AFFORDABLE HOUSING TRUST FUND

Thursday, May 12, 2016
3:00PM
2 Fairgrounds Road
Conference Room

www.nantucket-ma.gov

(AGENDA SUBJECT TO CHANGE)

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

Purpose: To discuss business as noted below. The complete text, plans, application, or other material relative to each agenda item is available for inspection at the office of Planning and Land Use Services (PLUS) 2 Fairgrounds Road between the hours of 7:30 AM and 4:30 PM

I. Presenter – Justin Joseph Taylor (Young Creative Group)
- **Speak about ideas to address affordable housing**

II. Discussion of the draft Housing Production Plan

III. Discussion of 3 Buck Hollow Way availability

IV. Discussion of funding available for July 1, 2016

V. Discussion of sending letter to Nantucket Cottage Hospital about interest in 10 Vesper Lane House

VI. Other Business

VII. Next meeting Monday, May 23rd at 1:00 PM with Judi Barrett

VIII. Adjourn

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COMMENTS FOR THE DRAFT NANTUCKET HOUSING PRODUCTION PLAN

2016

Catherine Ancero

From: Linda Williams [czarinalinda@comcast.net]
Sent: Tuesday, May 10, 2016 10:58 AM
To: Catherine Ancero
Subject: RE: FW: Nantucket Housing Production Plan

thanks

From: Catherine Ancero [mailto:CAncero@nantucket-ma.gov]
Sent: Tuesday, May 10, 2016 10:30 AM
To: 'Linda Williams'
Subject: RE: FW: Nantucket Housing Production Plan

YES WILL DO

From: Linda Williams [mailto:czarinalinda@comcast.net]
Sent: Tuesday, May 10, 2016 9:55 AM
To: Catherine Ancero
Subject: RE: FW: Nantucket Housing Production Plan

Please copy all comments for us to have at the Thursday meeting. Thanks, LW

From: Catherine Ancero [mailto:CAncero@nantucket-ma.gov]
Sent: Tuesday, May 10, 2016 9:23 AM
To: Andrew Vorce; Brian Sullivan; Eleanor Antonietti; Isaiah Stover; Jim Kelly; Kara Buzanoski; Linda Williams; Reema Sherry; Tucker Holland
Subject: FW: FW: Nantucket Housing Production Plan

Morning All:
Please see below. Again reminding to not send "Reply to All".

Thank you,

Catherine Ancero,
Administrative Specialist
Planning Board
Town of Nantucket

Planning and Land Use Services (PLUS)
Planning Board Office
2 Fairgrounds Road
Nantucket, MA 02554

Telephone#: 508.325.7587 (PLUS) Ext. 7008
Facsimile#: 508.228.7298

Email: cancero@nantucket-ma.gov

Town website: http://www.nantucket-ma.gov

From: Reema Sherry [mailto:reema.sherry@gmail.com]
Sent: Tuesday, May 10, 2016 8:32 AM
To: Catherine Ancero
Subject: Re: FW: Nantucket Housing Production Plan

Housing Production Plan notes:

I was surprised to see that Eastern European workers weren't part of the demographic. Seasonal worker from these countries live in extremely crowded, over-priced conditions; many have stayed, had families, and contribute to the year 'round economy.

page 34: Habitat for Humanity currently has two houses under construction, one on Ticcoma Way nearing completion, & the other, in Sachems Path, should be finished before the end of the year. The rest of the Habitat homes in that 40B are part of phase two.

page 38: correct the Home Rule Petition for affordable housing to a .5% fee on sales over $2 million, & the ensuing projected income, as the article was amended on Town Meeting floor

page 39: I believe that the NAHT has agreed to have the BOS review & endorse and spending and projects with our budgeted funds (have Linda or Tucker confirm)

page 49: I'm very much in favor of expanding inclusionary zoning in appropriate districts

I think it's imperative that the CPC forge a working partnership with the Trust, as it's a large part of their mission, & that ball has been dropped on Nantucket.

Respectfully submitted,

Reema Sherry

On Mon, May 9, 2016 at 11:04 AM, Catherine Ancero <CAncero@nantucket-ma.gov> wrote:

Morning All-

Please see email below and attachment. Any response/comment from the AHTF board please do not REPLY TO ALL. Should you have any questions please call or email. \

Thank you,

Catherine Ancero,

Administrative Specialist

Planning Board

Town of Nantucket

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Facsimile#: 508.228.7298

Email: cancero@nantucket-ma.gov

Town website: http://www.nantucket-ma.gov

From: Jim Kelly
Sent: Sunday, May 08, 2016 6:43 PM
To: Catherine Ancero

Cc: Andrew Vorce; Brian Sullivan; Eleanor Antonietti; Isaiah Stover; Kara Buzanoski; Linda Williams; Reema Sherry; Tucker Holland; Libby Gibson; Katie Cabral
Subject: Re: Nantucket Housing Production Plan

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Jim

Aaa

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Thanks for the opportunity to review.

Jim

Aaa

Catherine Ancero

From: Renee Ceely [nhahouse@verizon.net]
Sent: Monday, May 09, 2016 1:27 PM
To: 'Tucker Holland'; 'Anne Kuszpa'
Cc: Libby Gibson; Andrew Vorce; 'Linda Williams'; Catherine Ancero
Subject: RE: Nantucket Housing Production Plan

Hi Tucker. Small error on page 3 – Nantucket Housing Authority owns and manages 41 public housing units. There is also some discrepancy with the number of deed restricted units in existence and which ones can be counted SHI units. For example, why are none of Habitats counted as SHI when they must be sold to low/mod income qualified households. Some of Housing Nantucket's deed restricted units are missing in the count. If DHCD doesn't want to count them because the state's universal deed rider was not used maybe we can look into revising the deed restrictions that would make them happy. It's a shame we can't count the affordable units we expensively created throughout the past decade because of a piece of paper. Also maybe Affordable Trust fund money could be used to subsidize existing rental units provided they are made to be included in the subsidized housing inventory and rented to low/mod households, not necessarily in perpetuity. Just long enough to meet the annual 24 unit requirement. If that's included in the draft plan, my apologies for missing it . Renee

From: Tucker Holland [mailto:acktownconsultant@gmail.com]
Sent: Saturday, May 07, 2016 8:04 AM
To: Renee Ceely; Anne Kuszpa
Cc: Libby Gibson; Andrew Vorce; Linda Williams; Catherine Ancero (cancero@nantucket-ma.gov)
Subject: Fwd: Nantucket Housing Production Plan

Hi Renee and Anne,

Please see below and attached. If you would provide your comments to this initial draft to Catherine Ancero, cc-ed here, by this Wednesday at 6pm, that would be helpful. Thank you in advance.

Best,
Tucker

Tucker Holland
Independent Housing Consultant
Town of Nantucket

cell: 802-233-3177
e-mail: acktownconsultant@gmail.com

---------- Forwarded message ----------
From: **Tucker Holland** <acktownconsultant@gmail.com>
Date: Fri, May 6, 2016 at 9:36 AM
Subject: Nantucket Housing Production Plan
To: Judi Barrett <jbarrett@rkgassociates.com>
Cc: crs@rkgassociates.com, Libby Gibson <LGibson@nantucket-ma.gov>, Andrew Vorce <avorce@nantucket-ma.gov>, Linda Williams <czarinalinda@comcast.net>, Jennifer Goldson <jennifer@jmgoldson.com>

Hi Judi,

Thank you for sending a first draft of the HPP for Nantucket. While the missed deadlines in our receiving it were not ideal (we trust you understand it would have been most helpful if you could have communicated these delays in advance), we now have something to review and initially comment on, which is helpful.

We would like to ensure that we are all on the same page regarding bringing this to completion.

We understand that you previously have committed to come to Nantucket on May 23rd to to meet with AHTF. In order to make the most of that visit, and to stay on-track with the June local adoption timeline for the HPP, we are planning to proceed as follows:

- We have distributed the initial HPP draft to the Town Manager, Board of Selectmen, Director of Planning, Deputy Director of Planning, Planning Board and Affordable Housing Trust Fund for initial comment / questions / suggestions.
- We are also distributing to the Housing Authority and Housing Nantucket for their comments.
- We are asking for initial feedback from all these readers by next Wednesday (5/11).
- The AHTF is meeting next Thursday (5/12) and plans to consolidate this feedback with its own into a single communication which we will send to you on Friday (5/13).
- We would like to receive a revised draft, incorporating the feedback we provide along with those missing elements from the draft which you note below, by the following Friday (5/20).
- This will allow us to review a complete document and be prepared for our meeting with you on Monday, May 23rd.

From there, if tweaks are necessary coming out of the May 23rd discussion, we anticipate those could be made expeditiously such that a new draft could be recirculated more widely in advance of taking up formal adoption in June.

Of course, there may be some final revisions along the way.

We'll assume the above is consistent with your thinking and that we can count on it unless we hear otherwise.

As you know, this is top priority here in Nantucket and all eyes are on this subject at present. This is a great time and opportunity to advance this important issue on Nantucket.

Thanks, Judi.
Tucker

Tucker Holland
Independent Housing Consultant
Town of Nantucket

cell: 802-233-3177
e-mail: acktownconsultant@gmail.com

---------- Forwarded message ----------
From: **Judi Barrett** <jbarrett@rkgassociates.com>
Date: Thu, May 5, 2016 at 6:03 AM
Subject: Nantucket HPP draft
To: Tucker Holland <hhgofourth@gmail.com>

Tucker,

Many apologies. I had planned to spend most of yesterday at the office editing and adding to this draft, but it didn't work out that way. Nantucket isn't the only town with "hot button" Chapter 40B developments underway. I am the 40B technical assistance consultant for some towns that are having a very hard time with the comprehensive permit process. It has been a rough winter for several communities.

We would like you and the trust to focus on the goals and implementation narratives because ultimately those chapters are the heart of the plan. The needs analysis is based on the work we did for Housing Nantucket last year anyway, so for the most part the information in that chapter will be familiar to everyone. I haven't had a chance to add the survey insights, but we will. (If anyone has generated an Excel export from Survey Monkey, we would love to have access to it.) In any event, I am more concerned about getting consensus or direction on the other two sections because if the priorities aren't right or if we've simply missed something very important, we need to fix it ASAP.

I've left maps out of this pdf. They are large files and they don't really need to be in the document. If you need or want them sooner than later, I can set up a dropbox and put them there today.

I know it may seem like a silly request, but it isn't … think about what you want on the cover of the final version of this plan. The cover should bespeak the town and not be limited in some way by the consultant's eyes. I've just left a blank cover in here for now, but we certainly wouldn't want to leave it that way.

Thanks for your patience.

Economic Planning and Real Estate Consultants

Judi Barrett

Director of Municipal Services
1359 Hancock St Suite 9
Quincy, MA 02169
Tel: 617-847-8912

Cell: 617-455-8641
Email: jbarrett@rkgassociates.com

Website: www.rkgassociates.com

Catherine Ancero

From: Jim Kelly
Sent: Sunday, May 08, 2016 6:43 PM
To: Catherine Ancero
Cc: Andrew Vorce; Brian Sullivan; Eleanor Antonietti; Isaiah Stover; Kara Buzanoski; Linda Williams; Reema Sherry; Tucker Holland; Libby Gibson; Katie Cabral
Subject: Re: Nantucket Housing Production Plan
Attachments: Nantucket Draft HPP 05-2016.docx

Hi All,

Attached are my comment/questions on the draft Nantucket using Production Plan I look forward to discussing at our Thursday meeting.

Thanks for the opportunity to review.

Jim

Aaa

nantucket housing production plan

DRAFT FOR LOCAL REVIEW

05-2016

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Introduction

The Nantucket Housing Plan builds upon four previous plans and studies: a housing needs assessment and housing action plan, both completed in 2002; the Town's 2009 Housing Production Plan; and a workforce housing needs analysis prepared for Housing Nantucket in 2015. Over-arching guidance for this and any other Town-commissioned plan is Nantucket's own master plan, which the Town adopted in 2009.

Comment [jkl]: Not sure I agree, I consider more recent plans/research to also give guidance on the issue of housing than a 2009 master plan

This new Housing Production Plan, like its predecessor, promotes ways to address housing needs by increasing Nantucket's affordable housing inventory. By providing its "fair share" of housing affordable for low- or moderate-income people, Nantucket will have more flexibility in the future to decide when, where, and how much affordable housing should be built and if necessary, to deny unwanted Chapter 40B comprehensive permits. In addition, this plan documents and reinforces Nantucket's efforts to implement the previous plan and outlines a policy framework to guide such efforts over the next five years. Toward these ends, this plan is intended to help Nantucket create more affordable housing on a gradual but steady basis until the Town reaches the 10 percent minimum under Chapter 40B, consistent with the state's housing plan regulations at 760 CMR 56.03(4).

WHY HAVE A HOUSING PRODUCTION PLAN?

The primary reason for any town to create a housing plan is to set goals and choose strategies that will give the community's affordable housing efforts focus and direction. In Massachusetts – because communities need to comply with Chapter 40B – there are added reasons for developing a housing plan, notably because having a plan and implementing it can help to protect communities from large, unwanted comprehensive permit developments.

To qualify for the flexibility that a DHCD-approved Housing Production Plan offers, Nantucket will need to create (through the issuance of permits and approvals) at least 24 new low- or moderate-income housing units (or an amount equal to or greater than the 0.50 percent production goal) in a given calendar year and obtain certification from DHCD that the Housing Production Plan standard had been met.[1] Housing Plan certification would allow Nantucket's Board of

[1] Units eligible for the Subsidized Housing Inventory (SHI) will be counted for the purpose of certification in accordance with 760 CMR 56.03(2). Requests for certification may be submitted at any time. DHCD will determine whether Nantucket complies within 30 days of receipt of the Town's request. If DHCD finds that Nantucket complies with the Housing Production Plan, the certification will be effective on the date upon which Nantucket met its numerical target for the calendar year, in accordance with the rules for counting units on the SHI under 760 CMR 56.03(2). The certification will remain in effect for one year from its effective date. If DHCD finds that Nantucket has increased its

Appeals to deny comprehensive permits for 12 months (or 24 months, as applicable), or continue to approve projects based on merit. However, if the Board decides to deny a comprehensive permit or impose conditions during the certification period, it has to follow a process outlined in the Chapter 40B regulations. Notably, within 15 days of opening the comprehensive permit public hearing, the Board has to notify the applicant (with a copy to DHCD) that denying the permit or imposing conditions or requirements would be consistent with local needs, the grounds that it believes has been met (e.g., a Housing Plan certification is in effect), and the factual basis for that position, including supportive documentation. The applicant can challenge the Board's assertion, also in writing, and ultimately DHCD will issue a decision to resolve the dispute. The Board has the burden of proving that a denial or approval with conditions would be consistent with local needs, but any failure of DHCD to issue a timely decision constitutes a determination in favor of the Town. While this process is underway, it tolls the requirement to complete the public hearing and final action within 180 days.

WHAT HAS NANTUCKET DONE ABOUT AFFORDABLE HOUSING?

Comment [jk2]: Add action taken at 2016 ATM, article 82, and $1M to AHTF…comment how these actions differentiate Nantucket from other communities in addressing affordable housing

The Town of Nantucket, the Nantucket Housing Authority, Housing Nantucket, and other organizations have taken steps to increase the supply of affordably priced housing. For example:

- The Town provides zoning incentives to create housing for lower- and middle-income households, including but not limited to "bonus lots" in cluster subdivisions, provisions for "employer dormitories," accessory apartments, and multifamily housing in selected locations.[2]
- Nantucket has appointed a municipal housing trust (Nantucket Affordable Housing Trust) and hired a part-time Housing Coordinator in order to increase town government's capacity in affordable housing development and finance.
- In November 2015, a special town meeting approved a major zoning change that paved the way for a proposed 325-unit housing development on Old South Road.
- In 2002, the Town created what is now known as the Nantucket Housing Needs Covenant Program under a special act of the legislature.[3] The program allows the owners of a lot with

number of SHI Eligible Housing units in a calendar year by at least 1 percent of its total housing units, the certification will remain in effect for two years from its effective date.

[2] *Nantucket Master Plan* (2009), 51-52.

[3] Authorized by Chapter 301 of the Acts of 2002. At the time that Nantucket petitioned the legislature for this program, the governor's office gave priority consideration for state grants to communities that could prove they were producing new housing for a broad range of incomes, up to 150 percent AMI. Upon demonstrating that they met the

two dwelling units to sell one subject to a covenant that perpetually restricts the sale price and limits homebuyer eligibility to households with income not exceeding 150 percent AMI.[4]

- The Town also operates a skilled nursing facility for seniors and owns several units for town and school employees.

Comment [jk3]: Specify number of bedrooms

Nantucket has other types of housing assistance for individuals and families with lower incomes, such as 31 public housing units owned and managed by the Nantucket Housing Authority and a rental housing assistance program managed by Nantucket's Interfaith Council. These and other initiatives are described later in this report. Nevertheless, the force of Nantucket's housing market and shrinking supply of developable land have simply overpowered the noble efforts of housing advocates and the Town.

NOTES ON CENSUS DATA

This study incorporates data from a wide variety of sources, including Housing Nantucket, the Town of Nantucket, previous plans and studies for the Town and other organizations, state agencies such as MassGIS and the Department of Housing and Community Development (DHCD), the U.S. Department of Housing and Urban Development, and the U.S. Department of Commerce, Bureau of the Census. Since ``the Census" actually encompasses many different surveys and programs, we have combined information from multiple datasets.

- **The Decennial Census of Population and Housing.** The decennial census is the official source for determining a community's year-round population and year-round housing stock. Statistics from Census 2010, Census 2000, and in some cases earlier census tables appear throughout this report. However, the decennial census does not provide socioeconomic characteristics that are critical for a housing study, e.g., household income or poverty, or housing characteristics such as housing age, prices, and sizes. For these statistics, planners must turn to the American Community Survey (ACS).
- **The American Community Survey (ACS).** Since the late 1990s, the Census Bureau has been developing a new sample of the population that now replaces the old "long form" census tables known as Summary File 3. The new program, the ACS, generates **estimates** from a small survey sample, but the Census Bureau conducts a new survey each month and the results are aggregated to provide a similar, "rolling" dataset on a wide variety of topics. For geographies

governor's housing production goals under Executive Order 418, communities became eligible for certification. Nantucket was among the communities that qualified for certification.

[4] Unless the owner of a two-unit property agrees to an affordability covenant, both units must remain in one ownership.

with 65,000 people or more, such as counties, states, and large metro areas, ACS data are released every year; for small towns like Nantucket, the data are reported as five-year rolling tabulations. The most recent ACS five-year dataset covers the period 2010-2014. **It is important to note that ACS data are estimates, not actual counts.** As a result, it can be challenging to compare ACS with the decennial census.

