Affordable Housing Trust Meeting

PACKET

Tuesday

June 1, 2021

1pm

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

https://zoom.us/j/93790602971?pwd=dVBpdVA0aHcvSUNjSHZ2RDI3aWRzZz09

Meeting ID: 937 9060 2971 Passcode: 808168

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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, June 1, 2021, 1:00PM**
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!**

SPECIAL MEETING
AGENDA FOR 06-01-2021
(**Subject to change**)
www.nantucket-ma.gov

JOIN ZOOM MEETING:
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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**
- May 18, 2021
- Approval of Minutes submitted by Finance Committee for meetings on:
  - March 8 – meeting posted in case quorum attained

IV. **CONTINUED Review and potential approval of DRAFT HPP**

V. **Closing Cost Assistance Program (CCAP)**
- **REVIEW of program parameters and potential revisions**

VI. **Communications Sub-committee report**
  a. Annual Town Meeting preparation & outreach

VII. **Other Business**
- **Next Meeting**
  - June Regular Meeting: Tuesday, June 15, 2021 at 1:00pm

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

IX. **BOARD COMMENTS**

X. **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.

XI. **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
GOVERNOR
Commonwealth of Massachusetts

NAHT Meeting

6/1/2021

Agenda Item III.

Approval of DRAFT MINUTES for Meeting on:

- *May 18, 2021*
- *March 8, 2021 – joint mtg. with FinCom*

NANTUCKET AFFORDABLE HOUSING TRUST

~~ MINUTES ~~
Tuesday, May 18, 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, Kristie Ferrantella, Allyson Mitchell
LATE ARRIVALS: Penny Dey *at 1:15pm*
ABSENT: Dave Iverson
STAFF IN ATTENDANCE: Tucker Holland (Housing Specialist); Eleanor Antonietti (Land Use Specialist); Vicki Marsh (Town Counsel)
CONSULTANTS: Judi Barrett (Barrett Planning Group LLC)
Public Present on Zoom: Jason Graziadei; Anne Kuszpa (Housing Nantucket); Dave Armanetti; Zulia Oomen-Lochtefeld

I. Call Meeting to Order

Brian SULLIVAN called the meeting to order at 1:03 pm
Brain 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

Reema Sherry moved to approve the agenda. Kristie Ferrantella seconded the motion.
ROLL CALL of those participating:

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

Agenda adopted by **UNANIMOUS** consent.

III. Approval of Minutes

- May 11, 2021

Kristie Ferrantella abstained as she was not present at May 11th meeting.

Brooke Mohr **moved to approve the Minutes for the meeting on May 11, 2021.** Reema Sherry seconded the motion.
ROLL CALL of those participating:

1. Brooke Mohr Aye
2. Reema Sherry Aye
3. Allyson Mitchell Aye

4. Brian Sullivan Aye

Minutes adopted by unanimous consent.

IV. CONTINUED Review of the DRAFT HPP – Judi Barrett

Tucker HOLLAND this is opportunity for Trust to provide further comment. Not everyone has had a chance to submit comments. The idea may be to continue to consolidate Trust comments and we could hold a working session to work with you.

Judi BARRETT May come on Monday. Continue to compile comments. She will come with laptop and hold an editing session. Would be most productive and give you ability to say what you are most concerned about.

Brian SULLIVAN asks about Board availability.

Reema, Allyson, Kristie, Brooke, and Brian can work to attend. Tucker will coordinate a location to meet.

STAFF will post a meeting.

Brooke MOHR going through but having a lot of conversations about it. If we can make it more positive to reflect the huge strides we have made. She is working on specific language.

Brian Sullivan regarding how document is defined for readership, we look forward to using it as educational tool for the community.

Judi Barrett no issue from DHCD point of view in community showcasing accomplishments. We can talk about old or new obstacles that we are up against. Last time we tried to talk about good things Nantucket had achieved.

VICKI MARSH & PENNY DEY arrive at 1:15pm

Tucker Holland look for the sweet spot between meeting DHCD requirement and have it be 'user friendly' to folks here.

Judi Barrett talks about DHCD perspective.

Tucker Holland we had several DHCD folks down here and they saw all of the different things that the Trust is involved with.

Brook Mohr the sweet spot is between acknowledging and recognizing what we have done and we we have to do.

Reema SHERRY add exercise of going back to original goals and objectives and spelling out what we actually have done with respect to that, such as building relationship with CPC.

Judi Barrett would be a good introduction. Important to make DHCD aware of all that has been done.

STAFF will post the HPP Work Session on 5/24 at 11am in location T/B/D.

Anne KUSZPA asks if the updates are to strategies we had the Housing Needs Assessments we had 2015-2025.

Judi Barrett yes

V. Covenant Formation Assistance Program Application (CFAP)

- **40 Essex Road – Andrew VORCE**

NO CONCERNS

Penny Dey motioned to approve the Covenant Formation Assistance Program application of Andrew Vorce. Kristie Ferrantella seconded the motion.

<u>ROLL CALL</u> of those participating:

1. Allyson Mitchell Aye
2. Reema Sherry Aye

3. Penny Dey Aye
4. Brooke Mohr Aye
5. Kristie Ferrantella Aye
6. Brian Sullivan Aye

The motion carried unanimously.

