

O'Connell: 'We have an Island housing crisis'

Former Patrick administration official and current Vineyard resident plays key role in housing bank effort.

By **George Brennan** - April 4, 2022



Dan O'Connell, a former secretary of housing and economic development, has been offering his expertise to the housing bank coalition. -George Brennan

Daniel O'Connell knows a thing or two about housing and the effects it can have on the business community.

When Gov. Deval Patrick was in office, he tapped O'Connell to be the commonwealth's first secretary of housing and economic development. "Gov. Patrick was the first governor to decide to merge the two — thinking they were inseparable," O'Connell said in a conversation with The Times. "Without workforce housing, you can't grow jobs in the state, and he wanted both in the same secretariat, with complementary programs to encourage job growth and provide housing as close as possible to where the jobs were."

O'Connell has been coming to the Vineyard for 40 years with his wife and family. In 2019, he moved to West Tisbury as a full-time Island resident.

Doug Ruskin, president of the Island Housing Trust board, and John Abrams, CEO of South Mountain, knew they had a valuable resource living on the Island. When the Coalition to Create the MV Housing Bank steering committee formed, they asked O'Connell to join them.

“It was a pressing situation prior to the COVID health situation, and I think it became — I don't use the word crisis lightly, there are too many crises in the world today, but I believe we have an Island housing crisis,” O'Connell said. “Median sales price going to \$1.2 million on the Island, 700 individuals and families on waiting lists for housing, including 200 children. What does that do to the health of those children? What does that do to the health and educational opportunities and the viability of

communities, the fabric of the Vineyard itself? Nurses, lab techs, firefighters, EMTs, teachers — without them we don't have a viable community on the Island. We have an aging population, which needs even more healthcare. We have an aging workforce that needs to be replaced in these jobs, and where are these people going to find a place to live?”

In the coming weeks, voters in all six Island towns will be asked to consider a housing bank at town meetings and on town election ballots. A 2 percent transfer fee would be paid by the purchaser of a property on the Vineyard. The first \$1 million would be exempt from the fee. So the buyer of a home for \$1.2 million would pay a 2 percent fee on the \$200,000.

O'Connell is concerned about some of the misinformation that's been circulating about the housing bank idea, and hopes that voters will ask questions and listen to folks who have been working for more than a year on the legislation.

“We're in the era of misinformation on public issues, and one of the pieces of misinformation that's floating around is that building workforce housing is going to turn us into a suburban Island, as opposed to the character of it now,” O'Connell said. “But as we developed the warrant article and the legislation, the coalition had a lot of feedback from the environmental community on the Island, the climate change community, and they're well-represented on the coalition, so the restrictions that were put in there ... 75 percent of the money, three-quarters of the money raised, has to be used for existing housing properties. That means conversions, deed restrictions, trying to slow down the Airbnb phenomenon, and the seasonal housing transfers that's causing and taking housing out of the

year-round pool. That's how the money's going to be spent — much less so on new units. New units have to be prioritized to be on sites where there's existing housing.”

All of this has been done while keeping in mind the Island's sensitive environment. “We included infrastructure — both new and improving infrastructure on existing units that might be purchased or deed-restricted, so we could put in denitrification systems, septic, wastewater treatment for housing,” he said. “We can actually improve the environment, and that's a goal of the housing bank legislation.”

If the housing bank passes and the legislature gives its blessing, the housing bank is ready to go. Arrangements have been made with the Martha's Vineyard Land Bank to provide administrative assistance to minimize additional bureaucracy. The housing bank will have a similar setup of advisory boards to oversee the process of how the money is spent.

The coalition has held public information sessions and listened to the feedback from Island select boards, O'Connell said. “This legislation and town warrant language really emerged from a broad-ranging public process in two languages — Portuguese and English — everything has been translated along the way, and that input has shaped the warrant article,” he said.

The warning signs of doing nothing are as close as Nantucket. “You look over at our sister Island. It's out of control over there. The median price is twice what ours is, and the town — a single town — has invested \$50 million in tax money in affordable housing, and they're not dealing with the issue, it's moving too fast,” O'Connell said. “It's bad on the Vineyard now, and it's only going to get worse, and did get worse during COVID. We've got to deal with it as soon as possible with the most resources, to start to chip away at the issue and help the people who don't have adequate housing.”

O'Connell has used his connections on Beacon Hill to keep an eye on the enabling legislation, which is before the Joint Committee on Housing. It remains to be seen if that legislation will report out favorably from committee and be acted upon before the end of the legislative session at the end of July. “We're making an impact that the Cape and Islands are different. The situation is far worse than in other parts of the state,” O'Connell said. While the transfer fee legislation has gotten support from Boston Mayor Michelle Wu and legislators across the state, time may run out before it passes. “So I think we need to be prepared if the statewide enabling legislation does not make it through this session; we've got our petitions up there after the town meetings vote and the town ballots to have the Island legislation ready to go. That's what the goal is,” he said.

O'Connell is hopeful that a majority of Islanders understand the need. “I think we have momentum. The endorsements and the range of interests represented by those endorsements from conservation to the Wampanoag tribe, to the local officials in the towns, is very strong. I am most impressed by the real estate brokers and industry on the Island — almost 50 of them have endorsed the legislation. They understand the issue. They have really carved out a separate position than the state real estate organization. That's a strong endorsement,” O'Connell said. “What concerns me as we get into town meetings is misinformation at the meetings, red herring-type issues raised, such as, It's going to cause poor people to move to the Island. That's not the

case. You need to have a job on the Island to qualify for the benefits of this initiative. But that misinformation at public meetings is a phenomenon I've seen throughout my public service, and it can change the dynamics.”

O'Connell will be at the West Tisbury town meeting when it takes up the housing bank article on Tuesday, April 12. “I'm ready to respond if I can provide any helpful information. I am cognizant of the fact that I'm a new guy,” he said. “If I can provide any assistance, I will do so, but there are far better, long-term West Tisbury residents who can respond to questions and assure their neighbors that this is a very positive step forward, with minimal possible effects that could be considered in any way negative. It's such a positive step for the Island and community and environmental health of the Island. I'm hoping it passes in all six towns.”
