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www.housingnantucket.org

May 1, 2016

Mr. Mark Southard, Community Development Manager
Department of Housing and Community Development
Division of Community Services
100 Cambridge Street, Suite 300
Boston, MA 02114

Re: Housing Nantucket's Community Investment Tax Credit (CITC) Application

Dear Mr. Southard,

Please find enclosed Housing Nantucket's application for \$150,000 in tax credit allocations to implement the following Community Investment Plan. Adoption of this CIP is an agenda item at our board meeting on May 4, 2016.

Housing Nantucket is a private, not-for-profit corporation organized under Chapter 180 and exempt Section 501 (c) of the Internal Revenue Code. We were certified as a Community Development Corporation earlier this year.

Thank you for considering our application, and please contact me if you require further information.

Sincerely,

Anne Kuszpa
Executive Director



“Alone we can do so little; together we can do so much.” ~ Helen Keller

Community Investment Plan May 2016 – April 2019

NHA Properties Inc d/b/a Housing Nantucket is a private, 501(c)3 non-profit founded in 1994. Our primary purpose is to create diverse types of safe, sanitary and suitable living accommodations to all persons of low, moderate and middle income within the Town and County of Nantucket (Articles of Incorporation.) We envision Nantucket as a place where all residents have access to decent housing options that meet their needs. Recently, we were certified as a Community Development Corporation and wrote the following Community Investment Plan to detail how our vision will come to fruition.

Section 1 – Community Served

Nantucket is a small, rural island located thirty miles south of Cape Cod accessible solely by boat or plane. Designated a National Historic Landmark, the island contains many fine examples of late 18th- and early 19th-century New England architecture. Nantucket is also renowned as a national model for open space protection; over sixty percent of Nantucket’s land is undevelopable. This extensive preservation of architecture and open space have had an indelible impact on housing values, and island housing prices are among the highest in the United States.

The Census Bureau reports 10,856 people live year round on Nantucket within 4,200 households. Few jobs exist in the pay ranges required to afford Nantucket’s high housing costs. For seasonal and year round workers (as well as their employers), complicated housing barriers are difficult to address. Nantucket’s expensive homes, limited types of housing, small employment base, and abundance of protected land result in extreme differences between the housing choices available for affluent seasonal visitors and housing available for workers. Low-wage employees are often forced into overcrowded, substandard, and/or illegal living situations as no other options exist.

Housing Nantucket creates affordable housing opportunities for the Nantucket community and, through this CIP, aims to increase the amount of housing the

organization can offer. Housing Nantucket's programs are designed to serve year-round residents earning between 50-150% of the Area Median Income. The ability to serve up to 150% AMI stems from Chapter 301 of the Acts of 2002, in which the Massachusetts General Court acknowledged there was "a housing crisis on Nantucket Island" arising from the housing demand created by seasonal visitors. For purposes of this act, "middle income persons and households" was defined as persons and households earning less than 150 % of Nantucket county median household income.

Housing Nantucket's programs include the Affordable Rental Program, Nantucket Housing Needs Covenant Program, Education and Advocacy Programs, and the House Recycling Program. The **Affordable Rental Program** has created 30 affordable rental units in scattered island sites, with an additional seven units under construction at this time. This program is possible through the combined efforts of the Town of Nantucket, the Nantucket Housing Authority (NHA), the Community Preservation Committee (CPC), and Housing Nantucket. The usual process is as follows: surplus property is transferred from the Town to the NHA, who then issues a Request For Proposals (RFP) from applicants wishing to develop the land for affordable housing purposes. Housing Nantucket responds to the NHA's RFP and, when chosen as the recipient, either relocates and refurbishes a donated home through the **House Recycling Program**, or builds a new structure. CPC grant funding is often used to develop community rental housing in this way.

