



MEETING POSTING 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	AFFORDABLE HOUSING TRUST
Day, Date, and Time	TUESDAY, September 5 th , 2023 @ 12:30 PM
Location / Address	REMOTE PARTICIPATION VIA ZOOM (<i>See Below</i>) 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	Ellis Ramos Housing & Real Estate Department Office Manager
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 9-5-23

Please list below the topics the chair
reasonably anticipates will be discussed at
the meeting.

PLEASE CLICK ON FOLLOWING LINK TO JOIN ZOOM MEETING:

Join Zoom Meeting

<https://us06web.zoom.us/j/82059034513?pwd=ckI4ME9SeE1WSEl2L05Jem5CMlBmZz09>

Meeting ID: 820 5903 4513

Passcode: 133049

-
- I. Call to Order
 - II. Approval of Agenda – ACTION
 - III. Approval of Minutes – ACTION

Note: all Trust open meetings are recorded and available on the Town's YouTube channel

- April 4, 2023 (Members present; Sherry, Browers, Sullivan, Bloise-Murphy, and Mohr)
- April 7, 2023 (Members present; Sherry, Iverson, Browers, Sullivan, Mohr)
- April 25, 2023 (All Trust members present)
- May 3, 2023 (Members present: Iverson, Dey, Browers, Sullivan, Mohr)
- May 25, 2023 (All Trust members present)
- May 30, 2023 (Members present: Sherry, Bloise-Murphy, Iverson, Mohr)
- June 13, 2023 (All Trust members present)
- June 20, 2023 (Members present: Sherry, Dey, Browers, Sullivan, Bloise-Murphy, Mohr)
- July 25, 2023 (All Trust members present)
- August 3, 2023 (All Trust members present)
- August 8, 2023 (Members present: Sullivan, Sherry, Dey, Browers, Dixon, Bloise-Murphy)

IV. Public Comments

V. Year-Round Deed Restriction Action Plan – DISCUSSION

VI. ADU creation proposal from Caleb Wursten – DISCUSSION

VII. Proposal from The Richmond Company Regarding Acceleration of 80% AMI Homeownership Construction – REVIEW & ACTION

VIII. Other Business

Next Meeting: September 19th at 12:30pm

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

NANTUCKET AFFORDABLE HOUSING TRUST

~~ MEETING MINUTES ~~

Tuesday, April 4, 2023.

Remote Meeting *via* Zoom– 1pm

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

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

STAFF IN ATTENDANCE: Ken Beaugrand

PUBLIC IN ATTENDANCE:

I. Call to Order

Brian Sullivan called the meeting to order at 1:02pm

II. Approval of Agenda – ACTION

Brooke Mohr moves a Motion to approve the agenda with the amendment that item IV be removed from the agenda to a future special meeting and that item IX will be discussed along with item number V. This motion was seconded by Reema sherry.

ROLL CALL of those participating:

1. Brooke Mohr Aye
2. Reema Shery Aye
3. Shantaw Bloise-Murphy Aye
4. Meg Browers Aye
5. Brian Sullivan Aye

III. Public Comment

Shelly Lockwood proposes extending the benefits and initiatives of the Affordable Housing Trust to small business owners to help them buy employee housing. Houses acquired could not be sold out of the loop at market rate. The goal is to help small business owners to provide stable, clean, safe and at a fair priced housing to year around and seasonal employees.

IV. Approval and Execution of the Estoppel and Agreement from the Town of Nantucket Affordable Housing Trust Fund in favor of Eastern Bank for the property at 47 and 49 Beach Grass Road and 1 & 2, 3, 4 & 5 Violet Place. -
DISCUSSION

V. Communications Plan for Town Meeting – DISCUSSION

- Communications Subcommittee to recap meeting on 3.28.23

IX. Quarterly Newsletter – DISCUSSION

- The quarterly Housing & Real Estate Newsletter will be released on 4.5.23.

This edition has a special focus on breaking down the 2023 ATM Warrant

Articles related to affordable housing.

Reema Sherry said that one of the main things that were talked about at Town meeting was the newsletter and how to get it out to a wider audience. A draft was distributed to members. There were also discussions about revamping the website and creating links that could provide the community with more information about different topics to shorten the newsletter and make it more informative.

VI. Down Payment Assistance Program – DISCUSSION/ACTION

- Finalizing program, possible vote on program parameters (pending legal review).

Brooke Mohr mentioned that in previous discussion the Trust concluded that they would like to create a Down Payment Assistance Program. There are some decisions points that the board is going to have to decide on in crafting this program. The following decisions.

- Maximum dollar amount per transaction
- What is the ratio of the homeowner match?
- Will this be available only using existing deed restrictions that are in the community profile now, or should the trust hold for new types of deed restrictions and expand later to others?
- Is there an interest rate, what is the repayment schedule. Is it amortized or is it a balloon payment at resale.
- How do we set the rate? Is it fixed or is it indexed at the time of closing?
- Are the people allowed to apply for forgiveness if at closing or repayment this is a financial burden like it is done for the Closing cost assistance program?
- Do we restrict it to first time never-owned-a-home buyers or just to people that currently doesn't own Real Estate at the time of application?
- When does it have to be repaid?

VII. Housing Advocacy Day/Housing Bank Bill – DISCUSSION

- Recap on the events of the day and info on what the public can do to support the Transfer Fee/Housing Bank Bill.

Brooke was delighted to say that there was an incredible amount of energy at the Housing State Advocacy Day. There were 250 people from Martha's Vineyard and 60 from Nantucket and they made an impact on the front steps of the State House. The folks, were able to meet with legislators and or their staff, and were able to impress a few things upon them. Brooke also said that this community showed that we are more than what's shown on social media and that the need for affordable housing

is real. Brian added that he was impressed with how large the group from the vineyard was and how they are actively having the dialog and how every person can help the problem.

VIII. Dr. Howard Dickler Housing Advocate Award – DISCUSSION

Nominations to follow in the next meeting and the name would be announced at the next town meeting.

X. Other Business

Next Meeting: April 25, 2023, via Zoom.

XI. Board Comments

No Board comments currently.

XII. Executive Session, Pursuant to MGL C. 30A § 21(A)

3

- 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.

