Affordable Housing Trust Meeting

PACKET

Tuesday

March 16, 2021

1pm

Possible attendance by the Affordable Housing Trust

at a Meeting of the Finance Committee.

To join the Meeting, click on the Zoom Link below:

https://zoom.us/j/99613065115?pwd=UXN5Qkt1UVc1RjZVTTZqck1wdnpjQT09

Meeting ID: 996 1306 5115 Passcode: 611971

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TOWN OF NANTUCKET

Pursuant to MGL Chapter 30A, § 18-25
All meeting notices and agenda must be filed and time stamped with the Town Clerk's Office and posted at least 48 hours prior to the meeting (excluding Saturdays, Sundays and Holidays)

Committee/Board/s	**AFFORDABLE HOUSING TRUST**
Day, Date, and Time	**TUESDAY, MARCH 16, 2021 1 PM**
Location / Address	**REMOTE PARTICIPATION *VIA* ZOOM (*See Below*)** Pursuant to Governor Baker's March 12, 2020, Order Regarding Open Meeting Law (Attached). **THE MEETING WILL BE AIRED AT A LATER TIME ON THE TOWN'S GOVERNMENT TV YOUTUBE CHANNEL AT** **https://www.youtube.com/channel/UC-sgxA1fdoxteLNzRAUHIxA**
Signature of Chair or Authorized Person	**ELEANOR W. ANTONIETTI** **LAND USE SPECIALIST**
WARNING:	**IF THERE IS NO QUORUM OF MEMBERS PRESENT, OR IF MEETING POSTING IS NOT IN COMPLIANCE WITH THE OML STATUTE, NO MEETING MAY BE HELD!**

AGENDA FOR 3-16-2021

(**Subject to change**)

www.nantucket-ma.gov

JOIN ZOOM MEETING:
Link: https://zoom.us/j/99613065115?pwd=UXN5Qkt1UVc1RjZVTTZqck1wdnpjQT09
Meeting ID: 996 1306 5115
Passcode: 611971

Purpose: To discuss business as noted below. Electronic copies of the complete text, plans, application, or other material relative to each agenda item are available per request by email to eantonietti@nantucket.ma.gov. Please email to request a paper copy and you will be given a time to retrieve from a Drop Box outside the Planning Office at 2 Fairgrounds Road between the hours of 8:30 AM and 4:30 PM. Access to the Planning Office is not permitted until Governor Baker's order is lifted to allow the office to be open to the public.

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

PLEASE LIST BELOW THE TOPICS THE CHAIR
REASONABLY ANTICIPATES WILL BE DISCUSSED AT THE MEETING

I. **CONVENE in Open Session** via **Zoom**

II. **APPROVAL of Agenda**

III. **APPROVAL of the Minutes**
- February 18, 2021
- March 2, 2021
- March 9, 2021

IV. **Closing Cost Assistance Program (CCAP)**
- **Mortgage for CCAP Application –** 2 S. Pasture Lane - post closing
  - Approve subordination of the mortgage from Laura Zagayko Steele and Brian Clagett Steele to the Nantucket Affordable Housing Trust Fund, recorded at Book 1784, Page 147 in favor of the mortgage from Laura Zagayko Steele and Brian Clagett Steele to The Cape Cod Five Cents Savings Bank with an estimated closing date of April 5, 2021
  - Authorize the Chair to sign documents related to subordination on behalf of Trust
- **DISCUSSION of Proposed Amendments to CCAP Parameters**
  - Make fees documented within the closing disclosure statement but not in the lender's loan estimate eligible for CCAP funding

V. **Covenant Formation Assistance Program Application (CFAP)**
- **4 Hull Lane – Juanita Vernal & Junior GIL** *(continued to April 20, 2021)*

VI. **Housing Production Plan – UPDATE– Judi Barrett & Jenn Goldson** *(continued from March 9, 2021)*
- Review of DHCD Strategy/Action Plan Requirements
- Webinar #2 – Tuesday, March 30th 4:30 – 6:30pm

VII. **Financial Discussion**

VIII. **Communications Subcommittee UPDATE**

IX. **Other Business**
- **Next Meetings**
- ➢ Special April meeting: Tuesday, April 6, 2021 at 1:00pm
- ➢ Regular April meeting: Tuesday, April 20, 2021 at 1:00pm

X. **PUBLIC COMMENTS** (for items not otherwise on the agenda)

XI. BOARD COMMENTS

XII. 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.

XIII. Adjourn

OFFICE OF THE GOVERNOR
COMMONWEALTH OF MASSACHUSETTS
STATE HOUSE • BOSTON, MA 02133
(617) 725-4000

CHARLES D. BAKER
GOVERNOR

KARYN E. POLITO
LIEUTENANT GOVERNOR

ORDER SUSPENDING CERTAIN PROVISIONS OF THE OPEN MEETING LAW, G. L. c. 30A, § 20

WHEREAS, on March 10, 2020, I, Charles D. Baker, Governor of the Commonwealth of Massachusetts, acting pursuant to the powers provided by Chapter 639 of the Acts of 1950 and Section 2A of Chapter 17 of the General Laws, declared that there now exists in the Commonwealth of Massachusetts a state of emergency due to the outbreak of the 2019 novel Coronavirus ("COVID-19"); and

WHEREAS, many important functions of State and Local Government are executed by "public bodies," as that term is defined in G. L. c. 30A, § 18, in meetings that are open to the public, consistent with the requirements of law and sound public policy and in order to ensure active public engagement with, contribution to, and oversight of the functions of government; and

WHEREAS, both the Federal Centers for Disease Control and Prevention ("CDC") and the Massachusetts Department of Public Health ("DPH") have advised residents to take extra measures to put distance between themselves and other people to further reduce the risk of being exposed to COVID-19. Additionally, the CDC and DPH have advised high-risk individuals, including people over the age of 60, anyone with underlying health conditions or a weakened immune system, and pregnant women, to avoid large gatherings.

