

south mountain

COMPANY

TO: Lucy Morrison, MVC, and Pam Thors, West Tisbury ZBA
FROM: John Abrams and Beth Kostman, South Mountain Company, Inc.
DATE: June 3, 2019
RE: Proposed South Mountain Company Expansion Narrative

Introduction

This information is an accompaniment to South Mountain Company's (SMCo) application for expansion. With the success in recent years of the South Mountain Company (SMCo) solar business and the expansion of the SMCo architectural practice, SMCo has out-grown its current facility.

SMCo is proposing to expand its facility by:

- Adding a 3,600 SF lumber storage and shop space
- Adding a 600 SF solar components storage building
- Convert existing shop space to meeting space and office, and existing lumber storage space to shop space
- Infrastructure improvements as shown on plan include:
 - Increase parking spots from 35 to 40
 - Clear additional 12,000 SF of wooded area
- Raise allowable number of full time employees on site to 24
- Remove temporary 1350 SF temporary hoop building
- Net building area gain = 2850 SF

History:

- 1998 MVC and WT ZBA approved original DRI proposal: +/-10,000 SF building, 12 full time employees allowable on site
- 1999 completed and occupied
- 2004 applied for expansion: MVC determined non-concurrence, remanded to ZBA. ZBA approved 2700 SF expansion and allowable number of full-time employees was raised to 18.
- 2005: completed 2300 SF of 2700 SF approved (remainder has not been built)
- 2010: added temporary hoop building 1350 SF with approval of Ernie Mendenhall (WT building inspector)

Traffic

In 2005 the MVC installed automatic traffic recorders on Stony Hill Road, on Red Arrow Road (SMC access road) and Rock Pond Road (Island Cohousing access road). The data produced the following predictions about the expansion we were proposing at the time:

- SMCo share of Stony Hill Road traffic would increase from 19% to 23% during off-peak season and 10% to 12% during peak season
- Weekday Red Arrow Road trips would increase from 110 to 140
- Mike Mauro has agreed to do some updated counts. It would be valuable to compare current use. It is also important to note that SMCo has financial incentives for employees to bike, walk, and VTA to work which may mitigate increased traffic.

Waste Disposal

The SMC facility uses composting toilets and a greywater irrigating system. The system was experimental, and we have been monitoring flow for 19 years, reporting monthly to the Board of Health. The system, designed by Kent Healy, has a capacity of 162 gallons per day. It has been problem-free with average flow over many years of 20-24 gallons per day. Proposed building occupancy is a 33% increase so there appears to be plenty of additional capacity. Kent Healy has inspected the system and we have submitted his report.

Commercial Use with Comprehensive Permit

Christine Flynn has asked for a determination about whether this expansion is allowable in accordance with the Department of Housing and Community Development. The attached letter demonstrates that the DHCD has determined that this issue is entirely in the hands of the local permit granting authority (West Tisbury ZBA).

Chris has agreed to follow-up further with DHCD to make certain that the expansion is allowable under the terms of the comprehensive.

The original commercial use was allowable in an area that is zoned for residential and agricultural use due to the affordable housing component of the project. The expansion should have an equivalent affordable housing component and/or other community benefits. These are detailed below in the Projects Benefits section.

Quarry Hole Decision

The MVC approval for development of the property in 1998 added a condition that SMCo avoid any impacts within 50 feet of a cellar hole on Lot 2 until the West Tisbury Historical Commission had conducted testing in the area. That testing was never completed and WTHC recently indicated that they do not have the expertise to conduct any investigations and recommended we consult with a professional archeologist. PAL Senior Archeologist Holly Herbster reviewed the property in January this year and determined that the depression is unlikely to be a cellar hole or contain any potential Native American artifacts. Her memorandum on the matter is attached.

Project Benefits

South Mountain Company is an employee owned mission-driven company (see attached Mission and Guiding principles). By expanding our commercial ability to operate in our location, the community benefits described below will also expand.

