

NANTUCKET AFFORDABLE HOUSING TRUST

MEETING MINUTES

Tuesday, April 15, 2025

Remote Meeting via Zoom – 12:30 PM

Trust Members: Brian Sullivan (Chair), Penny Dey (Vice-Chair), Meg Browers, Abby De Molina, Shantaw Bloise-Murphy, Forest Bell, Tom Dixon.

Attending Members: Brian Sullivan, Penny Dey, Tom Dixon, Meg Browers, Abby De Molina, Forest Bell, Tom Dixon

Staff in Attendance: Kristie Ferrantella (Housing Director), Dylan Metsch-Ampel (Deputy Housing Director), Ellis Ramos (Office Manager), Rachel Field (Property Manager), Lee Smith (Town Counsel)

Speakers in Attendance: Anne Kuszpa (Housing Nantucket), Tucker Holland (Nantucket Land Trust)

I. Call to Order

Penny Dey called the meeting to order at 12:33PM.

Kristie Ferrantella announced Dylan Metsch-Ampel as the new Deputy Housing Director. Dylan introduced himself.

II. Approval of Agenda – ACTION

Brian Sullivan made a MOTION to approve the agenda. Tom Dixon seconded the motion.

Roll call of those participating:

1. Tom Dixon – Aye
2. Abby De Molina – Aye
3. Meg Browers – Aye
4. Forest Bell – Aye
5. Brian Sullivan – Aye
6. Penny Dey – Aye

III. Public Comment *for items not listed on the agenda.*

IV. Announcements

1. Kristie Ferrantella announced that Habitat for Humanity Nantucket released their lottery applications for two homeownership units. All the information can be found at www.habitatnantucket.org.

V. Approval of Minutes – REVIEW/ACTION

- March 18, 2025

- April 1, 2025

Tom Dixon made a MOTION to approve the meeting minutes from March 18, 2025, and April 1, 2025. Brian Sullivan seconded the motion.

Roll call of those participating:

1. Tom Dixon – Aye
2. Abby De Molina – Aye
3. Meg Browsers – Aye
4. Forest Bell – Aye
5. Brian Sullivan – Aye
6. Penny Dey – Aye

VI. Acceptance of the Deed and Settlement Statement by the Affordable Housing Trust for the property at 10 Parker Lane and 55 Fairground Road, and to authorize the Chair, or his designee, to execute any and all documents related thereto – DISCUSSION/ACTION

Penny Dey recused herself from participation due to a potential conflict and handed over the discussion to Kristie Ferrantella, who designated Tom Dixon to chair the agenda item.

Kristie Ferrantella explained that the Trust has moved forward with the purchase of a 2-acre parcel that includes 10 Parker Lane and 55 Fairgrounds Road. The purchase is intended as a strategic acquisition for future homeownership opportunities.

Lee Smith explained that the transaction was previously discussed by the Trust under the purchase and sale agreement item. He said that the main terms include the trust purchasing the property with the current occupant, Margaret Findlay, retaining a life estate or life tenancy. This enables her to remain in the home indefinitely or until she chooses to vacate. The rent would be \$1 per year. Other portions of the land would be available for development, though Lot 4 would remain protected. Any housing developed must be for year-round occupancy and affordable housing. He also described the closing documents, including a notice of lease and an acceptance of deed. Lee proposed that the Trust vote to authorize the chair, or a designee, to sign all necessary documents, subject to final review by town counsel.

Brian Sullivan made a MOTION to authorize the Chair or a designee to sign all the necessary documents, subject to Town Counsel final review. Meg Browsers seconded the motion.

Roll call of those participating:

1. Abby De Molina – Aye
2. Brian Sullivan – Aye
3. Meg Browsers – Aye
4. Forest Bell – Aye
5. Tom Dixon – Aye

Tom Dixon redesignated Penny Dey as the chair for the next item on the agenda.

VII. Request for the approval and execution of the Richmond Meadows I Regulatory Agreement – REVIEW/ACTION

Kristie Ferrantella said that the Executive Office of Housing and Livable Communities (EOHLC) has approved Richmond's application to add Meadows I to the Subsidized Housing Inventory (SHI). The regulatory agreement will place a permanent restriction on the units, ensuring they remain affordable at or below 80% of AMI.

