

NANTUCKET AFFORDABLE HOUSING TRUST

~~ MINUTES ~~

Tuesday, January 18, 2022

Remote Meeting *via* Zoom – **12:30 pm**

Trust Members: Brian Sullivan (Chair), Brooke Mohr (Vice-Chair), Penny Dey, Dawn Hill Holdgate, Reema Sherry, Dave Iverson, Shantaw Bloise Murphy

ATTENDING MEMBERS: Brooke Mohr, Penny Dey, Dave Iverson, Reema Sherry, Dawn Holdgate (arrived late, left early), Shantaw Bloise Murphy, Brian Sullivan

ABSENT:

STAFF IN ATTENDANCE: Tucker Holland (Housing Specialist); Ken Beaugrand (Real Estate Specialist); Allyson Mitchell (Housing & Real Estate Office Manager)

ANTICIPATED SPEAKERS: Billy Cassidy, Dave Armanetti, Anne Kuszpa

Public Present on Zoom:

I. Call Meeting to Order

Brian Sullivan called the meeting to order at 12:33pm & reads Public Participation Guidelines

II. Approval of Agenda

Penny Dey moved to approve the agenda. Brooke Mohr seconded the motion.

ROLL CALL of those participating:

1. Penny Dey Aye
2. Dave Iverson Aye
3. Reema Sherry Aye
4. Shantaw Bloise Murphy Aye
5. Brooke Mohr Aye
6. Brian Sullivan Aye

Agenda adopted by **UNANIMOUS** consent.

III. Approval of Minutes

Penny Dey moved to approve the minutes from Tuesday June 1, 2021. Brooke Mohr seconded the motion. Dave Iverson & Shantaw Bloise Murphy abstained.

ROLL CALL of those participating:

1. Penny Dey Aye
2. Reema Sherry Aye
3. Brooke Mohr Aye
4. Brian Sullivan Aye

Agenda adopted by **UNANIMOUS** consent.

Brooke Mohr moved to approve the minutes from Tuesday December 14, 2021. Penny Dey seconded the motion. Shantaw Bloise Murphy abstains.

ROLL CALL of those participating:

1. Penny Dey Aye
2. Dave Iverson Aye
3. Reema Sherry Aye
4. Brooke Mohr Aye
5. Dawn Holdgate Aye
6. Brian Sullivan Aye

Agenda adopted by **UNANIMOUS** consent.

IV. Public Comment

Tucker Holland, there will be a hearing for our home rule petition for the housing bank on Friday January 28, 10 am, in front of the joint committee of revenue. Done by zoom. Gary Shaw, for NCH, will be writing a letter.

Penny Dey, one thing that is different this time is that NAREB has taken a public position on the Nantucket home rule petition, I think Sully should speak for NAREB on their behalf, at the meeting.

V. CCAP/CFAP Updates

- Subordination of Mortgage – 1 Scotch Broom Path
- Subordination of Mortgage – Larrabee Lane Lot 2
- CCAP Application – Hafsa Lewis
- CFAP Repayment – Isaiah Stover

Tucker Holland, first two are subordinations of closing cost mortgages, previously issued, but the borrowers are moving to construction. These are routinely granted, we could ask for motion to approve these subordinations.

Brooke Mohr moved to approve the subordination of the mortgage for 1 Scotch Broom Path. Penny Dey seconded the motion.

ROLL CALL of those participating:

1. Penny Dey Aye
2. Dave Iverson Aye
3. Reema Sherry Aye
4. Shantaw Bloise Murphy Aye
5. Brooke Mohr Aye
6. Dawn Holdgate Aye
7. Brian Sullivan Aye

Agenda adopted by **UNANIMOUS** consent.

Brooke Mohr moved to approve the subordination of the mortgage for Larrabee Lane Lot

2. Penny Dey seconded the motion.

ROLL CALL of those participating:

1. Penny Dey Aye
2. Dave Iverson Aye
3. Reema Sherry Aye
4. Shantaw Bloise Murphy Aye
5. Brooke Mohr Aye
6. Dawn Holdgate Aye
7. Brian Sullivan Aye

Agenda adopted by **UNANIMOUS** consent.

Allyson Mitchell, this next CCAP application has been on our agenda a few times, Hafsa was waiting for some documents and things in motion, but now everything is good to go.

Brian Sullivan, for future applications, can we update and add 175% on the applications?

Allyson Mitchell, yes, we have actually updated the current CCAP application and are just waiting for a few notes from Town Counsel before we bring the final version to the trust for approval.

Dave Iverson moved to approve the closing cost assistance application for Hafsa Lewis, up to \$15,000. Reema Sherry seconded the motion.

