

NANTUCKET AFFORDABLE HOUSING TRUST

~~ MINUTES ~~

Tuesday, August 18, 2020
Remote Meeting *via* Zoom – 1:00 pm

Trust Members: Brian Sullivan (Chair), Brooke Mohr (Vice-Chair), Penny Dey, Kristie Ferrantella, Reema Sherry, Dave Iverson, Allyson Mitchell

ATTENDING MEMBERS: Brian Sullivan, Brooke Mohr, Reema Sherry, Kristie Ferrantella, Penny Dey, Dave Iverson, Allyson Mitchell

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

Public Present on Zoom: Denice Kronau; Ruth Tonic; Andrew Burek (Atty. for Richmond Great Point)

I. Call Meeting to Order

Brian Sullivan called the meeting to order at 1:05 pm
Brian Sullivan announced that this Open Meeting of the Nantucket Affordable Housing Trust is being conducted remotely via Zoom, consistent with Governor Baker's Executive Order of March 12, 2020, due to the current State of Emergency in the Commonwealth due to the outbreak of the "COVID-19 Virus."

II. Approval of Agenda

Penny Dey **moved to approve the agenda.** Dave Iverson seconded the motion.

ROLL CALL of those participating:

1. Brian Sullivan Aye
2. Brooke Mohr Aye
3. Reema Sherry Aye
4. Dave Iverson Aye
5. Penny Dey Aye
6. Kristie Ferrantella Aye
7. Allyson Mitchell Aye

Agenda adopted by **UNANIMOUS** consent.

III. Approval of the Minutes

- July 21, 2020

Brooke Mohr **moved to approve the Minutes for the meeting on July 21, 2020, as amended.**

Dave Iverson seconded the motion.

ROLL CALL of those participating:

1. Brian Sullivan Aye
2. Brooke Mohr Aye
3. Reema Sherry Aye
4. Dave Iverson Aye

- 5. Penny Dey Aye
- 6. Kristie Ferrantella Aye
- 7. Allyson Mitchell Aye

Minutes adopted by unanimous consent.

IV. Annual Election of Officers

Brian Sullivan There are 2 elected officers.

Penny Dey asks if the existing officers are willing to stay on

Brian Sullivan and Brooke Mohr confirm yes unless anyone else would like to serve.

Penny Dey **motioned to confirm the existing slate of officers** reappointing Brian Sullivan as Chair and Brooke Mohr as Vice Chair. Dave Iverson seconds.

ROLL CALL of those participating:

- 1. Brian Sullivan Aye
- 2. Brooke Mohr Aye
- 3. Reema Sherry Aye
- 4. Dave Iverson Aye
- 5. Penny Dey Aye
- 6. Kristie Ferrantella Aye
- 7. Allyson Mitchell Aye

The motion carried unanimously.

V. Closing Cost Assistance Program Application

- 11 Marble Way (Tonico/ Louvet)

Brooke Mohr recuses as she is related to the seller of the property.

Ruth Tonico applying for the assistance because she really needs it. She and her husband love the house. Where they live is a 1 bedroom rental apartment. She & her husband have been on the website of Housing Nantucket as essential workers. She works at NCH and husband works at gas station. They want to have children and pets and need their own place They both work very hard, but even with overtime, the closing costs are high for frontline workers like them.

Brian Sullivan thanks her for sharing her story.

NO CONCERNS

Kristie Ferrantella **motioned to approve the applicant for up to \$15,000 in funding for Closing Cost Assistance**, subject to return of any unused balance. David Iverson seconded the motion.

ROLL CALL of those participating:

- 1. Brian Sullivan Aye
- 2. Reema Sherry Aye
- 3. Dave Iverson Aye
- 4. Penny Dey Aye
- 5. Kristie Ferrantella Aye
- 6. Allyson Mitchell Aye

The motion carried unanimously.

VI. Covenant Formation Assistance Program

- Programmatic Agreement

Brian Sullivan turns over to Tucker Holland to address the technicalities to tighten it up.

