

Chilmark Implementation Strategies Community Workshop

December 2016

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Why are we here tonight?

Consider implementation strategies to include in the draft HPP including sites/areas to encourage creation of affordable housing

Project Schedule



Basis for Implementation Strategy Ideas

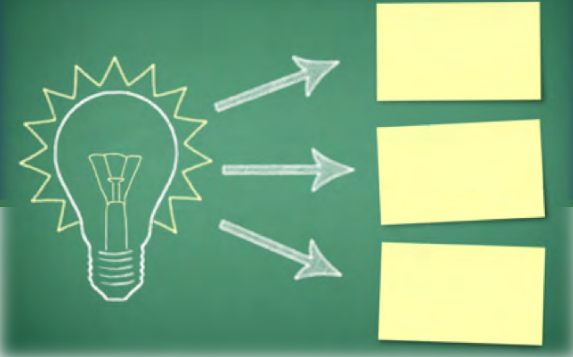


**Ideas from prior
community
workshops**

**Consultant team
ideas**

**State HPP
Regulations**

Some of your ideas from November



In **CHILMARK**, you said:

- Inclusionary zoning
- Zoning for barn conversions
- Flexible site planning for sub-standard lots
- Top-of-shop, mixed/use development
- Tax incentives
- Town purchase of lots with existing larger homes for conversion to as affordable multi-unit housing
- Utilizing town land for development

State Regs: HPP Implementation Strategies

State HPP regulations require:

1. Zoning districts/areas to modify current regulations
2. Specific sites to encourage development
3. Municipally owned parcels to issue requests for proposals for development
4. Characteristics of proposed developments (e.g., cluster, adaptive reuse, mixed use, etc.)
5. Participation in regional collaborations



Our Approach

We believe the implementation strategies should be a package rather than a menu of choices



Our Approach

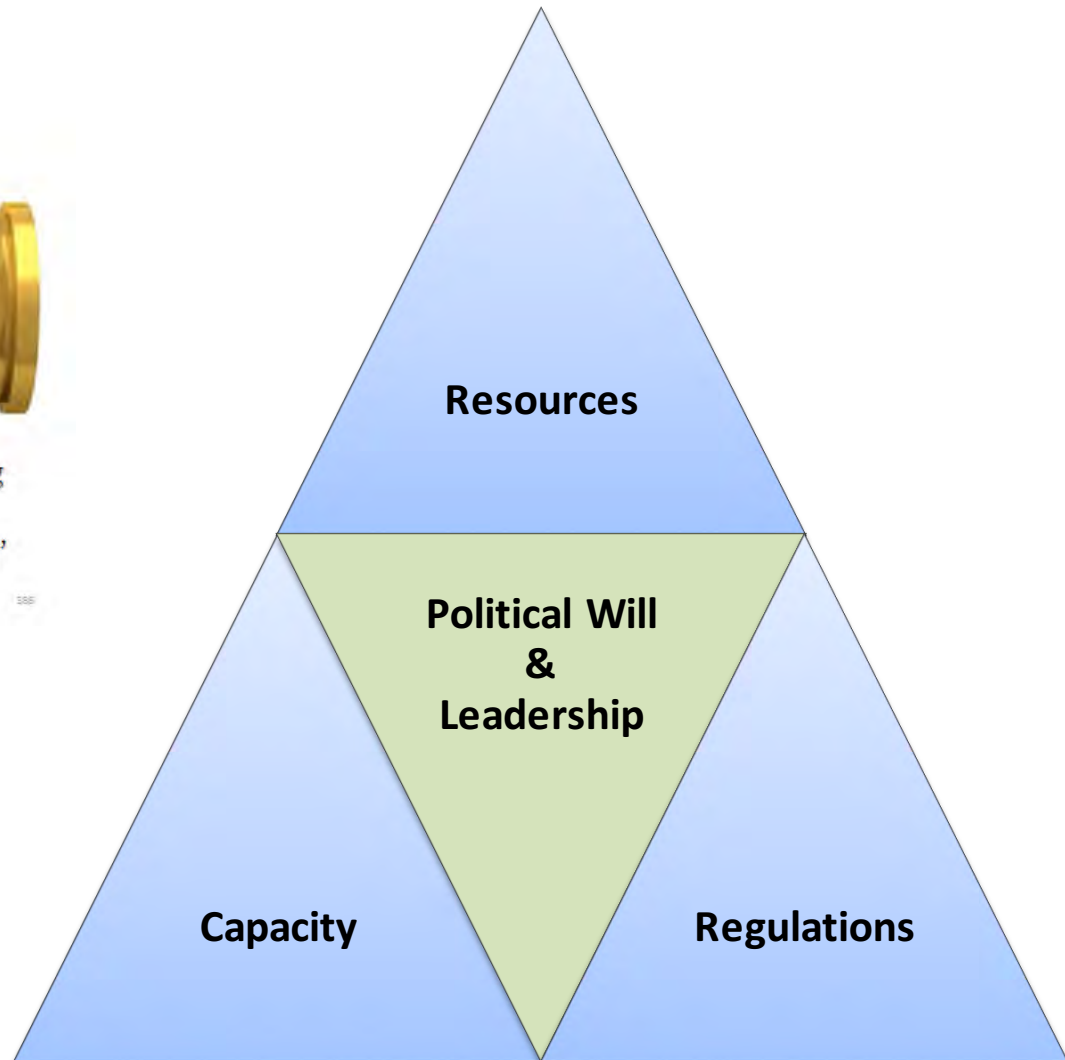
Effective packages include a variety of strategies



