

NANTUCKET AFFORDABLE HOUSING TRUST

~~ MEETING MINUTES ~~

Tuesday, January 17, 2023.

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

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

ATTENDING MEMBERS: Penny Dey, Meg Browers, Brian Sullivan, Brooke Mohr, Dave Iverson, Reema Sherry, Shantaw Bloise-Murphy

STAFF IN ATTENDANCE: Tucker Holland (Housing Director), Hayley Cooke (Housing & Real Estate Office Manager), Ken Beaugrand (Real Estate Specialist), Vicki Marsh (Town Counsel)

ANTICIPATED SPEAKERS: Libby Gibson (Town Manager), Brian Turbitt (Town Finance Director),

PUBLIC IN ATTENDANCE: Dave Armanetti, Anne Kuszpa, Gerry Keneally, Billy Cassidy, Jason Graziadei

I. Call to Order

Brian Sullivan calls meeting to order at 12:32 pm

II. Approval of Agenda

Dave Iverson and Reema Sherry and Shantaw Blois-Murphy arrive at 12:40pm

Brooke Mohr makes a **MOTION** to amend the agenda and move items 10, 11 and 12 on the Agenda to a future meeting. Penny Dey seconds the motion. There will be a special meeting scheduled for next week to review these items.

ROLL CALL of those participating:

- | | |
|--------------------------|-----|
| 1. Penny Dey | Aye |
| 2. Brooke Mohr | Aye |
| 3. Reema Sherry | Aye |
| 4. Meg Browers | Aye |
| 5. Dave Iverson | Aye |
| 6. Shantaw Bloise-Murphy | Aye |
| 7. Brian Sullivan | Aye |

Motion adopted by 7-0 vote.

Penny Dey makes the MOTION to approve the agenda as otherwise written. Seconded by Dave Iverson.

ROLL CALL of those participating:

- | | |
|--------------------------|-----|
| 1. Penny Dey | Aye |
| 2. Brooke Mohr | Aye |
| 3. Reema Sherry | Aye |
| 4. Meg Browers | Aye |
| 5. Dave Iverson | Aye |
| 6. Shantaw Bloise-Murphy | Aye |
| 7. Brian Sullivan | Aye |

Agenda adopted by 7-0 vote.

III. Approval of Minutes: 11/15/22, 12/20/22, 12/29/22 and 1/11/23

Reema Sherry makes the MOTION to approve the minutes from 11/15/22, 12/20/22, and 12/29/22. Seconded by Brooke Mohr.

ROLL CALL of those participating:

- | | |
|-------------------|-----|
| 1. Penny Dey | Aye |
| 2. Brooke Mohr | Aye |
| 3. Reema Sherry | Aye |
| 4. Meg Browers | Aye |
| 5. Dave Iverson | Aye |
| 6. Brian Sullivan | Aye |

Shantaw Bloise-Murphy abstains.

Agenda adopted by 6-0 vote.

IV. Public Comment

None.

V. \$5,000,000 Housing Override Presentation

Brian Turbitt: This is a proposal for a \$5,000,000 override, which will be on the Warrant and the ballot. This would provide a stable funding revenue for the Affordable Housing Trust. There was also a citizens petition to dedicate 67% of the room occupancy tax into a stabilization fund dedicated to affordable housing. Regarding the Citizens Warrant, Town Administration feels given the uncertainty year over year it is an unstable platform for the goals of affordable housing. Initially, Town Administration had proposed this \$5,000,000 override, after the Finance Committee meeting, I spoke with the Town Manager and we have changes this override to \$6,500,000. This will hopefully help advance all the initiatives the AHT has.

Penny Dey: This money would be paid by the taxpayers, correct?

Brian Turbitt: The override is paid by the taxpayers.

Penny Dey: One of the elements of the citizen sponsored article that appeals to me is that money is paid directly by our visitors and guests. This \$6.5 million would require a ballot vote, correct?

Brian Turbitt.: An override requires a successful Town Meeting and Ballot vote.

Brian Sullivan: If we can focus the conversation not on the STR citizen article and focus on what is being talked about here.

Penny Dey: It is impossible in my mind to talk about this without comparing them.

Brian Sullivan: I guess my point is, as a private citizen, you can support the citizen article in one way, as a Board member we can support in another way. I have question Brian, I wanted to ask about. Currently the AHFT gets \$2,000,000 in annual funding. Will that continue in addition to this \$6.5 million or is that incorporated into this?

Brian Turbitt: A portion of it is in the general fund operating budget already. The additional money of \$1,625,000 originally was used as a springboard to authorize various additional debt, and as debt came on that \$1.625 million was reduced to cover that debt service. So eventually, that \$2 million is already going to absorbed into debt service.

