

NANTUCKET AFFORDABLE HOUSING TRUST

~~ MINUTES ~~

Thursday, February 18, 2021

Remote Meeting *via* Zoom – **3:30 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, Dave Iverson, Reema Sherry, Kristie Ferrantella, Allyson Mitchell

STAFF IN ATTENDANCE: Tucker Holland (Housing Specialist); Ken Beaugrand (Real Estate Specialist); Eleanor Antonietti (Land Use Specialist)

Public Present on Zoom: Anne Kuszpa (Housing Nantucket); Howard Dickler

I. Call Meeting to Order

Brian SULLIVAN called the meeting to order at 3:33pm

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

Dave Iverson **moved to approve the agenda**. Kristie Ferrantella seconded the motion.

ROLL CALL of those participating:

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

Agenda adopted by **UNANIMOUS** consent.

III. Approval of the Minutes

▪ February 11, 2021

Brooke Mohr moved to approve the Minutes for the meeting on February 11, 2021. Reema Sherry seconded the motion.

ROLL CALL of those participating:

1. Brooke Mohr Aye
2. Reema Sherry Aye
3. Kristie Ferrantella Aye
4. Allyson Mitchell Aye
5. Brian Sullivan Aye

Minutes adopted by unanimous consent.

Penney Dey and Dave Iverson were not present on February 11, 2021.

IV. Covenant Formation Assistance Program Application (CFAP)

- **4 Hull Lane – Juanita Vernal & Junior GIL** (*continued to March 16, 2021*)
- **Mortgage for CCAP Application – 22A Evergreen Way - post closing**
 - Approve subordination of the mortgage from Lee-Jay Hurley to the Nantucket Affordable Housing Trust Fund, registered as Document No. 163718 in favor of the mortgage from Lee-Jay Hurley to The Cape Cod Five Cents Savings Bank dated February 24, 2021
 - Authorize the Chair to sign documents related to subordination on behalf of Trust

NO CONCERNS

Penny Dey **motioned** to approve the subordination of the mortgage from Lee-Jay Hurley to the Nantucket Affordable Housing Trust Fund, registered as Document No. 163718 in favor of the mortgage from Lee-Jay Hurley to The Cape Cod Five Cents Savings Bank, dated February 24, 2021, and to authorize the Chair to sign documents related to the subordination on behalf of the Nantucket Affordable Housing Trust. Kristie Ferrantella seconded the motion.

ROLL CALL of those participating:

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

Motion carries by unanimous consent.

Penny Dey leaves meeting to recuse from next matter.

V. 31 Fairgrounds Road UPDATE

- **Request from NHA Properties Inc. for closing cost grant of \$28,063.75**

Tucker HOLLAND closing happened on 2/12. Housing Nantucket now owns the property. Targeting between 80-150% AML. Good example of pocket developments as recommended by Neighborhood First Advisory Committee. It involves \$10.35 million with \$3.6 million having been grant for acquisition of the property and \$6.75 million being loaned for construction of the units. Housing Nantucket is working closely with builder, Billy Cassidy. We are very grateful for collaboration. Housing Nantucket has requested assistance with closing costs, vastly associated with title insurance. We recommend covering these costs.

Ann KUSZPA thanks Trust for help with this.

Tucker Holland these funds have already been covered in the disbursement at closing so it is not additional money that the Finance Department would need to provide. It is a retroactive approval.

Reema Sherry **moved to approve the request for a grant of \$28,063.75 from the Nantucket Affordable Housing Trust to NHA Properties, Inc. to cover closing costs associated with the purchase of 31 Fairgrounds Road.** Brooke Mohr seconded the motion.

ROLL CALL

1. Brooke Mohr Aye

- 2. Reema Sherry Aye
- 3. Kristie Ferrantella Aye
- 4. Dave Iverson Aye
- 5. Allyson Mitchell Aye
- 6. Brian Sullivan Aye

The MOTION carried UNANIMOUSLY.

