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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, July 30, 2024 @ 12:30 PM**
Location / Address	**REMOTE PARTICIPATION *VIA* ZOOM (*See Below*)** **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 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 07-30-24

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/82103977221?pwd=HbyYuKWIIStJyt3SUEjmmflA8Bwbgx.1

Meeting ID: 821 0397 7221
Passcode: 677802

I. Call to Order

II. Approval of Agenda – ACTION

III. Approval of Minutes – ACTION

- July 9, 2024
- July 16 , 2024

IV. Public comments *for items not listed on the agenda*

V. Vote to Approve and Execute the Deed Rider Containing the Affordability Restriction up to 240% of Area Median Income and the Year-Round Housing Occupancy Restriction for: -- ACTION

- 8 Honeysuckle Drive
- 10 Honeysuckle Drive

Continued from July 16, 2024

VI. Acceptance of the Grant Agreement for Lease to Locals and Authorize the Chair to sign — ACTION

VII. Other Business

- Next Meetings
  - August 6, 2024, at 12:30pm
  - August 20, 2024, at 12:30pm

VIII. Board Comments

IX. Executive Session - Pursuant to MGL C. 30A § 21(A

- Purpose 6: To Consider the Purchase, Exchange, Lease, or Value of Real Property Regarding 71 Surfside Road , where an Open Meeting May have a Detrimental Effect on the Negotiating Position of the Affordable Housing Trust Members and the Chair so Declares.

X. Adjourn

AGENDA PROTOCOL

For all Town of Nantucket Boards, Committees, Commissions, Work Groups, Councils and Trusts (herein collectively referred to as "Committees" in this document)

Roberts Rules: Town of Nantucket Committees follows Roberts Rules of Order to govern its meetings as per the Town Code Charter.

Public Comment: Public Comment is to bring matters of public interest to the attention of the Committees. At the Committee's discretion, matters raised under Public Comment may be directed to Town Administration and/or appropriate departmental staff, or may be placed on a future agenda, allowing all viewpoints to be represented before the Committee takes action, if any. Except in emergencies, the Committee will not normally take any other action on Public Comment in its sole discretion.

To facilitate that any individual who wishes to provide Public Comment has the opportunity and to ensure the ability of the Committee to conduct its business in an orderly fashion, the following rules and procedures are adopted consistent with the United States Constitution and the Massachusetts Declaration of Rights.

> The agenda for regular Committee meetings will include a Public Comment period at the beginning of the meeting unless there is more urgent business for the Committee to take up first. This time is reserved for speakers to address the Committee on matters that are not related to any other Agenda item. If a speaker wishes to address the Committee on a matter that is related to another Agenda item, the Chair will accept public comment when that Agenda item is reached during the meeting.
>
> All speakers are encouraged to present their remarks in an orderly and peaceable manner, without disruption to other speakers.
>
> All remarks will be addressed through the Chair of the meeting.
>
> The Chair of the meeting may not interrupt speakers who have been recognized to speak, except that the Chair reserves the right to terminate speech which is not protected under the United States Constitution and the Massachusetts Declaration of

Rights because it constitutes true threats, incitement to imminent lawless conduct, or engages in conduct that disrupts other speakers.

Each speaker may not exceed three (3) minutes during any Public Comment portion of the meeting.

Disclaimer: Public Comment is not a time for debate or response to comments by the Committee. Comments made during the Public Comment period do not reflect the views or positions of the Committee. Because of free speech principles, the Committee does not have authority to prevent all speech that may be upsetting and/or offensive made during the Public Comment period.

Unanticipated Business: Topics not reasonably anticipated by the Chair 48 hours in advance of the meeting may be brought up for discussion in accordance with the Open Meeting Law.

Public Participation: The Committee welcomes valuable input from the public at appropriate times during the meeting with recognition from the Chair at their sole discretion. For appropriate agenda items, the Chair will introduce the item and take public input. Individual Committee Members may have questions on the clarity of the information presented. The Committee will hear any staff input and then deliberate on a course of action.

Committee Report and Comment: Individual Committee Members may have matters to bring to the attention of the Committee during a meeting. If the matter contemplates action by the Committee, Committee Members will consult with the Chair and/or appropriate Town officials or employees in advance and provide any needed information by applicable Committee deadlines and/or schedule the matter for a future Committee meeting. Otherwise, except in emergencies, the Committee will not normally take action on Committee Comment.

Approved: March 27, 2024

ITEM III – APPROVAL OF MINUTES

NANTUCKET AFFORDABLE HOUSING TRUST

~~ MEETING MINUTES ~~

TUESDAY, July 9th, 2024.

Remote Meeting via Zoom– 12:30 pm

Trust Members: Brian Sullivan (Chair), Meg Browers, Dave Iverson, Shantaw Bloise-Murphy, Penny Dey, Tom Dixon, Forest Bell

ATTENDING MEMBERS: Forest Bell, Tom Dixon , Meg Browers , Shantaw Bloise-Murphy, Brian Sullivan
STAFF IN ATTENDANCE: Kristie Ferrantella (Housing Director), Ellis Ramos (Housing & Real Estate Office Manager), Lee Smith (Town Counsel)
SPEAKERS IN ATTENDANCE: Anne Kuszpa (Housing Nantucket), Colin Frolich (Placemate), Julia Linder (ACK Now)

I. Call to Order

Brian Sullivan called this meeting to order at 12:35pm.

II. Approval of Agenda – ACTION

Kristie Ferrantella suggested that they shift items 8 and 9, to take the Year-Round Deed Restriction Program prior to the Lease to Locals.

Tom Dixon made a MOTION to approve the agenda as amended by Kristie Ferrantella. Meg Browers seconded this motion.

ROLL CALL of those participating:

1. Tom Dixon Aye
2. Meg Browers Aye
3. Dave Iverson Aye
4. Shantaw Bloise-Murphy Aye
5. Forest Bell Aye
6. Brian Sullivan Aye

III. Approval of Minutes – ACTION

Brian Sullivan suggested taking the minutes to a future meeting to make sure that staff has enough time to make all the edits by the Trust members.

IV. Announcement

Kristie Ferrantella said that ~~this~~ there is a Habitat for Humanity homeownership opportunity, and the lottery deadline is Monday July 15th, and this will serve up to 80% AMI.

V. Public Comments

Sean Reid said that he owns a duplex on Nantucket. He~~, and he~~ is a landlord~~,~~ and ~~he~~ is currently participating in the Lease to Locals program.~~, and~~ H~~h~~e has had a great experience with the program. He said that he recently purchased the other side of the duplex and is able to house five year-round people through the Lease to Locals program. He thinks the program is hugely beneficial if ~~the~~ it stays fully funded, because it would be a big mistake to only fund 50% of the incentive to returning participants from the first pilot program.

Shantaw Bloise-Murphy thanked Sean Reid for sharing his landlord perspective on the program.

VI. CCAP Application – ACTION

- **65R Miacomet—Shaylyn Boynton**

Shantaw Bloise-Murphy made a MOTION to approve the Closing Cost Assistance for 65R Miacomet Ave , not to exceed $15,000.00 and any remaining funds to be returned to the Trust. Meg Browers seconded this motion.

ROLL CALL of those participating:

1. Tom Dixon Aye
2. Meg Browers Aye
3. Dave Iverson Aye
4. Shantaw Bloise-Murphy Aye
5. Forest Bell Aye
6. Brian Sullivan Aye

- **7B Green Meadows – Joel Alvarado**

Tom Dixon made a MOTION to approve the Closing Cost Assistance for Joel Alvarado , not to exceed $15,000.00 and any remaining funds to be returned to the Trust. Shantaw Bloise-Murphy seconded this motion.

ROLL CALL of those participating:

1. Tom Dixon Aye
2. Meg Browers Aye
3. Dave Iverson Aye
4. Shantaw Bloise-Murphy Aye
5. Forest Bell Aye
6. Brian Sullivan Aye

- **10 Honeysuckle Drive—Shaylyn Maguire**

Brian Sullivan said that the Trust previously had voted that they were only funding closing cost assistance up to 175% AMI. He said if they want to entertain this application, they have to have a policy conversation prior and take a minute to review the application or completely put it off to a future meeting.
Some discussion followed.
The Trust agreed to ~~keep~~ move this application to a future meeting so they can review the programs policies.

VII. Request for Approval and Execution for Documents in Connection with Meadows II Rental Housing Development Project:

- **Certification of Compliance to Executive Office of Housing and Livable Communities for Project Compliance with Local Initiative Program Regulatory Agreement and Declaration of Restrictive Covenants as amended of Meadows II Rental Housing Development Project.**

- **Any Other Necessary Documents Related to Funding of Buydown of Units in Phases 5 and 6 of Meadows II known as Gooseberry Place.**

Kristie Ferrantella said at the June Meeting , the Trust approved a grant to Richmond to buy down some of the market rate units to affordable rental rates. In ~~and~~ doing this ~~they~~ Richmond had to amend their L~~l~~ocal I~~i~~nitiative P~~p~~rogram application with the EOHLC. She said this agenda item is to have a motion to authorize the Chair or Vice-~~-~~Chair to sign off on these documents to be submitted to EOHLC and ultimately this will allow them to apply for Safe Harbor at the end of the year, using a combination of these units and the Habitat for Humanity h~~H~~omes.

Shantaw Bloise-Murphy made the MOTION as stated by Kristie Ferrantella. Meg~~b~~ Browers seconded this motion.

ROLL CALL of those participating:

1. Forest Bell Aye
2. Meg Browers Aye
3. Tom Dixon Aye
4. Dave Iverson Aye
5. Shantaw Bloise-Murphy Aye
6. Brian Sullivan Aye

VIII. Year-Round Deed Restriction Pilot Program – DISCUSSION/ACTION

Judi Barrett said she knows that there were a lot of questions, most of which did not surprise her. She said it is great that people are reading this ~~now~~ critically and asking questions. A lot of them were policy questions ~~and they~~that need a decision from the Trust.

Some discussion followed.

Kristie Ferrantella said that because these ~~is~~ are going to be a purchase of~~in~~ real estate interest it will go through an RFP process with the Finance Department , so they have to finalize the guidelines that Judi Barrett has put forth. Basically, the application and the guidelines will be what gets issued~~s~~ by the Finance Department and then homeowners will be able to apply through that process. She said it will be an open RFP so it would probably be open for over a year and people can submit their applications and they will be reviewed on an ongoing basis. She said that the current guidelines say that a decision would be made in two weeks, and she suggested extending it to give her office more time to review the applications. T~~he idea is that the turnover will be~~ She suggested 30 to 45 days for review and then from there it just has to go through the finance process, legal, have an agreement and then record the deed and issue the payment.

Kristie Ferrantella said there has been a lot of interest in this program since the newspaper article and it would be helpful to answer some of these questions before issuing the RFP, knowing that this is a pilot program and there will be questions that will be addressed later on. Kristie reviewed the questions that have been asked and provided a staff recommendation. Judi and the Trust provided comments as shown below.