- **HUD Consolidated Planning/ Comprehensive Housing Affordability Strategy (CHAS) Data.** Created through a combined effort of the U.S. Department of Housing and Urban Development (HUD) and the U.S. Census Bureau, this dataset represents a "special tabulation" of the American Community Survey (ACS) data to provide information on HUD-specific income categories and housing data used for Consolidated Planning at the local level. According to the HUD guidance, "these special tabulation data provide counts of the numbers of households that fit certain combinations of HUD-specified criteria such as housing needs, HUD-defined income limits (primarily 30, 50, and 80 percent of median income) and household types of particular interest to planners and policy-makers." The most recent CHAS Data are based on ACS estimates for 2007-2011.

Housing Needs Analysis

Nantucket is home to approximately 10,856 year-round residents.[5] Its population and household characteristics differ from those of the state as a whole, though in fairly predictable ways given Nantucket's island environment and seasonal resort economy. On one level, Nantucket has qualities in common with some communities on Cape Cod and Martha's Vineyard: extraordinarily high housing values, high household wealth, and an economy that depends heavily on coastal tourism. On another level, Nantucket is quite different. Its population is comparatively young and diverse, and Nantucket is more remote. While communities like Chatham and Falmouth have become havens for retirees, Nantucket has gained both older and young residents, as can be seen in the island's school enrollment trends. In addition, Nantucket is both a town and a county, which is unusual.

Comment [jk4]: Add commentary on the real census, with examples, i.e. school enrollment, landfill volume.

Due to the prevalence of unbuildable land and protected open space on Nantucket, the island is a remarkably low-density community with about 226 people per square mile (sq. mi.): roughly one-fourth of the population density per sq. mi. for the Commonwealth. Nantucket is a national model for open space protection, due in large part to the Nantucket Islands Land Bank and the special legislation that created it in 1983. Over time, the Nantucket Land Bank Commission and other conservation groups have successfully acquired and taken steps to protect about half of Nantucket's land. With Nantucket's golf courses and other recreation facilities added to the mix, over 60 percent of the island is undevelopable. The extensive open space and recreation network that exists on Nantucket today has had an indelible impact on housing values, first because open space is a valuable residential amenity and second, very little of the island's land supply is available for housing growth. According to a report by the Nantucket Planning Department in 2009, 32 percent of the island is substantially built out under existing zoning, leaving about 8 percent potentially available for new development.[6] Together, Nantucket's open space and fairly restrictive zoning constrain the land supply and in turn, the housing supply.

Comment [jk5]: what is the 2016 number

Nantucket's expensive homes, limited range of housing, small employment base, and abundance of protected land help to explain its extremes: affluence on one hand, and seasonal workers with very low-paying jobs on the other hand. People with incomes in the ordinary "middle" – the main focus of this study – can be hard to find on Nantucket. There is an undeniable shortage of price-appropriate housing for people with year-round, living-wage employment: the professional,

Comment [jk6]: is the rate paid to landscape workers of $25/hr considered low-paying?

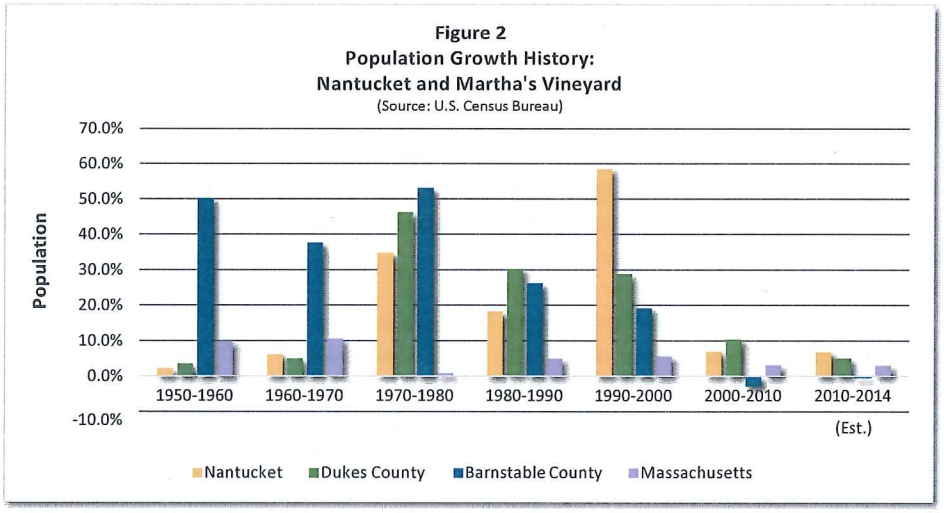
[5] U.S. Census Bureau, State & County Quick Facts 2014. Some residents believe the Census Bureau undercounts the total year-round population.

[6] *Nantucket Housing Production Plan* (2009), 12.

technical, administrative, education, and health care employees of public- and private-sector establishments. Nantucket is a very expensive place to live, and there are not that many jobs in the pay ranges required to afford Nantucket's high housing costs. The island's beauty conveys an image of Nantucket that masks the hardships many households contend with in order to live and work there. In addition, Nantucket has pockets of poverty, racial and ethnic minorities, and foreign-born populations in two of its five federal census tracts. Overcrowded housing conditions and substandard if not illegal units exacerbate these problems. For seasonal and year-round workers without living-wage jobs, Nantucket's housing barriers are even more complicated and difficult to address.

POPULATION TRENDS

Many Nantucket residents might find it hard to imagine their town in 1980, when the population (5,087) was only half the number reported in Census 2010 (10,172). It makes sense that in 1983, a decade after adopting its first zoning bylaw, Nantucket completed a growth management plan and took further steps to reduce the island's development potential.[7] With special legislation, Nantucket created the Land Bank Commission and instituted a funding mechanism to pay for acquiring open space. During the 1970s, Nantucket's population had jumped 35 percent after several decades of relatively little change, and new homes were under construction at the rate of over one hundred per year. What had been a fairly small population difference between Nantucket and all of Martha's Vineyard during the Great Depression had gradually increased (Figure 2). This,

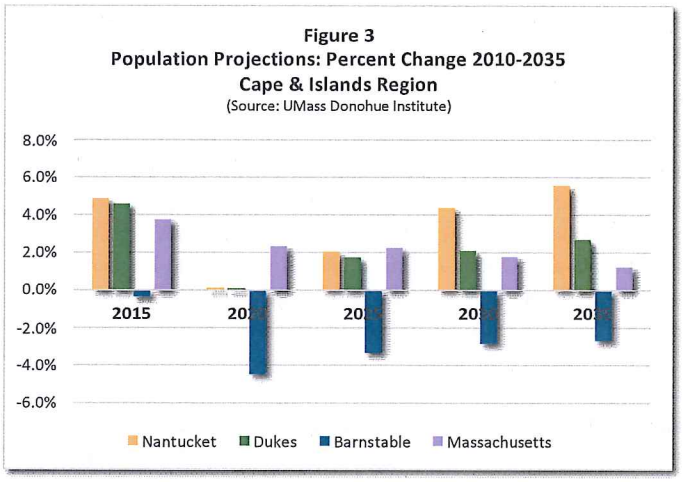


[7] Nantucket Planning & Economic Development Commission (NP&EDC), *Comprehensive Growth Management Plan, Vol. I, Goals and Objectives for Balanced Growth* (1983).

together with unprecedented growth occurring throughout much of Cape Cod, formed the backdrop for actions taken on Nantucket to protect the town's land and water resources and its historic resources as well. Astute leaders at the time could foresee that as household formation rates and housing demand accelerated in the 1980s, Nantucket stood to absorb a considerable amount of new housing growth, perhaps more than it had the capacity to serve. Nantucket instituted rate-of-development controls and an annual cap on building permits in order to manage the impact of new growth on infrastructure and services.[8]

More recently, Nantucket's total year-round population increased from 9,520 to 10,172 between 2000 and 2010, or 6.8 percent, surpassing all other Massachusetts counties except Dukes County, where the population rose by over 10 percent. According to the American Community Survey (ACS), Nantucket's population grew another 6.7 percent between 2010 and 2014: more than double the statewide growth rate. The Census Bureau's most recent population estimate for Nantucket is 10,856 (July 2014). Nantucket is currently classified as one of the 100 fastest growing counties in the nation, based on 2013-2014 one-year growth estimates.[9]

Nantucket has gained population faster than the UMass Donohue Institute (UMDI) predicted when it developed 25-year population projections in 2010. According to those projections (Figure 3), Nantucket's 2035 population will be approximately 12,004, including significant growth in the school-age and young adult age cohorts – unlike the state as a whole – and a 56 percent increase in seniors (65 and over). Nantucket also stands to lose ground in terms of working-age population 35 and over between now and 2035.[10]



[8] N.B. These provisions lapsed in 2001.

[9] U.S. Census Bureau, Population Division, "Resident Population Estimates for the 100 Fastest Growing U.S. Counties with 10,000 or More Population in 2013: July 1, 2013 to July 1, 2014 - United States – County." March 2015.

[10] UMass Donohue Institute (UMDI), *Population Projections for Massachusetts Municipalities*, prepared for the Massachusetts Secretary of State, March 2015.

Table 1. Population Projections by Age Group, Percent Change 2015-2035: Cape & Islands									
Age	Nantucket	Dukes	Barnstable	State	Age	Nantucket	Dukes	Barnstable	State
0-4	44.3%	5.5%	-9.6%	-0.2%	50-54	-24.0%	6.3%	-36.0%	-8.7%
5-9	10.2%	-9.6%	-14.2%	-0.1%	55-59	-7.0%	-6.9%	-39.1%	-10.9%
10-14	15.9%	-7.4%	-12.9%	-1.1%	60-64	4.9%	-28.7%	-30.6%	-0.7%
15-19	18.2%	10.8%	-20.6%	-1.5%	65-69	23.3%	-10.0%	-17.2%	19.3%
20-24	32.3%	12.3%	-26.8%	-7.7%	70-74	52.2%	47.9%	15.0%	68.0%
25-29	86.1%	-20.3%	-18.4%	-7.2%	75-79	86.0%	139.3%	44.0%	102.6%
30-34	18.2%	-22.7%	-17.6%	-2.1%	80-84	103.8%	161.7%	39.5%	88.7%
35-39	-19.1%	-3.6%	-11.4%	7.0%	85+	59.0%	76.7%	18.4%	45.8%
40-44	-26.4%	6.6%	-9.0%	14.1%	Total	12.5%	6.7%	-12.7%	7.8%
45-49	-37.5%	2.3%	-23.3%	3.7%	Change	1,337	1,162	-27,399	526,878
UMDI, Population Projections for Massa chusetts Municip alities: Age and Sex (March 2015); and RKG Associates.									

Nantucket has some unique characteristics in terms of the age make-up of its year-round residents. Measured by median population age, Nantucket is not much different from the state: 39.4 years on Nantucket and 39.1 years statewide. However, there tend to be pockets of older and younger people in settlement patterns that coincide, in part, with other population characteristics such as race and income. For example, families with children under 18 make up a relatively large share of the population in Nantucket's Airport/Mid-Island and Surfside neighborhoods. In these areas, the median age drops to 35.2, and school-age children account for at least one-fourth of the total population; seniors, almost 10 percent.[11]

RACE, ETHNICITY, AND CULTURE

Nantucket has more racial and cultural diversity than the state as a whole. This can be seen both in federal census data and demographic profiles of the Nantucket Public Schools. The Massachusetts Department of Elementary and Secondary Education (DESE) reports comparative socioeconomic data for all of the state's public school districts. According to the agency's website, 12 percent of Nantucket's school students are African American and 24 percent are Hispanic compared with 9 percent and 18 percent (respectively) for all of Massachusetts.[12] Minorities comprise approximately 19.5 percent of the population town-wide and 16.8 percent of the population in Massachusetts.

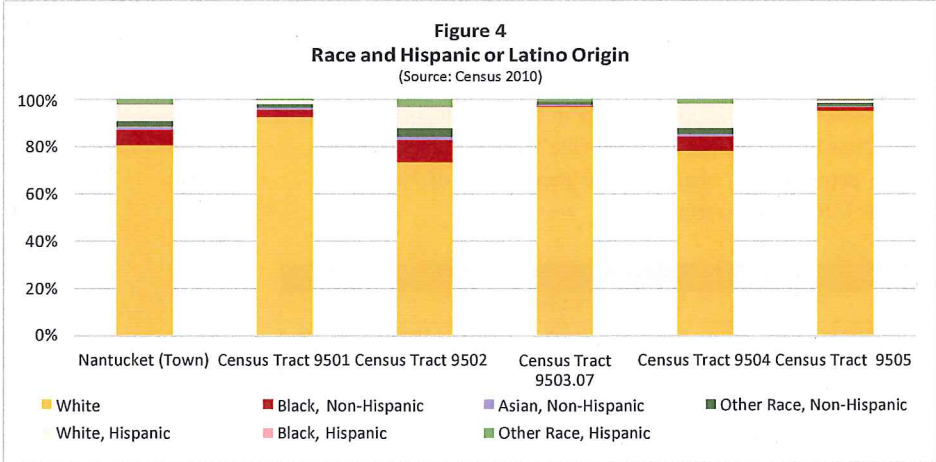
Racial and ethnic population characteristics matter, first for social equity reasons and second, because much tougher regulations under the federal Fair Housing Act (FFHA), a 1968 civilrights law, will be released in 2015. The FFHA prohibits housing discrimination against people on the basis of race or color, religion, sex, national origin, familial status (families with children under

[11] U.S. Census Bureau, Census 2010, DP-1.

[12] Massachusetts Department of Elementary and Secondary Education (DESE), School Profiles: Nantucket Public Schools.

18), or disability. Among other requirements, the new regulations will obligate local governments to affirmatively further fair housing and eliminate policies and practices that have the effect (however unintended) of housing discrimination against groups the FFHA is designed to protect ("protected classes"). Eventually, enforcement and compliance will be linked to most federal funding programs – not only programs that provide funds for housing.

Although Nantucket is home to many minorities, community-wide race statistics mask the fact that Nantucket's minority population is largely housed in one area. Ninety percent of Nantucket's minority residents live in Airport/Mid-Island/Surfside neighborhoods and south of Town. For example, Nantucket's most densely populated census tract, 9502 (Miacomet/Mid-Island/Cisco), houses 48 percent of the entire town-wide population but 69 percent of the African American population and 63 percent of the Hispanic population (Figure 4). From a fair housing perspective, differences such as these are known as **minority concentration areas**. Promoting higher-density housing in areas close to goods and services makes good planning and land use sense. However, when people have no choice but to live in certain parts of a community, local officials and housing advocates need to work closely with minority neighborhoods to provide more housing choices.



The percentage of **foreign-born** residents on Nantucket (16.6 percent) is larger than that of the state (15 percent). Most of Nantucket's foreign-born population hails from countries such as the Dominican Republic and Jamaica in the Caribbean or from Central American countries such as Mexico or El Salvador.[13] In many cases, they come to Nantucket for work in the hospitality, food service, and recreation sectors, all of which depend on unskilled labor and provide a major source

[13] American Community Survey (ACS) 2009-2013 Five-Year Estimates, B05006, B16007.

of jobs for immigrants throughout the U.S. Nantucket's immigrant groups tend to concentrate in the Mid-Island area, as suggested in Table 2. Over one-fourth of the population in census tract 9504 includes people from other countries, and these neighborhoods also house a majority of Nantucket's Spanish- and Portuguese-speaking residents.[14] An unusually large percentage of children in the Nantucket Public Schools speak a language other than English at home.

Table 2. Foreign-Born Population by Citizenship and Origin (Estimated; 2013)

Location	Estimated Population	Foreign-Born	Foreign-Born Percent	Not Naturalized Citizen	Percent Foreign-Born from Latin America
Massachusetts	6,605,058	991,708	15.0%	49.5%	35.5%
Nantucket (Town)	10,224	1,694	16.6%	59.5%	66.5%
Census Tract 9501	1,650	124	7.5%	83.9%	34.7%
Census Tract 9502	4,481	878	19.6%	68.1%	70.2%
Census Tract 9503.07	340	7	2.1%	71.4%	0.0%
Census Tract 9504	2,402	620	25.8%	45.6%	70.6%
Census Tract 9505	1,351	65	4.8%	27.7%	46.2%

ACS 2009-2013, B05002, B05006, and RKG Associates.
Census Tract Legend: 9501: Town; 9502: Miacomet/Mid-Island/Cisco; 9503.07: Madaket/Dionis/Clif; 9504: Airport/Mid-Island/Surfside; 9505: Polpis/Sconset/Tom Nevers

Whether native or foreign-born, Nantucket's current population includes a much larger percentage of people with out-of-state origins than the state as a whole (Table 3). Less than half of Nantucket's residents are originally from Massachusetts, but of the population born out of state, one-fourth moved to Nantucket from elsewhere in New England or another part of the Northeast. The numbers are fairly small because Nantucket's population is small, but the percentages of Nantucket residents coming from other parts of the U.S. are noteworthy.

Table 3. Current Population by Place of Birth (Estimated; 2013)

			Native, Born Out of State					
Location	Est. Population	Born in Massachusetts	Northeast	Midwest	South	West	Abroad	Foreign-Born
Massachusetts	6,605,058	62.8%	11.8%	2.6%	3.3%	1.9%	2.5%	15.0%
Nantucket (Town)	10,224	46.0%	23.6%	4.3%	5.3%	2.6%	1.8%	16.6%
Census Tract 9501	1,650	43.1%	28.2%	5.6%	10.2%	1.6%	3.7%	7.5%
Census Tract 9502	4,481	50.6%	17.1%	3.3%	4.5%	2.9%	2.0%	19.6%
Census Tract 9503.07	340	49.4%	34.1%	2.9%	5.6%	1.8%	4.1%	2.1%
Census Tract 9504	2,402	41.8%	23.2%	2.4%	2.8%	3.7%	0.3%	25.8%
Census Tract 9505	1,351	40.6%	37.5%	9.3%	6.1%	1.1%	0.6%	4.8%

ACS 2009-2013, B05002, and RKG Associates.
Census Tract Legend: 9501: Town; 9502: Miacomet/Mid-Island/Cisco; 9503.07: Madaket/Dionis/Clif; 9504: Airport/Mid-Island/Surfside; 9505: Polpis/Sconset/Tom Nevers

[14] ACS 2009-2013, B16007.