“Searching for the magic bullet is a distracting waste of resources.
Adapting is a game of singles, not home runs.”

Wierzbi 2014

385



Draft Numerical Goal Revision is Problematic

DHCD will not approve the housing production plan with the numerical goal as revised based on your feedback from the November workshop.

Quantitative / Production	<p>Support the creation of at least 10 low/moderate-income (LMI) units over five years (an average of <u>at least</u> two units per year) that will count on the Subsidized Housing Inventory, particularly rental units affordable to households with extremely low- and very low-income. This rate of LMI housing production would support the town reaching 10% through incremental production (0.5% of year round housing units) by 2036. <u>The Town will consider participation in Island-wide developments in more cost-effective locations elsewhere. The Town will consider that some of the units located regionally in addition to those created locally will count towards the state-required municipal goal of 10%.</u></p> <p>In addition, support the creation of at least <u>10</u> ownership units affordable to households between 80-100% of the area median <u>over five years.</u>³</p>
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We want to alert you to this issue now and help you determine how to address this issue at the end of the meeting tonight.

The problem boils down to this. . .

Biggest challenges

Impaired water quality – limited sewer infrastructure

Economy relies on preserving community character

Inadequate supply of housing for competing markets

Pronounced lack of year-round multi-family housing, especially rental

Six small towns on one island with limited capacity and resources

Leadership and political will

Island-wide problems need island-wide solutions

Strategies will only be effective if all the communities work toward the same goals – cooperating and coordinating.

Discussion Exercises

Exercise 1 - We will present some strategy ideas and then you will discuss:

Which strategies should be considered for further investigation or implementation in next 5-years?

Exercise 2 - We will orient you to a map of your town and describe ways to encourage affordable/mixed-income housing development and then you will:

Identify one or more sites/areas that merit further consideration for encouraging affordable/mixed-income development in the next 5-years.

Exercise 3 – We will give you dot stickers and ask you to indicate which strategies you personally feel should be considered in the plan.



Types of strategies

Resources

- Revenue
- Land

Capacity

- Organizational
- Infrastructure

Regulations

- Tax Incentives
- Zoning

Note:

- Some are regional and would need each town to help implement
- Others need local implementation - particularly zoning

Resources - Revenue

Potential uses of funds:

- **Infrastructure costs to directly support creation of affordable housing (e.g., expand sewer, wastewater systems)**
- **Construction costs for new development/adaptive re-use**
- **Land Acquisition**
- **Direct Assistance: home rehab and rental assistance programs**

#1 Real Estate Transfer Fee (Housing Bank)

- Lend political support for region-wide effort to expand existing Land Bank; split existing Land Bank; or adopt separate Housing Bank (special legislation)
- **\$8.5-16M new funds for housing** (estimated 5-year revenue assumes 0.5% fee)

Considerations:

- *2006 MVC attempt failed (1% fee); 2016 Provincetown attempt stalled (0.5% fee); 2016 Nantucket attempt stalled (1% fee)*
- *MV Land Bank policy for affordable housing – opposes split but open to increase*
- *MA Association of Realtors and others likely to oppose*

Survey says:

Eighty-three percent of renters strongly or somewhat favored the creation of a "Housing Bank," with a transfer tax similar to the Land Bank, while 65 percent of homeowners also favored the land-linked largesse.

#2 Seasonal Rentals Excise

- Lend political support for region-wide effort to expand up to 6% local option room excise tax to allow tax for seasonal rentals (special legislation)
- **\$31.5M** estimated 5-year revenue at 5% by LDS Consulting (this figure assumes 100% of revenue collected)

Considerations:

- *Already adopted existing room tax: Aquinnah, Chilmark, & Edgartown (4%); Oak Bluffs & Tisbury (6%)*
- *West Tisbury has not adopted it*
- *Effect on property owners who may rely on seasonal rental income*
- *Brewster, Provincetown, Wellfleet stalled 2016 attempts*
- *2016 attempt to amend c.64G stalled*

Survey says:

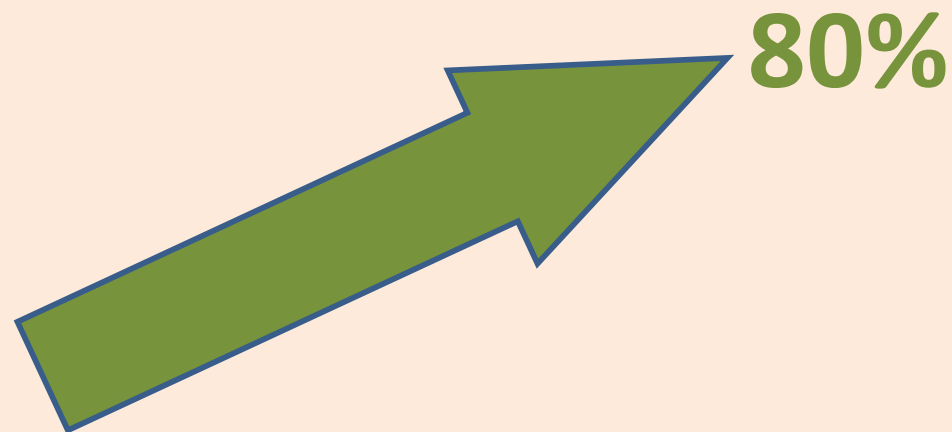
Weighing in on a percolating polemic, 86 percent of renters were in favor of taxing home rental to create an affordable housing fund, and the majority of homeowners were, too – 62 percent agreed.

Estimated 5-Yr Revenue

Aquinnah:	\$1.3M
Chilmark:	\$4.3M
Edgartown:	\$12.1M
Oak Bluffs:	\$7.1M
Tisbury:	\$3.1M
West Tisbury:	\$2.7M

#3 Increase Housing Allocations of CPA Funds

- Increase allocation of local Community Preservation Act (CPA) funds for housing.
- The CPC can set a target in their Community Preservation Plan to utilize anywhere between 10% and 80% of CPA funds for housing.
- If 80% worth of projects aren't before CPC, then funds can be set aside in the housing reserve, allocated to the local housing trust, and/or to a new idea coming in a few slides.



Community Preservation Act Funds

Status Quo: 30% of total CPA revenue allocated to housing Island-wide

% of Total CPA Revenue Appropriated for Housing	
Aquinnah	23%
Chilmark	50%
Edgartown	17%
Oak Bluffs	25%
Tisbury	34%
West Tisbury	40%
Total	30%

**Broad range
across island
towns:
17% to 50%**

Sample of Chilmark' CPA Allocations

City/Town Name	Project Name	Description	Approval Date	Categories
Chilmark	Island Housing Trust - Village Court Apartments	The Island Housing Trust is purchasing six rental apartments in Vineyard Haven. They will be renovated and converted to affordable rental units for tenants earning up to 60 percent AMI.	4/28/2014	
Chilmark	Rental Assistance Program	Replenish the Town's affordable housing rental assistance fund that is managed by the Dukes County Housing Authority.	10/20/2014	
Chilmark	Nab's Corner Community Housing	Replenish the Town's Affordable Housing Trust for funds needed to install infrastructure to create four affordable homesite building lots on town-owned property.	10/20/2014	

Community Preservation Act Funds

- Projected 5-year revenue:
 - Status quo (30%): **\$10M**
 - 50%: **\$17M**
 - 80%: **\$27M**

Edgartown 5-Year Projected CPA Revenue

- Status quo (50%): \$1.7M
- 80%: \$2.7M

Considerations:

- *Impact on other CPA needs*
- *Shift in approach*
 - from reactive. . .to proactive by setting a minimum allocation*
- *There is precedent to set minimum target housing allocation*
 - *Provincetown 60%, Eastham 40%, Somerville 45%*

#4 Solicit Private Donations

Solicit private donations to support local or regional affordable housing initiatives

- FYI - donations to a municipal body are tax deductible
- Donation checkbox on tax bills
- Explore possibility of working with MV Donors Collaborative

Considerations:

- *Demise of former Island Housing Fund (raised approximately \$800,000 to \$1 million per year that helped subsidize affordable or community housing units)*
- *Is there more potential for private fund raising than is happening right now?*

Resources - Land

With the Vineyard's high land values, construction costs, and infrastructure costs, **free/discounted land** can be a **powerful subsidy** to make development feasible.

