

**TOWN OF HAMILTON
AFFORDABLE HOUSING TRUST**

GRANT AGREEMENT

This Grant Agreement is entered into on this ____ day of _____, 2025 by and between the Town of Hamilton, a Massachusetts municipal corporation having a usual place of business at 577 Bay Road, Hamilton, MA 01936 (the “Town”), acting by and through the Hamilton Affordable Housing Trust (the “HAHT”), and Harborlight Homes LLC, with a principal place of business located at 42 Washburn Street, Apt. 3, Boston, MA 02125 and a mailing address of P.O. Box 507, Beverly, MA 01915, (the “Grantee”).

Recitals

Whereas, the Grantee submitted to the HAHT an application for funding, which is attached hereto as Exhibit A, for the purpose of developing the Asbury Commons Affordable Housing project (the “Project”) to be located at 461 Asbury Street, Hamilton, Massachusetts (the “Property”) for affordable housing purposes, as approved in its application pursuant to G.L. c. 40B, which application is incorporated herein by reference at Exhibit B; and

Whereas, on August 20, 2024, the HAHT voted to approve a grant of funds in the amount of up to Seven Hundred Fifty-Thousand Dollars (\$750,000.00) (the “HAHT Funds”), for the purpose of enabling the Grantee to develop the Property to contain a total of forty-five (45) residential rental units in a mix of one, two, and three bedroom units, all of which shall be made available to income eligible and qualifying tenants at rent not to exceed sixty percent (60%) of the area median income applicable to Hamilton; and

Whereas, the Select Board voted on _____ to approve the award of the HAHT Funds to the Grantee for the purpose of undertaking the Project; and

Whereas, the HAHT sent the Grantee an Award Letter dated September 12, 2024, (the “Award Letter”), a copy of which is attached hereto as Exhibit C and incorporated herein, informing the Grantee of the HAHT’s vote and setting forth the conditions under which the HAHT Funds will be provided to the Grantee; and

Whereas, the Grantee has applied to and received from the Hamilton Zoning Board of Appeals a Comprehensive Permit under GL c. 40B (the “Comprehensive Permit”) for the purpose of developing the Property for affordable housing purposes; and

Whereas, the HAHT and the Grantee wish to set forth herein the conditions related to the grant of the HAHT Funds to Grantee.

Now, therefore, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the HAHT and the Grantee agree as follows:

Agreement

1. Award. the HAHT hereby agrees to award the Grantee the amount of Seven Hundred Fifty-Thousand Dollars (\$750,000.00) (the “Funds” or the “HAHT Funds”) for the Project in the form of a forgivable loan, which shall be evidenced by (i) a promissory note and (ii) secured by a mortgage recorded against the Property on forms provided by the HAHT and reasonably acceptable to Hamilton Town Counsel and the Grantee. The mortgage shall be discharged upon (1) the recording of Regulatory Agreement, (as further defined below), and (2) recording of an affordable housing deed restriction, enforceable by the Town, and in a form acceptable to the Executive Office of Housing and Livable Communities (“EOHLC”) and the HAHT, ensuring that the forty-five residential units of rental housing shall remain affordable housing units in perpetuity, (3) the inclusion of the forty-five residential units of rental housing on the Commonwealth of Massachusetts Subsidized Housing Inventory (“SHI”) at 60% or below of the applicable area median income, and (4) compliance with the terms of the Comprehensive Permit.

2. Conditions. the HAHT Funds shall be provided to the Grantee on the following conditions:

- (a) Project. The Grantee shall use the HAHT Funds solely for the purpose of purchasing the Property and developing a total of 45 residential rental units in a mix of one, two, and three bedroom units to be rented to eligible persons at 60% or below of the applicable area median income whose assets do not exceed the limits specified in the Comprehensive Permit Guidelines issued by EOHLC. A “Family” shall mean two or more persons who will live regularly in the Unit as their primary residence and who are related by blood, marriage, or operation of law or who have otherwise evidenced a stable inter-dependent relationship; or an individual (an “Eligible Household”).
- (b) Regulatory Agreement. The Grantee shall enter into a Regulatory Agreement and Declaration of Restrictions (the “Regulatory Agreement”) with EOHLC and the Town and/or the HAHT and on terms acceptable to the HAHT, entered into by Grantee, the Town, and EOHLC, on terms satisfactory to the parties, which Regulatory Agreement shall (i) be recorded prior to any mortgages or other liens or such liens shall be subordinated in writing to the Regulatory Agreement, (ii) survive foreclosure, deed in lieu of foreclosure, and/or any similar action in lieu thereof, and (iii) run with and bind the Property, and be sufficient to include all 45 Units in the Town of Hamilton’s SHI.
- (c) Loan Documents. The Grantee shall execute a promissory note (the “Note”) and a mortgage and security agreement on the Property (“Mortgage”) to secure the repayment or forgiveness of the Grant Funds. The Note shall not bear interest, except in the event of a default, as set forth in the Mortgage, and the HAHT shall issue a release and discharge of the Mortgage upon the recording of the Regulatory Agreement, the Affordable Housing Deed Restriction, and the inclusion of all 45 units on the SHI, all in compliance with the Comprehensive Permit.

(d) Release of Funds. The HAHT and the Grantee acknowledge that the HAHT will release the Funds to the Grantee upon execution of this Grant Agreement and receipt of valid written notice that Harborlight Homes LLC has secured the necessary financing to begin construction of the Asbury Commons project not later than December 31, 2025.