WHEREAS, sections 7, 8, and 8A of Chapter 639 of the Acts of 1950 authorize the Governor, during the effective period of a declared emergency, to exercise authority over public assemblages as necessary to protect the health and safety of persons; and

WHEREAS, low-cost telephone, social media, and other internet-based technologies are currently available that will permit the convening of a public body through virtual means and allow real-time public access to the activities of the public body; and

WHEREAS section 20 of chapter 30A and implementing regulations issued by the Attorney General currently authorize remote participation by members of a public body, subject to certain limitations;

NOW THEREFORE, I hereby order the following:

(1) A public body, as defined in section 18 of chapter 30A of the General Laws, is hereby relieved from the requirement of section 20 of chapter 30A that it conduct its meetings in a public place that is open and physically accessible to the public, provided that the public body makes provision to ensure public access to the deliberations of the public body for interested members of the public through adequate, alternative means.

Adequate, alternative means of public access shall mean measures that provide transparency and permit timely and effective public access to the deliberations of the public body. Such means may include, without limitation, providing public access through telephone, internet, or satellite enabled audio or video conferencing or any other technology that enables the public to clearly follow the proceedings of the public body while those activities are occurring. Where allowance for active, real-time participation by members of the public is a specific requirement of a general or special law or regulation, or a local ordinance or by-law, pursuant to which the proceeding is conducted, any alternative means of public access must provide for such participation.

A municipal public body that for reasons of economic hardship and despite best efforts is unable to provide alternative means of public access that will enable the public to follow the proceedings of the municipal public body as those activities are occurring in real time may instead post on its municipal website a full and complete transcript, recording, or other comprehensive record of the proceedings as soon as practicable upon conclusion of the proceedings. This paragraph shall not apply to proceedings that are conducted pursuant to a general or special law or regulation, or a local ordinance or by-law, that requires allowance for active participation by members of the public.

A public body must offer its selected alternative means of access to its proceedings without subscription, toll, or similar charge to the public.

(2) Public bodies are hereby authorized to allow remote participation by all members in any meeting of the public body. The requirement that a quorum of the body and the chair be physically present at a specified meeting location, as provided in G. L. c. 30A, § 20(d) and in 940 CMR 29.10(4)(b), is hereby suspended.

(3) A public body that elects to conduct its proceedings under the relief provided in sections (1) or (2) above shall ensure that any party entitled or required to appear before it shall be able to do so through remote means, as if the party were a member of the public body and participating remotely as provided in section (2).

(4) All other provisions of sections 18 to 25 of chapter 30A and the Attorney General's implementing regulations shall otherwise remain unchanged and fully applicable to the activities of public bodies.

This Order is effective immediately and shall remain in effect until rescinded or until the State of Emergency is terminated, whichever happens first.

Given in Boston at 8:40 PM this 12th day of March, two thousand and twenty.

Charles D Baker

CHARLES D. BAKER
GOVERNOR
Commonwealth of Massachusetts

NAHT MEETING

3/16/2021

AGENDA ITEM III.

Approval of DRAFT MINUTES for Meetings on:

- *February 18, 2021*
- *March 2, 2021*
- *March 9, 2021*

CONTINUE to APRIL 20, 2021

AHT Meeting

3/16/2021

Agenda Item IV

CCAP - Post Closing Subordination of Mortgage

2 S. Pasture Lane

Mortgaged Premises:
2 S Pasture Lane, Lot B
Nantucket, MA 02554

NANTUCKET AFFORDABLE HOUSING TRUST FUND

MORTGAGE

Laura Zagayko Steele and Brian Clagett Steele, having an address of 4 Mioxes Way, Nantucket, MA 02554,

for consideration paid,

grants to the **Nantucket Affordable Housing Trust Fund,** a municipal affordable housing trust created pursuant to G.L. c. 44, s. 55C by Declaration of Trust dated as of February 8, 2010 and recorded in the Nantucket County Registry of Deeds in Book 1221, Page 20, as amended by the First Amendment to Declaration of Trust dated September 25, 2014, recorded in said Registry in Book 1452, Page 272, having an address of 2 Fairgrounds Road, Nantucket, MA 02554 (the "Trust"),

with MORTGAGE COVENANTS,

A mortgage on **2 S Pasture Lane, Lot B**, Nantucket, Nantucket County, Massachusetts, 02554 which property is described more particularly in a deed, recorded with the Nantucket County Registry District at Book 1784, Page 101, with such improvements that may now or hereafter be constructed or placed thereon, as more particularly described in Exhibit A, attached hereto and incorporated herein (the "Mortgaged Premises"),

Said mortgage is to secure the payment of **Four Thousand Four Hundred Fifty-three and 93/00 Dollars ($4,453.93),** loaned to Borrower for so-called closing costs in connection with Borrower's purchase of the Mortgaged Premises as a deed-restricted affordable housing unit, as evidenced by that certain Promissory Note of even date herewith (the "Note") and to secure Borrower's performance of the terms and conditions of the Note and the Nantucket Affordable Housing Trust Fund Closing Cost Assistance Program (the "Program").

Included as a part of the Mortgaged Premises are any and all buildings and other improvements, including, without limitation, any and all fixtures, on the Mortgaged Premises, or hereafter constructed or placed thereon, prior to the full payments and discharge of this Mortgage.