Considerations:

- *Weigh competing uses for land*
- *Property yield should support enough density to enable feasible project (environmental, political, and regulatory)*

#5 Offer Surplus Municipal Property for Development

Offer surplus municipal land for development at no cost/discounted

Morgan Woods gets national recognition

By Steve Myrick - Aug 17, 2011



— Photo courtesy of Morgan Woods

This is the subject of Exercise #2 tonight

#6 Seek Privately Donated Property for Development

Actively seek local donations/discounted sales of private property *Example of donated land to create affordable housing by Island Housing Trust:*

– *Harpoon Lane Neighborhood, West Tisbury*

Considerations:

- *Working with M.V. Land Bank has been instrumental acquiring land for housing*
- *Work with non-profits to utilize new Land Donation Tax Credit for existing housing or structures for conversion to housing*



Capacity

Fortunate to have very active network of public and private entities supporting housing needs:

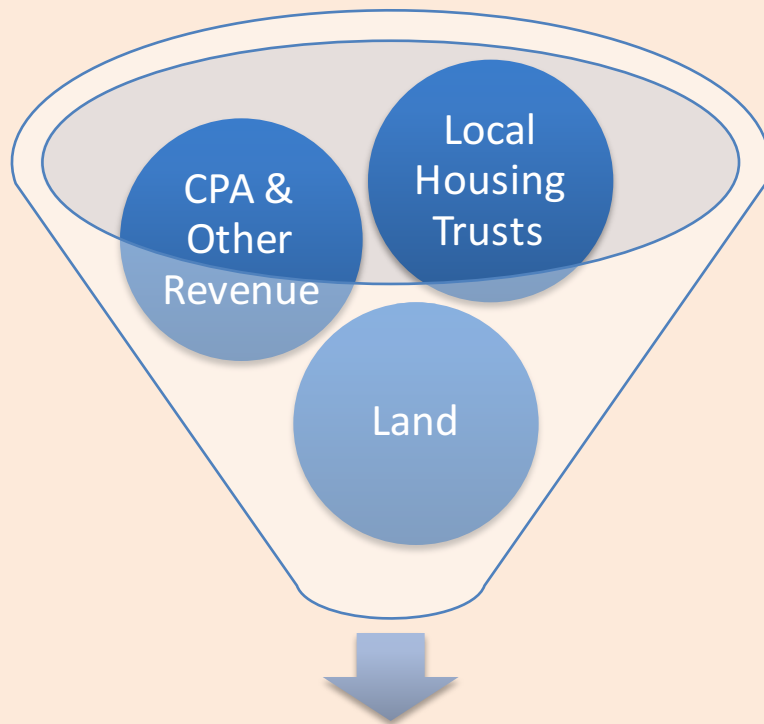
- Affordable Housing Committees (all towns)
- All-Island Planning Board
- Dukes County Regional Housing Authority
- Habitat for Humanity
- Hospitality Homes/Island Clergy Association
- Housing Assistance Corporation
- Island Elderly Housing
- Island Housing Trust
- Martha's Vineyard Commission
- Municipal Affordable Housing Trusts (5 towns)
- The Resource Inc.

Despite the excellent work of these entities, the housing need and barriers are immense and we recommend increasing capacity.

#7 Create a Regional Housing Trust

Establish a Regional Housing Trust, based on Municipal Affordable Housing Trust model, through special legislation

- Enhance ability to pool resources and coordinate efforts across the Island
- Would be first in Massachusetts



Regional Housing Trust

There would surely be lots of details to work out!

Like, what kind of allocation fund formula would the trust use and how would decisions be made?

Regional Housing Trust

- Regional trust board could represent every town as well as region
 - *Reps from Municipal Affordable Housing Trust/AH Committee and CPC members (2 members each town) plus MVC rep.*
- Purpose: Help coordinate implementation of the Housing Production Plan



Regional Housing Trust

Considerations:

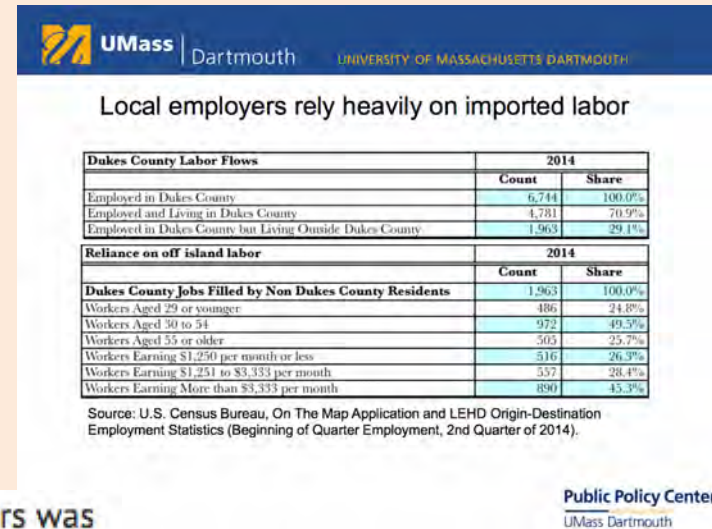
- One stop for developers to seek local subsidies.
- Already pooling CPA funds– this would increase efficiency and predictability
- Place to put additional revenue
- Precedent is favorable – Dozens of special legislation trusts already including new one in Provincetown created in 2016
- Another region is also considering this idea