LABOR FORCE

Compared with Massachusetts overall, Nantucket has a larger percentage of the population in the **labor force**, and in some parts of town the **labor force participation** rate is very high. Seventy-six percent of Nantucket's 16-and-over population is in the labor force (Table 4), and for the most part they are also employed – at least seasonally. Unemployment on Nantucket can range from a low of 2 percent in July to a high of 15 percent in January,[15] but when seasonally adjusted, unemployment does not appear to be a major problem for the island's year-round residents – many of whom are self-employed. Approximately 6 percent of Nantucket's labor force works in a home occupation at least part of the work week, and this statistic run as high as 13 percent in downtown neighborhoods. By contrast, just 2 percent of the workers in Mid-Island neighborhoods have home occupations, probably because so many have hospitality and food service jobs that require commuting to an employer establishment.

Nantucket has a reasonably well educated population. Its labor force matches the state for working-age population percent with a college degree or more (42.6 percent). Island-wide, Nantucket's population without a high school diploma is less than the state's, but many workers living in Mid-Island neighborhoods have limited education levels: nearly on par with the state for percent without a high school diploma. Education levels, wages, and poverty tend to go hand-in-hand.

Table 4. Labor Force and Education Levels (Estimated; 2013)

	Population 16 and Over		Educational Attainment				
Location	Total (Estimated)	In Labor Force	Population 16-64 (Estimated)	Less than high school	High school graduate	Some college	Bachelor's degree or higher
Massachusetts	5,371,252	67.7%	3,576,934	8.4%	23.6%	25.3%	42.6%
Nantucket (Town)	8,245	76.3%	6,164	4.4%	24.9%	28.1%	42.6%
Census Tract 9501	1,421	63.1%	778	5.0%	21.6%	23.0%	50.4%
Census Tract 9502	3,468	81.7%	2,800	7.1%	29.0%	27.4%	36.5%
Census Tract 9503.07	280	66.4%	212	0.0%	14.2%	17.0%	68.9%
Census Tract 9504	1,901	85.1%	1,666	0.5%	27.8%	27.7%	44.0%
Census Tract 9505	1,175	64.1%	708	3.1%	8.9%	40.7%	47.3%

ACS 2009-2013, B23025, B23006, and RKG Associates.
Census Tract Legend: 9501: Town; 9502: Miacomet/Mid-Island/Cisco; 9503.07: Madaket/Dionis/Clif; 9504: Airport/Mid-Island/Surfside; 9505: Polpis/Sconset/Tom Nevers

WORKING ON NANTUCKET

The Executive Office of Labor and Workforce Development (EOLWD) reports that Nantucket has about 920 **employer establishments** with a combined total of 3,900 payroll jobs with an average

[15] Executive Office of Labor and Workforce Development (EOLWD), Labor Force and Unemployment Data (2010-2014).

weekly wage of $963.[16] The employment base is quite small for a community with 4,400 year-round housing units. A sustainable local economy typically has about 1.5 jobs per housing unit: enough jobs to give residents meaningful opportunities to work locally. The **jobs-to-housing ratio** on Nantucket is only 0.89, so it is no surprise that Nantucket also has many"non-employer" establishments, too: people who work for themselves as sole proprietors, either full-time or as a part-time supplement to a payroll job. Evidence of reliance on self-employment income can be seen in census statistics for sources of household income. For example, 11 percent of the state's households derive some income from self-employment, but 27 percent of Nantucket's households have self-employment income and in some neighborhoods, it is as high as 33 percent.[17] Together, the number of self-employed people and the employers that provide jobs for others form the base of over 3,000 firms doing business on Nantucket.[18]

The size and composition of Nantucket's economy present some important challenges for a workforce housing strategy.

- **The employment base fluctuates seasonally.** The seasonal changes on Nantucket are substantial. At the peak season for visitors in August, local employers have 2.3 jobs on payroll for every one job that still remains in February, when employment reaches its lowest point in the year. These changes mirror fluctuations in the unemployment rate. Nantucket essentially achieves full employment in the summer, when the unemployment rate drops to well below 2 percent, but by February it has one of the highest unemployment rates in Massachusetts (about 13 percent).[19]

- **The employment base has a narrow range of strengths.** Arguably, the arts and recreation and accommodations and food service sectors perform well during the summer and into the shoulder season, but they generally provide low-wage jobs. Workers in these industries earn better pay on Nantucket than in other parts of the state – roughly 1.4 times the average weekly wage for similar jobs elsewhere – so many of them may be able to pay rents of $900 to $1,100 over the summer. Once the hospitality industry contracts after Columbus Day, this is no longer the case.

Year-round jobs such as health care and professional services pay decent wages, but Nantucket does not have a large base of professional employment. The Town of Nantucket, the public schools, and the Nantucket Cottage Hospital are relatively large employers with professional and semi-professional workers, and clearly there are small establishments with higher-paying jobs, too.

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[16] EOLWD, Employment and Wages Report, ES-202: Nantucket, 2009-2013.

[17] ACS 2009-2013 Five-Year Estimates, B19053.

[18] County Business Patterns, 2012.

[19] Executive Office of Labor and Workforce Development, Local Area Unemployment Statistics (2007-2014).

In many cases, however, the industries with higher-wage employment on Nantucket have low **location quotients.**[20] Relative to the larger regional economy – Cape Cod and the Islands – health care and professional services make up a small share of Nantucket's employment base, as evidenced by location quotients substantially below 1.00 (Fig. 5). Measured by their share of local jobs, Nantucket's strongest industries are the construction trades, transportation services, real estate and leasing, support services (e.g., housecleaning, waste management, or security services), arts and recreation, and accommodations and food services (the hospitality industry). All of these industries are vulnerable to seasonal change, however. Most industries that offer high-wage employment, such as information, finance and insurance, real estate and leasing, professional services, health care, and public administration, do not provide many jobs on Nantucket.

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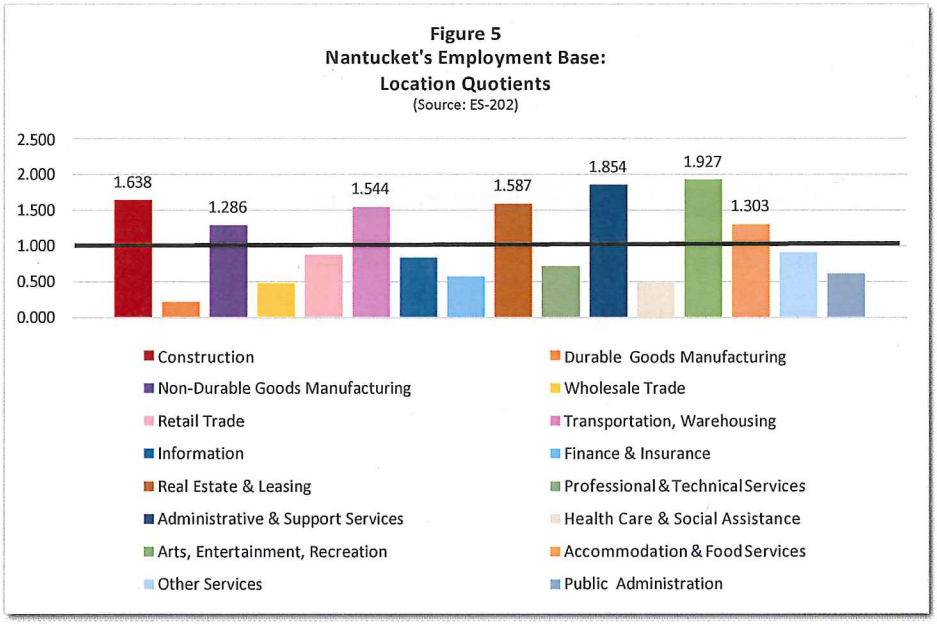


[20] A location quotient is the ratio of an industry's share of local employment to that industry's share of employment in a larger reference economy, in this case the Cape & Islands Workforce Investment Area. It is a fairly simple tool for identifying strengths and weaknesses in the local economy. A ratio > 1.10 generally signals an industry that is strong in the local market.

Despite Nantucket's generally favorable pay scales for municipal employees, the Town has lost at least four employees and at least three applicants turned down municipal job offers because they could not find affordably priced housing.[21]

Comment [jk8]: The public may be interested in other employers in addition to the town. Housing Nantucket study has broader data on this topic.

EARNINGS

Since the vast majority of Nantucket residents work on the island, either for themselves or as a wage or salary worker for some other establishment, reported income from employment sheds further light on wages paid by Nantucket businesses. For most industries, there is a wage differential that recognizes the higher cost to live and work on Nantucket, yet in relation to Nantucket's extraordinarily high housing costs, the wage difference does not seem that significant. For example, Table 5 shows that the median annual earnings of a year-round service worker in Massachusetts is $33,365, but on Nantucket, it is $41,981, for a local wage ratio of 1.26. The Nantucket service worker with income at the median wage can afford to spend $1,050 per month for rent and basic utilities. However, Nantucket's median gross rent is $1,443,[22] which represents a housing cost differential of 1.46. It is little wonder that Nantucket workers on the lower end of the wage spectrum often share housing units in an effort to make ends meet.

Table 5. Median Annual Earnings: Selected Occupations and Industries (Estimated; 2013)

		Occupations		Industries				
	Median Earnings	Mgt.	Svcs.	Construction	Retail	Finance, Real Estate	Education	Hospitality
Massachusetts	54,594	73,085	33,365	43,916	24,064	56,907	40,967	16,663
Nantucket (Town)	51,869	73,339	41,981	50,323	38,281	56,023	41,605	25,023
Census Tract 9501	55,263	61,520	37,750	63,750	25,625	61,875	45,556	14,000
Census Tract 9502	51,110	66,848	43,750	45,865	44,632	33,203	28,750	25,510
Census Tract 9503.07	81,806	81,111	-	102,188	-	81,818	26,161	56,563
Census Tract 9504	45,962	85,625	41,596	46,250	43,542	42,993	61,750	38,472
Census Tract 9505	52,179	73,750	68,417	-	25,083	11,000	75,724	39,375

Source: ACS 2009-2013 B24021, B24031, and RKG Associates.
Census Tract Legend: 9501: Town; 9502: Miacomet/Mid-Island/Cisco; 9503.07: Madaket/Dionis/Clif; 9504: Airport/Mid-Island/Surfside; 9505: Polpis/Sconset/Tom Nevers

HOUSEHOLD TRENDS

Households – more than population per se – drive demand for housing, so a housing strategy for any community must account for market area household formation trends and household characteristics. The size and composition of a community's households, the age of its householders, and the resources they have to purchase or rent housing all have an indelible impact

[21] Amanda Johnson, Town of Nantucket Human Resources Department, March 10, 2015.

[22] ACS 2009-2013 Five-Year Estimates, B25064.

on demand. Nantucket's household trends are also affected by demand from the seasonal housing market. Over the past decade, Nantucket attracted considerable household growth. As of Census 2010, Nantucket had about 4,200 year-round households, representing a 14.3 percent increase between 2000 and 2010. However, the Census Bureau estimates that since 2010, Nantucket has lost about 160 households as it gained over 400 seasonal housing units, mainly due to conversions of year-round housing.[23]

Nantucket's year-round homes are predominantly owner-occupied.[24] Its householders tend to be younger than their counterparts statewide, and unlike many towns on the Cape and around Boston, Nantucket has many young renters. In addition, while Nantucket is still a white, non-Hispanic town, it has many minority families. Most of Nantucket's African American and Hispanic households live in Mid-Island neighborhoods, which is also where most of the rental housing on Nantucket can be found.

Just about everyone living year-round on Nantucket is part of a household. (Some people lived in shared or **group quarters**, e.g., the seniors at Our Island Home.) Nantucket's households are primarily **families,** which can also be said for most communities, but Nantucket has a larger percentage of **non-family households** than the state as a whole. "Non-family" is a federal census term that includes single people living alone and households of two or more unrelated people. Most non-family households are one-person households, whether measured nationally, in Massachusetts, or on Nantucket. In Massachusetts, for example, single people living alone represent 80 percent of all non-family households. However, the percentage of one-person households is smaller on Nantucket: 75 percent, and it is much smaller in some neighborhoods where the percentage of one-person non-family households drops as low as 64 percent (Table 6). In the Airport/Mid-Island/Surfside area, Nantucket has a relatively large number of households with unrelated people living together in the same house. This matters for a housing study because a larger-than-average number of unrelated people in shared housing often signals the presence of

[23] Census 2000, 2010, H1, H5; ACS 2009-2013 Five-Year Estimates, B25003, B25004.

[24] Census 2010, H4.

housing problems: lack of affordability, lack of suitable housing for a community's household types, crowded housing units, code violations, off-street parking conflicts, and others.

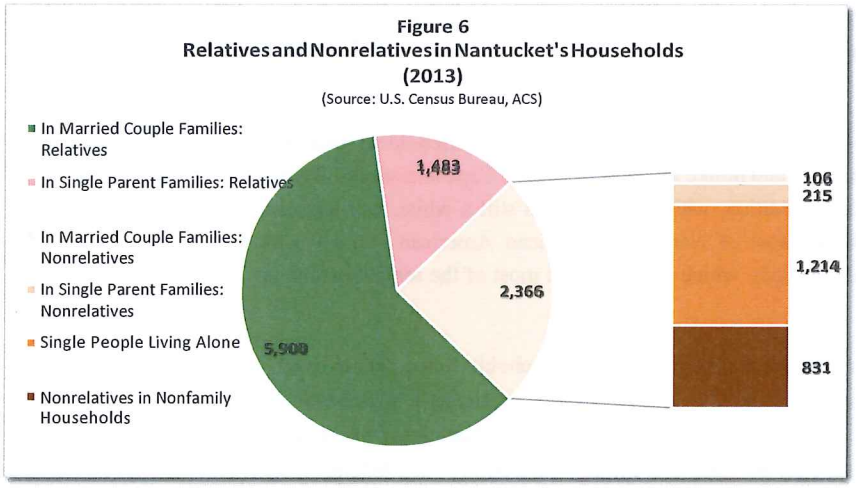


Table 6. Household Types (Estimated; 2013)					
	American Community Survey (ACS) Estimates				
Location	Total Households	Families (Related People)	Single Parent Families	Non-Family Households	Single People % Non-Families
Massachusetts	2,530,147	1,607,082	26.1%	923,065	79.5%
Nantucket (Town)	4,069	2,462	21.5%	1,607	75.5%
Census Tract 9501	690	356	29.8%	334	89.8%
Census Tract 9502	1,657	1,093	26.7%	564	75.0%
Census Tract 9503.07	156	100	0.0%	56	78.6%
Census Tract 9504	951	500	9.4%	451	64.3%
Census Tract 9505	615	413	20.3%	202	77.7%

Source: ACS 2009-2013 B1101, and RKG Associates.
Census Tract Legend: 9501: Town; 9502: Miacomet/Mid-Island/Cisco; 9503.07: Madaket/Dionis/Clif; 9504: Airport/Mid-Island/Surfside; 9505: Polpis/Sconset/Tom Nevers

Not surprisingly, the presence of households with both related and unrelated people has an impact on household sizes and the types of housing a community may need. While Nantucket's homeowner households are somewhat smaller than their counterparts statewide, the opposite is

true for renters. On Nantucket, the average-size household for renter-occupied housing ranges from 2.35 to 2.60, compared with 2.18 people per household for the state as a whole.[25]

INCOMES

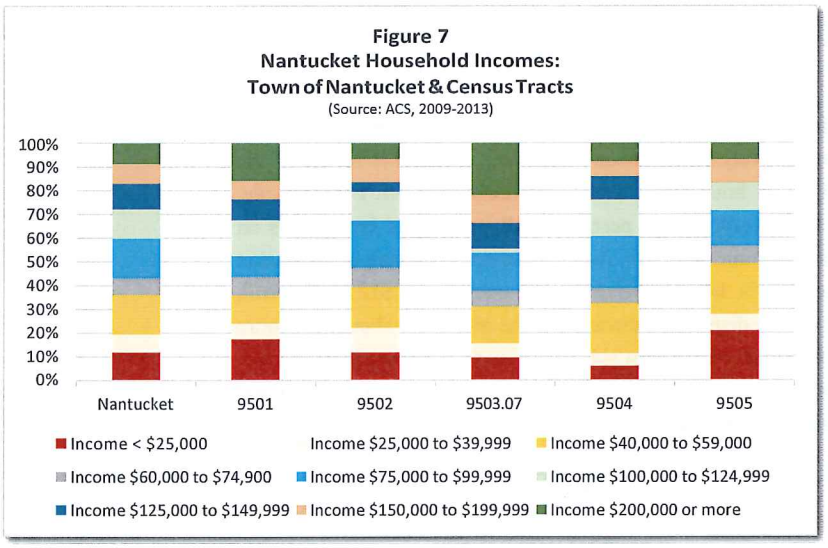
Massachusetts ranks fifth in the nation for median household income, which means that overall, its resident households enjoy a comparatively high standard of living. Nantucket is one of the wealthiest communities in the state, so its households tend to be fairly well-off. For example, households with incomes below $25,000 comprise 12 percent of all year-round households on Nantucket, but 20 percent throughout the Commonwealth. Approximately 27 percent of Nantucket households and 22 percent of the state's households have incomes over $125,000. Still, Nantucket's household wealth is not evenly distributed throughout the island. As shown in Figure 7, the percentage of upper-income households on the west side of the island is larger than any other area. By contrast, moderate-income households tend to be most prevalent in Mid-Island neighborhoods and along the south side of Nantucket.

Household wealth on Nantucket is unevenly distributed by race and ethnicity, too, but the differences are more difficult to quantify. First, when the number of people in a population sample is very small, the Census Bureau does not publish income statistics. As a result, there are no race and income estimates for some parts of Nantucket. Second, the Census Bureau reports household income as the sum of income of all people 18 and over in the household, regardless of familial status. Accordingly, household income for a group of unrelated people occupying a single housing unit is the sum of their individual incomes. Poverty indicators shed more light on income differences on Nantucket because poverty is reported for households, families, and individuals. For example, 14 percent of Nantucket's year-round population has incomes below poverty, but the corresponding statistics for African American residents is almost 20 percent, and for Hispanic or Latino residents, 30 percent.[26] Hispanic or Latino households in the Mid-Island area have the lowest median income of any group on Nantucket: $26,939.[27]

[25] Census 2010, H12.

[26] ACS 2009-2013 Five-Year Estimates, B06012, B17001I.

[27] ACS 2009-2013 Five-Year Estimates, B19031I.



As in most communities, the economic position of families in Nantucket is generally better than that of all households (including families and nonfamilies). This is true for a few reasons: first, family households tend to be younger, so they are more likely to be in the labor force, and second, married-couple families in particular (which still make up the majority of families with children) often have more than one wage earner. The situation for single-parent families is quite different. Among the working-age population, single-parent families and one-person households have fairly low incomes – low relative to the cost of Nantucket's market-rate housing and even relative to price-controlled housing such as units available through the Housing Needs Covenant Program.

