

NANTUCKET AFFORDABLE HOUSING TRUST

~~ MINUTES ~~

Friday, November 5, 2021

Remote Meeting *via* Zoom – 3:00 pm

Trust Members: Brian Sullivan (Chair), Brooke Mohr (Vice-Chair), Penny Dey, Dawn Holdgate, Reema Sherry, Dave Iverson

ATTENDING MEMBERS: Brian Sullivan, Reema Sherry, Brooke Mohr, Penny Dey, Dawn Holdgate, Dave Iverson

ABSENT:

STAFF IN ATTENDANCE: Tucker Holland (Housing Specialist); Ken Beaugrand (Real Estate Specialist); Allyson Mitchell (Housing & Real Estate Office Manager)

ANTICIPATED SPEAKERS: Vicki Marsh, Andrew Burek, Caroline Ellen Bird

PUBLIC PRESENT ON ZOOM: Risa Finkel, Mollie Finkel, Terrence Newth, Rick DiFronzo, Spencer Goldsmith, Josh Balling, Dave Fredericks, Jason Graziadei, Julia Lindner, Catie Rosenthal, Galen Gardner

I. Call Meeting to Order

Brian Sullivan called the meeting to order at 3:02 pm

Brian Sullivan reads Public Participation Guidelines

- Members of the public wishing to participate in the meeting must use their full name for Zoom access. If full names are not used, people will not be allowed to participate in discussion. The Town reserved the right to remove any member of the public from the meeting who doesn't use a full name or acts inappropriately.
- This Open Meeting of the Affordable Housing Trust is being conducted remotely pursuant to Chapter 20 of the Acts of 2021. Ensuring public access does not ensure public participation unless such participation is required by law. This meeting will feature public comment. For this meeting, the Nantucket Affordable Housing Trust is convening by video conference via Zoom App as posted on the Town's Website identifying how the public may join.

II. Approval of Agenda

Dave Iverson moved to approve the agenda. **Brooke Mohr** seconded the motion.

ROLL CALL of those participating:

1. **Dave Iverson** Aye
2. **Penny Dey** Aye
3. **Reema Sherry** Aye
4. **Dawn Holdgate** Aye

5. **Brooke Mohr** Aye

6. **Brian Sullivan** Aye

Agenda adopted by **UNANIMOUS** consent.

III. Approval of Minutes

Will be part of November 16th meeting.

IV. Public Comment

None

V. Request from Richmond Meadows Two P2A, LLC for Subordination of Mortgage on 2 Wildflower Drive and 1-3 Pimpernel Place, Nantucket

Vicki Marsh, the mortgage held by the Trust on property at 2 Wildflower Drive & 1-3 Pimpernel Place, property is going to have a new lender that has requested that we subordinate our present mortgage to their mortgage, and the lender is Eastern Bank. This does not adversely affect our position, we were already in a 2nd place position in this mortgage behind another lender.

Brooke Mohr moves to approve the request for as written in the agenda for the loan subordination. Dawn Holdgate seconded the motion.

ROLL CALL of those participating:

1. **Dave Iverson** Aye

2. **Penny Dey** Aye

3. **Reema Sherry** Aye

4. **Dawn Holdgate** Aye

5. **Brooke Mohr** Aye

6. **Brian Sullivan** Aye

Agenda adopted by **UNANIMOUS** consent.

VI. Request from Richmond Meadows Two P2A, LLC for Partial Release of Mortgage on 2 Wildflower Drive and 1-3 Pimpernel Place, Nantucket

Vicki Marsh, this is a request from Richmond Meadows Two P2A, LLC, in the last meeting, we agreed to an assent to a plan that would have subdivided what was lot 959 into several smaller lots which are then going to be added to the adjacent property. This is a partial release of the mortgage on these lots and allows for the release of these smaller lots that were created and which will now be added to the duplex lots adjacent to lot 959.

Tucker Holland, with this and prior, do you need an authorization to sign on behalf of the Trust?

Vicki Marsh, if they want just the Chair or Vice Chair sign then yes, we need an authorization.