The **Nantucket Housing Needs Covenant Program** is also a combined effort with the Nantucket Housing Authority. The Covenant Program creates scattered site homeownership opportunities by providing private property owners with zoning relief, enabling them to sell a portion of their land that is otherwise not sub-dividable. In exchange, the owners record a deed restriction which permanently restricts ownership to qualified year-round islanders. Covenant Purchasers must be year-round residents earning less than 150% of the area median income. The transaction price of a Covenant home must be below the Maximum Sale Price, which is reset annually and determined by an affordability formula. Through the combined efforts of the NHA and Housing Nantucket, the Covenant Program has created sixty homeownership opportunities for residents who otherwise would be unlikely to own their own home.

Housing Nantucket's **Educational and Advocacy Programming** includes First Time Homebuyer Education and ReBuilding Your Credit Classes, offered through partnerships with the Nantucket Community School and Housing Assistance Corporation of Cape Cod. Funding is provided by the Tuppancey Harris Foundation and local banks. Free of charge for students, the biannual program is part of the Massachusetts Homebuyer Collaborative's coursework offering students the knowledge needed to purchase their first home. Housing Nantucket has helped over 500 potential first time buyers since the adoption of this program. Through our advocacy efforts, Housing Nantucket supports the Town's planned production, including a newly adopted home-rule petition to impose a real estate transaction fee for the benefit of affordable housing. Housing Nantucket serves as the monitoring agent for local 40B Abrem

Quarry and the 150% Area Median income units at Sachem's Path. Housing Nantucket also performs property management services for the Nantucket Education Trust, who owns twelve affordable housing units prioritized for school staff.

Looking ahead, Housing Nantucket seeks to establish a **Community Land Trust (CLT)**, expanding the type of land use tenure available for both rental and homeownership. The CLT model separates ownership of a building from the land beneath it. Land is owned by the CLT, which is governed by a non-profit board. Buildings are owned by individuals, and because they pay only for the structure and not the underlying land, purchasing a building is more affordable. A ground lease ensures property use falls within the mission of the CLT, and a resale/rental price formula is designed to keep homes affordable for subsequent buyers/tenants.

The CLT initiative on Nantucket is in the planning phase as we are awaiting response for a funding request from the Community Foundation for Nantucket. We are particularly interested in using this framework to facilitate partnerships with local employers, who have reached out for help in their struggle to find staff housing. Employers could create housing at a much lower price point since the CLT would own the land beneath the dwellings. Low to moderate income Nantucket residents will directly benefit from permanent housing opportunities created through the CLT. Employers would relieve staff shortages resulting from the lack of workforce housing. The Nantucket community will benefit from a more stable population, better work-force retention, and healthier living conditions for its residents.



Map displaying all of HN's covenant homes and rentals as of 11-30-2015

Section 2 - Involvement of community residents and stakeholders

The composition of Housing Nantucket's Board of Directors demonstrates resident and stakeholder engagement in the organization. All eleven board members are year-round residents of the island. At least 36% of the Board are of low or moderate income. The racial composition of the board is 27% minority, compared to a 19% minority population island-wide. Between board and staff, both genders are equally represented within 10%.

In the fall of 2015, Housing Nantucket sponsored a team of Worcester Polytechnic Institute (WPI) students to gather feedback from our constituents and improve our capabilities to serve the community. This initiative fulfilled the students' Interactive Qualifying Project (IQP), a nine-credit-hour interdisciplinary requirement involving applied research to connect science with social issues and human needs. The students worked with Housing Nantucket under faculty guidance to identify best-practices among other successful CDCs. Using social science methods, the students conducted a variety of interviews and surveys with Housing Nantucket staff and board members, as well as tenants occupying Housing Nantucket's residential units (Exhibit 2). The interviews illuminated a variety of needs on the Island and evaluated the effectiveness of current responses to those needs. Most significantly, the students identified where Housing Nantucket could improve operations and suggested how funding could be directed to better serve constituents. The IQP noted short-term and long-term goals, encouraging organizational longevity.