Table 7. Median Income: Families with Children by Family Type and Working-Age One-Person Households

		Families with Dependent Children		Ages 15-64	
	Median Family Income	Married Couples	Single Parents	Men Living Alone	Women Living Alone
Massachusetts	$84,900	$113,187	$28,116	$43,901	$40,542
Nantucket (Town)	$92,500	$106,667	$53,505	$51,280	$46,947
Census Tract 9501	$101,042	$106,591	$60,784	$76,953	$53,500
Census Tract 9502	$86,769	$95,917	$44,022	$37,869	$46,108
Census Tract 9503.07	$122,500	$61,875	-	-	-
Census Tract 9504	$110,288	$114,750	$55,000	$55,096	$51,583
Census Tract 9505	$81,989	$88,641	$21,406	-	$48,906

Source: ACS 2009-2013, B19215, B19216, and RKG Associates, Inc.
Census Tract Legend: 9501: Town; 9502: Miacomet/Mid-Island/Cisco; 9503.07: Madaket/Dionis/Clif; 9504: Airport/Mid-Island/Surfside; 9505: Polpis/Sconset/Tom Nevers

HOUSING CHARACTERISTICS

It is harder to confirm the number of housing units in a community than many people realize. To the general public, a housing unit is a single-family home or two-family home, an accessory apartment, an apartment in a multi-family building or a townhouse condominium: "A room or enclosed floor space used, or to be used, as a habitable unit for one family or household, with facilities for sleeping, cooking and sanitation" - that is, a dwelling unit as defined in Nantucket's zoning bylaw. However, the official housing count reported by the Census Bureau every ten years is a little different. Under the Census Bureau's broad definitions of "housing," rooms in boarding houses and retirement homes can qualify as housing units. The federal definition also includes structures or portions thereof that are not classified (or regulated) as housing under the State Building Code, e.g., mobile homes, recreational vehicles, and boats, and rooms or groups of rooms without separate cooking or sanitation facilities. For purposes of this study, "housing unit" means what most people generally think of as housing, i.e., it does not include recreational vehicles. It could include some types of shared quarters, such as single-room occupancy (SRO) units, but not employer-owned dormitory housing such as the units owned by Nantucket Island Resorts for its summer workers.

Nantucket has absorbed a higher rate of housing growth than most parts of the state. Between 2000 and 2010, Nantucket's housing inventory increased by 2,408 units, or 26.1 percent. However, seasonal housing increased 30 percent, from 5,170 units in 2000 to 6,722 units in 2010, outpacing total housing growth – that is, demand for seasonal housing on Nantucket appeared to be reducing the supply of year-round housing. More recent estimates from the American Community Survey place seasonal housing on Nantucket at 7,137 units, i.e., an increase of about 400 units since 2010. Moreover, the ACS estimates that the total number of year-round occupied units has fallen to 4,069 (from 4,229 in 2010) while the number of year-round owner-occupied units has increased to 2,667 units (from 2,475 in 2010).[28] Most of the drop in year-round units has occurred among rental units. Together, these trends seem to provide some support for the perceptions of Nantucket residents who say that year-round rental options have decreased significantly. They say that today, rental vacancies are often filled by word-of-mouth and other informal means because anyone advertising an apartment for rent will likely receive hundreds of requests.

EXISTING INVENTORY

One of Nantucket's greatest housing challenges involves its limited range of housing choices and price points, which in turn reflect the town's land use regulations and infrastructure (notably a limited sewer service area), and market expectations. The overwhelming majority of housing units on Nantucket are detached single-family homes. This makes sense given the town's historic

[28] Census 2010, Census 2000, H1, H3, H4; and ACS 2009-2013 Five-Year Estimates, B25003.

development patterns, but it is not a very efficient use of land or an economical way to create affordably priced units. Mixed residential uses exist in the more densely settled areas of Nantucket, notably downtown and the Mid-Island neighborhoods. These settings include two-family homes or row houses, some multifamily dwellings, and sometimes apartments above commercial space as well, and it is in the Mid-Island neighborhoods that over 80 percent of Nantucket's year-round renters live.[29] In many parts of Nantucket there are privately owned residential lots with two detached single-family homes, i.e., a principal dwelling and a cottage, with both units under common ownership unless one is conveyed subject to an affordable housing restriction (Nantucket Housing Needs Covenant). Table 8 summarizes Nantucket's housing inventory by unit types.

Table 8. Housing Types (Estimated; 2013)

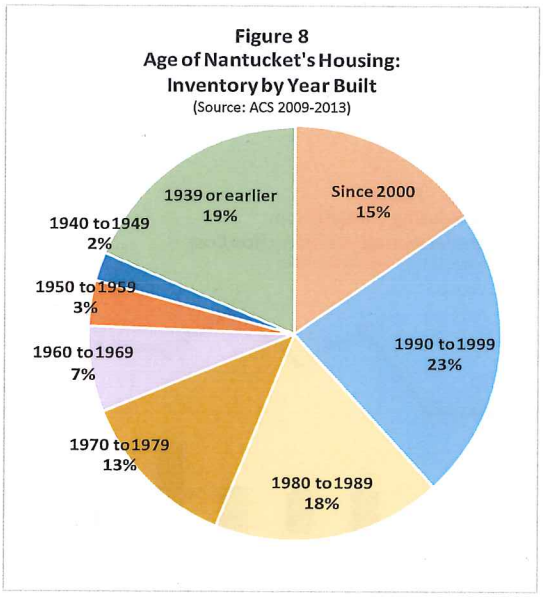
Location	Total Housing Units	1-Family Detached	Townhouse	Duplex	Multi-Family 3-9 Units	Multi-Family 10+ Units	RV, Boats
Massachusetts	2,808,549	52.3%	5.1%	10.3%	17.0%	14.5%	0.9%
Nantucket (Town)	11,650	85.0%	3.4%	6.3%	3.6%	0.6%	1.2%
Census Tract 9501	2,989	89.7%	0.7%	5.6%	2.4%	0.5%	1.2%
Census Tract 9502	3,114	73.9%	7.4%	10.7%	5.7%	0.4%	1.9%
Census Tract 9503.07	1,191	89.8%	4.1%	1.1%	1.8%	0.0%	3.3%
Census Tract 9504	1,640	78.7%	3.5%	11.2%	6.5%	0.0%	0.0%
Census Tract 9505	2,716	94.3%	1.3%	1.3%	1.3%	1.5%	0.4%

Source: ACS Five-Year Estimates 2009-2013, B25024.
Note: Census 2010 reported Nantucket's actual housing count as 11,618 units.
Census Tract Legend: 9501: Town; 9502: Miacomet/Mid-Island/Cisco; 9503.07: Madaket/Dionis/Clif; 9504: Airport/Mid-Island/Surfside; 9505: Polpis/Sconset/Tom Nevers

[29] ACS 2009-2013 Five-Year Estimates, B25032.

HOUSING AGE AND SIZE

Compared with the state as a whole, Nantucket has fairly new housing units. This may come as a surprise to some Nantucket residents or visitors, especially since Nantucket's iconic downtown has such an enviable collection of well-preserved historic residences. However, Nantucket has grown so much since the 1970s (Figure 8) that all of its late-twentieth century homes have a dramatic impact on the island's housing age profile. Today, the median year built for all housing on Nantucket (year-round and seasonal) is 1983, compared with 1958 for the state.[30]



Nantucket's owner-occupied housing is similar in size and basic amenities to owner-occupied units throughout Massachusetts. The most significant differences can be found in and around the downtown area, where there are many large historic houses that tend to dominate the housing inventory. Overall, however, the majority of owner-occupied homes in Massachusetts and Nantucket are three- or four-bedroom dwellings with cooking and plumbing facilities, basic utilities, and reasonable space for vehicle parking. While renter-occupied units elsewhere in the state are comprised primarily of one- or two-bedroom apartments, Nantucket's rental units tend to be a little larger, and this is due to the composition of Nantucket's rental stock: many single-family and two-family homes as opposed to multi-family apartment developments.

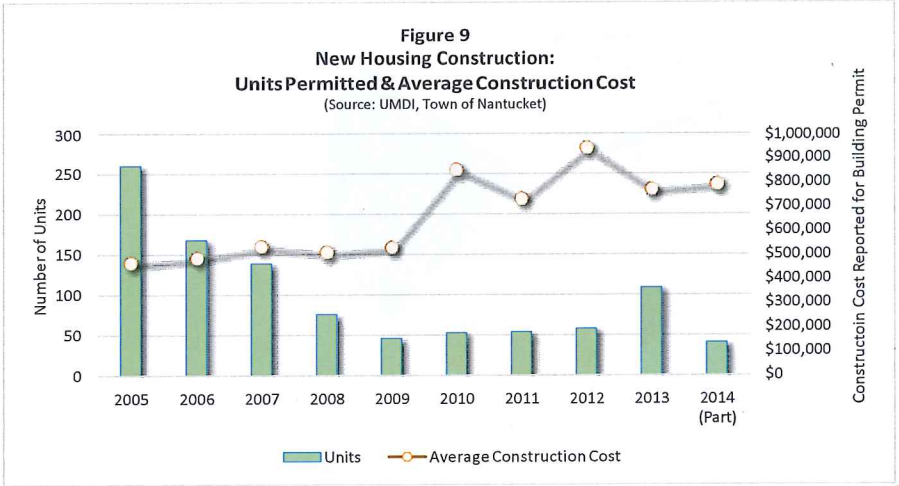
RESIDENTIAL CONSTRUCTION

Data from the UMass Donohue Institute (UMDI) indicate that between 2005 and 2013, Nantucket issued building permits for 975 new homes, nearly all detached single-family dwellings. It is little wonder that Nantucket housing sale prices are so high. In 2013, the most recent year for which annual data have been released, the average construction cost reported for new units, excluding the land cost, was $770,225.[31] Though less than the average reported in 2012, an average reported

[30] ACS 2009-2013 Five-Year Estimates, B25035.

[31] N.B. Local governments (including Nantucket) report new residential permits and average construction cost per unit on a monthly basis to the federal government. UMDI simply summarizes the locally generated data. In RKG's

construction cost of over $770,225 is very high – higher than the average reported in Boston's affluent west suburbs. Figure 9 shows that the average construction cost per unit increased sharply in 2010, and while it has fluctuated since then, there appears to be an emerging pattern of rising costs per unit. For the portion of 2014 that is available from the Town, the average cost is up slightly: $782,000.[32]



In addition to new home construction permits, Nantucket issues almost twice the number of permits for renovation and alteration projects that increase the value of local homes. Some of the new single-family units are actually replacements for demolished older residences, too. In the first four months of 2014, for example, Nantucket issued eleven residential demolition permits (excluding sheds).[33]

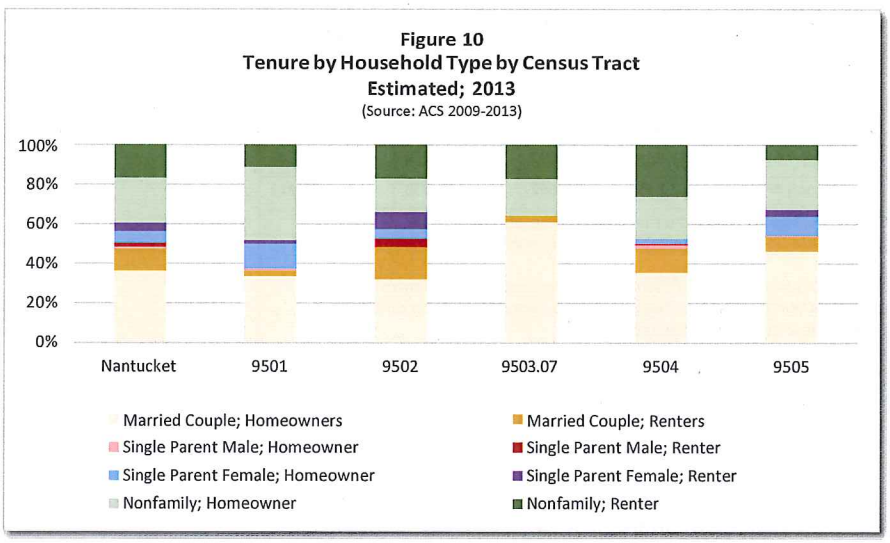
experience the federal numbers are largely accurate for new single-family homes, but new multifamily units tend to be under-reported.

[32] Town of Nantucket, Building Department, April 2015.

[33] Ibid.

OCCUPANCY, TENURE, AND HOUSEHOLD SIZE

Most year-round residents of Nantucket and the state as a whole own the house they live in, yet in many ways Nantucket's housing tenure statistics differ from those of the Commonwealth. Unlike Massachusetts as a whole, where the homeownership rate has incrementally increased over time,[34] Nantucket has experienced fluctuating owner-occupancy conditions, from 63 percent in 2000 to 58 percent in 2010 and most recently, an estimated 66 percent in 2013. Overall, Nantucket has more owner-occupant newcomers on one hand and more long-term renters on the other hand, but these differences do not apply town-wide. The neighborhoods with the largest shares of long-time homeowners lie along the island's north side, and long-time renters, in the downtown area.[35] Also, non-family households and single-parent families headed by women are primarily homeowners in Nantucket, but statewide they are primarily renters. Similarly, single-parent families headed by men are primarily renters on Nantucket but homeowners elsewhere in Massachusetts.[36] Figure 10 reports tenure by household type for the town and its five census tracts.



Comparing ACS estimates with decennial census data can produce some distortions because the former is based on a comprehensive, monthly population survey and the latter, a point-in-time actual count. Nevertheless, trends that corroborate informal accounts from Nantucket residents can

[34] U.S. Census Bureau, Current Population Survey/Housing Vacancy Survey (CPS/HVS), Housing Vacancies and Homeownership, Annual 2014 and Historical Tables.

[35] ACS 2009-2013 Five-Year Estimates, B25039.

[36] ACS 2009-2013 Five-Year Estimates, B11012.

be gleaned from these sources. Since 2010, for example, the average renter household size has gradually increased, and the shift in the average statistic stems primarily from growth among large renter households, i.e., households with more than four people. Seventy percent of the island's large renter households live in Mid-Island neighborhoods near the airport, where a majority of Nantucket's African American, Hispanic or Latino, and lower-income households reside.[37]

INCOME, TENURE, AND HOUSING COSTS

Under a long-standing federal guideline, housing costs are considered affordable when they do not exceed 30 percent of a household's monthly gross income.[38] Nantucket's local housing programs adopt the same definition of housing affordability to determine how much a household can afford to spend per month on housing. These amounts are shown in Table 9, along with area median income estimates by household size, along with the HUD Fair Market Rent (the maximum monthly rent for housing occupied by tenants with federal rental assistance).

Table 9. Estimated Maximum Affordable Housing Cost by Household Type and Income (2015)

			Maximum Affordable Housing Cost			HUD
Household Size	2015 AMI	Unit Type	60% AMI	100% AMI	150% AMI	Fair Mkt. Rent
Single Person	$69,813	studio or 1 BR	$1,047	$1,745	$2,618	$935
Two Person	$79,750	1 or 2 BR	$1,196	$1,994	$2,991	$1,161
Three Person	$89,750	2 or 3 BR	$1,346	$2,244	$3,366	$1,571
Four Person	$99,688	2, 3, or 4 BR	$1,495	$2,492	$3,738	$2,205
Five Person	$107,688	3 or 4 BR	$1,615	$ 2,692	$4,038	$2,213

Source: Housing Nantucket, 2015; HUD, Schedule B, Final 2015 FMRs for Existing Housing, Eff. 10/1/2014.
Note: (1) Housing Nantucket's 60% income limits are close to those established by the federal government for the Low-Income Housing Tax Credits (LIHTC) Program.
(2) HUD Fair Market Rent is a payment standard for housing authorities that administer Section 8 assistance; it is not an affordable rent per se. HUD's goal for the FMR is that it should be "high enough to permit a selection of units and neighborhoods and low enough to serve as many low-income families as possible."
(3) HUD Fair Market Rents do not precisely correspond with household size. For example, the FMR for a three-bedroom unit is $2,205 regardless of whether the household includes three, four, or five people.

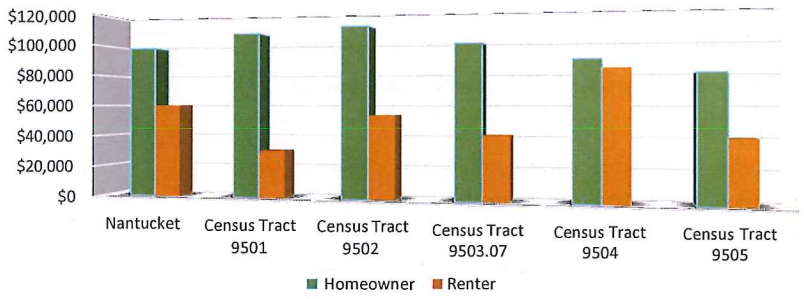
[37] Census 2010, H16 and HCT1; ACS Five-Year Estimates 2009-2013, B25009, DP03; HUD, Low- or Moderate-Income (LMI) Areas by Census Block Group, ACS 2007-2011.

[38] M. Schwartz and E. Wilson, "Who Can Afford to Live in a Home? A Look at Data from the 2006 American Community Survey" Working Paper, U.S. Census Bureau. The conventional public policy indicator of housing affordability in the United States is the percent of income spent on housing. Housing expenditures that exceed 30 percent of household income have historically been viewed as an indicator of a housing affordability problem. The conventional 30 percent of household income that a household can devote to housing costs before the household is said to be burdened evolves from the United States National Housing Act of 1937, although the original standard was not 30 percent. In 1940, it was 20 percent and in 1969, Congress increased it to 25 percent. The 30 percent standard that applies today was established in 1981. See also, "Housing Affordability: Myth or Reality?," Wharton Real Estate Center Working Paper, Wharton Real Estate Center, University of Pennsylvania, 1992.

OWNER-OCCUPIED HOUSING

For many Nantucket homeowners, the cost of housing consumes a large share of their household income. Their income may be much higher than that of renters, but the purchase price of for-sale housing is also very high. In 2014, for example, Nantucket's median single-family sale price was $1,225,000 – up almost 20 percent over 2013.[39]

Figure 11
Median Household Income for Homeowners and Renters (Estimated; 2013)
(Source: ACS 2009-2013)



As indicated in Figure 11, Nantucket's median homeowner household income is $97,985, with a census tract-level range from a low of $80,417 to a high of $110,804.[40] The median monthly housing cost for owner-occupied housing with a mortgage payment in Nantucket is $3,026,[41] a figure technically affordable to a household with income of $121,040, or about 35 percent of Nantucket's existing homeowners. In Massachusetts overall, approximately 34 percent of all homeowners spend more than 30 percent of their monthly income on a mortgage payment, taxes, and insurance – the basic components of homeowner housing costs. As such, these homeowners fit the federal definition of **housing cost burden**.[42] Significantly, Table 10 reports that over half of Nantucket's year-round homeowners are housing cost burdened and nearly 30 percent are **severely cost burdened**, which means their housing costs exceed 50 percent of their monthly gross income.[43]

Comment [jk9]: Doesn't include utilities/cable?

