

Hob Knob Hotel & Spa

128 Main Street, Edgartown, MA 02539

January 21, 2021

Re: Hob Knob and 124 Main

Dear MVC Commissioners:

My name is William Booth and together with Diane Carr we are two of the owners and the Managing Partners of VIC MV Hotel LLC and The Hob Knob. Thank you for the time and work that has been expended on this projects behalf. These have been extraordinary and challenging times. We appreciate your effort.

The purpose of writing is to provide an introduction to me and Diane as well as to respond to the objections to the repositioning and change of use at 124 Main Street. We are respectful of peoples rights to have an opinion and do not begrudge them if there are opposing positions. However over the past 9 months, several Zoom meetings and a number of letters – there has been a fair amount of misinformation, supposition and untruths put forth by some opposed to our efforts to increase our business. We will respond with facts, experience and real information. Just because someone says it and repeats it over and over...doesn't make it true.

I am 60 years old and have enjoyed an investing and managing career in real estate. I grew up in Michigan; went to university and lived in Colorado. I met my wife in college, we've been married for 35 years and raised three children in Southern California. My first trip to the Cape and Martha's Vineyard was in 1973. As an aside, my aunt and uncle owned an inn on Nantucket many years ago. I was reintroduced to the Vineyard in 2014 when Maggie White, after 20 years of custodianship and ownership of Hob Knob, put her property and business up for sale. Like many others before me we have fallen in love with Martha's Vineyard and Edgartown in particular. I have two partners who own homes in Edgartown and a few friends in California who own second homes on the island as well. My parents who are in their late 80's, my sister's family from London and France, my brother, my wife's parents and siblings have all visited the island during the past 5 years.

Diane Carr and her husband are investors in Hob Knob. Diane has spent 25 years in the hotel and food-service business. Diane has worked every key position in hotels. The Carr's moved to Martha's Vineyard 6 years ago and make Edgartown their permanent home. They are regularly visited by their children and grandchildren. Diane's extended family are part-time residents of Edgartown as well. Diane is a professional hotel manager and executive. Diane exhibits great pride and passion executing her role at Hob Knob.

VIC Partners LLC is the name of one of our companies. VIC doesn't have an esoteric origin or meaning other than my wife's name is Vicki Ueberroth Booth and her fathers name is Peter Victor Ueberroth. We derived VIC from the two of them at their suggestion. VIC Partners primary role is to act as a vehicle for transactions and acquisitions. My and my partners primary business is the investment, ownership and management of lodging and leisure properties. It is

our mission and intent to buy, manage and hold excellent lodging properties in outstanding high barrier markets for the long term. We purchase properties with a conservative combination of debt and equity. In the past 20 years we have owned and/or managed over 20 hotel properties. We operate the businesses to cash flow positively and appreciate in value over time. It is our desire to acquire properties in locations where we wish to spend business and leisure time. Another example with a similar location to Hob Knob is our property in Telluride, Colorado. Like Hob Knob, a long-term investment, manage and hold hotel property. We purchased Hob Knob with investment partners from Margaret White in 2015 for several million dollars in total consideration. We are going into our 6th year of operation. Diane Carr is a significant owner and the lead manager/executive at the Hob Knob property and business.

A question people regularly have for us is why do you do what you do? The answer is because we love what we do; and we're passionate about our properties, employees and guests; and because we do it well.

The following are brief descriptions of the primary objections taken from letters posted to the commission regarding this project and our responses. As discussed we respect peoples right to object, but we object to false information and the emotional drama that is intended to cause.

- 1) "The expansion will cause traffic issues" – we agree there will be additional activity, however not additional traffic. The traffic on Tilton Way is primarily caused by a change in patterns at the corner of Main Street and Peases Point Way. Tilton Way is used as a cut-through by both residential and commercial traffic, all day long. Very rarely are there cars that cannot be counted on two hands that belong to houses or the Inn on Tilton Way. Hob Knob does not have food delivery trucks. The additional traffic caused by the 124 Main expansion would be minimal, as is the case at the hotel today. We have a lot of experience with living and working on Tilton Way. Hob Knob guests are not heavy users of personal automobiles while on the island.
- 2) "Parking isn't adequate" – the parking requirement at Hob Knob peaks during the months of July and August. During those two heavy tourist months the parking supplied by Hob Knob to our guests has always been adequate. With the additional expansion at 124 Main the design has doubled the amount of parking. By our experience, this will be more than adequate for our guests to park. The majority of our guests don't bring a car onto the island. We discourage guests from bringing cars. We do not park guest's cars in the street...ever. In an effort to further mitigate the unlikely potential of a guest backing out onto Tilton Way we will have a valet parking attendant during peak periods.
- 3) "Massing, too many people/guests, too many additional guestrooms" – massing is a term of art used in architecture to describe scale as it relates to height and floor area. We believe, in relationship to certain neighbors, we are lower in height with less floor area and more open space. To deny us after approving others wouldn't seem fair. We are increasing the number of rooms by 10 guestrooms above what is currently allocated at 124 Main, which in-turn will increase the floor area and increase the number of potential guests on the property.

