



*Tim Johnson*

# As Home Prices Rise So Does Need for a Housing Bank

**Julie Fay and Arielle Faria** *Thursday, January 28, 2021 - 12:32pm*

In 2005, the first housing bank initiative on Martha's Vineyard won support from all six Island towns. The idea was to create a bank of money for affordable housing using a transfer fee on most real estate transactions. The Martha's Vineyard Land Bank was the model.

But despite overwhelming support from voters and the Vineyard real estate community, the effort failed in the state legislature after the Massachusetts Association of Realtors lobbied against it.

At the time, the median home sale price on the Vineyard was approximately \$500,000. That was then. This is now. Median home sale prices are over \$1 million; our pandemic-inspired real estate boom has fueled major increases. The need is greater than ever. Meanwhile, there is a dramatically different political climate in the commonwealth and the position of statewide Realtors appears to have softened. Nantucket, Provincetown, Boston, Somerville, Brookline, and Concord have all passed home rule petitions to create housing banks. All are based on transfer fees like the land bank. A coalition of these communities has formed — and we're joining them to begin the process of establishing an Islandwide housing bank modeled after our successful land bank. We are the Coalition to Create The Martha's Vineyard Housing Bank.

Our group of several dozen is broadly representative of the Island community. Among our ranks you'll find selectmen, town affordable housing committee members, county commissioners, business leaders, real estate brokers, young professionals, housing activists and those in need of housing. To date we have formed a steering committee co-chaired by Julie Fay, former Martha's Vineyard Community Services executive director, and Arielle Faria, current administrator of the Edgartown affordable housing committee and a resident of the new Scott's Grove apartments in West Tisbury. They are supported by a diverse cross-section of young and old Islanders from every town.

To meet the goals of the housing production plans created by the six towns in 2018, we need to secure stable housing for hundreds of Island families, couples and individuals, using both existing housing stock and new development. This work will require a long-term funding mechanism.

The new housing bank will be modeled after the existing land bank, with some differences. The most substantive divergences are likely to be:

- That the housing bank will respond to proposals and grant funds for projects rather than purchasing and managing property;
- The exemption level will be significantly higher than the land bank's.

As a new transfer fee paid by the buyers, no identifiable group of people (besides the pool of unidentified future buyers) will be adversely affected — and because this would be an entirely new funding source, it would not tap into or alter existing funding streams like the short-term rental tax or Community Preservation Act funds.

During the first half of 2021, we will meet with affordable housing committees, selectmen, finance committees and planning boards in all six towns. We will form housing bank committees in each town and design the new housing bank, decide the amount of transfer fee, home sales that will be exempt, who will be served, and how the funds will be used. In the time that follows, we expect to create warrant articles in all six towns and bring them to spring 2022 town meetings. If we are successful, we will bring a Martha's Vineyard housing bank home rule petition to the state legislature, where its fate will be determined by our elected representatives. At that point, if it passes, our job will be done and those empowered to run the housing bank will take over.

We're determined to make this happen and are passionately committed to a highly inclusive deliberate process. The land bank, which was the result of an effort just like this one, has successfully enhanced the Island's conservation and public access to land for the past 30 years. It works. We need an Islandwide housing bank to complement it. There's no need to reinvent the wheel! Together, we can get this done.

To get involved, email [ccmvhb@gmail.com](mailto:ccmvhb@gmail.com), or follow along at [@ccmvhb](https://twitter.com/ccmvhb). The other steering committee members are John Abrams, Kimberly Angell Makenzie Brookes, Caitlin Burbidge, Stan McMullen, Elaine Miller, Lucy Morrison, Juliet Mulinare, Doug Ruskin, Christine Todd and Abbie Zell.

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