#8 Create an Island Seasonal Workforce Housing Task Force

Purpose: Foster collaboration among employers to address needs for seasonal workforce housing

- Representation from business community, towns, and MVC
- Build on work of IHT's Workforce Housing Survey to further identify the housing needs – how much, what kind, locations?
- Explore feasibility of sites for potential dormitory housing – airport?
- Explore possible sales tax for seasonal workforce housing based on Breckinridge, Colorado model (0.125% sales tax)

Survey says: The creation of dormitory-style housing for seasonal workers was heavily favored by both groups: 81 percent of renters and 84 percent of owners agreed it should be among the top priorities.



Infrastructure

Wastewater Treatment!

One of primary development constraints on the Island

- Five sewer plants treat less than 10% of Island's properties
- Over 14,000 properties treat on site

Chilmark: All 1200+ residential properties treat wastewater on site.



#9 Allocate funds for Wastewater Infrastructure

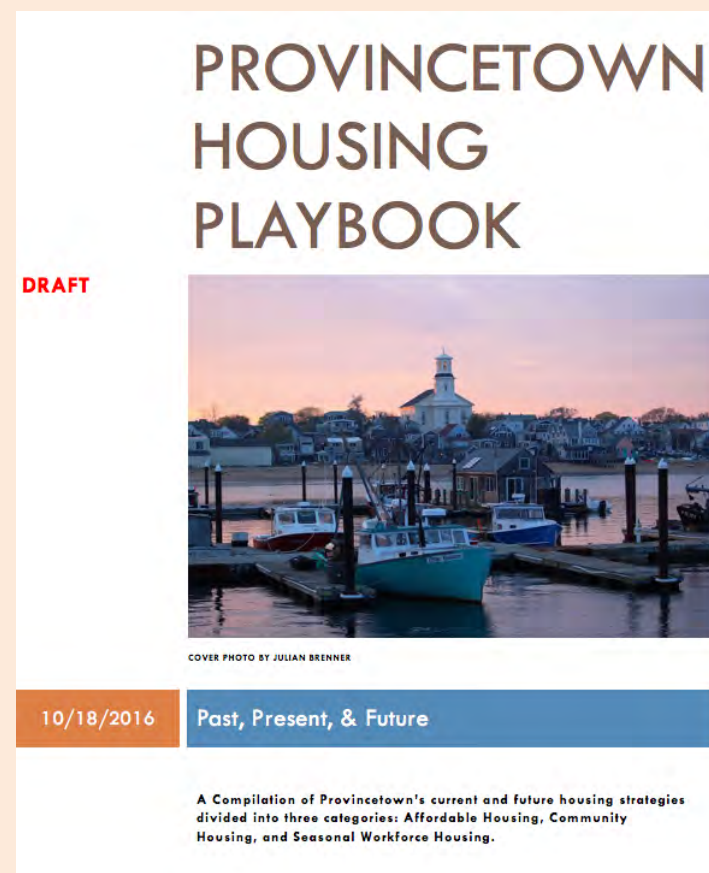
- *Investigate funding sources to help property owners improve wastewater treatment systems (note - would not directly support creation of affordable housing, but could help mitigate environmental constraints):*
 - *Community Septic Management Program (MA Energy and Environmental Affairs)*
 - *EPA's Clean Water State Revolving Fund*
 - *Water and Waste Disposal Loan Guarantees, US Dept. of Agriculture*

#10 Tax Incentives

Seek special legislation for local property tax incentive to waive property tax for property owners who rent units to year-round to low-income household (waived on rental unit)

Considerations:

- *Precedent: Provincetown Model (2002 Special Act)*
- *Investigate potential effect on local tax base*



INTRODUCTION TO EXERCISE 1

Men often oppose a thing merely because they have had no agency in planning it or because it may have been planned by those whom they dislike.

Alexander Hamilton, The Federalist Papers, No. 70, 1788

Instructions

Objective: *Work together to consider strategy ideas*

1. *Which strategies should be considered for further investigation or implementation in next five-years?*
2. *You may list other strategies for consideration, if any.*

Note: No need to discuss specific zoning strategies or sites – Exercise 2 is designed to help us think about zoning options in a non-technical way.

Use of Results

Help the project team to create draft plan for public review

1. Listen to others & respect all points of view
2. Adhere to time limits (brevity will be critical)
3. Everyone speaks once before anyone speaks twice
4. Try for agreement if possible – indicate areas of agreement

ELDRIDGE'S MAP OF MARTHA'S VINEYARD.



