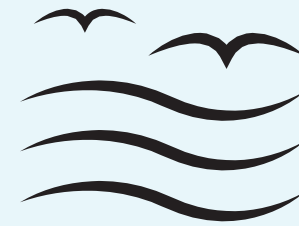


# Edgartown Gardens

Affordable & Market Rate Rental/Ownership  
Housing Development



Edgartown, MA

August 2023

## SUMMARY



- Edgartown Gardens LLC, a newly formed Massachusetts limited liability company and its partners have site control of 266 & 270 upper main street, 3.1 acres of residential zoned land in Edgartown.
- The Atwood Company is partnering with the owners of 268-274 upper main street, to develop an “in-town” 55+ ownership community apartment housing with 66 units – thus addressing missing-critical community needed smaller homes within walking distance to the village and its services.
- Edgartown Gardens is applying for approval with MassHousing under Massachusetts General Laws Chapter 40B that supersedes all local zoning use and dimensional requirements.
- The owners are seeking to collaborate with the Town of Edgartown to provide preference to Edgartown employees, businesses and residents for up to 70% of the affordable units, the maximum allowed by law.

## Development Concept



- A for-sale 40B development.
- Initially, up to 50% of the units would first be rentals in-order to quickly stabilize the project. Once stabilization is achieved, the rental units would be sold, and the units would be offered first to the existing occupants/tenants.
- All 66 residential homes will be rented/sold as follows:
  - 25% of the units below 80% of AMI
  - 75% of the units will be market rate homes
- 17 of the homes will be permanently deed restricted to residents 55+ of age who earn below 80% of the Area Median Income.
- All home sales and tenant/occupancy will be certified by a state appointed monitoring agent annually and prior to a sale.
- The rental/re-sale prices of 80% AMI homes and qualifying buyers, will be restricted as mandated by the state regulations.
- As a 55+ community, 80% of the homes will be restricted to owners/tenants that are over 55 years of age. Up to 20% of the units will be age unrestricted.



## Affordable Units

- 17 of the homes (11 1-bedroom, 6 2-bedroom) will be permanently deed restricted to residents 55+ of age who earn below 80% of the Area Median Income. We are offering the town up to 70% preference on these units for residents, town employees.
- Initially all rental units would be included on the Edgartown SHI inventory of affordable homes while they are rentals. Only when the market rate units are sold do they become ineligible for the the states SHI inventory.
- An "affordable: sales price/rental is determined such that households spend no more than 30% of their income on housing costs.
- The chart below is approximate, prescribed by regulation, and will change:

• Unit	Max income	Rent <small>(ex utl.)</small>	Sale Price
• 1-bedroom	\$84,200	\$1,582	\$250,000
• 2-bedroom	\$94,725	\$1,882	\$300,000

Source MHP 2023 AMI Dukes County \$131,600

## Current Situation



- The current median priced home on the Island is approximately \$1,600,000. In Edgartown, that price is \$1,750,000.
- The increase in home prices on the Vineyard has become disconnected from Islander's incomes, resulting in a structurally dysfunctional housing market that inflicts significant pain on the community, resulting in the migration away of the seniors, lower and middle class.
- Based on the Dukes County median home price of \$ \$1,600,000, an income of \$350,000-\$375,000, is required to qualify (based on federal DTI laws) for an 80% mortgage with a 20% down payment.
- A common measure of home affordability is home price / median income. For Dukes County this ratio is now 12x. Since the year 2000 this ratio has become significantly worse than it was just 6.8x for Dukes County. Historically, the national average has been 5x, and is currently over 7x.

## Massachusetts Subsidized Housing Inventory (SHI) has been updated with the 2020 Census, and its not looking good for Martha's Vineyard!



In the last decade, every town on the Island has seen its affordable housing stock decrease. Since 2013, Edgartown's number of qualified affordable homes has decreased by 22%. Edgar town needs 190 new affordable homes. The island needs **670 units** to comply with state housing policy.