Brooke Moves a MOTION to remove item XII from the agenda seconded by Reema Shery.

ROLL CALL of those participating:

1. Brooke Mohr Aye
2. Reema Shery Aye
3. Shantaw Bloise-Murphy Aye
4. Meg Browsers Aye
5. Brian Sullivan Aye

This Motion was approved unanimously.

Brooke moves a motion to adjourn the meeting seconded by Meg Browsers.

ROLL CALL of those participating:

1. Brooke Mohr Aye
2. Reema Shery Aye
3. Shantaw Bloise-Murphy Aye
4. Meg Browsers Aye
5. Brian Sullivan Aye

This meeting was adjourned

NANTUCKET AFFORDABLE HOUSING TRUST

~~ MEETING MINUTES ~~

Friday, April 7, 2023.

Remote Meeting *via* Zoom – 10:30am

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

ATTENDING MEMBERS: Reema Sherry, Dave Iverson, Meg Browers, Brian Sullivan, Brooke Mohr

STAFF IN ATTENDANCE: Tucker Holland (Housing Director), Ken Beaugrand, Vicki Marsh (Town Council)

PUBLIC IN ATTENDANCE:

I. Call to Order

Reema Sherry called the meeting to order at 10:30am

II. Approval of Agenda – ACTION

Dave Iverson moved a MOTION to approve the agenda. This motion was seconded by Brian Sullivan.

ROLL CALL of those participating:

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

III. Public Comment

No public comments currently.

IV. Approval and Execution of the Estoppel and Agreement from the Town of Nantucket Affordable Housing Trust Fund in favor of Eastern Bank for the property at 47 and 49 Beach Grass Road and 1 & 2, 3, 4 & 5 Violet Place. –

DISCUSSION & APPROVAL

Vicki Marsh explained to the members of the trust that the Estoppel Agreement pertains to the fight on acceleration of the violet place development that the Town has been financing. They are now seeking financing through Easter Bank. Easter Bank requires them to have an Estoppel agreement. There are no defaults in the terms of the loan or any of the documents, the trust is also in compliance with everything said by Richmond, and they are also in compliance as well. Vicki recommended voting

to execute the Estoppel Agreement.

Dave Iverson Moved the MOTION to approve the execution of the Estoppel Agreement and to authorize the Chair or the vice-chair to sign it on behalf of the Affordable Housing Trust. This motion was seconded by Brooke Mohr.

ROLL CALL of those participating:

- | | |
|-------------------|-----|
| 1. Brooke Mohr | Aye |
| 2. Dave Iverson | Aye |
| 3. Meg Browsers | Aye |
| 4. Brian Sullivan | Aye |
| 5. Reema Sherry | Aye |

This motion was approved unanimously.

V. Approval and Execution of the Subordination of Mortgage from the Town of Nantucket Affordable Housing Trust Fund in favor of Eastern Bank for the property at 47 and 49 Beach Grass Road and 1 & 2, 3, 4 & 5 Violet Place. –

DISCUSSION & APPROVAL

Vicki Marsh Explained that this is like the Estoppel agreement. This is also for Easter Bank financing to Richmond projects. Easter bank is now going to give Richmond a mortgage and the mortgage will be in 1st place. We are now agreeing with the subordination to allow them to be in 1st place and we will be in second.

Brooke Mohr moved a MOTION to Approval and Execution of the Subordination of Mortgage from the Town of Nantucket Affordable Housing Trust Fund in favor of Eastern Bank and to authorize the Chair or the vice-chair to sign it on behalf of the Affordable Housing Trust. This motion was seconded by Meg Browsers.

ROLL CALL of those participating:

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

This motion was approved unanimously.

VI. Other Business

Next Meeting: April 25, 2023, via Zoom

VII. Board Comments

VIII. 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.

Brooke Mohr moved a MOTION to adjourn the public session and move to executive session not to return to open session for the purpose of discussing the acquisition of Real Estate where an open meeting may have a detrimental effect on the negotiating position of the public body. This motion was seconded by Dave Iverson

ROLL CALL of those participating:

ROLL CALL of those participating:

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

This meeting was adjourned at 10:45am

NANTUCKET AFFORDABLE HOUSING TRUST

~~ MEETING MINUTES ~~

Tuesday, April 25, 2023.

Remote Meeting *via* Zoom– 1pm

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

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

STAFF IN ATTENDANCE: Tucker Holland (Housing Director),

PUBLIC IN ATTENDANCE: Shelly Lockwood

I. Call to Order

Brian Sullivan called the meeting to order at 1:02pm

II. Approval of Agenda – ACTION

Dave Iverson moved a MOTION to approve the agenda as amended to remove item IV. This motion was seconded by Reema Sherry.

ROLL CALL of those participating:

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

III. Public Comment

There are no public comments currently.

IV. CCAP Applications - REVIEW & APPROVE

None to approve this week.

V. Article 18 & Annual Town Meeting – DISCUSSION

Tucker Holland said that it may be useful before the town meeting next week to review a presentation that was gone over with the finance committee regarding article 18 and funding where

money has been spent and future uses to spend money.

Tucker listed several projects where funds have been spent and projects where funds are intended to be spent in the future.

Brooke Mohr thanked Tucker Holland for putting in countless hours on this change and the need for additional funding through negotiating with developers and coordinating with the select board.

Tucker Holland thanked the Trust and the community at large for voting for the funding for housing. He stated that we have made progress over the years towards reaching the 10% SHI requirements. Nantucket must have 490 housing units to meet the 10% requirement and we recently achieved 332 units on its SHI list totaling 6.78%. Nantucket is in a new period of safe Harbor until 12/11/2024 following recent DHCD certification of the Housing Production Plan. Going forward in regards Article 18 we intend to:

- Ensure achievement of 10% requirement and continuity of safe harbor
- Provide homeownership opportunities.
- Continue our successful closing cost assistance program.
- Housing funding options on ATM23 warrant

Article 10: including additional bonding authorization,

Article 18- \$6.5M

Article 33- CPC bond obligation payments for prior \$10M

Article 35- citizens article for stabilization fund for housing to be funded by 2/3 of STR revenue.

