

NANTUCKET AFFORDABLE HOUSING TRUST

~~ MINUTES ~~

Tuesday, February 18, 2020

1:00 pm

4 Fairgrounds Rd

PSF Community Room

Trust Members: Brian Sullivan (Chair), Brooke Mohr (Vice-Chair), Penny Dey, Rita Higgins, Reema Sherry, Dave Iverson, Charity Grace-Mofsen

ATTENDING MEMBERS: Brian Sullivan, Brooke Mohr, Penny Dey, Reema Sherry

LATE ARRIVALS: Rita Higgins arrives at 2:32pm

ABSENT: Dave Iverson, Charity-Grace Mofsen

STAFF IN ATTENDANCE: Tucker Holland (Housing Specialist); Eleanor Antonietti (Land Use Specialist); Ken Beaugrand (Real Estate Specialist)

Public Present: Anne Kuszpa (Housing Nantucket); Mary Longacre; Howard Dickler; Isaiah & Kathleen Stover; Jim Cooper; Linda Roberts; Gennifer Costanza

I. Call Meeting to Order

Brian Sullivan called the meeting to order at 1:01pm

II. Approval of Agenda

Penny Dey **moved to approve the agenda.** Reema Sherry seconded the motion.
The motion carried unanimously.

III. Approval of the Minutes

- December 17, 2019
- January 21, 2020

Brooke Mohr **moved to approve the Minutes for the meetings on December 17, 2019 and January 21, 2020.** Reema Sherry seconded the motion.
The motion carried unanimously.

IV. Mortgage for CCAP Application – 17 Clarendon

- 3 Friendship Lane (portion)

The land is currently vacant. No concerns.

Brooke Mohr **motioned** to approve the applicant for up to \$15,000 in funding for Closing Cost Assistance, subject to return of any unused balance. Penny Dey seconded the motion. **The motion carried unanimously.**

- 17 Clarendon Street - post closing
Approve subordination of the mortgage from David R. Gray to the Nantucket Affordable Housing Trust Fund, registered as Document No. 164438 in favor of the mortgage from David R. Gray to The Cape Cod Five Cents Savings Bank, registered as Document No. 164440
Authorize the Chair to sign documents related to subordination on behalf of Trust

Tucker Holland explains that this is a matter of clean-up. When David Gray (17 Clarendon) went on record on January 31, 2020, the Registry of Deeds inadvertently put the Trust mortgage on ahead of the Cape Cod Five mortgage. Cape Cod Five requires a subordination for execution and recording. Paragraph 2(a) of the NAHT Mortgage contemplates that the Trust fund will subordinate its mortgage.

Penny Dey **motioned** to approve the subordination of the mortgage from David R. Gray to the Nantucket Affordable Housing Trust Fund, registered as Document No. 164438 in favor of the mortgage from David R. Gray to The Cape Cod Five Cents Savings Bank, registered as Document No. 164440. Brooke Mohr seconded the motion. **The motion carried unanimously.**

Penny Dey **motioned** to authorize the Chair to sign documents related to subordination on behalf of Nantucket Affordable Housing Trust. Reema Sherry seconded the motion. **The motion carried unanimously.**

V. Covenant Formation Assistance Program (CFAP) Application

- 63 Cato Lane

Isaiah Stover explained that he funds to help with the process of creating a covenant on front cottage. Asks if the fund could be available to use for a water connection or is it restricted to surveying and application fees. The Town will waive the sewer connection or privilege fees but water company has yet waived the \$5,000 application fee to connect to water.

DISCUSSION that this was not contemplated.

Anne Kuszpa Points out that even though we have not talked about that, it would be relevant. We are saying Planning Board application fees could be covered under this.

Tucker Holland agrees with Anne but it's up to the board. All of these fees are returned upon sale of the lot.

Brian Sullivan explains that the CFAP was created to help existing homeowners working with Housing Nantucket with the up-front costs of creating a covenant lot such as various surveying and Town permitting costs. Agrees no reason to restrict. This is the first time this has been brought to our attention.

