

State of Housing

Housing Office

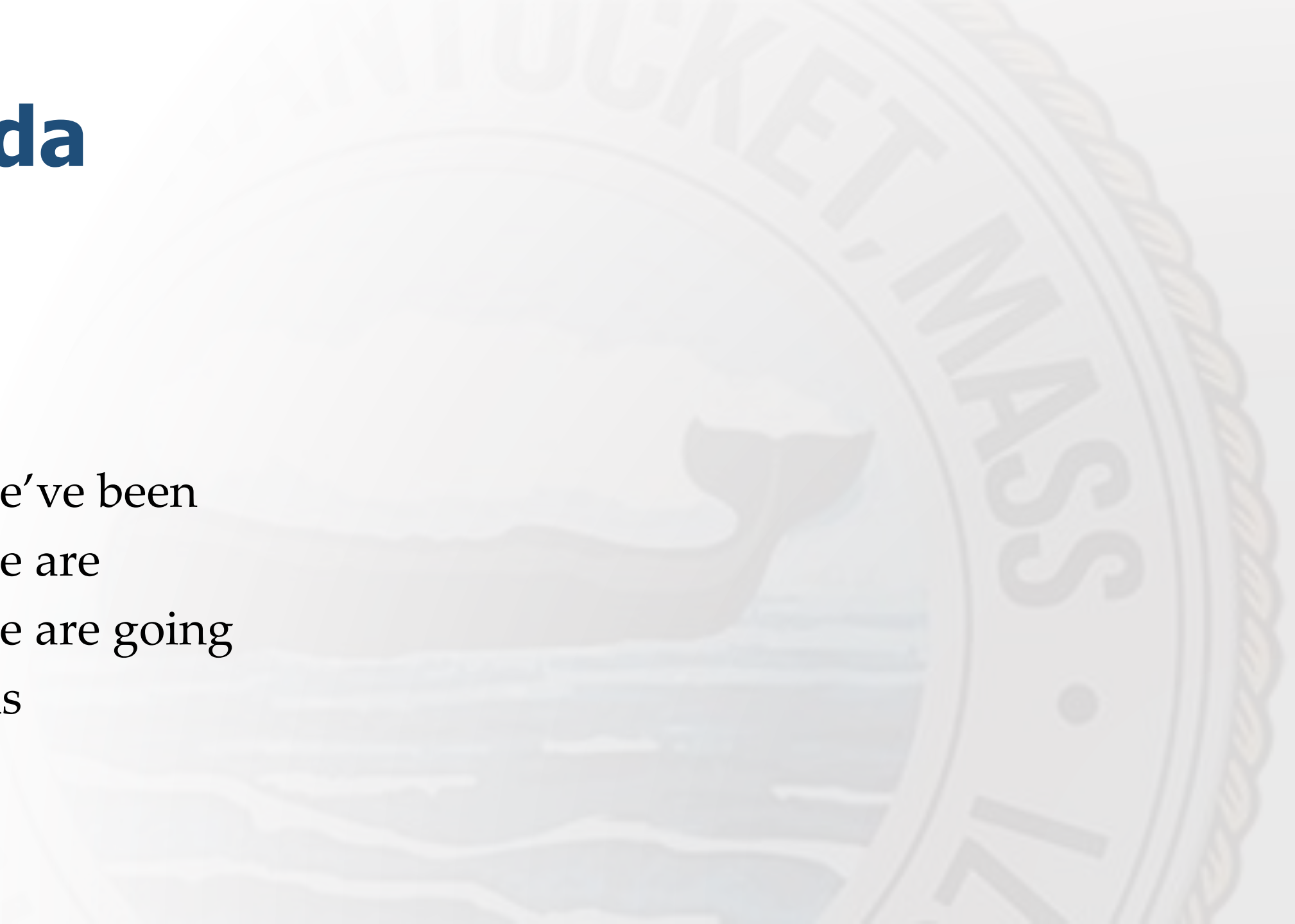
Tucker Holland, Housing Director

August 23rd, 2022




Agenda

- Video
- Terms
- Where we've been
- Where we are
- Where we are going
- Questions



Key Terms



What is all
this jargon?

SHI

The Subsidized Housing Inventory, or SHI, is used to measure a community's stock of low or moderate-income housing, according to M.G.L Chapter 40B.

DHCD

The Department of Housing and Community Development for the State of Massachusetts. The DHCD determines what units are eligible to be included on the SHI list and qualify as contributors to "Safe Harbor."

Housing Production Plan (HPP)

The Housing Production Plan was created by the Town to outline the next five years of housing development. The HPP helps the Nantucket achieve "Safe Harbor" status from the DHCD.

Safe Harbor

Safe Harbor status means that the Town, despite not yet meeting the 10% SHI minimum, may impose conditions on or deny the issuance of a permit, resulting in more control over the type, location, and design of residential development while continuing to meet housing needs through HPP strategies.

AMI

AMI stands for Average Median Income. In order for a unit to qualify on the SHI list, it must be deed restricted and be affordable for low-income households. A low-income household is a household making >80% of the AMI.

AMI on Nantucket

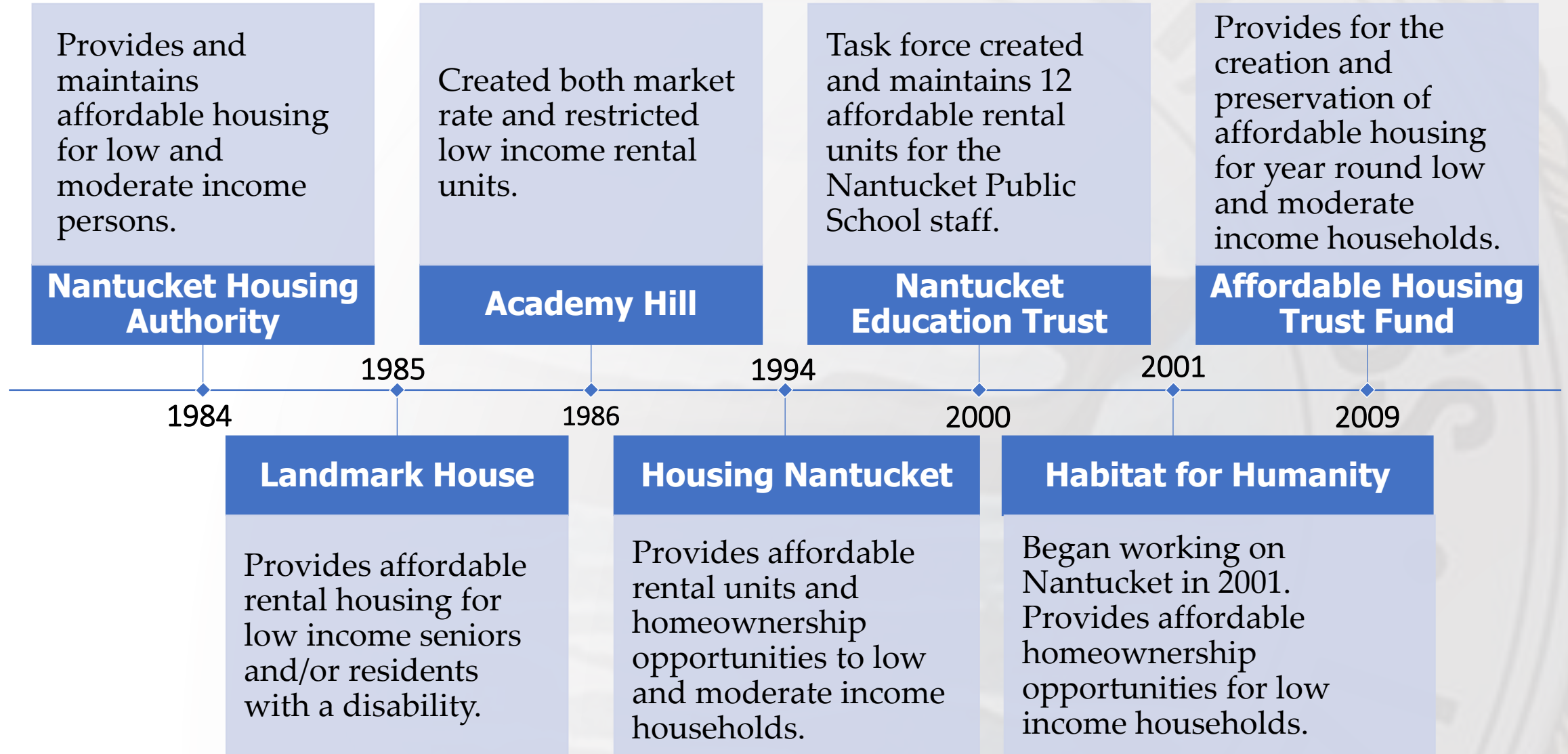
- 100% AMI for a Family of Four: **\$136,100**
- 80% AMI Household Income Limits – “Affordable Housing”
 - 1 Person - \$65,950
 - 2 Person - \$75,350
 - 3 Person - \$84,750
 - **4 Person - \$94,150**
 - 5 Person – 101,700
 - 6 Person - \$109,250

