

Affordable Housing Trust Fund (AHTF)

Kristie Ferrantella

2/22/2024



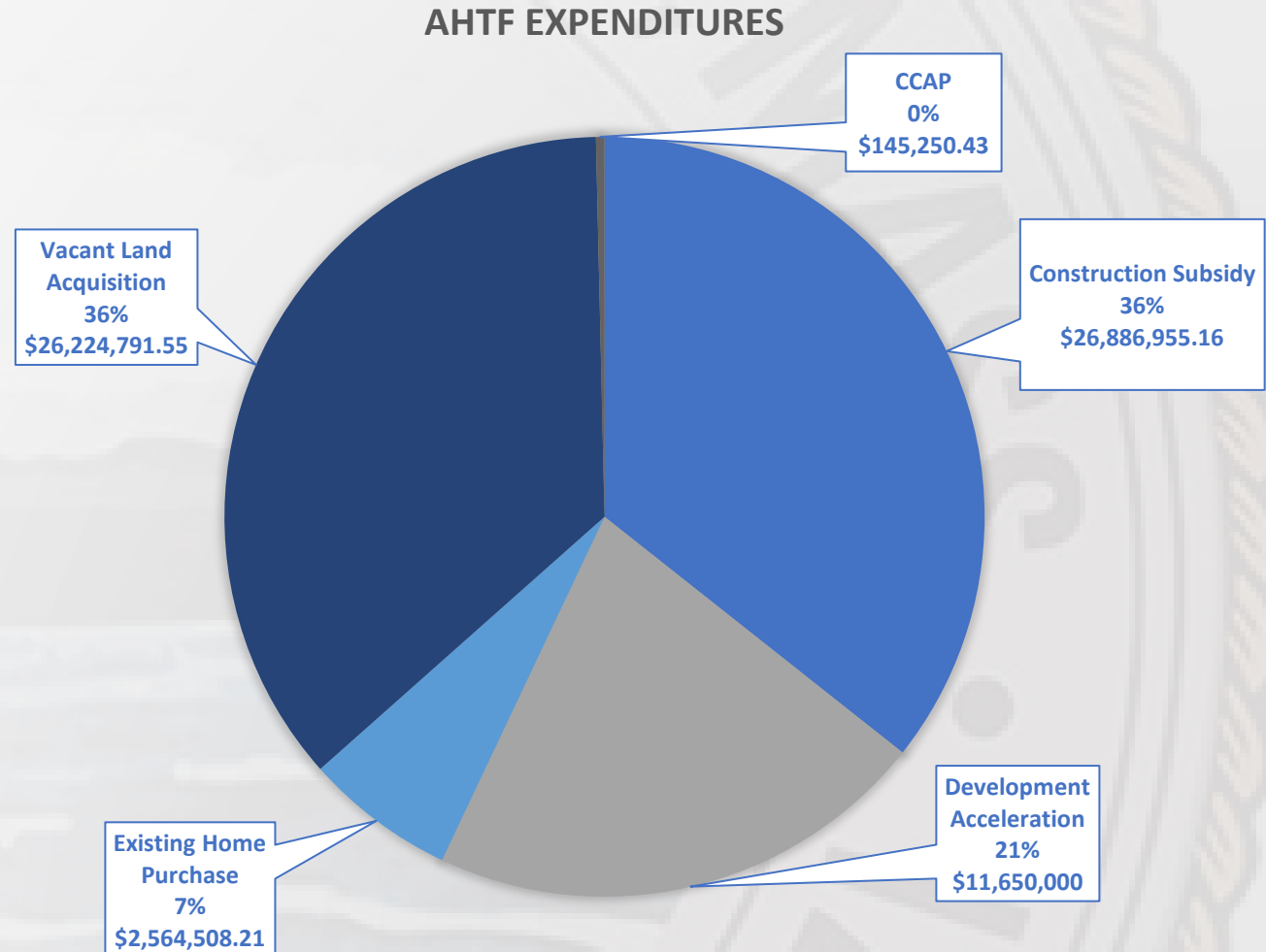
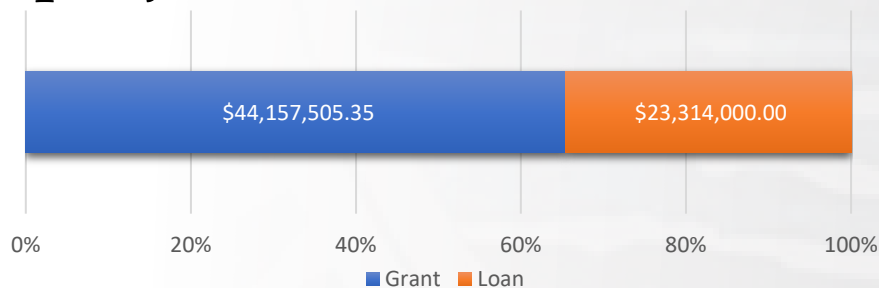
Guiding Principles

- **Strategic Plan** - Utilize the Select Board's strategic plan and housing goals as guiding principles for the Affordable Housing Trust when making policies and funding decisions.
- **ATM Funding Criteria** - Town meeting funding sources dictate expenditure guidelines.
 - For instance, Neighborhood First funds prioritize maintaining safe harbor, while CPC funds are earmarked for units serving 100% AMI or less.
- **Housing Production Plan** - the HPP aims to provide a roadmap for achieving the town's housing goals in a coordinated and sustainable manner
- **Bond Counsel and Financial Advisors** - offers expertise in evaluating potential real estate transactions and determining whether purchases are eligible for borrowed funds.

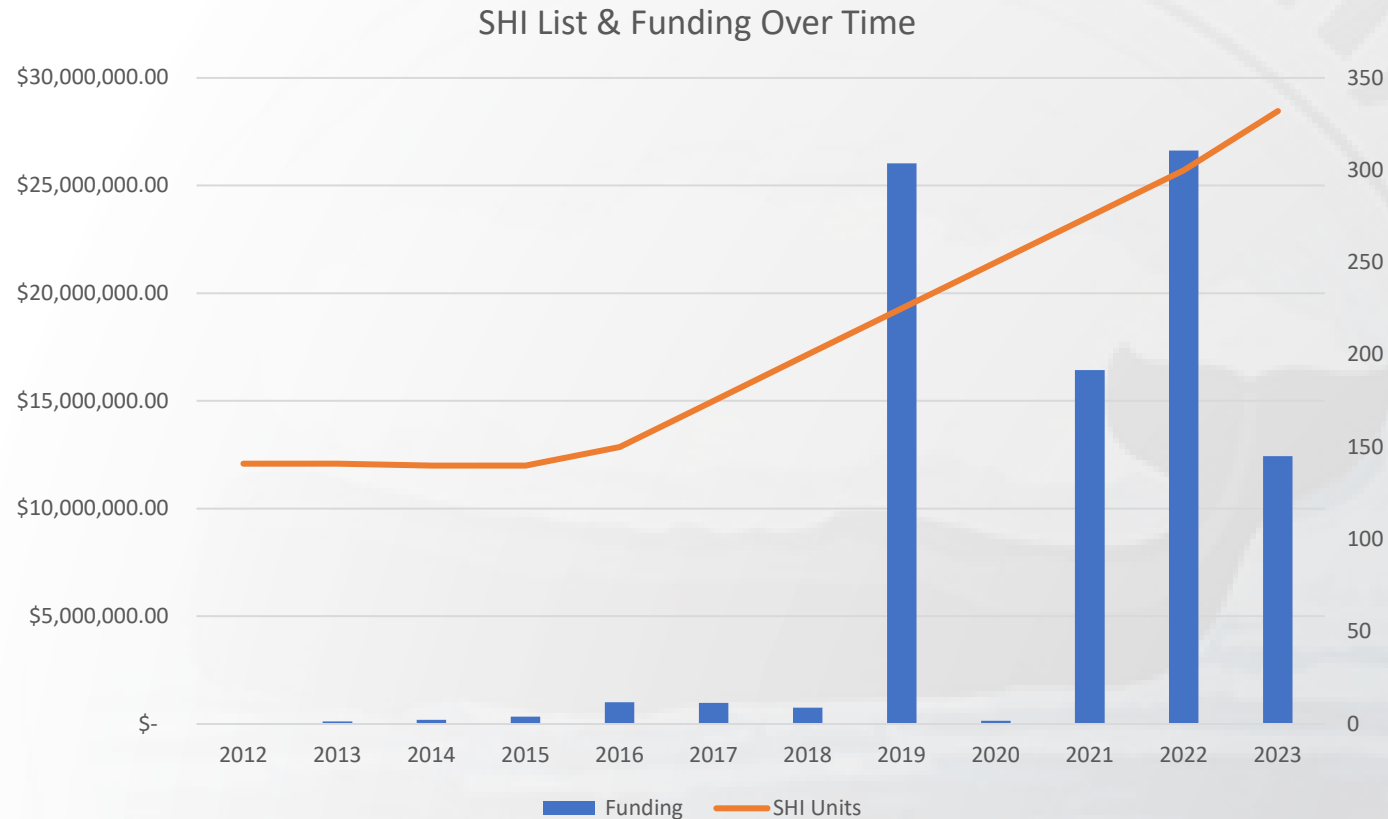


ATM Funding: Building Communities, Creating Opportunities

- To date, \$84,380,641 appropriated at Town Meeting for Affordable Housing
- \$67.5m spent or allocated to current projects, with \$17m remaining for future projects



Funding for Affordable Housing



State 10%
Goal:
618 Units

- Substantial funding allocation leads to remarkable progress in expanding SHI Units
- One of the only towns in MA to stay in safe harbor **consecutively** for the past five years.