Tucker Holland reminded Board that this was worked out back in February and then reviewed by Town Counsel. Stalled out when Covid hit. Today is a ratification of what was already put into

place.

Brook Mohr **motioned to approve the final Programmatic Agreement with Housing Nantucket.** Kristie Ferrantella seconds.

ROLL CALL of those participating:

1. Brian Sullivan Aye
2. Brooke Mohr Aye
3. Reema Sherry Aye
4. Dave Iverson Aye
5. Penny Dey Aye
6. Kristie Ferrantella Aye
7. Allyson Mitchell Aye

The motion carried unanimously.

VII. 175% AMI Monitoring Agreement at Richmond

Tucker Holland going back a few years, the MOU with the Select Board (“SB”) and Richmond had a Monitoring arrangement for the 175% AMI units. DHCD does not monitor homes at that level. Richmond had said they were fine with arrangement being in place as long as they don’t incur the expense of it. We have put together an agreement between Town and Housing Nantucket as the Monitoring Agent. May need to ultimately add the Trust as a signatory. Intended to work where Richmond hires qualified lottery agent (SEB) to run the filling of these units. Heavy lifting on qualifying the buyers on the front end. Once they have selected a qualified buyer for a given unit, we are asking Housing Nantucket (“HN”) to effectively certify that the party does indeed meet the criteria. We will pay HN \$500 for that service. After buyer buys home, 20 years down the line they go to sell, we would have HN take over the heavy lifting to work with owner to market and sell property to qualified buyer in addition to qualifying buyers. Fee would be .5% of transaction price. Fee is paid out of transaction so not an expense to the Trust. Only expense is for the initial \$500 per buyer. Town Counsel, HN, and Richmond have all examined this Agreement. Seeking approval of the Trust now. Richmond does have some qualified parties at this point and needs HN to certify those buyers.

Brian Sullivan a ½ point would be the second turnover fee so could be as much as \$4,300. Tucker Holland buyer is paying that fee.

Brian Sullivan Points out that could potentially be a closing cost and they could apply for CCAP funds.

Dave Iverson wonders why we wouldn’t have the seller pay this. He is concerned with people scraping things together and \$4,000 can be a lot

Tucker Holland this is how HN does it.

Penny Dey asks how many there are likely to be total on \$500 certification fees.

Tucker Holland perhaps 9 but could be a few more if someone is qualified and then drops out.

Brooke Mohr suggests we add an item to amend the CCAP at next meeting to make sure that these fees can be included as covered by our program.

Tucker Holland if someone held a property for a while and there was a \$150,000 profit, it might not be as required as it might be in other situations. Having some room for judgment was what they recommended. It’s like the Land Bank fee, a point of negotiation in a transaction.

Penny Dey this is a closing cost borne by the buyer

Brooke Mohr unless otherwise negotiated in the transaction.

Brian Sullivan confirms that Tucker is seeking our approval of this agreement and our

commitment.

Tucker Holland Andrew Burek is in house counsel for Richmond. He is joining us.

Andrew Burek look at this as Richmond’s involvement is somewhat limited to the extent that that we are consenting to enforcement rights both on behalf of the Town and the monitoring agent. Richmond wanted to assist in facilitating this to completion as it effects getting people qualified but other than that they do not have a substantive interest in the agreement.

Reema Sherry asks if it is possible to have the .5% split between buyer and seller. Seems more fair. Brian Sullivan if we are lending the .5% through the CCAP, it is a loan that will be paid back when they go to sell and then the new buyer can apply for it as a loan. It could complicate the first seller who didn’t get it. CCAP will get paid back at 0% interest when they go to sell.

Tucker Holland we could confirm that this fee could be eligible for CCAP with Town Counsel.

Reema Sherry and Brian Sullivan fine with that.

Brian Sullivan ask if we need motion or wait and carry over to next meeting

Tucker Holland would like this approved today subject to final revisions by Town Counsel so that the Chair or Vice Chair could sign off on behalf of the Trust. If Town Counsel says not eligible, then we would need to make a change to our CCAP, not this agreement.

