

## **Livelihood/Commerce Work Group Core**

Meeting Notes of April 4, 2007, 3:30 pm, MVC Office

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### Present

*Members of the Core: John Abrams (Chair), Steve Bernier, Sherm Goldstein, Caroline Fenske, Linda Sibley, Sean Welch*

*Others: Art Flathers, Harriet Bernstein, Mimi Davisson, Jeff Kristol, Mimi Davisson*

*MVC Staff: Mark London, Christine Flynn*

### **1. RFQ for Economic Consultant**

- We have received four proposals. John Abrams, Caroline Fenske, Sherm Goldstein and Mark London will review the proposals and make a recommendation to the committee.

### **2. Ready-To-Implement and Long-Term Initiatives Summaries**

- It was suggested that the wording of the proposal on community-owned generation and distribution of energy be revised. It would be useful to discuss this with the Energy/Waste group.

### **3. Local Economy Checklist**

- We could distribute this at the Living Local event, possibly only including the items for individuals. We need to clarify the document's status. We can discuss this at next week's Steering Committee.

### **4. Art Flathers**

- John explained that Art Flathers had been invited to meet the group as a result of his submission of a number of suggestions.
- Art distributed and walked the group through a document, "Some Island Plan Thoughts; With Some County Charter Flavor" (appended). It touches on a wide range of issues including: demographic, transportation, real estate and business changes; property taxation (including large areas of untaxable land); duplication of services (ten police departments), fragmented leadership on the Vineyard; etc.
- Art said that we should recognize many cooperative efforts on the Island and suggested that cooperative ventures may be the best way to deal with many issues.
- Art suggested that zoning is archaic and should be changed reflect the Vineyard we want, with higher density in walking distance from town centers, a look at the fringe areas around town edges, and different rules for country areas. Others said that 3-acre zoning was put in with the best of intentions in the 1970s, without necessarily realizing the unintended consequences of roads and lots across rural areas.

- In response to comment/observation regarding the economies of scale associated with 10 police entities on the Island, Art said that productivity is the issue. Productivity improvement, which is what is desired, is made up of economy of scale, quality of management and of workforce, 20%; new technology and capital investment, each 40%. We should recognize while capital investment is primarily for capacity reasons, it also has elements of new technology.
- Art suggests that the low cost of excursion rates relative to truck costs encourages shopping off-Island. The minimal cost to get off of the Island acts as an incentive to shop there. He stated that retail sales per capita on Nantucket, whether based on either island's year-round or seasonal populations, are large, 40-70% higher than the Vineyard. Others suggested that the excursion rates offer other benefits for Vineyarders and that the extra cost of transportation is only a marginal explanation for higher costs on Island. This would merit a further discussion.
- Art said that Nantucket is half the size of the Vineyard in total area, and with land in conservation closer to a third the area of the Vineyard. Nantucket does not have a 3-acre zoning restriction or any equivalent limitation, and yet has annual real estate turnover in excess of twice the Vineyard's at \$1-1.2 Billion a year.
- Art said that four things we should know are:
  - Why are per capita retail sales so much higher in Nantucket than here?
  - What is the impact of the fact that our towns are much more politically and economically interrelated than adjacent towns in most other areas?
  - How can incentives work?
  - What is the true impact of escalating real estate values?

## **5. Upcoming Meetings**

- Linda will call a small group together to plan this meeting by identifying issues to discuss and people to invite to the Livelihood meeting. [Note: It was subsequently decided to do this at the next Core meeting.]
- Wednesday, April 11 at 3:30pm at the MVC – Livelihood, [Eco-Cultural Tourism subsequently added]
- Wednesday, April 18 at 3:30pm at the MVC - Local Currency with Susan Witt,