Project Expense Category	Project	# of Units	Grand Total	Ownership or Rental	Price per Unit	Per Unit Subsidy	Price per Sq Ft
Construction Subsidy	31 Fairgrounds Rd (2021)	22	\$ 12,779,000.00	R	\$ 580,863.64		\$ 407.00
	6 Fairgrounds (Ticcoma Green) (2022)	64	\$ 7,500,000.00	R	\$ 896,588.00	\$117,187.50	\$ 660.00
	HFHN - Beach Grass (2020)	2	\$ 714,331.71	O	\$ 357,165.86		\$ 322.00
	HFHN - Benjamin Drive (2022)	3	\$ 1,346,000.00	O	\$ 448,666.67		\$395/\$438
	HFHN - Waitt Drive (2024)	6	\$ 4,000,000.00	O	\$ 666,666.67		\$ 411.00
	Housing Nantucket Construction & House Moves	3	\$ 172,623.45	R		\$57,541.15	
Development Acceleration	Richmond - Wildflower Place Acceleration (2021)	24	\$ 2,600,000.00	R		\$108,333.33	
	Richmond - Violet Place Acceleration (2022)	48	\$ 5,950,000.00	R		\$123,958.33	
	Richmond Sandpiper Place II Acceleration (2024)	7	\$ 3,100,000.00	O		\$442,857.14	
Existing Home Purchase	14 Somerset Lane (2022)	1	\$ 1,738,871.67	R	\$ 1,738,871.67		
	8A Thirty Acres (2022)	1	\$ 825,636.54	R	\$ 825,636.54		
Vacant Land Acquisition	12 & 12R Bartlett Road (2022)	12	\$ 2,612,395.00	R	\$ 217,699.58		
	135 & 137 Orange Street (2020)	31	\$ 3,374,706.55	R	\$ 108,861.50		
	141 Orange Street Easement (2022)		\$ 487,690.00				
	16 Vesper Lane (2021)	19	\$ 2,600,000.00	R	\$ 136,842.11		
	31 Fairgrounds Rd (2021)	22	\$ 3,600,000.00	*see above	\$ 188,636.00		
	HFHN - Beach Grass (2020)	2	\$ 375,000.00	*see above	\$ 187,500.00		
	7 Amelia Drive (2019)	4	\$ 600,000.00	R	\$ 150,000.00		
	8 White Street (2021)	3-6	\$ 1,200,000.00	O	\$ 200,000.00		
	Potential Land Acquisitions	50	\$ 11,750,000.00	Mixed	\$ 235,000.00		
Community Assistance Programs	Closing Cost Assistance		\$ 145,250.43				



Project Status – Construction Subsidy Projects

- 6 Fairgrounds (Ticcoma Green)
- 31 Fairgrounds Rd
- Habitat for Humanity

Project Status – 6 Fairgrounds (Ticcoma Green)



- Will serve 30%, 60%, and 120% AMI
- Six Market Rate units
- Current proposal is for \$6.5m construction loan and \$1m grant for additional basement
- Funding source is dependent on bond counsel

6 Fairgrounds “Ticcoma Green”

TOTAL APPROPRIATED

\$7,500,000

Reserved, still needs SB approval

OF UNITS

64

FUNDING SOURCES

- 2021 ATM - Article 24 (\$7.5 million debt exclusion)