Questions	**Staff Recommendation**	AHTF Comment
Can the property be rented year-round, or does it need to be owner occupied?	Allow YR rental	Yes, but restrict the~~o~~ # of properties

If rented year-round, does the tenant need to be income-qualified at 240% or less and be an employee on Nantucket?	Yes	
If yes, will it be on the AHT to income qualify the tenant?	I propose setting up an agreement with an agency to do the income qualification and have it be a part of the application and annual review paperwork	
The guidelines say it needs to be occupied 10 months out of the year. Can the other two months be rented long term (aka no STR)	Yes, as long as the two months have rentals longer than 31 days; tenant must meet program qualifications	No; YR tenants need to be 12-month lease; Owner-occupied allowed two weeks
If yes, does the tenant need to be income qualified and does the tenant need to be an employed within Nantucket?	Yes	
Will the Trust be doing an inspection of the property? What if it's not in good condition? How would we rate the condition?	I would recommend that part of the application include an affidavit certifying that there are no known code violations on the property; In addition, the RFP could rate homes in poor quality as least advantageous	Need inspection provided in application
Will the Trust have any rating with respect to coastal resiliency? Are we willing to accept deeds on properties that are at high risk?	I would recommend that the RFP rate homes above potential coastal flood zones to high advantageous	
The definition of "Nantucket Employee" is defined on page 2 of the guidelines but then is not used anywhere else in the guidelines or the application. Is it required that you be a Nantucket Employee for this pilot program?	Recommend that qualified applicants include: 1A. Employed with an employer based in Nantucket; 1B Already a full time resident but works remotely; 2A. Already a full-time resident of Nantucket; 2B) contributing to the Nantucket community by serving on a Town Board/Committee, volunteering with a local organization, participating in the town's art/cultural scene, or providing a similar benefit to the community; and 3. A person unable to work or who does not have a work history due to qualifying for disability as defined by the Americans with Disabilities Act (ADA). *(Stole from Provincetown's guidelines).*	
If yes, the AHT should consider adding a provision, like Provincetown did with their Lease to Locals, to include "any person who serves on a Town board or community nonprofit."	See comment above	
Does remote work count if you live year-round but work for a company based elsewhere?	My suggestion is that the applicant must already be living here full time to qualify under this guideline; otherwise, the intent of the program may not be fulfilled	
Does a home need to have home insurance for the Town to purchase a deed restriction?	*Need Town Counsel's recommendation*	Yes
Does the deed restriction follow the parcel if it's subdivided? Or would the new lot created be unrestricted?	*Need Town Counsel's recommendation*	Would stay on parcel and any future piece of the parcel
Are there criteria for why someone would get rejected?	The application will ultimately go through a Request for Proposals (RFP) from the finance department and would have guidelines on what is advantageous vs least advantageous. ~~See attached draft RFP~~	
Will there be an ability to apply for a hardship waiver. What if the owner of the home passes a way and the family needs time to re-occupy it?	My recommendation is to deal with this on a case-by-case basis when we do the annual audit of the property. Who deals with this?	
Is there a fee for noncompliance	*Need Town Counsel's recommendation*	Look at other programs; Vail, CO forces a sale.

		Town Counsel did not believe we could do this.
Does owning a time-share disqualify you from participating in the program?	*Need Town Counsel's recommendation*	Yes
Is the Deed restriction re-sell-able? I.e., could a homeowner pay back the Trust and remove the deed restriction?	*Need Town Counsel's recommendation*	No
If you move the house off the site, does the deed follow the home or only remain on the parcel?	*Need Town Counsel's recommendation*	Just on the parcel
Why exclude Blood Relatives from the program?	This is what most programs do; Given the unique circumstances of Nantucket, I would reconsider allowing blood relatives to apply; it may be the only way they can purchase their parent's property there should be a market rate transaction. ~~WE NEED TO BE CAREFUL NOT TO PENALIZE THOSE WHO ARE TRYING TO HELP RELATIVES JUST BECAUSE THEY ARE RELATED~~.	Hold on pilot. There were some concerns about penalizing families who are trying to help relatives. This could be a future guideline after the pilot
Can Local Businesses Apply?	Yes, as long as the tenant is an employee and has a YR lease	Hold off on pilot
Can Developers apply if building homes for sale or rent to local workers?	Yes, as long as the future owner/tenant meetings the qualification criteria	Hold off on pilot
Does the homeowner get the appraisal or does the Trust?	Other programs require the homeowner to get an appraisal; Brian Turbitt would prefer that the Town order an independent appraisal; I would request that the homeowner submit one and then if the Trust is interested in pursuing the property, we would order one as well, otherwise we may be paying for a lot of appraisals	
Could potential home buyers apply for the program without the property in mind to have approval before they search for a home?	The Program in Truckee, CA allows potential homeowners to apply but they do not give an amount of the grant until the homeowner re-applies with a potential home. This way the buyer knows they will have bought down assistance but does not approve a funding amount until they have a house to purchase. I would recommend Nantucket adopt the same approach. If there is a mortgage, lender must agree to subordination, right?	Adds paperwork that's not needed; does not want to include in pilot program
Will the Trust be managing the program in house, and will approval really be within 14 days?	As the director of housing, I would recommend that 30 days be given to review information and bring it to the Trust for a vote; In talking with other programs - they hire outside organizations to manage their deed restriction. I would recommend that year 1 be managed in house and future years could be outsourced with an RFP	
Can you provide a copy of the Deed to show to mortgage lenders?	The Trust will provide a sample copy of the deed with the release of the guidelines and application through the Finance Department	
Will the Deed restrict future development of the site, or could the homeowner request that?	I would propose that no new units be added unless allowable by current zoning. If the homeowner wanted to add that to the deed, we would need town counsel	

	review and may negotiate price based on details	
Is there a limit on the number of properties I can restrict?	I would recommend that as a pilot program, we should restrict to two properties per owner ~~I would recommend that~~	Properties, not dwelling units
Would the Trust consider a different resale value that prevent price from being dependent on interest rates?	Truckee, CA's program allows a 3% increase a year. I could look into other models as well	Judi will explore other models ~~wait for Judi~~

Some discussion followed. The Trust will hold this agenda item open until the August meeting. Kristie reminded the Trust that homeowners are interested in this program and they should vote to implement the pilot program and allow for changes in the future.

IX. Lease to Locals Program – DISCUSSION/ ACTION

Kristie Ferrantella said that Colin Frolich and Julia Linder are on the call today to discuss about their Lease to Locals Program that they piloted through the ACK Now Community Initiatives, and they've come to the Trust originally with an ask for $550,000 to continue this program into a second year that would help provide an incentive for existing homeowners that are participating and then encourage new homeowners to participate. That ask was reduced at the last meeting to $450,000 after a grant came in from ReMain Nantucket so Colin has prepared a presentation addressing some of the outstanding questions they had.

- **Fair Housing Act**

Lee Smith said that he did some research about the Fair Housing Act on the Federal and State level, and he is not in the position to be assuring compliance. Instead, ~~to instead maybe~~ as part of the Grant~~d~~ Agreement, the Trust could require a certification on the part of Housing Nantucket that they would in turn ensure that all applicable Fair Housing Laws are being complied with and then they could ~~maybe~~ have further discussion as to whether Housing Nantucket wants to include similar language and any agreement they may have with Placemate.
Some discussion followed.

- **Does Placemate's data policy align with the~~?~~ Town's security policy.**

Coin Frolich said that Placemate laid out their policies and the Town's ~~CTO~~ Chief Technology Officer ~~that~~ said those look great.

- **Would the Finance Department sign off on this and the use of funds.**

Kristie Ferrantella said that she had a conversation with Finance Director Brian Turbitt, and everything was good~~ok~~. ~~,~~ ~~t~~Theis~~se~~ will be ~~similar to~~ a Grant Agreement and then payment will be issued when ~~things~~ Housing Nantucket ~~get~~ submitts~~ed~~ for reimbursement.

- **What percentage of the Phase 1 Pilot properties are expected to renew.**

Colin Frolich said that they were able to reach out to 21 of the 22 property owners and the majority

of them are willing the renew for a second year.
Some discussion followed.
Colin Frolich said that the next set of question are policy questions.

- **Would the property owner renew with an additional incentive equal to 50% of the Original Incentive?**

Colin Frolich said that he reached out to 21 of 22 of the property owners none of them said they would not renew which is fantastic , very interestingly 15% on the landlords indicated they would renew with this 50% incentive that they offered.

Commented [KF1]: Are you sure it's this low? I thought it was much higher

Some discussion followed.

- **Rent Caps**

Colin Frolich said that he looked at what people currently renting at, and he knew the median is around $3200 a month and there are some that are as high as $5000 because that was the maximum that they allowed, but their recommendation is to lower the rent caps by unit size to control for affordability.

Proposed Rent Caps:

Unit Size	Max Rental Rate
Private Room	$1,500
Studio	$2,000
1BD	$2,700
2BD	$3,500
3BD+	$4,000

Some discussion followed.
Colin Frolich said that Lease to Locals is asking the Affordable Housing Trust for $450,000 but before they finalize there were some policy questions. Colin reviewed the policy questions with Staff and Placemate recommendations.

1. Question: Would the Trust a~~A~~dd in an income restriction per qualifying tenant (Max 175% AMI/$187,600)?
   Answer: Yes , an income restriction will be applied to the program.
   The private funds will be used where Pilot Program Phase O~~o~~ne qualified tenants are greater than 175% AMI.
2. Question: Should Qualified tenants ~~can not be of blood relation unless property is converted from active short-term rental.~~be allowed to be of blood relation?
   Answer: Yes, but only if converting from a short-term rental. Colin~~He~~ said that they have never done this before in any Market where they allow some sort of blood relatives and some not~~:~~, it is usually a yes or no but, in the case, if it's a STR conversion to be rented to a relative than they can qualify as a qualifying tenant. Trust members agreed with this.
3. Question: Should there be a maximum~~Max~~ number of two grants per property ownership?
   Answer:~~-~~ Y~~Y~~es
4. Question: Will Pilot Phase one lease renewals ~~will~~ have 50% of the of the original incentive?

Answer: Yes.~~-~~

5. Question: Should L2L k~~K~~eep rental caps as is or require rental caps by ~~units' size~~size of the unit?

   Trust members agreed with adding~~Add~~ rental caps by unit size.

   The rental caps will not apply to the pilot program phase one participants but ~~-~~limit the rent increases to max 5% annually.~~. (annually?)~~

   Some discussion followed.