*Notes prepared by Mark London*

# **Some Island Plan Thoughts**

**With Some County Charter Flavor**

**Art Flathers**  
**April 2007**

## **The Big Factors**

**Massachusetts & Metro-Boston Dominate the State**  
**Cape Cod Controls Access to Vineyard & Nantucket**  
**Martha's Vineyard is an Island more than a COUNTY**  
**Vineyard and Individual Towns are "COMMUNITIES"**  
**Regional & Local Governments are "Turf Protecting"**  
**Year-Round and Seasonal Populations Nearly Equal**  
**Summer Population 5 times Year-Round at the Peak**  
**Vineyard's Real Estate Value Up 5 Times Since 1990**  
**Seasonal Residents Pay Approximately 80% of Taxes**  
**Property Value Impacts Cost of Living Multiple Times**  
**Education is Approximately 40% of Island's Expense**  
**Massachusetts Franchises Towns, and NOT Counties**  
**Island's Per Pupil Education Formulas "Cooperative"**  
**Lessons to be Learned from Private/Corporate World**  
**Franchising Represents Nearly 20% of "Retail Sales"**  
**Cooperation, Collaboration & Cooperatives - Players**  
**Steamship Authority & MV Commission are Governors**  
**- Primary People, Goods and Land Influencers**  
**Vineyard's Authority Fare Structure Impacts Leakage**  
**Commission Influenced Zoning Drives Cost of Living**  
**Weak Island Governance Structure Limits Cooperation**

## Some Important Statistics

### Authority Traffic to Vineyard in 2005

	Since 1990	2000
Seasonal Passengers	+27%	-1%
Maximum on Island	+37%	+11%
Automobile Traffic	+16%	-1%
Truck Traffic	+41%	+19%
Pick-up Trucks	+ 82%	+34%
Freight Traffic	na	+4.5%

### SSA Commodities in Season (2003-2005)

Food	30%
General Freight	25%
Construction	18%
Trash	14%
Fuel (gasoline)	9%

### Median Household Incomes

	2000	2005
Massachusetts	\$49,356	\$45,053
Metro Boston	54,992	49,001
Plymouth County	52,548	49,369
Cape Cod	42,140	40,793
Vineyard	39,332	39,296
Nantucket	53,000	40,851

### Vineyard Property Values (S&MM)

	Taxable	Non Taxable
Aquinnah	\$610M	\$50M
Chilmark	\$2.9B	\$135M
Edgartown	\$6.4B	\$530M
Oak Bluffs	\$2.8B	\$220M
Tisbury	\$2.7B	\$175M
West Tisbury	\$2.6B	\$385M

### Major Non-Taxable Property

Town's Property	\$411M
Sheriff's Meadow	266M
Massachusetts	197M
MV Land Bank	142M
Trustees of Reservation	96M

## Elements of Charter Commission and Island Plan

- 1) Geophysical Structure acknowledging county's multiple island nature; recognizes the height and aquifers; extensive natural features; and Vineyard's varied estuaries.
- (2) Governance Structure in terms of County and Town governments; major island agencies such as MV Commission, Steamship Authority, Community Services, etc.
- (3) Administration, Integration, Communication and Organization with emphasis on public safety including emergency management in natural and man-made disasters.
- (4) Personnel, including volunteers, are most important resource beyond time and before money available to perform island-wide and island town's various activities.
- (5) Property owned by county and towns; other government property; conservation lands; non-taxable properties; commercial property; restricted and residential land.
- (6) Planning carried out by various layers of government from developers and towns to island-wide conservation and environmental entities to the MV Commission itself.
- (7) Culture [Population] of year-round and seasonal residents; tourists and guests; daily/weekly commuters; self-employed; seasonal employees; Brazilians, and other.
- (8) Education from early childhood to grammar school; middle school (non-existent) to secondary school to vocational/technical school to higher education to a lifetime.
- (9) Economic Structure in terms of land values; influences of zoning; turnover of real estate; development & construction; extent of private economy; role of government.
- (10) Health Care including birth & child care; overall medical services; hospital care; life skills; physically & emotionally challenged; elder care; emergencies and hospice.
- (11) Natural [History] geophysical evolution of island(s) from glacial times to native people's habitation to past 400 year history to preserving of unique natural heritage.
- (12) History, highlighting native peoples; agricultural & aquaculture; whaling roles; advent of tourism; second home development; retirement; and "computing to work".
- (13) Transportation is a lifeblood of society, and much more so for any island that depends on mainland for necessities of life including those attracted to **this place**.
- (14) Private Sector including Businesses and Workforce are essential elements of a society and dependent on overall community infrastructure, particularly on an island.
- (15) Energy efficiency of buildings and transportation offer limited island opportunity.
- (16) [Solid] Waste is large percent organic that composted is a useful plant nutrient.
- (17) Water, as nature's lifeblood is abundant on island but salt water is fragile asset.
- (18) Housing is really shelter, and land value is island's limiting and exploding factor.
- (19) Built Environment [Infrastructure] is generally adequate for a rural community.