RENTAL OR OWNERSHIP

Rental

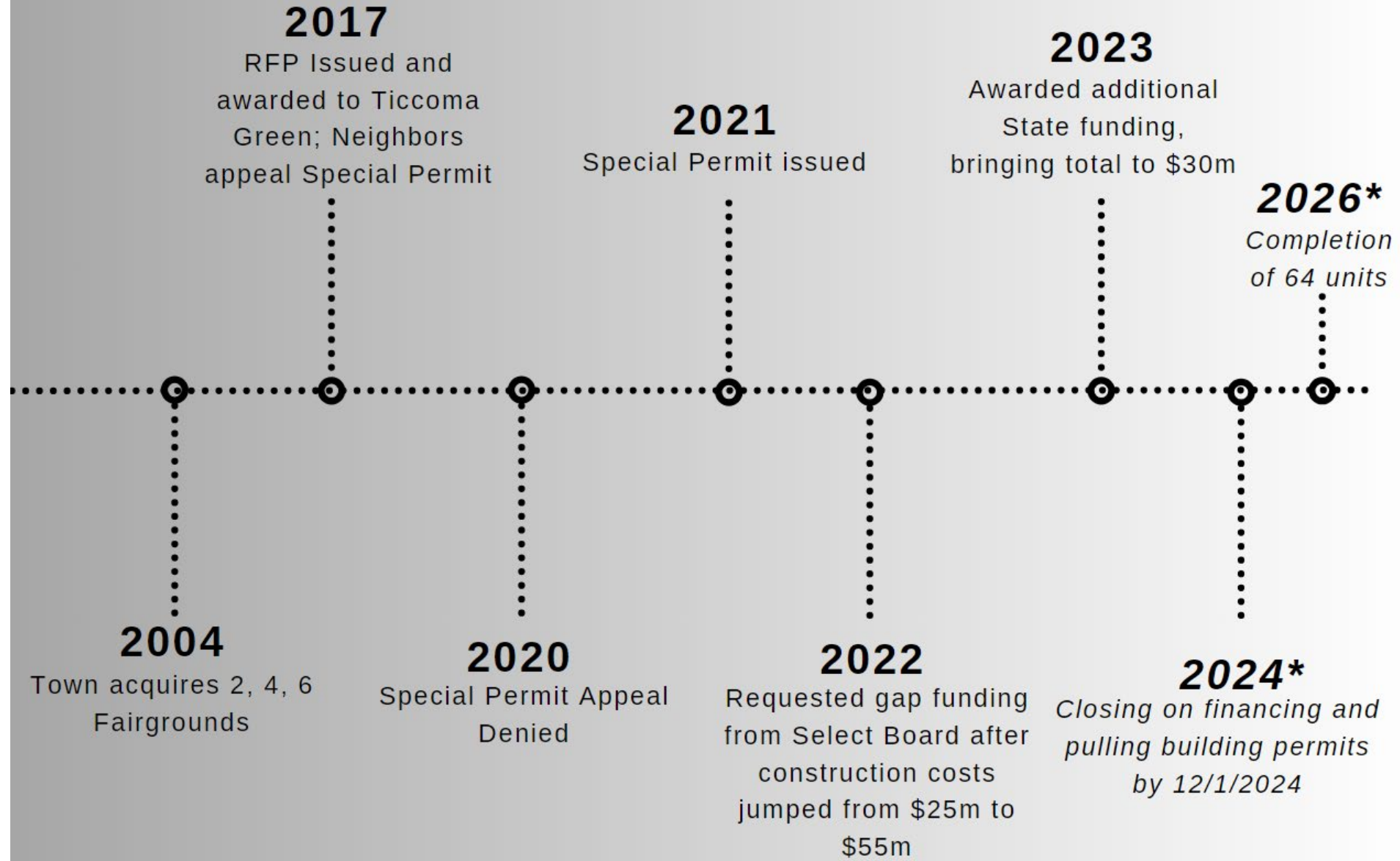
STATUS OF PROJECT

Financing

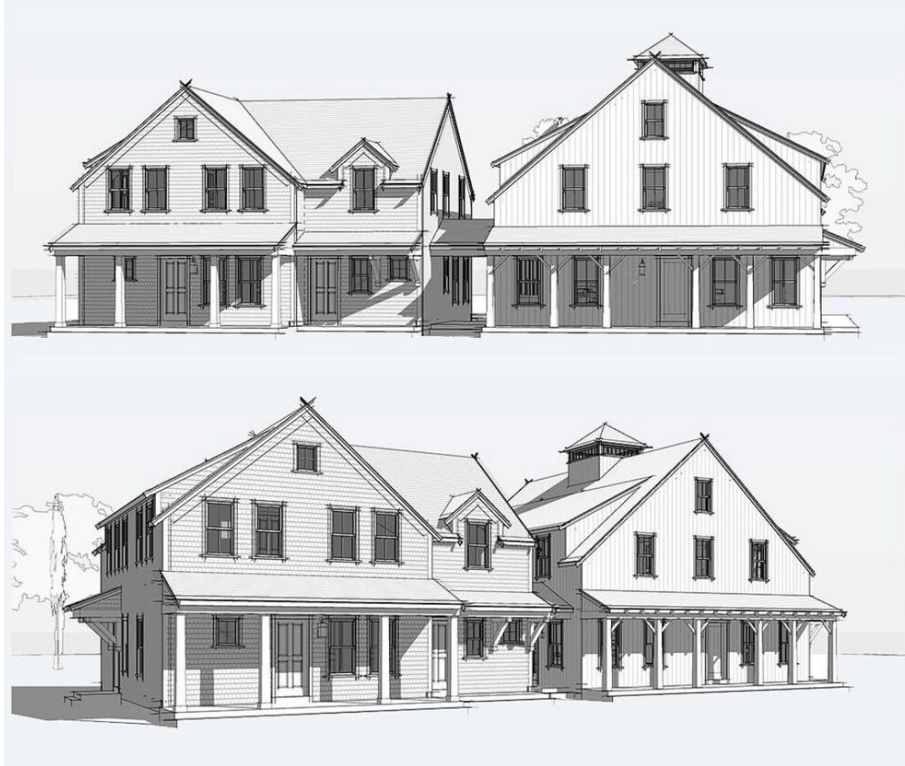
COMPLETION DATE

2026

6 Fairgrounds "Ticcoma Green"



Project Status – 31 Fairgrounds



- Will serve 50%, 80%, 110%, and 150% AMI
- Current Financing is 48% grant and 52% loan

31 Fairgrounds “Wiggles Way”

TOTAL APPROPRIATED

\$16,379,000

OF UNITS

22

FUNDING SOURCES

- 2016 ATM - Article 10 (\$1M one-time kick-start)
- 2019 ATM - Article 28 (\$5M CPC bonding #1)
- 2019 ATM - Article 37 (\$20M bonding authority)
- 2021 ATM - Article 10 (\$6.5M bonding authority)

RENTAL OR OWNERSHIP

Rental

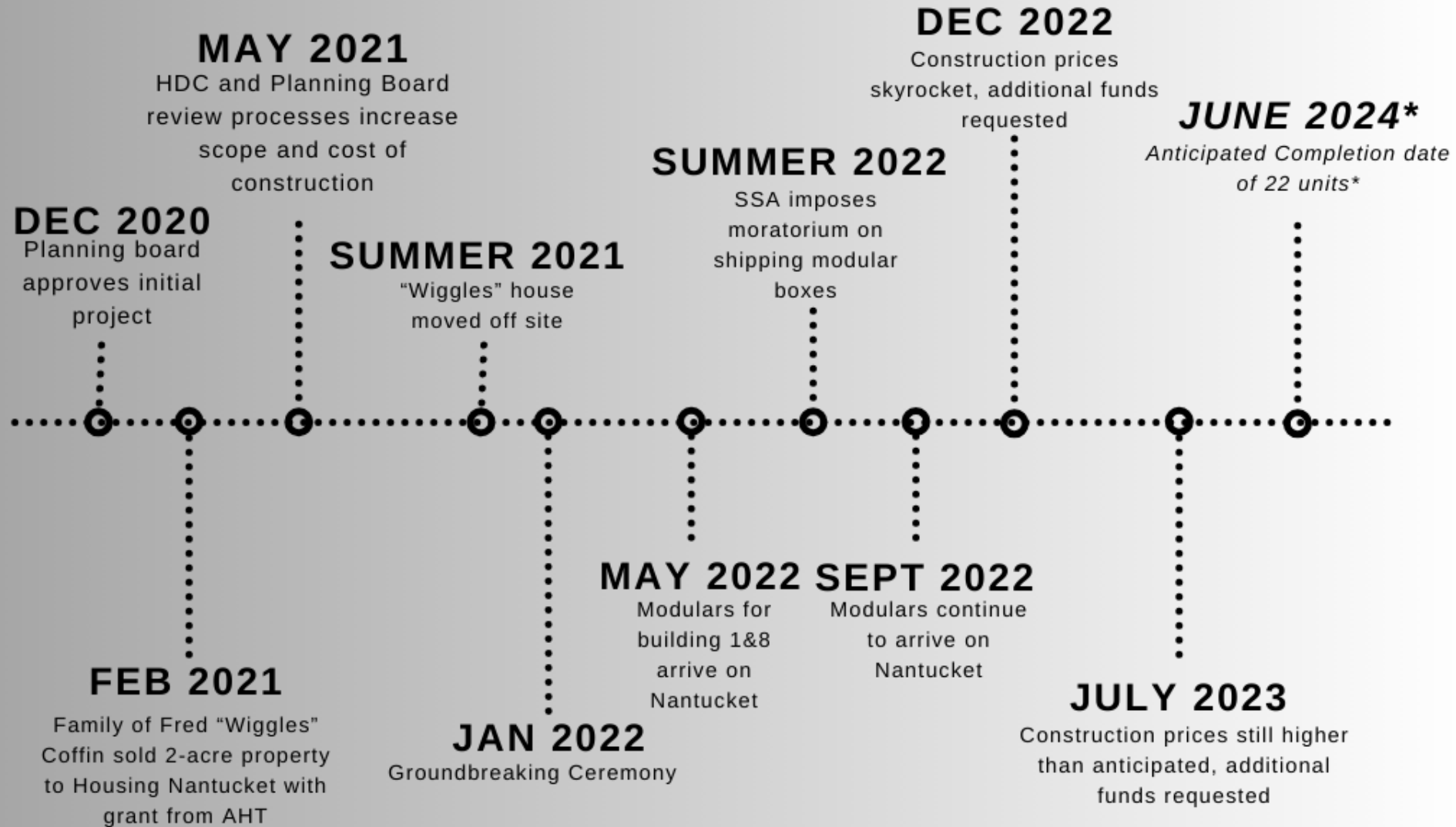
STATUS OF PROJECT

In Construction

COMPLETION DATE

6/1/2024

31 Fairgrounds "Wiggles Way"



Project Status – Habitat for Humanity



- Will serve 80% AMI
- Current Financing is 100% grant

Habitat - Waitt Drive

TOTAL APPROPRIATED

\$4,000,000

OF UNITS

6

FUNDING SOURCES

- 2019 ATM - Article 28 (\$5M CPC bonding #1)
- 2019 ATM - Article 32 (\$750k CPC annual appropriation)
- 2023 ATM - Article 10 (\$4M bonding authority)