Anne Kuszpa Isaiah will request a waiver from the Board of Water Commissioners. This has been done in the past in other instances, but we are responsible for connection fee.

Tucker Holland suggests that the Board could send a letter to Water Commissioners asking them to consider this waiver.

Reema Sherry **motioned** to authorize the Tucker Holland to draft a letter to the Board of Water Commissioners requesting a waiver of the water connection fees just as the sewer fees are waived for lots in the Covenant Lot Formation program. Brooke Mohr seconded the motion. **The**

motion carried unanimously.

Reema Sherry asks if this would be an ANR subdivision.

Isaiah Stover It will require a 2nd driveway. The Special Permit application is in process

Brooke Mohr **motioned** to approve the Covenant Formation Assistance Program application of Isaiah Stover. Penny Dey seconded the motion. **The motion carried unanimously.**

VI. Financial Review

Tucker Holland explains that they are going to take this up in March. We have challenges to coordinating with other Staff.

CONTINUED to March meeting.

VII. Draft RFP for Properties under Neighborhood First

Tucker Holland clarifies that this is a Request for Interest – should read RFI, not RFP. He explains the timing of RFI going out under Neighborhood First funding to primarily seek scattered site locations. The recommendation is to issue the RFI in advance of ATM, on March 25th with an inquiry deadline of May 13th. Answers are published publicly. Want to allow until mid-June to respond. ATM can serve to publicize this. We have suggested mid-August as an intended property selection date.

Brian Sullivan Any submission deadline should permit access to seasonal community. Maybe push inquiry deadline of mid-June.

Reema Sherry agrees. Maybe even go to September for selection.

Tucker we had a few different strategies with Neighborhood First (“NFAC”). This one is more geared toward scattered site. Not relying upon this one for Safe Harbor so timing is a little more flexible.

CONSENSUS is to include seasonal residents and give them more time to respond after issuance date.

Penny Dey points out that many of area civic associations meet during the summer. We could take this on the road.

Tucker Holland Critical things are around evaluation criteria by which you will be reviewing what is submitted. We need to define for the applicant what would be considered advantageous, not advantageous, etc...

DISCUSSION regarding chart which mirrors information that might be included in a listing and whether or not there are things on list that are not reflected in the evaluation criteria.

Brian Sullivan suggests adding some sort of homeowner disclosure statement of condition, home inspection.

Ken Beaugrand The issue is that is something that we might have to fund. Unreasonable to ask that if there is no firm commitment to move forward.

Brian proposes a homeowner disclosure form in lieu of inspection.

Penny Dey we can ask if there has been a recent inspection and if yes to supply it. Statement of condition is good one to add.

Brooke Mohr in lieu of an inspection – would want permission to access property to inspect.

PUBLIC

Mary Longacre (Chair of Coastal Resiliency Advisory Committee) Suggests including criteria regarding erosion and flood zone. Shouldn’t necessarily disqualify but would have to take appropriate measures.

Tucker Holland gives overview of Evaluation Criteria which include proximity to other affordable developments, the scattered site, ability to use existing structures, condition of housing units, number of potential units.

DISCUSSION about altering the chart, scoring parameters, clarifying density potential under existing zoning. Should include potential for subdivision with potential number of units under existing zoning.

CONSENSUS re. proximity to public transportation and schools, should incorporate the Commercial Mid-island overlay district as bulls-eye.

Tucker Holland will reach out to Lauren Sinatra and Andy Buccino re. energy efficiency.

Brooke Mohr advocates that we have other strategies to manage Safe Harbor. This program is focused on getting housing available and occupied.

Brian Sullivan re. time frame for closing, doesn't want a hard and fast stop date. Highly advantageous is 90 days and not advantageous is greater than 180 days. Rolling time line to accommodate a household doing family planning.

Reema Sherry suggests we make it more generic

CONCERN about displacing people.

Ken Beaugrand points out the rationale is to prevent a unit from going into seasonal housing inventory. You are preventing the decline in inventory

Brooke Mohr we are also adding inventory to the extent one can build 2nd and 3rd DUs.

Penny Dey points out that we need to add Deed restrictions.