A. Borrower hereby covenants that:

1. It shall use the Mortgaged Premises as its primary residence and solely for affordable housing purposes as set forth more particularly in the Program requirements secured by this Mortgage;

2. Except for a mortgage to a lender approved in connection with the Program (the "Senior Mortgage"), whose funds are used to purchase the Mortgaged Premises, Borrower shall not alienate or encumber the Mortgaged Premises without the prior written consent of the Trust. The Trust covenants and agrees to execute and deliver to Borrower a subordination of this Mortgage to the Senior Mortgage) in form reasonably acceptable to the Trust;

3. Borrower shall perform all of its obligations under the Senior Mortgage, including Borrower's covenants to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Mortgaged Premises, which may attain a priority over this Mortgage;

4. Borrower shall keep improvements now existing or hereafter erected on the Mortgaged Premises insured against loss by fire and other hazards included within the term "extended coverage";

5. Borrower will not use nor permit the Mortgaged Premises to be used in violation of any law or municipal ordinance or regulation or for any unlawful or improper purpose;

6. Borrower shall keep the Mortgaged Premises in good repair and condition and shall not commit, permit or suffer any waste, impairment, or deterioration of the Mortgaged Premises or any part thereof;

7. Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant, and convey the Mortgaged Premises, and that other than the mortgage granted to the Senior Mortgage holder as provided above, the Mortgaged Premises are otherwise unencumbered. Borrower warrants and covenants to defend generally the title to the Mortgaged Premises against all claims and demands, subject to encumbrances of record;

B. In the event Borrower sells or transfers the Mortgaged Premises, or if Borrower defaults under any other provisions of the Note or this Mortgage, Borrower shall repay to the Trust any outstanding principal on the Note.

C. No sale of the Mortgaged Premises and no forbearance on the part of the Trust and no extension whether oral or in writing of the time for the payment of the debt hereby secured given by Borrower shall operate to release, discharge, modify, change or affect the original liability of Borrower herein, either in whole or in part.

D. If Borrower fails to perform the covenants and agreements contained in this Mortgage, the Note, or the Program requirements, or if any action or proceeding is commenced which materially affects the Trust's interest in the Mortgaged Premises, the Trust, at the Trust's option, upon notice to Borrower, may take such actions as are necessary to protect the Trust's interest, and any expenses so incurred by the Trust, including reasonable attorneys' fees, shall be secured by this Mortgage.

E. Borrower's interest under the Note and this Mortgage may not be transferred, assigned, or assumed without the written consent of the Trust, which may be withheld in the Trust's sole discretion. Consent to refinance the Senior Lender's mortgage upon commercially reasonable terms and conditions shall not be unreasonably withheld. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of the Trust and Borrower. All covenants and agreements of Borrower shall be joint and several.

This Mortgage is upon the STATUTORY CONDITION, and upon the further condition that all covenants and agreements of Borrower herein, or all covenants and agreements of Borrower contained in said Program requirements or the Note, shall be kept and fully performed, for any breach of which the Trust shall have the STATUTORY POWER OF SALE.

If the Trust invokes the STATUTORY POWER OF SALE, the Trust shall mail a copy of a notice of sale of its interest in the Mortgaged Premises to Borrower and the Senior Lender and to any other person required by applicable law, in the manner provided by applicable law. The Trust shall publish the notice of sale and its interest in the Mortgaged Premises shall be sold in the manner prescribed by applicable law. The Trust or the Trust's designee may purchase the Mortgaged Premises at any sale. The proceeds of the sale shall be applied in the following order: (a) to all reasonable costs and expenses of the sale, including reasonable attorneys' fees and costs of title evidence; (b) to all sums secured by the Senior Mortgage, if then in effect; (c) to all sums secured by this Mortgage; and (d) the excess, if any, to the person or persons legally entitled thereto.

Title reference: Book 1784, Page 101 at Nantucket Deeds

[end of document text – signature page follows]

576285/NANT/19710/0001

EXECUTED as a sealed instrument this 30th day of November, 2020.

Borrower:

Laura Zagayko Steele

Laura Zagayko Steele

Brian Clagett Steele

Brian Clagett Steele

COMMONWEALTH OF MASSACHUSETTS

Nantucket County, ss

On this 30 day of November, 2020, before me, the undersigned notary public, personally appeared **Laura Zagayko Steele and Brian Clagett Steele**, proved to me through satisfactory evidence of identification, which was MA DRIVERS LICENSE to be the persons whose names are signed on the Mortgage and acknowledged to me that they signed it voluntarily for its stated purpose on their own behalf and as their free act and deed.

Julie A Fitzgerald

Notary Public

My commission expires:

JULIE A. FITZGERALD
NOTARY PUBLIC
Commonwealth of Massachusetts
My Commission Expires
May 20, 2022

EXHIBIT A
(Property description)

EXHIBIT A
to
Nantucket Affordable Housing Trust Fund

Mortgage

That certain parcel of vacant land in the Town and County of Nantucket, Commonwealth of Massachusetts, known and numbered as **2 S Pasture Lane (portion),** bounded and described as follows:

Lot B shown on Plan by Bracken Engineering, Inc dated 11.21.2017 rev 11.17.2020, filed at Plan No. 2020- 59 at Nantucket Deeds.

For title, see Deed recorded at Book 1784, Page 101 at Nantucket Deeds.