Kristie Ferrantella said that this also will be signed by the Select Board at their April 30 meeting.

Brian Sullivan made a MOTION to authorize the Chair or his designee to sign the Richmond Meadows I regulatory agreement. Abby De Molina seconded the motion.

Roll call of those participating

1. Tom Dixon – Aye
2. Meg Browsers – Aye
3. Forest Bell – Aye
4. Abby De Molina – Aye
5. Brian Sullivan – Aye
6. Penny Dey – Aye

VIII. Status Reports for the Affordable Housing Trust Fund Grands – UPDATE

1. Housing Nantucket Update on House Recycling Grant for 66 Pochick Avenue

Anne Kuszpa reported that the two-bedroom, two-bath unit was completed in February, and a tenant moved in on March 1. She said that the rent is set at \$3,400 per month, including utilities. The unit benefits from shared solar energy from the front unit, helping offset costs. Anne Kuszpa stated that though the final cost exceeded the budget due to septic upgrades, the total project cost per square foot was still highly economical—about \$257. She thanked the Trust for their \$450,000 grant and explained that the remaining funds came from Housing Nantucket's fundraising efforts and a grant from the Community Foundation.

Brian Sullivan asked Anne Kuszpa to clarify the funding sources.

Anne Kuszpa confirmed the primary support came from the Affordable Housing Trust, with the remainder raised independently.

Penny Dey asked how cost overages were covered.

Anne Kuszpa confirmed that they were absorbed by Housing Nantucket's own fundraising.

2. Housing Nantucket Update on Lease to Locals Grant

Anne Kuszpa described the program as a way to rapidly increase year-round housing using existing, underutilized housing stock. She thanked the Trust for supporting the second year of the pilot, which offers subsidies to landlords for converting short-term or vacant housing into year-round leases. She said that the Affordable Housing Trust provided \$450,000 in grant money and additional funding came from Remain Nantucket and private fundraising.

Penny Dey asked whether Remains' funding went to households above the 175% AMI threshold. Anne Kuszpa confirmed that it did. Kristie Ferrantella added that this structure was designed to avoid displacing current tenants while keeping taxpayer dollars within set income limits.

Brian Sullivan requested further data from Housing Nantucket, including the breakdown of units by bedroom count, household size, and number of units that were short-term rentals v. spare rooms.

Anne Kuszpa said that the Trust only received one slide in the packet and promised to send the full presentation. She agreed to return with additional data and also proposed inviting Colin Frolich from Placemate, the program administrator, to answer questions at the next meeting.

Anne Kuszpa shared that of the twenty-two original properties, twenty were eligible for renewal, and fourteen had already been renewed. She said that five properties were not being renewed because of financial infeasibility due to decreased grant incentives and a limited allowable rent increase.

Penny Dey asked whether the \$175,000 allocated to year two pipeline properties was already committed.

Anne Kuszpa explained that it was earmarked for specific leases that were in the process or upcoming.

Forest Bell asked about incentive structures for tenants with children.

Ellis Ramos said that she is a former lease to locals' tenants and explained that children are treated as qualifying tenants for grant purposes, but do not multiply the subsidy.

Abby De Molina raised concerns about whether the program was able to effectively match large households with appropriately sized units. Anne Kuszpa responded that Placemate managed the matching process and had not reported mismatches. Penny Dey suggested inviting Placemate to the next meeting due to the volume and detail of the questions.

Tom Dixon asked for clarification on how renewal incentives would apply in the third year. Kristie confirmed that year three had not yet been planned or funded.

Anne Kuszpa confirmed no current funding existed for a third year of subsidies.

3. Housing Nantucket update on Wiggles Way Development

Anne Kuszpa provided an update on the Wiggles Way project. Certificates of Occupancy (COs) have been issued for six of eight units, and tenants are moving in. She clarified that the final two COs are still pending due to two key requirements: final planning approval for the flex development permit and the installation of a sidewalk in front of the two units, which is a requirement from the town. Penny Dey asked Anne Kuszpa to further explain the occupancy status of the Development.

Anne Kuszpa said that as of April 14, 73% of the units have been filled with tenants. Housing Nantucket is selecting tenants for all twenty-two units, even those without COs, based on the needs of the applicants. Six of those units are municipal employees.