Within the last twelve months, Housing Nantucket has participated and hosted a number of forums and events to gather community feedback on how the housing crisis should be addressed. To name a few:

- May 2015 – Workforce Housing Needs Assessment Presentation – hosted by Housing Nantucket
 - Housing Nantucket spearheaded an initiative to quantify the island community's housing needs and commissioned a Workforce Housing Needs Assessment from consultants RKG Associates. Over fifty individuals and organizations participated in the report's research process. Study participants and many more joined this well- attended unveiling of the report's findings.
- June 2015 – Housing Forum – hosted by the Community Foundation for Nantucket
 - Approximately fifty individuals in attendance from the non-profit, municipal and business communities.
- Summer 2015 - Housing Task Force – series of meetings hosted by Nantucket Community Hospital
 - Approximately fifteen people (mostly hospital staff and board) in attendance

- February 2016 – Tenant Pizza Party and Potluck – hosted by Housing Nantucket
 - Fun event for Housing Nantucket’s tenants and their families.
 - Provided an opportunity for board members, staff and tenants to mingle.
 - Approximately thirty people in attendance.

- March 2016 – Panel Discussion on Housing & Town Meeting Warrant Articles – hosted by Community Business Forum
 - Discussion of affordable housing situation, Housing Nantucket executive director and a board member were panelists; approximately seventy people in attendance.

- March 2016 – Affordable Housing Free Skate- Housing Nantucket organized
 - Fun, friend-building event. Other housing advocates participated: Nantucket Housing Authority, Habitat for Humanity Nantucket, Housing Assistance Corporation, Nantucket Rental Assistance, Nantucket Education Trust, the Affordable Housing Trust Fund, and the Nantucket Planning & Economic Development Commission. Approximately forty people in attendance.

Engaging tenants and constituents is an enduring focus. Our monthly newsletter keeps tenants abreast of current initiatives, program opportunities, and calls for help. The audience for this newsletter will be expanded in the coming months to include the community at large. Housing Nantucket’s new website will also be unveiled soon, where tools have been developed for tenants to electronically submit maintenance requests and provide feedback. Capabilities to donate online were also added.

Housing Nantucket prioritizes broad stake-holder involvement in the implementation of our activities. We will keep the community and supporters abreast of our activities through our monthly newsletter, press releases, and participation in forums and events. Another friend-building event is planned for September 8, 2016, where Housing Nantucket will host a film and forum with participation from local and regional politicians. This event will be a collaborative effort with the Dreamland Theater, a nonprofit organization dedicated to “enriching the cultural and intellectual life of Nantucket by providing year-round films, educational programs, and a venue for community activities that engage Nantucket in the evolving world of entertainment and education.” Feedback and questions from the crowd will be sought to encourage constituent involvement.

Section 3 – Plan goals

The scope of this Community Investment Plan focuses on **three goals**:

- I. Increase support for Housing Nantucket and our mission through strengthened community partnerships:

- a. **Background:** The community has identified housing as one of the most pressing issues facing the island today (see Exhibit 3). Housing Nantucket is an established and experienced non-profit dedicated to this cause, but for years our efforts were relatively under-the-radar. Housing Nantucket needs to amplify our message. More and more people, especially summer residents and visitors, are becoming aware of the housing crisis and would like to help. Engaging these people broadens our support base.
- b. **Constituent Benefit:** Low and moderate income households will benefit from strength in numbers. By positioning ourselves as the go-to source for all things housing, resources directed at Housing Nantucket will bring us closer to realizing our vision of creating affordable housing solutions for island residents.
- c. **Community Benefit:** By increasing outreach, the community will be able to band together to implement the many solutions that will be required to effectively create lasting change. Strengthening Housing Nantucket's operational budget will make certain the organization is equipped to handle our public duties. It will be capable of hiring and retaining qualified staff to ensure proper stewardship of properties, and support for homeowners and renters. This will ensure quality housing remains affordable for current and future generations.

