

A BOOMER'S APOLOGY TO THE NEXT GENERATION

The Vineyard and Cape Cod have been experiencing an economic slow down of our year round economy for the last five years due to the exodus of our young skilled middle class residents who are the economic engine essential for a sustainable economy and a prosperous community. The reason for the loss of middleclass working residents is our high cost of housing, which increases the cost of goods and services and thus creates our overall high cost of living.

Our year round economy is out of balance and rapidly failing because the resident is forced into direct competition for housing with the illegal commercial use of residential zoned property by the transient accommodation business, other wise known as the WEEKLY RENTAL. In the case of the Vineyard we have around 500 people who commute to the island to work each day and there by take the money from construction and services jobs back off island with them when they leave. This equates to a loss of 30 to 40 million dollars per year from the Island's year round economy. It is residents, year round and seasonal, living and working together in a community that create the wealth of a healthy economy while the WEEKLY RENTAL inflates the value of housing and transfers the wealth of the community to the pockets of Realtors, real estate investors, (flippers) and Bankers. Parallel a 1934 quote by M. Josephson in *The Robber Barons*: "Society under lax political institutions would be wholly directed by interests".

The M.V. Commission, after thirty years of "regional planning," failed to understand or did not want to understand laws that state legislators had already written to avoid these socio-economic consequences of the commercial use of residential zones. Is that ignorance or corruption?

The truth is that by ignoring existing law, MGL. Chap. 59. Sec.2a., the Baby Boomer generation of Mass. has stolen 20 plus years of the future value of residential real estate from you, the current generation, and put it in their pocket much like the way, on a national level, they spent your social security cash and left you with IOU's knowing they wouldn't live long enough to pay it back. You're Welcome!! Thirty years of the Boomer's government policy of selectively enforcing laws, the same reason we have today's national illegal immigration mess, has had a far more deleterious effect on your economic future than Enron, Halliburton, Big Oil and all the other supposed corporate scandals they try to divert your attention with COMBINED!! With one hand they point to "Starter Castles" as the problem, rather than the jobs, wealth creation and tax base they provide, while with the other hand they build another modular WEEKLY RENTAL unit. People who consider renting residentially zoned housing on a WEEKLY basis, we even allow daily, as legitimate work are short sighted, lazy, self indulgent, greedy people who don't care a whit about leaving a sustainable economy to the future generation except, of course, "their" kids.

If you ever want housing for residents, and the sustainable year round economy that would follow, this imbalance must be corrected. It is imperative we, like hundreds of other communities across the country, discuss and deal with the fact that the WEEKLY RENTAL creates insurmountably unfair competition against the resident for housing. What?? You can't compete with \$2000.00 per week for a little Cape on a quarter acre lot? Are you the failure or is it the liberal Boomer generation standing at the helm of State and Local government, for the last 35 years, who created the problem of over priced

residential housing by allowing the market value of a home to be based upon it's illegal commercial use as a WEEKLY RENTAL? Ask your self. How much will a basic house cost when the minimum WEEKLY RENTAL is \$3,000.00 per week?? How will the middle class resident compete with that?? Answer: They won't. The exodus of the working middle class and the subsequent decline of the economy on the Cape and Islands will continue.

Our failure to control this threat to our economic sustainability is the business equivalent of building Disneyland, opening it up to the public, forgetting to sell tickets and wondering why we're going broke. DUH!! These people are not renting houses they are illegally renting your neighborhoods for their personal gain at the expense of and subsidized by the residents they are displacing! The WEEKLY RENTAL also unfairly and illegally competes with the legitimate transient rental businesses, who collect rooms tax, pay commercial valued property tax, are permitted, licensed, and health inspected, which is why many of the large old B&B's are going out of business. Watching the mismanagement and decline of our economy is like watching a snake eat its own tail!

Keep in mind that the anti-everything activists of my generation are the people who spit upon our soldiers returning from Vietnam, loved to protest but hated to work, sat in gas lines in 1973 and 1978 but still gave national energy independence only lip service while, under the banner of progressive politics, they stopped us then as now from drilling for oil, building fuel refineries, hydro power dams and nuclear power plants which gave you 40 years of coal pollution, high energy bills and a nationwide loss of manufacturing jobs. These same people blame evil corporations for sending jobs overseas because they never understood that competitive manufacturing requires abundant and affordable energy. The only good lesson learned from the Boomers is that in politics the children reap what we sow and trying to solve fundamental societal inequities with taxes and bureaucracies creates gifts that keep on taking, not solutions.

The Boomer's parents, the "GREATEST GENERATION", fought to save Europe from Hitler, stop Imperial Japan's aggression, save South Korea from communism, rebuilt them all, made allies of our enemies, funded a 40 year cold war, collapsed the Soviet Union without firing a shot, achieved peace through strength, promoted peace and democracy around the globe and accepted little glory for their achievements. They fought, died and struggled to pass on to the next generation unlimited opportunities and a safer and more prosperous world than was left to them. The Boomers dropped the ball, no more make it better and pass it on. Our parents must be sickened by our short sightedness and greed.

