



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)

RECEIVED

2024 SEP 11 AM 10:13
NANTUCKET TOWN CLERK
Posting Number:T 835

Committee / Board	AFFORDABLE HOUSING TRUST
Day, Date, and Time	Friday, September 13, 2024 @ 11:00 AM
Location / Address	REMOTE PARTICIPATION VIA ZOOM (<i>See Below</i>) THE MEETING WILL BE AIRED AT A LATER TIME ON THE TOWN'S GOVERNMENT TV YOUTUBE CHANNEL AT https://www.youtube.com/channel/UC-sgxAlfdoxteLNzRAUHIxA
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 09-13-24

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/89216408692?pwd=itdjzDJuBbIbFZqmJ3WoasUWLQNe15.1>

Meeting ID: 892 1640 8692

Passcode: 720194

- I. Call to Order
- II. Approval of Agenda – ACTION
- III. Public comments *for items not listed on the agenda.*
- IV. Review and approve of Grant Agreement to Richmond Meadows Two P5P6,

LLC for (1) the buy-down of affordability of levels of affordable units and conversion of market rate units for rental to restricted income levels; and (2) the lease to the Town of Nantucket of market rate units for municipal employee housing for a minimum term of five (5) years.

V. Other Business

- Next Meeting is October 1, 2024, at 12:30pm

VI. Board Comments

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

1. Purpose 6: To Consider the Purchase, Exchange, Lease, or Value of Real Property Regarding 21 Fairgrounds 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
2. Purpose 6: To Consider the Purchase, Exchange, Lease, or Value of Real Property Regarding 18, 18A, 20, 22, 24, and 26 Sparks Avenue, where an Open Meeting May have a Detrimental Effect on the Negotiating Position of the Affordable Housing Trust Members and the Chair so Declares
3. Purpose 6: To Consider the Purchase, Exchange, Lease, or Value of Real Property Regarding 26 Somerset Lane, where an Open Meeting May have a Detrimental Effect on the Negotiating Position of the Affordable Housing Trust Members and the Chair so Declares
4. Purpose 6: To Consider the Purchase, Exchange, Lease, or Value of Real Property Regarding Forest Avenue, where an Open Meeting May have a Detrimental Effect on the Negotiating Position of the Affordable Housing Trust Members and the Chair so Declares

VIII. 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

TOWN OF NANTUCKET AFFORDABLE HOUSING TRUST FUND

GRANT AGREEMENT FOR

Richmond Meadows Two P5P6, LLC

This GRANT AGREEMENT (the “Agreement”) is made on this ____ day of August, 2024 (the “Effective Date”), 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 272, and as amended by Second Amendment to Declaration of Trust dated February 20, 2024 recorded with said Deeds in Book 1967, Page 293, acting by and through its Board of Trustees, having an address of 2 Fairgrounds Road, Nantucket, Massachusetts 02554 (the “Trust”), and Richmond Meadows Two P5P6, LLC (the “Grantee”), a Massachusetts limited liability company, having an address of 23 Concord Street, Wilmington, Massachusetts 01887.

WITNESSETH:

WHEREAS, Richmond Great Point Development, LLC (the “Developer”), a Delaware limited liability company, having an address of 23 Concord Street, Wilmington, Massachusetts 01887 presented a proposal to the Trust for (i) the funding for the buy-down of the affordability levels of two (2) affordable units and the conversion of twelve (10) market rate units for rental to restricted income level households located at 1, 2&4, 3&5, 6, 7 and 8 Gooseberry Place, Nantucket and shown as Lots 964 and 965 on Land Court Plan No. 16514-118 (the “Property”) to be constructed in a fifty-five (55)-unit mixed income housing project by the Grantee on the Property, to be known as Phase V and Phase VI of the “Meadows II” Workforce Rental Housing Development Project (the “Project”), and (ii) the lease of ten (10) market rate units to the Town of Nantucket to be sublet to municipal employees for municipal housing purposes for a minimum term of five years with options to extend the term as set forth in the Master Lease between the Grantee and the Town, a copy of which is attached hereto; and

WHEREAS, the Project is subject to that certain Local Initiative Program Regulatory Agreement and Declaration of Restrictive Covenants for “Meadows II” Workforce Rental Housing Development Project (Local Action Units) (as amended, the “Regulatory Agreement”) dated May 3, 2019 and registered with the Nantucket Registry District of the Land Court as Document No. 161871, as affected by First Amendment to Local Initiative Program Regulatory Agreement and Declaration of Restrictive Covenants for “Meadows II” Workforce Rental Housing Development Project (Local Action Units), dated December 14, 2021, registered with the Nantucket Registry District of the Land Court as Document No. 173044; and as affected by Second Amendment to Local Initiative Program of Regulatory Agreement and Declaration of Restrict Covenants for “Meadows II” Workforce Rental Housing Development Project (Local Action Units), dated December 28, 2022, registered with Nantucket Registry District of the Land Court as Document No. 176183;