II. Improve the condition of existing rental housing inventory:

- a. **Background:** In our thirty affordable rental units, Housing Nantucket currently houses eighty-two Nantucket residents, thirty-one of whom are children. Housing Nantucket is firmly committed to providing quality community housing for these tenants. Keeping current with the maintenance of the rental units is extremely important for tenant safety as well as the preservation of the buildings. However, our budgets run lean and an adequate, replenishing resource dedicated to maintenance is lacking. Money raised through the CITC program will enable Housing Nantucket to adhere to capital improvement schedules and respond to maintenance requests in a more comprehensive and timely manner.
- b. **Constituent benefit:** The WPI students' research revealed our tenants' number one priority was the maintenance of our rental properties. The low and moderate income households living in these units will benefit from improved living conditions.
- c. **Community benefit:** Better maintained affordable rental properties improves the appearance of island neighborhoods. The older, recycled structures which comprise the majority of Housing Nantucket's rentals will continue to be preserved. In Nantucket's harsh coastal environment, structures require constant and expensive upkeep. These costs multiply when neglected. The community's investments in affordable housing projects are protected, considering how many of Housing Nantucket's projects were funded through Community Preservation Act grants.

- III. Create permanently affordable housing units:
- a. Background: According to the 2015 Workforce Housing Needs Assessment, “Nantucket has an undeniable shortage of price-appropriate housing for people who work on Nantucket throughout the year. The lack of affordably priced housing is a barrier to a decent quality of life for workers and their families and an obstacle to hiring qualified people for some specialized positions.” Creating new affordable housing units, either by purchasing existing dwellings from the open market or developing vacant land, is necessary to address this need.
 - b. Constituent benefit: Developing more units of affordable housing in the next three years will benefit low and moderate-income households with an increase in the supply of decent housing available to them. Essential personnel will have options, whereas now many of them struggle to make it work locally or must endure lengthy commutes from off-island. Residents forced to do the “Nantucket shuffle” (seasonal moving) will achieve housing security and settle down.
 - c. Community benefit: The entire community will benefit from more housing supply for Nantucket’s workers and fellow residents.

Section 4 –Activities to be undertaken

The following activities will be undertaken to achieve our goals:

- I. Increase support for Housing Nantucket and our mission through strengthened community partnerships:
 - a. Strategy: Generate awareness of the housing crisis’s pervasive and detrimental effects on the Nantucket experience *for everyone*. Increase support for the affordable housing cause in general. Strengthen community partnerships. Expand Housing Nantucket’s ability to respond to the community need.
 - a. Specific Activities:
 - 1) Radio advertising during peak season
 - a) 6 month package on popular local radio station WACK
 - b) Three 60 second spots per day; a series of nine ads
 - c) Periodic interviews on the morning show
 - 2) Website updates
 - a) Complete overhaul to modernize website
 - b) Added online donation feature
 - c) Added ability for tenants to submit maintenance requests
 - 3) Newsletters
 - a) Contact supporters through monthly newsletters
 - 4) Social media photo contest
 - a) Create an Instagram account (done!)
 - b) Increase amount of Facebook and Instagram posts
 - c) Prize for photo with most “likes”
 - 5) Film event – September 8th, 2016
 - a) Partner with Nantucket Dreamland

- b) Cocktail party beforehand
- c) Forum with panelists
- d) Show photos obtained from photo contest
- e) Promote CITC capabilities and ask for donations
- 6) Utilize networks within the Chamber of Commerce
 - a) Feature Housing Nantucket's CITC capabilities in newsletter
 - b) Speak about HN's CITC capabilities at Chamber event
- 7) Support the Town of Nantucket's adoption of a Housing Production Plan (HPP)
 - a) Participate in Affordable Housing Trust Fund meetings
 - b) Aid in the educational aspect of promoting the plan
 - c) Assist in unilateral consensus among Town Boards
- 8) Explore new partnerships
 - a) Encourage board members to cultivate their own networks
 - b) Encourage constituents to promote the work of HN
- 9) Direct asks for donations
 - a) Coordinate strategy among board members and executive director
 - i. Identify likely donors (businesses and individuals)
 - ii. Determine who will speak with whom about CITC
 - b) Implement plan
 - c) Assess strategy's effectiveness and adjust if necessary
 - d) Repeat
- b. Community development: Awareness activities support the **infrastructure** of an established organization dedicated to **public service**. Housing Nantucket's mission coincides with municipal efforts to meet the State's mandate for 10% of year round housing stock to be included on the subsidized housing inventory. (Currently, only 2.5% of housing inventory is on Nantucket County's SHI list.)
- c. Expected impact: These activities are anticipated to generate awareness and good will towards affordable housing efforts. With more recognition, Housing Nantucket can coordinate community efforts to implement myriad solutions necessary for lasting change. Donations will increase Housing Nantucket's operational strength and ability to serve constituents. Quality stewardship ensures housing remains affordable for current and future generations.