Tucker Holland confirms that we set aside funding for up to $10,000. Asks Anne Kuszpa for an update on the original one as it was approved right before Covid shuts downs.
Anne Kuszpa 63 Cato Lane was the 1st and only one approved so far. He has been making draws. He did get behind schedule but is still within 18 mo.s allowed before interest starts to accrue. In regular communication with our office.
Tucker Holland wants to use this opportunity to highlight that the program is out there and we have funds set aside for this program.
Brian Sullivan explains the program and its intent to help defray cost of permitting process of creating Covenant property.
Anne Kuszpa demand is strong right now. There are 3 lots of land and over 60 buyers that are looking.
Brooke Mohr we should do comprehensive overview of this at some point but important to point out that this is a way to take equity out of property by selling off portion or secondary DU to a Covenant qualified buyer and stay in one's home.

VI. Purchase of 18 Vesper Lane from the University of Massachusetts

Tucker Holland explains situation and favorable qualities of this opportunity. Motion has been prepared by Town Counsel.

Brooke Mohr **motioned** that the Nantucket Affordable Housing Trust vote **to approve and execute the Acceptance of Deed from the University of Massachusetts to the Town of Nantucket Affordable Housing Trust Fund for the property at 18 Vesper Lane, Nantucket, and related closing documents in the forms approved by Town Counsel; and further to authorize the Chair or the Vice Chair of the Trustees to execute any of these documents necessary to effectuate the purchase** of said property. Reema Sherry seconded the motion.

ROLL CALL of those participating:

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

The motion carried unanimously.

Tucker Holland thanks Atty. Marsh for her hard work on this.

VII. Wildflower Commons – Richmond Phase 2A Acceleration Program Loan & Grant Documents – Review & Approval

Tucker Holland Board is familiar with this transaction. This helps satisfy urgent need for YR housing. Happy to be working with Richmond Group to accelerate portion of rental community above and beyond what they were already willing to do. 24 additional units in terms of what could be addressed next on their own and additional affordability associated with this and a contribution

to certification or Safe Harbor. Another unique opportunity coming at right time. This adds 24 units to the SHI list. They were already part of original plan. The unit count remains the same. BR count is a little less than what was originally approved for this portion of the project. Count at time of Bldg. Permit issuance. Richmond is in process of pulling those right now. Collaborative work with DHCD on this project to make these eligible for certification. This would contribute to our next period of Safe Harbor.
Penny Dey asks when that is.
Tucker Holland difficult because we have other projects underway which could also contribute to new Safe Harbor period. This could provide first or second year as a function of timing.
Penny Dey it is fluid and there will not be redundancy.
Tucker Holland We have 3 projects which are collectively 49 units or 2 years of Safe Harbor. They are Benjamin Drive project, 31 Fairgrounds, and this one. You get full benefit of extra year.
Brian Sullivan turns meeting over to Brooke as he had previously recused from this.
Brooke Mohr is chair *pro tem*.

Reema Sherry **motioned** that the Nantucket Affordable Housing Trust vote to **approve and execute the Memorandum of Understanding, Grant and Loan Agreement, Promissory Note, Mortgage and Security Agreement and other documents necessary to effectuate the loan to Richmond Meadows Two P2A LLC for the buy-down of the affordability levels and the acceleration of the construction of the units for Wildflower Commons at Meadows II in the forms approved by Town Counsel; and further to authorize the Vice Chair of the Trustees to execute any of these documents necessary to effectuate said loan**. Kristie Ferrantella seconded the motion.
ROLL CALL of those participating:
1. Allyson Mitchell Aye
2. Reema Sherry Aye
3. Penny Dey Aye
4. Kristie Ferrantella Aye
5. Brooke Mohr Aye

The motion carried unanimously.

Tucker Holland thanks Atty. Marsh and Ken for their roles in this transaction.
Brian Sullivan kudos to Dave Armanetti for help with this.
Dave Armanetti thanks the Board, Staff, and Atty. Marsh. A lot of collaboration. The math is important, but it's about putting people into quality housing as soon as possible. Thanks all for vision and leadership and support.
Brooke Mohr appreciates creative thinking and flexibility brought to the table by Richmond.

VIII. Communications Sub-committee report

a. Annual Town Meeting preparation & outreach

Reema Sherry our video stories are complete and up on NCTV's YouTube channel and they are promoting them. There should be a link on our website.
Brooke Mohr Trust will host Webinar next Tuesday, 5/25 at 6-7:30pm with Fair Winds, A Safe Place, and Kevin Marshall from the Police Department. Highlighting impact of housing insecurity on our community on behavioral and human services on island. Personal housing stories will be shared. Tucker will do presentation on work we have been doing and have planned going forward. Want to engage community and help them understand these impacts and encourage people to pay

attention and come to ATM. Format will be a Q&A but also broadcast live on YouTube. Will be subtitled after.
Brian Sullivan asks Staff to post in case of quorum.
Allyson MITCHELL had two ¼ page ads in last week's paper (May 6th edition). She put together graphics. Focused on changes in number of single family dwelling transactions under $1 million between 2015 & 2020 and in changes in Median Annual Income and Median House Price between 1990-2020.
Brooke Mohr Statistics are stunning. In 2015, 28% of single family dwelling transactions were under $1 million. Today the number is 8%. Median Annual Income has increased by 166% since 1990 but Median House Price has increased 711%.
Brian Sullivan asks if there are other places we can distribute this information. Hopes to distribute to housing stakeholder groups. Asks if we intend to distribute flyer at ATM.
Brooke Mohr yes but need to finalize a distribution plan on Facebook sites, Town's pages, social media sites. Encourages members to share on their own social media. We will present something on June 1st when we meet.
Anne Kuszpa we have housing stakeholders meeting tomorrow. Will put this on the Agenda.