Chapter 40B

- The commonwealth's regional planning law
- In 1969, the legislature added the affordable housing part (Sections 20-23), to address regional housing disparities
- Law assumes communities have met their regional "fair share" if at least **10%** of their housing stock is included in the Subsidized Housing Inventory (SHI). This inventory addresses affordable housing for low-income people, and is subsidized by a federal or state program.
 - Good-faith progress: "Safe Harbor"

WHO ARE THE KEY HOUSING PLAYERS ON NANTUCKET?

Non-profit

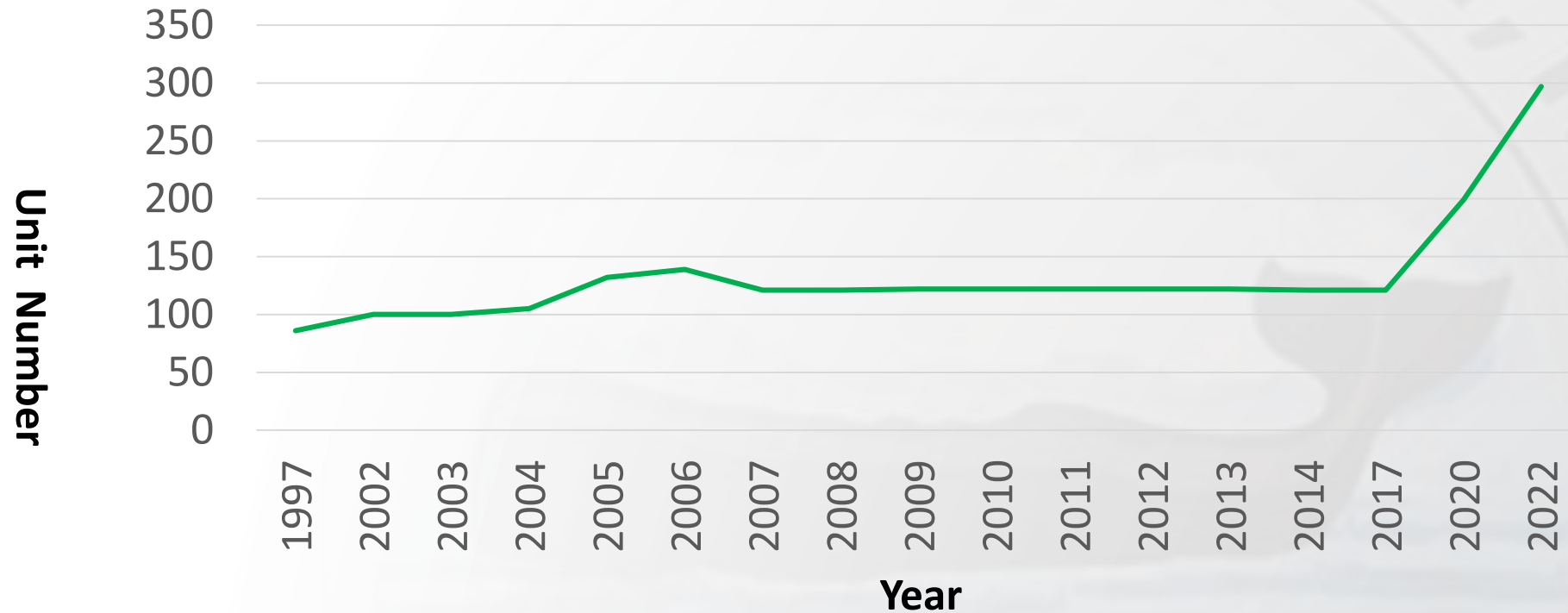


Select Board Strategic Plan Goals

GOALS

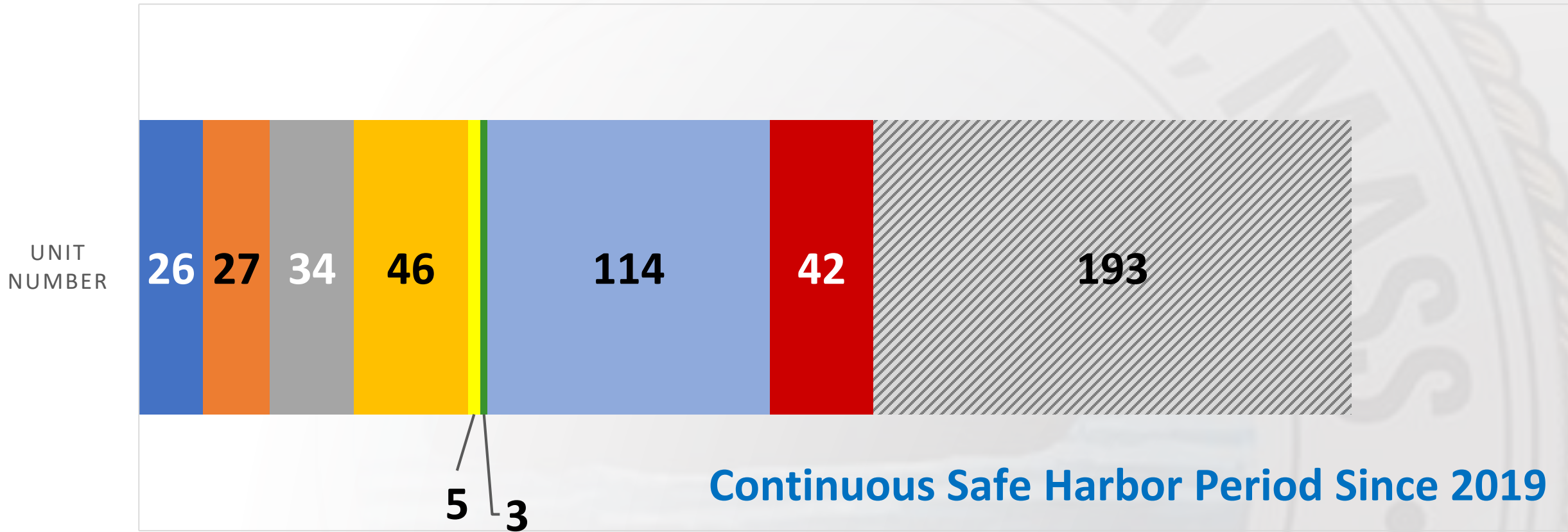
- 1) Achieve Safe Harbor Status per the goals set for Nantucket by the State and maintain local control over affordable housing initiatives.
- 2) Address housing needs specifically for Town employees – year-round and seasonal.
- 3) Determine in greater detail the need for housing at all affordability levels (30% AMI to 200% AMI) for the community.
- 4) Provide incentives that encourage homeowners who rent their secondary dwellings seasonally to instead rent them on a year-round basis.
- 5) Develop a strategy to increase home ownership opportunities for middle-income workers.