Brooke Mohr moves to authorize the Chair or Vice Chair to execute the Subordination of Mortgage as pertains to the previous item. Reema Sherry seconded the motion.

ROLL CALL of those participating:

1. **Dave Iverson** Aye
2. **Penny Dey** Aye
3. **Reema Sherry** Aye
4. **Dawn Holdgate** Aye
5. **Brooke Mohr** Aye
6. **Brian Sullivan** Aye

Agenda adopted by **UNANIMOUS** consent.

Brooke Mohr moves to approve the request for Item 6 (*Request for Approval and Execution of Partial Release of Mortgage by the Town of Nantucket Affordable Housing Trust Fund as holder of Mortgage, Security Agreement and Assignment of Leases and Rents dated June 11, 2021 by Richmond Meadows P2A, LLC filed with Nantucket Registry District of the Land Court as Document No. 169975 of a portion of Mortgaged Premises shown as Lots 1119, 1120, 1121, 1122, 1123 and 1124 on Land Court Plan No. 16514-146*) as written in today's agenda. Penny Dey seconded the motion.

ROLL CALL of those participating:

1. **Dave Iverson** Aye
2. **Penny Dey** Aye
3. **Reema Sherry** Aye
4. **Dawn Holdgate** Aye
5. **Brooke Mohr** Aye
6. **Brian Sullivan** Aye

Agenda adopted by **UNANIMOUS** consent.

VII. 8 White Street Purchase - ACTION

Tucker Holland, As the Board is aware, we were approached by the Bird family, which we are very grateful for, with an intention on their part to sell their vacant land at 8 White St., approximately 2.8 acres in the Surfside area, for the purposes of serving year-round housing. The Birds and Ken and Tucker had met to discuss, they investigated the opportunity to do a bargain sale and came back to the Trust with a proposed price of \$1.2 million for the acquisition. We have agreed to, in principle, a purchase and sale agreement. Today we're here to move forward with that purchase & sale and to move forward with the execution. This is not today a discussion about what kind of development will be done at this site. That's a process entirely separate, would take place at another time, and would have to go in front of the appropriate planning boards. We certainly intend to make this a very public involved process. I've had the opportunity to hear from several neighbors in the area over the last 48 hours expressing different concerns & interests, so that kind of feedback is helpful

as we ultimately figure out what we would like to do here. I think it's the Board's general intention along the way to have this serve an area of the community that has not gotten as much attention in the more recent housing efforts. As everyone knows we've been working hard to reach the 10% requirement for Safe Harbor that the state mandates and the state gives heavy incentives for rental projects and that has been a large part of the focus provided by town meeting. This we view as potentially an opportunity on the ownership side, maybe above the most basic income restriction levels.

Caroline Ellen Bird, very appreciative of the work the Trust has been putting in for this whole process. I am a 4th generation of the Bird family, raising two young daughters there in the summers, love and connection of the land and area very deep. In lifetime, watched change from wild open Moors to a very thoroughly developed suburb. We live in this cottage that my Grandparents built, and this land was originally bought in case the cottage went into the ocean. When we realized we were going to sell it, we thought it was an opportunity to make it available to the housing crisis and hoping there would be a way to make use of it year-round. We started seeking different possibilities and that led us to this Trust and the possibility of the bargain sale as a way to make it work financially for us and the Town. I appreciate the intentions of the Board to make it scaled to the neighborhood and to take care of the natural landscape.

Vicki Marsh, the Birds have asked that the property does need to be sold with the restriction that it be used for affordable housing purposes. There is no restriction on the level of income, that would be decided at a later date by the Board and in future discussions.

Dave Iverson, want to take a moment to make sure that its understood that we are so grateful to the Bird's for this, and I don't think it is any Board member's intention to "blow this lot up". We're looking to do the best we can and to not radically change the neighborhood that exists. We are part of the community, this is not our intention. I completely understand your concerns as abutters and I completely understand that it has been awkward since most of this has happened in Executive Session, but that it how was do all of our real estate transactions. I want to say to everyone who signed onto that letter, we hear you loud & clear and we also feel strongly about fulfilling the Bird's wishes. We want to work with the neighbors to make this a welcome addition to the neighborhood and not a nightmare.