IX. Other Business

<u>Next Meetings</u>

- June Special Meeting: Tuesday, June 1, 2021 at 1:00pm
- May Regular Meeting: Tuesday, June 15, 2021 at 1:00pm

Kristie Ferrantella points out that there is a possibility that next meetings may be in person with Governor Baker's recent order.

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

Brooke Mohr tell everyone to come to ATM. Several articles that will determine future capacity of this group on the Warrant.

XI. BOARD COMMENTS

NONE

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.

Specific matter requires confidentiality.

The **MOTION** was made by Penny Dey 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.

<u>ROLL CALL</u> of those participating:

1.	Brooke Mohr	Aye
2.	Reema Sherry	Aye
3.	Allyson Mitchell	Aye
4.	Penny Dey	Aye

5. Kristie Ferrantella Aye
6. Brian Sullivan Aye

The motion carried unanimously.

XIII. Adjourn

Open Session Meeting ended at 1:53pm

Submitted by:
Eleanor W. Antonietti

Town of Nantucket
Finance Committee

www.nantucket-ma.gov

Committee Members: Denice Kronau (Chair), Stephen Maury(Vice-chair), Joseph T. Grause Jr., Peter McEachern, Joanna Roche, Peter Schaeffer, Chris Glowacki, Jill Vieth, George Harrington

MINUTES

Monday, March 8, 2021

This meeting was held via remote participation using ZOOM and YouTube,
Pursuant to Governor Baker's March 12, 2020 Order Regarding Open Meeting Law

Called to order at 4:00 pm by Ms. Kronau

Staff in attendance:	Libby Gibson, Town Manager; Brian Turbitt, Director of Finance; Rick Sear, Ken Beaugrand, Deputy Director of Finance; Real Estate Specialist; Tucker Holland, Housing Coordinator; Terry Norton, Town Minutes Taker
Attending Members:	Kronau, Maury, Grause, McEachern, Schaeffer, Glowacki, Vieth, Harrington
Absent Members:	Roche
Late Arrivals:	Vieth, Glowacki
Town Counsel:	John Giorgio, K&P Law, P.C.
AHTF Members:	Chair Brian Sullivan, Brooke Mohr, Kristie Ferrantella, Alyson Mitchell, Penny Dey
Other Speakers:	Howard Dickler, resident; Eric Savetsky, Executive Director Nantucket Islands Land Bank; Robert Williams, Land Bank Golf Committee; Aiden Feeney, resident; Posie Constable, Sustainable Nantucket; Ron Turcotte Nantucket Conservation Foundation (NCF); Robin Nydes, non-voting resident; D. Anne Atherton, Nantucket Coastal Conservancy; Rick Atherton; Reema Sherry, AHTF; Meghan Perry, Nantucket Tipping Point
Documents used:	Warrant Articles for 2021 Annual Town Meeting.

Adoption of agenda.

Motion	**Motion to Approve.** (made by: Grause) (seconded)
Roll-call Vote	Carried unanimously//Vieth, Schaeffer, Harrington, Grause, Maury, McEachern, Glowacki, and Kronau-aye

I. ANNOUNCEMENTS

II. PUBLIC COMMENT

1. None

III. COMMITTEE REPORTS

1. None

IV. REVIEW AND DISCUSSION WARRANT ARTICLES FOR 2021 ANNUAL TOWN MEETING (ATM) POTENTIAL ADOPTION OF MOTIONS

1. Article 21 (Appropriation: County Assessment)
2. Article 22 (Appropriation: Finalizing Fiscal Year 2022 County Budget)

Discussion	**Turbitt** – These are on the agenda for Thursday. Not tonight.
Motion	No action at this time.
Roll-call Vote	N/A
	Grause – Recused from Articles 23, 24, 38, and 97.
	Kronau – A large number of emails regarding these housing-related articles were received today; no motion will be made until we have had a chance to review those emails. Asked Mr. Holland to provide background prior to review these articles.

Holland – Reviewed the Subsidized Housing Inventory (SHI) & Safe Harbor requirements. We are aiming for 490 affordable units for Safe Harbor over the next few years. Reviewed upcoming projects that relate to reaching Safe Harbor. Explained money spent to date towards reaching Safe Harbor. The requested funding would allow the Affordable Housing Trust Fund (AHTF) to have the subsidy available for the 135/137 Orange Street development.

3. Article 23 (Appropriation: Affordable Housing Trust Fund ($475k))

Discussion **Holland** – This establishes and operating budget for the Housing Office. We anticipate the need for expanded staff to handle not only the housing side but the real estate side. We've been running just over $150,000 a year. It provides allocations for professional services as well. We also have a need for professional services in the realm of architecture and design. We have allocations for marketing and advertising to stay in communication with the public.

Schaeffer – It would make sense to put out a monthly update on what is being considered and where money is being spent. Asked the state definition of year-round housing.

Holland – It's determined by the census process. He would have to confirm the actual definition following this meeting.

Vieth – Asked if the $475,000 will be asked for every year and added into the budget.

Holland – It would become part of the budget going forward. $150 of that is for closing cost assistance and $150 for professional design services.

Vieth – The Town budget will have to find an additional half-million going forward.

Glowacki – Asked if there is back-up information for this request. This needs to be screened with the same level as any appropriation.

Schaeffer – You will need that money every year, but it doesn't have to be an additional article; also, that money can be raised from different locations other than just the Town budget. The only reason we should see a separate request is if there isn't enough in the account to meet expenses.