Kristie Ferrantella suggested that they make a motion to have staff work with Town Counsel to draft a Grant Agreement for funds up to $450,000 for a partnership with Housing Nantucket and Placemate for the relaunch of the Lease to Locals Program with rent caps by units and serving tenants up to 175% AMI~~mi~~. Brian Sullivan ~~made~~ suggested an amendment to the motion that this is for a one-year Pilot program~~-~~, subject to Select Board approval.
Meg Browers made the MOTION as stated by Kristie Ferrantella and amended by Brian Sullivan. Shantaw Bloise Murphy seconded this motion.
ROLL CALL of those participating:

1. Meg Browers Aye
2. Tom Dixon Aye
3. Dave Iverson Aye
4. Shantaw Bloise-Murphy Aye
5. Forest Bell Aye
6. Brian Sullivan Aye

X. Other Business

- **Next Meeting is July 16, 2024, at 12:30pm**

XI. Board Comments

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

- **Approval of Executive Session Minutes of February 21, 2023; March 21, 2023; July 25, 2023; August 22, 2023; August 29, 2023; September 5, 2023; September 19, 2023; October 31, 2023.**

- **Purpose 6: To Consider the Purchase, Exchange, Lease, or Value of Real Property Regarding 44 Miacomet Road and 48 Miacomet Road, where an Open Meeting May have a Detrimental Effect on the Negotiating Position of the Affordable Housing Trust Members and the Chair so Declares.**

Tom Dixon made a MOTION to adjourn Open Session to move to Executive Session, not to return to Open Session for the purpose to consider the purchase, exchange, lease, or value of real property, where an Open Meeting may have detrimental effect on the negotiating position of the Affordable Housing Trust members and the Chair so declares. Meg Browers seconded this motion.

ROLL CALL of those participating:

1. Forest Bell Aye
2. Meg Browers Aye
3. Tom Dixon Aye
4. Dave Iverson Aye
5. Shantaw Bloise-Murphy Aye
6. Brian Sullivan Aye

XIII. Adjournment

Meeting adjourned at 2:48pm

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NANTUCKET AFFORDABLE HOUSING TRUST

~~ MEETING MINUTES ~~

TUESDAY, July 16th , 2024.

Remote Meeting via Zoom– 12:30b pm

Trust Members: Brian Sullivan (Chair), Forest Bell , Meg Browers, Dave Iverson, Shantaw Bloise-Murphy, Penny Dey, Tom Dixon

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ATTENDING MEMBERS: Brian Sullivan, Forest Bell, Meg Browers, Penny Dey , Shantaw Bloise-Murphy
STAFF IN ATTENDANCE: Kristie Ferrantella (Housing Director), Ellis Ramos (Housing & Real Estate Office Manager), Vicki Marsh and Lee Smith (Town Counsel)
SPEAKER IN ATTENDANCE: Anne Kuszpa (Housing Nantucket Director)

I. Call to Order

Brian Sullivan called this meeting to order at 12:33pm.

II. Approval of Agenda – ACTION

Meg Browers made a MOTION to approve the agenda. Penny Dey seconded this motion.

ROLL CALL of those participating:

1. Forest Bell Aye
2. Meg Browers Aye
3. Penny Dey Aye
4. Shantaw Bloise-Murphy Aye
5. Brian Sullivan Aye

III. Public Comments

Kristie Ferrantella said that the ~~t~~Trust has been following the Affordable Homes Act very closely over this session as it originally included ~~the inclusion of~~ the Transfer Fee, which has since been removed from the Bill. Th~~is~~e bill just went to the Joint Conference Committee this past weekend. She said that is where the House and the Senate meet to try to merge their housing bills into one. The Seasonal Communities Designation is still included in this~~-~~, so she is encouraging year-round and seasonal community members to reach out to the six members of the Joint Committee to show support ~~to~~ for the Seasonal Community Designation. All the information i~~n~~s listed on the Affordable Housing Trust website, as well as a template. She is encouraging the community to send their letter of support by July 17th.

IV. Approval of Minutes – ACTION

- June 11th, 2024
- June 25th, 2024

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

Penny Dey made a MOTION to approve the meeting minutes with her corrections for June 11th and June 25th, 2024. Meg Browers seconded this motion.

ROLL CALL of those participating:

1. Forest Bell Aye
2. Meg Browers Aye
3. Penny Dey Aye
4. Shantaw Bloise-Murphy Aye
5. Brian Sullivan Aye

V. Announcement -

- **The Housing Department will be giving an update to the Select Board on the Strategic Plan - Housing Goals at the July 17, 2024, meeting.**

Kristie Ferrantella said that she just wanted the public to know that part of the Select Board strategic plan includes a focus area on both Municipal Housing needs and Affordable housing, and she will be giving a detailed and extensive update on their five housing goals at tomorrow night's (July 17th, 2024) Select Board meeting at 5:30pm.

VI. Request and Approval of an extension of a License Agreement between Barrett Enterprises, LLC, and the Affordable Housing Trust Fund at 12 Bartlett Road – DISCUSSION/ ACTION

Brian Sullivan ~~said just as a~~provided background information. ~~, t~~ There was a telephone pole where the wiring was too low for them to move the House on to ~~the~~ another property, and there was a wait on the electric company to move the pole. They have installed the new pole but apparently the line has to be moved up so they can move the house across the street.

Kristie Ferrantella said that they are asking for a one-week extension and staff is recommending to ~~just~~ extend it for another two weeks to avoid them ~~keep coming~~having to come back to the Trust. Kristie~~, so she~~ suggests extending it until July 26th.

Some discussion followed.

Shantaw Bloise-Murphy made a MOTION to approve the request of an extension of a License Agreement between Barrett Enterprises, LLC, and the Affordable housing Trust at 12 Bartletts Road ~~up to two weeks~~until July 26, 2024. Forest Bell seconded this motion.

ROLL CALL of those participating:

1. Forest Bell Aye
2. Meg Browers Aye
3. Penny Dey Aye
4. Shantaw Bloise-Murphy Aye
5. Brian Sullivan Aye

VII. Review Closing Cost Assistance Program Guidelines and Qualifications – DISCUSSION/ACTION

Brian Sullivan ~~said that they are here to~~opened the agenda item to review the Closing Cost Assistance Program guidelines that currently serves up to 175% AMI. He said the Trust had previously taken a vote that 175% AMI was the max amount that they would fund up to $15,000 of closing cost assistance and since they had the discussion, they have received two applications at the 240% AMI. ~~He said his question was do~~Chair Sullivan questioned if the Trust ~~they~~ wanted to consider a policy change.

Some discussion followed.

Shantaw Bloise-Murphy made a Motion to take no action on this item. Penny Dey seconded for discussion.

Some Discussion followed.

Shantaw Bloise-Murphy explained that her motion to take no action was to not make any changes to the guidelines today so that they can produce a budget and do this in a more fiscally responsible way later on down the road.

Brian Sullivan asked the board if they had any more questions on Shantaw Bloise-Murphy's motion. There was no more discussion.

Shantaw Bloise Murphy had made a MOTION to ~~no~~ take no action on this item, to give the Trust time to review the program guidelines and create a budget. Penny seconded this motion.

ROLL CALL of those participating:

1. Meg Browers Aye
2. Penny Dey Aye
3. Shantaw Bloise-Murphy Aye
4. Forest Bell Aye
5. Brian Sullivan Aye

VIII. Closing Cost Assistance Application—ACTION

- **8 Honeysuckle Drive – Norman Frazee**
- **10 Honeysuckle Drive – Shaylyn Maguire**

Chair Sullivan opened the agenda item by mentioning that the previous agenda item affirmed the program only serves families up to 175% AMI. Therefore, ~~T~~the applicants are not eligible for the program according to the present program guidelines of~~by~~ the Affordable Housing Trust. Lee Smith said a vote was not needed as the guidelines state the eligibility. Meg Browers asked if we could extend it another agenda and review it. Kristie Ferrantella stated that we need 30 days to process closing cost assistance through staff and administration, and that would not be feasible. She said she would connect with the buyers to notify them that they are not eligible.

IX. Vote to Approve and Execute the Deed Rider Containing the Affordability Restriction up to 240% of Area Median Income and the Year-Round Housing Occupancy Restriction for:

- **8 Honeysuckle Drive**
- **10 Honeysuckle Drive**

Kristie Ferrantella said this was part of the May 21st agenda, Housing Nantucket had come to the Trust to ask for the Trust to hold the Deed Rider with a Year-Round occupancy and affordability restriction, ~~.~~in exchange the trust approved the funding of $45,000 per property, a total of~~k~~ $90,000 for the two units.

Vicki Marsh said that she had submitted for review the Affordable Housing Deed Rider and it also contains the Year-Round owner occupancy restriction in it as well.

She also said that in the~~e~~ original Deed Rider written by Bry~~i~~an Swain, ~~and~~ he called it a Deed Restriction, but she reviewed it and created a redline version for the T~~t~~rust. The deed rider follows the format that EOHLC uses for deed riders in affordable housing projects in ownership situations. She said it covers all of the bases as far as the actual process for resale of an affordable unit. It also covers enforcement , monitoring agent, as much as the language as the EOHLC deed riders have. She said what she has added into this is the fact that this deed rider is not going to be held by the Municipality~~ namely the Town~~, but it is going to be held by the Trust, and the Trust has the authority to be able to hold this Deed Rider~~s~~. As a result of that, the restriction is in~~to~~ perpetuity instead of the 30 years which is the statutory requirement under chapter 184 section 27, so they will always maintain their affordability and the year-round owner occupancy restriction. She defined the Affordable Housing Restriction is up to 240% AMI and the Year-round restriction as being 10 months of each consecutive 12 month~~s~~ period which is what the Trust decided to do.

Some discussion followed.

Brian Sullivan notified the members that he had received a new version from the attorney just before the meeting started. He suggested that they hold this item to a future meeting to give town counsel time to review the redlined version of the deed rider that they received during the meeting from Bry~~i~~an Swain.

Kristie Ferrantella suggested that they have another meeting before their August 7th meeting since the ~~closing~~ buyers for those units are closing on August 8th.

Some discussion followed and members agreed.~~.~~

X. Select Board Quarterly Update – REVIEW

Kristie Ferrantella said that on August 7th , she will be giving a quarterly report from the Affordable Housing Trust Fund to the Select Board. She said she ~~just~~ will be presenting the highlight~~sed things~~ from this quarter, such as h~~. H~~ow our ~~are~~ housing construction has been going and~~,~~ programs and initiatives that ~~they've~~ we've been working on~~.~~ S~~s~~he said she also plans to give and update on:

- The Affordable Homes Act
- Talk through the RFP process for the Trust's vacant lands.
- The grant to Housing Nantucket for the 66 Pochick Avenue house move.
- The grant to Richmond that is going to help the Town stay in Safe Harbor at the end of the year.
- The two lotteries that were a result of funding from the Affordable Housing Trust Fund . O~~o~~ne is with Habitat for Humanity Nantucket and the second one is with Housing Nantucket.
- The Year-Round Deed Restriction Pilot Program and the Lease to Locals Program grant.

There were no further comments from members.

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XI. Review Subsidized Housing Inventory List – REVIEW

Kristie Ferrantella said as a reminder, the State's Chapter 40B law, demands that 10% of the year-round housing stock has to be affordable and deed restricted. That goal for Nantucket is 618 units of deed restricted year-round housing. T~~t~~he way that they can add to this is, either, through rental or homeownership opportunities. The State's programs really incentivize rental housing because only 25 % of the units would be restricted but 100% of the development counts toward the Subsidized Housing Inventory List.

She said that the last time the EOHLC put out a list~~,~~ was in January 2023 and they had 332 units on Nantucket's list. She said that with this year's developments they plan to add another 129 units to the Subsidized Inventory List and the number will increase to 7.5% of~~ toward~~ the 10% goal.