Penny Dey, there are also going to be limitations based on septic capacity, on this lot. I have a question for Vicki, do we have a contractual obligation to vote on this soon?

Vicki Marsh, in order for us to meet the closing date in the P&S we do need to execute this very quickly, we have to meet certain procurement requirements as well. The Birds have requested that we close before the end of the calendar year because this is a bargain sale. We have very limited time to get this to close by then.

Brooke Mohr, I'd like to help members of the public understand the challenge we face to create year-round housing that's desperately needed, that allow Nantucketers to live in various parts of the island – referred to as "scattered site" housing. Opportunities like this are rare in a shrinking, open land situation like Nantucket and I want to commend the Bird family for taking the initiative to help this property become housing for folks that make the island run for all of us who are here on this meeting today. And Nantucketers who live here year-round and can't afford, also should be able to

live in beautiful rural neighborhoods in Nantucket, and that is our goal and I think that is the Bird's goal, to share this beautiful part of Nantucket with folks who live here, work here, and make this island run.

Reema Sherry, I am a neighbor of this property, I live on 60 Pochick Ave, my part of Pochick has had 4 affordable rental units as long as I have lived there. There are also free-standing units on Okorwaw behind us. The people in these homes make amazing neighbors, they're the best neighbors. It is a neighborhood now, and it's a mixed neighborhood. We have some really big compounds with all the bells and whistles and then we have these little houses, and we all live together pretty harmoniously and it's not a problem. The other thing is, this lot is untouched, and it has wonderful natural vegetation that can easily be left in place around the edges for buffer zones and with frontage on the Boulevarde, I don't think there would be traffic affecting your tiny, quiet cul de sac. We don't want to affect any of that, we just want to be able to find land to house year-round community members because there are so many desperate people out there. People who were born here and may have to leave. I really wouldn't be afraid of this and all of you have the opportunity to participate as we craft what we end up doing there.

Dawn Holdgate, I'd like to echo what everyone else has said, this is a tremendous opportunity, to be offered a piece of property like this for this purpose, and with keeping all the millions of dollars that have been appropriated, and the community recognizing the level of the situation that we have with availability of year-round opportunities of all income levels. A site like this truly lends itself to a home ownership opportunity and certainly the Trust and the Select Board would not want to be associated with anything that wasn't tasteful and have the support of the neighborhood.

Brian Sullivan, any other board comments before opening to the public? I will note, we did receive letters from numerous members of the public that have joined us, they were shared to all members of the board. I want to give everyone an opportunity to share brief comments, but if someone has already made comments that you agree with, please just come on and say "I agree".

Risa Finkel, our reaction as a community was prompted by the surprise and lack of knowledge by any of this and a sense of panic. So I appreciate all of your input and information, it's all very new to me and us and I feel your sensitivity and I'm grateful for that. I guess the questions that I have, is it standard, that this gift/sale is coming with an attachment to it that this land must be used only for the purpose of affordable housing and not as a potential investment property for the Trust to use in the future? Clearly it would generate greater income to the Trust if you sold it later.

Brian Sullivan, let's take one question at a time, Vicki, can you identify the restriction?

Vicki Marsh, the property is restricted to be used by the Trust for residential year-round affordable housing purposes. If, despite the Trust's diligent efforts, it is unable to do so, at its discretion it may convey the property to a 3rd party, and the proceeds must be deposited for affordable housing purposes. That's the actual restriction on the sale to this property. As far as whether this is standard or not, I have represented the Town on other purchase where the seller does impose restrictions like this. There are no limitations as to the type of project to be developed.

Risa Finkel, does that mean that if the Trust does not meet its quota, or however this works, that a 40B subdivision could be installed there?

Vicki Marsh, I can't determine at this time what kind of project would be there, the only restriction

imposed on the Trust is that it's for affordable housing. The nature of the development for the future discussion within the Trust.