Finally, there is a factor - unlisted in Island Plan, and governed by unrealistic zoning on the island, namely land use planning, that is the **wild card** driving the Vineyard.

## **SOME COOPERATIVE PROPOSALS - II**

- 1- LEASE AIRPORT TO AIRPORT COMMISSION TO OPERATE AS REVENUE PRODUCER
- 2- AIRPORT TO IMPOSE LANDING FEE TO OFFSET FREIGHT AND VEHICLE EXPENSE
- 3- PUT AIRPORT LAND IN LAND COOPERATIVE ASSESSED TO TOWNS ISLAND-WIDE
- 4- RECOGNIZE EXISTING REGIONAL HIGH SCHOOL AGREEMENT AS A COOPERATIVE
- 5- RECOGNIZE UP-ISLAND SCHOOL DISTRICT AS COOPERATIVE BETWEEN TOWNS
- 6- WEST TISBURY AND CHILMARK LEASE THEIR SCHOOLS TO UP-ISLAND DISTRICT
- 7- TOWNS CONSIDER FORMING COOPERATIVES AS AFFORDABLE HOUSING MEANS
- 8- PUT STEAMSHIP AUTHORITY PROPERTIES INTO AN ISLAND-WIDE COOPERATIVE
- 9- CONSIDER PLACING ISLAND-WIDE UTILITY PROPERTY IN UTILITY COOPERATIVE
- 10- FORM ISLAND'S REFUSE DISTRICTS INTO WASTE MANAGEMENT COOPERATIVE
- 11- PUT NON-TAXABLE STATE AND FEDERAL LAND IN ISLAND-WIDE COOPERATIVE
- 12- PLACE HISTORICAL AND PRESERVATION PROPERTY INTO ISLAND COOPERATIVE
- 13- PLACE ISLAND-WIDE BENEFIT CONSERVATION AREAS IN ISLAND COOPERATIVE
- 14- REVIEW INDIVIDUAL TOWN'S NON-TAXABLE LAND FOR COOPERATIVE OPTIONS
- 15- CONSIDER DEVELOPING AN ISLAND-WIDE HAZARD INSURANCE COOPERATIVE
- 16- CONSIDER A LOCAL TAX ON PRIVATE GUEST ACCOMMODATIONS FOR HOUSING
- 17- ADJUST STEAMSHIP AUTHORITY TARIFFS TO BETTER SUPPORT ISLAND NEEDS

Each town would have option of joining cooperative or not

### **Suggestion: Each Town Inventory Property**

**Federal & State Properties**

**Island Utility Properties**

**Island-Wide Institutions**

**Conservation Properties**

**Inter-Municipal Properties**

**Non-Taxable Properties**

**Transportation Facilities**

**Private Hazard Insurance**

Martha's Vineyard & Nantucket Steamship Authority

Automobile/Straight Truck Fares, Per Foot %

		Martha's Vineyard		Nantucket	
In-Season (less psgrs)	Standard	Auto/Truck	90.4%	Auto/Truck	131.6%
	Excursion	Auto/Truck	57.0%	Auto/Truck	73.1%
	Excursion	Auto/Truck	25.5%	Auto/Truck	38.0%
Off-Season (less psgrs)	Standard	Auto/Truck	58.2%	Auto/Truck	128.2%
	Excursion	Auto/Truck	35.9%	Auto/Truck	71.2%
	Excursion	Auto/Truck	2.8%	Auto/Truck	19.2%