### Martha's Vineyard Affordable Housing Inventory - 2013 vs 2023

<u>Town</u>	<u>2013 Actual</u>				<u>2023 Actual</u>			
	<u>2010 Census Year Round Homes</u>	<u>SHI Inventory</u>	<u>SHI As % Inventory</u>	<u>Required Affordable Units*</u>	<u>2020 Census Year Round Homes</u>	<u>SHI Inventory</u>	<u>SHI As % Inventory</u>	<u>Required Affordable Units*</u>
Aquinnah	158	41	25.9%		Aquinnah	215	33	15.3%
Chilmark	418	3	0.7%	43	Chilmark	592	0	0.0%
Edgartown	1,962	94	4.8%	114	Edgartown	2,440	73	3.0%
Oak Bluffs	2,138	158	7.4%	62	Oak Bluffs	2,518	118	4.7%
Tisbury	1,965	123	6.3%	82	Tisbury	2,360	136	5.8%
West Tisbury	<u>1,253</u>	<u>38</u>	<u>3.0%</u>	<u>97</u>	West Tisbury	<u>1,619</u>	<u>23</u>	<u>1.4%</u>
M.V. Total	7,894	457	5.8%	<b>397</b>	M.V. Total	9,744	383	3.9%

\* Unit Shortfall/0.9 as 10 new affordables requires 1 new affordable  
Source DCHC

## Current Situation – Analysis what the SHI numbers say and don't say



- Edgartown's year-round homes (1,962 to 2,440) increased by almost 500 in the last decade from 2010 to 2020, or 24% versus only 14 total incremental dwellings in Edgartown for the same period. This data from the 2020 census indicates more than 97% of the growth is from seasonal residences converting to year-round residences.
- Even with the recent approval of Meshacket Commons affordable housing project, Edgartown was closer to their affordable housing target in 2010 than in 2020.
- The entire island was closer to their affordable housing inventory target in 2010 than in 2020 with 5.8% versus today's 3.9% SHI.
- Edgartown is experiencing a “perfect” housing storm:
  - A substantial reduction (-22%) in affordable housing units.
  - A substantial increase (+24%) in occupied year-round residents (non-affordable).
  - The impact of “Reverse/Upward Filtering” a form of gentrification, that is decimating housing for the middle class on-island.

## Current Situation – “Reverse Filtering” is having a dire impact on Martha’s Vineyard as a community



- In well-functioning housing markets, middle-income families shouldn't need subsidies. Martha’s Vineyard is structurally a dysfunctional housing market because of a phenomenon known as “reverse filtering” or “upward filtering”.
- “filtering” — the process by which properties age and depreciate in quality and price, becoming more affordable to lower-income households — not new construction, is “the primary mechanism by which the housing market provides affordable supply. This dynamic reduces options for lower- and middle-income residents.
- On island where regulations make new developments particularly difficult, more capital has been flowing into rehabilitation of existing older properties and areas that were once considered less desirable locations. There is less permitting risk, because they generally don’t require ZBA or MVC approvals.
- Edgartown Gardens will benefit the town and island in two distinct ways:
  - 1) 25% of the units will permanently be deed restricted as affordable
  - 2) The market rate units, 1&2 bedrooms are expected to be purchased by buyers looking to downsize their living arrangements and thus freeing up larger homes.