Kristie Ferrantella also said that the Trust has purchased vacant land ~~all over the ~~in various locations on-island , and the goal is to have ~~those ~~these properties developed and added to the Subsidized Housing Inventory List in the next few ~~couple of ~~years to keep Nantucket in Safe Harbor. Kristie referenced the timeline in the packet to show how the Trust and Town will stay in Safe Harbor until we reach the 10% goal, which is slated for 2027.

XII. Review Request for Proposal for: – REVIEW/DISCUSSION

- **135 and 137 Orange Street**

Kristie Ferrantella opened the discussion of the Request for Proposals (RFPs) and said she would give an overview of each one. She said that ~~they ~~the Trust had to reject the proposal for the original~~is~~ RFP because the developer needed most of the funding for the project to come from the Trust. In summary:

- This property has the potential for 32 units and 57 bedrooms.
- 25% of the development has to be at 80% AMI.
- Aligns with the Workforce Housing By-law in our zoning code.
- Includes a new NRTA bus stop.
- The release time for the new RFP could be the beginning of August 2024

- **16 Vesper Lane**

Kristie Ferrantella said that the Trust swapped 18 for 16 Vesper Lane with the Nantucket Cottage Hospital.

- This has the potential for 17 units with 24 bedrooms under the current zoning. It can be subdivided into 3 lots ~~and that can get the developers~~which would provide more bedrooms.
- The potential developer can apply for~~do~~ the ~~rezoning ~~subdivision ~~or staff could go to~~through the ZBA, or staff could apply ~~to change it~~ before the RFP goes out. Kristie recommended that the RFP be issued and the subdivision, if needed, could be done by the potential developer.~~, rezoning ~~She reminded the Trust that ~~might not be the best idea because ~~parking is one of the biggest issues and increasing the bedroom count might ~~not be the best idea.~~create more parking challenges.

- **7 Amelia Drive**

Kristie Ferrantella said this property was purchased by ~~between ~~the Town and Affordable Housing T~~t~~rust.

- This property has the potential for 3 units with 8 bedrooms total, without a commercial component.
- T~~With t~~he commercial component ~~that ~~would limit them to two units but there would be no limit on the bedroom count.
- She suggested that they put out the RFP as is and have the potential developers make any ~~alterations to the lots.~~decision on commercial use.

- **12 and 12R Bartlett Road**

Kristie Ferrantella said they have two options that they could do here.

1. Its currently zoned ~~to~~ CN and CN allows for apartment buildings by special permit. Given the size of the lot, they could ask for a 3-lot subdivision and that would allow for 12 Units with 24 bedrooms.
2. The second option w~~W~~ould be to go to Town Meeting and rezone this ~~into~~ to R5 ~~and R5 (this doesn't make sense?), would~~. This would allow for duplexes by right. ~~So, they could put up 5 duplexes on the same lot which would be 10 units and duplexes don't have a bedroom limit.~~ This would allow for 5 duplexes, or 10 units, with no limit on bedroom size. This could be a potential homeownership model.

She said she just wanted to get the ~~feel~~ sense of the board on what the T~~t~~rust wants to do ~~due~~ do.~~to the information presented~~ They could ~~if they want to~~ continue as rental or go to Town meeting to rezone for a potential ownership project. Penny Dey commented that the Trust prefers to work within current zoning and would not be in favor of rezoning. Others agreed. Kristie said that they would issue the RFP as is.

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

- **Approval of Executive Session Minutes of February 21, 2023; March 21, 2023; July 25, 2023; August 22, 2023; August 29, 2023; September 5, 2023; September 19, 2023; October 31, 2023**

- **Purpose 6: To Consider the Purchase, Exchange, Lease, or Value of Real Property Regarding 5 Madison Court , where an Open Meeting May have a Detrimental Effect on the Negotiating Position of the Affordable Housing Trust Members and the Chair so Declares.**

Penny Dey made a MOTION to adjourn Open Session to move to Executive Session , not to return to Open 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 Affordable Housing Trust members. Shantaw Bloise-Murphy seconded this motion.

ROLL CALL of those participating:

1. Meg Browers Aye
2. Forest Bell Aye
3. Penny Dey Aye
4. Shantaw Bloise-Murphy Aye
5. Brian Sullivan Aye

XIV. Adjourn

This meeting was adjourned at 1:42pm

AFTH Meeting on July 16th ,2024 at 12:30pm

ITEM V –

Vote to Approve and Execute the Deed Rider Containing the Affordability Restriction up to 240% of Area Median Income and the Year-Round Housing Occupancy Restriction for: -- ACTION

8 Honeysuckle Dr

10 Honeysuckle Dr

DRAFT/DRAFT/DRAFT

AFFORDABLE HOUSING DEED RIDER

For Projects in Which
Affordability Restrictions Survive Foreclosure

THIS AFFORDABLE HOUSING DEED RIDER (this "Deed Rider") is:

[X] incorporated in and made part of that certain deed (the "Deed") of certain property (the "Property") from **NHA Properties Inc. d/b/a Housing Nantucket, a duly organized Massachusetts nonprofit corporation, having a usual place of business at 75 Old South Road, Nantucket, Massachusetts, 02554,** ("Grantor") to ____ ("Owner") dated ________________________, 20___; or

[ ] being granted in connection with a financing or refinancing secured by a mortgage on the Property dated _____________, 20__.

The Property is located in the Town of Nantucket, Massachusetts (the "Municipality").

RECITALS

WHEREAS, the Grantor is conveying the Property more particularly described in the Deed to the Owner the Property, , at a consideration which is less than the fair market value of the Property; and

WHEREAS, the Property is part of a project which was: [check all that are applicable]

(i) [ ] granted a Comprehensive Permit under Massachusetts General Laws Chapter 40B, Sections 20-23, from the Board of Appeals of the Municipality or the Housing Appeals Committee and recorded/filed with the Nantucket County Registry of Deeds (the "Registry") in Book _______, Page _____/ Document No. _____(the "Comprehensive Permit"); and/or

(ii) [ ] subject to a Regulatory Agreement executed by and among Richmond Great Point Development, LLC (the "Developer"), the Commonwealth of Massachusetts, acting by and through its Department of Housing and Community Development, and the Town of Nantucket, dated May 3, 2021, and registered as Document No. 161880 at the Nantucket Registry District of the Land Court, as amended of record (the

Commented [VM1]: Check the Regulatory Agreement recording information and parties

“Regulatory Agreement”); and/or

(iii) [X] subsidized by Grantor as part of its programming to construct middle income housing (the “Program”); and

WHEREAS, eligible purchasers such as the Owner are given the opportunity to purchase residential property at less than its fair market value if the purchaser agrees to certain use and transfer restrictions, including an agreement to occupy the property for not less than ten (10) months for each consecutive twelve(12) month period and to convey the property for an amount not greater than a maximum resale price, all as more fully provided herein; and

WHEREAS, **NHA Properties, Inc., d/b/a Housing Nantucket** (singly, or if more than one entity is listed, collectively, the “Monitoring Agent”) is obligated by the Program or has been retained to monitor compliance with and to enforce the terms of this Deed Rider, and eligible purchasers such as the Owner may be required to pay to the Monitoring Agent, or its successor, a small percentage of the resale price upon the Owner’s conveyance of the Property, as more fully provided herein; and

WHEREAS, the rights and restrictions granted herein to the Monitoring Agent and the Town of Nantucket Affordable Housing Trust Fund, a Massachusetts municipal housing trust created pursuant to G.L. c. 44, § 55C, created by a Declaration of Trust dated February 8, 2010 recorded with Nantucket County Registry of Deeds in Book 1221, Page 20, as amended by First Amendment of Declaration of Trust dated September 25, 2014, recorded with said Deeds in Book 1452, Page 271 and as amended by Second Amendment of Declaration of Trust dated _______, recorded with said Deeds in Book ______, Page _____ (the “NAHT”), as the Grantee of this Deed Rider and the holder of the Restrictions defined herein, serve the public’s interest in the creation and retention of affordable housing for persons and households of low and moderate income and in the restricting of the resale price of property in order to assure its affordability by future low, moderate, and middle income purchasers.

NOW, THEREFORE, as further consideration for the conveyance of the Property at less than fair market value (if this Deed Rider is attached to the Deed), , the Grantor and the Owner , including his/her/their heirs, successors and assigns, hereby agree that the Property shall be subject to the following rights and restrictions which are imposed for the benefit of, and shall be enforceable by, NAHT and the Monitoring Agent.

1. Definitions. In this Deed Rider, in addition to the terms defined above, the following words and phrases shall have the following meanings:

Affordable Housing Fund means a fund established by the Municipality for the purpose of reducing the cost of housing for Eligible Purchasers or for the purpose of encouraging, creating, or subsidizing the construction or rehabilitation of housing for Eligible Purchasers or, if no such fund exists, a fund established by the Municipality pursuant to Massachusetts General Laws Chapter 44 Section 53A, et seq.

Applicable Foreclosure Price shall have the meaning set forth in Section 7(b) hereof.

Appropriate Size Household means a household containing a number of members equal to the number of bedrooms in the Property plus one.

Approved Capital Improvements means the documented commercially reasonable cost of extraordinary capital improvements made to the Property by the Owner; provided that the Monitoring Agent shall have given written authorization for incurring such cost prior to the cost being incurred and that the original cost of such improvements shall be discounted over the course of their useful life.

Area means the Primary Metropolitan Statistical Area or non-metropolitan area that includes the Municipality, as determined by the United States Department of Housing and Urban Development ("HUD"), which in this case is Nantucket County, Massachusetts.

Area Median Income means the most recently published median income for the Area adjusted for household size as determined by HUD. If HUD discontinues publication of Area Median Income, the income statistics used by MassHousing for its low and moderate income housing programs shall apply.

Base Income Number means the Area Median Income for a four (4)-person household.

Chief Executive Officer shall mean the Mayor in a city or the Select Board in a town unless some other municipal office is designated to be the chief executive officer under the provisions of a local charter.

Closing shall have the meaning set forth in Section 5(b) hereof.

Compliance Certificate shall have the meaning set forth in Section 6(a) hereof.

Conveyance Notice shall have the meaning set forth in Section 4(a) hereof.

Eligible Purchaser means an individual or household earning no more than two hundred and forty percent (240%) of Area Median Income, as required by the Program, and owning assets not in excess of an amount equal to ½ of the Maximum Resale Price, the limit set forth in the Program Guidelines. To be considered an Eligible Purchaser, the individual or household must intend to occupy and thereafter must occupy the Property for not less than ten (10) months for each consecutive twelve(12)-month period and must provide to the Monitoring Agent such certifications as to income, assets and residency as the Monitoring Agent may require to determine eligibility as an Eligible Purchaser.

Foreclosure Notice shall have the meaning set forth in Section 7(a) hereof.

HUD means the United States Department of Housing and Urban Development.

Ineligible Purchaser means an individual or household not meeting the requirements to be eligible as an Eligible Purchaser.