Automobile/Tractor-Trailer Fares, Per Foot %

In-Season (less psgrs)	Standard	Auto/Tr-Tr	95.4%	Auto/Tr-Tr	188.4%
	Excursion	Auto/Tr-Tr	60.2%	Auto/Tr-Tr	106.7%
	Excursion	Auto/Tr-Tr	26.9%	Auto/Tr-Tr	54.4%
Off-Season (less psgrs)	Standard	Auto/Tr-Tr	59.4%	Auto/Tr-Tr	131.7%
	Excursion	Auto/Tr-Tr	36.6%	Auto/Tr-Tr	73.1%
	Excursion	Auto/Tr-Tr	2.9%	Auto/Tr-Tr	19.7%

**Advantages of Nantucket Fare Structure**

- **Seasonal Standard Automobile Fares Higher/Foot than Trucks**
- **Seasonal Excursion Automobile Fares Higher/Foot than Semis**
- **Seasonal Tractor-Trailer Rate Favors Break-bulk over Trucks**

**Disadvantages of Vineyard Fare Structure**

- **Vineyard Automobile Rates NEVER exceed Truck Rates/Foot**
- **Off-Season Excursion Auto Rates are HALF Comparable Rates**
- **Off-Season Excursion Auto Rate less Passengers <3% Truck**

**THIS IS AN OUTRIGHT SUBSIDY FOR MAINLAND BUSINESSES IN ADDITION TO MULTI-MILLION DOLLAR SSA PAYROLL**



## Dukes County and Martha's Vineyard Power Structure

Dukes County Commissioners	Town Boards of Selectmen	Regional Schools	M-Vineyard Commission	Steamship Authority
County Manager	Town Manager	Superintendent	Exec Director	Member
Dukes County Sheriff	Public Safety Planning/Zoning Treasury/Taxation School/Library	Regional High Up-Island District Charter School	MVC Staff Island Plan Transportation	Port Council SSA Staff Terminals
Dukes County Treasurer	Finance Committee Public Works			

Registry of Deeds

Airport Commission

County Appointees & Staff

County Commissioners are elected at-large with a two/town limit, and subject to budget approval by Town's County Advisory Board. This is a very flat and weak organizational structure where County acts more like another town, and towns with their taxing authority support 40% of county budget and most of remainder furnished by the State through the Sheriff. The Vineyard towns are governed by town meetings and elections of Selectmen and ex-budget approvals. Regional schools are governed by independently elected members from town school boards, and guided by the School Superintendent. Martha's Vineyard Commission is made up of elected and appointed members from Vineyard towns and 5 State representatives with an Executive Director wielding a significant influence. The Steamship Authority member is appointed by the County Commissioners with Port Council members appointed by towns of Tisbury and Oak Bluffs.

Additional inter-municipal agencies and island-wide include refuse two districts and Regional Transit Authority with governing boards. Airport Commission is appointed by County Commissioners, and is operated as a county function without independence afforded the Steamship and Transit Authorities, to the detriment of the island. County appointees and staff frequently act as members of island-wide functions such as Emergency Management, MV Commission, Regional Housing Authority and Regional Transit Authority.

Sheriff's Department includes the Civil Process, Communication Center, Community Corrections, Drug Abuse Prevention, Training and Transportation Divisions as well as House of Corrections and Jail. The Sheriff is also involved with Police Chiefs and Elderly.

### Vineyard's Leadership Structure is Weak and Fragmented