Brian Sullivan: If the override were not to pass, that \$1.625 is already accounted for in debt service so that is off the table. And then if the \$6.25 override weren't to pass, there is an existing budget item for staffing and the office – operationally we would still operate?

Brian Turbitt: Correct.

Brian Sullivan: At the FinCom meeting, during the conversation about the Citizen Article, the number that came up was about \$8 million. My question is – is there propensity for us to come and ask for \$10 million? What is the community's boundary for this override? My other question is, what other budget overrides are going to be on the ballot this year?

Brian Turbitt: So, the first part is that the proposal for \$6.5 million override was based on the \$8.5 million dollar discussion. I felt this number, based on the discussion, is the number. I will tell you there is an override for solid waste. There are four debt exclusion question for various capitol articles. But this would be a separate question, separate article for this override for housing.

Brian Sullivan: Does this need 2/3 at Town Meeting, or just a majority?

Brian Turbitt: A majority.

Reema Sherry: To clarify, this is a one and done override ballot question?

Brian Turbitt: Yes, it goes on once and then is in perpetuity.

Penny Dey: What would happen if both articles pass?

Brian Turbitt: I'm not sure. We would have a year to sort it out.

Tucker Holland: Do we know what the tax bill impact would be?

Brian Turbitt: Once we settle on the number, which we think is \$6.5 million, we will put that up on the website.

Penny Dey: Is the citizen who proposed the citizen's article aware of the \$6.5 million vs. the \$5 million override?

Brian Turbitt: Not yet. We wanted to bring this to the Trust first.

Brian Sullivan: This is a step in the right direction. I want to ask, is there a number that the community would support between \$6.5-\$10 million dollars?

Dave Iverson: I think now more than ever, it is important that we get the facts out there so people can understand what we are up against at Town Meeting.

Penny Dey: I don't want this to be the end of the conversation, just noting this.

Brian Sullivan: I agree, we will continue to have discussions about this.

Brooke Mohr: So, as a matter of process, we are finalizing the Warrant next week. So, this will be included on the Warrant at \$6.5 million at this point, correct?

Libby Gibson: That will be up to the Select Board, tomorrow night or next Wednesday.

Brooke Mohr: I want to ask, is there any reason not to have this on the ballot from the perspective of the AHT? I would like to bring that information forward at the Select Board meeting.

Brian Sullivan: I absolutely think include this, I just question if it should be \$6.5, \$8.5 or \$10.5 million. I think the community should have the opportunity to choose.

Dave Iverson: I agree with you Brian.

Reema Sherry: This gives us, if passed, the ability to borrow, then we are in business. That is a lot of money. I'm all for it.

Shantaw Bloise-Murphy: I am 100% in agreement with this. I think it puts us at a strategic advantage. The community should have the opportunity to voice their opinion on it as well.

Penny Dey: My only concern is the amount and risk factor with the override. And what do we do if it does not pass?

Brian Sullivan: It is problematic, we would basically be unfunded for a year.

Meg Browers: I wanted to voice my support as well. We should put some talking points together that we can share with the community so that there is widespread public support.

Brian Turbitt and Libby Gibson leave the meeting at 1:22pm.

VI. CCAP & CFAP Program Summary

Hayley Cooke: I was asked to put something together to go over the efforts of these programs. In page 28 of the packet, you will see the graphs that outline the number of applications over the year as well as the AMI levels of households served. There's been

a total of 82 applicants for the CCAP program who have received loans. The majority of applicant households are in the 80% AMI level and the 150% AMI level. With the CFAP program, since it is newer, there are about 9 or 10 households served.

Brooke Mohr: These correlate to housing developments going online – the reason they move is because of the availability of housing. So, the number of applications correlate to the number of housing that become available. The turnover is fairly slow, but increases are usually because more housing units become available.

Penny Dey: In a future meeting, can you tell us, of the applicants who received loans, how many have been paid back (for both programs)?

Hayley Cooke: Yes. We are still waiting on some promissory notes and mortgages to be executed and sent out and then some people are still waiting to close in the next few weeks or so, but I can give you a fuller picture of that as those things close.

VII. Update on Violet Place Acceleration

Dave Armanetti: The Violet Place Acceleration is the 48-unit component, which is the next 2 phases of the project; 5 buildings, 48 units, 24 are AMI restricted. We are moving along on the construction and marketing ends. The first of the 5 buildings is completed, we got our Certificate of Occupancy, so people are moving in there. We will continue to be oversubscribed for the applications and lotteries. Next lottery is February 15.

VIII. Update on 31 Fairgrounds Rd.

- Including review of AMI units and how they will be filled.

Billy Cassidy: Regarding construction, we are setting 2 buildings next week. We are moving forward.