Holland – He's asking what will be needed to do the job. Today we are talking about how it will be funded. Cited 31 Fairgrounds as an example that will provide an income stream into Housing Nantucket; the money could be used for further developments.

Schaeffer – Asked if each project has different restrictions.

Holland – Yes.

Sullivan – AHTF currently has only one source of revenue, the Town.

Mohr – Often people confuse us with Housing Nantucket, which is a not-for-profit agency. We are a municipal entity.

Vieth – Asked about Community Preservation Committee (CPC) funding.

Beaugrand – CPC procedure is for specific projects, not support services. This year we met AHTF's full request.

Vieth – She would think design services would be covered by CPC.

Mitchell – She was under the impression design services had to do with branding, not architecture.

Holland – It is both marketing and architecture.

McEachern – Asked that line items be itemized before FinCom makes a motion to approve.

Maury – Asked where Town Administration sees this operating budget being funded from going forward.

Gibson – We see this will be its own category under Article 8. It's new and we haven't had the backup to make it an on-going line item; going forward, it will be its own department.

Ferrantella – CPC funding was through AHTF and usually goes to Habitat for Humanity and Housing Nantucket.

Motion No action at this time.

Roll-call Vote N/A

4. Article 24 (Appropriation: Affordable Housing Trust Fund ($7.5m))

Discussion **Holland** – We have money in the pipeline for projects previously outlined. We want to be in a position to plan for what comes in the next 2 years. These funds would allow local funding of developments at 135/137 Orange Street, 24 units. When you do a tax-credit project, you have to have at least 20 tax-credit units. AHTF believes in projects with mixed tiers of affordability. Another reason is not a tax-credit project is the tax-credit process is very competitive and the timing of awarding the funds doesn't always meet the timing of need. 31 Fairgrounds is in a good position to receive an award; if it does get an award, it might be several years before Nantucket would get another award. It is important to have this money available to proceed at our own pace.

Vieth – Asked if the State would pay this money back.

Holland – No; he doesn't believe you can get after-the-fact credit.

Vieth – Between $892,000 in Article 32 (CPC), $475,000 in Article 23, and $7.5 in Article 24, you are asking for about $9.5m in funding. Also, we are looking at about $500,000 added to the Town budget in perpetuity.

Turbitt – Regarding CPC Article 32, that funding is for paying off Sachem Path, a project that is already complete.

Discussion about how the money from the three mentioned articles is going to be used.

Mohr – Explained that the CPC grants funds to AHTF and in turn AHTF grants money for housing projects. The $7.5m is to ensure we have money to allow for flexibility in responding to development opportunities to meet Safe Harbor.

Glowacki – The $6.75m for 31 Fairgrounds, asked the terms on that.

Turbitt – 50 years.

Motion No action at this time.

Roll-call Vote N/A

5. Article 38 (Affordable and Year-round Housing Stabilization Fund) Arthur Reade, et al

Discussion **Reade** – This is to establish a stabilization funded by taking 2/3 of the Lodging Tax. Its purpose would be to support affordable and year-round housing. The statute provides that the fund would be established, the Town would accept legislation to establish such a fund, and short-term rentals (STR) would be added to the tax for this purpose. STRs generate about 2/3 of the Lodging Tax every year.

Kronau – Asked Mr. Turbitt to explain what the impact would be of creating this fund.

Turbitt – This is allowed with a minimum of 25% revenue source. If it were to pass at ATM, it would start 7/31/2021 at which point 33% would go to the General Fund and the rest to the Stabilization Fund. The money wouldn't be available to AHTF until the allocation from the account is approved at a future ATM; it would require a 2/3 vote. This would create a hole in the Town budget of just over $2.7m with no way to make it up; making up the deficit would require drastic cuts across the Town.

Kronau – Asked why it has to go into the special fund.

Turbitt – It doesn't have to; we could allocate a portion of the occupancy tax. There are other ways to get to this without creating a special stabilization fund.

Giorgio – One thing about this statute is once the funding source is dedicated to the stabilization fund, it can't be changed for 3 years; it's important to get it right up front. The Town will have an immediate deficit and won't be able to set the tax rate and so won't be able to send out tax bills until that deficit is fixed. You would have to call a STM or override to set the tax rate. The question becomes, is 2/3 the right number.

Schaeffer – Asked if the plan was to use this as an offset against the Land Bank article.

Reade – Not specifically but it did occur to him as an excellent way to offset that. The point about the timing, he wonders if it would be more appropriate to have this take effect in 2023 to allow the opportunity to plan in advance for the deficit.

