

Dear Greg -

I may not be able to appear at your meeting tonight. I'd appreciate if you could please read this email into your record.

I have read the letter from Chuck Hodgkinson that is on today's agenda proposing that 100% of the Short-Term Rental Tax (STR) be applied to reduce the budget. Doing so would be an unfortunate mistake. The housing crisis is not going away quickly and will continue to need funds to work on keeping our island residents here, especially the people necessary to actually keeping things running. As one example, the hospital has 20-25% of its positions unfilled due to lack of housing. Huge numbers of openings exist across all job sectors of the island.

Chuck is entirely misleading about the Housing Bank when he states "...now that the housing bank is approved..." Yes, it has passed at all 6 towns, but it has yet to even be filed by the legislature as it works its way through the process prescribed by the Warrant Article. Once filed, the legislature then has to deliberate and act, a process that could take years; once passed, elections must be held and at least 4 towns must adopt the Housing Bank at the ballot box; then more elections must be scheduled to elect Housing Bank Commissioners; Commissioners must then create the regulations and procedures by which they will operate before any funds could be disbursed. All of that will take 3-5 years at best. In the meantime, housing funds will still be necessary: In West Tisbury, the project at 401 State Rd. has yet to get off the ground; elsewhere there will be island-wide needs that the town will likely be asked to contribute to (Oak Bluffs just issued an RFP for Veterans Supportive Housing). CPA has been a huge help, but it's far from enough and are limited to use up to 100% of Area Median Income. STR funds could be utilized to help subsidize units above that income limit.

The STR tax was created as a response to the reduction in year-round housing created by those short-term units (between 2010 and 2020 the island lost over 600 units of year-round housing (per MVC). More have been lost since 2020. Unfortunately the STR legislation did not mandate use of the funds for housing, but legislators have been clear in their communications to housing advocates around the state that using STR money for housing was their expectation.

When the Housing Bank is actually operating here, reallocation of the STR to other use can be considered. Now, it is needed for housing. Please recommend to the town that at least half be used that way.

Thanks,
Doug