RENTAL OR OWNERSHIP

Ownership

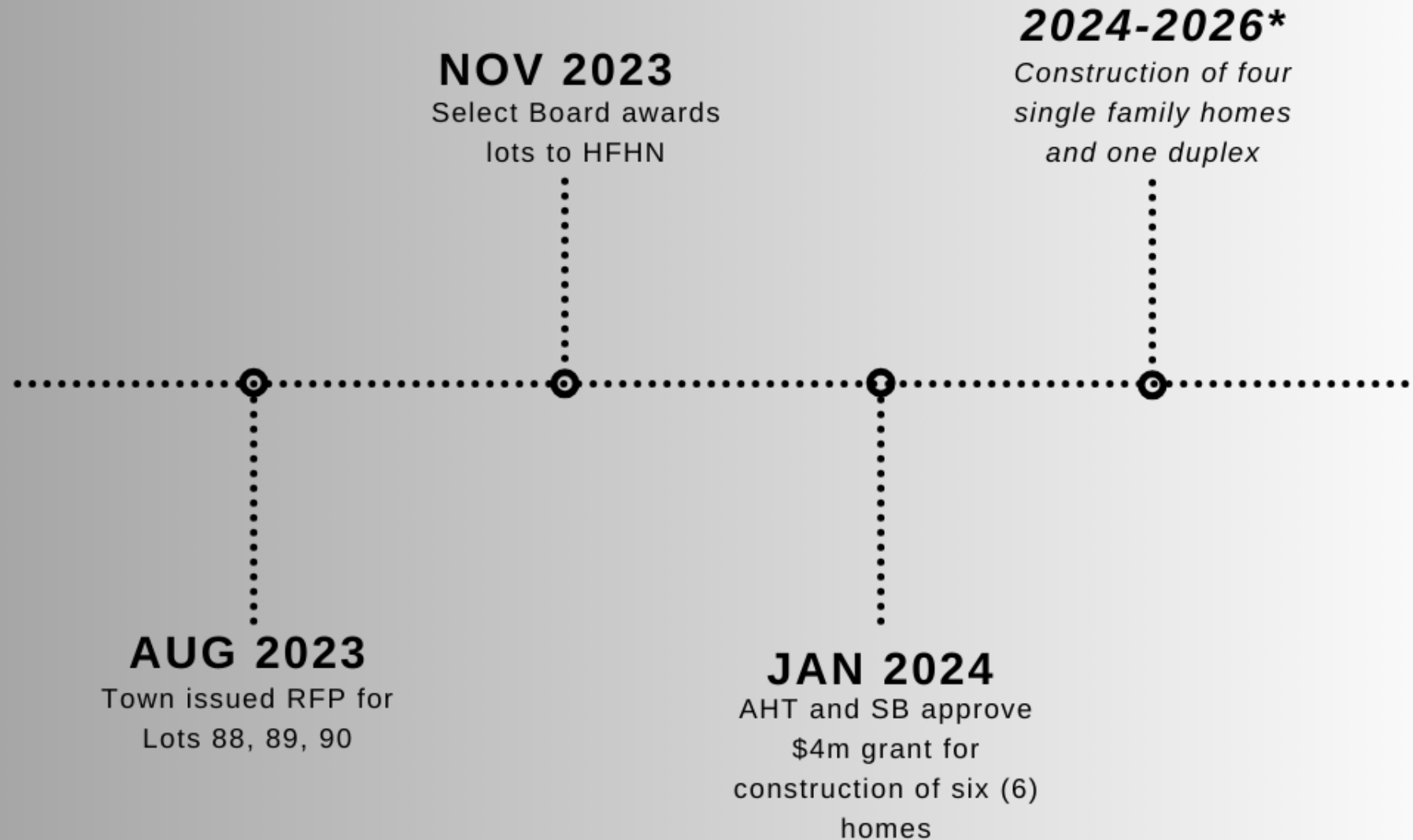
STATUS OF PROJECT

In Construction

COMPLETION DATE

Q4 2025 -
Q1 2026

HFHN - Waitt Drive



Project Status - Completed Habitat for Humanity

Habitat - Beach Grass

TOTAL APPROPRIATED

\$1,089,331.71

OF UNITS

2

FUNDING SOURCES

- 2019 ATM - Article 28 (\$5M CPC bonding #1)

RENTAL OR OWNERSHIP

Ownership

STATUS OF PROJECT

Completed

COMPLETION DATE

2021



Habitat - Benjamin Drive

TOTAL APPROPRIATED

\$1,346,000

OF UNITS

3

FUNDING SOURCES

- 2021 ATM - Article 32 (\$800k CPC annual appropriation)
- 2022 ATM - Article 37 (\$5M CPC bonding #2)

RENTAL OR OWNERSHIP

Ownership

STATUS OF PROJECT

Completed

COMPLETION DATE

2023



Project Status – Development Acceleration Subsidy

- Richmond - Wildflower Place Acceleration (2021)
- Richmond - Violet Place Acceleration (2022)
- Richmond – Sandpiper Place II Acceleration (2024)

Project Status – Sandpiper Place II Acceleration



- Will serve 80% AMI (6 units) and 175% AMI (1 unit)
- Current Financing is 100% loan

Richmond – Sandpiper Place II Acceleration

TOTAL APPROPRIATED

\$3,100,000

OF UNITS

7

FUNDING SOURCES

- 2023 ATM - Article 18 (\$6.5M permanent override)

RENTAL OR OWNERSHIP

Ownership

STATUS OF PROJECT

In Construction

COMPLETION DATE

12/31/2024

Richmond - Wildflower Place Acceleration

TOTAL APPROPRIATED

\$2,600,000

OF UNITS

24 units

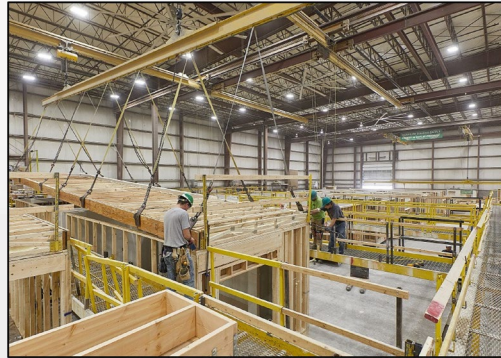


FUNDING SOURCES

- 2019 ATM - Article 28 (\$5M CPC bonding #1)
- 2019 ATM - Article 37 (\$20M bonding authority)

RENTAL OR OWNERSHIP

Rental



STATUS OF PROJECT

Completed

COMPLETION DATE

June 2022



Richmond - Violet Place Acceleration

TOTAL APPROPRIATED

\$5,950,000

OF UNITS

48 units

FUNDING SOURCES

- 2022 ATM - Article 10 (\$10M bonding authority)

RENTAL OR OWNERSHIP

Rental

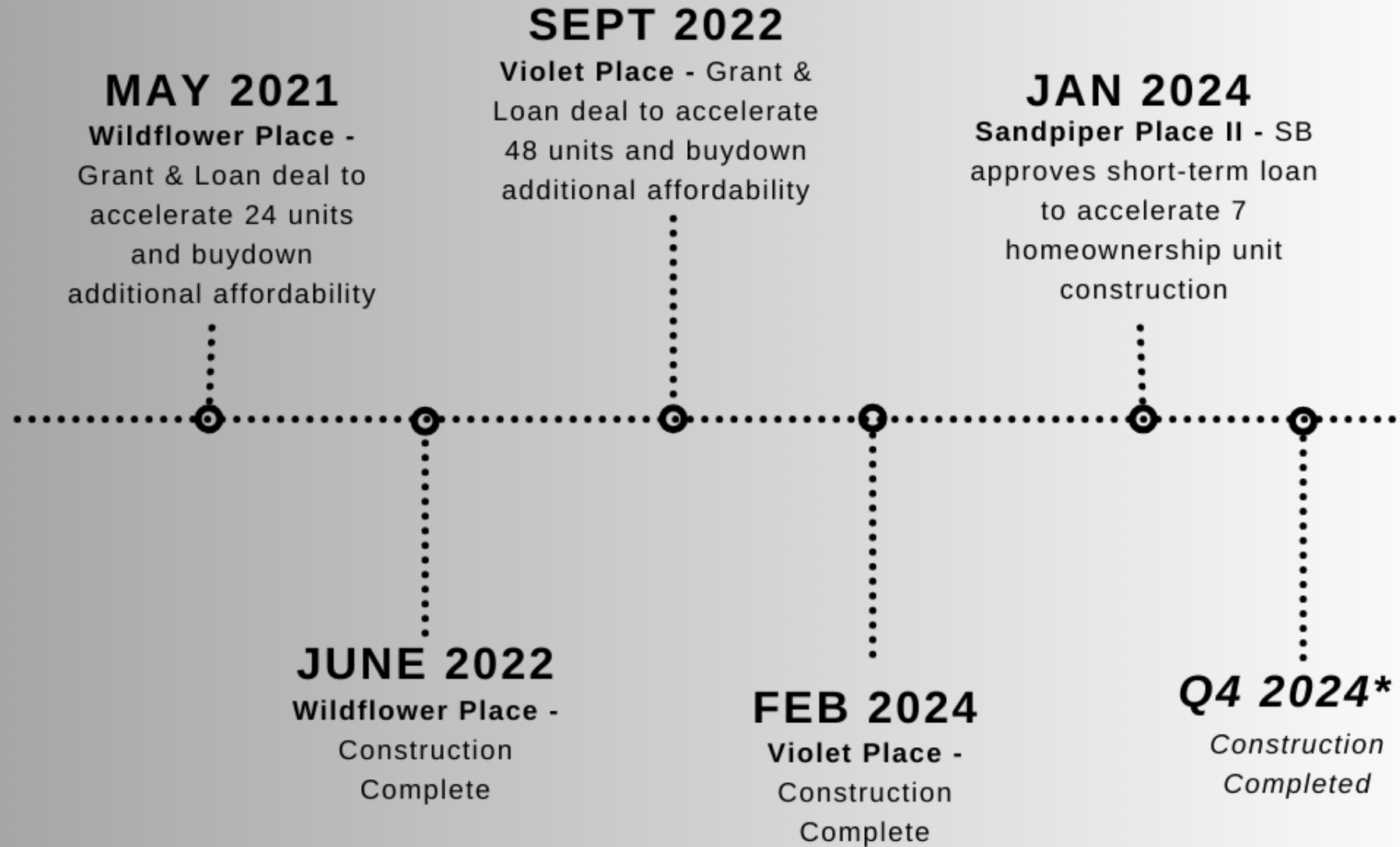
STATUS OF PROJECT

Completed

COMPLETION DATE

Feb 2024

Richmond Accelerations



Project Status – Development of Vacant Land

- 135 & 137 Orange Street (2020)
- 12 & 12R Bartlett Road (2022)
- 7 Amelia Drive (2019)
- 16 Vesper Lane (2021)
- 8 White Street (2021)