Nantucket Affordable Housing Trust Fund
VOTE

Nantucket Affordable Housing Trust Fund, a municipal affordable housing trust created pursuant to M.G.L. c. 44, Section 55C and adopted pursuant to the vote taken under Article 72 of the April 6, 2009 Annual Town Meeting, u/d/t dated February 8, 2010 and recorded with the Nantucket County registry of Deeds in Book 1221, Page 20 (the "Declaration of Trust"), as amended by a First Amendment dated September 25, 2014 and recorded with said Registry in Book 1452, Page 272, at a duly noticed meeting held on March 16, 2021, after a motion duly made and seconded, a unanimous vote of the following Trustees who were present: Brian Sullivan, Brooke Mohr, Kristie Ferrantella, Dave Iverson, Penny Dey, Reema Sherry and Allyson Mitchell, was made as follows:

Voted: to Subordinate a Mortgage from Laura Zagayko Steele and Brian Clagett Steele to it dated November 30, 2020 recorded at Book 1784, Page 147and all obligations secured thereby to a mortgage from Laura Zagayko Steele and Brian Clagett Steele to The Cape Cod Five Cents Savings Bank dated April _____, 2021 recorded at Book _____, Page _____ at Nantucket Deeds and authorized the Chairman to sign the Subordination Agreement on behalf of the Trust.

The undersigned certifies that this is a true and accurate record of the Nantucket Affordable Housing Trust Fund meeting.

____
Brian Sullivan, Trustee and Chairman

COMMONWEALTH OF MASSSACHUSETTS

Nantucket, ss.

On this _____ day of ___________, 2021, before me, the undersigned notary public, personally appeared, **Brian Sullivan** (a) ☐ personally known to me, or (b) ☐ proved to me through satisfactory evidence of identification, which was, ________________________ (type of identification), to be the person whose name is signed on the preceding or attached document and acknowledged to me that **he/she** signed it voluntarily for its stated purpose as **his** free act and deed as a Trustee and Chairman aforesaid on behalf of Nantucket Affordable Housing Trust Fund.

____
Notary Public
My Commission expires:

SUBORDINATION OF MORTGAGE

Nantucket Affordable Housing Trust Fund, a municipal affordable housing trust created pursuant to M.G.L. c. 44, Section 55C and adopted pursuant to the vote taken under Article 72 of the April 6, 2009 Annual Town Meeting, u/d/t dated February 8, 2010 and recorded with the Nantucket County registry of Deeds in Book 1221, Page 20 (the "Declaration of Trust"), as amended by a First Amendment dated September 25, 2014 and recorded with said Registry in Book 1452, Page 272, being the holder of a mortgage from **Laura Zagayko Steele and Brian Clagett Steele** to it, dated November 30, 2020 recorded with Nantucket Deeds at Book 1784, Page 147 (Subordinated Mortgage), and to future advances thereunder, for consideration paid, hereby consents and agrees that the lien and priority of the Subordinated Mortgage shall be subordinate and junior to a mortgage from Laura Zagayko Steele and Brian Clagett Steele to The Cape Cod Five Cents Savings Bank dated April _____, 2021 in the face amount of $___________.00 and recorded with Nantucket Deeds at Book _______, Page _____ as if the new mortgage had been executed and recorded and all advances made thereunder immediately prior to the Subordinated Mortgage held by the undersigned.

STREET ADDRESS: 2 S Pasture Lane, Lot B, Nantucket, MA

This Subordination of Mortgage is signed pursuant to a Certificate of Vote by the Nantucket Affordable Housing Trust Fund recorded herewith at Book ______, Page ______ at Nantucket Deeds authorizing Brian Sullivan as the Chairman to sign this document on behalf of the Trust.

Executed under seal this _____ day of ____________, 2021.

____
Brian Sullivan, Chairman

COMMONWEALTH OF MASSSACHUSETTS

Nantucket, ss.

On this _____ day of ___________, 2021, before me, the undersigned notary public, personally appeared, **Brian Sullivan** (a) ☐ personally known to me, or (b) ☐ proved to me through satisfactory evidence of identification, which was, ________________________ (type of identification), to be the person whose name is signed on the preceding or attached document and acknowledged to me that **he** signed it voluntarily for its stated purpose as **his** free act and deed as a Trustee and Chairman aforesaid on behalf of Nantucket Affordable Housing Trust Fund.

____
Notary Public
My Commission expires:

AHT MEETING

3/16/2021

AGENDA ITEM IV.

DISCUSSION

PROPOSED AMENDMENTS TO CCAP PARAMETERS

Nantucket Affordable Housing Trust Fund

2 Fairgrounds Road, Nantucket, MA 02554

Closing Cost Assistance Program

Purpose: The Town of Nantucket, through its Affordable Housing Trust, offers up to $15,000 for each eligible buyer to put towards closing costs for the purchase of deed-restricted affordable units. It is intended to assist year-round residents qualifying at the 80%-150% AMI level who can afford monthly mortgage payments, yet do not have enough money to pay the initial home purchase closing costs. The goal of the program is to increase homeownership among the low and moderate income households in the Town of Nantucket.
This is a zero-percent (0%) loan program subject to repayment as described below.