Vieth – Asked Mr. Turbitt to break down commercial properties versus private properties. The STR money didn't start until last year so we don't have a history of normal years to look at how much STRs contribute.
Turbitt – You still end up with a massive budget shortfall. It doesn't matter if we delay the implementation, we would still be cutting millions in services out of the budget. Also, we budget conservatively, which allows to the Town fund capital projects with free cash and reach a Aaa credit rating. While 100% might not be in the operating budget, it is all used to manage the Town and provide services.
Vieth – We are looking for money for affordable housing. She feels this is a brilliant idea and we should take a strong look at it.
Turbitt – It would be 67% of the room occupancy tax, the total of what we receive. If this were to pass, it doesn't matter what bucket it comes from. Also, doing this requires a 2/3rd majority vote of Town Meeting to take it out of the Stabilization Fund for use by AHTF.
Giorgio – You can't change the percentage from the Lodging Tax or revoke acceptance for 3 years. If you do nothing, money will continue to accumulate in the fund at a rate of 67% of your total room tax. If you find the 67% is too much, you can't lower that amount for 3 years.
Glowacki – Asked if all of these articles require a 2/3 vote.
Giorgio – With the stabilization fund, there are two votes at 2/3 required: to establish the fund and to take money out of the fund.
Glowacki – Asked if there is a "sweet spot" that wouldn't cause the Town budget deficit.
Turbitt – Anywhere between 25 to 30% based upon what we received this year.
Schaeffer – Most people are in favor of coming up with money for affordable housing. Perhaps one thing we should study is what will provide that revenue source.
Giorgio – He doesn't know if anyone has considered the other provision of the STR law which is to assess a 3% community impact fee on all STRs.
Reade – He thinks the Town and Island residents are aware of the need for a reliable source of funds for affordable housing. He feels it would be easier to get 2/3 vote to appropriate funds already set aside than to get votes for borrowing authorization. He'd be amenable to a recommendation to start it in FY2023 so as not to mess up the FY2022 budget.
Vieth – Asked Mr. Holland's and Ms. Mohr's about adding the impact fee.
Mohr – That impact fee would be equivalent to 50% of what this article projects to provide.
Kronau – The 67% sounds feasible if we had 5 years of normal history to reference. We are talking about a percentage of numbers that aren't as reliable as we would like.
Giorgio – Town meeting would have to vote to raise the STR tax an additional 3%.
Sullivan – When the Select Board had the opportunity to set the STR tax, there was a lively discussion to keep it at 2%. It has been absorbed as a luxury tax and has not affected rentals. Also, there were discussions about how the money from the tax would be used for water quality. He's concerned about adding another 3%.
Maury – The community impact fees can only be applied to professionally managed rental units.
Giorgio – If you accept the 3% on professionally managed STRs, you can also adopt a 3% impact fee on private-managed units. If you don't occupy the unit, it is considered a professionally managed unit.
Maury – Believes professionally managed applies to having 2 or more rental units on Nantucket.
Kronau – The article couldn't be amended to include the impact fee because that is way outside the scope of Mr. Reade's article.
Maury – Asked if it would be within the scope of this article to designate a specific sum rather than a percentage.
Giorgio – It has to be expressed as a percentage and not less than 25% of that revenue stream. The statute that applies to creating a stabilization fund requires a minimum of 25%.

Glowacki – Asked for an update on the real estate transfer tax.

Holland – Our local home rule petition was resubmitted into the current session. Multiple municipalities have submitted similar petitions. It's not guaranteed to pass but it is getting greater attention. Annual revenues would be around $3.5m based upon 2020 data.

Vieth – The 25% is looked at as a levy tax.

Giorgio – The 25% minimum is on the lodging tax as a whole; it can't be restricted to STRs.

Mohr – Confirmed any change to the stabilization fund would have to be approved at ATM. Mr. Turbitt indicated the Town Administration could opt to allocate money for affordable housing; asked the process.

Gibson – It's not Finance and Town Administration; we would make a recommendation to the Select Board. We could consider for FY2022, in Article 8 to add an amount of $X for the Housing Office, which would be part of their operating budget.

Motion No action at this time.

Roll-call Vote N/A

6. Article 97 (Home Rule Petition: Allocate Portion of Land Bank Real Estate Transfer Fee to Support Year-Round Housing) Brooke Mohr, et al

Discussion **Mohr** – Recusing from the AHTF meeting. She read a statement regarding why she submitted this article; we've had a housing problem for years and it has accelerated rapidly. There seems to be no consensus on a solution to this problem. There is a very strong real estate lobby against further transfer fees.

Dickler – Reviewed Land Bank finances, which is a matter of public record. Their assets stand at about $37m. This article is asking for 25% of Land Bank's income to provide for operations and property acquisition.

Mohr – Mr. Holland has presented details on spending of the allocated $25m granted AHTF. Based on 2019 data, the multiple of medium income to medium property market value was 16. In 2021, it is much more. The current operations of the Land Bank will not be devastated but it might slow their land acquisition. There is only about 4% of undeveloped land not held by conservation groups. Annual medium income has gone up 150% but property sale price has gone up 203%. Sharing this income source for 20 years is a viable option.

Vieth – She would like to hear Ms. Mohr's view on how to meet the monetary needs of AHTF for the next 5 years.

Mohr – This article was proposed when there were no options on the tabled It is this committee's job to figure out the best combination of funding. We believe $5m is needed; a combination might be better than a single funding stream due to each having different restrictions.

Schaeffer – You should be thinking of this on perpetuity, not 5 or 20 years. AHTF doesn't care where the money comes from as long as there is easy access to the needed funds. He feels it should be from one source; because it would get very complicated otherwise.

Mohr – She wishes people would commit to funding in perpetuity. $100m over 20 years is a huge ask and single source is easier. However, AHTF already gets buckets of money from different sources and has no problem in the execution of that.

Maury – Asked what it would look like if all funding sources come to fruition at the same time.

Mohr – Not sure what infrastructure we would need beyond what we're currently doing. We can't do it all at once even if we had all the money now because we would fall out of Safe Harbor. There is a way to craft this so that it might not be all the money but would be sufficient to get things done. If the money were used just to build out Safe Harbor, we wouldn't have money for the equity sharing program or other programs to help home buyers.

Vieth – Asked if Ms. Mohr has ever worked with the Land Bank to buy a property then change it through zoning so there would be protected space and an affordable home.