II. Improve the condition of existing rental housing inventory:

- a. Strategy: Perform maintenance work on rental units using funding raised in awareness campaign (Goal I.) Budget is based on historical expenditures. Target amount dedicated to this initiative is \$100,000-\$150,000 per year. The type of maintenance work to be performed includes roof replacement, re-shingling, exterior painting, window replacement, electrical work, fire-safety measures, plumbing, and interior rehabilitation.
- b. Community development: **Housing rehabilitation** supports the **infrastructure** of existing affordable housing stock. Regular unit

updates encourage **code enforcement**. A **public service** to the community comes from attractive, well maintained properties. Housing rehabilitation spurs **economic development** from hiring local contractors and purchasing from local businesses.

- c. Expected impact: Low and moderate income households living in the units will benefit from improved living conditions. Neighbors will appreciate property improvements.

III. Create permanently affordable housing units:

- a. Strategy: Increase the amount of permanently affordable housing stock. Over the course of several years, accumulate funds to use towards increasing the amount of permanently affordable housing stock. These new units would be created through Housing Nantucket's existing rental program, or emerging new ideas including a community land trust model where costs are shared among local businesses to provide housing for staff. Funds could be used to purchase existing housing, purchase vacant land, or develop acquired land.
- b. Community development: This activity supports the **economic development** of the area. A **public service** is offered to the community from the creation of community housing units. An **identified need** is being addressed with the creation of more housing supply.
- c. Expected impact: More community housing supply for Nantucket residents.

Section 5 – Measuring Success

I. Increase support for Housing Nantucket and our mission through strengthened community partnerships:

- a. Measuring impact: Tangible measures of progress will be evaluated in the following categories:
 - 1) Fundraising - has there been an increase in dollars raised through donations, year over year?
 - 2) Donors- do previous donors continue to give? How many new donors year over year?
 - 3) Tax credits- are we selling all of our allotted tax credits?
 - 4) Partnerships – do we have new partnerships, business and individual?
 - 5) Governmental partnerships
 - a) Was the HPP adopted?
 - b) Are we playing our part in implementing the solutions proposed in the HPP?
 - 6) Board members - are board members clear on their role? Has there been an increase in opportunities for board participation? Have we had more involvement from the board through subcommittees?

- 7) Covenant properties- have the number of covenant transactions increased or remained the same? Has activity within the program (number of qualified buyers and sellers) been maintained?
- b. Evaluation process and participants: Our outreach efforts will be evaluated as follows:
 - 1) Fundraising: A separate bank account has been established specifically for receipt of online and CITC donations, enabling us to measure the effectiveness of our new initiatives and separate them from our operating accounts.
 - 2) Donor base: A database of donors easily tracks current and historical progress.
 - 3) Board meetings: All board members are apprised of progress at monthly meetings. During the month, subcommittees handle specific initiatives and report to the rest of the group at the monthly meeting. At the beginning of the calendar year, board members are surveyed regarding their long term personal goals within the organization. The strategic plan is reviewed for the year.
 - 4) Partnerships: Increase number of supporters listed on our website resulting from new or expanded local partnerships.
 - 5) Covenant transactions: Staff maintains a record of covenant transactions and can easily track progress.
 - 6) Grant funding: Continued support from Community Preservation Committee requests and other local funding sources.
- c. Key milestones: Raise \$300,000; sell full allotment of CITCs (ideally \$150,000 per year); increase donor base by at least 25% each year; facilitate at least 10 covenant transactions per year, increase number of homes in program to 100 by 2020 (currently at 60); establish at least two new, meaningful business partnerships per year.