[39] The Warren Group, Town Stats Database.

[40] ACS 2009-2013 Five-Year Estimates, B25119.

[41] ACS 2009-2013 Five-Year Estimates, B25008.

[42] N.B. California has the highest percent of mortgaged homeowners with housing burden of any state in the U.S, followed by Hawaii, Nevada, Florida, New Jersey, Rhode Island, and Massachusetts, although burden for all of these states is similar to California.

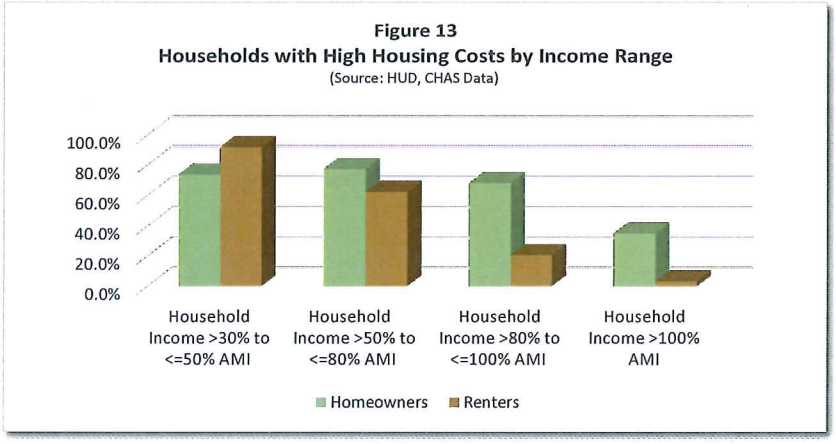
[43] ACS 2009-2013 Five-Year Estimates, B25092.

Table 10. Comparison Homeowner Housing Values and Monthly Housing Cost Estimates*

Location	Median Housing Cost	Lower Value Home	Median Value Home	Upper Value Home	Housing Cost Burden	Severe Cost Burden
Massachusetts	$1,705	$230,500	$330,100	$464,900	34.4%	13.6%
Nantucket	$2,365	$651,800	$929,700	1,000,000+	53.0%	29.9%
Census Tract 9501	$1,851	$786,900	$1,000,000+	1,000,000+	42.0%	23.5%
Census Tract 9502	$2,739	$581,100	$832,000	1,000,000+	54.5%	28.6%
Census Tract 9503.07	$1,583	$475,000	$890,600	1,000,000+	35.5%	28.0%
Census Tract 9504	$2,771	$632,000	$891,300	1,000,000+	63.9%	37.4%
Census Tract 9505	$1,948	$777,100	$1,000,000+	1,000,000+	53.3%	31.1%

Source: ACS 2009-2013 Five-Year Estimates, and RKG Associates.
Notes: (1) The Census Bureau does not report specific housing values over $1 million; (2) Homeowner housing cost burden includes homeowners both with and without a mortgage.
Census Tract Legend: 9501: Town; 9502: Miacomet/Mid-Island/Cisco; 9503.07: Madaket/Dionis/Clif; 9504: Airport/Mid-Island/Surfside; 9505: Polpis/Sconset/Tom Nevers

It is possible that some of Nantucket's housing cost burdened homeowners have chosen to "buy up" to larger, amenity-laden homes instead of purchasing a more modest and affordable unit. However, available data indicate that this is not really the case. HUD's Comprehensive Housing Affordability Strategy (CHAS) Data show that most technically affordable units are occupied by higher-income households and that at any given time, there is only a handful of vacant, modestly priced homes on the market.[44] The high cost of housing for Nantucket homeowners is particularly challenging for lower-income residents. According to a special tabulation of census data published by HUD, housing cost burden affects 78 percent of Nantucket homeowners with incomes between 50 and 80 percent AMI and 68 percent of homeowners with incomes between 80 and 100 percent



[44] CHAS Data, Tables 15A, 17A.

AMI. **Nantucket's homeownership affordability problems have little to do with ambitious homebuyers and everything to do with a severe shortage of appropriately priced supply.**

RENTER-OCCUPIED HOUSING

Nantucket's median renter household income is $60,104, but the census tract median ranges widely from a low of $30,625 to a high of $83,512 (Figure 11).[45] The higher-end income is deceptive because it includes income from all sources for everyone in the household over 15 years, including relatives and nonrelatives.[46] This is significant for a census tract like 9504 (Airport/Mid-Island/Surfside), where many households include non-relatives who share housing costs in order to make ends meet.

Rents on Nantucket are much higher than throughout Massachusetts and in some cases, higher than market rents in the Greater Boston area. Town-wide, an estimated 41 percent of all renters are housing cost burdened, paying more than 30 percent of their monthly gross income for rent and basic utilities. Nantucket's unaffordably housed renters are concentrated in the Town area and the island's west end, where the percentages of rental housing cost burden exceed the state average (50 percent). Local sources say these statistics are skewed due to the very small number of rental units in Nantucket's Town neighborhoods. This may be true, but since Nantucket's supply of year-round rental units is so deficient, it would be a mistake to think that housing cost burdened renters simply choose to live in an expensive area.

Table 11. Comparison Rent Estimates

	Median Gross Rent	Lower Contract Rent	Median Contract Rent	Upper Contract Rent	Housing Cost Burden	Severe Cost Burden
Massachusetts	$1,069	$614	$936	$1,320	50.3%	25.8%
Nantucket (Town)	$1,564	$900	$1,443	$1,858	40.8%	17.4%
Census Tract 9501	$1,320	$1,080	$1,228	$1,418	68.5%	33.3%
Census Tract 9502	$1,700	$821	$1,543	$2,000+	46.7%	17.9%
Census Tract 9503.07	-	-	-	-	66.7%	0.0%
Census Tract 9504	$1,581	$1,086	$1,420	$1,733	24.3%	16.4%
Census Tract 9505	$1,200	$388	$1,200	$1,750	42.7%	9.8%

Source: ACS 2009-2013 Five-Year Estimates.
Notes: The Census Bureau does not report gross and contract rent estimates for Tract 9503.07 because the number of rental units is so small.
Census Tract Legend: 9501: Town; 9502: Miacomet/Mid-Island/Cisco; 9503.07: Madaket/Dionis/Clif; 9504: Airport/Mid-Island/Surfside; 9505: Polpis/Sconset/Tom Nevers

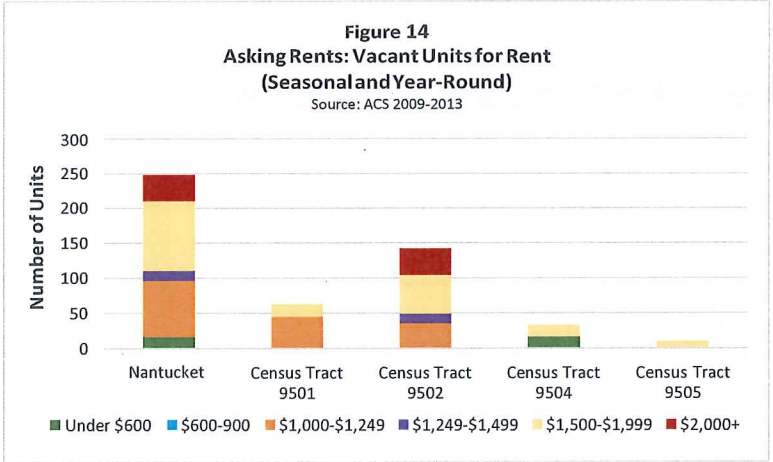
[45] ACS 2009-2013 Five-Year Estimates, B25119.

[46] U.S. Census Bureau, *American Community Survey and Puerto Rico Community Survey 2013 Subject Definitions*, 82.

Unlike conditions statewide, most of Nantucket's housing cost burdened renters are working-age people – especially young people under 34 years – not senior citizens. The author estimates that the percentage of renters with housing cost burdens is considerably higher than the Census Bureau's data suggest, based on informal interviews and anecdotal information obtained during site visits in January and February 2015. Furthermore, what the Census Bureau reports as affordably housed renters masks an underlying problem for many of Nantucket's lower-income wage earners: housing units over-occupied by unrelated people who pool their resources in order to find housing they can afford.

Asking Rents. In the past few years, over half of all vacant rental units on Nantucket came with asking rents of $1,500 or more, and less than 7 percent with asking rents below $1,000.[47] The ACS reports an average of 248 units offered for rent at any given time, including both year-round and seasonal units and private and public housing. These are **contract rents** (what the landlord will charge), not **gross rents** (contract rent plus basic utilities), though some rental units include utilities that tenants do not have to pay out of pocket. Figure 14 displays the distribution of asking rents for the island as a whole and the five census tracts based on monthly surveys conducted by the Census Bureau between 2009 and 2013.

Comment [jk10]: What is data from 2015?



[47] ACS 2009-2013 Five-Year Estimates, B25061. Recent issues of *The Inquirer and Mirror* have included ads for some summer and winter rentals, but the only year-round rentals have been furnished rooms in a private residence, a partially furnished one-bedroom apartment in Madaket for $2,000/month, and a four-bedroom home without a published asking rent.

Renters informally interviewed for this study say the Census Bureau's data underestimate actual market conditions on Nantucket and stop short of capturing the more compelling problems: **lack of supply on one hand, and an existing supply that includes many units with code violations on the other hand**. The perceptions of local renters are largely borne out through social media, where people looking for apartments often go, hoping for a more efficient source of information than word-of-mouth referrals.

LOW- OR MODERATE-INCOME RESIDENTS

According to the HUD, about 38 percent of Nantucket's year-round households have low or moderate incomes as that term is used in most housing programs (Map 2).[48] Some people may find this surprising because Nantucket also has year-round household wealth and a seasonal population that is extraordinarily wealthy, but it is not uncommon for resort communities to have more low- or moderate-income residents than is readily apparent. HUD estimates that 30 percent of Nantucket's homeowners and 49 percent of its renters have incomes below 80 percent AMI. HUD's estimates shed even more light on the households most affected by Nantucket's very high housing costs, however. As illustrated in Figure 13, the highest incidence of housing cost burden occurs among the island's lowest wage earners: working-age people with incomes at or below 50 percent AMI. Housing cost burden affects anywhere from 74 to 86 percent of the residents in this lower-income group. In current dollars, this means a household of four with income under $49,890 – or more accurately, a household of two with income under $39,900.[49] For the single people and very small families that make up most of the households with incomes below 50 percent AMI, the maximum affordable rent, including utilities, is $998 (and usually much less). Nantucket does not have an adequate supply of affordably priced rentals for its working poor: people whose incomes are at or below the 60 percent AMI threshold for "workforce housing" under Nantucket's local housing assistance programs.

PRICE-RESTRICTED HOUSING

Most communities have some modestly priced housing: small, older single-family homes that are less valuable than new homes, multi-family condominiums, or apartments that can be leased for relatively low monthly rents. This type of affordable housing often stays affordable as long as the market will allow. As Nantucket is well aware, market demand for luxury vacation homes can place tremendous pressure on these units, resulting in major renovations or demolition/reconstruction that effectively reduces the community's supply of affordable housing. Under a Massachusetts law that went into effect in 1969, however, all communities are supposed to have housing that is affordable to low-income households and remains affordable to them even

[48] HUD, Comprehensive Housing Affordability Strategy (CHAS) Data, retrieved from HUD/PDR.

[49] HUD, 2015 Income Limits, release date March 9, 2015.

when home values appreciate under robust market conditions. These units remain affordable because their resale prices and rents are governed by a deed restriction that lasts for many years, if not in perpetuity. Both types of affordable housing meet a variety of housing needs and both are important. The crucial difference is that the market determines the price of unrestricted affordable units while a recorded legal instrument determines the price of deed restricted units. There are other differences, too. For example, any household - regardless of income - may purchase or rent an unrestricted affordable unit, but only a low- or moderate-income household is eligible to purchase or rent a deed restricted unit.

CHAPTER 40B

When less than 10 percent of a community's housing consists of deed restricted affordable units, M.G.L. c. 40B, Sections 20-23 ("Chapter 40B") authorizes the Zoning Board of Appeals to grant a comprehensive permit to qualified affordable housing developers. The 10 percent minimum is based on the total number of **year-round housing units** reported in the most recent decennial census; for Nantucket, this currently means that 490 units out of 4,896 must be affordable (Census 2010). A comprehensive permit is a type of unified permit: a single permit that replaces the approvals otherwise required from separate city or town permitting authorities. Sachem's Path is an example of a Chapter 40B comprehensive permit development. Chapter 40B supersedes zoning and other local regulations that make it too expensive to build low- and moderate-income housing. By consolidating the approval powers of multiple town boards, the state legislature hoped to provide more low-income housing options in suburbs and small towns. Under Chapter 40B, the Zoning Board of Appeals may approve, conditionally approve, or deny a comprehensive permit, but in communities that do not meet the 10 percent minimum, developers may appeal to the state Housing Appeals Committee (HAC). Although comprehensive permits may still be granted after a town achieves the 10 percent minimum, the HAC no longer has authority to overturn a local board's decision.

Table 12. Nantucket's Chapter 40B Inventory (2015)

Development	Location	Housing Type	SHI Units	Restriction Expires	Subsidizing Agency
Miacomet Village I	3 Manta Drive	Rental	10	Perpetual	DHCD
Miacomet Village I	3 Manta Drive	Rental	12	Perpetual	DHCD
Miacomet Village II	Norquarta Drive	Rental	19	5/1/2047	FHLBB, RHS
Housing Authority	Benjamin Drive	Rental	5	Perpetual	HUD
Academy Hill School	Westminster St.	Rental	27	12/1/2016	MassHousing, HUD
Landmark House	144 Orange St.	Rental	18	2015*	HUD 202, RHS
Landmark House II	Orange St.	Rental	8	2041	FHLBB, HUD
DMH Group Homes	Confidential	Rental	5	N/A	DMH
Norquarta Drive	Norquarta Drive	Rental	2	Perpetual	DHCD
Dartmouth Street	Dartmouth Street	Rental	2	Perpetual	Town of Nantucket
Norwood Street	Norwood Street	Rental	1	Perpetual	Town of Nantucket
Irving Street	Irving Street	Rental	1	Perpetual	Town of Nantucket
Clarendon Street	Clarendon Street	Rental	1	Perpetual	Town of Nantucket
Abrem Query	2-4-6-8 Folger Ave	Own	7	Perpetual	FHLBB
Beach Plum Village	15-19 Rugged Rd; 6-8 Scotts Way	Own	3	Perpetual	MassHousing

Sources: DHCD, Housing Nantucket

The Massachusetts Department of Housing and Community Development (DHCD) maintains a list of the deed restricted affordable units in each city and town. Known as the Chapter 40B

Subsidized Housing Inventory (SHI), the list determines whether a community meets the 10 percent minimum. It also is used to track expiring use restrictions, i.e., when non-perpetual affordable housing deed restrictions will lapse. As shown in Table 12, Nantucket's SHI currently includes 121 affordable units, or 2.5 percent of the island's year-round housing unts. The 121-unit affordable housing inventory represents a 21-unit gain between 2000 and 2010: a fraction of the island's total housing growth of 2,400 units in the same period. Moreover, the affordable housing restriction for eighteen SHI units is scheduled to expire this year is at Landmark House, a HUD 202 development for the elderly. In addition, the restriction controlling twelve of the twenty-seven units at the Academy Hill School – also reserved for seniors - will expire near the end of 2016.

CONTINUUM OF AFFORDABLE HOUSING PROVIDERS

DHCD does not "count" all of Nantucket's deed-restricted housing on the SHI. In most cases this is because Nantucket's affordable units tend to be restricted for households with higher incomes than the state defines as low or moderate income. There are also developments with an approved comprehensive permit and partially under construction, but the SHI-eligible units have not been built or simply have not been added to the state's list. The following local initiatives to create affordable housing are either ineligible or not ready for listing in the SHI.

- **Housing Nantucket.** Twenty-four out of thirty-one rental units and fifty-six covenant homes for year-round residents with incomes up to 150 percent AMI.
- **Habitat for Humanity.** Six homeownership units and one currently under construction. Habitat is also scheduled to construct four of the affordable units at Sachem's Path.
- **Nantucket Housing Authority/Housing Assistance Corporation of Cape Cod.** Sachem's Path, a 36-unit homeownership development under construction on land owned by the Nantucket Housing Authority, will eventually generate eight SHI-eligible units. (The remaining twenty-eight units will be "Nantucket affordable," i.e., for households with incomes between 100 and 150 percent AMI.) The Town has made a considerable investment in Sachem's Path with Community Preservation Act (CPA) funds.
- **Nantucket Education Trust (NET).** Several years ago, the NET created twelve employer-assisted housing for teachers on Cow Pond Lane near the school complex. The project is not actually occupied by many teachers, but the units exist and they are available to the general public when there is not enough interest from school department employees. In 2015, the Cow Pond Lane units provide housing for four school department workers, three town employees, and five other Nantucket households unrelated to the schools.[50]
- **Town of Nantucket:**

[50] Caitlin Waddington, Nantucket Community School, by email, March 18, 2015.

- **Town:** One year-round welling at 38 Westchester Street, used as entry housing for department heads.
- **Department of Public Works.** Four year-round units for employees at the Surfside Wastewater Treatment Facility (one one-bedroom unit, one two-bedroom unit, and two three-bedroom units).[51]
- **Airport:** One year-round dwelling unit with six to eight beds.
- **Nantucket Police Department.** Seasonal housing at LORAN Station for summer reserve officers and community service officers; forty-two beds, including eight for female employees; and seasonal housing for lifeguards, including 47 Okorwaw Avenue (ten beds), 109 Washington Street Ext. (four beds), and 39 Washington Street (twelve beds).

- **Employer-Assisted Housing.** There is no comprehensive inventory of employer-owned housing on Nantucket, but several private employers are known to provide short-term or seasonal housing for their workers. One of the island's largest employers, **Nantucket Island Resorts, Inc.,** maintains 210 beds for seasonal employees of its five hotels and marina. Most of the beds are actually reserved for experienced hospitality workers returning to Nantucket for the summer season. Nantucket Island Resorts employs about 400 people at peak season, so the dormitory beds accommodate just a little over half of its seasonal workers.[52] The company also employs fifty-five to fifty-six year-round workers, all of whom depend on other privately owned housing on Nantucket. Other examples of employer-owned housing for workers include **Something Natural**, a popular sandwich and specialty foods shop owned by Selectman Matt Fee, which provides housing for approximately twenty-four of its fifty seasonal employees.[53] Other entities such as **Stop & Shop** are known to rent units to house their workers as well. The **Nantucket Cottage Hospital** owns twenty-six workforce housing units (combined total of 58 bedrooms) and leases seven additional units (21 bedrooms).
- **The U.S. Coast Guard** owns ten three-bedroom units at Gouin Village and at LORAN Station, eight three bedroom and two four bedroom units.
- **Rental Assistance Program.** Nantucket's **Interfaith Council** provides temporary financial assistance to help year-round renters with housing emergencies due to family illness, loss of work, or other unforeseen conditions, or to help them move from substandard units to safe, decent, year-round housing. Since there are no shelter facilities for the homeless on Nantucket,

[51] Kara Buzanoski, Nantucket DPW Director, by email, March 18, 2015.