Maximum Resale Price means the sum of (i) the Base Income Number (at the time of resale) multiplied by the Resale Price Multiplier, plus (ii) the Resale Fee and any necessary marketing expenses (including broker's fees) as may have been approved by the Monitoring Agent, plus (iii) Approved Capital Improvements, if any (the original cost of which shall have been discounted over time, as calculated by the Monitoring Agent); provided that in no event shall the Maximum Resale Price be greater than the purchase price for which a credit-worthy Eligible Purchaser earning two hundred percent (240%) of Area Median Income for an Appropriate Size Household could obtain mortgage financing (as such purchase price is determined by the Monitoring Agent using the same methodology then used by EOHLC for its Local Initiative Program or similar comprehensive permit program); and further provided that the Maximum Resale Price shall not be less than the purchase price paid for the Property by the Owner unless the Owner agrees to accept a lesser price.

Monitoring Services Agreement means any Monitoring Services Agreement for monitoring and enforcement of this Deed Rider between~~among some or all of~~ the ~~Developer~~, the Monitoring Agent, and NAHT.

Mortgage Satisfaction Amount shall have the meaning set forth in Section 7(b) hereof.

Mortgagee shall have the meaning set forth in Section 7(a) hereof.

Premises: shall mean _____ Honeysuckle Drive, Nantucket, MA 02554, identified as Lot _____ ______ on Nantucket Land Court Plan No. 16514 - _____.

Program Guidelines means the regulations and/or guidelines issued for the applicable Program and controlling its operations, as the same may exist now, as amended from time to time, or as implemented in the future hereafter.

Resale Fee means a fee of one and one-half percent (1.5%) [but not more than two and one-half percent (2.5%)] of the Base Income Number (at the time of resale) multiplied by the Resale Price Multiplier, to be paid to the Monitoring Agent as compensation for monitoring and enforcing compliance with the terms of this Deed Rider, including the supervision of the resale process.

<u>Resale Price Certificate</u> means the certificate issued and recorded with the first deed of the Property from the Developer, or the subsequent certificate (if any) which sets forth the Resale Price Multiplier to be applied on the Owner's sale of the Property, as provided herein, for so long as the restrictions set forth herein continue. The Monitoring Agent shall issue the certificate.

<u>Resale Price Multiplier</u> means the number calculated by dividing the Property's initial sale price by the Base Income Number at the time of the initial sale from the Developer to the first Eligible Purchaser. The Resale Price Multiplier will be multiplied by the Base Income Number at the time of the Owner's resale of the Property to determine the Maximum Resale Price on such conveyance subject to adjustment for the Resale Fee, marketing expenses and Approved Capital Improvements. In the event that the purchase price paid for the Property by the Owner includes such an adjustment a new Resale Price Multiplier will be recalculated by the Monitoring Agent by dividing the purchase price so paid by the Base Income Number at the time of such purchase, and a new Resale Price Certificate will be issued and recorded reflecting the new Resale Price Multiplier. A Resale Price Multiplier of ______________is hereby assigned to the Property.

<u>Term</u> means in perpetuity, for the maximum term permitted by law, unless earlier terminated by: (i) the Monitoring Agent ; or (ii) the recording of a new Deed Rider executed by the purchaser in form and substance substantially identical to this Deed Rider establishing a new term.

2. <u>Year-Round Owner Occupancy Restriction.</u> The Property shall be occupied and used by the Owner's household for not less than ten (10) months of each consecutive twelve (12)-month period. . Any use of the Property or activity thereon which is inconsistent with such exclusive residential use is expressly prohibited.

3. <u>Restrictions Against Leasing, Refinancing and Junior Encumbrances</u>. The Property shall not be leased, rented, refinanced, encumbered (voluntarily or otherwise) or mortgaged without the prior written consent of the Monitoring Agent; <u>provided that</u> this provision shall not apply to a first mortgage granted on the date of the delivery of the Deed in connection with the conveyance of the Property from Grantor to Owner securing indebtedness not greater than one hundred percent (100%) of the purchase price. Any rents, profits, or proceeds from any transaction described in the preceding sentence which transaction has not received the requisite written consent of the Monitoring Agent shall be paid upon demand by Owner to NAHT for deposit in NAHT's account. The Monitoring Agent or NAHT may institute proceedings to recover such rents, profits or proceeds, and costs of collection, including attorneys' fees. Upon recovery, after payment of <u>the Monitoring Agents's and NAHT's respective</u> costs, the balance shall be paid <u>equally</u> to <u>the Monitoring Agent and</u> NAHT for deposit in <u>their respective</u>~~its~~ account<u>s</u>~~.~~. In the event that the Monitoring Agent consents for good cause to any such lease, refinancing, encumbrance or mortgage, it shall be a condition to such consent that all rents, profits or proceeds from such transaction, which exceed the actual carrying costs of the Property as determined by the Monitoring Agent, shall be paid equally to the Monitoring Agent~~to~~ and NAHT for deposit in their~~its~~ accounts.~~.~~

4. Options to Purchase.

(a) When the Owner or any successor in title to the Owner shall desire to sell, dispose of or otherwise convey the Property, or any portion thereof, the Owner shall notify the Monitoring Agent and NAHT in writing of the Owner's intention to so convey the Property (the "Conveyance Notice"). Upon receipt of the Conveyance Notice, the Monitoring Agent shall (i) calculate the Maximum Resale Price which the Owner may receive on the sale of the Property based upon the Base Income Number in effect as of the date of the Conveyance Notice and the Resale Price Multiplier set forth in the most recently recorded Resale Price Certificate together with permissible adjustments for the Resale Fee, marketing expenses and Approved Capital Improvements (as discounted), and (ii) work with Owner to promptly begin marketing efforts. The Owner shall fully cooperate with the Monitoring Agent in their efforts to locate an Eligible Purchaser and, if so requested by the Monitoring Agent, shall hire a broker selected by the Monitoring Agent to assist in locating an Eligible Purchaser ready, willing and able to purchase the Property at the Maximum Resale Price after entering a purchase and sale agreement. Pursuant to such agreement, sale to the Eligible Purchaser at the Maximum Resale Price shall occur within ninety (90) days after the Monitoring Agent receives the Conveyance Notice or such further time as reasonably requested to arrange for details of closing. If the Owner fails to cooperate in such resale efforts, including a failure to agree to reasonable terms in the purchase and sale agreement, the Monitoring Agent may extend the 90-day period for a period commensurate with the time the lack of cooperation continues, as determined by the Monitoring Agent in its reasonable discretion. In such event, the Monitoring Agent shall give Owner written notice of the lack of cooperation and the length of the extension added to the 90-day period.

(b) The Monitoring Agent shall ensure that diligent marketing efforts are made to locate an Eligible Purchaser ready, willing and able to purchase the Property at the Maximum Resale Price within the time period provided in subsection (a) above and to enter the requisite purchase and sale agreement. If more than one Eligible Purchaser is located, the Monitoring Agent may conduct a lottery or other like procedure to determine which Eligible Purchaser shall be entitled to enter a purchase and sale agreement with Owner and to purchase the Property. Preference shall be given to Appropriate Size Households. The procedure for marketing and selecting an Eligible Purchaser shall be approved under any applicable Program Guidelines. If an Eligible Purchaser is located within ninety (90) days after receipt of the Conveyance Notice, but such Eligible Purchaser proves unable to secure mortgage financing so as to be able to complete the purchase of the Property pursuant to the purchase and sale agreement, following written notice to Owner within the 90-day period the Monitoring Agent shall have an additional sixty (60) days to locate another Eligible Purchaser who will enter a purchase and sale agreement and purchase the Property by the end of such sixty (60)-day period or such further time as reasonably requested to carry out the purchase and sale agreement.

(c) In lieu of sale to an Eligible Purchaser, the Monitoring Agent or NAHT or designee shall also have the right to purchase the Property at the Maximum Resale Price, in which event the purchase and sale agreement shall be entered, and the purchase shall occur within ninety (90) days after receipt of the Conveyance Notice or, within the additional sixty (60)-day period specified in subsection (b) above, or such further time as reasonably requested to carry out the purchase and sale agreement. Any lack of cooperation by Owner in measures reasonably necessary to effect the sale shall extend the 90-day period by the length of the delay caused by such lack of cooperation. The Monitoring Agent shall promptly give Owner written notice of the lack of cooperation and the length of the extension added to the 90-day period. In the event of such a sale to the Monitoring Agent or NAHT or designee, the Property shall remain subject to this Restriction and shall thereafter be sold or rented to an Eligible Purchaser.

(d) If an Eligible Purchaser fails to purchase the Property within the 90-day period (or such further time determined as provided herein) after receipt of the Conveyance Notice, and the Monitoring Agent or NAHT or designee does not purchase the Property during said period, then the Owner may convey the Property to an Ineligible Purchaser no earlier than thirty (30) days after the end of said period at the Maximum Resale Price, but subject to all rights and restrictions contained herein; provided that the Property shall be conveyed subject to a Deed Rider identical in form and substance to this Deed Rider which the Owner agrees to execute, to secure execution by the Ineligible Purchaser and to record with the Deed; and further provided that, if more than one Ineligible Purchaser is ready, willing and able to purchase the Property the Owner will give preference and enter a purchase and sale agreement with any individuals or households identified by the Monitoring Agent as an Appropriate Size Household earning no more than two hundred forty percent (240%) of the Area Median Income.

Commented [VM2]: May need to include a different income level?

(e) Nothing in this Restriction constitutes a promise, commitment or guarantee by NAHT or the Monitoring Agent that upon resale the Owner shall actually receive the Maximum Resale Price for the Property or any other price for the Property.

(g) The holder of a mortgage on the Property is not obligated to forbear from exercising the rights and remedies under its mortgage, at law or in equity, after delivery of the Conveyance Notice.

5. Delivery of Deed.

(a) In connection with any conveyance pursuant to an option to purchase as set forth in Section 4 above, the Property shall be conveyed by the Owner to the selected purchaser by a good and sufficient quitclaim deed conveying a good and clear record and marketable title to the Property free from all encumbrances except (i) such taxes for the then current year as are not due and payable on the date of delivery of the deed, (ii) any lien for municipal betterments assessed after the date of the Conveyance Notice, (iii) provisions of local building and zoning laws, (iv) all easements, restrictions, covenants and agreements of record specified in the deed from the Owner to the selected purchaser, (v) such additional easements, restrictions, covenants and agreements of record as the selected purchaser consents to, such consent not to be unreasonably withheld or delayed, and (vi), except as otherwise provided in the Compliance Certificate, a Deed Rider identical in form and substance to this Deed Rider which the Owner hereby agrees to execute, to secure execution by the selected purchaser, and to record with the deed. **Said deed shall clearly state that it is made subject to the Restriction which is made part of the deed.** Failure to comply with the preceding sentence shall not affect the validity of the conveyance from the Owner to the selected purchaser or the enforceability of the restrictions herein.

(b) Said deed, including the approved Deed Rider, shall be delivered and the purchase price paid (the "Closing") at the Registry, or at the option of the selected purchaser, exercised by written notice to the Owner at least five (5) days prior to the delivery of the deed, at such other place as the selected purchaser may designate in said notice. The Closing shall occur at such time and on such date as shall be specified in a written notice from the selected purchaser to the Owner, which date shall be at least five (5) days after the date on which such notice is given, and no later than the end of the time period specified in Section 4(a) above.