INTRODUCTION TO EXERCISE 2

Potential Site Opportunities: Chilmark

PUBLISHED AND COPYRIGHTED BY G.W.ELDRIDGE, VINEYARD HAVEN, MARTHA'S VINEYARD, MASS. 1892.

Instructions

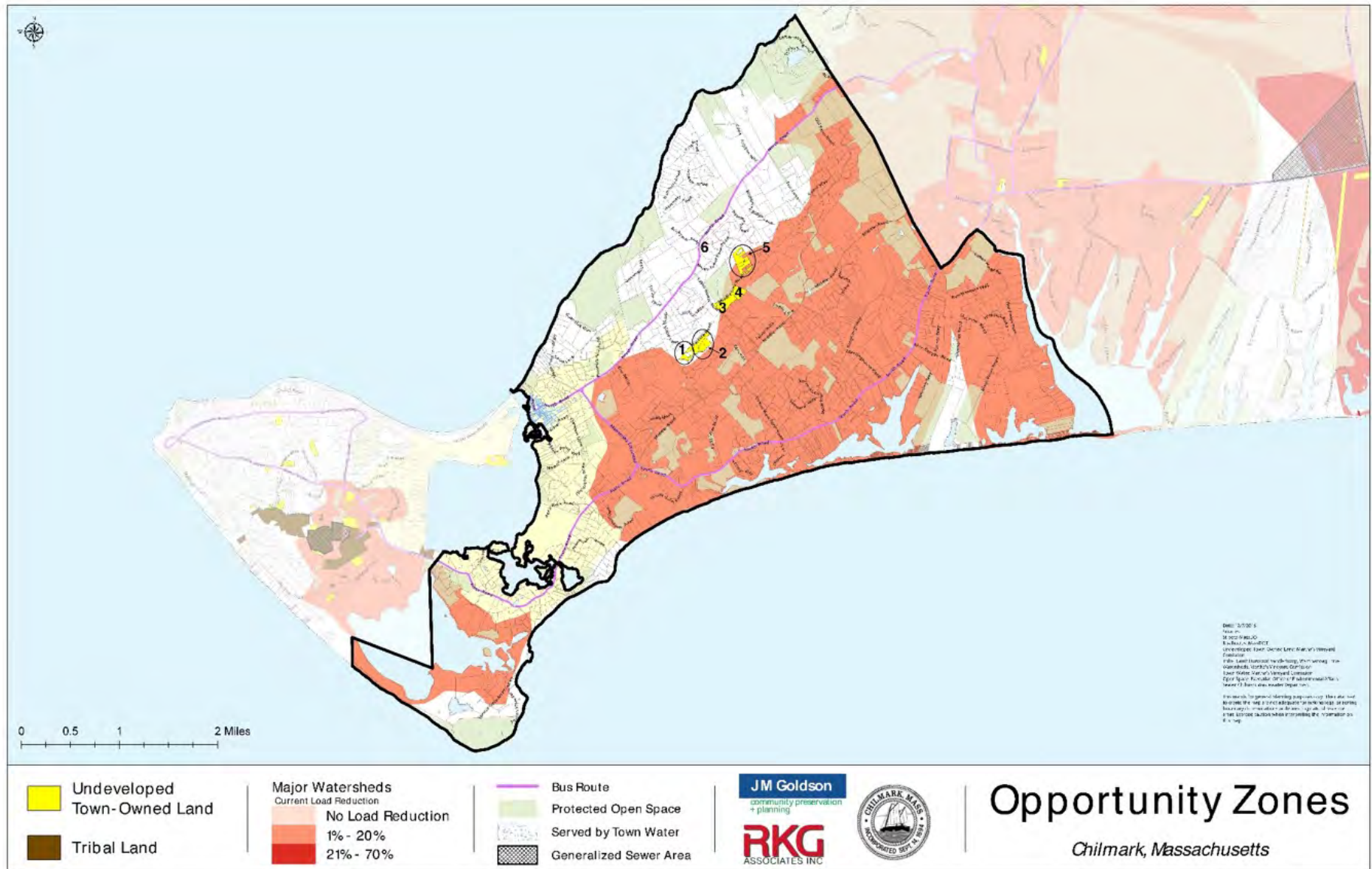
- **Objectives**

- *Work together to consider suitable locations*
 1. *What sites or areas should be considered for encouraging affordable or mixed-income development in next five years?*