Holland – There has been outreach to Land Bank to look at things within their lane to further both conservation of land and conservation of people goals but haven't as yet come to an agreement. We are entering our first collaboration with 31 Fairgrounds where Land Bank holds the conservation restriction. We hope there will be more such opportunities.

Vieth – Asked, if since the $25m was allocated, has it been used to get people into homes.

Holland – There are a couple of Habitat homes under construction now; there are several significant projects underway that within the next 12 months, about 49 families will be in housing created.

Glowacki – Won't everything on this page get you to Safe Harbor.

Mohr – Richmond Development construction timeline finishes is 2025; in the meantime, we have to create 24 SHI eligible homes every year.

Glowacki – Asked how many years of the Land Bank share would be needed to meet SHI requirements.

Mohr – About $19m to $20m over 4 years.

Glowacki – You raised the issue about taking this from Land Bank or other sources.

Mohr – The Land Bank fee is the most flexible source of funds for AHTF. The housing bank bill is restricted at 175% annual medium income (AMI) leaving a gap up to 200% AMI. This is all in a chart on page 15 of the posted supplemental package. There is still a legislative process of about 1 or 2 years to pass for the Land Bank share. Asked what the limitations on borrowing are.

Turbitt – We'd have to run it by Bond Counsel for their approval. Borrowing can never be used for operational expenses.

Holland – The $5m of the $25 is restriction to 100% AMI only.

Motion No action at this time.

Roll-call Vote N/A

Kronau – We will be looking at these articles for a vote on March 23rd. Opened to public comments at 6:08 p.m.

Savetsky – On behalf of the Land Bank, we speak in unanimous opposition of Article 97. The Land Bank was established to counter over development of Nantucket 37 years ago. We became a model for nation-wide open-space conservation. We understand the needs for affordable housing; we encourage the Town to consider the other four articles, which amount to over $14m for AHTF.

Williams – The Land Bank does more than acquire land; the Miacomet Golf Club is a huge resource. Land Bank has also coordinated with the Town for care and restoration of the Island's great ponds. No other organization has the ability to address protecting Nantucket from sea level rise.

Feeney – He grew up on the Island and moved off; he came back because of the Land Bank and Sustainable Nantucket. He's not against affordable housing but Nantucket's efforts toward conservation is what he is most proud of. Asked FinCom not to approve Article 97.

Constable – When she moved to Nantucket last year, she took on the roll of managing Sustainable Nantucket. Cited examples where Land Bank helped lead to Sustainable Nantucket's success. Urged FinCom not to move forward with Article 97.

Turcotte – Nantucket Land Council opposes Article 97 and wants to keep the 2% transfer fee in its entirety going to the Land Bank. As we move into coastal resiliency planning in the face of sea level rise, the Land Bank needs to be able to move quickly to purchase beach-front property. We oppose the article.

Robin Nydes – We endorse Article 38 representing the STR and (article) pairs to Article 38. Also, suggested FinCom, Ms. Mohr, and Brian to think big regarding the STR and sit down with financial specialists.

Reade – He was around in 1983 and helped draft the initial land bank legislation and helped get it through Beacon Hill. The Land Bank is very important; conservation on Nantucket is very important to preserve the outlying lands of Nantucket. He shudders to think what Nantucket would be like without that. There are still important parcels of land that should be

acquired; if conservation organizations don't acquire them, they will be developed. You need to be able to acquire the land when it is available. Don't pit conservation against housing.
Mitchell – As a private citizen, she supports Article 97, it is the one that would not affect the Town budget or taxpayers. She's a huge fan of the Land Bank. It's important to note that over the past 15 to 20 years, Land Bank has made expenditures for housing for their own employees; it is clear they understand the need for housing. As housing advocates, we are asking to tap a source that we believe would be the simplest and quickest to help us get work-force housing. My husband and I are exactly the family that can't buy into the market without help.
D.A.Atherton – On behalf of Nantucket Coastal Conservancy, we will get a written statement regarding our stance on this article to FinCom. One point we need to think about is the far-sightedness Nantucket planners had on the need to conserve land. Currently the issue facing the Island for the next 50 years is dealing with sea-level rise and climate change. The Town is working on a coastal resiliency plan; we are uniquely positioned to have Land Bank acquire land to help deal with this threat. Defunding them at this time would not be prudent.
R.Atherton – Speaking as one who had a significant role in getting the $25m approved, it's unfortunate to reach the point where we want to take away from Land Bank. There are far too many unkowns to think about long-term funding of these significant amounts. He supports the $7.5m for this year and next year.
Sherry – She has been working with AHTF for 5 years; we've been a fund without funding for a long time. She's a proponent of this article. Keep an open mind about sharing this income for a desperate need. She believes the Land Bank will continue to function without the full 2%. We would remove a lot of stress and over crowding and this is the most efficient, easiest and temporary solution. Hearing about golf when working people are living in cars and can't afford to pay rent is ridiculous.
Savetsky – Appreciates the financial analysis AHTF did. We did an impact analysis and found that if we lost 25% of our revenue stream, our acquisition would be cut in half after all other expenses are met.
Mohr – She hasn't seen where climate or coastal resiliency is part of Land Bank's mission; before we amend their mission to deal with a future problem, we should deal with a long-existing problem. Thinks this is the only article that doesn't impact the Town budget or revenue sources. She had 9 phone calls this week from people in imminent danger of losing their housing. Employer housing leads to the equivalent of indentured servitude. People should have the freedom to switch jobs or increase their families without losing their housing. AHTF spends every dollar they get.
Perry – She sent a lengthy letter on December 6, 2020 to the Select Board which highlights a few things Land Bank does for the community: playgrounds, porto-potties, etc. She recently sent that letter to FinCom. Land Bank is more than walking trails. She supports not taking money from them.