(c) To enable Owner to make conveyance as herein provided, Owner may, if Owner so desires at the time of delivery of the deed, use the purchase money or any portion thereof to clear the title of any or all encumbrances or interests, all instruments with respect thereto to be recorded simultaneously with the delivery of said deed. Nothing contained herein as to the Owner's obligation to remove defects in title or to make conveyance or to deliver possession of the Property in accordance with the terms hereof, as to use of proceeds to clear title or as to the election of the selected purchaser to take title, nor anything else in this Deed Rider shall be deemed to waive, impair or otherwise affect the priority of the rights herein over matters appearing of record, or occurring, at any time after the recording of this Deed Rider, all such matters so appearing or occurring being subject and subordinate in all events to the rights herein.

(d) Water and sewer charges and taxes for the then current tax period shall be apportioned and fuel value shall be adjusted as of the date of Closing and the net amount thereof shall be added to or deducted from, as the case may be, the purchase price payable by the selected purchaser.

(e) Full possession of the Property free from all occupants is to be delivered at the time of the Closing, the Property to be then in the same condition as it is on the date of the execution of the purchase and sale agreement, reasonable wear and tear only excepted.

(f) If Owner shall be unable to give title or to make conveyance as above required, or if any change of condition in the Property not included in the above exception shall occur, then Owner shall be given a reasonable time not to exceed thirty (30) days after the date on which the Closing was to have occurred in which to remove any defect in title or to restore the Property to the condition herein required. The Owner shall use best efforts to remove any such defects in the title, whether voluntary or involuntary, and to restore the Property to the extent permitted by insurance proceeds or condemnation award. The Closing shall occur fifteen (15) days after notice by Owner that such defect has been cured or that the Property has been so restored. The selected purchaser shall have the election, at either the original or any extended time for performance, to accept such title as the Owner can deliver to the Property in its then condition and to pay therefor the purchase price without deduction, in which case the Owner shall convey such title, except that in the event of such conveyance in accordance with the provisions of this clause, if the Property shall have been damaged by fire or casualty insured against or if a portion of the Property shall have been taken by a public authority, then the Owner shall, unless the Owner has previously restored the Property to its former condition, either:

(A pay over or assign to the selected purchaser, on delivery of the deed, all amounts recovered or recoverable on account of such insurance or condemnation award less any amounts reasonably expended by the Owner for any partial restoration, or

(B) if a holder of a mortgage on the Property shall not permit the insurance proceeds or the condemnation award or part thereof to be used to restore the Property to its former condition or to be so paid over or assigned, give to the selected purchaser a credit against the purchase price, on delivery of the deed, equal to said amounts so retained by the holder of the said mortgage less any amounts reasonably expended by the Owner for any partial restoration.

6. Resale and Transfer Restrictions.

(a) Except as otherwise provided herein, the Property or any interest therein shall not at any time be sold by the Owner, or the Owner's successors and assigns, and no attempted sale shall be valid, unless the aggregate value of all consideration and payments of every kind given or paid by the selected purchaser of the Property for and in connection with the transfer of such Property, is equal to or less than the Maximum Resale Price for the Property, and unless a certificate (the "Compliance Certificate") is obtained and recorded, signed and acknowledged by the Monitoring Agent which Compliance Certificate refers to the Property, the Owner, the selected purchaser thereof, and the Maximum Resale Price therefor, and states that the proposed conveyance, sale or transfer of the Property to the selected purchaser is in compliance with the rights, restrictions, covenants and agreements contained in this Deed Rider, and unless there is also recorded a new Deed Rider executed by the selected purchaser, which new Deed Rider is identical in form and substance to this Deed Rider.

(b) The Owner, any good faith purchaser of the Property, any lender or other party taking a security interest in such Property and any other third party may rely upon a Compliance Certificate as conclusive evidence that the proposed conveyance, sale or transfer of the Property to the selected purchaser is in compliance with the rights, restrictions, covenants and agreements contained in this Deed Rider, and may record such Compliance Certificate in connection with the conveyance of the Property.

(c) Within ten (10) days of the closing of the conveyance of the Property from the Owner to the selected purchaser, the Owner shall deliver to the Monitoring Agent a copy of the Deed of the Property, including the Deed Rider, together with recording information. Failure of the Owner, or Owner's successors or assigns to comply with the preceding sentence shall not affect the validity of such conveyance or the enforceability of the restrictions herein.

7. Survival of Restrictions Upon Exercise of Remedies by Mortgagees.

(a) The holder of record of any mortgage on the Property (each, a "Mortgagee") shall notify the Monitoring Agent, NAHT and any senior Mortgagee(s) in the event of any default for which the Mortgagee intends to commence foreclosure proceedings or similar remedial action pursuant to its mortgage (the "Foreclosure Notice"), which notice shall be sent to the Monitoring Agent and NAHT as set forth in this Deed Rider, and to the senior Mortgagee(s) as set forth in such senior Mortgagee's mortgage, not less than one hundred twenty (120) days prior to the foreclosure sale or the acceptance of a deed in lieu of foreclosure. The Owner expressly agrees to the delivery of the Foreclosure Notice and any other communications and disclosures made by the Mortgagee pursuant to this Restriction.

(b) The Owner grants to NAHT or its designee the right and option to purchase the Property upon receipt by NAHT of the Foreclosure Notice. In the event that NAHT intends to exercise its option, the NAHT or its designee shall purchase the Property within one hundred twenty (120) days of receipt of such notice, at a price equal to the greater of (i) the sum of the outstanding principal balance of the note secured by such foreclosing Mortgagee's mortgage, together with the outstanding principal balance(s) of any note(s) secured by mortgage(s) senior in priority to such mortgage (but in no event shall the aggregate amount thereof be greater than one hundred percent (100%) of the Maximum Resale Price calculated at the time of the granting of the mortgage) plus all future advances, accrued interest and all reasonable costs and expenses which the foreclosing Mortgagee and any senior Mortgagee(s) are entitled to recover pursuant to the terms of such mortgages (the "Mortgage Satisfaction Amount"), and (ii) the Maximum Resale Price (which for this purpose may be less than the purchase price paid for the Property by the Owner)(the greater of (i) and (ii) above herein referred to as the "Applicable Foreclosure Price"). The Property shall be sold and conveyed in its then-current "as is, where is" condition, without representation or warranty of any kind, direct or indirect, express or implied, and with the benefit of and subject to all rights, rights of way, restrictions, easements, covenants, liens, improvements, housing code violations, public assessments, any and all unpaid federal or state taxes (subject to any rights of redemption for unpaid federal taxes), municipal liens and any other encumbrances of record then in force and applicable to the Property having priority over such foreclosing Mortgagee's mortgage, and further subject to a Deed Rider identical in form and substance to this Deed Rider that the Owner hereby agrees to execute, to secure execution by NAHT or its designee, and to record with the deed, except that (i) during the term of ownership of the Property by the NAHT or its designee the year-round owner occupancy restriction of Section 2 hereof shall not apply (unless the designee is an Eligible Purchaser), and (ii) the Maximum Resale Price shall be recalculated based on the price paid for the Property by NAHT or its designee, but not greater than the Applicable Foreclosure Price. **Said deed shall clearly state that it is made subject to the Deed Rider which is made part of the deed.** Failure to comply with the preceding sentence shall not affect the validity of the conveyance from the Owner to NAHT or its designee or the enforceability of the restrictions herein.

(c) Not earlier than one hundred twenty (120) days following the delivery of the Foreclosure Notice to the Monitoring Agent, NAHT and any senior Mortgagee(s) pursuant to subsection (a) above, the foreclosing Mortgagee may conduct the foreclosure sale or accept a deed in lieu of foreclosure. The Property shall be sold and conveyed in its then-current "as is, where is" condition, without representation or warranty of any kind, direct or indirect, express or implied, and with the benefit of and subject to all rights, rights of way, restrictions, easements, covenants, liens, improvements, housing code violations, public assessments, any and all unpaid federal or state taxes (subject to any rights of redemption for unpaid federal taxes), municipal liens and any other encumbrances of record then in force and applicable to the Property having priority over the foreclosing Mortgagee's mortgage, and further subject to a Deed Rider, as set forth below.

(d) In the event that the foreclosing Mortgagee conducts a foreclosure sale or other proceeding enforcing its rights under its mortgage and the Property is sold for a price in excess of the greater of the Maximum Resale Price and the Mortgage Satisfaction Amount, such excess shall be paid to NAHT after (i) a final judicial determination, or (ii) a written agreement of all parties who, as of such date hold (or have been duly authorized to act for other parties who hold) a record interest in the Property, that NAHT is entitled to such excess. The legal costs of obtaining any such judicial determination or agreement shall be deducted from the excess prior to payment to NAHT. To the extent that the Owner possesses any interest in any amount which would otherwise be payable to the Monitoring Agent under this paragraph, to the fullest extent permissible by law, the Owner hereby assigns its interest in such amount to the Mortgagee for payment to NAHT.

(e) If any Mortgagee shall acquire the Property by reason of foreclosure or upon conveyance of the Property in lieu of foreclosure, then the rights and restrictions contained herein shall apply to such Mortgagee upon such acquisition of the Property and to any purchaser of the Property from such Mortgagee, and the Property shall be conveyed subject to a Deed Rider identical in form and substance to this Deed Rider, which the Mortgagee that has so acquired the Property agrees to annex to the deed and to record with the deed, except that (i) during the term of ownership of the Property by such Mortgagee the year-round owner occupancy restriction of Section 2 hereof shall not apply, and (ii) the Maximum Resale Price shall be recalculated based on the price paid for the Property by such Mortgagee at the foreclosure sale, but not greater than the Applicable Foreclosure Price. **Said deed shall clearly state that it is made subject to the Deed Rider which is made part of the deed.**

Failure to comply with the preceding sentence shall not affect the validity of the conveyance to the Mortgagee or the enforceability of the restrictions herein.

(f) If any party other than a Mortgagee shall acquire the Property by reason of foreclosure or upon conveyance of the Property in lieu of foreclosure, the Property shall be conveyed subject to a Deed Rider identical in form and substance to this Deed Rider, which the foreclosing Mortgagee agrees to annex to the deed and to record with the deed. **Said deed shall clearly state that it is made subject to the Deed Rider which is made part of the deed.** Failure to comply with the preceding sentence shall not affect the validity of the conveyance to such third- party purchaser or the enforceability of the restrictions herein.

(g) Upon satisfaction of the requirements contained in this Section 7, the Monitoring Agent shall issue a Compliance Certificate to the foreclosing Mortgagee which, upon recording in the Registry, may be relied upon as provided in Section 6(b) hereof as conclusive evidence that the conveyance of the Property pursuant to this Section 7 is in compliance with the rights, restrictions, covenants and agreements contained in this Deed Rider.