Project Status – 135/137 Orange



- CPC funds to limit 25% of units to 100% or less
- Safe Harbor Eligibility to limit 25% of units to 80% AMI or less

135/137 Orange Street

TOTAL APPROPRIATED

\$3,862,396.55

OF UNITS

Potential:
31

FUNDING SOURCES

- 2019 ATM - Article 37 (\$20M bonding authority)
- 2019 ATM - Article 28 (\$5M CPC bonding #1)
- 2021 ATM - Article 10 (\$6.5M bonding authority)

RENTAL OR OWNERSHIP

Rental

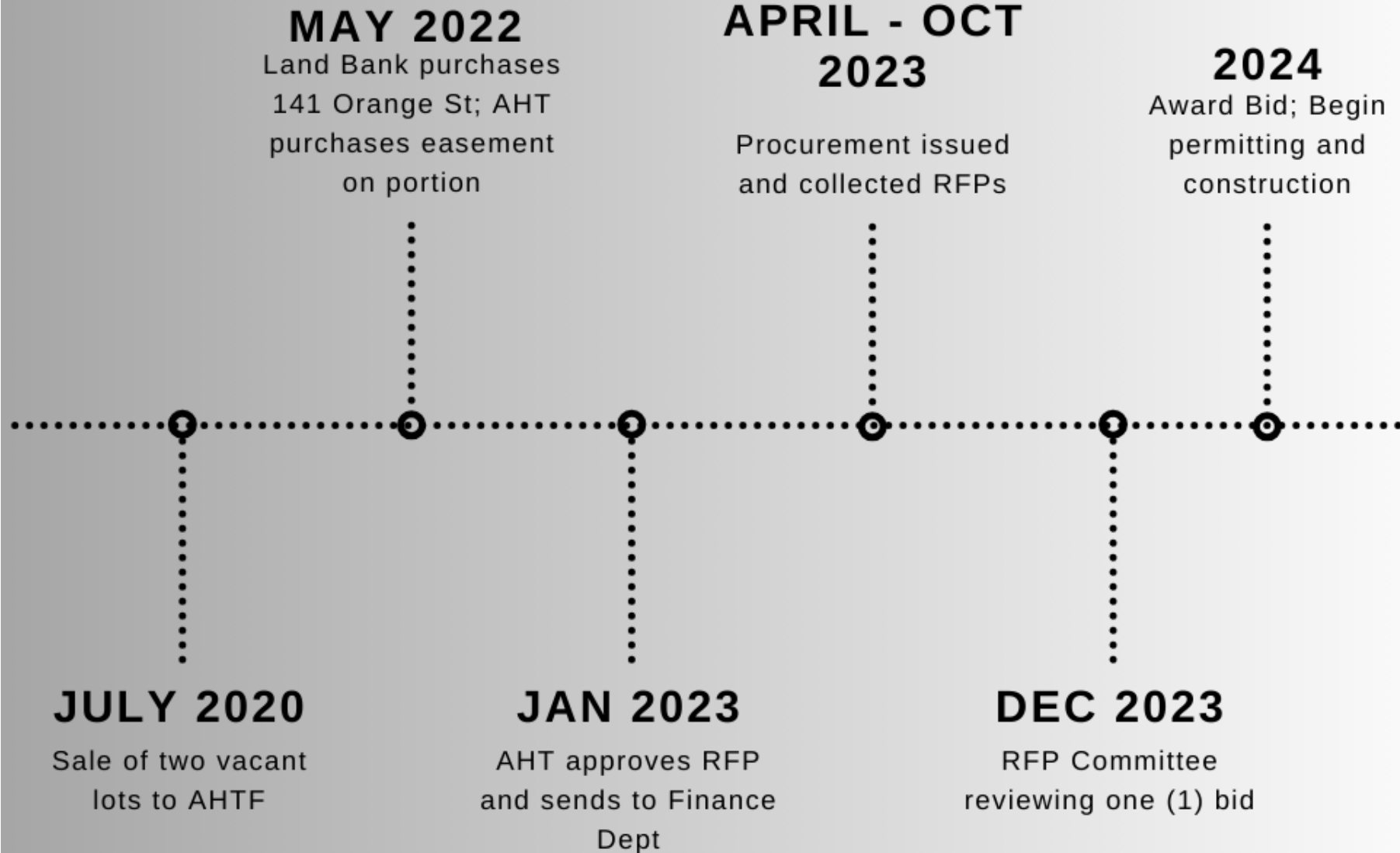
STATUS OF PROJECT

RFP Committee
Reviewing
Proposal

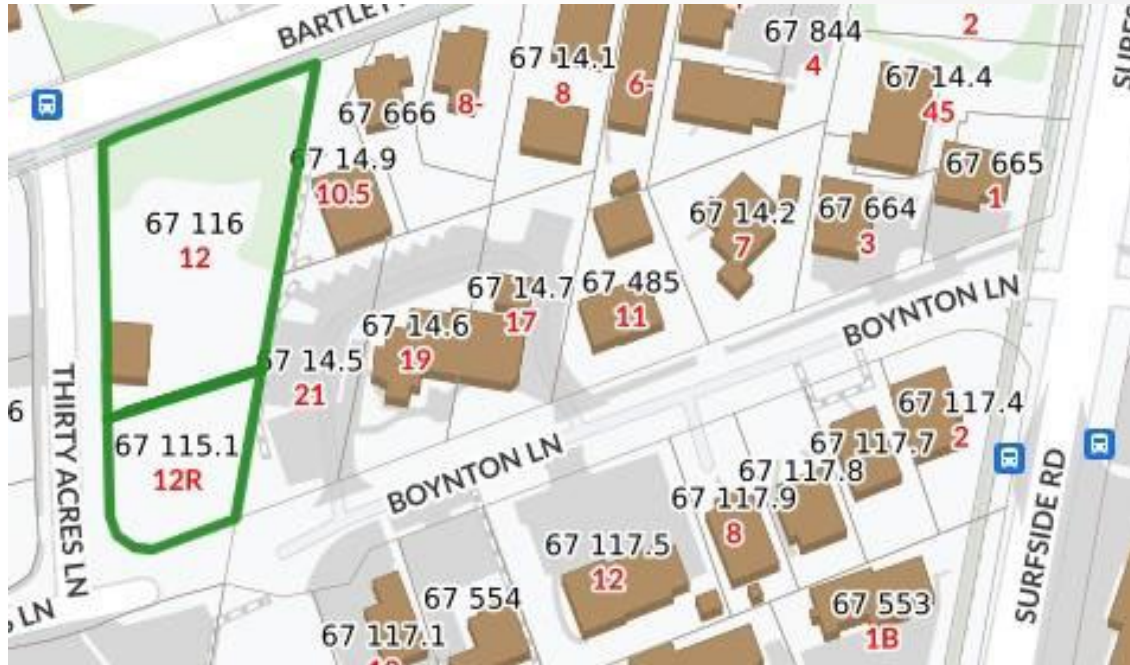
COMPLETION DATE

est. 2025