II. Improve the condition of existing rental housing inventory:

- a. Measuring impact: Our maintenance database tracks the maintenance work we perform on our units, and we can monitor the number of capital improvement and maintenance schedules completed. The amount spent on the work is easily traceable through our Quickbooks accounting, so we can adjust the budgetary expectations as necessary.
- b. Evaluation process and participants: Maintenance work is an ongoing effort with a continuous timeline. Annual maintenance inspections performed by staff are done in May, and maintenance schedules are detailed shortly thereafter. The timeline for work is arranged according to the seasonal nature of the work, as well as the availability of subcontractors. Tenant feedback is critical in evaluating whether units are satisfactorily maintained, and survey forms created by the WPI student project make obtaining this feedback easy. Our timeline for survey response is annually, in the fall, and we seek at least a 66% response rate.

- III. Create permanently affordable housing units:
- a. Measuring impact: We seek to create at least five new permanently affordable housing units by 2019, with at least five more new units either in the planning stages or under construction.
 - b. Evaluation process and participants: Answering the following questions will help us (board members and staff) evaluate our progress at regular monthly meetings as well as our annual meeting:
 - 1) Have our efforts increased the breadth of housing options available?
 - 2) Has the Community Land Trust model been well received, and if so, has it filled a void by cost-effectively creating new units of housing in a unique way?
 - 3) Have we obtained new sources of funding for our projects?
 - 4) Have we expanded the types of partnerships we have?
 - 5) Have our grant funding requests been successful?
 - 6) What type of projects are best received within the community?

Section 6 – Collaborative efforts

On a remote island thirty miles out to sea, strong community ties are essential to survival. It's easy recognize collaborative efforts will bring us closer to a Nantucket where all residents have access to decent housing. Examples of demonstrated community partnerships and *how we assist each other* include:

- I. Municipal
 - a. Nantucket Housing Authority (NHA): Housing Nantucket responds to NHA requests to develop rental units, administers the NHA's Nantucket Housing Needs Covenant Program, regularly attends NHA meetings, and monitors the NHA's Sachem's Path development
 - b. Town of Nantucket: participate in planning for property development at Town's 6 Fairgrounds Road parcel, participate in Annual and Special Town meeting initiatives, participate in Local Initiative Projects, assist the Town's independent housing consultant in his efforts, lobby for the passage of the local affordable housing fee on real estate transactions over \$2 million which will be brought to the General Court later this year
 - c. Affordable Housing Trust Fund: attend and participate in meetings, facilitate AHTF initiatives including the passage of the HPP
 - d. Nantucket Land Bank: advocate for and help develop the Land Banks Affordable Housing Policy (ratified in December 2015), advocate for increased exemptions for first time home-buyers, assist initiatives to relocate dwellings
 - e. Nantucket Public Schools: manage rental housing units for Nantucket Education Trust

- II. Private Non-Profit Organizations
 - a. Habitat for Humanity: collaborate on increased housing opportunities, share construction costs, provide monitoring services for Habitat
 - b. Nantucket Community School: offer education programs together
 - c. Bike & Build: host build day on Housing Nantucket jobsites
 - d. Housing Assistance Corporation of Cape Cod: collaborate on Sachem's Path homeownership project, facilitate HAC's ReBuilding Your Credit class

- III. Local Business Partnerships – The following local businesses have shown their support for Housing Nantucket's efforts within the past twelve months by contributing either financially or with in-kind donations: Cape Cod 5 Savings Bank, Hingham Savings Bank, Handlebar Café, Dutra Garden Designs, Chip Webster Architects, Barrett Enterprises, Nantucket Bank, Something Natural, the Steamship Authority, Annys's Foods, Green Grocer, and Young's Bicycle Shop.