WHEREAS, the Developer, in exchange for the Trust's funding, has proposed to modify certain aspects of the Project, and the Regulatory Agreement, to convert two (2) units of market rate rental housing to units of affordable rental housing available to households earning from eighty (80%) percent of the area median income ("AMI"), and to convert five (5) units of market rate rental housing to units for rent to households earning less than one hundred ten (110%) percent AMI, and to convert five (5) units of market rate housing to units for rent to households earning less than one hundred twenty (120%) AMI; and

WHEREAS, subject to Section 9 of the Regulatory Agreement, the Developer proposed to transfer, inter alia, the Property and rights to construct (as modified) Phase V and Phase VI of the Project to Grantee, and Grantee agreed thereafter to serve as the successor developer to Developer for purposes of owning, constructing, and operating Phase V and Phase VI of the Project; and

WHEREAS, the Developer has requested a grant in the amount of Six Million Seven Hundred Twenty-Five Thousand (\$6,725,000.00) for the buy-down of affordable units and the increase in the number of restricted units in the Project;

WHEREAS, all of the units constructed in Phases V and VI will be subject to a perpetual affordable housing restriction held by the Town of Nantucket and will be eligible for certification to the Town of Nantucket's Subsidized Housing Inventory (SHI) on an expedited basis as a result of the Grant; and

WHEREAS, the votes of Article 28 and Article 37 of the 2019 Annual Town Meeting authorized the appropriation of funds for the Trust to develop affordable housing units in the Town of Nantucket, including the costs of construction of affordable housing units, provided the units are available to households with incomes of not less than 30% of the area median income of the Town of Nantucket or more than 200% AMI, as most recently determined by the United States Department of Housing and Urban Development ("HUD"); and

WHEREAS, the Trust unanimously voted to award the total amount of the Grant in the amount of \$6,725,000.00, subject to conditions contained herein, for the construction of Phases V and VI of the Project, subject to Grantee's grant of an affordable housing restriction on the Property (or a modification thereto, as necessary) to be held by the Town of Nantucket, and subject to the Trust and Grantee entering into a mutually agreeable Grant Agreement; and

WHEREAS, the Trust now wishes to enter into this Agreement with the Grantee to set forth the terms of the Grant;

NOW THEREFORE, the Trust and Grantee agree as follows:

1. Funding and Closing.

- (A) As appropriated by Articles 28 and 37 of the 2019 Annual Town Meeting and approved by the Select Board, the Trust at a meeting held on _____, 2024 voted to award a grant to Grantee a total of \$6,725,000.00 (the "Grant Funds") in consideration of Grantee's grant of a permanent rental restriction enforceable by EOHLC and/or or the Town of

Nantucket, as the case may be, converting otherwise market-rate rental units to units affordable to households earning annual incomes not exceeding the categories set forth in this Grant Agreement.

2. Conditions.

- a) The Grantee shall construct the Project in accordance with the approved plans and specifications showing in detail the location, layout and size of the units, the landscaping and all other improvements to be constructed on the Property commencing the work on or after the Effective Date (the “Commencement Date”) and completing the Project on or before December 2, 2024 (the “Completion Date”), unless extended by the Trust for good cause. The Grantee is responsible for obtaining all requisite municipal approvals of the plans and specification.
 - b) Excess or unused Grant Funds or Loan Funds will be returned to the Trust if the Project has not begun, or the Project has not been completed as provided for in the foregoing Section 2(a).
 - c) The Grantee, the Town of Nantucket, and EOHLC shall enter into a Regulatory Agreement and Declaration of Restrictions (or modification thereof) on terms satisfactory to the Grantee and the Town, which shall require the Property to be used for affordable housing purposes in perpetuity, which shall survive foreclosure of any mortgages and/or other liens encumbering the Property, and grant the Town the independent permanent right to enforce the terms thereof without regard to whether EOHLC remains as a party thereto (the “Regulatory Agreement”). Seventeen (17) of the units shall be rented to households whose annual income does not exceed eighty percent (80%) AMI as determined by HUD, five (5) of the units shall be rented to households whose annual income does not exceed one hundred ten percent (110%) AMI and five (5) of the units shall be rented to households whose annual income does not exceed one hundred twenty percent (120%) AMI. For the avoidance of any doubt, the remaining twenty-eight (28) units in the Project may be rented to households at prevailing market rates without restriction. All the units in the Project must be eligible for inclusion in the Town’s Subsidized Housing Inventory (“SHI”). All mortgages and other liens on the Property shall be subordinate to the Regulatory Agreement, or a modification thereof. Grantee shall construct the Project on the Property for affordable housing purposes, consistent with the Special Permit and the Regulatory Agreement.
 - d) The Grantee shall enter into a Lease with the Town for a lease of ten (10) market rate units to the Town and which shall be sublet to municipal employees for municipal housing for a minimum five (5) year term, with an option to extend, all as more fully set forth in the Master Lease, a copy of which is attached hereto.
3. Project / Grantee Contact. Grantee, from time to time during the term of this Agreement, shall identify in writing a contact person responsible for administration of the Project. Grantee’s contact person shall be interchangeable throughout the term of this Agreement and shall be designated by Grantee together with written notice of each change. Initially the individual