NANTUCKET SHI LIST PROGRESS OVER TIME



*Nantucket must have 490 housing units to meet the 10% requirement.
Nantucket currently has 297 units on the SHI (6.07%)*

Our Current SHI Count & Make Up



■ Landmark House

■ Academy Hill

■ Housing Nantucket

■ Housing Authority

■ DMH Group Homes

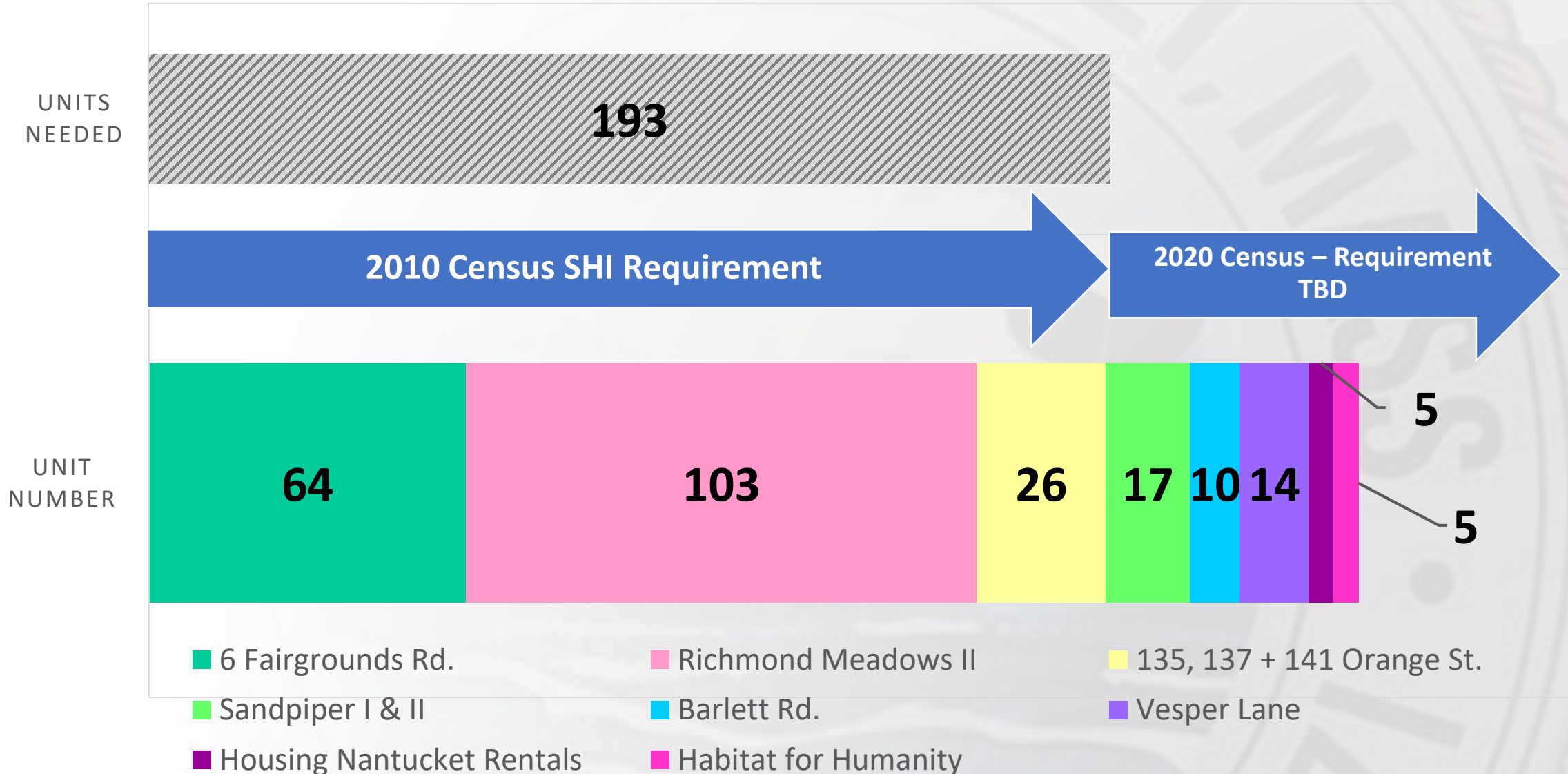
■ Habitat for Humanity

■ Richmond Dev.

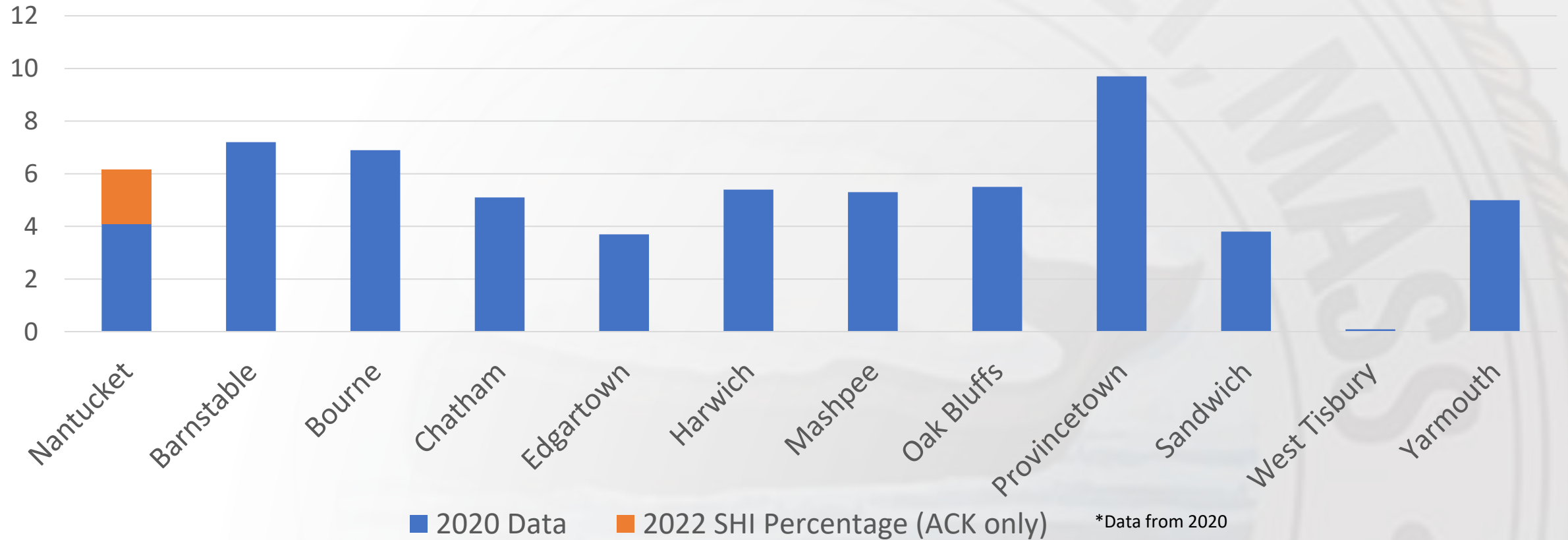
■ Other Private Dev.

