the STR disbursement was asked about the response was it is basically in reserves. Ms. Vincent believes James Hagerty should come in and also educate EAH Committee on the 4% STR tax usage before we ask for an additional 2%. The state will ask Edgartown, what are you doing with the 4% if the Town decided to go after the additional 2%. Arthur Smadbeck stated we are not currently going after all the CPC funds that EAH is qualified for. Currently the town can get \$1.4 million from CPC of which 80% is for Affordable Housing. Cornelius Moriarty stated the STR investors were getting a big tax benefit and maybe the board should come up with something to limit rentals. Mr. Chairman responded, Nantucket tried to limit rentals and that went very wrong. Jason Mazar-Kelly asked Cornelius Moriarty for the literature on the STR investors big tax benefits and stated he would be happy to assist Mr. Moriarty with draft warrant or in anyway.

Mr. Moriarty agreed to provide the literature. Jason Mazar-Kelly suggested moving forward, to utilize the incentive methods instead of limit rental method. Start working on more projects, get James Hagerty to educate the committee, send out letters to the community because Edgartown people will support these programs if the committee presents good explanations, backing, and awareness. It would be better to go after both the CPC and STR funds this way the committee will be more efficient and effective.

Chappy 3 Acres lot – EAH Manager reported the preliminary research was completed for property at 294 Chappy Road and still unable to determine if the property has easement or not. This is due to a lot of probate within multiple probates. Suggestion was for the committee to request title search from town counsel. Jason Mazar-Kelly motioned to request of town counsel doing clear title search on property 294 Chappy Road and to determine if property has easement. Casey O'Connor seconded. All present voted in favor and motion carried.

Meshacket Project – Discussion that Meshacket has already gotten \$760,000 from Edgartown using CPC funds and now they are asking for additional \$700,000. Philippe Jordi explained that the Meshacket team has secured permitting and bids. The bids were significantly higher and there is now a gap of \$2.6 million. The developers will defer their fees of \$200,000. They are asking for \$700,000 additional from Edgartown. They will ask for \$1.7 million from the State. The Meshacket team believes if the State sees EAH additional financial support it will speak volume and persuade the State to do its part. The question was asked, how does this line up with the Town's Contract? Respond the Meshacket Team proposed their best guess and estimate but couldn't see this significant higher bid cost. Melissa Vincent went over the project usages with Philippe Jordi in the meeting. It was asked, how long since Meshacket contract been with Edgartown? Philippe responded last year. Question was asked, when does this project and additional funding request ends? Melissa Vincent explained that personally she is having the same significantly higher construction fees and bids. "Everything has skyrocket" and you can't build anything for the same price now especially if permitting is needed. The construction and material market is just so volatile. The question was asked, what does the Contract say? Response was contract matters when shovel is to the ground but with these volatile expenses the Meshacket team has to request more funds. Mr. Jordi explained the cost started at \$18 million but currently \$25 million. The state will give fund over \$23 million and Edgartown invest way less so in case of leverage it's attractive. Mr. Chairman told Philippe Jordi the committee must find out where the funds will come from and explore their commitment. We currently have \$400K and will have to run numbers to satisfy something everyone agrees upon. A suggestion was made to take \$300K from the STR to make up the \$700K. Melissa Vincent motioned for the committee to work with IHT (Island Housing Trust) and come up with the funds they request. Maria Ventura seconded motion. No opposition, motion carried. Cornelius Moriarty requested a copy of the Meshacket contract that Mr. Chairman said he will provide. It was also suggested that Mr. Cornelius Moriarty can go to Jenn Smith get the bid documents and everything they have on Meshacket project.

New Business: Letter of Interest to MVC (MHP Complete Initiative) - Laura Silber reported there's a Massachusetts Housing Partnership (MHP) opportunity Edgartown can participate in the pilot program with \$150 million grant. She was advised MHP is seeking multi-town application and last year Franklin Town was awarded this grant. Since MHP is looking for multi-town she believes this is a great opportunity for the six towns of Martha's Vineyard to apply together. If Marth's Vineyard towns are awarded the MHP would take all 6 towns plans and synthesize an overview. This will also put Martha's Vineyard on map for state and more flexible funding. Question was asked, do we have to apply as multi-town and how will funding work? Laura Silber responded, yes it is a multi-town application and the awarded funds does not get disburse directly to the towns. It is MHP that allocate and pay-out funds.

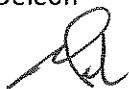
Laura Silber requested EAH Committee ask the Select Board to write a letter to MHP for Martha's Vineyard Commission (MVC) to set up a virtual presentation on MHP complete neighborhoods initiative program. Cornelius Moriarty motion that EAH Committee will write a letter to the Select Board asking them to write a letter to MHP for MVC to set up a virtual presentation on MHP complete neighborhoods initiative program. Casey O'Connor seconded. All presented voted in favor and motion carried. Laura Silber suggested EAH Committee calendar in the MHP program Director Christine Madore Zoom presentation for all the island town boards on August 29th at 6:30pm. They are requesting 1 member from the planning board, Select Board and EAH Committee. Mr. Smadbeck suggested that EAH Committee send the request to James Hagerty no later than 8/16/23 to get items on the next Select Board Agenda.

Laura Silber provided update on Municipalities Workforce Housing stating there will be other potential tools EAH Committee will be able to use. Nantucket is going to file a formal request to Housing Livable Communities (HLC) to use preferred subsidy for public employees at their six units AH project. This will set precedent once approved. There will be HLC conversation on this moving forward. Nantucket will provide their letter to MVC once approved so MV Towns can follow this request and file with the state to ask for municipality employees and emergency services Housing approvals. If all Towns participate in this, then it will work like a mechanism. This would work if you cannot change projects, for buy-downs and land bank projects. This also works for higher paid employees, as Nantucket has written to serve up to 200% AMI. Mr. Smadbeck commented this program the Select Board could do without the Trust.

Correspondence: Mr. Chairman presented three demolition letters for properties at 20 Jennie Lane, 191 Katama Road and 77 North Neck Road. Mr. Chairman also explained to the new EAHC member that demolition of properties normally happens when it cost more to repair it, and no one else wants the building. Habitat will go in scrap building and repurpose and EAH Committee approves the demolition. Maria Ventura motioned to approve demolition for the 3 properties at 20 Jennie Lane, 191 Katama Road and 77 North Neck Road that Mr. Chairman presented. Cornelius Moriarty second. All present voted in favor, motion passed unanimously.

The meeting was adjourned at 6:08 PM.

Respectfully Submitted,
Shanette Deleon



Edgartown Affordable Housing Committee

9.17.23

Date of Approval