Penny Dey stated that although she is appreciative of what the Town is offering, it is going to require a proposition to an override at the ballot and it is extremely risky.

Bria Sullivan agreed with Penny that it is in fact concerning that a majority votes at the town meeting and 2/3 at the ballots is going to be challenging. He states that a lot of our future fundings and projects are relying on it.

Penny Dey asked Tucker Holland if there is a backup plan in place in case of a different outcome than expected?

Tucker Holland stated that there are funding articles included in the warrant. The most significant one to be mentioned is probably article 10, where there is roughly \$1 million capital appropriation in conjunction with a \$4 million bonding authority. He also mentioned that this is not as robust as prior years, but it is material.

VI. Surfside Crossing – DISCUSSION

Tucker Holland said that for example the folk that attended the ZBA meeting, we heard a ZBA member commented that we are throwing safety, sewer, and any other concerns in favor of housing. The project is back with the ZBA and the ZBA has a latitude to impose conditions

that are in line with the housing appeals committee.

Brian Sullivan stated that he thinks that there is hope that this board can be part of a larger group to create restrictions for year around occupancy and residency. 25% of the units already fall in the Affordable Housing category. If they are willing to take any more of the units into the covenant/ affordable restrictions, what role could this Trust take than to manage those restrictions.

Brooke Mohr said that basically everything is on the table to achieve the joint goal of 75% of the units being owned and or occupied by year-round residents at Surfside Crossing. There is an opportunity to create some new programs within the community deed restrictions occupancy at the year around level. She also said that she thinks an opportunity for this community discussion around that is why this is on the agenda.

Penny Dey and Dave Iverson said that the board needs more knowledge on this matter but don't deny that they would like to participate in the forming of the Deed Restriction Committee. Joan Alison Stockman said that she had shown up to this meeting because when asked Erika Mooring about who had put together the joint statement, she was told it was Andrew Horse, Brian Sullivan, and Tucker Holland with the input of the Select Board. She said that in her opinion, Brooke Mohr, being the representative for the select board, there are a lot of crossovers. She asked if the Affordable Housing Trust were to oversee distributing funds and projects wouldn't it be conflict of interest?

Brian Sullivan confirms that this board did take a vote to support the Select Board in this decision and it was unanimous.

Brooke Mohr said it was an executive session prior to the select board meeting. The board was pulled because it was subjected by litigations. At the time the members present unanimously voted to approve these litigations.

Meghan Perri requested the minutes for the select board executive section. Also, she reiterates that there is nothing in writing regarding this good faith agreement. So, there is no guarantee that the developers are going to do any more than what they are required by law.

The board confirms that that is a correct statement.

Meghan Perri also asked the board if they could disclose what is the definition of year around residency.

Brian Sullivan said that according to his understanding there are multiple definitions for the term year around resident. For example, Housing Nantucket and Covenant Housing is 10 months and a day, but for tax code is 6 months and a day and there are a variety of definitions across the state. At this moment there is no specific definition which is another reason that he is hopeful to be able to help craft a restriction that meets a year around criteria that people are happy with.

The group explains that the definition of year around residency is defined by the deed

restrictions by each program that is funded by the Affordable Housing Trust.

Meghan Peri asked if there is any incline that the developers or individuals purchasing on deed restrictions would want to do that?

Tucker Holland said sure, there is an incline that the developers want 75% of the project serving year arounders, and the programs associated with ensuring that. He said that he thinks that there is a misconception that there are all kinds of leverage around the lawsuit being out there. The leverage that the community had was time, but the more time expires the more leverage goes down. Tucker says that he thinks that what changed is that the developers are out there publicly stating that they see the best version of this project serving year arounders to the 75% level. "We won't have a seat at the table if we are sitting in court with them". This is an opportunity to move in a way that could best serve the community.

D. Ann asked who negotiated with the developers on behalf of the town in the dropping of the lawsuit.

Brooke Mohr said this was not an agreement, it was a joint statement. Several people in the conversation bought a recommendation to the Select Board, and it was delivered by Tucker Holland.

D. Ann Atherton asked who spoke to the developers over the years.

The Affordable Housing Trust members confirmed that over the years many members of this trust have spoken to the developers.

D. Ann Atherton: There seems to be no references for short term rentals or the ability of owner in the surfside crossing development to have any restrictions on short term rentals.

Brooke Mohr: As a select board member she deferred all conversations about short term rentals concerned to the short-term rental work group. Any inclusion of short-term rental restriction that comes outside the work group seems to be premature and wouldn't be included in this conversation.

Dave Iverson: stated that he is not sure if short term rentals are allowed in any property that the trust holds a deed restriction on.

VII. Proposal by Shelly Lockwood - REVIEW & DISCUSS

Shelly Lockwood stated that she is not part of any group nor any nonprofit. That this is solely an idea that may or may not gain legs.

Her idea is to take some of the products and initiative that are out there now, to help people with their first home. She said the goal is to create a new set of parameters and conditions taking those products and extending them to a new group of small business owners. The goals are to help small business owners provide stable, safe, and clean housing for year around and seasonal employees. The idea would be the business owners would buy this house through covenant so the houses can stay in rotation if not needed anymore in the future.

Tucker Holland said that typically, the Trust helps individuals in a variety of ways, this is different

but worth investigating. Vicky Marsh can ultimately guide us on what is or isn't possible in terms of trust involvement in something like this.

Brooke Mohr said that when it comes to employer sponsored housing, we should consider the unique and perhaps sometimes unintended consequences, in terms of dynamic between employer and employee in a housing market like ours. Because frankly if an employee lives in employer housing and that relationship goes sideways the employee has nowhere to go.

Shelly closes her statement saying that she has taken all that into consideration, although she doesn't have bullet proof plan, she thinks this idea is worth the try.

VIII. Downpayment Assistance Program – DISCUSSION

Moved to next week's meeting.

IX. Other Business

Next Meeting: May 2, 2023, via Zoom

X. Board Comments

No board comments currently.

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.

Penny Dey makes a **Motion** adjourn the open session to move to 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. This motion was seconded by Dave Iverson.