■ Units Remaining to reach SHI

REMAINING UNITS NEEDED TO REACH 10%



HOW DOES OUR PROGRESS ON THE SHI LIST COMPARE TO OTHER MA TOWNS & COUNTIES?*

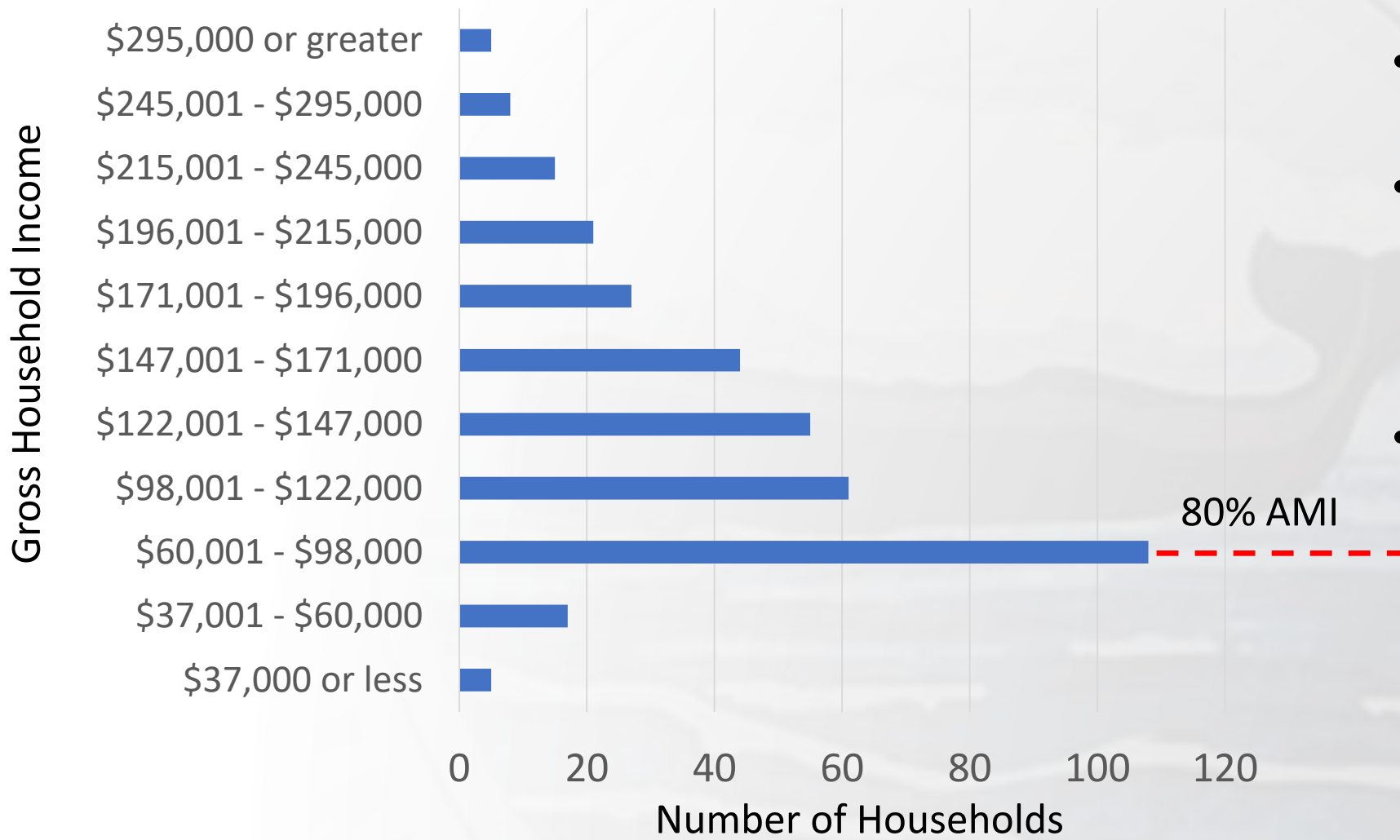


The SHI average for MA is 10.1%. Large cities and towns such as Boston (20.6% - 55,509 units) and very small towns, like Aquinnah (20.9% - 33 units) bring up the average SHI percentage.