Anne Kuszpa explained that the rents for each unit were based on the Area Median Income (AMI) for different household sizes. For example, she clarified that two of the 1-bedroom units were designated for households at 80% AMI, and the rents for those units were set at 85% of the market rate to make them affordable. In addition, Anne noted that utilities were included in the rent, but there

would be a cap on utility usage, and tenants would be responsible for paying any excess costs beyond the allowable amount.

Rachel Field raised concerns about households earning between 81% and 109% AMI, asking whether they might be excluded from affordable options because the rent structure could potentially exclude this income group. Penny Dey agreed with Rachel's point, highlighting that this income range is often overlooked when designing affordable housing programs.

Anne Kuszpa responded by emphasizing that Housing Nantucket follows a standard formula for affordable housing, which sometimes results in rent prices being set at levels that may not always align with the exact income distribution. However, she pointed out that the goal is to ensure that all rents remain affordable for a broad range of households, with a focus on municipal employees and year-round residents.

Abby De Molina then raised a question regarding the fairness of tenants earning 150% of AMI paying the same rent as tenants earning 110% AMI. Anne Kuszpa and Kristie Ferrantella responded by explaining that while the rent formula is based on AMI percentages, the objective is to balance affordability with the financial sustainability of the project.

Anne Kuszpa explained that by keeping rents below market rate, Housing Nantucket aims to create a long-term solution to the island's housing crisis, preventing excessive turnover that could result from unaffordable rent. She also mentioned that affordability and the goal of reducing turnover were key considerations in designing the rent structure.

4. Tucker Holland update on the Jeremy Crockford grant for Transfer Fee Advocacy

Tucker Holland provided an update on the transfer fee initiative, emphasizing the coordinated lobbying and communication efforts between Nantucket and Martha's Vineyard. He stated that O'Neill and Associates handled direct lobbying, while 7 Letter, with Jeremy Crockford as the main contact, managed strategic communications. He said that Jeremy Crockford played a crucial role in raising awareness, securing press coverage, and pushing the initiative in the State House. However, while the transfer fee was included in the Governor's Affordable Homes Act, it was removed in the final legislation. Despite this, Senator Julian Cyr remains optimistic about the initiative's prospects in the current legislative session.

Forest Bell left the meeting at 1:35PM.

Tucker Holland explained that Massachusetts legislative sessions last two years, with substantial work typically happening in the second year. The current period marks the start of a long-term campaign, with significant groundwork already laid, concerning seasonal communities like Nantucket, recognized in the Governor's Act. There is new momentum as several key legislators have shown interest in visiting the region to understand housing challenges firsthand. He said that Jeremy Crockford is transitioning into semi-retirement and will not continue regular monthly communications but is open to project-based support.

Tucker Holland noted that a full campaign would be most effective in early 2026, when the legislature is more engaged with complex issues.

Tom Dixon expressed support for the approach but suggested considering in-house communications, given regional expertise and support from key figures like Senator Cyr, former Representative Dylan Fernandes, and Thomas Moakley.

Penny Dey reflected on the long history of the transfer fee advocacy, noting its evolution from a Nantucket-specific initiative to a statewide opt-in framework, which she sees as more credible. Brian Sullivan inquired about the remaining budget for the Transfer Fee communications.

Tucker Holland confirmed that \$2,500 of the allocated funds had been spent, leaving the rest available for future needs.

IX. Closing Cost Assistance Program Application Update – DISCUSSION/ACTION

Penny Dey introduced the item and made a note regarding a potential typo in the document on page 2 of 6, which refers to AMI levels. She said the document currently says, "as of December 31, 2021," and it should be April 15, 2025.

Kristie Ferrantella provided an update on the closing cost assistance application. She explained that the application is updated annually, with last year's revision ensuring the form was submitted to the correct department at Town Hall. This year, the application is being updated to reflect new income levels released by HUD on April 1. She said the area median income (AMI) for a family of four has increased to \$163,500. She further explained that the closing cost assistance is available for households earning up to 175% of the area median income, but the Affordable Housing Trust serves households with incomes up to 240% of the AMI. These updated figures will be reflected on the website as the application is updated.

Abby De Molina made a MOTION to put through the changes described in the packet to the Closing Cost Assistance program application. Brian Sullivan seconded the motion.