Tucker Holland the only other planned request is related to the Clerk of the Works acting on behalf of Housing Nantucket and looking out for the Trust's and the Town's interests. Housing Nantucket has engaged a highly qualified person. Specs are being fine-tuned so we have not pinned down exact cost, but the request will be forthcoming. We think this will be worthwhile expense.

PENNY DEY returns to meeting.

VI. Housing Bank bill update following call with Rep. Fernandes

Tucker Holland We had a local meeting with Representative Fernandes and then had a session with the Cape & Islands Delegation of housing advocates in area. Main points are that passage of a transfer fee in support of housing is our #1 priority. Rep. Fernandes feels that momentum is building. Tucker is on an active statewide steering committee for the Transfer Fee Coalition. They have filed statewide enabling legislation in both the House and the Senate. Dylan Fernandes and Rep. Malia have filed a luxury version of the coalition build, \$1,000,000 and above. Passage of either one of these would allow us to do what we want. Dylan believes that the statewide coalition version with lower threshold (county median sets the bar) has perception of hitting the middle class and is therefore less politically viable. A lot of activity. All 6 towns on the Vineyard agreed to pursue this and they hired a full-time coordinator of this effort on their behalf.

Ken BEAUGRAND There is a greater willingness to address the issue than previously.

Dave IVERSON asks if there is flexibility for us if the State sets a bar for the transfer fee.

Tucker Holland you can impose anywhere from 0-2%. It is up to local municipality to decide where they would do this within those ranges. We get to set the bar within a range that is prescribed. If Statewide Enabling were to pass, we could more or less do what our Home Rule Petition sets out to do. It is important to get new Speaker of the House to Nantucket to get him familiar with our situation. Dylan thinks he would be receptive to coming and we could work with him.

Penny DEY the County median home price as of 12/31/2020 is \$2,430,000. Assessments are running about 20% behind the market and market is what we are fighting. We will be looking at lots of different indices.

Brian Sullivan Fearful number goes too high and doesn't capture what we are trying to do.

Allyson MITCHELL what is different about our Home Rule Petition is that our fee is on the Seller and does not go above 175% AMI.

Brooke MOHR the language in the bill refers to State and County median sale price. Where do they intersect? The threshold could be substantially below our median.

Tucker Holland The notion is it cannot go below the State median.

Brian Sullivan we need to realistically prepare the public that we are looking at a long time horizon.

Tucker Holland sessions are 2 years. This is the start of the session. We are looking at the summer of 2022. There is multiple different efforts going on. There is the concept that the Vineyard and Nantucket are aligned in this effort. The Vineyard is very willing to help us.

VII. Housing Production Plan – UPDATE

- Session w/ HPP Consults – Tuesday, March 9th 1:00pm
- Webinar #2 – Tuesday, March 23rd 4:00 – 6:00pm

Tucker Holland We had roughly 1,300 folks complete the survey. Last of focus group sessions is tonight. There has been strong participation. Consultants will have some preliminary feedback and findings on 3/9. They have requested 90 minutes on 3/9. Asks if we want to take up anything else at that session or just exclusively handle the plan?

Brian Sullivan Funding articles may be time sensitive.

Brooke Mohr funding articles are currently scheduled for 3/8 with FinCom. Would be good if we discuss prior to that. We should be prepared to go to FinCom with some feedback.

Tucker Holland The Webinar on 3/23 is the 2nd and that is where they intend to present working recommendations coming out of survey and focus group work and discussion on 3/9.

Brian Sullivan that is a general public webinar

Tucker Holland We may run some ads to strongly encourage public to attend. He is working with Communications Subcommittee and will have something for the Trust to look at on 3/9.

Brooke Mohr suggests that Florencia send out a Save the Date.

Tucker Holland will ask her.