[52] Nantucket Island Resorts, interview, January 19, 2015.

[53] Matt Fee, interview, January 18, 2015.

the Rental Assistance Program plays a critical role in helping to prevent homelessness with a flexible "stop-gap" subsidy. To qualify for help, renters must have lived on Nantucket for at least two years, have some source of employment, and live in legal (code-compliant) housing. Many applicants live in illegal units, so they can receive help only if they move to better housing. In a given year, the Rental Assistance Program helps sixty to seventy households with an overall program budget of approximately $150,000.

While the Town, non-profit organizations, and local employers have taken steps to provide affordable housing, the existing level of effort and the existing approaches are not enough. The present inventory of deed-restricted units does not begin to meet Nantucket's needs for affordably priced units at all market levels, from households with very low incomes to those earning somewhat more than the maximum for the Nantucket Housing Needs Covenant Program. There are about 500 renter households with incomes in a range that might qualify for a covenant homeownership unit (generally 80-150 percent AMI), but the program currently includes just fifty-six units, most of which were created from conveyances that occurred on the eve of the last recession (pre-December 2007). A unit-by-unit approach like that of the covenant program makes sense for growth management and housing preservation reasons, but it is not an efficient way to create housing for people who need it.

In addition, while the Town of Nantucket has created or otherwise provides for some housing for municipal and school employees, the majority of units established through Town-sponsored or Town-supported efforts are actually not workforce units; rather, they are for seniors. It must be very difficult for elderly residents who spent their working years as Nantucket homeowners or renters, only to find themselves without suitable, affordable housing in retirement. Projects like Academy Hill Apartments and Our Island Home play a vital role in preserving age and income diversity on Nantucket. Town-sponsored workforce housing should complement, not compete with, these other humanitarian programs.

However, short of significantly increasing its housing supply, Nantucket will not be able to address the needs of any of the groups that need housing priced appropriately for their means – including but not limited to the people in the workforce. The existing supply is inadequate, and as numerous past studies and reports show, the supply has been inadequate for a very long time.

Affordable Housing Goals

The Department of Housing and Community Development (DHCD) encourages cities and towns to prepare, adopt, and implement an affordable housing plan that demonstratesan annual increase in units eligible for the Subsidized Housing Inventory equal to or greater than 0.50% of the community's year-round housing units. For Nantucket, this means 24 units per year to meet its production goals through 2020. If DHCD certifies that Nantucket has met its annual production goals, the Board of Appeals may deny comprehensive permit applications without opportunity for appeal by developers.

Using the strategies described in Chapter 3, Implementation Strategies, Nantucket has developed a Housing Production Plan to chart affordable housing production activity over the next five years. The projected goals are targets the Town has set based on best available information. There could be considerable fluctuation from year to year, but ultimately the purpose of this Housing Production Plan is to increase Nantucket's Subsidized Housing Inventory (SHI) by at least 120 new SHI-eligible housing units between 2016 and 2020. The goals are based largely on the following principles.

PRINCIPLES

- To the greatest extent possible, at least 50 percent of the units that are developed on Town-owned land should be affordable to households with incomes between 50 and 80 percent of area median income (AMI) and at least another 10 percent affordable to those earning up to 150 percent area median income, depending on project feasibility.

Comment [jk11]: Impact on 6 FG?

- Rental developments will include some units for households earning at or below 60 percent of AM or lower, depending on subsidy program requirements.

- Developers will be encouraged to produce new affordable housing through the Town's standard regulatory procedures or cooperative comprehensive permits. The Town will continue to work with private developers to improve their proposals, acculturate them to community interests in Nantucket, and increase affordability above and beyond the required 25 percent for a comprehensive permit. The Town should be prepared to provide CPA or housing trust funds to write down the cost of rental units, wherever appropriate.

- The Town will work with private developers to promote a diversity of housing types directed to different populations with housing needs including families, seniors, and individuals with disabilities, thereby offering a wider range of housing options for Nantucket residents.
- The Town will work to provide a variety of types of affordable housing, appropriate to the needs of Nantucket residents and the region. The mix should include both rental and ownership; detached single family homes and compact development options (duplex, quads, townhouse, etc.); housing for families and individuals of all ages and units tailored specifically to the needs of senior citizens and those with special needs.
- Nantucket will seek opportunities to combine affordable housing with open space protection through limited development on parcels acquired for conservation.
- Distribute affordable housing equitably throughout the town seeking development in accordance with the State's smart growth policy and incentives. Residential growth in general, however, should be channeled to those areas that can sustain higher densities.
- Encourage a range of incomes in multi-family developments (5+ units), unless restricted by funding source. Smaller projects (1-4 unit structures) may, as appropriate, serve entirely income-eligible households.
- Seek opportunities to expand the supply of affordable housing within the existing built environment through adaptive reuse of non-residential structures and increased density in existing residential properties.

Comment [jkl2]: What does this mean?

Comment [jkl3]: Is this a CPC reference?

Comment [jkl4]: May be unrealistic,

QUALITATIVE GOALS

Goal 1. Increase variety of housing options, particularly in and adjacent to commercial centers and services.

Goal 2. Create rental affordable housing for low- and very-low-income households.

Goal 3. Promote construction of new smaller homes, especially as permanently affordable homes for low-income families.

Goal 4. Work with the island's large employers to increase the supply of employer-assisted housing, both for seasonal and year-round workers.

Goal 5. Conduct community outreach and education about the needs for affordable housing in Nantucket.

Goal 6. Support aging in the community by expanding affordable housing options for seniors.

Goal 7. Preserve the Town's existing affordable housing through monitoring and enforcement of affordable housing deed restrictions.

QUANTITATIVE GOALS

HOUSING PLAN PRODUCTION GOALS 2016-2020			
Income Targets	**Estimated Number of Units**	**Tools**	**Potential Methods**
50-80% AMI	10 Homeownership 60 Rental 20 SRO (Rental)	Town Land LIHTC HOME Housing Trust CPA Chap ter 40B	• New development • Conversion of obsolete commercial spa c e • Development of underutilized land
30-50% AMI	30 Rental	LIHTC Section 8 PBA Housing Trust CPA Chap ter 40B	• New construction
Total	120		
	Homeo wnership: 10 Rental: 110		

Implementation Strategies

1. Provide adequate, predictable funding to subsidize low- and moderate-income housing, both for development and tenant assistance.

Nantucket Town Meeting recently approved a home rule petition to establish an affordable housing bank that would be funded with revenue from a 1 percent transfer fee on property sales over $2 million. Town officials estimate that the transfer fee would yield about $2.6 million per year. The funds would be administered by Nantucket's Affordable Housing Trust (NAHT). The home rule petition is crucial for Nantucket because the funding needed to create meaningful, lasting affordable housing options exceeds what can be obtained from sources like the Community Preservation Act. Town meeting also appropriated $1 million in the capital budget for the NAHT to work with in the coming year, which is a remarkable achievement.

2. Develop affordable housing on Fairgrounds Road.

Comment [jk15]: SHI list qualifying housing?

In 2012, the Town acquired property on Fairgrounds Road for construction of affordable housing, mainly for town employees. To date, the project has been stalled for a variety of reasons, including differences of opinion about what kind of housing should be built on the site and for whom, and what the Town's role should be. There are scores of examples of affordable housing on town-owned land in Massachusetts. It is probably one of the easiest strategies for increasing the supply of affordable units in any city or town. The Massachusetts Housing Partnership maintains an inventory of land disposition Requests for Proposals (RFP). In Nantucket's case, the best approach will be one that provides a variety of unit types and is designed to accommodate both year-round and seasonal municipal workers.

3. Build capacity to develop mixed-income and affordable housing through partnerships with seasoned non-profit developers.

Develop a working partnership between Housing Nantucket and an experienced non-profit or for-profit developer with a track record for "friendly" mixed-income housing developments in other communities. Non-profit examples: Neighborhood of Affordable Housing (NOAH) or The Community Builders in Boston, or Housing Assistance Corporation on the Cape. For-profit examples include Beacon Communities.

4. Build local capacity: Nantucket Affordable Housing Trust

In order to carry out the strategies included in this Housing Production Plan, it will be important for Nantucket to build its capacity to promote and carry out affordable housing development and monitor and enforce affordable housing deed restrictions. Having capacity includes gaining access to greater resources – both financial and technical – as well as building local political support, developing partnerships with public and private developers and lenders, and creating and augmenting local organizations and systems that will support new housing production. This Housing Production Plan incorporates an organizational structure for implementing the strategies and continued oversight of housing policy and initiatives in Nantucket. At the center of this structure is the Nantucket Affordable Housing Trust.

Comment [jk16]: How did the consultant reach the conclusion making the AHTF responsible for implementing the the plan, and oversight over housing policy and initiatives. It appears to be broader than the scope from the 2009 ATM. For example, the AHTF does not have oversight over the 4FG project, or TON employee housing.

Statutory Purpose and Powers

At the 2009 Annual Town Meeting, Nantucket voted unanimously to accept G.L. c. 44, §55C and establish the Nantucket Affordable Housing Trust (Trust). Per G.L. c. 44, §55C, the statutory purpose of the Trust is ". . . to provide for the creation and preservation of affordable housing in municipalities for the benefit of low- and moderate-income households." The statute also includes sixteen specific powers granted to the Board of Trustees (Board) that require no further action or authorization from other municipal bodies (including Town Meeting and Board of Selectmen). The key powers are briefly summarized as follows:

Comment [jk17]: These powers were modified at the 2016 ATM requiring BOS approval for any expenditure from the $1M, I also believe there is a $100K cap on expenditures from other sources.

- Accept and receive real property, personal property, or money, by gift, grant, or contribution including money, grants, and Community Preservation Act funds.
- Purchase and retain real or personal property, including investments.
- Sell, lease, convey, etc. any personal, mixed, or real property at public auction or by private contract.
- Execute deeds, assignments, transfers, etc., related to any transaction of the board for the accomplishment of the purposes of the Trust.
- Employ advisors and agents, such as accountants, appraisers, and lawyers.
- Borrow money and mortgage and pledge trust assets as collateral.
- Manage or improve real property.
- Abandon any property the Board deems appropriate.

Trust's Mission

The Trust's mission is "to provide for the creation and preservation of affordable housing in the Town of Nantucket, preferably in perpetuity, as a general policy, but subject to exceptions where it is practicable and reasonable to do so, for the benefit of year-round low and moderate income households who would otherwise have difficulty financial or otherwise, locating housing on Nantucket."

Source and Uses of Trust Funds

The Trust has generated revenue from two awards of Community Preservation Act Funds. The first award was in 2010 for $525,789 for the "creation of affordable housing in numerous ways." The second award was in 2012 for $160,000 for the construction of two dwelling units at 7 Surfside Road.

In 2010, the Trust funded the property acquisition at 7 Surfside Road, which was developed with a single-story one-bedroom dwelling unit. The Board vetted a variety of plans including increasing density of the site with multiple units and ultimately decided to issue a Request for Proposals (RFP) in 2014 for the acquisition and continued management of the site for affordable housing purposes. The Board awarded the property to Housing Nantucket, a private, non-profit organization, for $1. Housing Nantucket is working to develop the property with a total of four dwelling units (including the existing single-family house and three relocated single-family houses).

Eligible Uses of Trust Funds & Legal Considerations

Uses of Trust funds must comply with the statutory purpose of the Trust – the creation and preservation of affordable housing for the benefit of low- and moderate-income households. The following briefly summarizes eligible activities for creation and preservation – for a more detailed description and examples, please refer to the Massachusetts Housing Partnership's *Municipal Affordable Housing Trust Operations Manual* (MHP Manual).

- Creation. Activities to create, or produce, affordable housing include the following:
  - New construction of affordable housing
  - Rehabilitation of existing buildings to convert to affordable housing (could include conversion of surplus town buildings, such as surplus schools or libraries, or privately-owned buildings, such as former churches)
  - Purchase of existing market rate residential units, rehabilitation if necessary for health and safety purposes, and resell as affordable housing
  - Establish homebuyer assistance program to convert market rate units to affordable units

- Preservation. Preservation of affordable units refers to initiatives to perpetuate existing affordable units in light of restrictions that would otherwise expire. Preservation is sometimes also described as physically preserving the condition of existing affordable units, however it is unclear if this is the intent of the statute. Note that CPA funds cannot be used for rehabilitation until the property was previously acquired or created using CPA funds.

- Low- and Moderate-Income. Since the Trust statute doesn't offer a definition of the term "low- and moderate-income" the MHP Manual advises Boards to use their judgment and consult other definitions commonly used in state and federal programs. It may be wise to consult with municipal counsel if the Board choses to a definition that is not commonly used in state and federal program. It is unclear, for example, if the income limits that apply to the Nantucket housing needs covenants, which is defined as "middle income" at less than 150% of Nantucket county median household income, would be eligible for Trust funds.

Community Preservation Act and the Trust

As it currently stands, the Board is viewed as a candidate to apply for CPA funds. In the past, the Board applied and received CPA funds twice (2010 and 2014). These funds were primarily used in relation to the 7 Surfside Road property acquisition and proposed development project. However, there are three primary models for CPA allocations to housing trusts in Massachusetts:

- Model #1: Trust as housing arm of the CPC. CPA funds allocated for housing are included in annual budget to the Housing Trust. No annual application is necessary. CPC and Trust membership may overlap, which can increase regular communication and collaboration. This model has an expectation of standard designated percentage allocation of CPA funds to the Trust annually, which would consist of all intended CPA housing funds. Housing applicants would apply solely to the Trust.

- Model #2: Hybrid. Standard Percentage Allocation and Ability for Additional Allocations. Trust budgeted to receive a standard % and applies for additional funding on as-need basis based on anticipated project or programs. CPC and Trust membership may or may not overlap in this model. Somerville is an example of this model where there CPC and Trust membership does not overlap but the Trust receives a percentage (roughly 45%) of CPA funds and Trust may request additional allocations, as needed.

- Model #3. The Housing Trust submits an application to the CPC for CPA funds based on a specific project or program or an annual Trust budget that includes general Trust-initiatives anticipated. This model is most typical in smaller communities where housing activity is low. Developers can apply separately to the CPC and the Trust for local housing funds (with

possibly little or no coordination between the CPC and Trust in reviewing the separate applications). The trust cannot rely on CPA funds as a consistent revenue stream, which creates uncertainty year-to-year.

Trust capacity

- Fund Balance. [We need the current fund balance and source of funds.]
- Staffing Support. The Trust has administrative support from the one of the Administrative Specialists in the Town's Planning and Land Use Services Department. In addition, the Director of Planning provides professional support on an as-needed basis. The Town's part0time Housing Coordinator is also a member of the Housing Trust.

Scope of Work and Approach

The consultant team worked with the Board to conduct a two-part prioritization process to gather the Board members' opinions about where the Trust is succeeding or failing, and what direction it should take in the future to achieve the Trust's mission.

- Board Survey in December 2016

The first part, conducted in December 2016, was a survey consisting of two parts. The first question, "How well have these Trust-funded initiatives addressed local housing needs?", asked respondents to consider how the Trust's use of funds has supported local housing efforts. The second question asked, "How important is it for that the Trust continue to pursue these initiatives?".

Past initiatives the Board ranked highest for addressing local housing needs:

1. Development of housing at 7 Surfside Road
2. Acquire real property for new housing
3. Create in-law apartments with affordability restrictions
4. Matching funds under the Housing Innovations Fund (HIF)

Initiatives the Board indicated as most important to pursue:

1. Acquire real property for new housing
2. Rehab public/private property to convert to affordable units (mixed income)
3. Develop multi-family housing at Fairgrounds Road site
4. Homebuyer program
5. Preserve expiring use properties
6. Convert non-residential properties to affordable housing

- Board Discussion Exercise in February 2016

The Board members at the February 19, 2016 Trust meeting participated in a discussion exercise that tied into the consultants' presentation tips to work on things that matter, support good projects, and clarifying the trust's role in relation to other housing entities.

First the Board discussed the six priority initiatives identified through the survey in December and answered the following questions:

- What opportunities, barriers, and compromises might be presented through each of these initiatives?
- If you could only focus on three of these initiatives, which three might be most effective to address local housing needs?
- The Board also discussed the following questions:
- What criteria should the trust consider when selecting initiatives to fund?
- How could the trust be best positioned to advance effectiveness of local housing initiatives and avoid redundancies? Put another way, how the trust can either fill an unmet need or reinforce/expand the work already being done by others?

The results of the Board's discussions indicated support to prioritize funding for projects that create units to count on the state's Subsidized Housing Inventory through the following priority initiatives:

- Continue to advocate for development at 4 Fairgrounds Road and utilize Trust funds to support the development, if needed.
- Foster projects on private land that do not require property acquisition, such as buy-down of units in private development projects.
- Establish a homebuyer program to convert existing market-rate houses to affordable houses.

Strategic Assets

The Trust has great potential to be an effective advocate for local affordable housing initiatives and make measurable gains in the production of affordable housing.

- Revived Board of Trustees with new membership with deep roots in the Nantucket community and highly relevant skills and experience
- Town staffing support including clerical staff and the planning director
- The island's housing needs are well documented
- Available funding sources include the CPA and other Town funds

Strategic Challenges

The Trust also faces significant challenges to effectively advocate for local affordable housing initiatives and make measurable gains in the production of affordable housing.

- The Trust has limited capacity - lacking dedicated professional planning staff and a consistent revenue stream.
- The extensive affordability gap and extent of housing needs on Nantucket presents significant challenge for all entities working to achieve housing affordability on the island.

Actions to Build the NAHT's Capacity

Based on the Board's analysis of its strategic challenges and assets through this process and the key findings of the housing needs assessment:

- Review the Trust's mission and create a strategic action plan. The Board could benefit from creating a strategic action plan that engages Town officials and the broader community in helping the Board review its mission, identify goals and priority initiatives, and refine understanding of its role. A strategic action plan can organize and guide the Board's efforts to best achieve priority initiatives and would include an implementation plan and a multi-year budget.