Sullivan – Took a motion to adjourn AHTF meeting at 6:45 p.m.

V. NEXT MEETING DATE/ADJOURNMENT

Date: Tuesday, March 9, 2021; 4:00 p.m.
Thursday, March 11, 2021; 4:00 p.m.

VI. OTHER BUSINESS

None

Adjournment:

Motion	**Motion to Adjourn at 6:46 p.m.** (made by: Vieth) (seconded)
Roll-call Vote	Carried unanimously//McEachern, Vieth, Glowacki, Harrington, Maury, Grause, Schaeffer, and Kronau-aye

Submitted by:
Terry L. Norton

AHT Meeting

6/1/2021

Agenda Item V.

CCAP – Review

program parameters & potential revisions

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%-175% 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 175% 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 175% 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 175% 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 175% 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 175% 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 175% of the current HUD annual median household income. In Nantucket, 80%, 100%, and 150%, and 175% AMI as of _____________:

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
175% AMI Income Limits						

****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

For Planning Office Only
Date Received:

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.*

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): 175% 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 175% 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 175% 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 80-175% AMI restricted property through an authorized monitoring agent? YES _____ NO_____
If YES, please provide a copy of your certificate.
** Right to purchase an 80-175% 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 175% 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 175% 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

*****Please Note**-Funds are not 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.***

Closing Disclosure

This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.

Closing Information

[redacted]
Nantucket, MA 02554

Sale Price $300,000

Transaction Information

[redacted]

Lender The Cape Cod Five Cents Savings Bank

Loan Information

Loan Term	30 years
Purpose	Purchase
Product	3 / 1 Adjustable Rate
Loan Type	☒ Conventional ☐ FHA ☐ VA ☐ ______

[redacted]

Loan Terms

		Can this amount increase after closing?	
Loan Amount	$225,000	**NO**	
Interest Rate	4.125%	**YES**	• Adjusts **every year** starting in year 4 • Can go **as high as 10.125%** in year 6 • See **AIR Table on page 4** for details
Monthly Principal & Interest *See Projected Payments below for your Estimated Total Monthly Payment*	$1,090.46	**YES**	• Adjusts **every year** starting in year 4 • Can go **as high as $1,901** in year 6
		Does the loan have these features?	
Prepayment Penalty		**NO**	
Balloon Payment		**NO**	

Projected Payments

Payment Calculation	**Years 1 - 3**	**Year 4**	**Year 5**	**Years 6 - 30**
Principal & Interest	$1,090.46	$959 min $1,345 max	$959 min $1,617 max	$959 min $1,901 max
Mortgage Insurance	+ 0	+ 0	+ 0	+ 0
Estimated Escrow *Amount can increase over time*	+ 0	+ 0	+ 0	+ 0
Estimated Total Monthly Payment	$1,090.46	$959 - $1,345	$959 - $1,617	$959 - $1,901

Estimated Taxes, Insurance & Assessments *Amount can increase over time* *See page 4 for details*	$403.17 a month	**This estimate includes** ☒ Property Taxes ☐ Homeowner's Insurance ☐ Other: *See Escrow Account on page 4 for details. You must pay for other property costs separately.*	**In escrow?** **NO**

Costs at Closing

Closing Costs	$4,453.93	Includes $2,736.00 in Loan Costs + $1,717.93 in Other Costs - $0 in Lender Credits. *See page 2 for details.*
Cash to Close	$54,667.04	Includes Closing Costs *See Calculating Cash to Close on page 3 for details.*

Closing Cost Details

Loan Costs	Borrower-Paid At Closing	Borrower-Paid Before Closing	Seller-Paid At Closing	Seller-Paid Before Closing	Paid by Others
A. Origination Charges	$400.00				
01 % of Loan Amount (Points)					
02 Application Fee		$400.00			
03					
04					
05					
06					
07					
08					
B. Services Borrower Did Not Shop For	$2,336.00				
01 Appraisal Fee [redacted]	$650.00				
02 Credit Report Fee	$42.70				
03 Document Preparation Fee	$24.80				
04 Tax Monitoring Fee	$81.00				
05 Title - Courier/Overnight Fee	$50.00				
06 Title - Lender's Title Insurance	$562.50				
07 Title - Municipal Lien Certificate	$25.00				
08 Title - Settlement Agent Fee	$900.00				
09					
10					
C. Services Borrower Did Shop For					
01					
02					
03					
04					
05					
06					
07					
08					
D. TOTAL LOAN COSTS (Borrower-Paid)	$2,736.00				
Loan Costs Subtotals (A + B + C)	$2,336.00	$400.00			

Other Costs	Borrower-Paid At Closing	Borrower-Paid Before Closing	Seller-Paid At Closing	Seller-Paid Before Closing	Paid by Others
E. Taxes and Other Government Fees	$955.00				
01 Recording Fees Deed: $155.00 Mortgage: $615.00	$955.00				
02 Transfer Tax to Nantucket Land Bank Tax			$4,122.00		
F. Prepaids	$25.43				
01 Homeowner's Insurance Premium (mo.)					
02 Mortgage Insurance Premium (mo.)					
03 Prepaid Interest ($25.43 per day from 11/30/20 to 12/1/20)	$25.43				
04 Property Taxes (mo.)					
05					
G. Initial Escrow Payment at Closing					
01 Homeowner's Insurance per month for mo.					
02 Mortgage Insurance per month for mo.					
03 Property Taxes per month for mo.					
04					
05					
06					
07					
08 Aggregate Adjustment					
H. Other	$737.50				
01 Title - Owner's Title Policy (Optional) [redacted]	$737.50				
02					
03					
04					
05					
06					
07					
08					
I. TOTAL OTHER COSTS (Borrower-Paid)	$1,717.93				
Other Costs Subtotals (E + F + G + H)	$1,717.93				
J. TOTAL CLOSING COSTS (Borrower-Paid)	$4,453.93				
Closing Costs Subtotals (D + I)	$4,053.93	$400.00	$4,122.00		
Lender Credits					

CONSTRUCTION LOAN

Closing Disclosure

This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.