VIII. Land Bank Donation of Rowland Building & 7 Amelia Drive Discussion

Tucker Holland There has been a lot of communication between us, the Land Bank (“NILB”) and Matt MacEachern. He has a basic layout which he screen-shares. There is an easement shared with Keepers Restaurant next door. That could be a drive access. Could get 7 parking spaces and there is room along new frontage of roadway connecting to Waitt Drive where an additional 2 units could go to get maximum 4 out of this site. They have someone who is interested and can move it by June 15th. So we need to take action. In discussions with OPM (“Owner’s Project Manager”) and Matt MacEachern to date, it is possible that we could do this by June 15th. However, we are not in a position to know with certainty before May 1st. His recommendation is that we return to NILB and explain our situation and that we don’t want to interfere with their plans if they decide to give building to the other party. We are confident that we could use the building, but we cannot guarantee that time frame. This will not be news to them.

Penny Dey this is a huge opportunity. We have 4 months until June 15th. We could store it on the lot and pour the foundation after moving it on. This is generous offer to help pay for move.

Brian Sullivan asks if Amelia Drive has any construction restrictions during the season.

Penny Dey believes not. She will check.

Reema SHERRY asks about May 1st date.

Tucker Holland The building could be moved and cribbed. If it is \$87,000 to move it and then sit on cribs, how much more is it to move it onto a foundation? We may not end up getting full benefit of \$87,000. There are a series of things that need to happen with HDC. First opportunity to go before HDC is March 23rd. Even if it went well, then we would have the Move Off permit within a week or so. We have to procure a General Contractor to do the work. Erika has reserved June 9th with back up of June 10th for house move schedule and she has reached out to utility companies. She will have feedback from National Grid next week, but Verizon will take longer due to personnel turnover. We don’t want to over-promise. We should make a decision.

Reema Sherry would the NILB procure the move rather than granting us the funds?

Ken Beaugrand says not possible.

Dave Iverson if they will pay for the move, the price will be inclusive to setting it on a foundation.

Thinks the added cost of sitting on cribbing is not going to be prohibitive. It will go on cribbing before they move it to the foundation anyway.

Tucker Holland there will be additional costs to move it twice. The OPM is putting together a price. Brooke Mohr if we commit to this and schedule a move and we are unable to procure someone to do the site work, this building has to be cut in pieces to move. An extra few weeks if it rains a lot risks damage to the structure and we could end up with a building that is not weather tight.

Penny Dey does not see any restriction against construction at any point in the year.

Brian Sullivan uneasy with time crunch. Remembers that Housing Nantucket declined to accept.

Anne Kuszpa cutting buildings is very challenging and you can end up with long term problems with the structure.

Tucker Holland if we did not have this timing issue, we could figure out these details.

Ken Beaugrand he has a concern with the cost for re-assembling and finishing basement. We don't know what HDC will approve. There are a lot of unresolved issues. Feels that June 15th was an arbitrary date.

Penny Dey asks Tucker and Ken what it would take to determine a realistic time frame.

Tucker Holland the OPM and architect and surveyor are in the process of figuring that out but need a few more weeks. It may work out but HDC process could throw everything off, for instance. The NILB bought this at end of October. Gives overview of timeline of discussions with NILB. It was around January 20th when they indicated this deadline for taking it off the site.

Kristie FERRANTELLA is there an estimate of how long until we have heads in the beds?

Tucker Holland we could have heads in beds within 12 mo.s at its new location versus creating something brand new which would perhaps take longer, depending on funding availability.

Allyson Mitchell would feel better if we knew that this building fits with what we want to do with this site.

Brian Sullivan we do need to take an action to either commit to accepting it or freeing it up for someone else.

Tucker Holland another consideration is that the use of any office space in this building has a limited scope. Libby needs to weigh in on that. There is a bigger strategic part and a decision about that may not be made in short time frame.

Brooke Mohr there are too many unknowns and this is too risky.

Brooke Mohr moves that we reply to NILB explaining that earliest we could know if we can move off by their June 15th deadline is May 1st and that we will do our best to have an answer by May 1st and if that timeline does not work, we decline the offer to free it up for another use.