- Focus Trust funds to address documented housing needs. When formulating a strategic action plan, it will be important to base the plan on documented housing needs. As is well documented in this Housing Production Plan (which is based on the 2015 Workforce Housing Needs Assessment), Nantucket's most critical housing needs are for rental units affordable for very low-income households (at or below 50 percent AMI) and year-round rental units at all market levels. To a lesser extent, low-income and middle-income homeowners need assistance with homeownership costs, too.

- Identify the Role of the Board of Trustees. Especially with regard to its role with the CPC, the Board should work to clarify its role within the municipality. Town housing efforts should be coordinated to reduce redundancies and increase the efficiency and effectiveness of local initiatives. The CPC and the Trust are two arms of the same body – the Town of Nantucket – and all municipal efforts to address local affordable housing needs should be integrated and coordinated to achieve the best results. The Board and CPC should work together to determine an appropriate approach for allocation of CPA funds to the Trust – as explained above, there are three primary models that other communities have adopted that can help to guide discussions. Developing a strategic action plan can help foster such discussion and consideration.

Sources of Funds & Financial Sustainability.

The Trust would benefit from a regular and reliable source of revenue. The most likely and readily-available source of revenue is Nantucket's Community Preservation Act funds. The CPC and Board should work together to reexamine the apportionment of funds committed to affordable housing initiatives under the Community Preservation Act. Nantucket Town Meeting has also voted to pursue special legislation for a "housing bank," similar to the Nantucket Land Bank, so the Town can collect a transfer fee on property sales over $2 million. Furthermore, Town Meeting supported a capital request for $1 million for affordable housing activities, also to be administered by the NAHT.

In addition to ensuring a regular and reliable source of revenue, the Board should consider allocating its funds as an interest-free repayable loan or shared-equity agreement to strengthen long-term financial sustainability of the trust. Such repayable loans could be used for short-term financing for acquisition or development soft costs or longer term gap financing, which can help leverage state, federal, and private money. A shared-equity agreement is an arrangement that allows the Trust to share profit in a project if above a stated-threshold. For example, the Groton Affordable Housing Trust contributed $400,000 to a development of affordable housing and executed an Investor Agreement that entitles the trust to receive 33.3 percent of any project profit.

Each funding source has restrictions and requirements for uses of funds. Certain programs and projects may not be eligible under all funding programs. Also, the Board must account for its use of funds by original funding source and must be prepared to demonstrate that the funds were used in compliance with the requirements of each funding source.

Board Training

A housing trust, as a municipal body, is subject to procurement, designer selection, and public construction laws as well as the state and federal fair housing laws, state's Open Meeting Law, Conflict of Interest Law. The Board should have a high degree of familiarity with these various laws to ensure compliance and understanding of various nuances of the laws. For example, regarding the state's procurement laws, G.L. c.30B regulate real property disposition, lease, or acquisition, however CPA-funded acquisitions (not dispositions) are exempt from c.30B s.16 provisions. The Board member could benefit from training either by bringing in expert guest speakers to Board meetings and/or sending members to the various trainings offered regularly throughout the state such as those offered by the Citizen Planner Training Collaborative, MA Department of Housing and Community Development, Massachusetts Housing Partnership, Massachusetts Association of Planning Directors, and the like.

Strategic Management

The Board's regular meetings will naturally be mostly focused on immediate responsibilities and achieving next steps on current initiatives. Strategic planning and management requires dedicated time where achievement of longer-term goals and objectives can receive regular attention. Toward this aim, the Board should will hold biannual strategic planning meetings per year, where the majority of the agenda is devoted to evaluating progress toward meeting Trust goals and developing implementation plans to stay on track.

Strive for an early success

The Board has recently been reconstituted with many new members. To help build momentum, it will be important for Board to strive for an early success as a way to demonstrate its effectiveness in furthering local affordable housing initiatives. If such a first success could be tied directly to the Board's efforts rather than an ongoing project, this may bolster the Board's demonstration of effectiveness.

If the Board adopts this strategic approach, it would continue to advocate for development at 4 Fairgrounds Road and possibly utilize some Trust funds to support its development, if needed, but would focus its energy on an initiative that it can spearhead directly. Two possible initiatives that Board members prioritized in its recent work with the planning consultants for this Housing Production Plan may present possibilities for an early success:

- Foster projects on private land that do not require property acquisition, such as buy-down of units in private development projects. For example, allocate trust funds to lower the price of units that are proposed to be affordable to households at 70-80 percent AMI to a price affordable to households below 50 percent AMI.
- Establish a homebuyer program to convert existing market-rate houses to affordable houses.

Note that each of these ideas may pose issues that could hamper success: 1) Buying down units in private development projects substantially relies on timing of the opportunity as well as receptiveness from the developer and 2) A homebuyer program is likely to be cost-prohibitive given the Nantucket's housing prices. However, there are active comprehensive permit applications before the Zoning Board of Appeals and it is possible that buying down proposed affordable units in a pending proposal may pose an opportunity for the Board's immediate consideration. The Board should give serious consideration of these and possibly alternative/additional initiatives to undertake as part of a five-year strategic action plan.

Establish funding thresholds and underwriting criteria

To lay a foundation for the Trust to become an essential resource for addressing the need for affordable housing on Nantucket, the Board should adopt funding thresholds and underwriting criteria to ensure that its limited resources are utilized in the most effective manner possible.

- Funding Thresholds. The purpose of funding thresholds is to guide the Board's evaluation of potential initiatives to fund and help in its deliberations. Note, the following thresholds roughly follow the state's Affordable Housing Trust Fund thresholds in concept, but these have been tailored to local circumstances and housing needs.
- Consistency with Nantucket's Community Development and Preservation Goals, e.g., Nantucket Master Plan, Housing Production Plan, Workforce Housing Study, and other relevant community plans and policies.
- Consistency with Fair Housing. Allocation of Trust funds will be limited to initiatives that affirmatively encourage equity, promote housing choice, enhance mobility, and promote greater opportunity.
- Term of Affordability. Strive to produce affordable housing with an affordability term for as long as possible under the law and given the realities of the nature of projects/initiatives. For example, a homeownership project that utilizes the state's Universal Deed Rider would be affordable in perpetuity, whereas a buy-down of rental units in a private development project is likely to have a fixed term for a specified number of years (for example, 30 years).
- Targeted Affordability. Consider targeting the use of Trust funds to address Nantucket's most critical housing needs – namely, production of rental units affordable to households at or below 50% AMI.
- Financial Feasibility. Each Trust funded initiative should be evaluated with respect to financial feasibility, however consider flexibility to allow for the Trust funds to be used as the first dollars in on a case-by-case basis when demonstration of local support is beneficial at early stages of a project.
- Leveraging Trust Funds. Although, the Trust funds may sometimes be used as first dollars, it is critical to prioritize funding for initiatives that demonstrate substantial leveraging of trust funds with other public and/or private funds to ensure Trust funds have maximum impact to address Nantucket's housing needs.
- Regeneration of Trust Funds. Give preference to funding structures that will help to regenerate Trust funds to ensure long-term viability of the trust and expand its financial capacity to have

maximum impact. Such mechanisms to consider include short-term loans, longer-term gap financing loans, and shared-equity agreements.

Underwriting Criteria

The Board should adopt underwriting criteria for trust-funded development initiatives to ensure the Board appropriately fulfills its fiduciary responsibility as trustees of the trust. Standard underwriting criteria includes: maximum award amounts, approval of permits and any other government approvals, award terms, maximum developer and contractor profits and overhead, etc.

Advocacy Role

In addition to fostering initiatives to create or preserve affordable housing, the Board should advocate for creation and preservation of affordable housing on Nantucket and inform town official, residents, business owners, and the general public about the need for affordable housing and its community benefits. This could include advocacy and support for the Town's potential project on the Fairgrounds Road property as well as other projects and initiatives that meet local affordable housing needs.

5. Make better use of Chapter 40B to create affordable housing for working families.

Nantucket should continue to actively pursue partnerships with non-profit and for-profit developers that have collaborated with cities and towns on so-called "friendly" Chapter 40B developments. Nantucket could also provide financial support to friendly Chapter 40B developments (as was done for Sachem's Path). Examples of potential funding mechanisms could include purchase price buydowns of affordable units from 80 percent AMI or market-rate units to 150 or 120 percent AMI. A purchase price buydown subsidizes the difference between an asking price and a price that is actually affordable to a low, moderate, or middle-income homebuyer.

6. Evaluate options for regulatory reform.

Nantucket has taken steps to increase the housing supply in ways that should produce modestly priced housing even if not deed restricted, e.g., the multifamily overlay district, the recently enacted tertiary unit program, and relaxation of requirements for accessory apartments. The Town could also consider some options that have been pursued in other communities:

- Remove Barriers to Supply. Nantucket's present zoning imposes large-lot requirements on over 70 percent of the island. The desire to limit growth in rural areas makes good planning

sense, but there needs to be offsetting development incentives – with or without affordability restrictions – in areas close to goods and services.

- Inclusionary Zoning. Work with for-profit and non-profit developers to design an inclusionary housing bylaw that could work throughout or within selected areas of any high- or moderate-density zoning district. Inclusionary zoning is a bylaw that requires or provides incentives for developers to create affordable housing as a part of market-rate developments, either by including affordable housing in the development, building it off-site, or contributing land or money to a housing trust fund in lieu of construction. In Massachusetts, it was pioneered successfully in three cities – Brookline, Cambridge, and Newton – and has gradually spread to suburban areas, but with mixed results. Due to Nantucket's very high land costs and seemingly relentless market interest in seasonal homes, inclusionary zoning will never provide a "cure-all" for the island's workforce housing needs. By the same token, Nantucket has the basic ingredients found in most inclusionary zoning programs in the U.S.: strong housing demand and high housing costs that can provide an internal subsidy.

  Nantucket currently gives the Planning Board special permit authority to require inclusionary housing units in major commercial developments. Consideration should be given to imposing an actual requirement in commercial, multifamily, or higher-density districts and giving the Planning Board authority to waive the requirement in exchange for a reasonable alternative, e.g., a cash contribution to the Town's housing trust.

7. Pay attention to fair housing concerns, especially in light of HUD's Affirmative Furthering Fair Housing regulations and the "disparate impact" case, Texas Housing and Community Development v. Inclusive Communities Project, Inc.

In 2015, HUD released new Fair Housing Act regulations based on a proposed rule published in 2013 ("Affirmatively Furthering Fair Housing; Proposed Rule). The regulations directly affect recipients of HUD grants and also have the potential to affect other communities through what is known as a "cross-cutting" impact on federal funds for other purposes, e.g., transportation, education, library, and so on. Nantucket should develop and adopt affirmative fair housing policies to guide the use of Town-owned resources (land, buildings, or funding) in order to ensure non-discrimination against groups protected under the federal Fair Housing Act, e.g., families with children, people with disabilities. The Town could embrace a policy similar to that recently adopted by state (providing for a minimum percentage of three-bedroom units in any given development).

General Comments:

1. I'd like to see more implementation strategies beyond the purview of the AHTF. Of the 15 pages of recommendations, 11 pages referred solely to the AHTF. Where are the specific recommendations for collaboration with employers, C of C, non-profit housing

Formatted: Numbered + Level: 1 + Numbering Style: 1, 2, 3, … + Start at: 1 + Alignment: Left + Aligned at: 0.32" + Indent at: 0.57"

agencies, foundations, to name a few? Let's tap the talent from the ranks of our seasonal reseidents, who include CEOs of the largest real estate development firms/hotels regionally and nationally.

2. Should we have a take away as a conclusion…what message should readers of the plan remember? If I were considering moving my family and/or my business to Nantucket, I would read this plan as part of my due diligence. I didn't see much that gives me comfort as a potential employer/resident. Let's be aspirational, paint a picture of housing on Nantucket in the future. The economic base will shift in the next decades, let's be sure our housing plan offers hope to those building the economic base for tht future.(Jim Kelly)

Catherine Ancero

From: Tucker Holland [acktownconsultant@gmail.com]
Sent: Saturday, May 07, 2016 8:05 AM
To: Renee Ceely; Anne Kuszpa
Cc: Libby Gibson; Andrew Vorce; Linda Williams; Catherine Ancero
Subject: Fwd: Nantucket Housing Production Plan
Attachments: Nantucket Draft HPP 05-2016.pdf

Hi Renee and Anne,

Please see below and attached. If you would provide your comments to this initial draft to Catherine Ancero, cc-ed here, by this Wednesday at 6pm, that would be helpful. Thank you in advance.

Best,
Tucker

Tucker Holland
Independent Housing Consultant
Town of Nantucket

cell: 802-233-3177
e-mail: acktownconsultant@gmail.com

---------- Forwarded message ----------
From: **Tucker Holland** <acktownconsultant@gmail.com>
Date: Fri, May 6, 2016 at 9:36 AM
Subject: Nantucket Housing Production Plan
To: Judi Barrett <jbarrett@rkgassociates.com>
Cc: crs@rkgassociates.com, Libby Gibson <LGibson@nantucket-ma.gov>, Andrew Vorce <avorce@nantucket-ma.gov>, Linda Williams <czarinalinda@comcast.net>, Jennifer Goldson <jennifer@jmgoldson.com>

Hi Judi,

Thank you for sending a first draft of the HPP for Nantucket. While the missed deadlines in our receiving it were not ideal (we trust you understand it would have been most helpful if you could have communicated these delays in advance), we now have something to review and initially comment on, which is helpful.

We would like to ensure that we are all on the same page regarding bringing this to completion.

We understand that you previously have committed to come to Nantucket on May 23rd to to meet with AHTF. In order to make the most of that visit, and to stay on-track with the June local adoption timeline for the HPP, we are planning to proceed as follows:

- We have distributed the initial HPP draft to the Town Manager, Board of Selectmen, Director of Planning, Deputy Director of Planning, Planning Board and Affordable Housing Trust Fund for initial comment / questions / suggestions.

- We are also distributing to the Housing Authority and Housing Nantucket for their comments.
- We are asking for initial feedback from all these readers by next Wednesday (5/11).
- The AHTF is meeting next Thursday (5/12) and plans to consolidate this feedback with its own into a single communication which we will send to you on Friday (5/13).
- We would like to receive a revised draft, incorporating the feedback we provide along with those missing elements from the draft which you note below, by the following Friday (5/20).
- This will allow us to review a complete document and be prepared for our meeting with you on Monday, May 23rd.

From there, if tweaks are necessary coming out of the May 23rd discussion, we anticipate those could be made expeditiously such that a new draft could be recirculated more widely in advance of taking up formal adoption in June.

Of course, there may be some final revisions along the way.

We'll assume the above is consistent with your thinking and that we can count on it unless we hear otherwise.

As you know, this is top priority here in Nantucket and all eyes are on this subject at present. This is a great time and opportunity to advance this important issue on Nantucket.

Thanks, Judi.
Tucker

Tucker Holland
Independent Housing Consultant
Town of Nantucket

cell: 802-233-3177
e-mail: acktownconsultant@gmail.com

---------- Forwarded message ----------
From: **Judi Barrett** <jbarrett@rkgassociates.com>
Date: Thu, May 5, 2016 at 6:03 AM
Subject: Nantucket HPP draft
To: Tucker Holland <hhgofourth@gmail.com>

Tucker,

Many apologies. I had planned to spend most of yesterday at the office editing and adding to this draft, but it didn't work out that way. Nantucket isn't the only town with "hot button" Chapter 40B developments underway. I am the 40B technical assistance consultant for some towns that are having a very hard time with the comprehensive permit process. It has been a rough winter for several communities.

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Thanks for your patience.

Economic Planning and Real Estate Consultants

Judi Barrett

Director of Municipal Services
1359 Hancock St Suite 9
Quincy, MA 02169
Tel: 617-847-8912

Cell: 617-455-8641
Email: jbarrett@rkgassociates.com

Website: www.rkgassociates.com

Catherine Ancero

From: Matt Fee [mfee@nantucket-ma.gov]
Sent: Friday, May 06, 2016 1:16 PM
To: Libby Gibson
Cc: Catherine Ancero
Subject: Re: Nantucket HPP draft

Importance: High

Comments.

Page 5. High household income should be clarified right up front. Residents average income is not high, as is explained on page 29.

Land Bank has constrained supply of land and made Nantucket more desirable. Fortunate we have it. Studies have shown that open space pays, and development costs a community. (Just look at the nearly half billion of capital overrides we face after 30 years of high growth.) TON would be in worse financial shape without Land Bank.

Page 10. Foodservice and hospitality is not primary driver as described. It is support services (landscaping, cleaning, painting, etc.) and construction, and later charts prove this. Many of these jobs are almost year round, and a high percent are under the table. Which explains why we have close to 20,000 year round residents and a strong hidden economy.

Could we find a way to have affordable employee units credited toward our housing supply? If there was a way to do this, with a buy down or property tax credit, perhaps businesses would do it.

Page 34. Comp Plan did consensus building, it was one of the best attended, diverse activities we undertook. What people strongly favored was spreading housing throughout the island. This was not just about growth management and housing preservation. We need to consider zoning changes and incentives that will encourage permanently affordable housing throughout the island.

The unit by unit approach will work if the proper incentives are created. For example, if we returned second dwellings to their original purpose which was for year round residents to house family members and prohibited them for all other uses unless there was a permanent year round affordability covenant we would slow the creation of seasonal vacation housing which is driving the demand for employees and services.

One possible way to encourage more affordable second dwellings is to waive the sewer connection fees, and pay a supplement of say $10,000 for each unit created that is permanently restricted. Homeowner saves $25,000 in construction costs. A $500,000 investment pool would potentially create 50 units.

Page 49. Tackling affordability by increasing supply, as our recent zoning changes envision will prove ineffective. Demand from outside is too great. And voters will tire of the negative impacts development causes. Old South Road already backs up 45 minutes on busy summer days. Property taxes are already estimated to increase about 25% five years from now.

Any increase in density should require a percentage of new homes have permanent guardrails on price. And it still should be discouraged in country areas, which will be expensive to provide services. The town and country aspect of our Master Plan should be emphasized throughout this document, because the pressure for 40B

developments in the large lot island edges will continue, especially since ATM just voted to place the cost of sewer extensions solely on the tax base.

Thanks

Matt

On May 5, 2016, at 1:34 PM, Libby Gibson <LGibson@nantucket-ma.gov> wrote:

fyi

C. Elizabeth Gibson
Town Manager
Town of Nantucket
(508) 228-7255

From: Catherine Ancero
Sent: Thursday, May 05, 2016 1:23 PM
To: Libby Gibson
Cc: 'Hudson Holland'; Leslie Snell; Andrew Vorce
Subject: FW: Nantucket HPP draft
Importance: High

Hi Libby-
I was asked to forward this to you. Please see email below and attachment. Any questions, suggestions or thoughts regarding attachment please to make sure that I have it by **WEDNESDAY, MAY 11, 2016 BY 6PM** THE LATEST.