135/137 Orange Street



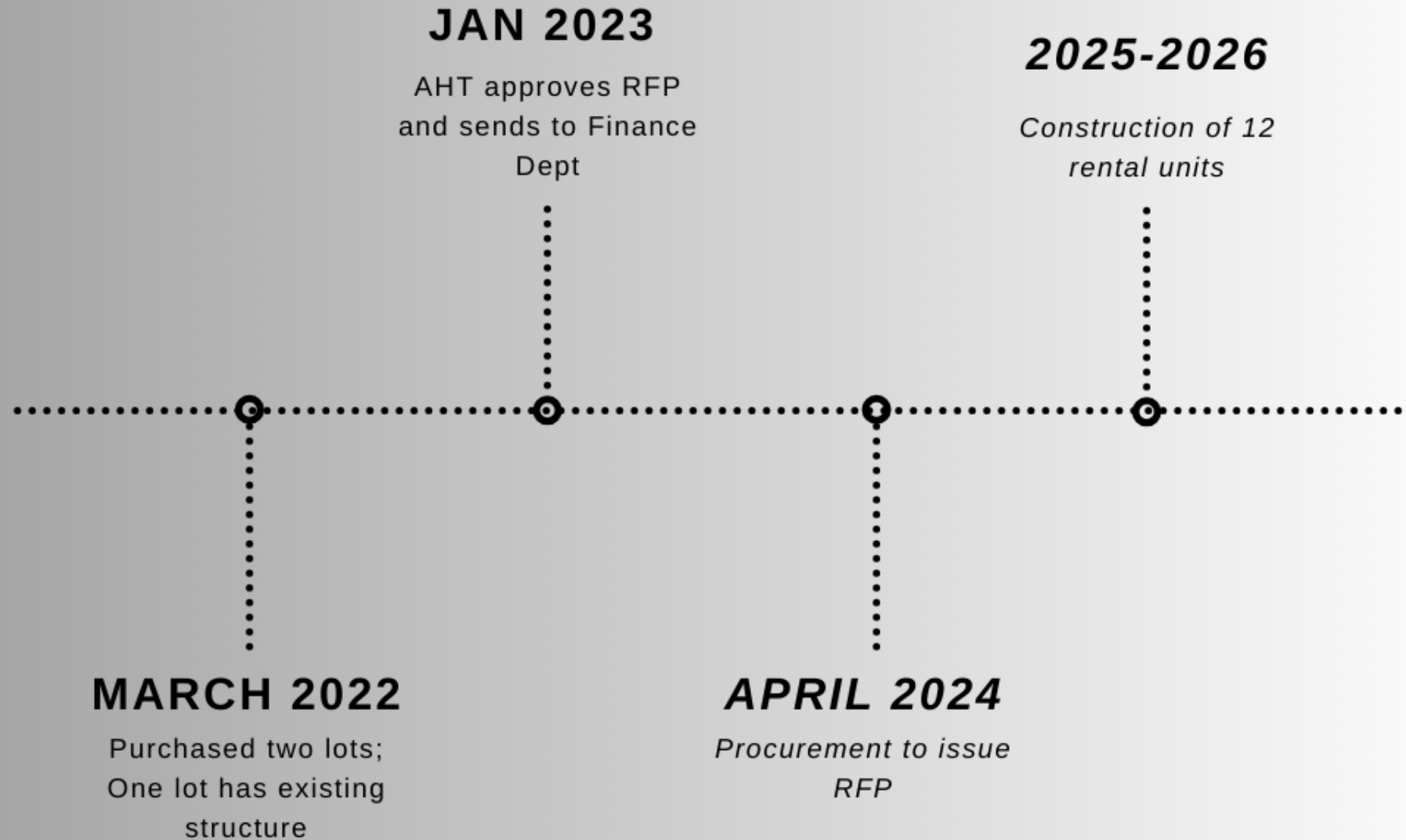
Project Status – 12 & 12R Bartlett



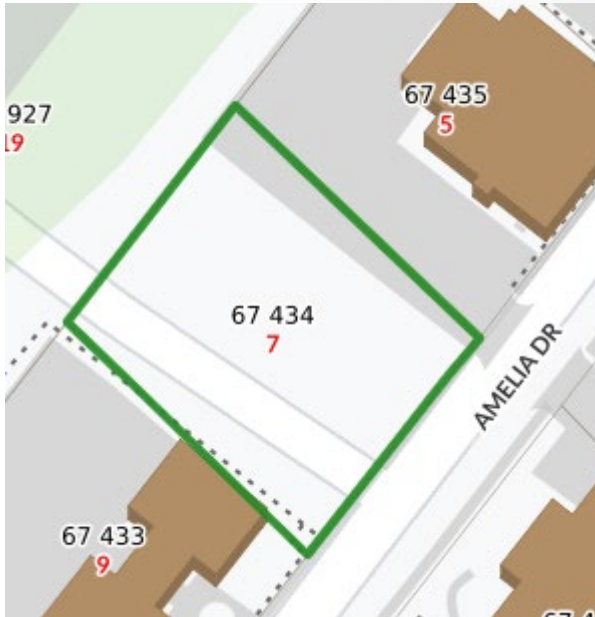
- CPC funds to limit 25% of units to 100% or less

12 & 12R Bartlett Road	
TOTAL APPROPRIATED \$2,612,395	# OF UNITS Potential: 12
FUNDING SOURCES <ul style="list-style-type: none"> • 2019 ATM - Article 37 (\$20M bonding authority) • 2019 ATM - Article 28 (\$5M CPC bonding #1) 	RENTAL OR OWNERSHIP Rental
STATUS OF PROJECT <ul style="list-style-type: none"> • RFP Approved by AHT • Procurement to issue RFP in Q2 2024 	COMPLETION DATE est. 2026

