

NANTUCKET AFFORDABLE HOUSING TRUST

~~ MINUTES ~~

Thursday, April 1, 2021

Remote Meeting *via* Zoom – 1:00 pm

Trust Members: Brian Sullivan (Chair), Brooke Mohr (Vice-Chair), Penny Dey, Kristie Ferrantella, Reema Sherry, Dave Iverson, Allyson Mitchell

ATTENDING MEMBERS: Brian Sullivan, Brooke Mohr, Penny Dey, Reema Sherry, Dave Iverson, Kristie Ferrantella, Allyson Mitchell

STAFF IN ATTENDANCE: Tucker Holland (Housing Specialist); Ken Beaugrand (Real Estate Specialist)

Public Present on Zoom: Laura and Brian STEELE; Lauren Ard (Cape Cod 5); Anne Kuszpa (Housing Nantucket)

I. Call Meeting to Order

Brian SULLIVAN called the meeting to order at 1:02 pm

Brian Sullivan announced that this Open Meeting of the Nantucket Affordable Housing Trust is being conducted remotely via Zoom, consistent with Governor Baker's Executive Order of March 12, 2020, due to the current State of Emergency in the Commonwealth due to the outbreak of the "COVID-19 Virus."

II. Approval of Agenda

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

ROLL CALL of those participating:

1. Brooke Mohr Aye
2. Reema Sherry Aye
3. Allyson Mitchell Aye
4. Dave Iverson Aye
5. Kristie Ferrantella Aye
6. Penny Dey Aye
7. Brian Sullivan Aye

Agenda adopted by **UNANIMOUS** consent.

III. DISCUSSION of Revisions to Closing Cost Assistance Program Applicable Expenses and VOTE

- Depending on outcome of the discussion and vote, consider applicable closing costs for Steele relative to 2A South Pasture Lane

Tucker HOLLAND at a recent meeting, we discussed possible expansion of the Closing Cost Assistance Program ("CCAP") and how it could be coordinated in cases where there are two closings in conjunction with land acquisition and then construction. The Steeles were approved for CCAP last October in association with the closing on the land. They were only able to use roughly \$4,000 of the \$15,000 normally approved for closing costs. They are in position to close on the construction of the home. They would like to be able to utilize the remaining balance toward applicable closing costs that are in fact on their Loan Estimate and the Closing Disclosure for this second phase. They are not asking for more than what we normally do. We would like to have Trust's approval that the balance

of the closing cost authorization could be used toward these closing costs that do appear on both the aforementioned documents. At a separate occasion where Eleanor can join us, we intend to continue the discussion about how we may modify or expand the structure to the Closing Cost program.

Laura STEELE She is very grateful that Trust is having special meeting to discuss this case. We have been in employer housing for 14 years and the only path we saw to be housing independent was by buying a vacant lot through the Covenant Program. The modular home is supposed to be arrive on April 27th. We are supposed to close on Monday. Having assistance with closing costs is extremely helpful.

Lauren ARD (Cape Code 5) she is assisting the Steeles with this closing. She supports this request. She explains that there are a lot of borrowers in similar situations. Given the market conditions, they are unable to find the inventory that would allow them to buy a free-standing structure and therefore capture the full use and benefit of the closing cost assistance. These buyers are fronting 25% down-payment on land. Often the closing costs on land are lower than they are on a free-standing structure. The bank is supportive of this approach. She can attest that other borrowers confront this same situation. They can access support on the first set of closing costs but not with a second refinance that they couldn't do at the time of purchase due to things like not having plans and specs, siting of the structure, going through HDC.

Brian STEELE reiterates what his wife said. The experience has been daunting but they are very appreciative of help of many including the Trust.

Reema SHERRY asks if this is a construction loan that converts to regular mortgage when the construction is complete.

Lauren Ard Yes, this is a one-time closing on the construction piece.

Brooke MOHR the intention of this program is to help people get into houses. Has no concerns and glad it has been brought to our attention so we can eventually codify a change to the program.

Penny DEY wants to acknowledge Julie Fitzgerald (Steele's attorney) for bringing this to our attention. It is clearly an unintended consequence to penalize people going the route of vacant land and then construction.

Brooke Mohr motioned to approve that the Closing Cost Assistance Application be extended to include this second closing and construction loan up to a total of \$15,000 for both closing costs in connection with 2A South Pasture Lane. Penny Dey seconds the motion.

ROLL CALL of those participating:

1. Reema Sherry Aye
2. Brooke Mohr Aye
3. Dave Iverson Aye
4. Penny Dey Aye
5. Allyson Mitchell Aye
6. Kristie Ferrantella Aye
7. Brian Sullivan Aye

The motion carried unanimously.

Lauren Ard thanks the Trust. This approach will have a great positive impact on many borrowers. Laura Steele thanks the Trust and asks about next steps.

Tucker Holland explains that this can be part of the original approval. We will have to take steps on our end to process the payment.

Brian Sullivan thinks we need a motion that he be authorized to sign a new subordination or anything that is required in connection with this closing.

Penny Dey **motioned** to **authorize the Chair to sign any and all documents related to this matter to modify the original approval** on behalf of the Nantucket Affordable Housing Trust. Kristie Ferrantella seconded the motion.

ROLL CALL of those participating:

1. Reema Sherry Aye
2. Brooke Mohr Aye
3. Dave Iverson Aye
4. Penny Dey Aye
5. Allyson Mitchell Aye
6. Kristie Ferrantella Aye
7. Brian Sullivan Aye

Motion carries by unanimous consent.

IV. Other Business

V. PUBLIC COMMENT (for items not otherwise on the agenda)

VI. BOARD COMMENTS

Brooke Mohr informs the Trust that the video project is well underway.

VII. Executive Session, Pursuant to MGL C. 30A § 21(A)

- Purpose 6: To consider the purchase, exchange, lease or value of real property where an open meeting may have a detrimental effect on the negotiating position of the public body.

Specific matter requires confidentiality.

The **MOTION** was made by Brooke Mohr and seconded by Kristie Ferrantella to **go into executive session** to consider the purchase, exchange, lease, or value of real property where an open meeting may have a detrimental effect on the negotiating position of the public body, and not return to open session.

ROLL CALL of those participating:

1. Reema Sherry Aye
2. Brooke Mohr Aye
3. Dave Iverson Aye
4. Penny Dey Aye
5. Allyson Mitchell Aye
6. Kristie Ferrantella Aye
7. Brian Sullivan Aye

The motion carried unanimously.

VIII. Adjourn

Open Session Meeting ended at 1:22pm

Submitted by:
Eleanor W. Antonietti