Thank you,

Catherine Ancero,
Administrative Specialist
Planning Board
Town of Nantucket

Planning and Land Use Services (PLUS)
Planning Board Office
2 Fairgrounds Road
Nantucket, MA 02554

Telephone#: 508.325.7587 (PLUS) Ext. 7008
Facsimile#: 508.228.7298

Email: cancero@nantucket-ma.gov

Town website: http://www.nantucket-ma.gov

<image002.png>

From: Hudson Holland [mailto:hhgofourth@gmail.com]
Sent: Thursday, May 05, 2016 1:14 PM
To: Catherine Ancero
Cc: Andrew Vorce; Leslie Snell
Subject: Fwd: Nantucket HPP draft

Hi Catherine,

We received the first, rough draft of the HPP from Judi Barrett just today. Please see below / attached.

This is very much a working document and Judi notes there are parts (including appendices) which are not included here.

Please distribute this early draft to the following today:

- Libby
- BOS
- Planning Board
- AHTF

It would be helpful to the process if each of those receiving the document could provide any initial thoughts / questions / suggestions they may have to you by**next Wednesday (5/11) at 6pm**. This would allow the AHTF to incorporate that initial feedback in to our discussion Thursday afternoon.

This will not be the only opportunity for comment. Having said that, if there are things that jump out to the reader, to know of concerns / suggestions early in the process would, of course, be helpful.

Our goal is to send Judi Barrett consolidated initial feedback on the document next Friday (5/13). We are communicating to Judi / RKG that we would like a revised draft within 10 days, such that we could then share the document more widely and perhaps go through one more round of revisions before beginning the formal process of adoption in June.

Thanks, Catherine.
Tucker

Tucker Holland
Independent Housing Consultant
Town of Nantucket

cell: 802-233-3177
e-mail: acktownconsultant@gmail.com

---------- Forwarded message ----------
From: **Judi Barrett** <jbarrett@rkgassociates.com>
Date: Thu, May 5, 2016 at 6:03 AM

Subject: Nantucket HPP draft
To: Tucker Holland <hhgofourth@gmail.com>

Tucker,

Many apologies. I had planned to spend most of yesterday at the office editing and adding to this draft, but it didn't work out that way. Nantucket isn't the only town with "hot button" Chapter 40B developments underway. I am the 40B technical assistance consultant for some towns that are having a very hard time with the comprehensive permit process. It has been a rough winter for several communities.

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Thanks for your patience.

<image001.jpg>
Economic
Planning
and
Real Estate
Consultants

Judi Barrett
Director of Municipal Services
1359 Hancock St Suite 9
Quincy, MA 02169
Tel: 617-847-8912
Cell: 617-455-8641
Email: jbarrett@rkgassociates.com
Website: www.rkgassociates.com

<Nantucket Draft HPP 05-2016.pdf>

Catherine Ancero

From: czarinalinda@comcast.net
Sent: Friday, May 06, 2016 12:32 PM
To: Catherine Ancero
Cc: Andrew Vorce; Brian Sullivan; Eleanor Antonietti; Isaiah Stover; Jim Kelly; Kara Buzanoski; Reema Sherry; Tucker Holland
Subject: Re: FW: Nantucket Housing Production Plan

PLEASE SEE TUCKER'S email to Judi below
----- Original Message -----
From: Catherine Ancero <CAncero@nantucket-ma.gov>
To: Andrew Vorce <AVorce@nantucket-ma.gov>, Brian Sullivan <sully@fishernantucket.com>, Eleanor Antonietti <eantonietti@nantucket-ma.gov>, Isaiah Stover <isaiah@dailyconstruction.net>, Jim Kelly <jkelly@nantucket-ma.gov>, Kara Buzanoski <kbuzanoski@nantucket-ma.gov>, Linda Williams <CZARINALINDA@COMCAST.NET>, Reema Sherry <reema.sherry@gmail.com>, Tucker Holland <acktownconsultant@gmail.com>
Sent: Fri, 06 May 2016 16:28:08 -0000 (UTC)
Subject: FW: Nantucket Housing Production Plan

Please see attachment

-----Original Message-----
From: czarinalinda@comcast.net [mailto:czarinalinda@comcast.net]
Sent: Friday, May 06, 2016 11:43 AM
To: Catherine Ancero
Cc: Andrew Vorce
Subject: Fwd: Nantucket Housing Production Plan

Please send this to AHTF members ASAP. Thanks, LW
----- Forwarded Message -----
From: Tucker Holland <acktownconsultant@gmail.com>
To: Judi Barrett <jbarrett@rkgassociates.com>
Cc: crs@rkgassociates.com, Libby Gibson <LGibson@nantucket-ma.gov>, Andrew Vorce <avorce@nantucket-ma.gov>, Linda Williams <czarinalinda@comcast.net>, Jennifer Goldson <jennifer@jmgoldson.com>
Sent: Fri, 06 May 2016 13:36:38 -0000 (UTC)
Subject: Nantucket Housing Production Plan

Hi Judi,

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Thanks, Judi.
Tucker

Tucker Holland
*Independent Housing Consu**l**tant*
Town of Nantucket

cell: 802-233-3177
e-mail: acktownconsultant@gmail.com

---------- Forwarded message ----------
From: Judi Barrett <jbarrett@rkgassociates.com>
Date: Thu, May 5, 2016 at 6:03 AM
Subject: Nantucket HPP draft
To: Tucker Holland <hhgofourth@gmail.com>

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[image: image002]

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Judi Barrett

Director of Municipal Services
1359 Hancock St Suite 9
Quincy, MA 02169
Tel: 617-847-8912

Cell: 617-455-8641
Email: jbarrett@rkgassociates.com

Website: www.rkgassociates.com

Catherine Ancero

From: Hudson Holland [hhgofourth@gmail.com]
Sent: Thursday, May 05, 2016 1:14 PM
To: Catherine Ancero
Cc: Andrew Vorce; Leslie Snell
Subject: Fwd: Nantucket HPP draft
Attachments: Nantucket Draft HPP 05-2016.pdf

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Town of Nantucket

cell: 802-233-3177
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To: Tucker Holland <hhgofourth@gmail.com>

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Economic Planning and Real Estate Consultants

Judi Barrett

Director of Municipal Services
1359 Hancock St Suite 9
Quincy, MA 02169
Tel: 617-847-8912

Cell: 617-455-8641
Email: jbarrett@rkgassociates.com

Website: www.rkgassociates.com

Catherine Ancero

From: czarinalinda@comcast.net
Sent: Thursday, May 05, 2016 7:25 AM
To: Catherine Ancero
Cc: Andrew Vorce
Subject: Fwd: Fwd: Nantucket HPP draft
Attachments: Nantucket Draft HPP 05-2016.pdf

Please send this email out to AHTF members, thanks LW
----- Forwarded Message -----
From: Hudson Holland <hhgofourth@gmail.com>
To: Andrew Vorce <avorce@nantucket-ma.gov>, Linda Williams <czarinalinda@comcast.net>
Sent: Thu, 05 May 2016 10:16:40 -0000 (UTC)
Subject: Fwd: Nantucket HPP draft

Just received.

Hudson Holland III
cell: 802-233-3177
e-mail: hhgofourth@gmail.com

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Judi Barrett

Director of Municipal Services
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Quincy, MA 02169
Tel: 617-847-8912

Cell: 617-455-8641
Email: jbarrett@rkgassociates.com

Website: www.rkgassociates.com

Catherine Ancero

From: Anne Kuszpa [anne@housingnantucket.org]
Sent: Wednesday, May 11, 2016 4:00 PM
To: Catherine Ancero
Subject: Fwd: Nantucket Housing Production Plan
Attachments: Nantucket Draft HPP 05-2016.pdf

Dear Catherine, hope you are enjoying this beautiful day.

My suggested changes to the draft HPP are as follows:

- factual correction : there are currently 61 covenant units.
- change trust fund abbreviation to AHTF
- the HPP should address how to create SRO units so they count on the SHI list
- the HPP should act as a formal commitment to identifying appropriate and adequate funding. The plan as it stands does not identify enough resources to meet the goals suggested. My opinion is that the HPP should commit to dedicating 80% of CPA funds to affordable housing. I also think that the land bank charter should be changed so land bank tax can be used affordable housing purposes going forward. This is the only way to generate the amount of funds required to make a dent in the problem. These funds should be used to purchase open market housing, put a permanent deed restriction on the purchase(making them SHI list eligible), retain the land as part of the land bank, and rent or sell improvements to income qualified year-round residents.

Hope that helps!

Thanks for asking for my thoughts.
Anne

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Anne Kuszpa, Executive Director
Housing Nantucket
75 Old South Road
PO Box 3149
Nantucket, MA 02554
Direct Line: 774-333-3927
Main Line: 508-228-4422

www.HousingNantucket.org

---------- Forwarded message ----------
From: **Tucker Holland** <acktownconsultant@gmail.com>
Date: Sat, May 7, 2016 at 8:03 AM
Subject: Fwd: Nantucket Housing Production Plan
To: Renee Ceely <nhahouse@verizon.net>, Anne Kuszpa <housingnantucket@gmail.com>
Cc: Libby Gibson <LGibson@nantucket-ma.gov>, Andrew Vorce <avorce@nantucket-ma.gov>, Linda
~~~~~~~~~~~~~~~~~~~~~

Williams <czarinalinda@comcast.net>, "Catherine Ancero (cancero@nantucket-ma.gov)" <CAncero@nantucket-ma.gov>

Hi Renee and Anne,

Please see below and attached. If you would provide your comments to this initial draft to Catherine Ancero, cc-ed here, by this Wednesday at 6pm, that would be helpful. Thank you in advance.

Best,
Tucker

Tucker Holland
Independent Housing Consultant
Town of Nantucket

cell: 802-233-3177
e-mail: acktownconsultant@gmail.com

---------- Forwarded message ----------
From: **Tucker Holland** <acktownconsultant@gmail.com>
Date: Fri, May 6, 2016 at 9:36 AM
Subject: Nantucket Housing Production Plan
To: Judi Barrett <jbarrett@rkgassociates.com>
Cc: crs@rkgassociates.com, Libby Gibson <LGibson@nantucket-ma.gov>, Andrew Vorce <avorce@nantucket-ma.gov>, Linda Williams <czarinalinda@comcast.net>, Jennifer Goldson <jennifer@jmgoldson.com>

Hi Judi,

Thank you for sending a first draft of the HPP for Nantucket. While the missed deadlines in our receiving it were not ideal (we trust you understand it would have been most helpful if you could have communicated these delays in advance), we now have something to review and initially comment on, which is helpful.

We would like to ensure that we are all on the same page regarding bringing this to completion.

We understand that you previously have committed to come to Nantucket on May 23rd to to meet with AHTF. In order to make the most of that visit, and to stay on-track with the June local adoption timeline for the HPP, we are planning to proceed as follows:

- We have distributed the initial HPP draft to the Town Manager, Board of Selectmen, Director of Planning, Deputy Director of Planning, Planning Board and Affordable Housing Trust Fund for initial comment / questions / suggestions.
- We are also distributing to the Housing Authority and Housing Nantucket for their comments.
- We are asking for initial feedback from all these readers by next Wednesday (5/11).
- The AHTF is meeting next Thursday (5/12) and plans to consolidate this feedback with its own into a single communication which we will send to you on Friday (5/13).

- We would like to receive a revised draft, incorporating the feedback we provide along with those missing elements from the draft which you note below, by the following Friday (5/20).
- This will allow us to review a complete document and be prepared for our meeting with you on Monday, May 23rd.

From there, if tweaks are necessary coming out of the May 23rd discussion, we anticipate those could be made expeditiously such that a new draft could be recirculated more widely in advance of taking up formal adoption in June.

Of course, there may be some final revisions along the way.

We'll assume the above is consistent with your thinking and that we can count on it unless we hear otherwise.

As you know, this is top priority here in Nantucket and all eyes are on this subject at present. This is a great time and opportunity to advance this important issue on Nantucket.

Thanks, Judi.
Tucker

Tucker Holland
Independent Housing Consultant
Town of Nantucket

cell: 802-233-3177
e-mail: acktownconsultant@gmail.com

---------- Forwarded message ----------
From: **Judi Barrett** <jbarrett@rkgassociates.com>
Date: Thu, May 5, 2016 at 6:03 AM
Subject: Nantucket HPP draft
To: Tucker Holland <hhgofourth@gmail.com>

Tucker,

Many apologies. I had planned to spend most of yesterday at the office editing and adding to this draft, but it didn't work out that way. Nantucket isn't the only town with "hot button" Chapter 40B developments underway. I am the 40B technical assistance consultant for some towns that are having a very hard time with the comprehensive permit process. It has been a rough winter for several communities.

We would like you and the trust to focus on the goals and implementation narratives because ultimately those chapters are the heart of the plan. The needs analysis is based on the work we did for Housing Nantucket last year anyway, so for the most part the information in that chapter will be familiar to everyone. I haven't had a chance to add the survey insights, but we will. (If anyone has generated an Excel export from Survey Monkey, we would love to have access to it.) In any event, I am more concerned about getting consensus or direction on

the other two sections because if the priorities aren't right or if we've simply missed something very important, we need to fix it ASAP.

I've left maps out of this pdf. They are large files and they don't really need to be in the document. If you need or want them sooner than later, I can set up a dropbox and put them there today.

I know it may seem like a silly request, but it isn't … think about what you want on the cover of the final version of this plan. The cover should bespeak the town and not be limited in some way by the consultant's eyes. I've just left a blank cover in here for now, but we certainly wouldn't want to leave it that way.

Thanks for your patience.

Economic Planning and Real Estate Consultants

Judi Barrett

Director of Municipal Services
1359 Hancock St Suite 9
Quincy, MA 02169
Tel: 617-847-8912

Cell: 617-455-8641
Email: jbarrett@rkgassociates.com

Website: www.rkgassociates.com

3 BUCK HOLLOW WAY

Catherine Ancero

From: Brian Sullivan [sully@fishernantucket.com]
Sent: Monday, April 25, 2016 3:52 PM
To: Catherine Ancero; Linda Williams
Subject: Fwd: AWESOME affordable housing opportunity!!!!

Catherine,

I want to add this property to some agenda for discussion at our next meeting. How do I go about that?

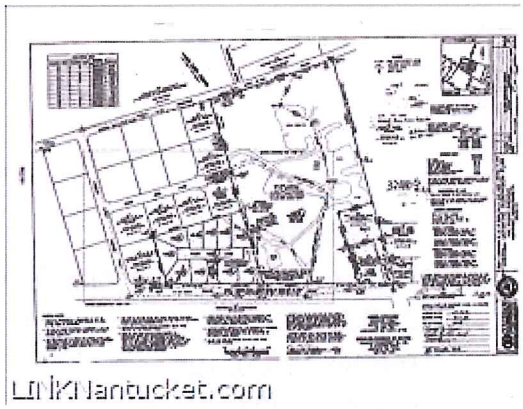
Sully

---------- Forwarded message ----------
From: **Brian Sullivan** <Sully@fishernantucket.com>
Date: Mon, Apr 25, 2016 at 3:36 PM
Subject: AWESOME affordable housing opportunity!!!!
To: "Sully@fishernantucket.com" <Sully@fishernantucket.com>

FISHER REAL ESTATE

Brian Sullivan
508-414-1878
Sully@fishernantucket.com

Mid Island - 3 Buck Hollow Way



Asking Price: $3,800,000
Original Price: $3,800,000
Lot Size (Acres): 1.95
Total Rooms:
Beds/Baths: 0/0
Furnished:

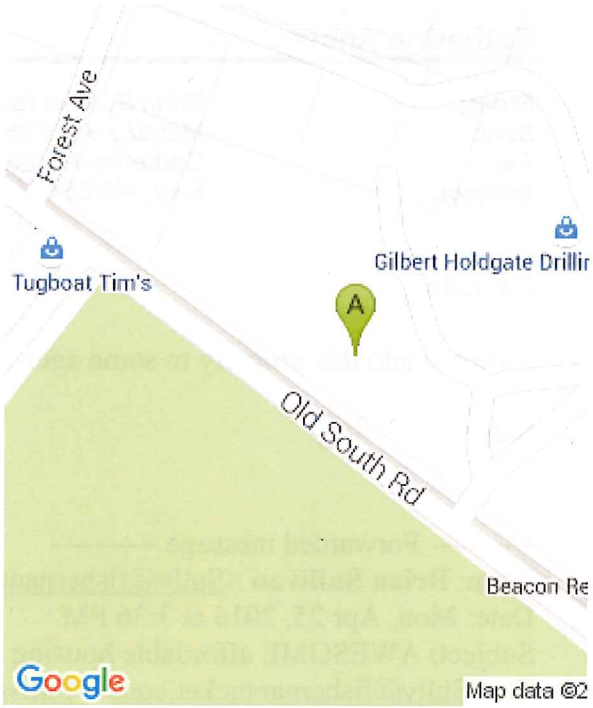
Type: Land
Sq. Ft. (GLA):
LINK ID: 79901
Status: Availab

Opportunity abounds in this ready to go subdivision. Ten lots, rang from .11 - .26 acres each, with all the structural work in. Pine Estat subdivision is permitted for one primary single family residential d with attached or detached garage and storage shed of not more than Second dwellings and garage apartments not allowed. See documer 118131 for more details on restrictions. Abutting lot of 434,719 sf, is Land Bank property.

Property / Parcel Info		Taxes and Fees	
Map:	68	Assessment Year:	2014
Parcel:	970-979	Land Assessment:	$2,230,000
Zoning:	R5	Building Assessment:	$0

Map

Plan:	32880-G	Estimated Taxes:	$8,384.80
Deed Ref.:	22,407		
Lot #:	26-35		
Water:	Town		
Sewer:	Town		
Easements:	Utility easement, Homeowner's association and easements, see document 118131.		
Water Frontage:	None		
Water Views:	None		
Other Views:	Pastoral		
Land Features:	Potential Subdivision, Survey, Staked & Tagged, Power, Cable, Phone		



Descriptions / Comments

Basement:
1st Floor:
2nd Floor:
3rd Floor:
Other Structures:
Second Dwelling:

Agent Information:
Brian Sullivan
Fisher Real Estate
Sully@fishernantucket.com

Service Provided By:
LINK - Listing Information Network
24 School St
Boston, MA 02108
508-534-7494
support@linknantucket.com

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Brian Sullivan

Principal Broker, Fisher Real Estate

Cell 508 414 1878

Sully@fishernantucket.com

E-mails sent or received shall neither constitute acceptance of conducting transactions via electronic means nor create a binding contract until and unless a written contract is signed by the parties.