At peak tourist travel periods during the summer, without exaggeration, thousands of people pass by our property and by 124 Main Street each day on foot, by car or truck, by bus, by moped or Vespa and on bicycles. Thousands. We are adding an additional 8

rooms at 124 Main over what currently exists plus two rooms at 128 Main over what currently exists. That is 10 additional rooms in addition to what currently exists. We have on average 2 guests per room during peak season ONLY, equaling 20 additional people per day over what is existing. We run an 85% occupancy during peak months. 85% of 20 guests equals 17 people per day total during July and August peak season. If you add the 7 bedrooms that currently exist at 124 Main to the total new guest rooms, you only add an additional 12 people. In total, during the 2 peak months where literally thousands of people pass by our front doors each day, we are adding **29 TOTAL PEOPLE** to the island and Edgartown. In the off-peak months it is less, to far less, to immaterial. We are discussing 29 people each day for 2 months before it declines. Those are real numbers. People do not come to Martha's Vineyard to sit in their rooms. They are mostly away from the property except in the morning and to retire at night.

- 4) Garbage – the garbage has been picked up on generally the same schedule for 25 years. Our apologies for not inviting our neighbors over earlier to understand this issue. Regularly we find trash in our enclosed trash cans and dumpster that does not belong to the hotel. Never have we complained and always we've paid to have it dumped. Seasonal residents/neighbors sometimes don't wish to call the garbage truck for a few bags of trash. As such, they end up in our receptacles. No complaints.
- 5) "Values" – Hob Knob spends a significant amount of money every year on the landscaping installation, exterior appearance, landscape maintenance, painting, lighting, fencing and overall sense of arrival. We are or rival the best maintained property abutting Tilton Way. The design of the 124 Main is beautiful and fitting and will enjoy the same extensive attention to detail as Hob Knob. There are properties with deferred maintenance and require investment that may slightly reduce the property value on Tilton, but it isn't Hob Knob and it wouldn't be 124 Main after we are finished renovating.
- 6) "Noise and Weddings" – we do occasionally have a boisterous guest, however the vast majority of the noise is coming from late night and morning traffic on Main Street and Tilton Way, verses our guests. Hob Knob hosts a hand full of elopements each season totaling 4 people each in our garden. We are not a wedding venue nor will we be a wedding venue. It is simple, we lack the facilities to cater to this use. Period. Although Hob Knob isn't naturally set up for families, we do get children from time to time.
- 7) "Employee housing" – we want to help. By adding the 4 employee rooms we are spending targeted money on the issue and it does provide a good solution.

Hob Knob is a very good service business that needs to keep up with the market. Service businesses need to grow or eventually they die. Although it isn't apparent to those who oppose the addition of rooms to Hob Knob, Edgartown is under supplied. The rooms we are proposing are considered Upper Upscale to Luxury as is fitting to our guest, Edgartown and the island. The majority of money made each year is during 4 months. We need these additional rooms to compete in the market. Our discerning guests pay a high rate for our rooms and services. Our guests have a high average spend per day. Our guests are typically wealthy and older.

Not unlike the other hotels on Martha's Vineyard, Hob Knob has contributed millions of dollars over the past 5 years to the immediate community through, taxes, wages, banks, utilities, local businesses & vendors, retail establishments, supply businesses, fees, service providers and of course through donations. Diane volunteers her time and Hob Knobs resources to numerous island events and causes all year round. We buy locally. We always participate. We are good civic participants and we are good neighbors. We are asking for the opportunity to grow and do a bit more of what we love to do. This has been a challenging year for the hospitality industry. Many businesses have not survived, but Hob Knob has. Please support us as well as the other lodging businesses on the island.

We welcome well intended feedback and questions. We welcome visitors. Please email us or call. The email and telephone number is on our website.

Thank you and kind regards,

Bill Booth & Diane Carr

Hob Knob Hotel & Spa