ROLL CALL of those participating:

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

XII. Adjourn

This meeting was adjourned at 2:15pm

NANTUCKET AFFORDABLE HOUSING TRUST

~~ MEETING MINUTES ~~

Wednesday, May 3, 2023.

Remote Meeting *via* Zoom– 1pm

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

ATTENDING MEMBERS: Dave Iverson, Brooke Mohr, Penny Dey, Meg Browsers, Brian Sullivan

STAFF IN ATTENDANCE: Tucker Holland (Housing Director), Vicky Marsh (Town Council)

PUBLIC IN ATTENDANCE:

I. Call to Order

Brian Sullivan called the meeting to order at 1:02pm

II. Approval of Agenda – ACTION

Penny Dey makes a MOTION to approve the agenda. This motion was seconded by Brooke Mohr.

ROLL CALL of those participating:

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

III. Approval of Minutes – ACTION

No Minutes to be approved today.

IV. Public Comment

No public comments currently.

V. 135+137 Orange Street RFP – UPDATE

• This has been issued and is available through registering at the Town's website: Bid Postings • Nantucket, MA • CivicEngage (nantucket-ma.gov).

VI. Discussion of ATM 2023 Warrant Articles for Housing Funding

- Article 8 - Fiscal Year 2024 General Fund Operating Budget
- Article 10 - General Fund Capital Expenditures
- Article 18 - Appropriation: Affordable Housing Trust Fund

- Article 34 - Fiscal Year 2024 Community Preservation Committee
- Article 35 - Affordable and Year-round Housing Stabilization Fund

Tucker Holland said that there are different articles that are going to be before the community at the Select Board meeting this coming Saturday. There are some articles that in one manner or another relate to housing funding. Those articles would be,

- Article 8 - Fiscal Year 2024 General Fund Operating Budget
- Article 10 - General Fund Capital Expenditures
- Article 18 - Appropriation: Affordable Housing Trust Fund
- Article 34 - Fiscal Year 2024 Community Preservation Committee

Penny Dey said she is concerned about Article 18, because it involves a proposition of 2.5 override at the ballot and the likelihood of that passing.

Brian Sullivan agreed with Penny stating that it makes him nervous to have the future of the Affordable Housing hinged on two vote opportunities, but he is hopeful that with all the progress that this trust has been making that the community will come together for this trust.

Penny Dey also expressed her concerns about article 35. She strongly feels that the rem occupancy tax under which short-term revenue tax income falls, some portion of that needs to be redirected from the general fund towards affordable housing.

Brooke Mohr said that the discussion at the select board level is that this is the route, it was recommended by the finance department and town administration in terms of their overall future proofing, both the town budget and securing an ongoing funding stream for affordable housing. She mentioned that in her role on the select board she is supporting that path with the permanent override for that reason because she is depending on our finance director to tell her as a select board member what is the best way to protect both the funding for affordable housing and the general funds. She believes that there is a risk but feels hopeful because we have been advocating for a long time for a greater financial commitment, thought tax revenue.

Penny Dey agreed with Brooke except for the fact that this requires an override. She reminded the trust that the town can't speak for the people of this town because the people govern this town.

According to Penny, funding is directly related to the popularity of Nantucket. The vast majority is paid for by people who are renting here, not owning, and visiting for the summer months. She thinks that the board should be harnessing that very activity to try and offset some of the challenges faced because of Nantucket's popularity like what the land bank did in 1984.

Brian Sullivan was curious to know what those fundings will be able to service. He assumes that all of them will have a threshold of 100k that will need to be approved by the select board but can all of them be applied through all varieties of AMI levels?

Tucker Holland answered yes to Brian's question. Then he explained that what the town meeting does if it approves a funding article is basically giving authority to the town Manager to spend the

funds in accordance with the article. The housing-related funds are by practice directed to Affordable Housing Trust to administrate.

Penny Dey asked Tucker what happens if the 6.5 million funds get approved by the Town meeting and fails the ballots, how does that affect the Affordable Housing Trust.

Vicky Marsh answered Penny by stating that if the article doesn't pass there will be no funding of 6.5 million this year. Furthermore, they would have to go back and try something else in the fall town meeting.

Brian Sullivan said the Trust has their general operating funds to continue their programs, but no new programmatical opportunities would be available nor new purchases should the article not pass. Brooke Mohr mentioned that the Town would have to commit other funds for borrowing. It would really be a constrained source of revenue that wouldn't be allowed for borrowing because it relies on 2/3 votes at the following town meeting and every town meeting after.

Rick Atherton says that Article 18 is not the right path to go right now because the Town has shown that it is willing to allocate substantial community tax-based resources for programs that the trust wants to initiate. According to his point of view the town voters would like more ongoing say on how those funds are committed and what the Trust programs are going to be.

The AHT acknowledges that there are insecurities around voter support for this article, but the community has shown great support in the past few years for passing affordable housing funding.

VI. Inaugural Dr. Howard Dickler Award – NOMINATIONS AND VOTING

The Nantucket housing trust has created an annual citizens award as a tribute to the late Doctor Howard Dickler. Doctor Dickler was a valuable member of our community whose involvement in housing and economic issues was greatly appreciated by The Nantucket Affordable Housing Trust through his regular attendance and participation at public meetings as well as his service on the neighborhood first committee which mapped a guide for the trust use of funds in effort to maintain safe harbor from 40B developments. This award will honor a community member who best exhibits the spirit of Dr. Dickler on housing advocacy for our year around Community through their dedication, drive, creativity, inclusiveness, and most of all perhaps fearless willingness to share ideas. We have received three nominations for this award:

Richard Hussey, Beth Ann Meehan, and Billy Cassidy. The first recipient of this award will be announced at the town meeting this year.

VIII. Other Business

Next Meeting: May 16, 2023, via Zoom

IX. Board Comments

No 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.

Penny makes a Motion to adjourn open session and move to 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. This motion was seconded by Dave Iverson.

ROLL CALL of those participating:

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

XI. Adjourn.

This meeting was adjourned at 1:42pm

NANTUCKET AFFORDABLE HOUSING TRUST

~~ MEETING MINUTES ~~

Thursday, May 25, 2023.