Roll call of those participating

1. Tom Dixon – Aye
2. Meg Browers – Aye
3. Abby De Molina – Aye
4. Brian Sullivan – Aye
5. Penny Dey – Aye

X. Dr. Howard Dickler Citizen Award Nominees – ANNOUNCEMENT

Kristie Ferrantella said that the Dr. Dickler Citizen Award is an annual recognition honoring community members who exemplify Dr. Dickler's dedication to housing advocacy. She said that Dr. Dickler was well known for his commitment to addressing housing and economic issues on Nantucket through his participation in public meetings and service on the Neighborhood First Advisory Committee. He played a significant role in helping the Affordable Housing Trust maintain safe harbor under Chapter 40B since 2019.

Kristie Ferrantella stated that this year, four individuals were nominated for the award: Reema Sherry, Beth Ann Meehan, Renee Seeley, Joe Grause. She said that the nominations details will be circulated to board members, with nominee identities redacted to maintain anonymity. She said the board will vote by email, and the winner will be announced at the Annual Town meeting on May 3 at 8:30pm. She said the winner will also be announced at the Trust meeting on Tuesday following the Annual Town Meeting.

Meg Browsers asked who the first two winners of the award were. Kristie Ferrantella said that they were Billy Cassidy the first year and Richard Hussey the second year.

Penny Dey provided additional context on the nominees. Reema Sherry has a long history with the Affordable Housing Trust fund, being a member for many years. Joe Grause is involved with Habitat for Humanity and the Town's Finance Committee. Beth Ann Meehan has an extensive career in mortgage lending and works with the Housing Authority. Renee Ceeley is the former Executive Director of the Nantucket Housing Authority for 26 years.

Abby De Molina asked about the deadline for submitting votes. Kristie Ferrantella said that the deadline is Friday, April 25.

XI. Annual Town Meeting Communication Subcommittee update – DISCUSSION/ACTION

Abby De Molina provided an update on the Affordable Housing Trust Fund's progress, noting that while the fund was created in 2009, substantial funding began in 2019, totaling \$80 million. These funds have been used for various housing projects, including the purchase of vacant land for the creation of new units. She said that currently, 322 deed-restricted units have been created, with an additional sixty-four under development. She said that the cost of these units is significantly lower than other Nantucket projects, at \$206,000 each. Abby De Molina also updated the Area Median Income (AMI) for a family of four to \$163,500 per HUD's new AMI levels release, which influences eligibility for various programs.

Penny Dey praised the update, noting that reaching 6.6% of the Subsidized Housing Inventory (SHI) is a significant achievement.

Kristie Ferrantella shared the outreach plan, which includes updates to the town's website and a FAQ section. She also mentioned efforts to use local media, such as ads in the *Current* and *Daybreak*, and a housing tour before the town meeting.

Abby De Molina suggested including QR codes on printed flyers to drive traffic to the website. Tom Dixon recommended adding footnotes with links to definitions like SHI and AMI for public clarity. Megan Browsers suggested distributing the flyer through the Community Foundation's listserv and local organizations like Housing Nantucket and Habitat for Humanity and submitting a blurb to *Daybreak* for free advertising. Brian Sullivan proposed adding visuals to the outreach materials, such as graphs showing the progress of housing units over time. He also suggested setting a budget for marketing efforts before the town meeting. Rachel Field recommended including clear links on the flyer to direct people to additional information.

Penny Dey emphasized that the outreach plan must be finalized within two weeks.

Brian Sullivan made a MOTION to approve the communication material presented and to share it as broadly as possible. Meg Browsers seconded the motion.

Roll call of those participating

1. Meg Browsers – Aye
2. Abby De Molina – Aye

3. Tom Dixon – Aye
4. Brian Sullivan – Aye
5. Penny Dey – Aye

Brian Sullivan made a MOTION to allocate a \$15,000 budget for marketing and outreach though the course of the year for information distribution specific to the Town Meeting. Meg Browers seconded the motion.

Roll call of those participating

1. Meg Browers – Aye
2. Abby De Molina – Aye
3. Tom Dixon – Aye
4. Brian Sullivan – Aye
5. Penny Dey – Aye

XII. Annual Town Meeting – Housing Articles – REVIEW

Kristie Ferrantella presented an overview of the housing-related warrant articles on the Annual Town Meeting Warrant.