(h) The Owner understands and agrees that nothing in this Deed Rider (i) in any way constitutes a promise or guarantee by NAHT or the Monitoring Agent that the Mortgagee shall actually receive the Mortgage Satisfaction Amount, the Maximum Resale Price for the Property or any other price for the Property, or (ii) impairs the rights and remedies of the Mortgagee in the event of a deficiency.

(i) If a Foreclosure Notice is delivered after the delivery of a Conveyance Notice as provided in Section 4(a) hereof, the procedures set forth in this Section 7 shall supersede the provisions of Section 4 hereof.

8. Covenants to Run With the Property.

(a) This Deed Rider, including all restrictions, rights and covenants contained herein, is an affordable housing restriction as that term is defined under G. L. c. 184, §31 and having the benefit of Section 32 of said Chapter 184, and is enforceable as such. NAHT, The Deed Rider also contains a year-round owner occupancy restriction, both of which shall run with the land in perpetuity. NAHT, the holder of said Restrictions, deems said Restrictions to be in the public interest.

(b) In confirmation thereof the Owner (and the Grantor if this Deed Rider is attached to the Deed) intend, declare and covenant (i) that this Deed Rider, including all restrictions, rights and covenants contained herein, shall be and are covenants running with the land, encumbering the Property in perpetuity, but not for a period of less than ninety-nine (99) years from the date this Deed Rider is recorded with the Nantucket Registry of Deeds, and are binding upon the Owner and the Owner's successors in title and assigns, (ii) are not merely personal covenants of the Owner, and (iii) shall enure to the benefit of and be enforceable by NAHT, the Monitoring Agent and their successors and assigns, for the Term. The agreements, restrictions, specifically including the affordable housing restriction and the year-round owner housing occupancy restriction provided for herein, and other rights and covenants contained herein, shall be deemed to be "other restrictions held by any governmental body," pursuant to G.L. c. 184, § 26 such that restrictions contained herein, shall be enforceable for its full terms, and not be limited by any contrary rule or operation of law, and in any event shall be enforceable for at least ninety -nine (99) years as provided herein. Owner hereby agrees that any and all requirements of the laws of the Commonwealth of Massachusetts have been satisfied in order for the provisions of this Deed Rider to constitute restrictions and covenants running with the land and that any requirements of privity of estate have been satisfied in full.

9. Notice. Any notices, demands or requests that may be given under this Deed Rider shall be sufficiently served if given in writing and delivered by hand or mailed by certified or registered mail, postage prepaid, return receipt requested, to the following entities and parties in interest at the addresses set forth below, or such other addresses as may be specified by any party (or its successor) by such notice.

Municipality: Town of Nantucket
16 Broad Street
Nantucket, MA 02554
Attn: Town Manager

With a copy to:
____
____

NAHT: Town of Nantucket Affordable Housing Trust Fund
2 Fairgrounds Road
Nantucket. MA 02554
Attn: Municipal Housing Director

Grantor: NHA Properties, Inc., d/b/a Housing Nantucket
P.O. Box 3149
Nantucket, Massachusetts 02554

Owner: ____________________________________
____
____

Monitoring Agent: NHA Properties, Inc., d/b/a Housing Nantucket
P.O. Box 3149
Nantucket, Massachusetts 02554

Any such notice, demand or request shall be deemed to have been given on the day it is hand delivered or mailed.

10. <u>Further Assurances</u>. The Owner agrees from time to time, as may be reasonably required by the Monitoring Agent, to furnish the Monitoring Agent upon its request with a written statement, signed and, if requested, acknowledged, setting forth the condition and occupancy of the Property, information concerning the resale of the Property and other material information pertaining to the Property and the Owner's conformance with the requirements of the Program.

11. <u>Enforcement</u>.

(a) The rights granted hereby shall include the right of NAHT and the Monitoring Agent to enforce this Deed Rider independently, by appropriate legal proceedings and to obtain injunctive and other appropriate relief on account of any violation including without limitation including relief requiring restoration of the Property to the condition, affordability or occupancy which existed prior to the violation impacting condition, affordability or occupancy, and shall be in addition to, and not in limitation of, any other rights and remedies available to NAHT and the Monitoring Agent. In addition, the Monitoring Agent or NAHT, without limiting any remedies at law or in equity, may impose fines of not more than three hundred dollars ($300.00) for each separate violation of the Program, or the Deed Rider, including the submission of false information to the Monitoring Agent with respect to any Program document or other representation regarding the Program. Each day or part thereof during which such violation occurs or continues shall constitute a separate violation.

(b) The Monitoring Agent, without limiting any remedies at law or in equity, may revoke Qualified Purchaser Certificates or Qualified Seller Certificates,, or other approvals granted under the Program, for violations of the Program, including the submission of false information to the Monitoring Agent with respect to any Program document or other Program representation.

(c) Without limitation of any other rights or remedies of NAHT and the Monitoring Agent, or their successors and assigns, in the event of any sale, conveyance or other transfer or occupancy of the Property in violation of the provisions of this Deed Rider, NAHT and Monitoring Agent shall be entitled to the following remedies, which shall be cumulative and not mutually exclusive:

(i) specific performance of the provisions of this Deed Rider;

(ii) money damages for charges in excess of the Maximum Resale Price, if applicable;

(iii) if the violation is a sale of the Property to an Ineligible Purchaser except as permitted herein, the Monitoring Agent and NAHT shall have the option to locate an Eligible Purchaser to purchase or itself purchase the Property from the Ineligible Purchaser on the terms and conditions provided herein; the purchase price shall be a price which complies with the provisions of this Deed Rider; specific performance of the requirement that an Ineligible Purchaser shall sell, as herein provided, may be judicially ordered.

(iv) the right to void any contract for sale or any sale, conveyance or other transfer of the Property in violation of the provisions of this Deed Rider in the absence of a Compliance Certificate, by an action in equity to enforce this Deed Rider; and

(v) money damages for the cost of creating or obtaining a comparable dwelling unit for an Eligible Purchaser.

(d) In addition to the foregoing, the Owner hereby agrees and shall be obligated to pay all fees and expenses (including legal fees) of the Monitoring Agent and/or NAHT in the event successful enforcement action is taken against the Owner or Owner's successors or assigns. The Owner hereby grants to the Monitoring Agent and NAHT a lien on the Property, junior to the lien of any institutional holder of a first mortgage on the Property, to secure payment of such fees and expenses in any successful enforcement action. The Monitoring Agent and NAHT shall be entitled to seek recovery of fees and expenses incurred in a successful enforcement action of this Deed Rider against the Owner and to assert such a lien on the Property to secure payment by the Owner of such fees and expenses.

(e) The Owner for himself, herself or themselves and his, her or their successors and assigns, hereby grants to the Monitoring Agent and NAHT the right to take all actions with respect to the Property which the Monitoring Agent or NAHT may determine to be necessary or appropriate pursuant to applicable law, court order, or the consent of the Owner to prevent, remedy or abate any violation of this Deed Rider.

12. Monitoring Agent Services; Fees. The Monitoring Agent shall monitor compliance of the Project and enforce the requirements of this Deed Rider. As partial compensation for providing these services, a Resale Fee shall be payable to the Monitoring Agent on the sale of the Property to an Eligible Purchaser or any other purchaser in accordance with the terms of this Deed Rider. This fee, if imposed, shall be paid by the Owner herein as a closing cost at the time of Closing, and payment of the fee to the Monitoring Agent shall be a condition to delivery and recording of its certificate, failing which the Monitoring Agent shall have a claim against the new purchaser, his, her or their successors or assigns, for which the Monitoring Agent may bring an action and may seek an attachment against the Property.

13. **Actions by NAHT.** Any action required or allowed to be taken by the Municipality hereunder shall be taken by NAHT's Board of Trustees of designee.

14. **Severability.** If any provisions hereof or the application thereof to any person or circumstance are judicially determined, to any extent, to be invalid or unenforceable, the remainder hereof, or the application of such provision to the persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby.

15. **Independent Counsel.** THE OWNER ACKNOWLEDGES THAT HE, SHE, OR THEY HAVE READ THIS DOCUMENT IN ITS ENTIRETY AND HAS HAD THE OPPORTUNITY TO CONSULT LEGAL AND FINANCIAL ADVISORS OF HIS, HER OR THEIR CHOOSING REGARDING THE EXECUTION, DELIVERY AND PERFORMANCE OF THE OBLIGATIONS HEREUNDER.

16. **Binding Agreement.** This Deed Rider shall bind and inure to the benefit of the persons, entities and parties named herein and their successors or assigns as are permitted by this Deed Rider.

17. **Amendment.** This Restriction may not be rescinded, modified or amended, in whole or in part, without the written consent of the Monitoring Agent, NAHT and the holder of any mortgage or other security instrument encumbering all or any portion of the Property, which written consent shall be recorded with the Registry.

18. **Future Perpetual Restriction**. Notwithstanding anything else contained herein, the Parties understand and acknowledge that the Commonwealth of Massachusetts' legislature is attempting to enact a law that would permit a perpetual 240% AMI income restriction. In the event such law is enacted after the recording of this instrument, the Parties hereto agree that the Grantor may require the Owner to discharge and release this restriction, and simultaneously record therewith, a new perpetual 240% AMI Income restriction, compliant with any such newly enacted legislation, encumbering the Premises, containing substantially the same other terms provided for herein.

SIGNATURE PAGE TO FOLLOW

SIGNATURE PAGES

Executed as a sealed instrument this day of _________________, 2024 .

Grantor:
NHA PROPERTIES INC
d/b/a Housing Nantucket
By:

____
Peter T. Kaizer, President
Authorized Signatory

____
________________, Treasurer
Authorized Signatory

Owner:

____

____

COMMONWEALTH OF MASSACHUSETTS

____________________ County, ss.

On this ____ day of _____________, 20______, before me, the undersigned notary public, personally appeared **Peter T. Kaizer, Jr.**, the **President of NHA PROPERTIES INC**., in his capacity as President and an authorized signatory of the aforementioned Corporation, proved to me through satisfactory evidence of identification, which was [ ] (a current driver's license), [ ] (a current U.S. passport), or [ ] (my personal knowledge), to be the person whose name is signed on the preceding instrument, and acknowledged to me that (he) (she) signed it voluntarily for its stated purpose, as President of NHA PROPERTIES INC, a corporation,

____
Notary Public
My commission expires:

COMMONWEALTH OF MASSACHUSETTS

____________________ County, ss.

On this ____ day of _____________, 20______, before me, the undersigned notary public, personally appeared ____________________, the Treasurer **of NHA PROPERTIES INC**., in his capacity as President and an authorized signatory of the aforementioned Corporation, proved to me through satisfactory evidence of identification, which was [ ] (a current driver's license), [ ] (a current U.S. passport), or [ ] (my personal knowledge), to be the person whose name is signed on the preceding instrument, and acknowledged to me that (he) (she) signed it voluntarily for its stated purpose, as Treasurer of NHA PROPERTIES INC, a corporation,

____
Notary Public
My commission expires:

COMMONWEALTH OF MASSACHUSETTS

Nantucket County, ss.

On this ____ day of ___________, 20__, before me, the undersigned notary public, ________________________ (name of document signer) personally appeared, proved to me through satisfactory evidence of identification, which were _______________________, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that (he) (she) signed it voluntarily for its stated purpose.