12 & 12R Bartlett Road



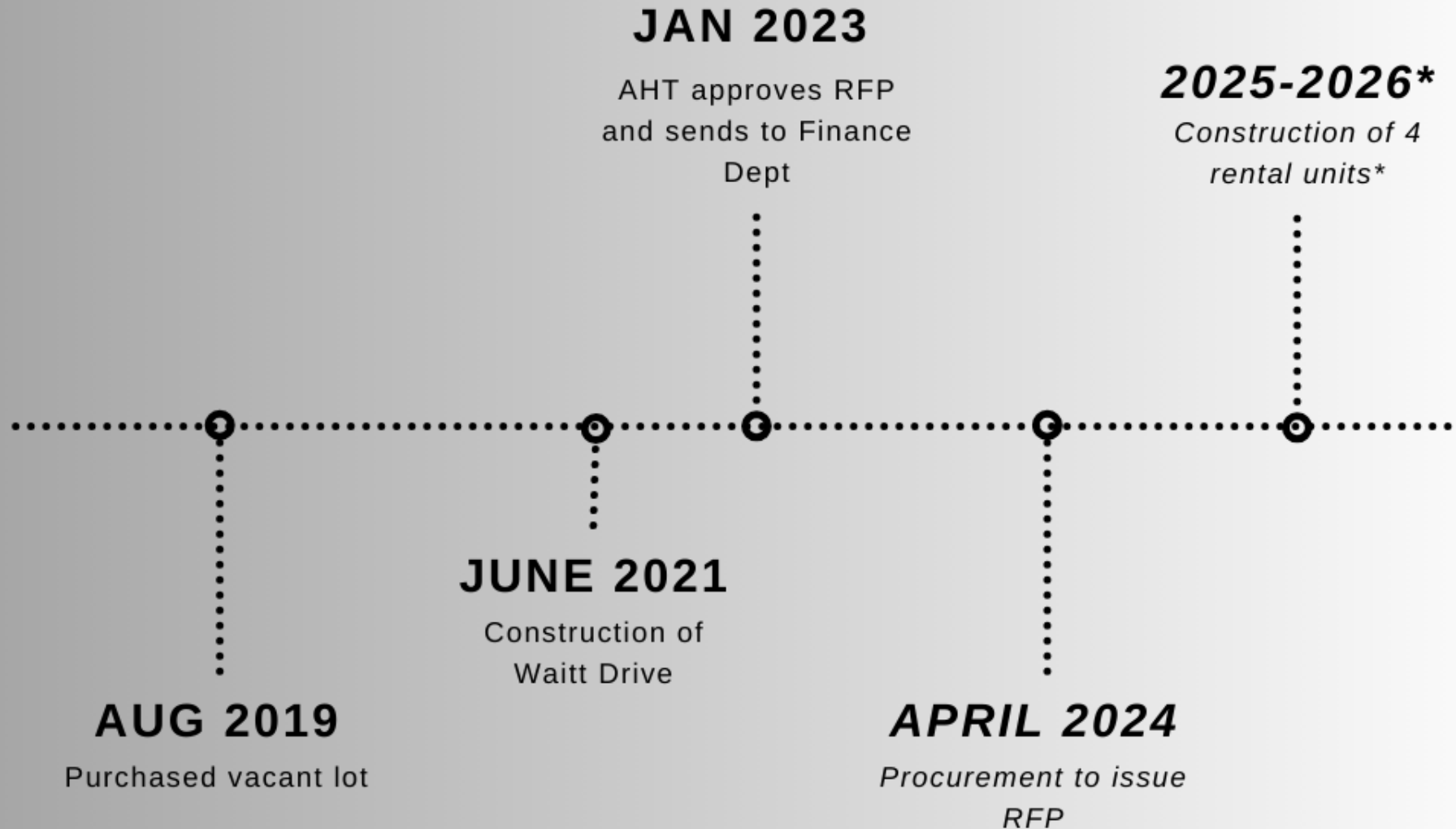
Project Status – 7 Amelia



- CPC funds to limit 25% of units to 100% or less

7 Amelia Drive	
TOTAL APPROPRIATED \$900,000	# OF UNITS 4 units
FUNDING SOURCES <ul style="list-style-type: none">• 2017 ATM - Article 26 (\$500k general appropriation)• 2018 ATM - Article 34 (\$400k CPC annual appropriation)	RENTAL OR OWNERSHIP Rental
STATUS OF PROJECT <ul style="list-style-type: none">• RFP Approved by AHT• Procurement to issue RFP in Q2 2024	COMPLETION DATE est. 2025-2026

7 Amelia Drive



Project Status – 16 Vesper



- CPC funds to limit 25% of units to 100% or less
- AHT and NCH swapped 18 Vesper and 16 Vesper

16 Vesper Lane

TOTAL APPROPRIATED

\$2,600,000

OF UNITS

Potential:
19

FUNDING SOURCES

- 2019 ATM - Article 37
(\$20M bonding authority)
- 2019 ATM - Article 28
(\$5M CPC bonding #1)

RENTAL OR OWNERSHIP

Rental

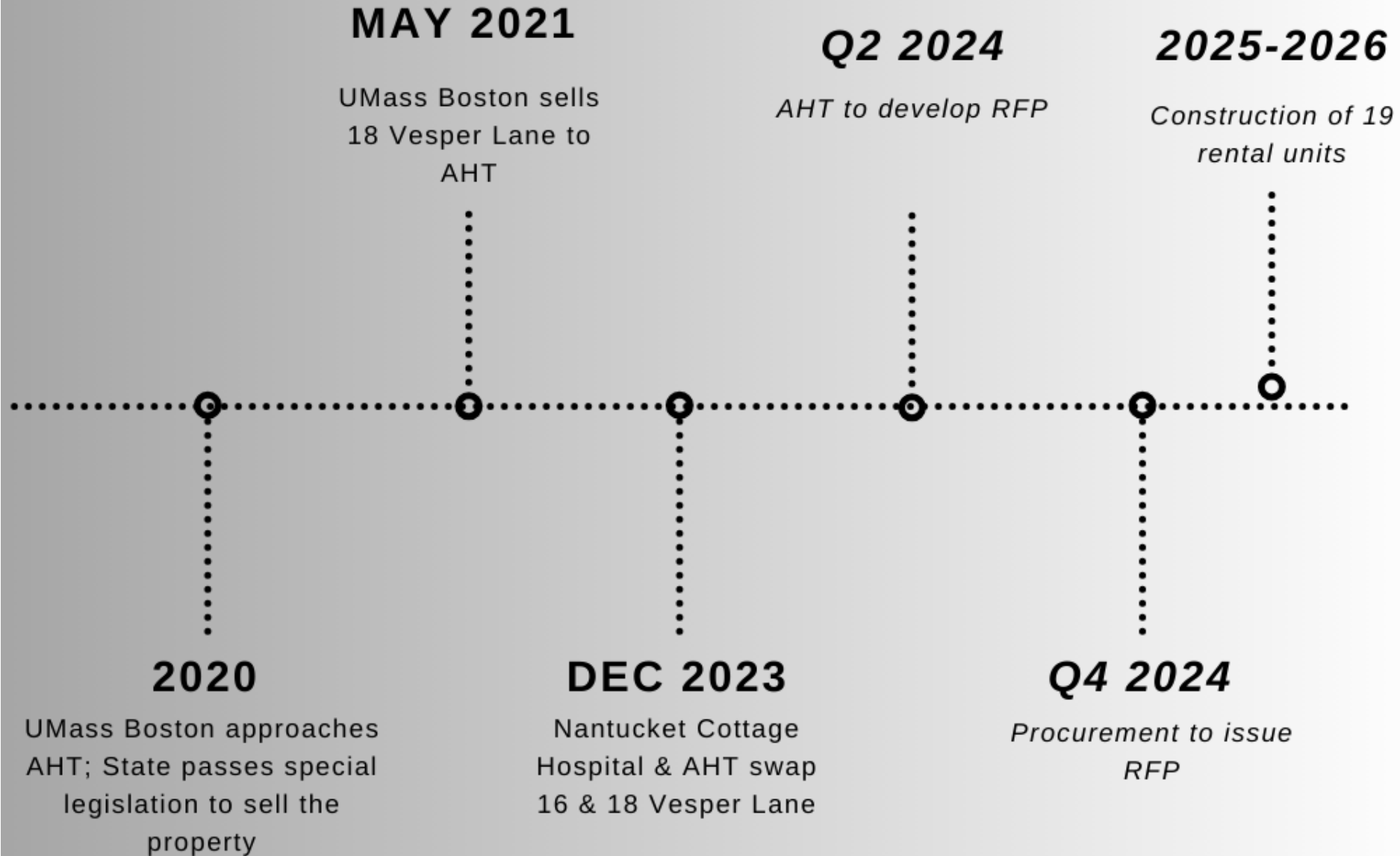
STATUS OF PROJECT

- Trust to develop
RFP in Q2 2024

COMPLETION DATE

est. 2026-2027

16 Vesper Lane



Project Status – 8 White Street



- CPC funds to limit 25% of units to 100% or less
- 2.85 Acre purchased through Bargain Sale program

8 White Street	
TOTAL APPROPRIATED \$1,200,000	# OF UNITS 3-6 units
FUNDING SOURCES <ul style="list-style-type: none">• 2019 ATM - Article 28 (\$5M CPC bonding #1)• 2021 ATM - Article 10 (\$6.5M bonding authority)	RENTAL OR OWNERSHIP Ownership
STATUS OF PROJECT <ul style="list-style-type: none">• Trust to work with neighbors to develop RFP	COMPLETION DATE est. 2026-2027