Remote Meeting *via* Zoom– 12:30 pm

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

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

STAFF IN ATTENDANCE: Tucker Holland (Housing Director), Vicki Marsh (Town Council)

PUBLIC IN ATTENDANCE: Ann Kuszpa

I. Call to Order

Brian Sullivan calls the meeting to order at 12:02pm.

II. Approval of Agenda - ACTION

Penny Dey makes a **MOTION** to approve the agenda with modification on item **VI**, to push the CCOP applications to the next meeting on May 30th. Seconded by Dave Iverson

ROLL CALL of those participating:

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

The agenda is approved unanimously.

III. Update: Ken Beaugrand and Housing Office Manager

Tucker Holland: We are still looking to fill the Housing & Real Estate Office Manager position.

Tucker Holland spoke with Ken last week and he sounds strong and positive, he is going through rehabilitation and straightening for the next week of two and then they will reevaluate his return to the island.

IV. Minutes

- To be taken up on June 13th meeting
- *Note: all Trust open meetings are recorded and available on the Town's YouTube channel*

V. Public Comment

Brian Sullivan: As a member of the public, I am happy about the ballot turn out and the support of the community.

VI. CCAP – ACTION

• Subordination of Mortgage: Guillen & Flores de Estrada – 29 ½ Essex Road
Brooke Mohr made a motion for approval, seconded by Dave Iverson.

ROLL CALL of those participating:

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

The motion was approved unanimously.

VII. Update & Discussion: Article 18 and Ballot Measure 6

Tucker Holland said that we received very strong support at the town meeting for Article 18th. Thanks to several compelling speakers at the town meeting.

Penny Dey noted that it passed with only 102 votes. It was the second smallest margin that night.

Brooke Mohr thanked Ann Kuszpa and Elizabeth at Housing Nantucket for their social media outreach on the ballot question.

Meg Browsers said she was grateful for the speakers and voters for their support. She noted the repeated comments about the lack of transparencies with the Trust, she wanted to put on the record that there is a wealth of information on the website, and The Trust meets biweekly. We should take that into consideration and try to do a better job at outreach.

Shantaw Bloise-Murphy said she wanted to piggyback off what Meg said about communication with the public. She said that The Trust has access to the Chambers newsletter as a part of our renewed MOU with them, that can be used monthly, weekly, or quarterly if need to, The Trust also can do dedicated eblast email to their membership, they have about 1400 members.

Ann Kuszpa stated that The Housing Production Plan should lead to every answer. It should be all about putting that plan into action.

Brooke Mohr stated that we need to be more anticipatory of our Communication Department to fit in with the new system.

VIII. Discussion: Year-Round Restriction Advisory Committee

Brian Sullivan suggested that The Trust should form a committee and appoint several community members to work with a moderator to put forward some recommendations as to what the community wants as a Deed restriction to implement the findings. Penny Dey, as part of the Neighborhood First Committee, said the effective thing about that group is that they had defined tasks, very short timelines, and had to meet regularly. The group had people from a vast variety of backgrounds. She suggested to try to make this new group as broad as we can.

Brooke suggested that we move this quickly with an aggressive timeline. Vicki Marsh suggested that we should draft it as an article and look at other programs that we have used in the past as examples. She noted it still needs to be approved by the Attorney General.

Brooke Mohr makes a **MOTION** to establish a deed restriction work group of 11 members, seconded by Penny Dey, but upon discussion she withdrew that motion.

Brooke Mohr Made a **MOTION** to Authorize Tucker to find the subject matter expert to guide the deed restriction group. Seconded by Penny Dey.

ROLL CALL of those participating:

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

The motion was approved unanimously.

IX. Other Business

Next Meeting: June 13, 2023, via Zoom

X. Board Comments

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.
There will be no Executive Session today.

XII. Adjourn.

Penny Dey makes a motion to adjourn this meeting. Seconded by Shantaw Bloise-Murphy.

ROLL CALL of those participating:

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

The meeting was adjourned at 2:30pm

NANTUCKET AFFORDABLE HOUSING TRUST

~~ MEETING MINUTES ~~

Tuesday, May 30, 2023.

Remote Meeting *via* Zoom— 1 pm

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

ATTENDING MEMBERS: Reema Sherry, Brooke Mohr, Shantaw Bloise-Murphy, Dave Iverson

STAFF IN ATTENDANCE: Tucker Holland (Housing Director)

I. Call to Order

Reema sherry called the meeting to order.

II. Approval of Agenda – ACTION

Brooke makes a Motion to approve the agenda. The motion was seconded by Shantaw Bloise-Murphy

ROLL CALL of those participating

- | | |
|--------------------------|-----|
| 1. Brooke Mohr | Aye |
| 2. Shantaw Bloise-Murphy | Aye |
| 3. David Iverson | Aye |
| 4. Reema Sherry | Aye |

This motion was approved unanimously.

III. Minutes

- To be taken up on June 13th meeting
- *Note: all Trust open meetings are recorded and available on the Town's YouTube channel*

III. Public Comment

No public comments at this time

V. CCAP – ACTION

- Application: Villa - 10 Indigo Drive

- Application: Kanchev – 9 Honeysuckle
- Application: Ewing – 5 Marble Way
- Application: Carr – 2 Indigo Drive
- Application: McAuley – 14A Equator Drive

Tucker Holland stated that the approval format for the CCAP will be different. The applications will be approved in mass. We have 5 applications representing a variety of income levels on the permanent deed restriction units.

Brooke Mohr makes a **MOTION** to approve the 5-Closing Cost Assistance for 10 Indigo Drive, 9 Honeysuckle, 5 Marble Way, 2 Indigo Drive and 14A Equator Drive, for up to \$15k in CCA per property, pending final amounts. The motion was seconded by David Iverson.

ROLL CALL of those participating

- | | |
|--------------------------|-----|
| 1. Brooke Mohr | Aye |
| 2. Shantaw Bloise-Murphy | Aye |
| 3. David Iverson | Aye |
| 4. Reema Sherry | Aye |

This Motion was approved unanimously.

VI. Other Business

Next Meeting: June 13, 2023, via Zoom

VII. Board Comments

VIII. Executive Session pursuant to G.L. c. 30A, § 21(a)(7) to comply with, or act under the authority of, any general or special law or federal grant-in-aid requirements (“Purpose 7”), the Open Meeting Law, G.L. c. 30A, §§ 22(f), (g), to review the executive session meeting minutes from April 7, 2023; votes may be taken.