Tucker Holland explains that there is no action needed right now. He will revise based on today's discussion, then send out for feedback to inform final draft of the document. We are not obligated to do anything by a specific date, and we do not need SB approval before RFI is issued. It would be at point when we are recommending certain properties for acquisition that we need their approval.

VIII. NDP – Q&A as Follow Up to 2019 Report

Tucker and Brooke met with Caroline Frey. We wanted an explanation as to differentials. Main answer is methodology with respect to how the Census may classify a year-round (YR) resident and number of YR residences. How do we use the data? The state mandates what we do based on census numbers. Brooke considers NDP methodology more thorough and more accurate than what the census is doing. The census data will force the issue on the SHI list piece. Challenge is that the public is more familiar with the SHI list number and those 10-year old data points. We have to do good job of explaining why this data is more accurate and why we would be basing our decisions on it.

Penny Dey says that we should operate according to the matrix of the Census data. NDP data could be considered supplemental.

Brooke Mohr thinks we should use Census data for what we have to do for SHI list but rely upon NDP for what the community really needs.

Brian Sullivan Confused why the total housing unit number is not a hard fast number. We have Bldg. Dept. or tax bills. Anecdotally we are all seeing YR units be converted into seasonal units. The large variation in the data compared to practical experience does not line up. This is an opportunity to track where we think the SHI list is going and use that as a target.

Tucker Holland is not sure we can extrapolate from NDP number. The Census is the determinant of our SHI target. There are imperfections but it is the reality. The NDP study underscores

importance of people completing the Census

Penny Dey points out that neither method is infallible, but this is a good tool. It has to be defensible.

DISCUSSION about the work of the 2020 Census Complete Count Committee.

IX. 2020 Town Meeting Articles

- Review and Discussion of Planning Board Recommendation
 - ❖ Rural Affordable Development – Zoning Bylaw amendment to create an additional development option to create affordable dwelling units through the issuance of a special permit in the LUG-2 and LUG-3 districts (citizen petition)

Brooke Mohr gives overview of 2 housing related articles – Article 60 and 63 and Planning Board motions (cited below).

NO ACTION – For information only.

ARTICLE 60

(Zoning Bylaw Amendment: Rural Affordable Development)

To see if the Town will vote to: amend Section 139 to provide for a **Rural Affordable Development** option, allowing for division of lots of 120,000 square feet or larger in the LUG-2 and LUG-3 zoning districts, with a 50% affordable housing requirement and other provisions to allow moderate development while protecting the rural nature of these areas, substantially as provided in the attached Exhibit A.

Exhibit A to Annual Town Meeting – Citizen’s Article Rural Affordable Development

To see if the Town will vote to: amend Section 139 to provide for a **Rural Affordable Development** option with the purpose to provide for housing that is affordable to those who earn at or below 150% of the Nantucket County median household income; to help households to continue to reside on Nantucket; to generate and preserve affordable housing in the Town of Nantucket in perpetuity; to provide for affordable and accessible housing with moderate density in rural areas; all in order to maintain Nantucket's diversity and unique sense of community.

- 1) In the LUG-2 and LUG-3 zoning districts, the Planning Board, acting as the special permit granting authority, may issue a special permit for Rural Affordable Development, authorizing the division of a lot (or abutting lots) into two or more lots, provided the following requirements and/or conditions shall apply:
 - a) The initial lot or lots shall have a lot area of at least 120,000 square feet,
 - b) At least 50% of the resulting buildable lots shall be subject to a Nantucket Housing Needs Covenant for affordable ownership by a Qualified Purchaser Household, or for affordable rental to a Qualified Rental Household,
 - c) Lots subject to a Nantucket Housing Needs Covenant shall contain at least 20,000 square feet of lot area,
 - d) Lots not subject to a Nantucket Housing Needs Covenant shall contain at least 40,000 square feet of lot area,
 - e) Each buildable lot shall be restricted to one dwelling, which shall be a single family dwelling,
 - f) Each buildable lot shall have adequate access and parking,

