



July 20, 2022

Martha's Vineyard Commission
33 New York Ave
Oak Bluffs, MA 02557
Attn: Alex Elvin

Re: DRI #81-M3 - Offshore Wind Operations and Maintenance Building – 69 Beach Road,
Tisbury (the "Project")

Ladies and Gentlemen:

Vineyard Wind 1 LLC ("Vineyard Wind") is in receipt of the MVC Staff Report dated July 7, 2022 (the "Staff Report") by the Martha's Vineyard Commission (the "MVC") with respect to the Project. The Staff Report contains statements regarding housing for employees working at the Project, some of which are inaccurate. The purpose of this letter is to clarify Vineyard Wind's current commitments regarding employee housing for the Project.

Vineyard Wind has entered into a memorandum of understanding ("MOU") with Delano & Co. LLC ("Delano") in which the parties have agreed to an exclusivity period during which they will negotiate options to lease housing units at properties on Martha's Vineyard to be developed by Delano. The housing that we are making available is and will be affordable to the Project employees.

Pursuant to the MOU, Vineyard Wind and an affiliate of Delano have executed a lease option to lease the entirety of 52 William Street (which will contain 12 bedrooms across 5 rental units) for an initial term of five (5) years with options to extend the lease term for up to an additional twenty (20) years.

Vineyard Wind anticipates negotiating additional options to lease at prices affordable to project employees. In addition to the great relationship that Vineyard Wind has developed with Delano, Vineyard Wind is working closely with a local real estate broker (Jon Hartzband of Hartzband Property Management) to identify additional housing opportunities on Martha's Vineyard.

Please let us know if the MVC has any questions. Thank you.

Very truly yours,

Jack Arruda

Jack Arruda

Project Manager

Vineyard Wind's Comments to the July 7th Staff Report related to the Housing Staff Review and Recommendations as were discussed with staff 7/20 @ 1PM. Comments can be found in the boxes.

Date: 7/20/2022

Housing: Staff review and recommendations

- The proposed project anticipates creating 56 new jobs with 25-34 employees working at one time at the O&M Building.
- The applicant has indicated that they will need approximately 21 beds for employee housing.

This is a current estimate based on our hope to be successful in local hiring initiatives, but the actual beds made available will be reflective of the real number 6 months before certificate of occupancy. As mentioned in the offer: "The Applicant's estimate shall be updated approximately 6 months before the expected date of the Development's certificate of occupancy."

Additionally, as it relates to updating this figure the Applicant has offered the following across the project life: "The actual need shall be measured when the Development obtains its certificate(s) of occupancy. The need shall be re-measured at year 3 and year 5 of the first five years after the certificate(s) of occupancy, and at most 5-year intervals after the first 5 years until 25 years after the certificate of occupancy. The actual need can increase or lower the number of required beds."

- The applicant has submitted a Memorandum of Understanding to reserve several rental housing units at two off-site Island locations from the same landlord:

The MOU, is to serve as one example to evidence that we are working toward the housing commitment that we have made in the offer "to make available offsite beds in dwelling units to accommodate the housing impact of Development employees except those who are living on Martha's Vineyard in market rate housing."

- o Site one is located at 4 State Road which is under MVC DRI review, and Vineyard Wind has potentially 7-10 apartment units reserved.
- o Site two includes 5 apartment units at 52 William Street.
- o The length of the leases is limited to 5 years, and there is no mention of options to renew or any indication of long-term leases.

Under the MOU, Vineyard Wind and Delano have executed a lease option to lease the entirety of 52 William Street (which will contain 12 bedrooms across 5 rental units) for an initial term of five years with options to extend the lease term for up to an additional twenty years.

- The applicant has offered to provide \$2,500 for each bed it does not provide to employees.

Vineyard Wind is confident we have met the MVC Housing Policy requirements through the offering previously provided. The \$2,500/bed/annually to the Dukes Country Housing Authority or an equivalent year-round rental assistance program is only offered in the event Vineyard failed to comply with our offering. Not in place of or on top of a monetary mitigation outlined the Housing Policy.

- The MVC's Housing Policy recommends a monetary mitigation:
 - o Office Use: 18,600 ft² (Main Floor Interior, Support Access, Meeting Rooms/Canteen, Upper Office Floor Area) X 2 X \$8 = \$297,600
 - o Warehouse: 5,900 ft² X 1 X \$8 = \$47,200
 - o Parking Garage: 11,200 ft² X 1 X \$8 = \$89,600
 - o Total Monetary Mitigation = \$434,400

Office Use: 8,540 ft² (Main Floor Interior, Support Access, Meeting Rooms/Canteen, Upper Office Floor Area) X 2 X \$8 = \$136,640
Warehouse: 5,900 ft² X 1 X \$8 = \$47,200
Parking Garage: Should be excluded. It would not be included if it were adjacent to the property. Parking is not mentioned in the Housing Policy. The intensity codes do not include parking.
Total Monetary Mitigation = \$183,840

Monitory mitigation is not the recommended course. Vineyard Wind is not offering both a housing offer and the monitory mitigation for housing.

- Staff housing recommendations are as follows:
 - o At this time, the applicant's Housing offers need further clarification to demonstrate how employee housing will be provided for the life of the project.
 - o Any staff housing units offered by the applicant will need conditions to ensure that the number of housing units offered are for the life of the project, including annual compliance certification. Housing leases should be secured prior to the issuance of a Certificate of Occupancy by the Building Inspector.

As explained in the offer, "The need shall be re-measured at year 3 and year 5 of the first five years after the certificate(s) of occupancy, and at most 5-year intervals after the first 5 years until 25 years after the certificate of occupancy. The actual need can increase or lower the number of required beds."

- o Staff would recommend additional housing mitigation options:
 - Provide on-site dormitory housing for ten beds along with the locker rooms, shower facilities, and canteen.
 - Purchase existing homes or purchase land to develop employee housing.
 - Provide a company-backed mortgage bridge loan for Vineyard Wind employees wanting to purchase a home on-Island.

Vineyard Wind understands these as suggestions after clarification with Christine and Alex.