ROLL CALL of those participating:

1. Penny Dey Aye
2. Dave Iverson Aye
3. Reema Sherry Aye
4. Shantaw Bloise Murphy Aye
5. Brooke Mohr Aye
6. Dawn Holdgate Aye
7. Brian Sullivan Aye

Agenda adopted by **UNANIMOUS** consent.

Brooke Mohr, I want to make note that we did up the limit of the closing cost assistance for these workforce units.

Dave Armanetti, this isn't the first 175% closing, but maybe the first that is seeking closing cost assistance.

Anne Kuzspa, moving on to the CFAP, the borrower, Isaiah Stover, has paid back the loan. He had a lot of things going on through the pandemic and he had just gotten that application approved in March of 2020. He's been marketing the lot and had drawn down to use some funds to get surveys and go to the planning board, but other things happened in his family, so at the end of the day he paid back the funds that he borrowed, with interest, and now we need to discharge the mortgage on his

property and we'll cut that check back to the Town.

Brooke Mohr moved to authorize the Chair or Vice-Chair to sign any documents related to the CFAP mortgage discharge for Isaiah Stover. Penny Dey seconded the motion. Dawn Holdgate abstains/not present.

ROLL CALL of those participating:

1. Penny Dey Aye
2. Dave Iverson Aye
3. Reema Sherry Aye
4. Shantaw Bloise Murphy Aye
5. Brooke Mohr Aye
6. Brian Sullivan Aye

Agenda adopted by **UNANIMOUS** consent.

Brian Sullivan, can you clarify something for me about covenant lot creation and owner's use? I want to be clear that I understand, as the creator of a covenant property out of your lot, you can move in and live in the covenant property year-round, even if you don't qualify on the income standard.

Anne Kuzspa, yes that's correct. And that's under the "qualified family member" definition.

Brian Sullivan, that's an excellent opportunity that doesn't necessarily convey in some of the advertising that's been going on.

Brooke Mohr, I've discussed this with a number of community members looking to down size, and this could be a great opportunity. Someday, I might want to live in a smaller house and perhaps sell off the main house. So the idea that this exemption would allow me to live here year round, downsize, create a lot that usually isn't creatable on my property, and add to the year round inventory that way, I think that's a cool downsizing opportunity for some older folks.

VI. 31 Fairgrounds - UPDATE

Anne Kuzspa, most exciting thing is that we're breaking ground. We'll be doing that officially this Friday, the 21st, at 11am. Starting to do some site work and dig foundations, get things ready for the modular boxes, which have been ordered and are under construction. Builder provided us with a timeline schedule (shared on screen), this is a draft. Our construction subcommittee has looked at this schedule. A lot has been done on pre-construction tasks as well as permitting. The construction site work will begin very soon, this week, and go on for a couple weeks.

Billy Cassidy, the site work will begin on Friday, we'll be digging the first two foundation holes as soon as everyone leaves the site. Site work will continue and be ongoing until the project is all done. We have included the landscaping as part of the sitework. The foundations will begin to be installed likely the first week February. The first two foundations will be building 1 & 8. Should continue until

amount be exceeded, Housing Nantucket can return to the Trust to change that figure.

Dave Iverson seconded the motion.

ROLL CALL of those participating:

1. Penny Dey Aye
2. Dave Iverson Aye
3. Reema Sherry Aye
4. Shantaw Bloise Murphy Aye
5. Brooke Mohr Aye
6. Brian Sullivan Aye

Agenda adopted by **UNANIMOUS** consent.

VII. Richmond Wildflower Acceleration

Brian Sullivan, I will note that I drove through Richmond the other day. The amount of progress is staggering, I'm curious where all the boxes on site are going.

Dave Armanetti, most of the boxes you see are probably our Two Wildflower 8-unit apartment building, which is a 12 box set. That's the 2-story, 8 unit building and fairly large. The average single-family set is 3 or 4 boxes. There are a couple of single family homes starting to get delivered. In terms of the Acceleration project, the first building – the footings and foundations are 100% complete, the flat pour is pending, and kudos to our crews with this tough weather. The building set for that building, is locked in for next Monday, January 24. This will be a somewhat complex one with the 12 boxes and gabled roof system. Next building is Two Bluestem Place, the 10 unit building. The footings & foundation are 80% complete, boxes scheduled to ship Thursday of this week and continue for the next ten days or so. Should be on island towards the end of January. That set will be up the 3rd week of February. One Bluestem Place will follow closely behind in February. In terms of Safe Harbor & SHI list, we've been working with the housing office to provide information to DHCD and they seem to be satisfied, that certification is probably coming any day now. In that case, these units will be locked in, in terms of Safe Harbor and SHI.

Brooke Mohr, do you have any idea where you waiting list is right now?