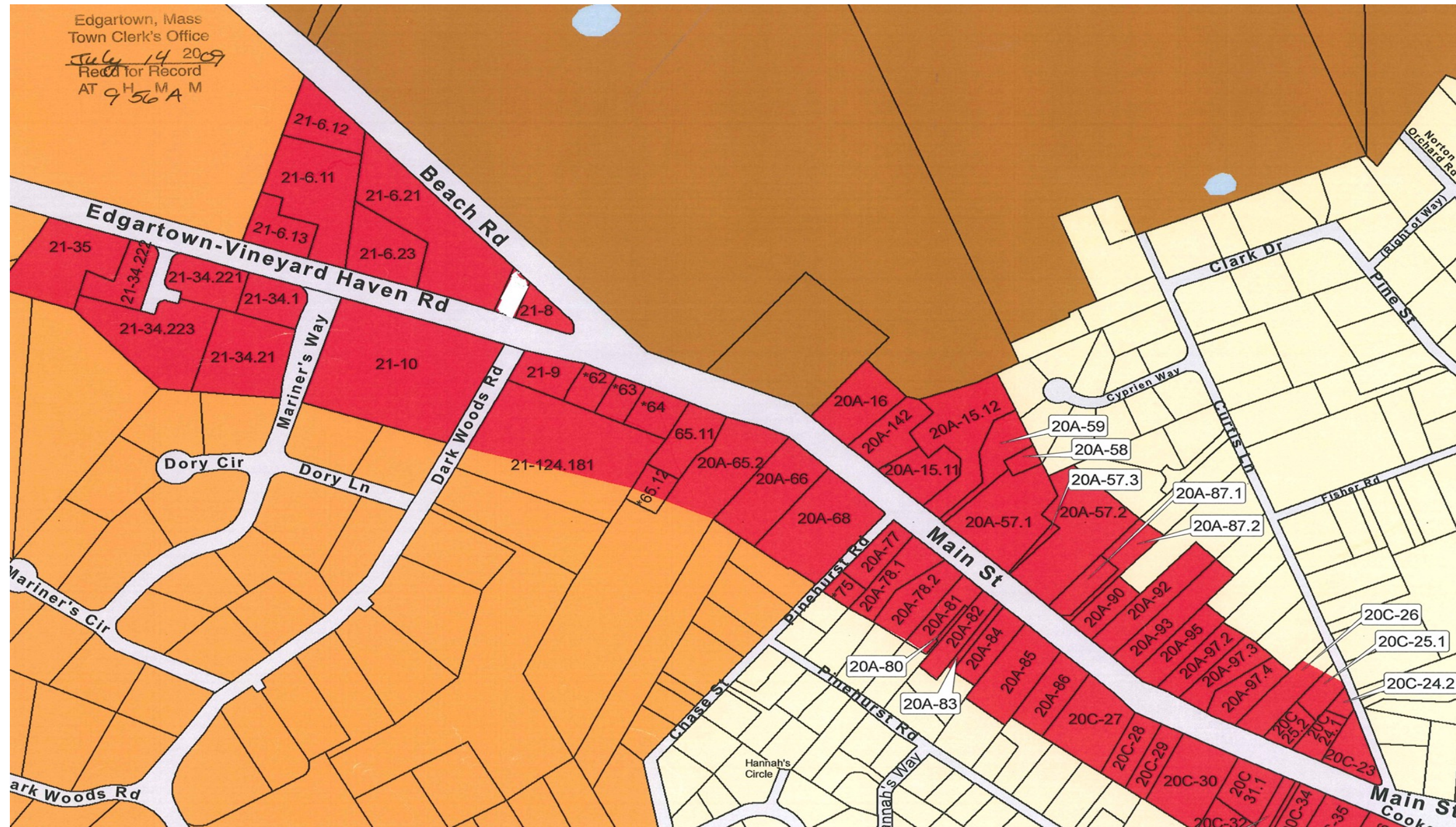
## PROJECT Locus Map – 266 & 270 Upper Main Street



- The housing development location is the center of upper main street within walking distance to the towns' services.
- There is a community need for smaller homes within walking distance to the village and its services.



# Edgartown Zoning Map



Zoning	
<span style="display:inline-block; width:15px; height:10px; background-color:red;"></span>	B-II
<span style="display:inline-block; width:15px; height:10px; background-color:yellow;"></span>	R-5
<span style="display:inline-block; width:15px; height:10px; background-color:orange;"></span>	R-20
<span style="display:inline-block; width:15px; height:10px; background-color:brown;"></span>	R-60
<span style="display:inline-block; width:15px; height:1px; border-bottom:1px solid black;"></span>	Parcel Boundary
<span style="display:inline-block; width:15px; height:1px; border-bottom:1px solid black;"></span>	Roads