Brooke moves the **Motion** to adjourn the public session no to return to open session for the purpose pursuant to G.L. c. 30A, § 21(a)(7) to comply with, or act under the authority of, any general or special law or federal grant-in-aid requirements (“Purpose

7”), the Open Meeting Law, G.L. c. 30A, §§ 22(f), (g), to review the executive session meeting minutes from April 7, 2023; votes maybe taken. Seconded by David Iverson.

ROLL CALL of those participating

- | | |
|--------------------------|-----|
| 5. Brooke Mohr | Aye |
| 6. Shantaw Bloise-Murphy | Aye |
| 7. David Iverson | Aye |
| 8. Reema Sherry | Aye |

This Motion was approved unanimously.

IX. Adjourn.

This meeting was adjourned.

NANTUCKET AFFORDABLE HOUSING TRUST

~~ MEETING MINUTES ~~

Tuesday, June 13, 2023.

Remote Meeting *via* Zoom– 1pm

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

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

STAFF IN ATTENDANCE: Tucker Holland (Housing Director), Vicki Marsh (Town Council)

PUBLIC IN ATTENDANCE: Joe Grouse, Rich Hussey, Judi Barrett

I. Call to Order

Brian Sullivan called the meeting to order at 1pm

II. Approval of Agenda – ACTION

Penny Dey makes a MOTION to approve the agenda. This motion was seconded by Reema Sherry.

ROLL CALL of those participating:

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

This motion was approved unanimously.

III. Minutes

- To be taken up on June 20th meeting
- *Note: all Trust open meetings are recorded and available on the Town's YouTube channel*

IV. Public Comment

None currently.

V. CCAP – ACTION

- No applications currently

VI. Update: LOHA State House Day of Action

Tucker celebrated the very good day at the State House Day of Action last week. He mentioned that Brian Sullivan was one of ten very powerful speakers on the need of transfer fees. He extended his thanks to the Chair Brian Sullivan as well as Brooke Mohr and all Members of the community that showed up to support.

Brian Sullivan added that Meghan Trudell from PLUS was also there. He states that it was very helpful to have somebody from planning looking at the perspective from that department in the conversations and to connect in all efforts.

Brooke Mohr said that for quite some time it has been just Nantucket advocating for Nantucket trying to solve our problems, but now we have people from other places like Boston and Summerville. In some ways, the politics has got more complicated. Brooke said that despite the complexity she is more hopeful, thanks to the people that keep on showing up and supporting, multiple times per year.

Penny Dey wanted to acknowledge the Chair of the Trust for a statement that he had said during his speech. Brian said that he owns a real estate company but refuses to profit from businesses that are not part of the solution. Thank you for that, Mr. Chair.

VII. Request from Habitat for Humanity for Supplemental Funding at 9 Benjamin Drive

Joe Grouse, thanks the Trust members for all their help and ongoing support, specifically for Benjamin Drive, where in August three families moved into after 2.5 years of construction. We are coming to the Housing Trust to supplement the findings for this project. The funding for the project 2 years ago was estimated to be around \$1.38 million with \$1.11 million being from the Housing Trust, the other components from the hospital's CHIP program and Nantucket Habitat for Humanity program. Like many builders on the island for the past 18 months we experienced cost over runs in materials. We ended up with a cost of \$1.62 million vs the \$1.39 million we look to be short about \$236 thousand and we would like to ask this trust to help us with those funds.

Penny Dey asked how much of the work done of the constructions is volunteered or is

it all paid work?

Rich Hussey said It pretty much is, because of Covid. We transitioned from a 40% volunteer component to basically the homeowners painting the inside of their houses. In the past we have taken 2.5 years to finish housing and it was mostly done by volunteers. We essentially moved to other models to adapt after Covid.

Brooke Mohr remembers talking about this a couple years ago, and one of the elements was different timelines and speed of getting people into housing. When you do frame, and you rely on volunteers it can stretch the timeline from beginning to occupancy. Using Module speeds up that timeline.

Joe Grouse said that although he would like to see more volunteers, he has to make sure that the families are getting their sweat hours for equity.

Dave Iverson said he just wants to commend the Habitat folks for delivering mostly built houses for \$450k per unit, that is really a “fee” in this time without a lot of volunteers, and for that we say thank you.

Tucker Holland said we must meet with the financial department, and we have the funding available through our CPC annual allocations. This is a very good example of why having the CPC is so helpful. When situations like this come up, we can address the situation.

Vicki Marsh asked if there was a particular bucket that would fund this?

Tucker Holland responded that yes, we discussed two appropriations that can be sent to her. Some of the funding for this project has come from one of them so we know it is applicable.

Brooke moves MOTION to approve additional subsidized funds for Habitat at 9 Benjamin Drive in \$236k to be allocated from the appropriate funds, advised by Finance Department. This motion was seconded by Dave Iverson

ROLL CALL of those participating:

1. Brooke Mohr Aye
2. David Iverson Aye
3. Reema Sherry Aye

4. Penny Dey Aye
5. Shantaw Bloise-Murphy Aye
6. Meg Browsers Aye
7. Brian Sullivan Aye

This motion was approved unanimously.

VIII. Discussion: Year-Round Restriction Advisory Committee

Judi Barret presented a draft of the scope of services, development of policies and deed restrictions for year around housing. She also discussed the services that the consultant for the group will provide.

Reema Sherry moved a MOTION to approve the proposal by Judi Barrett, to help establish the committee for development of policies and deed restrictions for year around housing. This motion was seconded by Brooke Mohr with an amendment that the trust approves the budget as proposed with the potential to increase by 15% pending approval from The Trust.

ROLL CALL of those participating:

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

This motion was approved unanimously.

IX. Other Business

Next Meeting: June 20, 2023, at 1:00pm via Zoom

X. Board Comments

XI. Executive Session pursuant to G.L. c. 30A, § 21(a)(7) to comply with, or act under the authority of, any general or special law or federal grant-in-aid requirements ("Purpose 7"), the Open Meeting Law, G.L. c. 30A, §§ 22(f), (g), to review the executive session meeting minutes from April 7, 2023; votes may

be taken.