- IV. Memberships – Housing Nantucket is currently a member of the following organizations
 - a. Nantucket Chamber of Commerce
 - b. Surfside Association
 - c. Nantucket Builder's Association
 - d. Citizen's Housing and Planning Association

- V. Forums – Housing Nantucket is often called upon to participate in local forums and focus groups, updating the assembled members on the current state of affairs in affordable housing. Within the past twelve months, HN has participated in a Community Business forum, numerous Community Foundation forums, a Civic League forum, Association of Non-Voting Tax Payers regular meeting, Nantucket Real Estate Brokers principal brokers and education meetings, and an Interfaith Council regular meeting. On May 22nd, the executive director will speak to the St. Paul's Episcopalian congregation at their coffee hour after Sunday service. Housing Nantucket is recognized as an expert in local affordable housing initiatives, advocating for increased opportunities for underserved households.

- VI. Emerging Partnerships – Housing Nantucket is brainstorming with a developing group called Young Creatives, who describe themselves as “Nantucket millennials focused on individual and community growth and development.” This group meets weekly to “engender innovative approaches” to important community issues by “activating their artistic, creative and intellectual talents.” Young Creatives is in the midst of a five week think tank on affordable housing, in which their objective is to gain perspective and identify solutions. Housing Nantucket staff engages at varying degrees with the Young Creatives, and we're excited about the evolving possibilities.

VII. Section 7 – Integration of activities

For decades, affordable housing has been classified as a crisis facing the island. Countless articles, surveys, studies, plans, forums, and discussions have attempted to address this persistent and pervasive problem. A common thread prevails: there is a paucity of price-appropriate housing for people of modest means. This CIP integrates a larger community vision and fosters the goals Town of Nantucket’s Master Plan, the recent Workforce Housing Needs Assessment, and the Affordable Housing Trust Fund’s forthcoming Housing Production Plan.

The Town’s 2009 Master Plan states developing affordable housing is “of critical importance for encouraging social and economic stability.” Creating permanently restricted housing units was identified as a priority, and a planned production goal of 20 affordable dwelling units per year was set. Dispersing affordable housing throughout the community, as Housing Nantucket’s Affordable Rental Program does, was lauded. Public/private partnerships were encouraged.

The 2015 Workforce Housing Needs Study calls home-ownership “prohibitive” for ninety-percent of the island’s year round population. The study reveals half of all year-round households are housing cost burdened, and working-age renters below age 34 are hit particularly hard. A ten-year goal of creating 60 home ownership units and 180 rental units was set. The initiatives of this CIP are in line with the recommendations of the Housing Needs Assessment and will improve access to less expensive housing for islanders.

Currently, the Town’s Affordable Housing Trust Fund is working on adopting a Housing Production Plan (HPP). The same consultant commissioned to write the 2015 Workforce Housing Needs Study was commissioned to write the HPP. The recommendations of the HPP are expected to expand upon the suggested approach of the Housing Needs Study, and will certainly include creating new housing opportunities for low and moderate income households.

Section 8 – Financing

Housing Nantucket has demonstrated capacity to implement this CIP. In the past two years alone, Housing Nantucket has financed and completed three major construction projects (two residential rental housing units and one office building). There are currently five additional rental units under construction and at least two in the planning phase. Housing Nantucket has overseen eighteen Covenant Home transactions, operated the 30 unit Affordable Rental Program, managed housing for other non-profits, held education classes, and more.

Housing Nantucket is an experienced affordable housing developer. Most of our thirty rental units were financed with Community Preservation Act funding on Town land made available to us, demonstrating community support for our projects. Prior to the CPA, Housing Nantucket financed our projects with mortgages from local bank

Nantucket Bank (a division of Blue Hills Bank). Today, Housing Nantucket continues our relationship with Nantucket Bank and has also diversified some business activities with Cape Cod 5 Savings Bank.

A significant source of funds comes from grant requests. Within the past eighteen months, Housing Nantucket has received the following grant funding and will continue to pursue these sources for future projects:

- Community Preservation Act funding of approximately \$420,000 designated to creating community housing units.
- Community Foundation of Nantucket funding of \$20,000 for public outreach.
- Tuppancey Harris Foundation funding of \$5,000 for education programing.
- ReMain Nantucket funding of \$5,000 for community needs assessment.