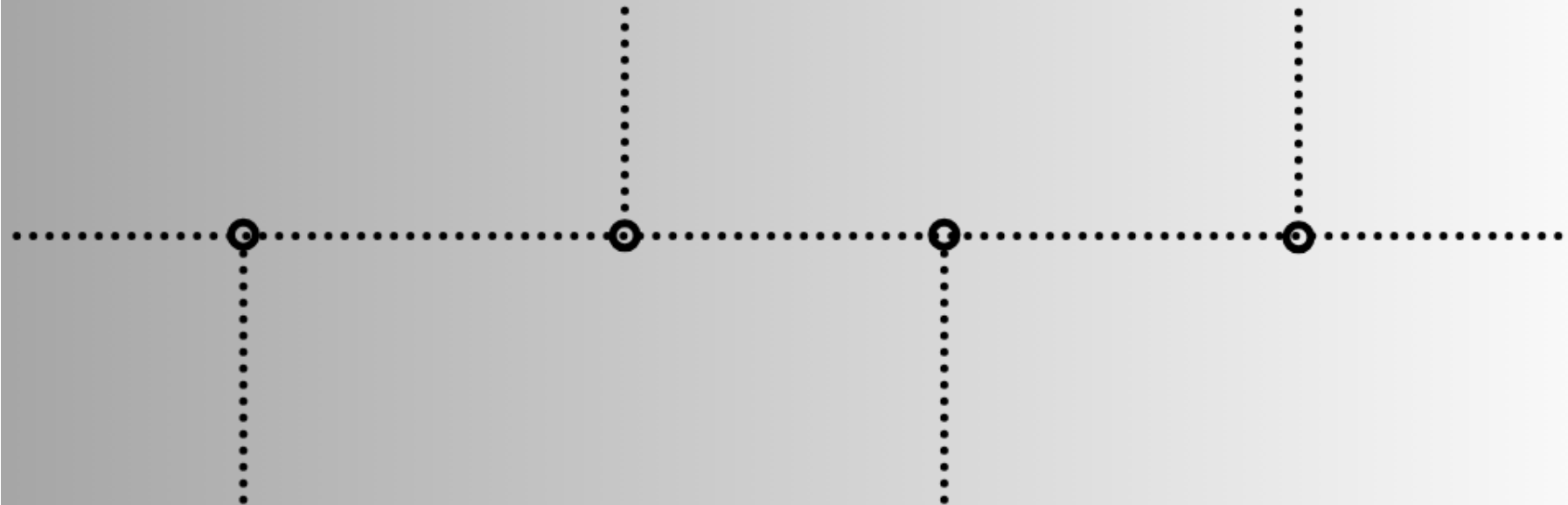
8 White Street

Q2 2024

*AHT to work with
neighbors on site
potential*

2026-2027

*Construction of
homeownership units*



DEC 2021

*AHT purchases land in
bargain sale deal*

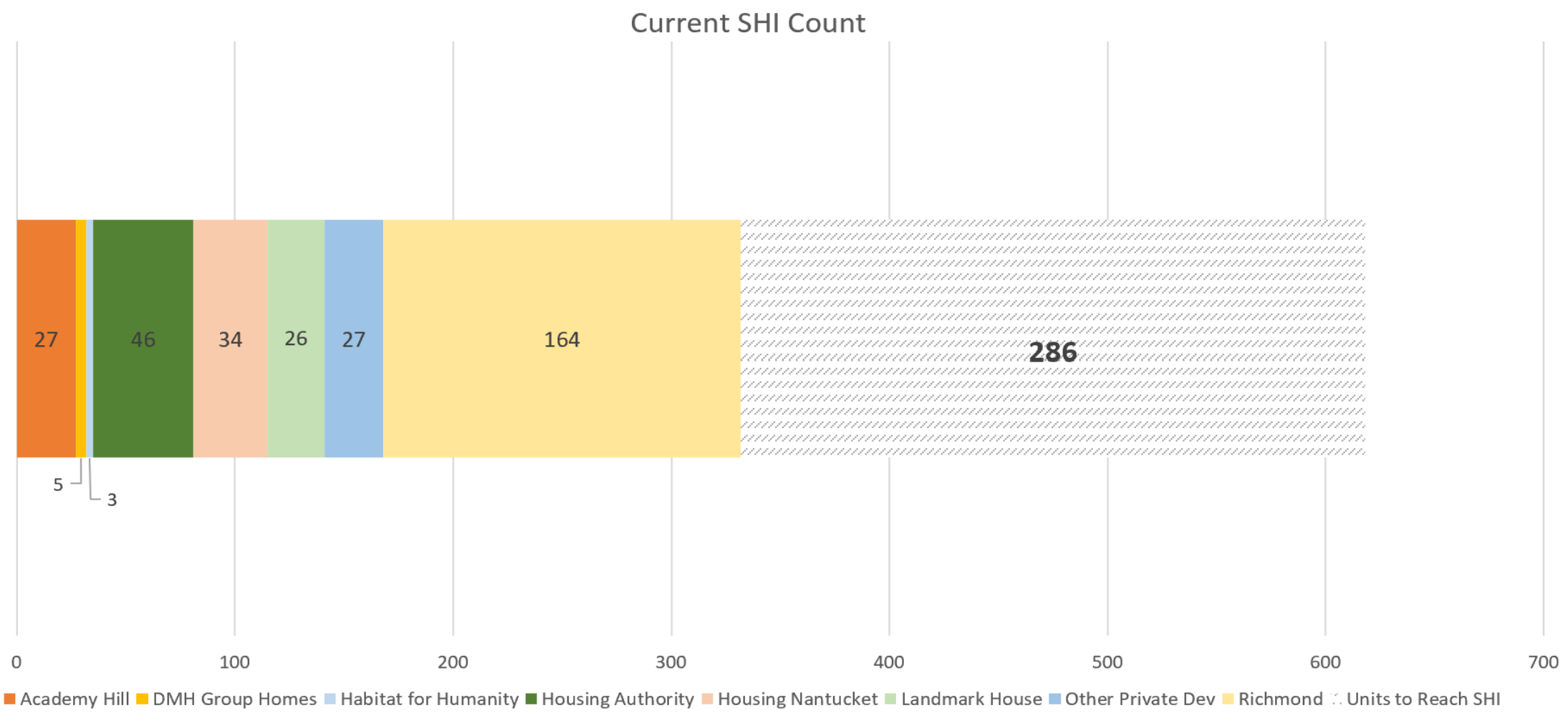
2025

*Procurement to issue
RFP*

SHI List & Safe Harbor

- 2020 Census updated our Subsidized Housing Inventory (SHI) Requirement from 490 units to 618 unit (up 26%)
- Must create 31 units in a calendar year for one year of Safe Harbor; 62 units for two years of Safe Harbor
- Nantucket currently has 332 SHI units out of 6,184 housing units; or 5.37% (goal is 10%).

Current SHI Count and Make Up



Steps to Safe Harbor

Estimated Timing for SHI Unit Additions

Estimated SHI List Count	2023	2024	2025	2026	2027
<i>Starting Balance</i>	332	340	501	537	589
Sandpiper II (Richmond) [O]		6			
Ticcoma Green (6 Fairgrounds Road) [R]		64			
Scattered rentals (Housing Nantucket) [R]		1	1	1	1
Scattered ownership (Habitat for Humanity) [O]		4	2	2	2
135 + 137 Orange Street [R]		31			
Richmond Meadows II (Gooseberry Place) [R]	8	55			
7 Amelia Drive [R]			4		
Vesper Lane [R]			17		
Bartlett Road [R]			12		
Potential					
Potential Development [R]				17	
Potential Buydown [R]				32	
TBD					26
Subtotal net additional units =	8	161	36	52	29
Ending balance	340	501	537	589	618
<i>Units potentially eligible to count toward Safe Harbor =</i>		99	31	51	28
<i>Minimum Safe Harbor deficit =</i>		0	0	0	3

Goal:
618 Units

[R] denotes Rental units; [O] denotes Ownership units

Note: If Surfside Crossing is ultimately permitted at 156 units, it will as a future point add 39 units to our SHI list, 24 of which may be eligible toward a future Safe Harbor period.

Future Funding Needs for Safe Harbor, 10%, and Attainable Housing

<u>Project</u>	<u># of Units</u>	<u>Future Subsidy Need</u>
12 & 12 R Bartlett Road	12	\$ 4,800,000.00
135 & 137 Orange Street	31	\$ 6,500,000.00
8 White Street Land	6	\$ 2,400,000.00
16 Vesper Lane	19	\$ 7,600,000.00
7 Amelia Drive	4	\$ 1,600,000.00
SHI Maintenance 2024	27	\$ 8,500,000.00
SHI Maintenance 2025	32	\$ 2,000,000.00
Future Homeownership Project	20	\$ 8,000,000.00
Year Round Buy Down	15	\$ 4,125,000.00
Housing Nantucket Construction	1	\$ 700,000.00
		\$ 46,225,000.00

Year-Round Deed Restriction

- The program would establish a permanent deed restriction, which would limit properties to year-round residency.
- Article 80 at 2024 Annual Town Meeting



Real Estate Transfer Fee - Home Rule Petition



- Article 79 at 2024 Annual Town Meeting
- Nantucket voters have been approving this HRP since 2016
- Would impose a fee of 0.5% on real estate transactions over \$2m

- Gov. Healey introduced the Affordable Homes Act in October of 2023, a comprehensive bill to increase housing production.
 - Includes an option for a real estate transfer fee and a seasonal community designation

Affordable Homes Act

- Gov. Healey introduced the Affordable Homes Act in October of 2023, a comprehensive bill to increase housing production.
- This is a \$4.1b bond bill that includes several policy options for housing
- Includes an option for a real estate transfer fee and a seasonal community designation
- First Hearing was held January 18th
- If the bill passes, it will be at end of July, and we will need a special town meeting to opt in

MOVING INTO 2024



GOALS

- Extend Safe Harbor after expiration on 12/11/24
- Issue RFPs and develop LDAs for vacant land
- Develop partnership with Hilltop Financial Advisors



POLICIES

- Special Municipal Employee Local Preference
- Seasonal Community Designation
- Transfer Fee legislation
- Year Round Deed Restriction



FUNDING

- Bonding Authority at 2024 ATM
- Transfer Fee legislation



OPPORTUNITIES

- Improve RFP Process
- Continue public outreach
- Continue collaboration between Finance and Housing



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