- g) Each buildable lot shall have adequate utilities and services, including sewer or septic capacity and water capacity, and
 - h) Each lot shall be restricted from any further lot division that results in any additional building lots.
- 2) To mitigate impacts on the rural nature of the area, and to preserve natural resources, water quality, wildlife habitat, scenic views, and existing mature vegetation, the Planning Board may impose conditions related to such on any lot, including conditions that reasonably provide for the following:
- a) Screening of structures and parking areas,
 - b) Buffers from abutting properties,
 - c) Limitations on improving or clearing of specified portions of any lot,
 - d) Limitations on the number and location of curb cuts,
 - e) Limitations on the ground cover, height or location of any structures,
 - f) Limitations on grade changes,
 - g) Limitations on uses on any lot, and
 - h) Mitigation of environmental impacts.
- 3) In determining the initial lot size and the subsequent percentage of lots subject to a Nantucket Housing Needs Covenant, the Planning Board shall apply a credit to the application for any abutting lot already subject to such covenant that was divided from the applicant lot at the time of the imposition of that covenant.
- 4) Except as otherwise provided, the ground cover ratio and setback requirements of the underlying zoning district shall apply to each lot.
- 5) Provided that the Planning Board finds that doing so will not have an adverse impact on the rural nature of the area and will promote the intent of this section, the Planning Board may provide the following relief by special permit:
- a) Waive the regularity formula in § 139-16D,
 - b) Provide for a reduction in frontage, providing that each lot shall have not less than 20 feet of frontage or shall have a recorded easement of sufficient width and grade to provide access,
 - c) Provide for the reduction of the front yard setback to not less than 20 feet and the side and rear yard setbacks to not less than 10 feet,
- 6) Planning Board approval of a Rural Affordable Development special permit shall not substitute for approval of a definitive subdivision or approval not required (ANR) plan.

(Steven Cohen, et al)

PLANNING BOARD MOTION: Moved to not adopt.

PLANNING BOARD COMMENT: Although the Board applauds the effort of the proponent to creatively draft another affordable housing option, this particular approach is too far reaching and is inconsistent with the Town and Country Overlay District concept that has consistently been supported by voters. If implemented, this Bylaw would encourage additional development where services and infrastructure are not available. The intent of the proponent was to apply this concept to lots within the Tom Nevers neighborhood, however, the concept extended well beyond the intended area and is inconsistent with the 2007 Tom

Nevers Area Plan. We note that Town Counsel and the Moderator have determined this article to be a Repetitive Petition of a prior article that was not adopted at the 2019 ATM, therefore it cannot be considered by Town Meeting voters based on our motion to take no action.

RE: Planning Board and Article 63 (Andy Lowell's 1 in 10 building permits to be designated for an affordable dwelling)- Planning Board is not adopting because it's not legal and therefore cannot be implemented.

ARTICLE 63

(Affordable Housing Requirements)

To see if the Town will vote to: To require the Town of Nantucket to create and enforce legislation and regulations to enact and enforce the attachment of the state mandated 10% affordable housing to our local building permit process. 10% of new residence permits issued annually (both year round and seasonal) shall be designated affordable. For each 10 residential permits issued 1 shall be affordable; or otherwise act thereon.

(Andrew G. Lowell, et al)

PLANNING BOARD MOTION: Moved to not adopt.

PLANNING BOARD COMMENT: This proposal is an open-ended rate of growth concept which has been found to be unconstitutional and therefore is not legal or practical to implement.

X. UPDATE-Amend Closing Cost Assistance Program (CCAP) to include applicants up to 175% AMI

Tucker Holland Richmond is in process of developing 5 of their 175% AMI targeted homes to be completed this summer. They recently had a lottery. There are 2 homes that will be part of that. Others in the pipeline. He and Anne Kuszpa met with Richmond last week. There is a group of additional applicants who narrowly missed the underwriting criteria. Richmond is working with a 3rd party to administer the lottery. The underwriting criteria that they were using mirrored the DHCD criteria for the 80% AMI homebuyer. They asked if there is room to tweak underwriting criteria to accommodate the 175%.