- **Use of Results**

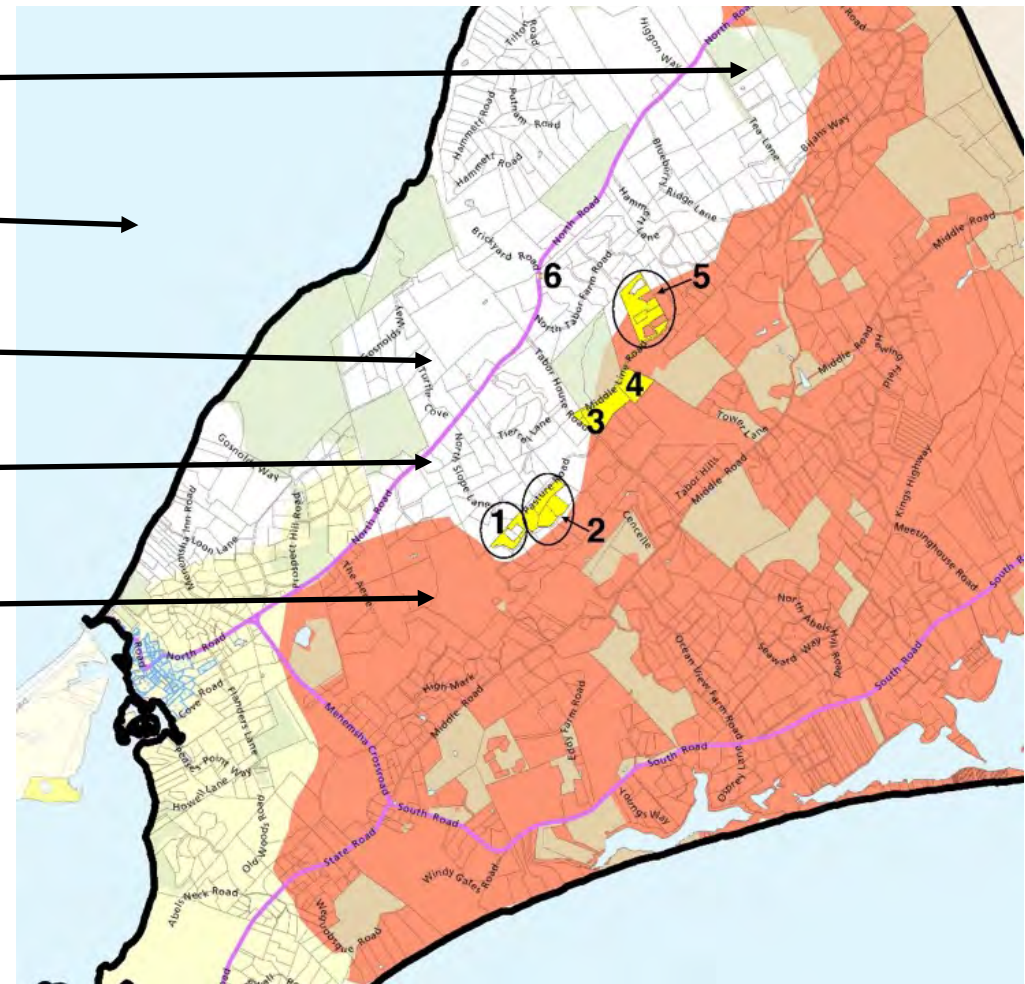
- *Help the project team develop zoning recommendations and other types of strategies for consideration in draft housing plans.*

Working Map



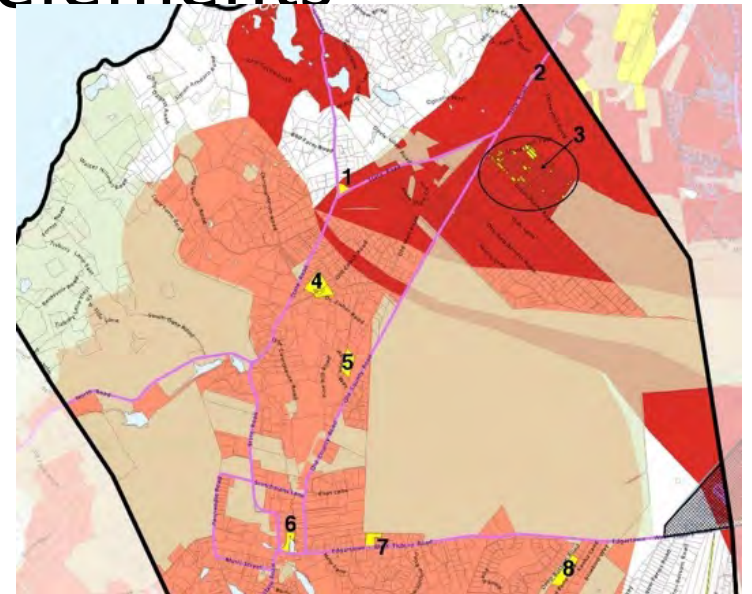
Chilmark Map Elements

- Open space
- Open water
- Parcel boundaries
- Bus routes
- Watersheds



Map Notes

- Common legend for all six maps, but some maps do not have all of the elements symbolized in the legend
- Many data layers = overlays
- Overlays = mixed colors
- Watersheds & TMDLs