Brian Sullivan asks for discussion on the motion.

Dave Iverson are we jamming a square peg into a round whole because of grant and free building? Prefers that we take more time to make thoughtful determination.

Penny Dey opportunities don't always present themselves at convenient time. Feels like we don't have the will to do this and we are getting in our own way.

Brian Sullivan thinks we need to be more definitive. Say thank you or no thank you. Maybe we try and develop a comprehensive RFP for this site using the OPM, architect, and surveyor.

Penny Dey if we adopt this motion, we may lose the opportunity.

Kristie Ferrantella we need to make definitive decision and show our gratitude to NILB.

Tucker Holland He wrote a draft note in anticipation of replying to NILB. This would be a friendly amendment.

Ken Beaugrand there was no second to the motion so it could be withdrawn or amended.

Brooke Mohr worded it that way so that we could leave open the opportunity in case they don't find anyone else. She withdraws her motion.

Tucker Holland Reads Draft Note below:

Hi Jesse and Eric,

Thanks very much for the below. As we have said from the beginning, the Trust does not want to stand in the way of plans the Land Bank has for the 15 Commercial Wharf site. I relayed to Eric last week the timing of a follow up meeting Jon Lemieux of Vertex, Matt McEachern of Emeritus and I had scheduled for today. That meeting was very productive, and we have another scheduled for tomorrow afternoon where Leo is going to join us. With that said, while it looks like it may be theoretically possible to move the building by June 15 to 7 Amelia or an alternate nearby location, we aren't going to be in position to guarantee that until early May. I think it's fair to say we believe we can use the building, yet it may end up that a fall plan makes more sense on our end. If June 15 is an important date to the Land Bank and you all have confidence that the building moving by that date can be accomplished by the party below, we would completely understand your choosing to go in that direction. We certainly appreciate the Land Bank's interest in trying to find ways that it and the year-round housing entities can work together. Hopefully this is the first of many potential collaborations to come. We're looking forward to working together on 31 Fairgrounds in that regard. Just let us know what makes the most sense to you all. Again, no worries if you want to take the bird in hand.

Brooke Mohr that accurately reflects how she feels but does not make sense to invest further efforts in figuring this out. If we do a fall move, we have the option to do it somewhere other than Amelia Drive. We would need to know whether they want us to move forward or not. We could say that we cannot meet their timeline and ask them to let us know if the building does become available at a later date.

Brian Sullivan we cannot meet the timeline.

Penny Dey we are not the ones with any leverage here. It's not up to us to dictate the process. Sounds like the majority of this Board feels that the unknown variables make us uncomfortable with the inherent risk.

Kristie Ferrantella concerned about straining the relationship if we cannot satisfy the timing commitment. Too many things could delay this. It is better approach to say no now.

Kristie Ferrantella moved to adopt the letter drafted by Tucker Holland stating that we don't feel confident that we can meet the June 15th deadline but that we would be happy to come back to the table if the offer is still available in the fall.

Tucker Holland asks if Trust can approve that he and Kristie craft final language.

Penny Dey it should be distributed to us before it goes out. We are declining this opportunity at this point because of the time constraints and the unknowns.

Tucker Holland re-reads portions of the letter.

Dave Iverson it is important that they understand that we are declining out of respect for them. He would like to see copy before it is sent out.

DISCUSSION about how to amend initial motion amended. Dave Iverson seconds if we get a copy of it before it goes out.

Kristie Ferrantella made an amended motion that the Affordable Housing Trust declines the generous offer of the Land Bank to move the building by June 15th at this time and Tucker Holland and Kristie Ferrantella will draft a letter expressing our appreciation and anticipation of future collaborative effort. Allyson Mitchell seconded the amended motion.