responsible for administration of the Project shall be Philip Pastan, as he is the Manager of the Grantee.

4. Budget/Other Sources of Funding. To ensure feasibility of the Project Grantee, prior to the commencement of the Project, must submit a complete project budget to the Trust for its review and approval that accounts for the identity and amounts of all other sources of funding, if any, to complete the Project.
5. Payments. The Trust shall not disburse the Grant Funds pursuant to this Agreement until the Grantee has title to the Property; the Project is substantially completed, which is defined as the issuance of the Certificates of Occupancy for all of the units in the Project; and all fifty -five (55) rental housing units are eligible for Certification of the Town of Nantucket's compliance with its approved Housing Production Plan (HPP) in Year 2024 pursuant to 760 CMR 56.03(2)(f). Notwithstanding anything herein to the contrary, if the actual total cost of the Project is more than the Grant Funds (the difference between the two amounts referred to hereinafter as the "Excess", the Trust shall have no obligation to pay the Excess. The Grantee is obligated to perform the work in a good and workmanlike manner and in compliance with the approved plans and specifications for the Project.
6. Liability of the Trust. The Trust's liability hereunder shall be to make the payments specified in Section 1 of this Agreement, provided that the conditions set forth in Sections 2 and 5 have been satisfied by Grantee, and the Trust shall be under no further obligation or liability. Nothing in this 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 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, the condition of the Property, or the negligence or misconduct of Grantee or Grantee's agents or employees.
8. Reports; Inspection. Grantee shall provide the Trust with progress reports during the construction period at three (3)-month intervals beginning sixty (60) days from the Effective Date, for so long as the Project is not completed and until final notification within thirty (30) days after the completion of the Project. The Trust shall have the right, upon reasonable request, to inspect the work of Grantee upon reasonable advance notice and in the presence of an agent of Grantee, including the right to enter the Property.
9. Public Records; Grant Documents. All documents relating to the Project, including, but not limited to, photographs, videos, etc., submitted to the Trust shall become the property of the Town and this Agreement shall be available for use by the Trust and available by the public under the Massachusetts Public Records Law.
10. Record Keeping. Grantee agrees to keep, for a period of six (6) years after construction of the Project is completed, such records with respect to the utilization and the proceeds of this

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 written request.

11. Assignment. This Agreement may not be sold, assigned, conveyed, and otherwise transferred by Grantee, without the Trust's prior written consent subject, however, to the limitations or restrictions contained in the Regulatory Agreement.
12. Termination. In the event Grantee fails to fulfill all obligations under the terms of this 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 Agreement upon written notice to Grantee. Upon receipt of said termination notice, Grantee shall cease to incur additional expenses in connection with this Agreement. Upon termination, and subject to the Loan Documents, the Trust shall be free to pursue any available rights or remedies, including without limitation, recapture of Loan Funds as set forth in Section 13 below. Upon the expiration or earlier termination of this Agreement, all rights and obligations of the parties hereunder shall expire and be of no further force and effect, except that the provisions of Sections 2, 6, 7, 10, 12, and 13 shall survive said expiration or earlier termination.
13. Return of Funds. In the event Grantee fails to fulfill all obligations under the terms of this Agreement and this Agreement is terminated pursuant to Section 12, any Grant Funds or Loan Funds granted to Grantee under this 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 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 Grant Funds and Loan Funds provided under this Agreement, and the Trust may take such steps as are necessary, including legal action, to recover such funds. Any Grant Funds or Loan Funds so returned or recovered shall be placed in the Trust's account. In the event that the Trust takes legal action under this Agreement, Grantee shall pay any and all costs, including reasonable attorneys' fees, expended for the enforcement of this 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 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 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 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 and Loan Agreement on the day and year first written above.

GRANTOR / TRUST:

TOWN OF NANTUCKET
AFFORDABLE HOUSING TRUST
FUND

By its Board of Trustees

GRANTEE:

RICHMOND MEADOWS TWO P5P6, LLC

By: _____
Name: Philip Pastan, its Manager

Brian Sullivan, Trustee and Chair