Dave Iverson, I just want to address the 40B comment, the 40B law gets a lot of bad press because of some of the 40B projects that we end up with, and that's because we're not in Safe Harbor. 40B can also be used in a lot of good ways, I would urge you to research it and not be afraid, but again I think it's the Board's intention to include all the abutters in any decision we make going forward. I know the Executive Session deliberation makes you feel like we're trying not to, but that's not the case. Your input will be valuable moving forward and we hope you'll be part of the process.

Penny Dey, the use of the word affordable covers a broad range of income, and we've underserved the higher level of those incomes, and I think sometimes the density seems to be greater at the lower income levels.

Risa Finkel, I appreciate all this information, I agree with you Dave that I know very little about how this all breaks down with affordable housing, and that's one of the problems over the last 48 hours because this has been sprung on everyone in this neighborhood so I haven't had time to learn or engage in conversation as to how this all works. And so, I was hoping we would be able to have a pause today on your part until we could process all this. I think I've asked the questions I wanted to ask, but that was our goal for today, to request some sort of window of time for us to do our leg work.

Brian Sullivan, as we move forward with this, we'd like to make ourselves available to help educate you. We spend a lot of time working on this so we're happy to take appointments and educate you as we can.

Dave Iverson, I think most of the people and staff would happily sit down with you in person or over the phone to discuss the project, discuss what we know about affordable housing...whatever questions you have, we'd all be happy to address.

Mollie Finkel, I agree with what Risa just said, seconding a request for a delay so that we can learn as much as possible. This is your language, this is something you do all the time. Caroline, I understand your intent, and this is admirable, but we don't all live in the world of land trust and real estate. Working through all the different options down the line, it would be better for everyone if we could understand all of those at the outset.

Galen Gardner, I'm a direct abutter to this property, I'm not happy about it. It's going to take me a long time to wrap my head around this. My biggest question is, how do you spend public money and not tell anyone what you're spending it on? Why do all these town board's meet in executive session so the public can't participate. I've witnessed so much wildlife on the Bird property over the years, so it's disturbing to me and I know you're all overjoyed about it, but again, I think the neighborhood is in shock. I have a lot of questions about septic, about what the zoning is, how many dwellings with there be... I want to know how these properties are going to be maintained. I have a million questions, but this doesn't feel joyful. It feels like we as the neighborhood were left out of the discussion and we don't even know anything.

Dave Iverson, Galen, I understand how you feel, but we have not decided how this property is going to be developed other than we're hoping to do ownership units on it. We can't do real estate transactions in this town any other way than in executive session, it would skew the process. This,

what is happening now, this is when everyone has time to sit at the table and discuss.

Penny Dey, I want to remind people, we're talking about acquisition today, not development. That's down the line, as I understand it. We're simply talking about acquiring the vacant land from the Bird family.

Dawn Holdgate, I would just like to echo that sentiment, this is truly just acquisition. It would work this way no matter who was purchasing it, there wouldn't be prior knowledge. If it was a developer, they would buy it and then bring their plans forward. Realistically, with the Town you'll have far more input than if it was a private buyer. I don't understand what the delay would be needed for, unless the Trust decides that they don't want to take this opportunity, because now after the acquisition we start discussing what happens with the property.

Dave Fredericks, thank you guys for what you're doing, everyone here cares about all of this, the background. I've been involved in the housing issue for a long time, helping Bill Hourihan finance covenant homes. I've been very active with covenant homes, Habitat, etc. I'm committed to this as well. I built a tertiary myself, I'm on board with all of this. And I appreciate the additional understanding from the town attorney related to the restriction. Dawn, where I think some people look for a week or some time is to wrap around their heads that they can support this and understand that you've had several weeks to think about it. The only question I would ask, I do love the neighborhood and I heard the present owners and their description of it, I would say that the underlining zoning has developed a character and I understand 40Bs as well as most people who have studied this, and I'd ask that you try to align any use with the existing zoning. That's my one request to the Board, to really challenge themselves with. Again, if we are going to respect each other and find ways to do this, the Town or this need should not exempt zoning even if those changes would be helpful. The zoning doesn't allow me to put up another tertiary, if I could I would, so I ask the Town to do the same.