____
Notary Public
My commission expires:

GRANTEE:

TOWN OF NANTUCKET AFFORDABLE HOUSING TRUST FUND
By its Board of Trustees

____
Brian Sullivan

____
Meg Browers

____
Shantaw Bloise

____
Forest Bell

____
Penelope Dey

____
Thomas M. Dixon

____
David Iverson

COMMONWEALTH OF MASSACHUSETTS

Nantucket, ss

On this _______ day of ______________________2024, before me, the undersigned notary public personally appeared, _____________________________, _____________________, __________________________, __________________________, as Trustee of the Town of Nantucket Affordable Housing Trust Fund, and proved to me through satisfactory evidence of identification, being ____, to be the person whose name is signed on the preceding document, and acknowledged to me that he/she signed it voluntarily for its stated purpose as the free act and deed of the Town of Nantucket Affordable Housing Trust Fund.

____
Notary Public
My Commission Expires

ITEM VI – Acceptance of the Grant Agreement for Lease to Locals and Authorize the Chair to sign — ACTION

TOWN OF NANTUCKET AFFORDABLE HOUSING TRUST FUND

GRANT AGREEMENT FOR

NHA Properties, Inc., d/b/a Housing Nantucket, Inc.

Lease to Locals

This GRANT AGREEMENT is made on this _______ day of ______________, 2024, by and between the Town of Nantucket Affordable Housing Trust Fund, a municipal affordable housing trust created pursuant to G.L. c. 44, §55C, under a Declaration of Trust dated February 8, 2010, recorded with Nantucket County Registry of Deeds in Book 1221, Page 20, as amended by First Amendment to Declaration of Trust dated September 25, 2014, recorded with said Deeds in Book 1452, Page 271, acting by and through its Board of Trustees, having an address of 2 Fairgrounds Road, Nantucket, Massachusetts 02554 (the "Trust"), and NHA Properties, Inc. d/b/a Housing Nantucket, having an address of 75 Old South Road, Nantucket, MA 02554 (the "Grantee").

WITNESSETH:

WHEREAS, Grantee and Placemate, Inc. submitted a written request to the Trust in a presentation dated March 18, 2024, requesting a grant award for the purposes of providing incentivies to home owners to convert under-utilized or short-term rented properties into year-round rental opportunities (the "Project"). All grant application, plans, and other materials related to this request and approval are hereinafeter referred to as (the "Request") and incorporated herein by reference; and

WHEREAS, the vote on Article 18 of the 2023 Annual Town Meeting authorized the appropriation of funds for the Trust for the purposes of supporting affordable housing; and

WHEREAS, the Trust reviewed the Request and voted to award the grant to the Grantee up to $450,000.00 to enable the Grantee to complete the Project, provided that (1) the Project is eligible if the housing is available for rent to households with incomes of not more than one hundred seventy-five percent (175%) area median income in the Statistical Area for Nantucket County (the "Area Median Income" or "AMI") as determined by the Department of Housing and Urban Development (HUD), adjusted for household size; and (2) the Project implements rental caps per bedroom size; and (3) that the Grantee enter into this grant agreement with the Trust setting forth the requirements of the grant and the terms and conditions set forth herein.

NOW THEREFORE, the Trust and Grantee agree as follows:

1. Funding. As appropriated by said Town Meeting vote and approved by the Select Board, the Trust, at a meeting held on July 9, 2024, voted to grant to Grantee funds not to exceed $450,000.00 (the "Funds") on the condition that Grantee shall use the Funds only for the purposes of the Project, as set forth more particularly in their Request and this Grant Agreement.

2. Conditions.

a) Work on the Project must commence within two (2) months from the date of the execution of this Agreement (the "Commencement Date").

b) Grantee will administer the Project, in coordination with a third-party administrator and independent contractor, Placement Inc. Placement Inc is a California Benefit Corporation, based in Truckee, California, which provides administrative services for non-profit and government entities across the country

c) Excess or unused Funds will be returned to the Trust if the Project has not begun, or the Project has not been completed as provided for in Section 2(a), or, if Funds remain after completion of the Project.

d) Qualified Tenants in the Project shall be defined as households whose annual income does not exceed one hundred seventy-five percent (175%) AMI as determined by HUD.

e) Returning homeowners of the Project with Qualified tenants are eligible for 50% of grant incentives as defined in the Program Policies

f) Grantee shall ensure that all policies in the Program Policies are followed, including the implementation of a Rental Affordability Cap, as defined in the Program Policies.

g) Grantee shall seek the approval of, and work closely with, Kristie Ferrantella, the Town of Nantucket Housing Director in the implementation of the Project.

3. Contact. Grantee shall identify in writing a contact person responsible for administration of the Project and a second person, authorized to act if the contact person is unavailable.

4. Budget/Other Sources of Funding. Prior to the commencement of the Project, Grantee must submit a complete project budget that accounts for (1) the expenditure of all funds awarded under this Grant Agreement; and (2) the identity and amounts of all other sources of funding, if necessary, to complete the Project. If the Trust determines that the Funds have been spent on goods and/or services not included in the Project budget or otherwise permitted hereunder, the Trust may require that the funds used for unauthorized purposes be returned to the Trust; or, reimbursement of funds spent may not be authorized (if applicable).

5. Payments. The Trust shall disburse an amount of the Funds based on the work done, at least monthly and paid only upon the presentment of detailed invoices from Grantee or Grantee's contractor listing in detail the work performed and the cost thereof. The Trust shall have the right to ask for supplementary information. If the cost of the Project exceeds the Funds, such sums shall be paid by Grantee. Notwithstanding anything herein to the contrary, if the actual total cost of the Project is more than the Funds (the difference between the two amounts referred to hereinafter as the "Excess"), the Trust shall have no obligation to pay the Excess.

6. Liability of the Trust. The Trust's liability hereunder shall be to make the payment specified in Section 1 of this Grant Agreement, provided that the conditions set forth in Sections 2 and 5 are followed, and the Trust shall be under no further obligation or liability. Nothing in this Grant

Agreement shall be construed to render the Trust or any elected or appointed official or employee of the Trust, or their successors in office, personally liable for any obligation under this Grant Agreement.

7. Indemnification. Grantee shall indemnify, defend, and hold the Trust and its officers, employees, servants and agents harmless from and against any and all claims, demands, liabilities, actions, causes of actions, costs and expenses, including attorneys' fees, arising out of or relating to Grantee's performance of the Project, or the negligence or misconduct of Grantee or Grantee's agents or employees.

8. Reports. Grantee shall provide the Trust with progress reports at two (2)-month intervals beginning thirty (30) days from the date this Grant Agreement is signed, for so long as the Funds remain unexpended, and with final notification within thirty (30) days after the completion of the Project. The final notification should include detailed financial support of how funds were expended.

9. Public Records; Contract Documents. All document relating to the Project, including, but not limited to, photographs, videos, etc., submitted to the Trust shall become the property of the Town and shall be available for use by the Trust and available by the public under the Massachusetts Public Records Law. The Contract Documents consist of this Grant Agreement, the Request and all documents attached thereto, the Restriction, and plans approved by the Trust. The Contract Documents constitute the entire agreement between the parties concerning the Project.

10. Record Keeping. Grantee agrees to keep, for a period of six (6) years after the Project is completed, such records with respect to the utilization and the proceeds of this Grant Agreement as are kept in the normal course of business and such additional records as may be required by the Trust. Grantee further agrees to make these records available to the Trust upon request.

11. Assignment. Grantee shall not assign, subcontract or otherwise transfer this Grant Agreement, in whole or in part, without the prior written consent of the Trust..

12. Termination. In the event Grantee fails to fulfill all obligations under the terms of this Grant Agreement, as determined by the Trust, and such failure is not cured within forty-five (45) days after the Trust has given written notice to Grantee specifying such failure, the Trust shall have the right, in its sole discretion, to terminate this Grant Agreement upon written notice to Grantee. Upon receipt of said termination notice, Grantee shall cease to incur additional expenses in connection with this Grant Agreement. Upon termination, the Trust shall be free to pursue any available rights or remedies, including without limitation, recapture of Funds as set forth in Section 13 below. Upon the expiration or earlier termination of this Grant Agreement, all rights and obligations of the parties hereunder shall expire and be of no further force and effect, except that the provisions which, by their terms, shall necessarily survive said expiration or earlier termination.

13. Return of Funds. In the event Grantee fails to fulfill all obligations under the terms of this Grant Agreement and this Grant Agreement is terminated pursuant to Section 12, any Funds granted to Grantee under this Grant Agreement and not yet expended shall be returned forthwith to the Trust without further expenditure thereof. If Grantee fails to fulfill its obligations under the terms of this Grant Agreement as a result of negligent or intentional acts or omissions of Grantee or its agents,

employees, contractors or invitees, Grantee shall be liable to repay to the Trust the entire amount of the Funds provided under this Grant Agreement, and the Trust may take such steps as are necessary, including legal action, to recover such funds. Any Funds so returned or recovered shall be placed in the Trust's account. In the event that the Trust takes legal action under this Grant Agreement, Grantee shall pay any and all costs, including reasonable attorneys' fees, expended for the enforcement of this Grant Agreement.

14. Compliance with Laws. Grantee shall comply with all Federal, State and local laws, rules, regulations and orders applicable to the Project, such provisions being incorporated herein by reference, and shall be responsible for obtaining all necessary licenses, permits, and approvals required in connection with the Project. No local permit or license is waived by the award of this grant.

15. Notice. Any and all notices, or other communications required or permitted under this Grant Agreement, shall be in writing and delivered by hand or mailed postage prepaid, return receipt requested, by registered or certified mail or by other reputable delivery service, to the parties at the addresses set forth on Page 1 or furnished from time to time in writing hereafter by one party to the other party. Any such notice or correspondence shall be deemed given when so delivered by hand, if mailed, when deposited with the U.S. Postal Service or, if sent by private overnight or other delivery service, when deposited with such delivery service.

16. Severability. If any term or condition of this Grant Agreement or any application thereof shall to any extent be held invalid, illegal or unenforceable by the court of competent jurisdiction, the validity, legality, and enforceability of the remaining terms and conditions of this Grant Agreement shall not be deemed affected thereby unless one or both parties would be substantially or materially prejudiced.

17. Governing Law. This Grant Agreement shall be governed by, construed, and enforced in accordance with the laws of the Commonwealth of Massachusetts and Grantee submits to the jurisdiction of any of its appropriate courts for the adjudication of disputes arising out of this Grant Agreement.

(Signature Page to Follow)

IN WITNESS WHEREOF, the parties hereto have executed this Grant Agreement on the day and year first written above.

GRANTOR:

TOWN OF NANTUCKET AFFORDABLE HOUSING TRUST FUND
By its Board of Trustees

By: ____
Brian Sullivan, Chair and Trustee

GRANTEE:

NHA PROPERTIES, Inc. d/b/a HOUSING NANTUCKET

By: ____
Name: Peter T. Kaizer
Title: President

By: ____
Name: Paul Wolf, Jr.
Title: Treasurer