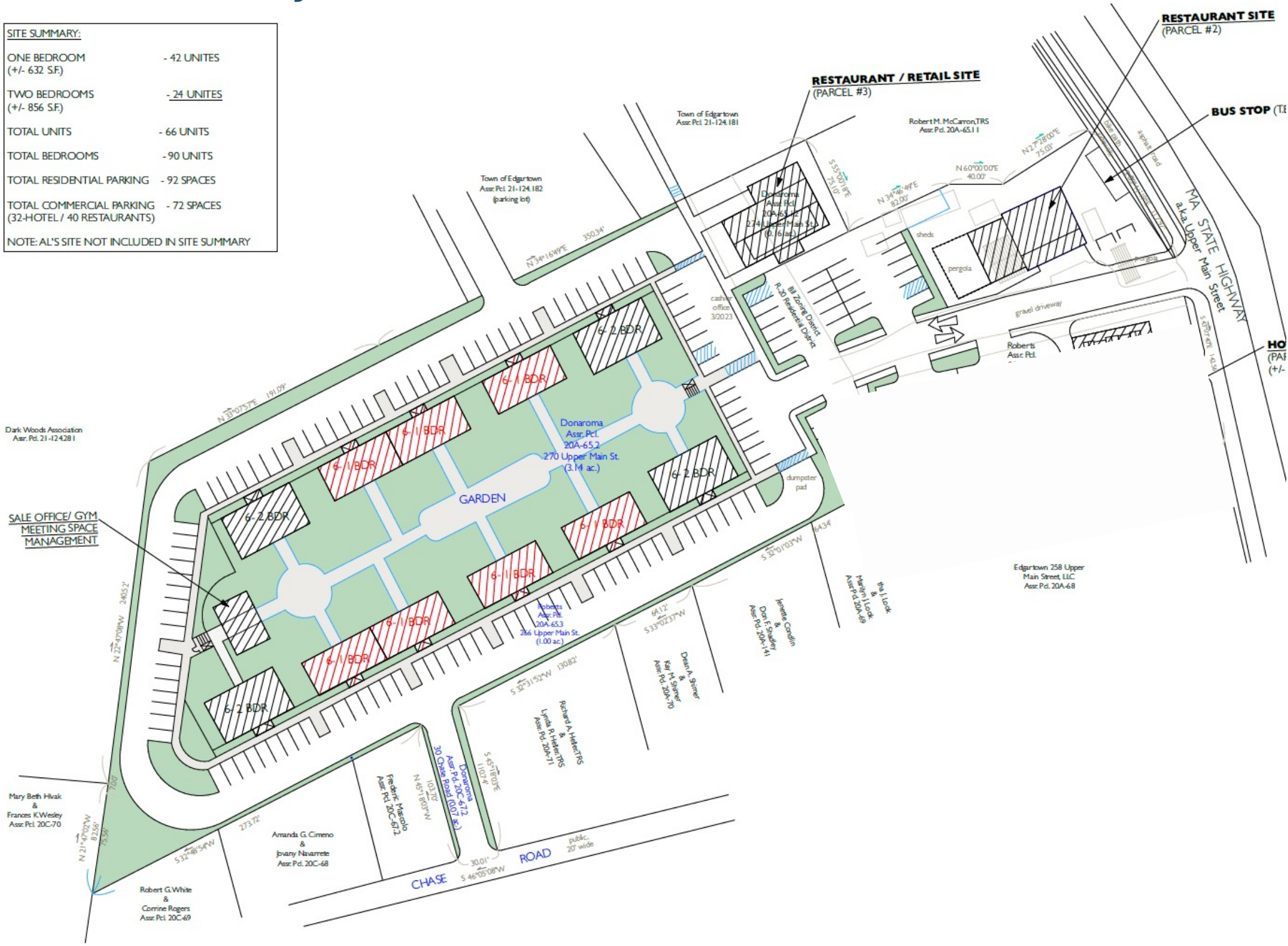


# PROJECT - Project Site Plan

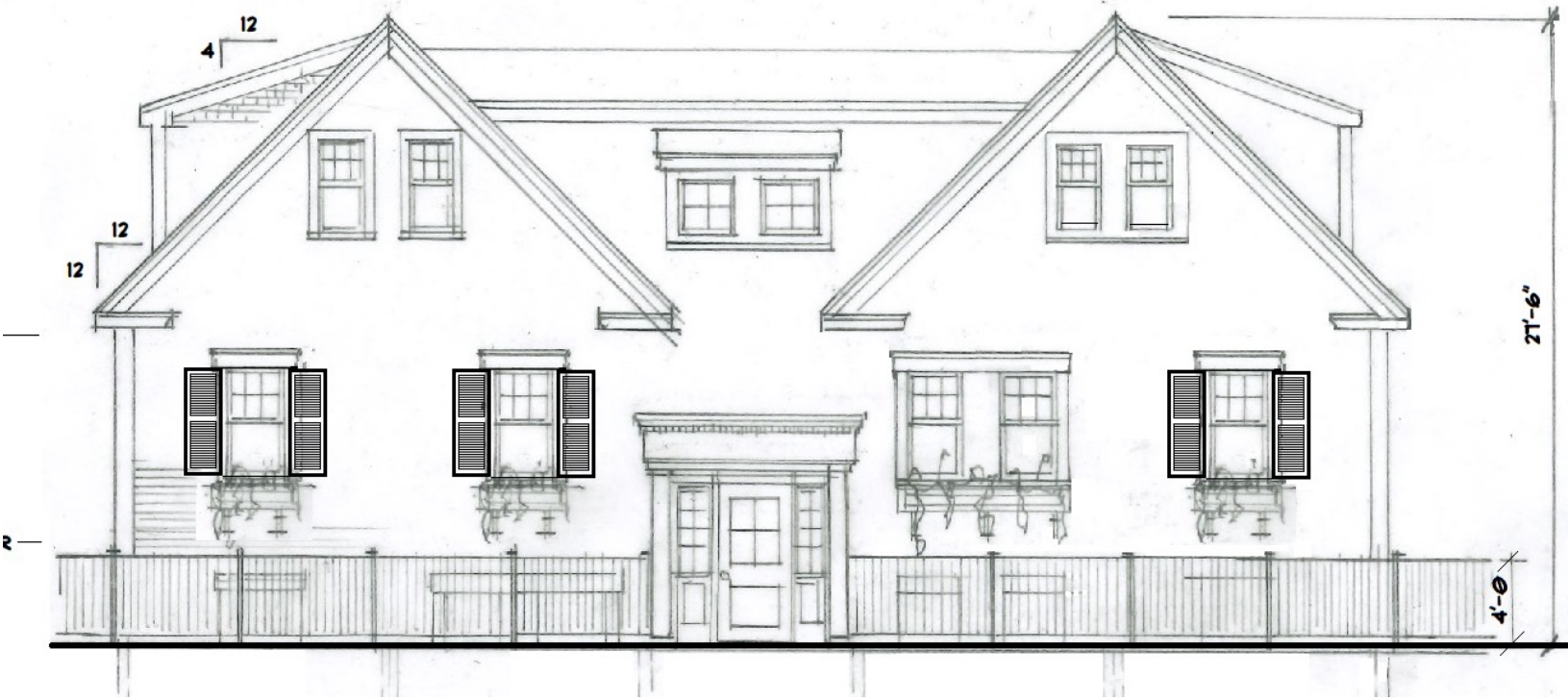
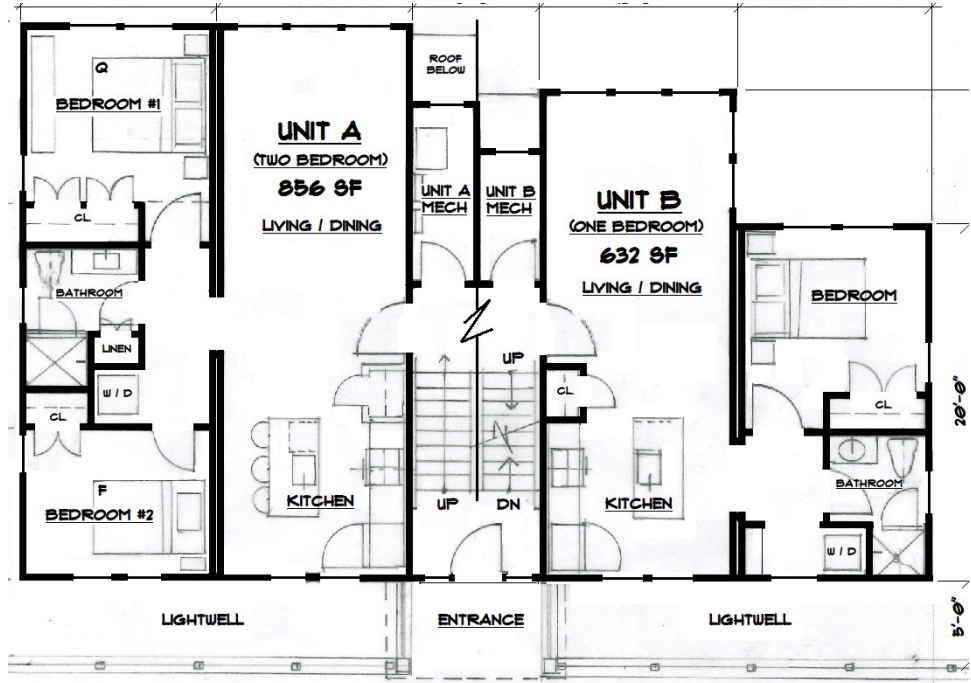
**SITE SUMMARY:**

ONE BEDROOM (+/- 632 SF)	- 42 UNITS
TWO BEDROOMS (+/- 856 SF)	- 24 UNITS
TOTAL UNITS	- 66 UNITS
TOTAL BEDROOMS	- 90 UNITS
TOTAL RESIDENTIAL PARKING	- 92 SPACES
TOTAL COMMERCIAL PARKING (32-HOTEL / 40 RESTAURANTS)	- 72 SPACES

NOTE: AL'S SITE NOT INCLUDED IN SITE SUMMARY



# PROJECT - Project Floor Plan & Elevations



# PROJECT - Project Floor Plan & Elevations