Brooke Mohr **motions** that we **approve this Monitoring Agreement** subject to revision by Town Counsel and inclusion of the Nantucket Affordable Housing Trust as a signatory and approve the expenditure of \$500 per applicant under this Agreement from the Trust and to authorize the Chair or Vice Chair to sign on behalf of the Board. Penny Dey seconds.

ROLL CALL of those participating:

1. Brian Sullivan Aye
2. Brooke Mohr Aye
3. Reema Sherry Aye
4. Dave Iverson Aye
5. Penny Dey Aye
6. Kristie Ferrantella Aye
7. Allyson Mitchell Aye

The motion carried unanimously.

Andrew Burek leaves at 1:41pm

VIII. Neighborhood First

▪ RFI

- Public Information Session –Thursday, August 27th at 5:30pm *via* Zoom
- Proposals due by Thursday, October 22nd at 10:00am

Tucker Holland This was published last Wed. 8/12. Public Info session will be recorded live and archived by NCTV. Terrific opportunity with anyone with any question about the RFP and the process. People can still ask questions after that. RFI has instructions about that. If you are registered, you will automatically receive any questions that are asked and answered. Proposals have to be received no later than 10am 10/22 to be considered. There will be a review committee established by the Certified Procurement Officer (“CPO”) to go through and make recommendations to us. Circulated the ad that will plan to run in Inquirer & Mirror this and next week promoting the RFP and especially the Public Info. Session.

Brian Sullivan encourages board to look at ad

Reema Sherry asks Tucker if he is planning to send the Questions and Answers document to all Trust members. Would help us to see what people are concerned about.

Tucker Holland suggests that each member register to actually have same experience as anyone from public. The Q&A ultimately handled by Procurement Dept.

STAFF (Eleanor Antonietti) will post Public Information Session as a MEETING POSTING in case of a quorum.

DISCUSSION about placing Brooke where is link for the application on our webpage and other ways using social media to promote over and above publishing in paper.

Tucker Holland we always want to drive people to that Procurement site to take a look at the RFP. The public information session is really intended to answer questions and provide technical advice about the process. Tobias Glidden will give a little background as sponsor of original article. Other participants will include him; Ken Beaugrand; Brian Sullivan as Chair of AHT; Brian Turbitt, CPO and Finance Director; Andrew Vorce from Planning and Zoning standpoint; and Town Counsel Vicki Marsh.

- **135 & 137 Orange Street**

Tucker Holland we have more ground to cover, primarily in Executive Session.

IX. FY22 Budget Discussion

- **CPC Application**

Tucker Holland starting at top of Budget Discussion documents. Starting at top, you will see sources of funding for Trust over years. We had placeholders in there for potential future sources. These are the moneys going back to 2016. There was a starting balance coming into it that the Trust has been awarded or granted over last few years. As to USES, what is in black has already been expended. What is in blue is budgeted expenditures. You can see recent Orange St. transactions with breakdown of funding sources. There are several things of note planned for under both Neighborhood First (“NF”) and CPC bonding. We were invited to talk about NF a few weeks ago with Fin Com and reviewed these numbers. We have a placeholder to reserve funds in case we have to subsidize. NF Advisory Committee had recommended about 10-30% of NF moneys going to dispersed sites. 10% allocated toward buydown. There are different strategies. We reached out to Habitat for Humanity (“Habitat”) and Housing Nantucket (“HN”) to understand their objectives from now until the end of fiscal year 2022 (June 2022). Habitat, in addition to developing the Beach Grass Rd. duplex, is planning to build 3 additional units at Benjamin Dr. They anticipate needing \$975,000 from us. HN will be looking for funding of just over \$1,000,000. At bottom, you see net balance of different buckets. Want to clean up the \$1 million allocation from Town several years back. We have to go back to SB anytime we want to spend \$1 of that money. This is good opportunity to empty that account. With respect to remainder of what is required, we have committed a good portion of \$5 million bonding from CPC. We are here recommending that we allocate 1 of HN units and they have confirmed that they would adhere to 100% AMI requirement. In order to meet needs of what Habitat and HN are seeking to do, the net result is that we are recommending to put in application to CPC for annual funding of \$800,000 in order to facilitate those projects. Not recommending putting in an ask directly to the Town this year in part because we still have meaningful resource (\$688,000). We can get through Fiscal 2021 if awarded a grant on this order. Questions?