ROLL CALL

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|----|---------------------|-----|
| 1. | Brooke Mohr | Aye |
| 2. | Penny Dey | Nay |
| 3. | Reema Sherry | Aye |
| 4. | Kristie Ferrantella | Aye |
| 5. | Dave Iverson | Aye |
| 6. | Allyson Mitchell | Aye |

7. Brian Sullivan Aye
The MOTION carried by MAJORITY vote of 6 in favor and 1 opposed.

Tucker Holland will send out the revised letter to the Trust members for their further review and input before sending to the Land Bank.

IX. Financial Discussion

Tucker Holland The Select Board (“SB”) adopted the Warrant. It’s the SB’s intention to have a discussion at their March 17th meeting about all of the different housing funding articles. They seem to want to get behind a particular approach. That is relevant in terms of timing of housing articles going before FinCom on March 8th. We may want to ask FinCom if there is flexibility in their timing to adjust it after the SB March 17th meeting.

Kristie Ferrantella if the Trust has a presentation to give re. pros and cons of each, that would be helpful. We need to focus on short term and long term funding.

Brook Mohr thinks we need leadership in terms of our recommendations to voters for comprehensive funding plan for the work we have envisioned in future. SB needs guidance from us as to our needs.

X. Communication Subcommittee UPDATE

Reema Sherry Brooke has sketched out how each article works and Ally put together a chart laying out the components of each. We would put out an informational printed piece at or prior to Town Meeting (“ATM”) to educate voters. We want to focus on public outreach in educational and narrative form through a series of short video interviews with people. We want to put together a scope of work to put out to 3 vendors to do from 3-5 short videos to distribute on social media of people telling housing stories. 3 could focus on SHI list potential programs. We want to tie in interviews with programs. 2 could focus on home ownership. We have a success story of a family in Sachems Path. We are looking for authorization to put together Scope of Work. Want to have it ready in April to start push prior to June ATM. Will come back with scope of work for a graphic designer for a brochure. We anticipate that the production of the videos would be in excess of \$10,000.

Dave Iverson **moves to authorize that the Communication Committee put together a Scope of Work for educational outreach materials for Town Meeting.** Penny Dey seconded the motion.

ROLL CALL

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

The MOTION carried UNANIMOUSLY.

Dave Iverson we need to explain what we need to the community. It is important that we take a stance.

Allyson Mitchell seems that the SB would appreciate the education for them and the public. She put together some slides to make it understandable to people less familiar with the process.

Brooke Mohr proactive community outreach through late April and May – we are crafting the story and we have to all engage in telling the story and encourage people to come to ATM to support funding our work in a sustainable way.

Tucker Holland re-reads Town Counsel's guidance on the Trust activity around ATM articles.

Penny Dey when we are educating people, we have to withhold opinions on other things they may ask about that are on the Warrant.

XI. Other Business

▪ Next Meeting

- Special March meeting: Tuesday, March 9, 2021 at 1:00pm

Brian Sullivan we should probably post in case a quorum shows up at Finance Committee on March 8th. Asks if the Trust would like to meet prior to March 8th to provide our positions on the articles to FinCom.

Dave Iverson has a Planning Board meeting at same time on March 8th.

Brooke Mohr could meet on March 2nd

Tucker Holland details the various articles in question

Eleanor Antonietti she will be absent next week so if there is an additional meeting, someone will have to post in her absence.

Ken Beaugrand points out that he CPC article is reviewed by the Finance Committee. Adjustments to that article can only be made on the floor and the only adjustment allowed is to reduce the size of the award.

Brian Sullivan the purpose of the meeting on March 2nd would be to provide a position for FinCom and SB of various funding articles at ATM. We will try and eliminate March 16th and merge that Agenda with the meeting on March 9th

CLARIFICATION on upcoming meetings. We will post March 2nd, March 8th, and March 9th.

- Regular March meeting: Tuesday, March 16, 2021 at 1:00pm

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

NONE

XIII. BOARD COMMENTS

NONE

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

The motion carried unanimously.

XV. Adjourn

Open Session Meeting ended at 5:17 pm

Submitted by:

Eleanor W. Antonietti

Approved