Eligibility:

- Available to qualified applicants earning up to 150% AMI
- Applicant must provide written confirmation they have been deemed eligible to purchase a home through a DHCD-approved lottery process or have a fully executed P&S for a permanently deed-restricted 150% or below AMI unit and Qualified Purchaser Certificate from a recognized Monitoring Agent
- Applicant must have a mortgage pre-qualification letter from a recognized financial institution on bank letterhead clearly indicating their qualification to purchase the unit
- The property must be located in Nantucket County
- There must be a permanent deed restriction on property guaranteeing ongoing affordability at 150% AMI or less

Other requirements / details:

- Available on a first-come, first-serve basis until the annual Trust Fund allocation for this program is depleted
- Loans are up to $15,000 solely for closing costs based on a bona fide Loan Estimate from a recognized financial institution
- Funds to be released to closing attorney following receipt of bona fide mortgage loan commitment letter and once the purchase is approved to close
- Closing cost funds loaned based on approved legitimate closing costs and limited to $15,000
- This is a zero-percent (0%) loan secured by a second mortgage on the property from the purchaser to the Trust Fund which will be recorded as a subordinate lien by the closing attorney
- The loan must be repaid when property is sold or transferred
- The loan will be subordinated if refinanced by original owner(s)
- A waiver of loan repayment may be requested by the owner/seller if the property has been held for five years or more and the gross sales amount is not $30,000 more than the original purchase price

Nantucket Affordable Housing Trust Fund

2 Fairgrounds Road, Nantucket, MA 02554

Closing Cost Assistance Program Guidelines

The Closing Cost Assistance Program ("CCAP") is offered through the Town of Nantucket's Affordable Housing Trust and offers up to $15,000 for eligible buyers to be put toward bona fide closing costs for the purchase of permanently deed-restricted affordable units restricted to buyers at an 150% AMI or less income level. The program is intended for lower to moderate income home buyers who can afford monthly mortgage payments but do not have enough to pay the initial home purchase closing costs. The goal is to increase homeownership among 150% and below AMI households in the Town of Nantucket. Applications and a checklist to guide you through the process are available at the Planning Office or http://nantucket-ma.gov/184/Affordable-Housing-Trust-Fund.

You are encouraged to begin your house-hunting process by applying for CCAP early. To avoid unnecessary delays, submit your application and all required documentation a minimum of eight (8) weeks prior to your loan closing. Once qualified, your conditional letter of approval is valid for 6 months.

What Type of Assistance is Available?

The CCAP is considered a "deferred payment loan." The loan is interest free and you will not have to pay anything back unless you sell or transfer the property. If the property is sold prior to the fifth anniversary of the sale, you will be required to pay back the full amount upon sale. After five years, the loan may be forgiven if the gross sales price is not greater than $30,000 more than the original purchase price. You must request the waiver and conditions must be sufficient for the AHTF to consider the request. A granted waiver may result in tax consequences to you. Please consult your tax adviser.

What is the Maximum Amount of Assistance?

The CCAP program will loan eligible buyers bona fide closing costs up to $15,000.

Who is Eligible?

Applicants must meet the following eligibility requirements:

- You must purchase a permanently deed-restricted affordable unit in the County of Nantucket and agree to future resale restrictions
- The home must be intended for and maintained as your principal residence
- You must complete an approved homebuyer training course and provide certification of completion
- A household cannot have more liquid assets than allotted for their corresponding AMI
- You must be approved for a mortgage with a recognized commercial lender
- You must provide the loan required down payment from your own funds
- You must not exceed 150% of the current HUD annual median household income. In Nantucket, 80%, 100%, and 150% AMI as of June 18, 2018:

Household Size	**1**	**2**	**3**	**4**	**5**	**6**
80 % AMI Income Limits	$55,800	$63,700	$71,700	$79,600	$86,000	$92,400
100 % AMI Income Limits	$69,650	$79,600	$89,550	$99,500	$107,500	$115,450
150 % AMI Income Limits	$104,550	$119,400	$134,400	$149,250	$161,250	$173,250

****Chart is subject to change based on current HUD calculations. Please refer to* https://www.huduser.gov/portal/datasets/il.html *for most current figures.****

Nantucket Affordable Housing Trust Fund

2 Fairgrounds Road, Nantucket, MA 02554

Closing Cost Assistance Payment Application

FULL NAME: ____

FULL NAME: ____

Note: *Please provide the full name and Social Security number for all individuals that will be on the mortgage on a separate piece of paper in typed form.*

For Planning Office Only
Date Received:

CURRENT ADDRESS

STREET: ____

CITY/TOWN:_______________________________________ STATE: ______ ZIP CODE: ________________

BEST PHONE: ______________________________ EMAIL ADDRESS:__________________________________

YEARS AT THIS ADDRESS: ____________ If less than two years, please provide previous address:

____

HOUSEHOLD INFORMATION

HOUSEHOLD AMI (please circle one): 150% 100% 80%

TOTAL NUMBER OF PERSONS IN HOUSEHOLD (INCLUDING SELF): ____________

PLEASE LIST ALL HOUSEHOLD MEMBERS WHO WILL OCCUPY THE HOME, REGARDLESS OF AGE

NAME	AGE	RELATIONSHIP

1. Do you own or have financial interest in any other real estate and/or business? YES _____ NO _____

If yes, please describe: ____

____

2. Do you have an executed Purchase and Sale Agreement? YES _____ NO _____

It YES-Please attached an executed copy as part of the application

If NO-When is the anticipated date a Purchase and Sale Agreement will be executed? ___________

If NO-Do you have an accepted offer? YES _____ NO _____

Please not that CCAP loans authorized without an executed Purchase and Sale Agreement will expire six (6) months from approval date.

SUBJECT PROPERTY:

Address:____

Purchase Price: $_________________________ Scheduled Closing Date:_____________

Property Type: □Single-Family Home □Condominium □Land

4. Is there a permanent deed restriction on the subject property guaranteeing ongoing affordability at 150% AMI or less? YES____ NO_____

If NO, Would you be willing to place a deed restriction on the subject property to guarantee ongoing affordability YES____ NO_____

**Permanent deed restriction on the subject property guaranteeing ongoing affordability at 150% AMI or less is a requirement of funding.*

5. Have you attended an approved First Time Home Buyer Education class*? YES______ NO______

If YES, please provide a copy of your completion certification.

