

# NEIGHBORHOOD FIRST ADVISORY COMMITTEE

Monday, July 29, 2019

1:00 pm

4 Fairgrounds Rd

PSF Training Room

---

**Advisory Committee Members:** Doug Abbey, Posie Constable, Penny Dey, Howard Dickler, Kristie Ferrantella, Peter Hoey, Dave Iverson, Brooke Mohr, Eric Savetsky, Brian Turbitt, Joseph Grause

---

## MINUTES

Monday, July 29, 2019

4 Fairgrounds Road, PSF Training Room – 1 p.m.

**Purpose: First Regular Meeting:**

---

**ATTENDING MEMBERS:** Posie Constable, Penny Dey, Howard Dickler, Kristie Ferrantella, Peter Hoey, Dave Iverson, Brooke Mohr, Eric Savetsky, Joseph Grause (appointed FinCom representative)

**REMOTE PARTICIPATION:** Doug Abbey <sup>by phone</sup>

**ABSENT:** Brian Turbitt

**STAFF IN ATTENDANCE:** Tucker Holland (Housing Specialist), Ken Beaugrand (Real Estate Specialist), Eleanor Antonietti (Zoning Administrator), Megan Trudel (Administrative Specialist)

**PUBLIC PRESENT:** Brian Sullivan (AHTF); Reemy Sherry (AHTF); Anne Kuszpa (HousingNantucket); John Miller; Katherine Berube; Richard Berube; Andy Buccino; Thomas Dixon; Bruce Mandel

---

**I. Call Meeting to Order**

Meeting called to order at 1:05

**II. Approval of Agenda**

Tucker HOLLAND proposes to move Election of Chair and Vice Chair to Item V  
Amended Agenda adopted by **UNANIMOUS** consent.

**III. Review of year-round housing status on Nantucket**

**SEE BELOW**

**IV. Safe Harbor management and Town land**

HOLLAND explains that this is primarily an organization meeting. Gives overview and explanation of recent Certification of Housing Production Plan *a/k/a* Safe Harbor from 40B requirements which has updated Subsidized Housing Inventory (“SHI”) list. We are at 3.9% towards state mandated 10% requirement which means we need to create 24 eligible units in a year to get a year of Safe Harbor. Nantucket Income Restricted Housing – GIS Mapsheet of housing shows concentrations and range of how the units are restricted between 30-175%. There are 84 Covenant homes presently on island. Explains how a rental or ownership unit qualifies for

inclusion on SHI list. We have just entered a 2-year period of Safe Harbor running to June 13, 2021, but certain things need to happen to retain that certification. In order to stay in Safe Harbor, we need to create the units in the year in which we want to request certification.

Explains how and when new census numbers impact this calculation. The 10% mandated by the state is derived from number of year-round housing units we have, following decennial census. In 2010, it was determined that we had 4,896 year-round residences on island which drives the requirement for 490. 2020 Census results won't be issued by Department of Housing and Community Development ("DHCD") until sometime in 2021 or later, but it will last for another 10 years. Explains function and role of DHCD.

Explains Citizen's Article 37, which proposed putting \$20 million behind creation of affordable housing. The intent is to have control over how we create the needed affordable units.

SHI List & Safe Harbor Management chart give breakdown of how different projects can contribute. Richmond development, Ticcoma Green, the old Fire Department site are all potential contributors to Safe Harbor. Responsibility of this group is not to keep us in Safe Harbor, but the intent of the Article is to make sure we are always there. We want to collaborate with other local organizations such as Habitat for Humanity and Housing Nantucket. The Affordable Housing Trust Fund ("AHTF") has its own independent efforts.

If we reach a new number in 2022 that exceeds the 10%, we are good until next census, but we are losing year-round houses to seasonal buyers. Refers to data in 2015 Workforce Housing Needs Assessment in which it was noted that we had lost 640 units.

Doug ABBEY *by phone* – suggests creating a visual or map showing how we get from 3.9% to 10% based on potential additions with Ticcoma Green and other contributors.

