

Christine Flynn

From: Adam Turner
Sent: Monday, March 25, 2019 11:59 AM
To: Christine Flynn
Subject: FW: MVC Affordable Housing Policy
Attachments: MVCHousingPolicyLetter.docx

Please include in record.

From: Chuck Hodgkinson <chodgkinson@chilmarkma.gov>
Sent: Monday, March 25, 2019 11:46 AM
To: Adam Turner <turner@mvcommission.org>
Cc: Chuck Hodgkinson <cahodg@aol.com>
Subject: MVC Affordable Housing Policy

Hi Adam,

The attached provides some thoughts on the proposed policy for your consideration. I believe the deadline for written comment is April 2.

Thanks again for all of your hard work.

Chuck

March 25, 2019

Mr. Adam Turner, Executive Director
Martha's Vineyard Commission
P.O. Box 1447
Oak Bluffs, MA. 02557

Subject: MVC Affordable Housing Policy

Dear Adam,

This provides comment on the MVC Affordable Housing Policy for your consideration.

Premise: The premise of the policy assumes the affordable housing shortage is due to the subdivision of larger tracks of land into buildable lots as defined by each town's subdivision control regulations. This proliferation is increasing demand for local services and year-round housing.

Conversely, I believe the housing shortage has been caused by the substantially increased ease of access to and from America to the island through the Steamship's significant growth strategy and the airport's expansion to allow jet plane landing capability. This ease of access has made the island a more convenient and desirable summer resort community, expanded the summer season, increased year-round population and put more stress on our environment and transportation infrastructure which have not changed over time to accommodate growth. This ease of access increased demand for and inflated the value of a finite supply of land. Prior to the significant improvements in ease of access the island did not have a housing shortage and the island's economy was more self-sufficient.

History has shown that development and population growth is directly proportional to improved ease of access. The transcontinental railroad, invention of the automobile, invention of the airplane, the post-war construction of the interstate highway system have all promoted and provided for the migration out of cities and the expansion of suburban living in more remote places.

Policy: The mandatory payment of significant amounts of cash or the mandatory dedication of private land for housing lots when a tract of land is subdivided is an artificial solution. Many local families have larger tracts of land that have been passed down from generation to generation. Partial subdivisions are many times required to raise funds to pay the inheritance tax liabilities—if not adequately planned in advance through family trusts. Many land owners have chosen to invest in land—as opposed to other financial assets. It does not seem fair to penalize and isolate a land investment over other forms of financial investment instruments. I suppose this will be tested and decided in the court system.

Suggestion: Perhaps a more equitable incentive to create land availability for housing would be for the Towns to create meaningful real estate tax incentives. This is the standard and proven way of promoting development through public-private partnerships. Another option would be to let market dynamics equalize the cost and affordability of land. Local wages for seasonal and year-round services are already higher on the island than off island. The prices of obtaining these services are driven by the cost to provide these local services. These costs automatically include and account for the cost of island living.

I realize this is not a popular opinion (and I am not a Republican). I have been told the new policy is a refinement of an old policy. This logic automatically assumes the old policy was the right policy. The need for its refinement might indicate it is not an effective approach.

Thank you for all the time and hard work the Commission does on our behalf.

Sincerely,

Chuck Hodgkinson, West Tisbury