* *Attendance is a requirement of funding.*

6. Have you been awarded a right to purchase an 80-150% AMI restricted property through an authorized monitoring agent? YES _____ NO_____

If YES, please provide a copy of your certificate.

** Right to purchase an 80-150% AMI restricted property through an approved lottery program is a requirement of funding.*

HOUSEHOLD ASSETS

Assets are items of value, such as IRAs, CDs, and checking and savings accounts. Interest received from assets are included as part of your income. Assets do not include necessary personal property such as clothing, furniture, automobiles, jewelry, etc. Please describe your assets and income or dividends from these assets in the chart below. Continue on a separate sheet if necessary.

Household Member	Asset Description	Cash Value
		$
		$
		$
		$
		$

Total cash value of all assets = $____________

In signing this application I/we hereby certify that:

- I/we have correctly indicated the number of persons in the household;
- My/our total liquid assets do not exceed the allotted amount for my/our AMI bracket;
- We have been qualified to purchase a permanently deed-restricted home in the County of Nantucket, MA, for buyers at 150% or below Area Median Income;
- The information contained in this application is true and accurate to the best of my/our knowledge and belief under the full pains and penalties of perjury and understand that perjury will result in disqualification from further consideration; and
- I/we understand that it is my/our obligation to secure the necessary mortgage for the purchase of the home and all expenses, including closing costs, down payments, etc.

I/we will furnish to the Town of Nantucket upon request at any time any and all income and/or asset and other financial information, any and all household, resident location, and workplace information and I further direct any employer, landlord, or financial institution to release any information to the Town for the purpose of income and/or asset determination eligibility.

I/we understand that I/we are purchasing an affordable home at a substantially discounted price and that the home will remain affordable for any future buyers. I/we understand that I/we will be required to sign a Deed Rider that describes my/our responsibilities under the affordable housing program. The restrictions will apply to me and all future buyers of my/our home.

____ ____

Signature Date Signature Date

Submit to Town of Nantucket, Affordable Housing Trust Fund, Planning Office, 2 Fairgrounds Road, Nantucket, MA 02554

Nantucket Affordable Housing Trust Fund

2 Fairgrounds Road, Nantucket, MA 02554

Closing Cost Assistance Program Application Checklist

Applying for closing cost payment assistance is a multi-step process. The first step is to submit an application and copies of all required documentation in order for us to determine if you qualify for the program. Second, once you have found a home, submit all of the property eligibility information for review. After the property's eligibility is confirmed, at your loan closing with your primary lender, you will sign loan agreements provided by the closing attorney.

Step 1: Submit Applicant Eligibility Information

□ Completed Closing Cost Assistance Program Application
□ Completed and signed W-9
□ Written verification from an authorized monitoring agent that you are income and asset qualified to be purchasing the permanently deed-restricted 150% or below AMI restricted unit on the application
□ Bona fide Loan Estimate including estimated closing costs from a recognized financial institution (N/A for Habitat for Humanity homes)
□ Mortgage Pre-Qualification letter on bank letterhead from a recognized financial institution (For Habitat for Humanity Homes you must provide the Terms and Conditions Letter in place of the Mortgage Pre Qualification)
□ Provide us with your closing attorney's contact information and wiring instructions

Step 2: Submit Property Eligibility Information

□ An executed Purchase and Sale Agreement, as soon as it is available (N/A for Habitat for Humanity)
□ Executed Final Loan Commitment Letter on bank letterhead from a recognized financial institution (Habitat for Humanity Homes are to provide a final Settlement Statement)
□ Notify the AHTF of your closing date as soon as it's available to you (please keep in mind note at bottom of page when scheduling the closing date)

Step 3: Post-Closing

□ Copy of the final affordability deed rider to be executed at closing
□ Prompt return to the AHTF by the closing attorney of excess funds beyond closing costs disclosed on the Closing Disclosure
□ Copy of the Closing Disclosure statement (This is the Settlement Statement for Habitat homes)
□ Copy of the recorded mortgages

<u>**Please Note**</u>-Funds are <u>not</u> immediately released after application is approved. Once applications are approved and all documentation has been received, the CCAP Funds will be processed and sent for approval to be paid through Town Warrant. Town Warrants are held every couple of weeks. On the Friday after Town Warrant, the CCAP Funds will be sent to your closing attorney's IOLTA account via wire transfer to be held until the closing date. Please keep this process in mind when scheduling your closing date as to not cause any delays.