HOLLAND explains that workforce housing does not count because not income or deed restricted. Affordable units have to be filled by lottery.

DISCUSSION about background and timing on litigation with Ticcoma Green and how it could impact the Safe Harbor timeline. Once litigation is resolved, Ticcoma Green would qualify for SHI list when it receives financing through Federal LIHTC (Low Income Housing Tax Credit) awarded by the state. They have several sources of financing, but the tax credits are big part of it.

HOLLAND explains that the upper income limit in the Warrant Article is 200% AMI, but they would not qualify for SHI list, unless it's rental.

The Select Board ("SB") has a policy preference of using Town owned lands for affordable housing projects where feasible.

HOLLAND & Brooke MOHR give explanation of how often and how AMI is recalculated and how units qualify for SHI list, including market rate rental unit as long as 25% are 80% AMI designated.

DISCUSSION re. \$20 million article and the intention to scatter the units. If we buy a property that has a single family home and qualifies, by right, for secondary and tertiary units, only 1 of those units would have to qualify for 80% AMI and the other two could be rented at different price points, and all 3 would qualify to be included on SHI list.

HOLLAND asks members what other information they would like. He will provide map suggested by Doug Abbey and AMI limits and different income limits broken down by household size.

Responding to request to better understand how SB or state is interpreting how we handle existing housing stock vs. purchase of vacant land, HOLLAND explains that advice is being sought from Town and Bond counsel. There is a general viewpoint that there is some latitude with these funds. He directs members to ballot measure language and vote tallies for Article 37. Talks about acquisition of real property. Counsel will let us know about affordability buydown. This is an open authorization. There has to be an independent appraisal.

DISCUSSION about different funding streams, buying property at less than market value, and tax deductions.

HOLLAND Authorizations that were passed were to borrow money for specific purposes, not to acquire any particular piece of property. That would be approved in a different way.

Penny DEY clarifies the job of this group as defined under Deliverables section in the Discussion Document – reads 5 bullet pointed recommendations expected from Neighborhood First Advisory Committee (“NFAC”). Wonders if we are required to work under existing regulations, market conditions, and zoning.

HOLLAND confirms that intent of the article is to work under existing zoning. This group does not have legal ability to acquire property. The AHTF will act on recommendations of this group with SB approval (if greater than \$100,000).

#### **V. ELECTION of Chair and Vice Chair**

Peter HOEY nominates Doug Abbey as Chair

MOTION was made by Peter Hoey and seconded by Penny Dey to nominate Doug Abbey as Chair.

Doug ABBEY recommends having a year-round person chair.

Penny DEY Proposes co-chairs, one year-round resident Chair and one seasonal resident Chair.

CONSENSUS agrees.

MOHR nominates Peter Hoey

The **MOTION** was made by Penny Dey and seconded by David Iverson to appoint Doug Abbey (seasonal resident) and Peter Hoey (year-round resident) as Co-Chairmen of the Neighborhood First Advisory Committee.

#### **Roll Call Vote:**

Posie Constable Aye

Penny Dey Aye

Howard Dickler Aye

Kristie Ferrantella Aye

Peter Hoey Aye

Dave Iverson Aye

Brooke Mohr Aye

Eric Savetsky Aye

Joseph Grause Aye

Doug Abbey *by phone* Aye

The vote was **UNANIMOUS**.

#### **VI. Discussion of Advisory Committee goals and scope of work**

HOLLAND refers to Discussion Document which gives background and goals for the group

DISCUSSION of obtaining opinion from Town Counsel to have guidelines and understand intent and scope. Members suggest questions to ask Town Counsel for further clarification. If we have Town land, could we marry some of these funds with Town land to create subsidized units? Is the intent that there will be RFPs and the potential sellers will submit their properties as opposed to looking at real estate listings.

Brooke MOHR explains that we would weigh the use of town owned land vs. acquiring existing homes. Transparency of the process to the community and to the sellers is imperative. Question is how do we prioritize so when offers come in, we have a ranking system by which AHTF can choose one property over another.