Closing Information

[redacted]

Nantucket , MA 02554

Appraised Prop. Value $855,000

Transaction Information

[redacted]

Lender The Cape Cod Five Cents Savings Bank

Loan Information

Loan Term 30 years

Purpose Refinance

Product 1 Year Interest Only, Fixed Rate

Loan Type ☒ Conventional ☐ FHA ☐ VA ☐ ________

[redacted]

Loan Terms		Can this amount increase after closing?
Loan Amount	$768,645	NO
Interest Rate	3.625%	NO
Monthly Principal & Interest *See Projected Payments below for your Estimated Total Monthly Payment*	$1,160.97	YES • Adjusts **every mo.** starting in mo. 1 • Goes **as high as $3,573** in year 2 • Includes **only interest** and **no principal** until year 2 • See **AP Table on page 4** for details
		Does the loan have these features?
Prepayment Penalty		NO
Balloon Payment		NO

Projected Payments Payment Calculation	Year 1	Years 2 - 30
Principal & Interest	$1,160.97 *only interest*	$3,572.53
Mortgage Insurance	+ 0	+ 0
Estimated Escrow *Amount can increase over time*	+ 489.97	+ 489.97
Estimated Total Monthly Payment	$1,650.94	$4,062.50

		This estimate includes	In escrow?
Estimated Taxes, Insurance & Assessments *Amount can increase over time* *See page 4 for details*	$489.97 a month	☒ Property Taxes	YES
		☒ Homeowner's Insurance	YES
		☐ Other:	
		See Escrow Account on page 4 for details. You must pay for other property costs separately.	

Costs at Closing		
Closing Costs	$11,843.69	Includes $7,487.75 in Loan Costs + $4,355.94 in Other Costs - $0 in Lender Credits. *See page 2 for details.*
Cash to Close	$9,646.79	Includes Closing Costs. *See Calculating Cash to Close on page 3 for details.* ☒ From ☐ To Borrower

Closing Cost Details

Loan Costs	Borrower-Paid At Closing	Borrower-Paid Before Closing	Paid by Others
A. Origination Charges	$300.00		
01 % of Loan Amount (Points)			
02 Processing Fee	$300.00		
03			
04			
05			
06			
07			
08			
B. Services Borrower Did Not Shop For	$7,187.75		
01 Appraisal Fee [redacted]	$699.00		
02 Construction Draw Fees [redacted]	$900.00		
03 Construction Final Inspection Fee [redacted]	$206.00		
04 Credit Report Fee [redacted]	$44.20		
05 Document Preparation Fee [redacted]	$24.80		
06 Flood Determination Fee [redacted]	$10.25		
07 Insurance Tracking Fee [redacted]	$50.00		
08 Tax Monitoring Fee [redacted]	$81.00		
09 Title - Courier/Overnight Fee [redacted]	$50.00		
10 Title - Lender's Title Insurance [redacted]	$1,697.50		
11 Title - Municipal Lien Certificate [redacted]	$25.00		
12 Title - Plot Plan [redacted]	$2,500.00		
13 Title - Settlement Agent Fee [redacted]	$900.00		
C. Services Borrower Did Shop For			
01			
02			
03			
04			
05			
06			
07			
08			
D. TOTAL LOAN COSTS (Borrower-Paid)	$7,487.75		
Loan Costs Subtotals (A + B + C)	$7,487.75		

Other Costs	Borrower-Paid At Closing	Borrower-Paid Before Closing	Paid by Others
E. Taxes and Other Government Fees	$600.00		
01 Recording Fees Deed: Mortgage: $205.00	$600.00		
02			
F. Prepaids	$2,776.00		
01 Homeowner's Insurance Premium (12 mo.) to [redacted]		$2,776.00	
02 Mortgage Insurance Premium (mo.)			
03 Prepaid Interest (per day from to)	$0.00		
04 Property Taxes (mo.)			
05			
G. Initial Escrow Payment at Closing	$979.94		
01 Homeowner's Insurance $231.33 per month for 3 mo.	$693.99		
02 Mortgage Insurance per month for mo.			
03 Property Taxes per month for mo.			
04 Town Property Tax $258.64 per month for 2 mo.	$517.28		
05			
06			
07			
08 Aggregate Adjustment	-$231.33		
H. Other			
01			
02			
03			
04			
05			
I. TOTAL OTHER COSTS (Borrower-Paid)	$4,355.94		
Other Costs Subtotals (E + F + G + H)	$1,579.94	$2,776.00	
J. TOTAL CLOSING COSTS (Borrower-Paid)	$11,843.69		
Closing Costs Subtotals (D + I)	$9,067.69	$2,776.00	
Lender Credits			

END

OF

PACKET

June 1, 2021