AHT Meeting

3/16/2021

Agenda Item VII

FINANCIAL DISCUSSION

Nantucket Affordable Housing Trust

FY22 Budget Discussion Document - To Date

15-Mar-21

	NF ($20M bonding)	ToN (one-time $1M)	ToN (annual funding)	CPC ($5M bonding)	CPC (annual funding)	Short Term Rental Tax %	Housing Bank (RE transfer fee)	NCH CHIP (grant)	Totals
AMI Restriction Level	**200%**	**175%**	**175%**	**100%**	**100%**	**175%**	**175%**	**150%**	
Select Board Authorization Level	**$1**	**$1**	**$100K**	**$100K**	**$100K**	**$100K**	**$100K**	**$100K**	
Sources									
Starting Balance			$ 296,788						**$ 296,788**
2016 ATM - Article 10 ($1M one-time kick-start)		$ 1,000,000							**$ 1,000,000**
2017 ATM - Article 26 ($500k general appropriation)			$ 500,000						**$ 500,000**
2017 ATM - Article 37 ($400k CPC annual appropriation)					$ 400,000				**$ 400,000**
2017 CHIP Grant (for CCAP - 150% AMI)								$ 75,000	**$ 75,000**
2018 ATM - Article 27 ($300k general appropriation)			$ 300,000						**$ 300,000**
2018 ATM - Article 34 ($400k CPC annual appropriation)					$ 400,000				**$ 400,000**
2018 CHIP Grant (for CCAP - 150% AMI)								$ 50,000	**$ 50,000**
2019 ATM - Article 28 ($5M CPC bonding)				$ 5,000,000					**$ 5,000,000**
2019 ATM - Article 32* ($750k CPC annual appropriation)					$ 750,000				**$ 750,000**
2019 ATM - Article 37 ($20M bonding)	$ 20,000,000								**$ 20,000,000**
2019 CHIP Grant (for CCAP - 150% AMI)								$ 25,000	**$ 25,000**
2019 - Proceeds from closing on 47 Fairgrounds lot			$ 250,000						**$ 250,000**
2020 ATM - Article 32 ($150k CPC annual appropriation)					$ 150,000				**$ 150,000**
2021 ATM - CPC Recommended Funding					$ 800,000				**$ 800,000**
Totals =	**$ 20,000,000**	**$ 1,000,000**	**$ 1,346,788**	**$ 5,000,000**	**$ 2,500,000**	**$ -**	**$ -**	**$ 150,000**	**$ 29,996,788**

** Article 32 also incorporated $350k annually beginning in FY20 toward servicing the $5M bonding*

Nantucket Affordable Housing Trust

FY22 Budget Discussion Document - To Date (continued)

15-Mar-21

	NF ($20M bonding)	ToN (one-time $1M)	ToN (annual funding)	CPC ($5M bonding)	CPC (annual funding)	Short Term Rental Tax	Housing Bank (RE transfer fee)	NCH CHIP (grant)	Totals
AMI Restriction Level	**200%**	**175%**	**175%**	**100%**	**100%**	**175%**	**175%**	**150%**	
Select Board Authorization Level	**$1**	**$1**	**$100K**	**$100K**	**$100K**	**$100K**	**$100K**	**$100K**	
Uses - Expended & Committed									
Operational									
Consulting	$ 300,000		$ 166,685						**$ 466,685**
Legal	$ 145,000		$ 45,953						**$ 190,953**
Marketing / Public Outreach / Advertising			$ 126,299						**$ 126,299**
Education / Training / Travel / Supplies			$ 19,163						**$ 19,163**
Sub-totals =	**$ 445,000**	**$ -**	**$ 358,100**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 803,100**
Programs									
Unit Creation									
Habitat for Humanity**		$ 150,000	85000	$ 835,000	$ 975,000				**$ 2,045,000**
Housing Nantucket***		$ 150,000	$ 457,583		$ 667,417				**$ 1,275,000**
Financial Support to Allow 7 Surfside to go on SHI					$ 8,000				**$ 8,000**
Waitt Drive Infrastructure Contribution		$ 400,000							**$ 400,000**
7 Amelia Drive property (land acquisition + development)	$ 1,482,000	$ 300,000			$ 300,000				**$ 2,082,000**
135 Orange Street (land acquisition)	$ 1,068,565			$ 356,188					**$ 1,424,753**
137 Orange Street (land acquisition)	$ 1,462,465			$ 487,488					**$ 1,949,953**
31 Fairgrounds Road (land + construction)****	$ 9,262,500			$ 1,087,500					**$ 10,350,000**
UMass (property acquisition)	$ 2,625,000			$ 875,000					**$ 3,500,000**
Wildflower Acceleration (buy-down & construction)*****	$ 1,950,000			$ 650,000					**$ 2,600,000**
Sub-totals =	**$ 17,850,530**	**$ 1,000,000**	**$ 542,583**	**$ 4,291,176**	**$ 1,950,417**	**$ -**	**$ -**	**$ -**	**$ 25,634,706**
Closing Cost Assistance Program (CCAP)									
80% AMI + 100% AMI					$ 408,407				**$ 408,407**
150% AMI + 175% AMI			$ 190,233					$ 150,000	**$ 340,233**
Sub-totals =	**$ -**	**$ -**	**$ 190,233**	**$ -**	**$ 408,407**	**$ -**	**$ -**	**$ 150,000**	**$ 748,640**
Covenant Formation Assistance Program									
CFAP			$ 110,000						**$ 110,000**
Total Uses =	**$ 18,295,530**	**$ 1,000,000**	**$ 1,200,916**	**$ 4,291,176**	**$ 2,358,824**	**$ -**	**$ -**	**$ 150,000**	**$ 27,296,446**
Net Balance Available =	**$ 1,704,470**	**$ -**	**$ 145,872**	**$ 708,824**	**$ 141,176**	**$ -**	**$ -**	**$ -**	**$ 2,700,342**

Note 1: through utilizing a combination of the three strategies recommended by the Neighborhood First Advisory Committee, the $20 million will facilitate the creation of 97+ units, 4x the original intent; the three strategies are Pocket Development, Dispersed Site Purchase & Development, and Buy-Down

Note 2: with the approaches above regarding 31 Fairgrounds and Wildflower, $8.425 million (plus modest interest) will be returned to the Trust to be redeployed over the long-term

*** Habitat unit creation includes one single family home on Waitt Drive, a duplex (2 units) at 31 Beach Grass Road, and three units at Benjamin Drive (SHI-eligible)*

**** Housing Nantucket unit creation includes second unit at 18 Ticcoma (SHI eligible); house move to 46 Okorwaw; development of duplex at forthcoming Richmond lot (SHI-eligible)*