Scale and context

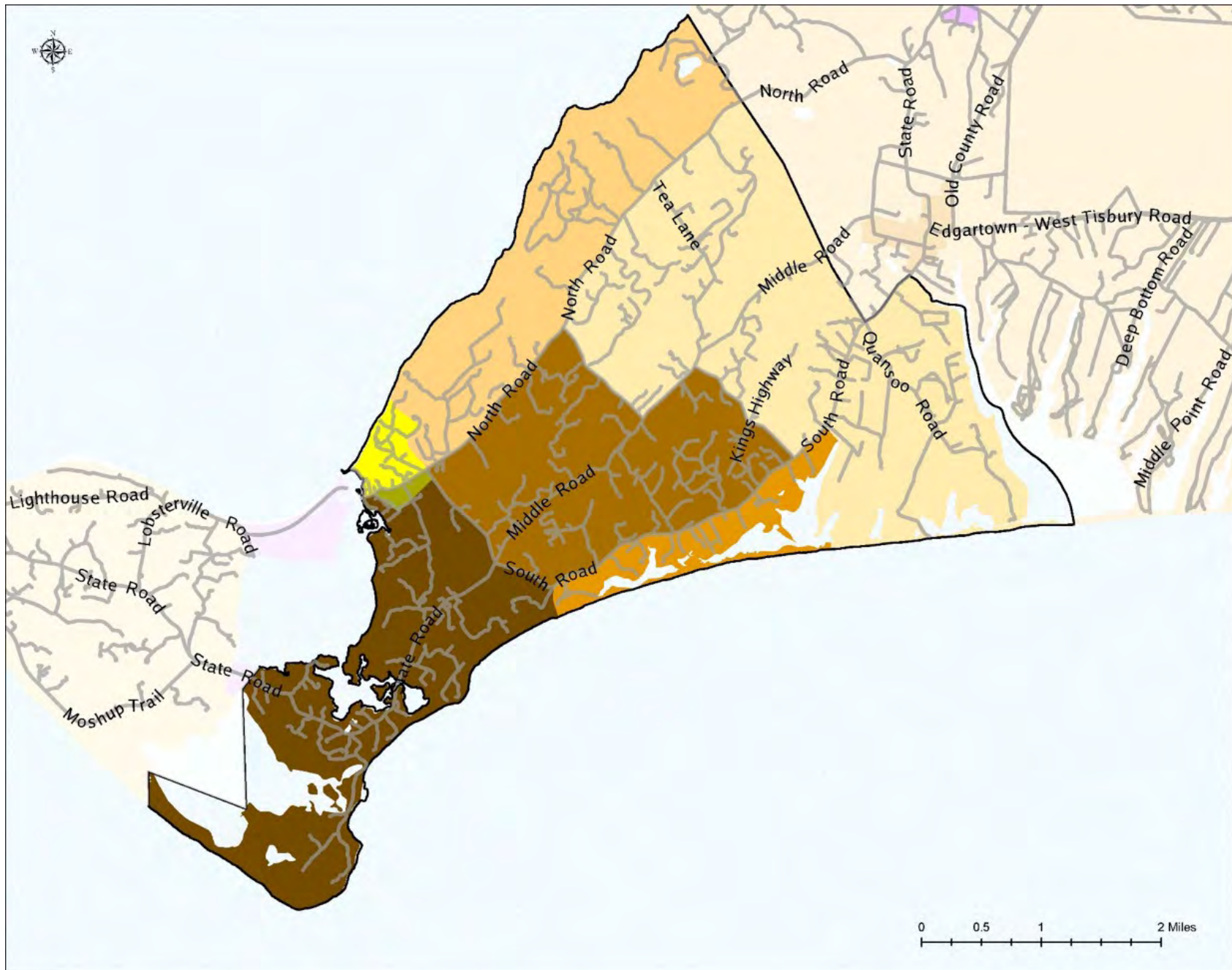
- Exercise is not about how many units can be placed on a site
- You do not have to think like developers!
- Locate the best possible areas for affordable housing and/or mixed-use development with housing



Tell us – in 30 minutes or less

- Are any of the yellow parcels worth considering for some type of affordable or mixed-income housing in the next 5 years?
- If not, are there other areas that should be investigated further?
- Please write your ideas on the sheets provided and mark up the maps at your tables

Chilmark Zoning Map



Zoning

Chilmark, Massachusetts

- Ag/Residential
- Ag/Residential
- Ag/Residential
- Ag/Residential
- Ag/Residential
- Ag/Residential
- Ag/Residential
- CP - Conservation District



Date: 12/8/2016
Source: MassDOT, MassGIS, Town of Chilmark, Martha's Vineyard Commission

This map is for general planning purposes only. The data used to create the map are not adequate for making legal or zoning boundary determinations or delineating natural resource areas. Exercise caution when interpreting the information on this map.