Dave Armanetti, it hasn't changed, if anything it's grown both on the market rate and the AMI units, rental and home ownership. We don't want to discourage anyone from getting in line, even if the line seems long. It's multi-hundreds on the rental side and we just can't build fast enough or ultimately provide enough units as much as we'd like to.

Brooke Mohr, when is marketing on the affordable units taking place?

Dave Armanetti, now that we're locked in construction wise, we should have a final draft of marketing and applications for these 12 units and a few more, in a week or ten days and go through the end of March. Likely a lottery in the April time frame.

VIII. Annual Town Meeting - UPDATE

Tucker Holland, going before FinCom at end of this month with the housing items included in this year's warrant. Three elements, at least. One is the appropriation under article 8, this was funded last year at \$485k and same for this year. Then there is article 10, last year it was funded at \$1.625 million, the proposal is to fund at the same level this year. Last year, article 10 also included a \$6.5 million bonding authority, from which funds in the \$1.625 milli would go to pay the debt service on that bond. Technically speaking, nothing has been borrowed against that money yet, but it is intended that White Street will be coming out of those funds as they are the most flexible funds we have available. This year, under article 10, is proposed an additional \$10 million bonding authorization, with \$1 million going towards debt service of those two borrowing authorizations. There are a number of different things coming down the pike, possibly there would be some additional funds in a debt exclusion article included this year, which might be used for one of these projects where we have the land but need to build the project out. There are the items on the warrant or being considered for the warrant. Ken and I are working on materials for the Finance and Capital committees in order to give them as clear a picture as we can, where monies have been spent, where they will be spent, etc.

Brian Sullivan, when you prepare the documents, I think it's worth sending it through the Select Board as well, get as much distribution to as many boards as possible.

Tucker Holland, there is also the general work we're doing on the statewide transfer fee...these firms we hired are terrific...O'Neil and Associates if the lobbying firm and 7 Letter, is the strategy and communication folks. They are reaching out to key legislators in the process. A meeting has been set up for today, with Co-Chairmen Arciero of the Joint Committee on Housing, which is the committee where the state wide legislation is sitting. This is an effort for the housing committee to report out favorably by February 2nd. There are also other conversations being had with various players and further meetings, involving a broader group of folks, once the Housing Committee hopefully reports out favorably. Mayor Wu of Boston, she has made this a priority and Boston will be resubmitting their transfer fee legislation. We have a call with her office next Tuesday. This Thursday, there is a big announcement from a well-known health care provider, in support of the statewide transfer fee.

Penny Dey, NAREB voted to support Nantucket's home rule petition that has been voted on 3 or 4 times at Town Meeting. They are not taking a position on the statewide transfer fee legislation, but they have voted to support Nantucket's home rule petition.

Ken Beaugrand, having been involved in the very first passages of this, this is the best news I have received in the past 7 years with this. Well done to Penny and Brian. This is so very important for the town.

Brooke Mohr, I want to jump back to FinCom, and make sure Tucker lets us know what dates FinCom will be discussing the Housing articles so we can attend and be present for the presentation.

Tucker Holland, Brian, is it correct that you will be testifying on behalf of NAREB? Another way of saying it is, will someone from NAREB be testifying to make the point that Penny did here?

Reema Sherry, can we have copies of the funding proposals that you're submitting to FinCom?

Tucker Holland, yes for sure.

Penny Dey, I'm jumping back here, the only organized opposition to our housing bank bill has come from the Mass. Association of Realtors. I think it's important to point out that the Exec. Director of the Cape Cod & Island Association of Realtors has declined to take a position on our home rule petition, which is a lot better than a public position against it.

Ken Beaugrand, that's great progress, because he was always the leader of the opposition.

Tucker Holland, we had a meeting with him last spring/summer and it was productive. He seems to look at Nantucket and say, you've using a good portion of what you have to housing, and we recognize that isn't enough and that maybe something like this isn't appropriate. But I'm not speaking for him.

Penny Dey, there is always an argument about creep, but that as argued even in 1983 when the Land Bank was started.

Brooke Mohr, I had conversations with those folks last year, and the shift from opposition to quiet neutrality is a sea change.

Tucker Holland, at the testimony for the statewide legislation, no one spoke in opposition, which was interesting.

IX. 12 & 12R Bartlett Road Environmental Testing – UPDATE

Ken Beaugrand, I picked up the PES associates rep this morning and Tucker and I met with them on the site.

Tucker Holland, (shows photos of work) Rob called just shortly before this meeting, following all their test pit work, and let us know they didn't see anything of concern. They were able to definitively determine that the property is not presently on sewer, but they didn't have particular concerns about that. The sewer does run in front of the property. And there is a well on the property as well. This will allow Vicki to continue forward with the transaction documentation.