Demand

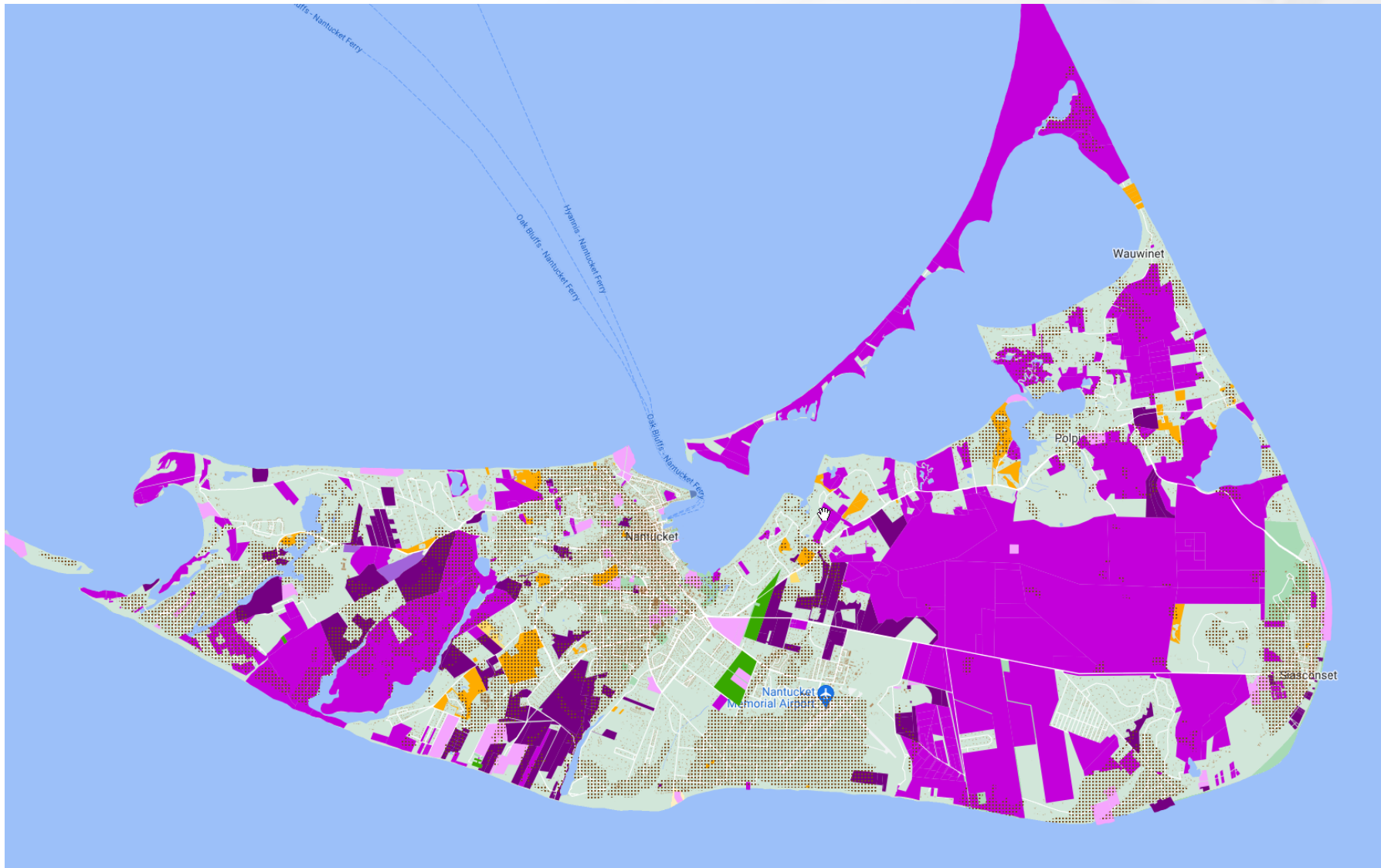
- Housing Nantucket
 - Ready to Rent: **266** households
 - **99** households qualified for Covenant Homes
- Landmark Home
 - **160** people on wait list
- Richmond Waiting List – Meadows II
 - **500+** qualified households for 103 rental units to be built
- Housing Authority Nantucket
 - Exact number unknown (Director position vacant); historically great demand
 - Units RARELY turn over for new tenant applicants
- Habitat for Humanity:
 - For the most recent lottery (3 homes), **67** applications for 3 units

Town Employee Housing Survey



- Conducted Winter 2022
- 50% of respondents self-reported housing cost burdened
- 25% of respondents self-reported extreme housing cost burdened

NANTUCKET – LAND CONSERVATION AREA



Legend:

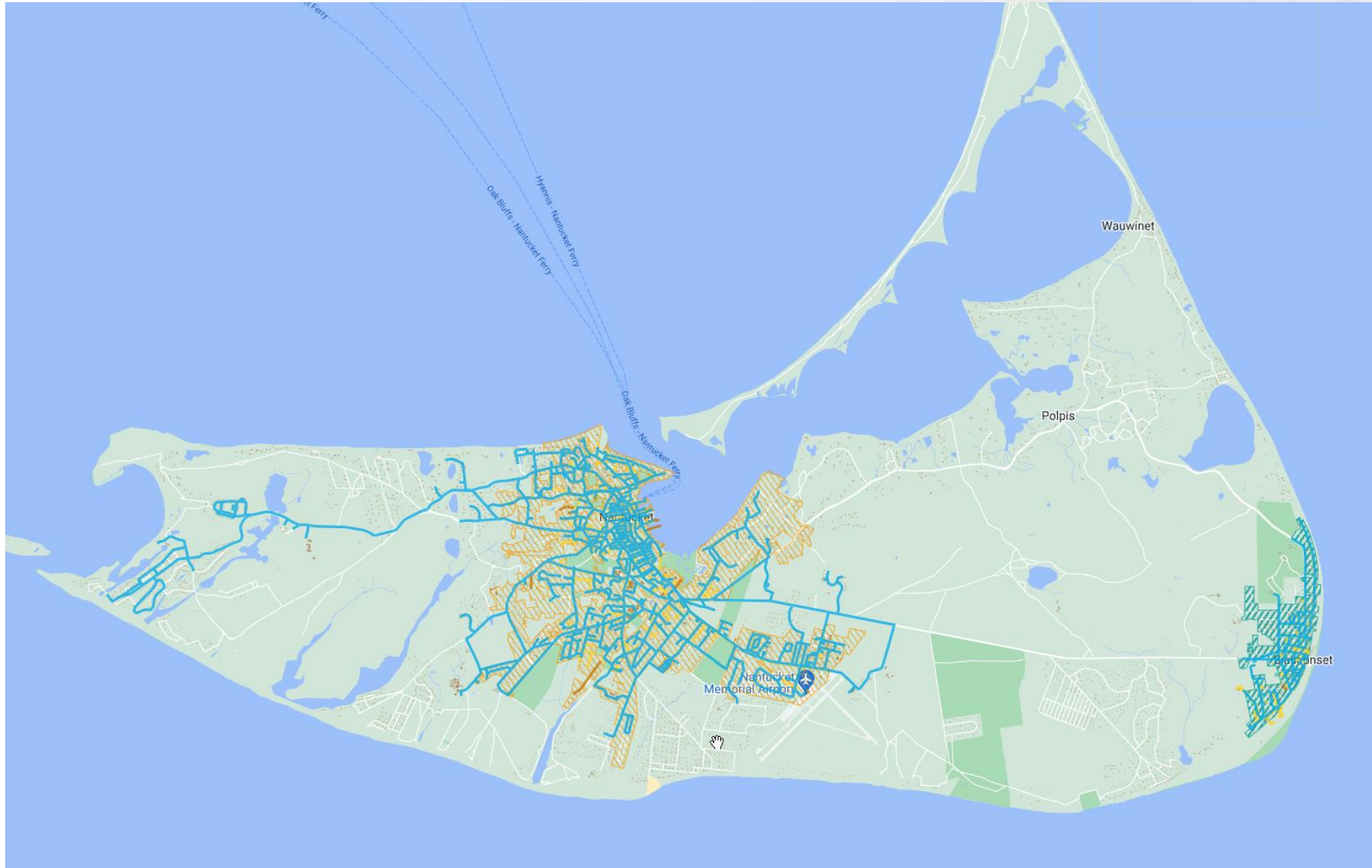
Prime Farmland Soils



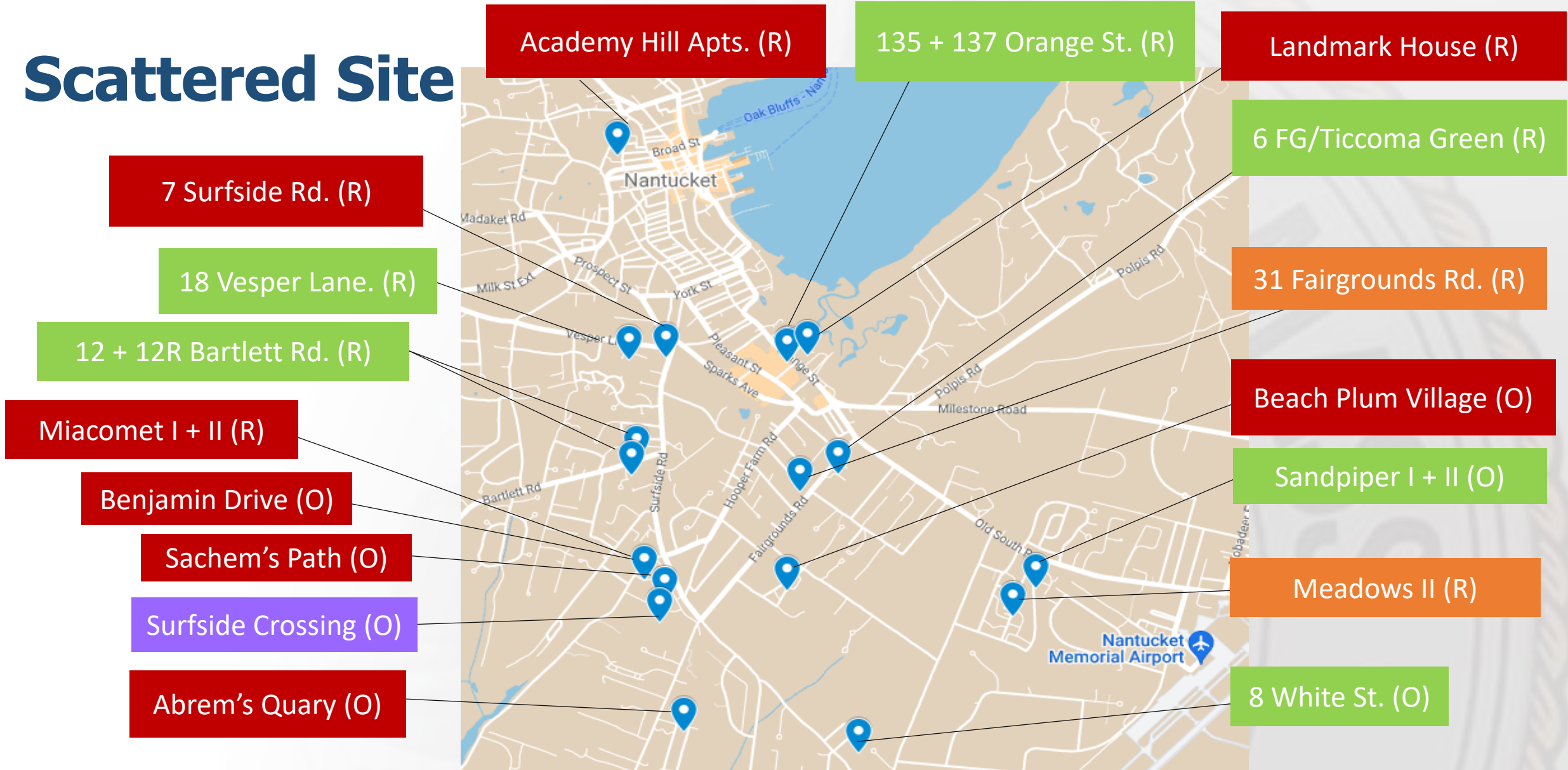
Open Space

- Federal
- State
- County
- Municipal
- Public Non-Profit
- Land Trust
- Conservation Organization
- Non-Profit
- Private
- Other
- Unknown

NANTUCKET- WATER & SEWER CONNECTIONS



Scattered Site



R = Rental O = Ownership

Exists

In Process

Upcoming

In appeal

Project Funding

Annual Town Meeting Appropriations

- ATM 2019 - \$25,775,000
- ATM 2020 - \$150,000 **pandemic*
- ATM 2021 - \$16,100,000
- ATM 2022 - \$25,650,000

Total = \$67 million

CPC Original \$5 Million Bonding

135 Orange Street Land (~12)	\$356,188
137 Orange Street Land (~12)	\$487,488
Wildflower Acceleration Buy-Down /Loan (24)	\$650,000
12 & 12R Bartlett Road Land (~12)	\$687,500
Habitat for Humanity - Beach Grass Road Land & Construction (2)	\$835,000
UMass/Vesper Lane Land (~12)	\$875,000
31 Fairgrounds Road Land (22)	\$1,087,500

(x) denotes planned unit count

TOTAL \$4,978,676



Groundbreaking - January 21, 2022
Anticipated Occupancy: Fall 2022



First Building - January 24, 2022
Anticipated Occupancy: Summer 2022

31 Fairgrounds

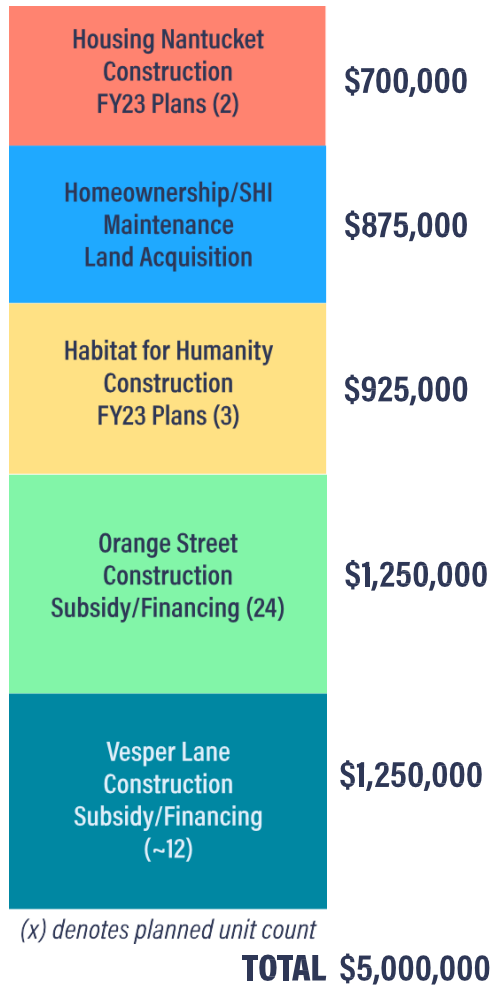
22 units on SHI list
Contributing to current Safe Harbor

Wildflower Acceleration

24 units on SHI list
Contributing to current Safe Harbor

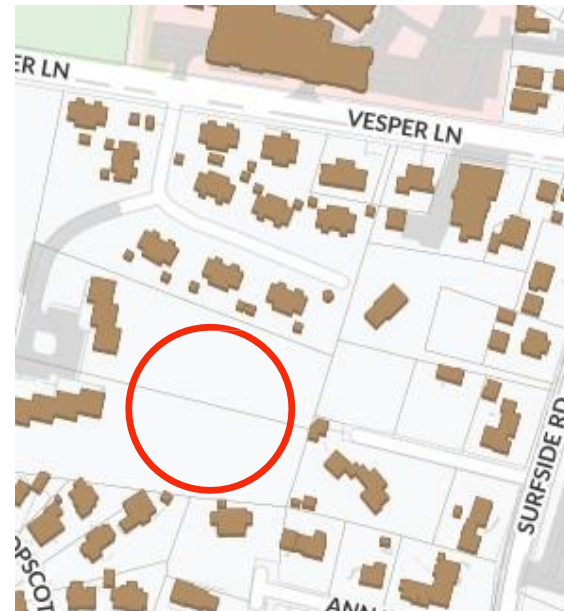


CPC Second \$5 Million Bonding



135 & 137 Orange Street

Opportunity to create 20 to 32 year-round rental apartments; SHI-eligible; easy walking to goods / services / employment



UMass/Vesper Lane

Opportunity to create ~12 year-round rental apartments; SHI-eligible; easy walking distance to Hospital and Schools