Anne Kuszpa: I sent out a summary. We have two 3-bedroom units, twelve 2-bedroom units and eight 1-bedroom units. You'll see the rents by AMI level. We are trying to serve the 50% AMI level with 3 units, the 80% AMI level with 8 units, 110% AMI level with 5 units, and 150% AMI level with 6 units. For the 50% and 80% AMI we will have a lottery. For the 110% and 150% AMI level units, we will use our ready to rent list, we have 300 applicants on that list. We are looking at September occupancy.

Penny Dey: Will there be any local preference or preference for Town employees?

Anne Kuszpa: For the SHI units, only 70% of the units can be local preference. For Town employees, that is our own discretion internally.

Penny Dey: I think it would be helpful to see the annual operating expenses down the line as well.

Brooke Mohr: So, for the public, would I be correct by saying that for anyone who has applied to check in and update your application? And for anyone who has not applied they should apply because there are different AMI levels. And those units above 80% AMI level are not by lottery, but selection via the ready to rent list.

Anne Kuszpa: Correct.

Brian Sullivan: It would be nice to be ready to advertise this by May 1, if we can get them occupied by July and August.

IX. Update on 2-year HPP Certification Request (DHCD)

Tucker Holland: We recently received the 2-year certification of our Housing Production Plan. We have continued Safe Harbor until December 2024. Our new SHI list has us at the 6.78% mark, relative to the 10% requirement.

Brooke Mohr: I just wanted the community to understand the timing of our build out and the properties we have acquired. Timing the development of these units is critical to maintain Safe Harbor status. It may seem like we are waiting or taking too much time to build, but we need to have another 24, 48 units to line up after this period of Safe Harbor.

X. RFP Review and Approve: Orange Street

- Subject to final comments from Town Manager, Finance Director, and Town Counsel

Item moved to future meeting.

XI. RFP Review and Approve: Amelia Drive

- Subject to final comments from Town Manager, Finance Director, and Town Counsel

Item moved to future meeting.

XII. RFP Review and Approve: Bartlett Rd.

- Subject to final comments from Town Manager, Finance Director, and Town Counsel

Item moved to future meeting.

XIII. Seven Letter Contract

Tucker Holland: For reference, the Vineyard is planning to continue working with O’Neill and Associates on the transfer fee as well. If the board would authorize up to \$57,500 for the Seven Letter communications contract to support the efforts for the Housing Bank, that is what we are seeking. Last year, the Trust granted the funds to the Community Foundation and the contract was between Seven Letter and the Community Foundation.

Brooke Mohr makes the **MOTION** that the AHT will allocate up to \$57,500 to the Community Foundation Nantucket to support the communications contract with Seven Letter. Seconded by Dave Iverson.

ROLL CALL of those participating:

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

Meg Browsers abstains from the vote as she works for the Community Foundation.

Agenda adopted by 6-0 vote.

XIV. Emily Stover Gift to AHT

Tucker Holland: We received a gift in memory of Emily. All gifts must be received by Select Board, they will approve it at the meeting in February. We are very appreciative for this gift from Emily's family in her honor. Emily was a staunch supporter of affordable housing.

XV. Housing Newsletter, 2nd Edition

Hayley: I just wanted to let everyone know that the Housing Newsletter is out. The link is in the packet.

XVI. Review Proposed Meeting Schedule for 2023 AHT Meetings

Brian Sullivan: We are looking at a Special Meeting next week to discuss the RFPs.

The Trust will have this Special Meeting on Thursday, January 26 at 9am.

The Meeting Schedule will be revised to not be during school break or close to the holidays. The schedule will be reviewed again at the next meeting.

XVII. Other Business

Penny Dey: There will be an open seat on the Housing Authority. It will be on the Town Ballot in the spring.

Brooke Mohr: I just wanted to follow up my commitment to bring our language about affordable and attainable housing proposal to the CPC. We had good discussion, we committed to a continued conversation around the advantages or disadvantages of amending their language to expand the scope of their funding up to 240% AMI.

XVIII. Board Comments

None.

XIX. Adjourn

Brooke Moore makes the **MOTION** to adjourn the meeting. Seconded by Penny Dey.

ROLL CALL of those participating:

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|---------------------------|-----|
| 1. Penny Dey | Aye |
| 2. Brooke Mohr | Aye |
| 3. Reema Sherry | Aye |
| 4. Shawntaw Bloise-Murphy | Aye |
| 5. Dave Iverson | Aye |
| 6. Meg Browsers | Aye |
| 7. Brian Sullivan | Aye |

Agenda adopted by 7-0 vote.

Meeting ends at 2:30pm.

Submitted by:
Hayley Cooke