Penny Dey interrupted briefly to address the spread of misinformation, particularly claims that the Trust is requesting \$5 million for Wiggles Way, which she clarified is already completed.

Kristie Ferrantella began with Article 8, which includes the town's operating budget and a \$6.5 million override for the Affordable Housing Trust. She explained that this funding supports initiatives like Lease to Locals, the house recycling program, past bridge loans, and allows the Trust to act quickly and leverage borrowing power without additional tax impact. She noted this override has already helped over 350 families and individuals secure housing.

Kristie Ferrantella explained that Article 11 seeks \$14 million to build municipal employee housing on Waitt Drive, next to Habitat for Humanity projects. She described it as a straightforward continuation of what is already working. She said they could build up to nine units with up to twenty-five bedrooms. Penny Dey added that the land is already town-owned.

Kristie Ferrantella then explained that Article 28 involves a \$5 million borrowing authorization through the Community Preservation Act. She clarified that this is not a repeat request, but a way to ensure flexibility for future housing opportunities. She said the Trust has identified over \$10 million in potential partner requests, and having access to both CPC and town funds allows them to serve a wider range of income levels.

Kristie Ferrantella clarified that Article 29 is a citizen-sponsored proposal to rescind the Trusts \$6.5 million override. She said the Finance Committee issued a negative recommendation and that if the article seeks to create an underide, it will require a ballot vote. Tom Dixon added that Town Counsel had concerns about the article's legal form and offered to share more information with the Chair and Vice Chair.

Kristie Ferrantella noted that Article 82 asks the town to opt into the state's seasonal community's designation. This would unlock new tools like year-round deed restrictions and expanded tax exemptions. The Finance Committee gave a positive recommendation.

Kristie Ferrantella explained that Article 86, the real estate transfer fee, proposes a 0.5% fee on property sales over \$2 million, paid by the seller. The revenue would go to the Affordable Housing Trust, with the Select Board oversight on expenditures over \$100,000. This article also received a positive Finance Committee recommendation.

Tom Dixon concluded with further context for Article 28, explaining that state officials view the town's unused CPC borrowing authority as a reason to approve this request. He emphasized that this was not just a local funding issue but something being closely watched at the state level, and that the CPC's process was thorough and deliberate.

XIII. Execution of the Grant for Owners Project Manager at Wiggles Way – REVIEW/ACTION

Kristie Ferrantella explained that this has already been approved by the Trust, and this is just to approve and sign the Grant Agreement for the Project Manager at Wiggles Way.

Brian Sullivan made a MOTION to approve the Grand agreement for the Owners project manager at Wiggles Way and to allow the Chair or his designee to sign on behalf of the Trust. Penny Dey seconded the motion.

Roll call of those participating

1. Meg Browsers – Aye
2. Tom Dixon – No
3. Abby De Molina - Aye
4. Brian Sullivan – Aye
5. Penny Dey – Aye

XIV. Other Business

Next Meetings:

- May 6, 2025, at 12:30 pm
- May 200, 2025, at 12:30pm

XV. Board Comments

The Board welcomed Dylan Metsch-Ampel to the Trust and to Nantucket

Next Meeting(s):

- [Day of the Week], [Month] [Date], 202[X]
- [Day of the Week], [Month] [Date], 202[X]

XVI. Executive Session PURSUANT TO MGL C. 30A § 21(A)

1. **Purpose 7: To Comply with, or Act Under the Authority of, Any General or Special Law (Open Meeting Law, G.L. c. 30A, §§ 18-23) to Approve Executive Session Minutes from March 18, 2025, and April 1, 2025.**
2. **Purpose 6: To Consider the Purchase, Exchange, Lease, or Value of Real Property Regarding at 14 Somerset 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**
3. **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**
4. **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**

Abby De Molina made a MOTION to adjourn the open session, to move to executive session, not to return to open session for the purpose of considering the purchase, exchange, lease, or value of real estate property, where an open meeting may have a detrimental effect on the negotiating position of the Affordable Housing Trust. Brian Sullivan seconded the motion.

Roll call of those participating

1. Meg Browers – Aye
2. Tom Dixon – Aye
3. Abby De Molina – Aye
4. Brian Sullivan – Aye
5. Penny Dey – Aye

XVII. Adjournment

The meeting adjourned at 2:15pm.