Housing Nantucket regularly receives donations of tangible goods. The variety of donations range from structures to household contents to fresh-brewed coffee. We also receive in-kind services. When it comes to donations, our simple strategy is to build lasting relationships. We keep in touch with previous donors, cultivate existing partnerships, and pursue new ones. We are mindful of the donor's experience, show our gratitude, and try to emphasize how the donor's contribution makes a concrete difference.

For these reasons, we are confident in our ability raise funds and distribute our allotted CITCs. The money we raise implementing the plan detailed in Section 4.I.a. will be spent on maintaining existing units (~\$150,000), operational activities including public relations (~\$75,000), and creating new housing units (~\$75,000.)

Section 9 – History, track record, and sustainable development

Established in 1994 as NHA Properties Inc., Housing Nantucket was formed as an outgrowth the Nantucket Housing Authority. The early version of the organization focused primarily on moving and renovating houses for use as affordable housing. There was one part time staff person and the organization shared space with the Nantucket Housing Authority.

Today, Housing Nantucket consists of an eleven member volunteer board and three full time staff people. The group's diverse skill set provides a strong and stable base for the organization. The collective professional expertise of board members and staff includes banking, business start-up, construction, finance, engineering, law, non-profit management, school management and real estate. President and Treasurer Paul A. Wolf Jr. has been a stalwart member of the board for many years, generously sharing his financial skills, knowledge of island politics, and calm leadership abilities with us. Vice President Jennifer Cohen grew up on Nantucket and is a partner at local law firm Cohen & Cohen. Clerk Elizabeth Maury is a Nantucket native, holds a bachelor's degree in civil engineering and works in her family's construction business. Executive Director Anne Kuszpa has been employed at Housing Nantucket since 2007, when she moved to the island after a ten-year career in the energy trading industry. Financial Manager Milen

Tsvetkov joined Housing Nantucket in 2010 with an accounting and real estate background. Newly hired Program Administrator Charity Grace Lambert joins us as a recent graduate with a degree in Sustainable Residential Design and Development. Three sitting board members are tenants in our rental housing and provide vital first-hand perspectives.

Housing Nantucket's past accomplishments include the development of thirty rental housing units, the creation of sixty covenant homeownership units, the management of twelve units of rental housing for the Nantucket Education trust, and the education of hundreds of first-time homebuyers through our education courses. We've fought hard to reduce the stigma associated with affordable housing. We've commissioned studies to promote educated discussion within the community. We're convinced that with sustained community effort, we can relieve the human suffering caused by the island's housing problem.

Housing Nantucket's CIP exemplifies Sustainable Development Principles. Our rental properties are on scattered neighborhood sites and fit in seamlessly with established residences. Our housing opportunities expand choices for moderate income residents. Commercial, civic, cultural, educational, recreational, and open space activities are never far away. Collaboration among Housing Nantucket and the Town's Affordable Housing Trust Fund, Board of Selectmen, Planning and Land Use Services streamlines the regulatory and permitting processes, focusing on clarity, predictability, coordination, and timeliness.

Best efforts are used to protect the land and minimize our impact on local ecosystems by concentrating buildings in disturbed areas. Recycled, native and edible plant species are used in our landscaping whenever possible. House recycling, in and of itself uses natural resources wisely by reducing waste at the landfill and pollution caused by new construction. Local contractors including local architects, surveyors, engineers, general contractor, and subcontractors are used for our construction projects. Water saving measures are used at our rental properties, including low-flow toilets and faucet aerators. All units receive Mass Save energy retrofits from National Grid, including the installation of LED light bulbs, programmable thermostats, and improved insulation.

Housing Nantucket's Community Investment Plan facilitates Governor Charlie Baker's commitment to provide a range of housing choices for a variety of income and demographic needs. Using this plan as a guide, residents of this rural Massachusetts community can work together to improve economic opportunities for low and moderate income households, creating lasting change that will be felt for generations.