Brooke Mohr asks about logic of making request this year instead of using rest of \$5 million bonding? She is anticipating that question from them.

Tucker Holland We don’t want to use it all. Could spend down to zero but risky. For example, \$346,000 is about 5% of subsidy reserve we have for 135 & 137 Orange so we may need to tap into

that if we need more subsidy. CPC services housing, preservation, and open space. The Youth Hostel is being sold. Maybe that could serve a community or Town purpose rather than going to highest bidder and becoming private home. We want to be able to respond to things like that, so we need to reserve some resources.

Brian Sullivan asks if it is clear that Habitat and HN will definitely be requesting funding through us. Tucker Holland yes

Reema Sherry given that the relationship has changed and we are essentially acting as the housing arm for the CPC, thinks this is appropriate. Very clear and forward thinking budge. Asks Tucker if he will be writing the grant.

Tucker Holland will be writing the grant and Reema offers to assist if needed.

Kristie Ferrantella thanks Tucker. Was on NFAC and having a budget that backs up the concrete plan that the NFAC made is good.

Tucker we will not have another meeting before the CPC application is due. If comfortable, needs a motion to designate Reema and him to lead effort in request for \$800,000.

Brooke Mohr motions to authorize Tucker and Reema to complete application to CPC with request for \$800,000 for the purposes outlined in the budget as presented by Tucker Holland. Kristie Ferrantella seconds.

ROLL CALL of those participating:

1. Brian Sullivan Aye
2. Brooke Mohr Aye
3. Reema Sherry Aye
4. Dave Iverson Aye
5. Penny Dey Aye
6. Kristie Ferrantella Aye
7. Allyson Mitchell Aye

The motion carried unanimously.

X. Housing Production Plan Proposal

Tucker had sent out a scope of what we need. Need to have it updated by DHCD in advance of the expiration date. We are only required to send to 3 but sent to 5 different qualified consultants. Ended up getting back a single combined proposal from 2 of the 5, two of the most highly qualified in the state (Judi Barrett & Jen Goldson).

Brian Sullivan 3 of us and Tucker have worked with Judi. Do newer members have questions?

Penny Dey was interviewed by Judi for the real estate perspective. She is all business.

Brian asks newer members if they have any questions. Older Board members are have worked closely with Judi and went through a long and productive strategic planning process.

Tucker Holland if you decide to move forward, next step is to have Procurement turn their proposal into an actual contract. Procurement Dept. is heavily incentivized to meet the date of May 1st for final delivery. Hopeful that ZOOM environment might make things easier than last go around in terms of scheduling. Jen had minor involvement in last update but is more of an equal partner in this go around. What Judi did produce was approved by DHCD without one change so she knows exactly what is needed. It cost us roughly \$25,000 last time. Considerable uptick in pricing this time. Needs to check with Brian Turbitt if we were to question the number.

Reema Sherry is impressed with proposal. A lot more in here than the original. Doesn't have problem with doubling of price if they include these components which are more comprehensive. We have more direction now and there is more for them to work with.

Penny Dey there should be an efficiency here given that she did the last one. How often is this done? Tucker Holland every 5 years.

Penny Dey **motions** that we **approve the Proposal for Housing Production Plan submitted by Barrett Planning Group, LLC and J M Goldson to be transmitted to the Procurement Office** to execute an acceptable contract. Reema Sherry seconds.

ROLL CALL of those participating:

1. Brian Sullivan Aye
2. Brooke Mohr Aye
3. Reema Sherry Aye
4. Dave Iverson Aye
5. Penny Dey Aye
6. Kristie Ferrantella Aye
7. Allyson Mitchell Aye

The motion carried unanimously.