Article 37 - 2019 ATM (FY20)

Neighborhood First - \$20 Million Debt Exclusion

12 & 12R Bartlett Road (~12) Land	\$687,500
Habitat Nantucket Benjamin Drive (3) Construction	\$975,000
135 Orange Street (~12) Land	\$1,068,565
137 Orange Street (~12) Land	\$1,462,465
Richmond Wildflower Acceleration (24) Buy-Down/Construction Loan	\$1,950,000
31 Fairgrounds Road (22) Land	\$2,512,500
UMass/Vesper Lane (~12) Land	\$2,625,000
31 Fairgrounds Road (22) Construction	\$8,516,000
TOTAL \$19,797,030	

(x) denotes planned unit count



*apartment sketch by Emeritus Nantucket

31 Fairgrounds

- *22 units currently on SHI list
- *Contributing to current Safe Harbor
- *Anticipated Occupancy: Fall 2022



Wildflower Acceleration

- *24 units currently on SHI list
- *Contributing to current Safe Harbor
- *Anticipated Occupancy: Summer 2022



Article 10 - 2021 ATM (FY22)

\$1.625 Million Capital Appropriation with \$6.5 Million Bonding Authority

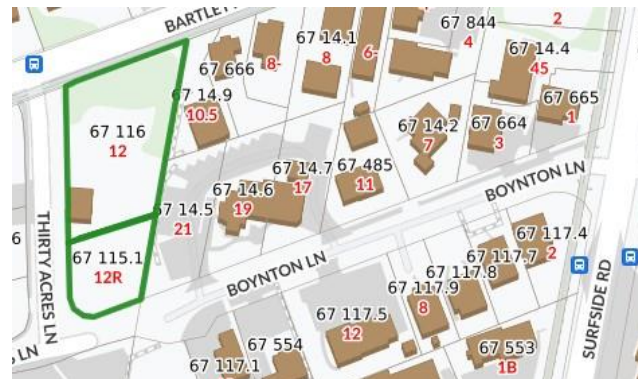
8 White Street (3-6) Land	\$1,200,000
12 & 12R Bartlett Road (~12) Land	\$1,375,000
135 & 137 Orange Street (~24) Construction	\$5,200,000
TOTAL*	\$7,775,000

(x) denotes planned unit count
*total net of debt service



8 White Street

- *2.85 acre property
- *Purchased as the Trust's first "Bargain Sale" transaction
- *Anticipated 3 to 6 homeownership units



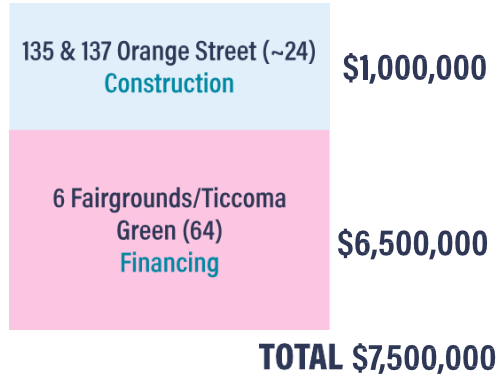
12 & 12R Bartlett Road

- *Anticipated closing in March, 2022
- *Estimated 12 SHI-eligible rental units
- *RFP issuance Fall 2022



Article 24 - 2021 ATM (FY22)

\$7.5 Million Debt Exclusion



(x) denotes planned unit count



6 Fairgrounds/Ticcoma Green

*64 rental units

*Restricted at 30%, 60%, & 120% AMI

*Closing on tax-credit financing May 2022

*Anticipated Occupancy: May 2024



Article 10 - 2022 ATM (FY23)

\$1.625 Million Capital Appropriation with \$10 Million Bonding Authority

135 & 137 Orange Street (~24) Construction	\$4,750,000
UMass/Vesper Lane (~12) Construction	\$5,875,000
TOTAL*	\$10,625,000

(x) denotes planned unit count

*total net of debt service

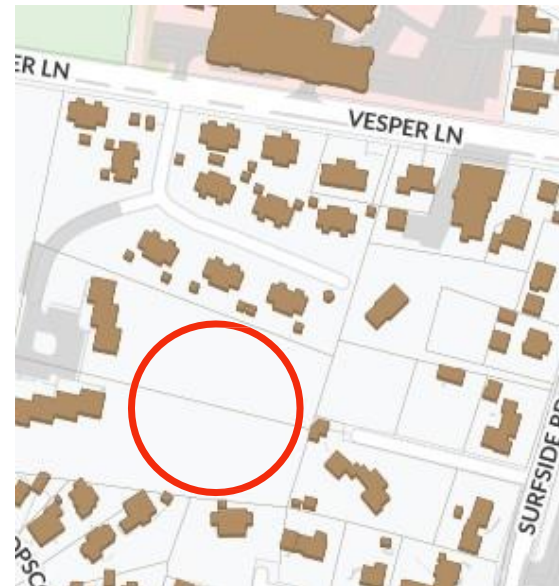


135 & 137 Orange Street

*RFP Issuance: Spring 2022

*Anticipated 20-32 units

*Anticipated Occupancy: Spring 2024



UMass/18 Vesper Lane

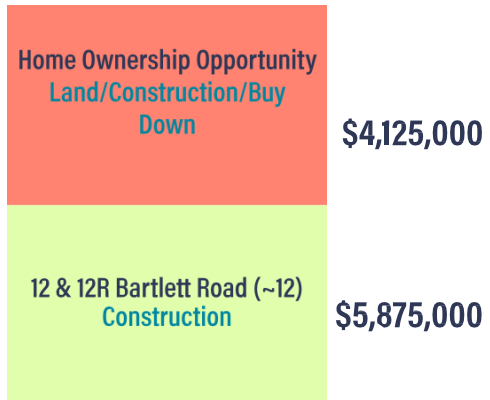
*RFP Issuance: Fall 2022

*Anticipated Occupancy: 2024



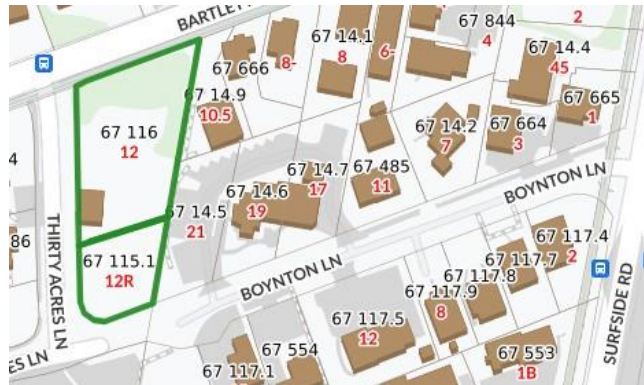
Article 20 - 2022 ATM (FY23)

\$10 Million Debt Exclusion



TOTAL \$10,000,000

(x) denotes planned unit count



Future Home Ownership Opportunity

- *Critical to long term retention of police, firefighters, teachers & more
- *New Select Board strategic plan goal for housing