Meg Browsers makes Motion to adjourn this meeting, seconded by Brooke Mohr.

ROLL CALL of those participating:

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

XII. Adjourn.

This meeting was adjourned.

Accessory Dwelling Units to Alleviate Nantucket's Housing Crisis

Feasibility Study Proposal

Executive Summary:

With the evident housing crisis unfolding in Nantucket, innovative and scalable solutions are imperative. Deed restricted accessory dwelling units (ADUs), including both secondary and tertiary dwellings, represent a promising avenue to alleviate housing pressures. The intent of this feasibility study is to discern the feasibility of a public-private partnership to promote deed restricted ADUs on Nantucket.

Ultimately, our goal is the construction of significantly more deed restricted dwellings on eligible lots.

Objectives of the Study:

1. Understand ADU Potential: Examine the island's current capacity for ADUs and homeowner's willingness to participate.
2. Building Program: Scope the full cost to homeowners and subsidizers including permitting, construction, property management, etc..
3. Legal and Regulatory Landscape: Investigate the existing zoning and legal parameters that might limit widespread ADU development.
4. Partner Assessment: Identify key partnerships including general contracting, ADU specialist builders, lenders, and property management.
5. Community Feedback and Reception: Understand the potential reception of ADUs by the local community, focusing on concerns, support, or resistance.
6. Frame next steps: pilot project or negative recommendation.

Scope of Work:

Our assessment will span several dimensions:

- Market Research
- Stakeholder & Expert Interviews
- Comparative Study
- Site Visits
- Financial Modeling
- Strategic Recommendations

Team Composition:

This project will be steered by a collaborative team:

- **Project Lead:** Wursten Consulting
- **Supporting Organization:** Local affordable housing nonprofit
- **Stakeholder and Expert Advisors** to aid in consensus building, data access, and strategy.

Timeline:

This feasibility study is projected to span a duration of two months, broken down as follows:

Weeks 1-2: Initiation, Stakeholder Engagement & Market Assessment

Weeks 3-4: Comparative Study, Site Visits & Financial Modeling

Weeks 5-6: Drafting Recommendations, Community Engagement & Feedback Iterations

Weeks 7-8: Finalizing Report, Presentation & Project Closure

Budget:

The total cost for this comprehensive feasibility study stands at \$X.

This budget encompasses:

- Compensation for consultants and experts.
- Software and other tooling required for scope of work.
- Miscellaneous expenses (stakeholder coffee chats, administrative costs, unforeseen contingencies, etc.).

Conclusion:

It is our firm belief that with a structured and detailed feasibility study, the Affordable Housing Trust can make an informed decision regarding the promotion of Accessory Dwelling Units in Nantucket. We are eager to embark on this journey together, bringing to the table our wealth of experience and expertise to ensure the success of this endeavor.

For any further clarifications or discussions, please feel free to get in touch.

MEMORANDUM

TO: Mr. Brian Sullivan, Chair

Cc: Philip Pastan, Kathryn Fossa, Tucker Holland, Brian Turbitt

FROM: Andrew D. Burek

**RE: Sandpiper Place AMI Restricted Housing Construction Loan Financing Request
in the proposed amount of \$3,100,000.00
21 Beach Grass Road, 4, 8, and 9 Bluet Court, 24A Evergreen Way, 3 Lilac
Court and 7 Sandplain Drive, Nantucket Town and County, Massachusetts.**

DATE: August 18, 2023

Dear Chair Sullivan:

This memorandum will serve as background for, and an outline of, this office's request, made on behalf of Richmond Great Point Development, LLC ("Richmond"), to the Nantucket Affordable Housing Trust for a construction loan financing facility which will be utilized to complete the construction of the final seven (7) AMI restricted homes retained by Richmond in its Sandpiper Place Workforce and Affordable Homeownership Development Projects. As discussed, the loan as herein contemplated will permit Richmond to expedite its construction of AMI-Restricted homes on pace to complete the construction of all remaining builds by the close of calendar year 2024. Richmond has been unable to identify funds from traditional financing sources and will be unable to complete the home construction at this desired pace unless with more favorable financing terms such as are proposed in this Memorandum, almost exclusively due to the substantial disproportionality of the costs of construction as compared to the permitted sales prices of these homes. Without new financing, Richmond will likely be in position to construct only three to four of the remaining seven (7) homes within the same timeframe.

It is critical to expedite construction of these homes, at least in part, in response to the results of the recently conducted Affirmative Fair Housing Marketing outreach and lottery conducted for these homes. There are fifty-three (53) households qualified to purchase the six (6) homes (a factor of more than 8:1) that will be made available at 80% of AMI and there are eighteen (18) households qualified to purchase the one (1) and only remaining home to be made available at 175% of AMI. As is clear even from these limited statistics, and as you and the Board Members are all too well aware, there is simply not enough supply to meet the demand for affordable housing on Nantucket. It is also important to note that sixty-six (66) of the seventy-one (71)

qualified households list Nantucket addresses (almost 93% of the qualified households) as their primary residences. Assuming each of the homes offered in this stage of the lottery are purchased by Nantucket residents there will remain fifty-nine (59) Island households that, although making a life on Nantucket and qualified for the program, will not be offered an opportunity for homeownership at this time.

Proposed Loan Terms:

The basic and essential terms of Richmond's financing request are as follows:

- Total Project Cost of not more than \$4,200,000;
- Construction Loan Financing in the of \$3,100,000;
- Loan Proceeds to be funded at sooner of Closing or upon Borrower's evidence of investment of minimum equity to cover gap between loan funds and Total Project Cost (or \$1,100,000);
- Term: eighteen (18) months;
- Rate: Town's alternative investment yield fixed on the date of the loan understood to be approximately 6.25%;
- Repayment: Monthly payments of interest-only with partial principal repayments consisting of all net proceeds received by borrower upon the sale of all or any portion of the collateral. Outstanding principal balance of loan to be repaid in full upon sale and release of final lot of collateral;
- Prepayment Premium: Yield-Maintenance;
- Collateral: 1st mortgage loan on seven (7) residential Lots¹ and all improvements now or hereafter constructed.