X. Demand RFP – Discussion

Tucker Holland, this is a follow up on the presentation that we had from the Data Platform folks last fall, and the desire to have more robust data with regard to demand for housing within certain price points. I think it would be beneficial to have professionals put together a market study with a level of detail that we can't produce on our own. In order to do that, it probably is of a scope where request for proposals would need to go out to a variety of qualified companies/people. Of the \$485,000 operating budget from last year, those monies are use it or lose it each year, and that's why

a majority of our funding goes into article 10, because that carries over. But we do have resources this year that could fund a study of this type.

Brian Sullivan, do you have new or different resources that you'd considering?

Tucker Holland, I don't have other sources identified yet, but I would be reaching out to some folks who could guide us to other qualified people. I think it benefits us to have a number of parties submit proposals for this project.

Brian Sullivan, I was disappointed last time in the data we got, I hope for a more robust effort from whoever we choose. One of the things that resonates with me when we look to understand need and breakdown...it's pretty easily quantifiable even in the conversation we just had with Dave Armanetti and It feels like we're a long long way from satisfying the need and demand, so while I want to see the data and understand it better, I recognize no matter what we're creating at any price point is going to get gobbled up by the need and the market place. I think its worth vetting and seeing if groups out there could devlier us something we're looking for.

Brooke Mohr, I agree. I think the exercise we did last time was very broad in nature, and I learned about making sure you're asking the right questions to get the answers you're looking for. We still need this information for a whole bunch of reasons, both to guide what we're doing but also, I'm thinking about a larger conversation that have been had since Covid, about what our housing looks like, what our workforce looks like, and what people can afford in the economy that we've created and now exist in. There are a lot of bigger conversations that this demand for housing information can be helpful for.

Ken Beaugrand, one of the important things we have done as a group is to clearly identify needs and areas to address the rental aspect of housing, which has not existed in terms of it being available at an affordable rate because zoning basically precluded it. If we're going to be able to survive as an ongoing community, we have to figure out how to allow people to live and own here, and that's part of the new process that Tucker has started in terms a new approach to ownership. Getting an understanding about the various elements of people here who are interested in home ownership, is important. As a community, we can't survive if we can't provide people the opportunity to own a home here.

Brian Sullivan, we do want more data, we want to find a better evaluation of what our needs are, before we settle on a groove. So we may need a sub-committee of this group to create & define what we're looking for, to bring this RFP to being published.

Tucker Holland, if there were one or two members to work with me to prepare a draft RFP for our next meeting, that would be terrific.

Penny Dey, it's the manner in which the questions are crafted that's so important, I think.

Brian Sullivan, and the methods used to interact with the public, will be really critical.

Brooke Mohr, I can tell you that the behavioral health assessment had a very hard time, reaching deep into our diverse community to get everyone engaged. It is a big challenge, people are afraid for

various reasons, to make themselves known and so this is not going to be an easy job, if it involves getting individuals to response, but it's an important job. They are different topics all together but the task is the same.

Brian Sullivan, any volunteers to get this RFP together? Shantaw & Reema will work with Tucker to put together a draft for our next meeting.

XI. Communications – UPDATE

Allyson Mitchell, Tucker, Florencia & I met over Zoom two times to go over some clean-up of the website. We removed some documents that were very dated and no longer relevant. Tucker and I updated the CCAP application and we're just waiting for Town Counsel to finish it up, we'll do the same with the CFAP application. I began some onesheets that give some information about our projects and the purchases we've made so far, with the intention for our website to be a good spot for people who want to learn more about the Trust and see what we're doing. Coming up to Town meeting, people are going to want to know what we've been doing and what we're up to.

Brooke Mohr, I am wondering about social media presence for the Trust. The conversation was that they didn't have the bandwidth to manage another Facebook or Instagram account. I think the time is right for us to do more updating for the community through some one-way communications. I hear comments in the community, a lack of feeling like people know what's going on. We're talking about it all the time, but not able to share it in a way to touch everyone. Also important to work on multi-lingual communications.

XII. Other Business

Tucker Holland, upcoming meetings. I think we're planning on our regular 3rd Tuesday of the month at 12:30 via Zoom unless the Board would like to meet more frequently.

Reema Sherry, is there a time that we'll be going back to in-person? And if we do, can we start at 1pm for in person or are we going to start at 12:30?

Brian Sullivan, I'm happy to move to 1pm even now. But I also haven't heard anything from re-entering to in person meetings.

Ken Beaugrand, the issue is space to be able to hold those in person meetings. First is a health issue and second is a space meeting. The Select Board will stay virtual through at least March.

XIII. Board Comments

Brian Sullivan, one Board comment, the town is circulating an RFP for housing. These are not affordable units, but want to make sure people understand that the town is looking for rental units for town employees.

Brooke Mohr, I want to circle back to our Safe Harbor number and when the census data will be available. We also need to think about a time line for the development of the properties we own Safe