12 & 12R Bartlett Road

- *Estimated 12 SHI-eligible rental units
- *RFP to be issued Fall 2022



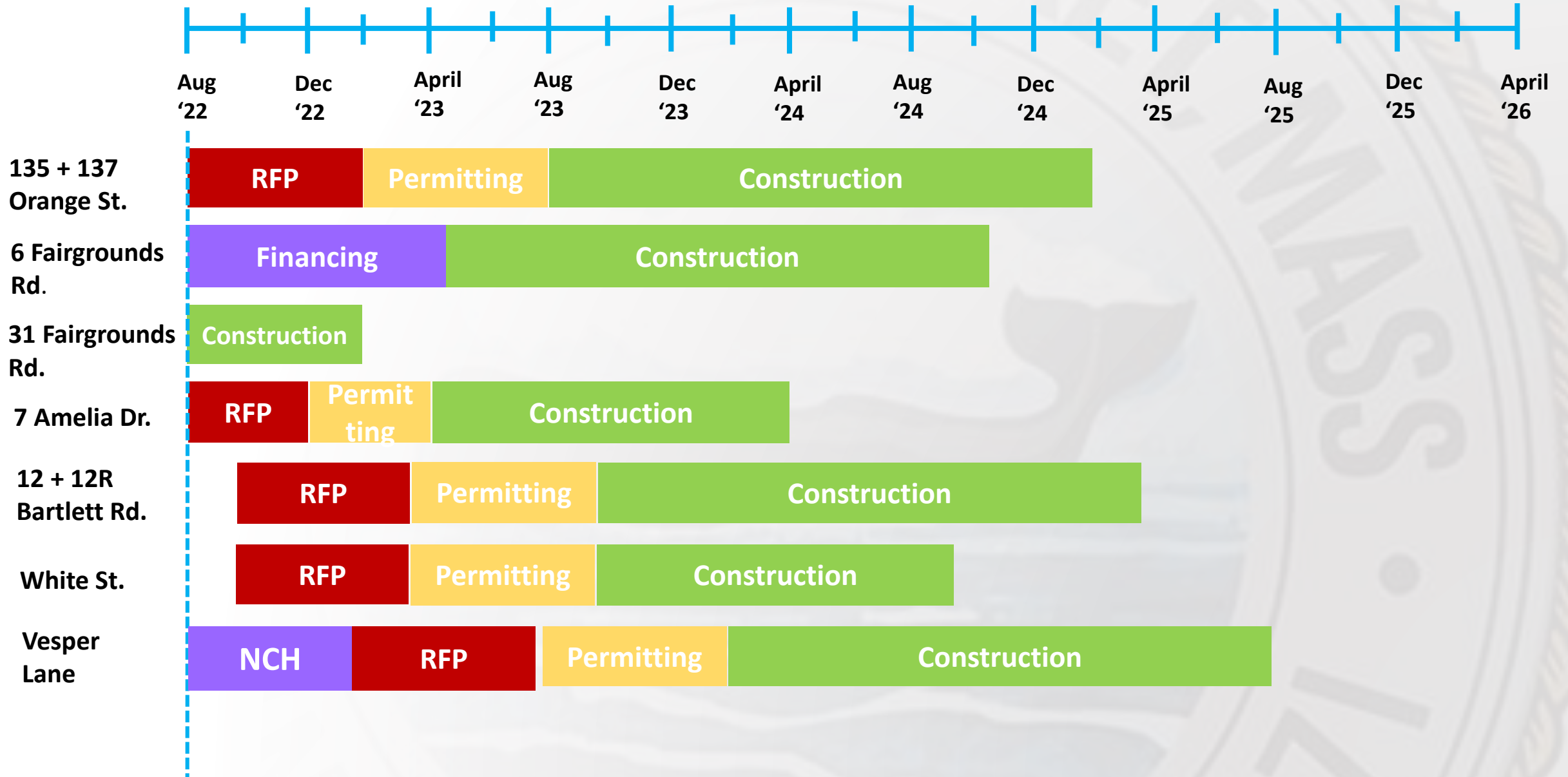
Major Funding Allocations

- 31 Fairgrounds Road (22 units)
 - \$3.6 million – land (grant to Housing Nantucket)
 - \$8.5 million – construction (loan)
- 135+137 Orange Street (~26 units)
 - \$3.4 million land (owned by Affordable Housing Trust)
 - Reserve subsidy (grant / loan) – \$10.95 million
- Richmond Wildflower Buydown & Acceleration (24 units) –
 - \$925k buydown of affordability
 - \$1.675 million loan
- 12+12R Bartlett Road (~10 units)
 - \$2.75 million land (owned by Affordable Housing Trust)
 - Reserve subsidy (grant loan) \$5.875 million

Major Funding Allocations

- 6 Fairgrounds Road (64 units)
 - \$6.5 million loan – due to legal delay / construction cost increase
 - Additional basement (storage)
- Vesper Lane (14 units)
 - \$3.4 million – land (owned by Affordable housing Trust)
 - Reserve subsidy (grant / loan) – \$5.8 million
- Additional: 8 White Street, Habitat for Humanity, Housing Nantucket, Additional Acceleration, Existing Unit Acquisition
 - \$8.5 million
- Homeownership
 - \$4 million

AFFORDABLE HOUSING PROJECT TIMELINE



Homeownership Moonshot *Now*

- 250 homeownership opportunities for year-rounders within next 5 years
 - In addition to Housing Nantucket goal to create 30 new Covenant Homes during this time and Habitat for Humanity goal to create 5 new homes
 - Existing stock and new
- Community Land Trust
- Down payment assistance program
- Additional data for targeting need

Wait But Why?

- We have a several hundred million dollar issue
- *Can't afford to wait*
- Greater roles for:
 - Town funding support
 - Legislature
 - Philanthropy
 - Conservation organizations?

Transfer Fee

- 0.5% RE transfer fee paid on amounts over \$2 million
- Home Rule Petition first submitted to legislature in 2016
 - Strongly supported locally 5x at Annual Town Meeting
- Serve up to 240% AMI
- Had it been in place last year, would have generated over \$5 million
 - These funds can be bonded against -- \$50-100 million
- Fought vigorously by Massachusetts Association of Realtors
- Senator Cyr optimistic under Healey Administration

Rental & Closing Cost Assistance

- CCAP has helped 75 families to date with closing costs
 - Up to \$15,000 per household
 - First recycling in 2022
- Nantucket Food, Fuel & Rental Assistance
- Town Employee Housing Assistance Pilot Program
 - \$1,000,000
 - Community Foundation for Nantucket

Where do I go for rental housing?

- Housing Nantucket – 3BR Rental Unit (Okorwaw Ave). Application due 10.4.2022, 60-80% AMI income restricted
- Housing Nantucket – 31 Fairgrounds, income restricted at 80%, 110% and 150% AMI.
- Richmond Great Point Properties, LCC – Meadows II, income restricted and market
- Ticcoma Green (6 Fairgrounds Road), income restricted at 30%, 60%, and 120% AMI and some market rate units.

e-mail Hayley for contact information: hcooke@nantucket-ma.gov

How can I help?

- Consider renting a primary / secondary / accessory dwelling to a year-rounder
- Consider Creating A Covenant Lot / Home
 - CFAP – technical advice and up to \$10,000 in cash flow assistance
- Bring a property to the Affordable Housing Trust (off market) or other qualified organization
 - Bargain sale tax benefit
- Write the legislature in support of our transfer fee for housing
- Donate to, or volunteer time with, a local housing non-profit
 - Share your ideas

Q&A





THANK YOU

Visit the Affordable Housing Trust page at www.nantucket-ma.gov/AHT to learn more.

Have further questions? Reach us by email:

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