XI. Communications – Sub-Committee REPORT

Reema Sherry has been in touch with Florencia and sent her start of a logo and description of a vision. She is getting sketches together. Will get all the links and will need the RFI and info link. Need a banner photo. A drone shot of Sachems Path.

STAFF will contact various potential photographers to see how much still DRONE photo – panorama would cost of Sachems Path.

Penny Dey will ask Renee Ceely at Housing Authority or Anne at HN might have Brooke Mohr this falls within Tucker’s authority for expenditure.

Brooke Mohr **motioned** that we **approve expenditure of drone photo of Sachems Path.** Penny Dey seconds.

ROLL CALL of those participating:

1. Brian Sullivan Aye
2. Brooke Mohr Aye
3. Reema Sherry Aye
4. Dave Iverson Aye
5. Penny Dey Aye
6. Kristie Ferrantella Aye
7. Allyson Mitchell Aye

The motion carried unanimously.

Brian Sullivan asks if there is a standard of language we should be using on social media to spread the word about the RFI and the ad we have. He can share with NAREB.

DISCUSSION of ways in which Trust members sharing and spreading the word using live links, and community service announcements on WACK FM, Mahon About Town, & Daybreak.

Penny Dey suggests that we ask Florencia to create something we can readily forward

Tucker Holland It is important to have a consistent presentation of things. The I&M created the ad that we are going to be running so he will ask Florencia to create her own version. Brian Turbitt knows that our ad is not the procurement language ad. We will make sure that the hyperlinks are in there.

Brian Sullivan should make sure that Tucker can approve any related expense incurred.

Reema Sherry **motions** to **authorize Tucker to spend funds necessary under \$5,000 to publicize**

and promote the RFI and the information session to various Town groups via various media outlets. Penny Dey seconds.

ROLL CALL of those participating:

1. Brian Sullivan Aye
2. Brooke Mohr Aye
3. Reema Sherry Aye
4. Dave Iverson Aye
5. Penny Dey Aye
6. Kristie Ferrantella Aye
7. Allyson Mitchell Aye

The motion carried unanimously.

Brooke Mohr **motioned** that **we approve expenditure of drone photo of Sachems Path.** Penny Dey seconds.

ROLL CALL of those participating:

1. Brian Sullivan Aye
2. Brooke Mohr Aye
3. Reema Sherry Aye
4. Dave Iverson Aye
5. Penny Dey Aye
6. Kristie Ferrantella Aye
7. Allyson Mitchell Aye

The motion carried unanimously.

Penny Dey we have to be very clear about broker involvement. This is supposed to be between sellers and the Town. Need to clarify that at some point. The Town is not paying any broker representation. Concerned that some brokers might inform people about the program and then expect to be involved as agent.

Reema Sherry representation is strictly to the seller.

Tucker Holland would be helpful for Penny to put several questions like that down so we can include them in Public Info. Session.

XII. Other Business

- **Next Meeting** – Tuesday, September 15, 2020

Brian may have a conflict. Wife due on 9/12

XIII. PUBLIC COMMENT

NONE

XIV. BOARD COMMENTS

NONE

XV. 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 Kristie Ferrantella 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 of those participating:

1. Brian Sullivan Aye
2. Brooke Mohr Aye
3. Reema Sherry Aye
4. Dave Iverson Aye
5. Penny Dey Aye
6. Kristie Ferrantella Aye
7. Allyson Mitchell Aye

The motion carried unanimously.

XVI. Adjourn

Open Session Meeting ended at 2:43pm

M/S/A Penny Dave

ROLL CALL of those participating:

1. Brian Sullivan Aye
2. Brooke Mohr Aye
3. Reema Sherry Aye
4. Dave Iverson Aye
5. Penny Dey Aye
6. Kristie Ferrantella Aye
7. Allyson Mitchell Aye

The motion carried unanimously.

Submitted by:

Eleanor W. Antonietti