My warning to the youth of today is to get involved and stop allowing the failed Boomer generation to continue to suck all the cash out of your economic future. They caused the problem and profited from it, don't expect them to fix it! They are interested only in protecting their standard of living and will never willingly make the corrections necessary to protect your economic future. These people resist solving the resident housing problem because obeying the law will lower the value of their property and it's a lot easier to hire someone to change bed sheets once a week and sit on the beach than work for a living. Be thoughtful and remember this same generation also educated you so think outside "their" box. Instead look to math, science, history, "honest" free market capitalism and "equitable" rule of law to make logical decisions.

Oh Yeah! The APOLOGY part. While pondering one day I felt so guilty I wrote you a little poem. I've never been a poet, so it's my first.

A Boomer's Apology

Ya Kids, just wanted to say-----Sorry.
My whole generation wasn't that way.
We were out numbered, sad but still true.
I didn't go tripping at Woodstock, did you?
Many of us had to work, couldn't afford to protest.
But we're still responsible, didn't give it our best.
There will be no solutions while Boomers make the rules.
Those who vote them in, they're the real fools.

DNM

ACTIONS THAT NEED TO BE TAKEN NOW!

A. TAX RENTALS NOT RESIDENTS!

1. Contact your state legislators and demand that they support Ma. House Bill 3155, which will require rentals, of less than 90 days, to collect the Mass. Rooms tax.
2. Contact your local selectmen and demand they support this bill and add the available 4% for the town and that these monies are targeted to resident housing.
3. Demand that your local property tax assessor's office follow MGL. Chap. 59. Sect.2a. by properly appraising WEEKLY RENTALS as commercial properties.
4. Demand that your selectman direct the town's Zoning Dept. to enforce residential zoning by requiring any WEEKLY RENTAL to go through the same "permitting" process as any other business in a residential zone.
5. Go to www.myspace.com/marthasvineyardhousing and become a friend of Martha's Vineyard Housing Advocate to be informed of things you can do to participate and help as we search for real solutions to our lack of housing and the declining economy of the Cape and Islands.

This is your fight. Be apathetic at your peril.

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Thank You and Good Luck

Donald N. Muckerheide

1/24/08

Hello Selectpersons:

Here is a copy of a letter I am trying to get into the hands of the next generation before it is too late for them to even think of living on the Cape or Islands. While I expect little action from you I would like to keep you informed of my actions on their behalf in hopes that someone will see that the current path our economy is on is not sustainable. Please at least read the letter, which is a blog on my Myspace, and give it some thought. It is the least you can do for the kids. Hundreds of other communities around the country have dealt with this issue in many different ways but, like an alcoholic, it must first start by admitting there is a problem.

I hear lots of excuses about how hard it would be to regulate the collection of rooms taxes and separate property tax values between rentals and residents so I am including some suggestions in addition to the five at the end of my letter to the kids.

1. How to separate transient rentals from residents? Tisbury already separates residents from non-residents with the 20% residential property tax rebate. I would go a step further as follows:
2. Residents, year round and seasonal, get a 50% reduction in their property tax.
3. Transient rentals, WEEKLY RENTALS, get a 50% increase in their property tax and collect the Mass. State rooms tax and we add the allowed 4% local rooms tax. This is about what would happen if MGL Chap. 59 Sect. 2a., was properly enforced.
WE ARE TALKING MILLIONS OF DOLLARS PER YEAR HERE!!
4. Residents are allowed one rental per year with out affecting their classification.
5. Transient rentals are defined as rentals of less than 90 days.
6. Because we need seasonal workers, rentals of 90 days or more would receive resident status and would be required to show rental contracts to be eligible.

Keep in mind that, without extra taxation, the one or two week rental contributes nothing to our overall economy because they bring everything with them including huge coolers of steaks, booze, expensive groceries, etc. along with their bicycles and beach toys yet we pay for the tourist infrastructure like bike paths, sewer systems, trash disposal and even open space and conservation land because it is off the tax rolls. Not to mention the catastrophic effect on the price of residential housing.

7. **IT IS TIME TO TAX THE PROBLEM NOT THE VICTIM!!**
8. We need to upgrade the tourist clientele by instituting a two rentals per month maximum in 2009, and a one rental per month by 2012. This will shake out the bottom end of housing inventory and slowly lower the value of existing basic houses to where, with a little help, residents will be able to get back in the game. Rather than the current "affordable housing programs" we should provide down payment loans or grants to residents and get away from the convoluted rules and deed restrictions of the current system. Ask yourself. How big will the current housing bureaucracies be if, over the next twenty years, every home sold to the middle and upper middle class residents is under bureaucratic oversight via deed restrictions and after a few banks get burned, like the foreclosure case now in West Tisbury, will banks even loan money on affordable housing units. If you want to read the blog it is at www.myspace.com/marthasvineyardhousing.

PS. If nothing else in ten years I will be able to say "I told you so" but I would rather not.

Donald Muckerheide