Rick DiFronzo, in the interest of time, for the most part I'm in agreement with Dave Fredericks. I can envision an appropriate use of the property that would be acceptable and tasteful and what's acceptable and tasteful – if we ask 10 different people we'd get 10 different answers. I understand the island problems and am interested in helping. I would like to commend the Bird family to attempt to make things better. The one thing I have learned is that my main concern coming into this meeting was that in ratifying this contract, the Town might be restricting itself to do something that would prevent it from looking at all the possibilities and the best scenarios. From what I've heard, I feel more comfortable, that the Town, who will be a good steward for all of us on this lot I'm sure, in determining the right moves to make, providing the Town is not restricted in any way from doing what they determine to be the right and appropriate thing. I'm glad that the Town can put its hand in to make sure the right approach is taken.

Caroline Ellenbird, I appreciate hearing the concerns of our neighbors and to echo the comments that this is about an acquisition and not about what will be built there. Part of our original idea, is that when we realized that if we were going to put it on the market, we were going to be expected to bulldoze a lot of the land for a mansion and a pool, and a guest house. For me, imagining that land with the hawks and the deer, used in that way...as a neighbor and a steward of the area, I'm hopeful this is a way that there is more control over that land than there would be at an open market sale to

a private buyer.

Galen Gardner, my main point is that I am in shock and while many will not express their shock like I did. What I want to say is, my angst and alarm and many other emotions need to be taken into consideration. I bought this lot because it was a big 2 acre lot, I lived on Mt Vernon Farm my whole life, we sold it to the Land Bank, and then I got a divorce and unfortunately had to sell my house and find another place to live, and the only thing I wanted was a big wide open space and I think the rest of my neighbors want that too. As this project grinds forward, we'll see what happens and we'll see how good a neighbor you actually are, but I'm not in favor.

Brian Sullivan, thank you everyone for joining the meeting, the letters & the participation. Caroline put it very well, this is an excellent opportunity for open communication. We look forward to being good neighbors with good neighbors. Looking for a motion from the Board.

Brooke Mohr, I want to ask Vicki, is there a form for the motion you prefer?

Vicki Marsh, I think it would just be echoing what is on the agenda, that you approve and vote to execute the P&S agreement

Ken Beaugrand, authorization of Chair & Vice Chair or the whole board?

Vicki Marsh, you will want the whole board to sign.

Brooke Mohr moves to approve to approve and execute the of Purchase and Sale Agreement between Alpine C. Bird and Donald J. Bird, Trustees of Chandler Surfside Realty Trust for the purchase of 8 White Street, Nantucket, shown as Lot 17 on a plan recorded with Nantucket County Registry of Deeds in Plan Book 11-A on Sheet 1. Reema Sherry seconded the motion.

ROLL CALL of those participating:

1. **Dave Iverson** Aye
2. **Penny Dey** Aye
3. **Reema Sherry** Aye
4. **Dawn Holdgate** Aye
5. **Brooke Mohr** Aye
6. **Brian Sullivan** Aye

Agenda adopted by **UNANIMOUS** consent.

Tucker Holland, I just wanted to thank the neighbors who showed up today and expressed their thoughts. It's very helpful and we look forward to more conversations. I particularly want to thank Caroline and the Bird family, this is really is an incredible thing that they are doing for the year-round community and we would love for others to follow their leadership. We're looking forward to being good neighbors with good neighbors.

Dave Iverson, I think that we should look at this and the abutters should look at this as the beginning not the end. This is the beginning of our interaction with you as abutters to figure out what's appropriate.

VIII. Transfer Fee Strategy Funding – CONTINUED DISCUSSION and ACTION

Held to next regular meeting.

IX. Other Business

Upcoming Meetings: Tuesday, November 16, 2021 & Tuesday December 14, 2021

X. Board Comments

None

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

ROLL CALL of those participating:

1. **Dave Iverson** Aye
2. **Penny Dey** Aye
3. **Reema Sherry** Aye
4. **Dawn Holdgate** Aye
5. **Brooke Mohr** Aye
6. **Brian Sullivan** Aye

Agenda adopted by **UNANIMOUS** consent.

XII. Adjourn

Open Session Meeting ended at 3:56pm

Submitted by:
Allyson Mitchell