***** 31 Fairgrounds structured as $3.6 million grant for land acquisiton and $6.750 million loan for construction (50-year term @ 0.5%)*

****** Wildflower acceleration being structured with grant ($925k) and loan ($1.675 million) components*

Nantucket Affordable Housing Trust

FY22 Budget Discussion Document - Anticipated Needs

15-Mar-21

Operations	Period & Additional Requirement					
	FY21	FY22	FY23	FY24	FY25	Totals
Habitat for Humanity SHI-eligible unit creation		$ 721,000	$ 735,420	$ 750,128	$ 765,131	**$ 2,971,679**
Housing Nantucket SHI-eligible unit creation		$ 721,000	$ 735,420	$ 750,128	$ 765,131	**$ 2,971,679**
Closing Cost Assistance (up to 175% AMI)		$ 150,000	$ 153,000	$ 156,060	$ 159,181	**$ 618,241**
Affordable units repair & maintenance program		$ 100,000	$ 102,000	$ 104,040	$ 106,121	**$ 412,161**
Consulting & Professional Services		$ 150,000	$ 153,000	$ 156,060	$ 159,181	**$ 618,241**
Marketing / Public Outreach / Advertising		$ 25,000	$ 25,500	$ 26,010	$ 26,530	**$ 103,040**
Education / Training / Travel / Supplies		$ 20,000	$ 20,400	$ 20,808	$ 21,224	**$ 82,432**
S-2 Level Admin Assistant (salary + benefits)		$ 101,640	$ 103,673	$ 105,746	$ 107,861	**$ 418,920**
Office Space		$ 30,000	$ 30,600	$ 31,212	$ 31,836	**$ 123,648**
Debt Service		$ 600,108	$ 600,108	$ 600,108	$ 600,108	**$ 2,400,432**
Totals =	**$ -**	**$ 2,618,748**	**$ 2,659,121**	**$ 2,700,301**	**$ 2,742,305**	**$ 10,720,475**

Note 1: Habitat & Housing Nantucket unit creation have the potential to be funded in part through CPC request ($800,000 planned for in the FY22 figures above);
Habitat creates ownership units at 80% AMI or less;Housing Nantucket creates rental units restricted at 100% AMI or less; each organization planning on creating two (2) units per year

Note 2: Administrative Assistant would serve both Housing & Real Estate offices

Note 3: Annual COLA / inflation factor = 2%

Note 4: beginning in FY23, the Trust anticipates beginning to receive annual revenue contributions from 31 Fairgrounds (approximately $152k annualized)

Safe Harbor Maintenance	Period & Additional Requirement					
	FY21	FY22	FY23	FY24	FY25	Totals
135 + 137 Orange Street (~24 units)		$ 7,500,000				**$ 7,500,000**
UMass (~24 units)			$ 7,500,000			**$ 7,500,000**
Old Fire Station* - (~32 units w/ LIHTC)				$ 5,200,000		**$ 5,200,000**
Totals =	**$ -**	**$ 7,500,000**	**$ 7,500,000**	**$ 5,200,000**	**$ -**	**$ 20,200,000**

Note: FY22 funding for subsidy at 135 + 137 Orange Street is planned as debt exclusion (Article 24 on 2021 ATM Warrant)

** the availability of this site for housing is contingent on the adoption of a master facilities plan and the relocation of several departments including Health and Natural Resources*

Other Projects / Programs	Period & Additional Requirement					
	FY21	FY22	FY23	FY24	FY25	Totals
Shared Equity / Downpayment Assistance Pilot		$ 7,500,000			$ -	**$ 7,500,000**
Totals =	**$ -**	**$ 7,500,000**	**$ -**	**$ -**	**$ -**	**$ 7,500,000**

Note: debt service for Shared Equity program planned for in Operations budget above -- $7.5 million @ 2.5% for 15-year term

Subsidized Housing Inventory & Safe Harbor

Current Safe Harbor Requirements

- State 10% requirement for Nantucket = 490 SHI-eligible units; will be reset following 2020 Census result
- Nantucket SHI list presently reflects 199 units (4%)
- Approved Housing Production Plan – Nantucket has a DHCD approved plan which runs to October 2021
    - Affordable Housing Trust is the midst of updating the HPP with Judi Barrett and Jenn Goldson
- For one-year certification, production progress of **24 units**; for two-year certification, production progress of **49 units**

Current and Projected Toward Our Present 490 Unit Requirement

Estimated SHI List Count	2021	2022	2023	2024	2025
Starting balance	***199***	***365***	***395***	***458***	***515***
Meadows II (Richmond) [R]	90	24	33	30	
Sandpiper I & II (Richmond) [O]		3	3	3	3
Ticcoma Green (6 Fairgrounds Road) [R]	64				
Scattered rentals (Housing Nantucket) [R]	2	1	1	1	1
Scattered ownership (Habitat for Humanity) [O]	3	2	2	2	2
7 Amelia Drive [R]		4			
Surfside Crossing [O]*	-15				
31 Fairgrounds Road [R]	22				
135 + 137 Orange Street [R]			24		
UMass / Old Fire Station [R]				21	
Subtotal net additional units =	*166*	*30*	*63*	*57*	*6*
Ending balance	365	395	458	515	521
Units potentially eligible to count toward Safe Harbor =	115	7	27	24	3
Minimum Safe Harbor deficit =		0	0	0	0

[R] denotes Rental units; [O] denotes Ownership units

Notes: If Surfside Crossing is ultimately permitted at 156 units, it will as a future point add 39 units to our SHI list, 24 of which may be eligible toward a future Safe Harbor period.

END
OF
PACKET

March 16, 2021