Although you are generally familiar with Richmond's projects on Nantucket, I will take this opportunity to provide you with facts which may be relevant to your consideration of this request.

The Sandpiper Place Developments:

The Sandpiper Place Developments are located off of Old South Road east of Town and west of the Nantucket Memorial Airport on land now or formerly owned by Walter J. Glowacki. The Project divided approximately 16.5 acres of land area into two (2) residential housing subdivisions totaling ninety-four (94) buildable lots. The permits issued (issued in calendar year 2017) required that the Projects be constructed and / or sold with a component of workforce and affordable inventory of not less than twenty-seven (27) total restricted lots and thirty (30) total restricted units (each of the foregoing figures being inclusive of the three (3) lots fronting on Honeysuckle Drive conveyed to Housing Nantucket by Richmond on or about June, 2022 for non-monetary consideration). Cumulatively, nine (9) of the twenty-seven (27) restricted lots have dwellings constructed upon them. Of the remaining eighteen (18) Restricted Lots:

¹ See enclosed Exhibit and please also refer to Certificate of Title No. 24,872 filed with the Nantucket County Registry of Deeds. The financed properties consist of Lots 920, 921, 923, 924, 926, and 935 on Land Court Plan 16514-117; and Lot 1071 on Land Court Plan 16514-147.

- Richmond is responsible for construction on seven (7) total Lots;
- Nantucket Property Owner LLC is responsible for construction on eight (8) total Lots; and
- The three (3) Housing Nantucket Lots are presently under construction under a design-build arrangement between Housing Nantucket and The Richmond Company, Inc.

An exhibit identifying the two (2) distinct subdivisions, the location of the proposed collateral, and other current data points (focused principally upon ownership statistics and construction progress) is enclosed with this Memorandum for your reference.

Sandpiper Place I (South):

To date, Richmond has constructed and sold eight (8) homes to income-restricted households in the Sandpiper Place I (South) Development Project. Three (3) of those homes (all detached single-family dwellings) were sold to households certified as earning not more than 80% of AMI and five (5) of those homes were sold to households certified as earning not more than 175% of AMI (2 of these homes are duplex condominium units and 3 are detached single-family home units). Six (6) out of the seven (7) homes which are the subject of this financing request are located in Sandpiper Place I (South).

Of the forty-two (42) buildable lots permitted in the subdivision:

- Thirty-five (35) have been sold to third parties (comprised of 21-Market Rate Lots which are either occupied or nearing completion of construction; 6-Market Rate Lots which are vacant; and eight (8) AMI-Restricted Lots); and
- Seven (7) Lots remain owned by Richmond (1-Market Rate Lot; and 6-AMI Restricted Lots).

As a condition to the grant of the Special Permits of the Sandpiper Place Development Projects, the Nantucket Planning Board required that each subdivision comply with a construction ratio of two (2) Market-Rate Occupancy Certificates obtained for each one (1) AMI-Restricted Occupancy Certificate obtained in excess of the first thirteen (13) market-rate Occupancy Certificates granted. The current state of construction progress (as summarized in the tables in the attached exhibit) demonstrates that Richmond is in compliance with this condition. Twenty-one (21) Market-Rate Lots have been granted Occupancy Certificates while the condition permits for up to twenty-nine (29) Occupancy Certificates, derived by multiplying the eight (8) AMI-Restricted Lots for which Occupancy Certificates have issued by a factor of two and adding the initial thirteen (13) certificate allowance. Consequently, even if all six (6) owners of vacant lots that are not Richmond construct dwellings and are issued Occupancy Certificates, then Richmond as the project sponsor will still remain in compliance with the condition by an additional two (2) Occupancy Certificates.

Sandpiper Place II (North):

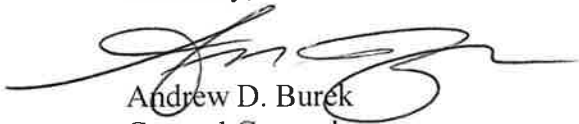
The Sandpiper Place II (North) Development Project was initially developed for a total of fifty-two (52) residential dwelling Lots. Subsequent permitting by Nantucket Property Owner LLC has resulted in the conversion and relocation of one (1) AMI-Restricted Lot into a Community Pool Amenity and transfer of the AMI-Restricted Lot into Sandpiper Place I (South). Presently, thirteen (13) of the Lots are AMI-Restricted Lots and thirty-eight (38) are Market-Rate Lots. To date:

- Richmond has sold ten (10) Market-Rate Lots to third parties (comprised of eight (8) Market-Rate Lots which are either occupied or nearing completion of construction; and two (2) market-rate vacant lots);
- Richmond sold an increment of thirty-five (35) Lots (one of which was converted to the Community Pool Amenity) in one transaction to Nantucket Property Owner LLC consisting of twenty-five (25) Market-Rate Lots and ten (10) AMI-Restricted Lots (1 of the AMI-Restricted Lots was transferred to Sandpiper Place I (South) by NPO); and
- Richmond conveyed three (3) AMI-Restricted Lots to Housing Nantucket; and
- Richmond has retained ownership of four (4) total Lots (3-Market Rate Lots; 1-AMI Restricted Lot).

As indicated in the table in the attached exhibit, the Sandpiper Place II (North) Development is likewise in compliance with the Planning Board's building ratio condition. A fifteen (15) Occupancy Certificate allowance exists against nine (9) outstanding Market-Rate Occupancy Certificates. Unlike the Sandpiper Place I (South) Project, however, NPO is the primarily responsible party for ensuring compliance with this condition due to its ownership of the majority of Lots in the subdivision of each class. Richmond retains only one (1) remaining AMI-Restricted Lot and intends to commence construction upon that Lot as soon as practical.

As always, thank you for your time in understanding our efforts to provide quality affordable and workforce housing to the community and in consideration of this request. We hope that with your assistance Richmond deliver the remainder of its units by the end of calendar year 2024. I can be reached for further discussion and questions by electronic mail delivered to aburek@richmondco.com, or by telephone at (617) 467-0192.

Sincerely,



Andrew D. Burek
General Counsel

Enc.

END OF TEXT.