HOLLAND refers to Tobias Glidden's (Article 37 proponent) spread sheet document which illustrates how you would find properties, improve them, maintain them, at widely scattered sites that could contribute to affordable housing stock. This document helped voters at ATM understand the intent. The average cost per dwelling is about \$690,000 subsidy per unit.

DISCUSSION of rental vs. ownership structure, management of properties, displacement of year-round resident if year-round home is purchased for the program.

Anne KUSZPA (Housing Nantucket) explains how their program works and gives example with 18 Ticcoma Way units which has 2 SHI- listed units on the property, 1 affordable and 1 market rate. The 80% AMI unit was awarded by lottery for SHI unit and they took a person from "ready to rent" list for market rate. There is no lottery for market rate units. Currently, 226 qualified households earning between 50-100% AMI are on the ready to rent list.

DISCUSSION about how we select a rental agent for upkeep & general maintenance. Is there authorization to spend money on maintenance / management or is it only to acquire the asset?

HOLLAND states that Town Counsel is clarifying the allowable uses of the funds, but likely money can be used for acquisition, improvement, not for operation and maintenance.

Anne KUSZPA explains that working capital come from rental income.

Posie CONSTABLE notes that stated rental income on spread sheet is \$754,000 in Year Two. Asks what percentage of an income this entity is expected to charge for rent.

HOLLAND explains underlying assumptions in this spreadsheet. Informs group that AHTF has contract with Nantucket Data Platform for greater understanding around supply and demand.

DISCUSSION of bonding authorization timing and how we time our creation of units through this program with map toward 490 guiding us all the way through. Neighborhood First is focused on rentals to allow flexibility so that we can address housing need at multiple income levels through rental properties. Need to know where other housing programs are siting their units and how they are pricing, so that we can fill in gaps with our own property selection and pricing.

HOLLAND points out that Brian Turbitt will be very helpful with funding cycles. They go to market twice a year for bonding.

Peter HOEY concerned that they not go to market until we work these details out. Might want to consider modifying the Warrant Article so use of funds includes management / maintenance.

Ken BEAUGRAND points out that the Community Preservation Committee cannot fund for maintenance unless we funded the acquisition.

DISCUSSION regarding importance of having range of alternatives, and identifying costs and benefits of each. Where can we most strategically invest the \$20 million? We have federal and

state resources for building. Need to identify ideal prioritization criteria rather than specific parcels. We may end up with a hybrid of higher and lower density projects. The entire island needs to share the burden of affordable housing rather than concentrate it all in one location. We could do partnerships with conservation or we spend more per unit to have a less dense development.

Eric SAVETSKY explains new Land Bank noncompete policy in cases when they assess properties. Make efforts to form partnerships on affordable housing where appropriate and there is opportunity. Up until recently there had not been funds. They are trying to alert home/land-owners of interest in acquiring land for affordable housing and open space purposes. When asked about swapping less environmentally sensitive land for land suitable to develop, explains the struggle to find parcels with no open space value

Peter HOEY Proposes meeting with himself, Doug Abbey and Tucker Holland to formulate agenda for next meeting.

**VII. Public Comments**

Dick BERUBE (Fishers Landing) proud to be here. Commends the committee.

**VIII. Other Business**

HOLLAND asks Committee to look at dates. All meetings are on Monday. No concerns.

- a. Future Meeting Dates** – Community Room, 4 Fairgrounds Road, 1:00-3:00pm
  - Monday August 26<sup>th</sup>                      Monday, December 16<sup>th</sup>
  - Monday, September 23<sup>rd</sup>                Monday, January 27<sup>th</sup>
  - Monday, October 28<sup>th</sup>                 Monday, February 10<sup>th</sup>
  - Monday, November 18<sup>th</sup>

~~**b. Election of Chair and Vice Chair**~~

**IX. Adjourn**

Meeting adjourned at 2:35pm

---

Submitted by:  
Eleanor W. Antonietti