Penny Dey **motioned** to amend the Closing Cost Assistance Program to include applicants up to 175% Area Median Income. Reema Sherry seconded the motion. **The motion carried unanimously.**

XI. CONTINUED DISCUSSION – Select Board New Housing, Strategic Goal #4 – Incentivizing owners to rent second dwellings on a year-round basis
CONTINUE to March 17th

XII. General Updates/Discussion

- State House update

Tucker Holland Observes a continued momentum on transfer fee legislation. Revenue committee

reset its own deadline to report on our Homerule Petition and others and the coalition transfer fee legislation from 2/5 to 3/16. There have been several meetings with key legislators in leadership positions who are receptive to the transfer fee generally. Positive direction. Things still need to be worked out. We are very active in this effort.

▪ **Communications Plan**

Brooke Mohr and Dave Iverson reached out to Grant Sanders who put together a proposal to help us with 2 specific initiatives:

1. Create a marketing plan and content to inform community of what we are doing; and
2. Create a basic web page – starting point of what we imagined with Housing Hub. Researched limitations as Town entity.

Want to use as many methods of public outreach as possible to reach maximum number. There is transparency as to what we are doing and how we are deciding to spend money. Seeking approval of contract on Page 111 of the Packet.

DISCUSSION about approaching other vendors. Members not concerned with his ability but rather potential for perceived conflict in terms of this vendor's current role with ACK•Now. **CONSENSUS** based on political environment, should look at more than one proposal despite Grant Sanders' obvious qualifications, preferably to be ready before ATM

PUBLIC

Mary Longacre if this is a communications request – suggests that Board approach communications experts instead of graphic designers.

Brian Sullivan suggests that look at other communities, such as Provincetown and the Island Housing Trust to see who they working with.

▪ **Housing Forum / Ripple Effect – looking at Late Spring / Summer date**

Tucker Holland we will be attending seminar later this week with Dr. Emmanuel and will discuss and plan with her in person. Targeting a summer date to invite seasonal community.

▪ **Housing Production Plan – RFP in April**

Tucker Holland After ATM, we will put together RFP to hire someone to help us update our HPP which expires next year. We are part of the inaugural class of a Housing Choice Community, a Program of Governor and Lt. Governor, and one of their priority areas. Please to be selected to that class with membership lasting 2 years. We are in process of reapplying over course of next 4 weeks. Applications are due at end of March. You qualify through two avenues:

1. Production
2. Best practices.
 - a. There are 14
 - b. Community needs to hit 7 of them.
 - i. We presently meet 6 of the 14.
 - ii. We could meet a 7th if community has adopted the short-term rental tax with a portion designated to go toward affordable housing. SB has not yet formally done that.
 1. Clean water was other intended beneficiary of the funds generated by short term rental tax. They were afraid of a budget shortfall.

Tucker explains that this is the most attainable of remaining criteria.

Penny Dey asks to have the other items on future agenda and interested in learning more about the Room Occupancy Tax.

Rita Higgins explains that the SB has not had any specific discussions about where it will go, although the AHTF will be a recipient.

Penny Dey asks if those meetings are likely to be held in public session.

Rita Higgins thinks yes.

Ken Beaugrand Town Admin. has scheduled meeting sometime in March to discuss allocation of this tax. We need confirmation from Department of Revenue.

XIII. Other Business

- **Next meeting** – Tuesday, March 17, 2020

XIV. Public Comment

XV. Board Comments **NONE**

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

- Purpose 6: To consider the purchase, exchange, lease or value of real property where an open meeting may have a detrimental effect on the negotiating position of the public body.

Specific matter requires confidentiality.

The **MOTION** was made by Penny Dey and seconded by Brooke Mohr to go into executive session to consider the purchase, exchange, lease, or value of real property where an open meeting may have a detrimental effect on the negotiating position of the public body, and not return to open session.

ROLL CALL VOTE:

Penny Dey	Aye
Brooke Mohr	Aye
Brian Sullivan	Aye
Reema Sherry	Aye
Rita Higgins	Aye

The vote as **UNANIMOUS**.

XVII. Adjourn

Open Session Meeting ended at 2:38pm

Submitted by:

Eleanor W. Antonietti