JOBS

SMCo provides excellent full time year round living wage career positions with great benefit packages (including 100% health coverage), profit sharing, ownership potential, and equity accumulation. All employees have an opportunity to buy in as a full owner after working here for five years. Many people stay at SMCo for their careers; during the last seven years five employee/owners retired who collectively represent 150 years of employment. Increasing SMCo size means more jobs, which are some of the best on MV. This is a big plus for MV economic development.

The SMCo wage and salary scale provides that the highest earner receives compensation that is no greater than four times the compensation of the lowest paid employee. This is rare, and this is part of what allows SMCo to create true living wages for all.

AFFORDABLE HOUSING

Affordable housing has always been a high priority for SMCo. SMCo was instrumental in the creation of the Island Affordable Housing Fund and the Island Housing Trust. SMCo has raised millions of dollars from our clients to support MV affordable housing efforts.

During the past 25 years, SMCo has designed and built, at reduced rates, in excess of 35 units of subsidized permanently affordable housing.

In addition, SMCo provides cash Housing Grants of as much as \$20,000 to employees who need down payment assistance or other help with home construction or purchase. Since this policy was instituted, we have awarded 13 grants for a total of \$162,000. 90% of SMCo employees own their own homes; the remainder have stable caretaking or rental homes.

CHARITABLE CONTRIBUTIONS

SMCo commits 10% of net profits to charitable donations. Most of the donations are to local organizations, with an emphasis on land conservation, affordable housing, social services, and renewable energy. This has amounted to \$370,000 over the last ten years.

PRO-BONO & DISCOUNTED WORK

SMCo commits another 10% of net profits to pro-bono and discounted work. This too has amounted to \$370,000 over the past 10 years. Some of the recent beneficiaries of this policy are Camp Jabberwocky, Martha's Vineyard Community Services, and the MV Public Charter School.

COMMUNITY WORK & COMMUNITY INVOLVEMENT

Each SMCo employee is eligible for four hours of paid community work (of their choice) each year. It is part of the mission of SMCo to encourage and support community involvement on the part of its employees and owners. Many serve the community in diverse ways. SMCo employees are involved in town governments, serve on the Martha's Vineyard Commission, and serve on many non-profit's boards.

LOCAL BUSINESS SUPPORT

SMCo is a strong supporter of local businesses. We try to patronize as many Vineyard suppliers and subcontractors as possible, which strengthens our local economy.

EDUCATION

SMCo educates in many ways. We teach, we speak, we write, we learn. We share documents we have created, we advise other businesses, and we share knowledge with a large network of practitioners regionally and nationally. The knowledge that comes from these connections comes back to the island and is shared liberally.

We engage in programs with the local schools; this year alone we have done educational programs in the Edgartown School and the Montessori School. We often host interns from various local schools.

GOOD NEIGHBOR

SMCo has actively worked to be a good neighbor during its 20 years of occupancy at this site. SMCo voluntarily pays 9 of the total of 72 road association shares (12.5% of the total), even though SMCo mostly uses just a very small fraction of the road. SMCo hosts road association meetings and provides large quantities of woodchips and kindling to area residents. As far as we can tell, we have a positive impact on the neighborhood.

In addition, the MVC staff has made the valid point that the only reason the commercial use was approved in 1998 was as an ancillary to the important affordable housing contribution of Island Cohousing. Their point was that as we expand, we should also expand our contribution to affordable housing.

Affordable Housing Contribution

The reason the commercial aspect of the Island Cohousing/SMCo comprehensive permit was allowed in 1998 was due to the affordable housing aspect of the project. As we expand, it stands to reason that our affordable housing contribution should expand commensurately. As noted above, SMCo contributes to MV affordable housing efforts in many ways, more than any other island business. But perhaps there should be a specific contribution associated with this expansion, with the understanding that this contribution might limit our other contributions.

In 1998 \$300,000 in subsidies was raised for Island Cohousing affordable housing units. Today we are proposing to expand our business by approximately 30%. A dollar in 1998 is worth approximately \$1.50 today. We propose, as part of this project, to donate \$150,000 in cash and/or pro-bono services to one or more affordable housing projects and/or initiatives, to be selected by us. We propose that this housing contribution will be completed within five (5) years, and that an accounting of the contribution will be provided to the MVC and must be approved by the MVC before the condition will be considered satisfied.