3. Term. The term of this Grant Agreement shall commence on the date that this Agreement has been signed by the parties (the "Commencement Date"). Grantee shall complete the construction of the Units, as evidenced by the issuance of a final certificate of occupancy for each Unit, **no later than** (the "Completion Date"), unless the CPC grants an extension for good cause shown.

4. Budget; Other Sources of Funding. Prior to the release of the Grant Funds, the Grantee must submit a complete Project Budget that accounts for (a) the expenditure of the Grant Funds; and (b) the identity and amounts of all other sources of funding necessary to complete the Project as described herein. The Grantee shall not expend any Grant Funds until such time as it has provided evidence to the HAHT that it has secured sufficient sources of funding to complete the Project and the HAHT has approved the Project Budget. If the HAHT determines at any time during the Project that the Grant Funds have been spent on goods or services not included in the Project Budget, the Grantee shall be responsible for repayment of the Grant Funds to the HAHT.

5. Reports. The Grantee shall provide the HAHT with project status reports as required by the Award Letter. A Project Closeout Report as required by the Award Letter, including digital photo documentation of the Project where appropriate, is due with 30 days after the Completion Date. The Project Closeout Report shall be to the satisfaction of the HAHT, which approval shall not be unreasonably withheld. All documents, including but not limited to photographs, and videos, submitted to the HAHT shall become the property of the Town of Hamilton and shall be available for use by the Town and available to the public under the Massachusetts Public Records Law.

6. Project Liaison. the HAHT may designate a Project Liaison for the Project, who may be either a municipal employee, member of the HAHT or a consultant retained by the HAHT for that purpose. The Grantee shall cooperate with the Project Liaison, including providing access to the Project site at reasonable times and with reasonable notice. The Project Liaison shall serve as the agent of the HAHT for monitoring project compliance with the terms of this Grant Agreement and shall periodically report to the HAHT regarding the progress of the Project and the compliance of the Grantee with the terms of this Agreement.

7. Records. The Grantee agrees to maintain such records with respect to utilization of the Grant Funds and income derived therefrom as are kept in the normal course of business and such additional records as may be required by the HAHT. Said records shall be available for inspection by the HAHT during the Grantee's normal business hours. the HAHT shall be entitled to request copies of any record so kept provided said record does not contain proprietary information of the Grantee.

8. No Liability of HAHT. By making this award, the neither the Town, nor HAHT accepts any liability whatsoever for any acts, omissions or errors associated with the Project.

Nothing in this Grant Agreement shall be construed to render the Town, the HAHT or any elected or appointed official or employee of the Town, the HAHT or their successors in office, personally liable for any obligation under this Agreement. The Grantee agrees to indemnify and defend the Town and HAHT from all claims, suits or demands, and costs and expenses, including attorney's fees relating in any way to the Project.

9. Default; Termination. If the Grantee fails to use the HAHT Funds for the purposes set forth in this Agreement or if Grantee fails to comply with any of its other material obligations under this Agreement (including, without limitation, any failure to comply with the Regulatory Agreement), and the same is not cured within thirty (30) days following written notice from the HAHT to the Grantee, specifying such default, the HAHT shall have the right, in its sole discretion, to terminate this Agreement upon written notice to the Grantee, whereupon the Grantee shall cease to incur additional expenses in connection with this Agreement. Upon termination, the HAHT shall be free to pursue any rights or remedies provided within this Agreement, including without limitation, recapture of the full amount of the Grant Funds as set forth in Section 10 below. The provisions hereof shall survive the termination of this Agreement.

10. Return of Grant Funds. If the Grantee fails to fulfill its obligations hereunder or under the Regulatory Agreement, the Grantee shall repay to the HAHT in full any and all HAHT Funds expended by the Grantee, it being the intent of the parties that, upon such default, the HAHT shall be made whole. In the event that the HAHT takes legal action under this Agreement, the Grantee shall pay any and all costs and expenses, including reasonable attorneys' fees, incurred by the HAHT on and from the date of default. The provisions hereof shall survive the expiration or termination of this Agreement.

11. Compliance with Laws. The Grantee shall comply with all federal, state and local laws, rules, regulations and orders applicable to the Project, such provisions being incorporated herein by reference, and shall obtain any and all licenses, permits, and approvals required in connection with the Project. No local permit or license is waived by the award of this grant.

12. Indemnification. The Grantee shall indemnify, defend, and hold the HAHT and the Town and its departments, officers, employees, servants and agents harmless from and against any and all claims, demands, liabilities, actions, causes of actions, costs and expenses, including attorneys' fees, arising out of or relating to the Grantee's performance of the Project, the condition of the Property, or the negligence or misconduct of Grantee or Grantee's agents or employees

13. Notice. Any and all notices, or other communications required or permitted under this Agreement, shall be in writing and delivered by hand or mailed postage prepaid, return receipt requested, by registered or certified mail or by other reputable delivery service, to the parties at the addresses listed above or furnished from time to time in writing hereafter by one party to the other party. Any such notice or correspondence shall be deemed given when so delivered by hand, if so mailed, when deposited with the U.S. Postal Service or, if sent by private overnight or other delivery service, when deposited with such delivery service.

14. No Assignment. Neither this Grant Agreement nor any of the rights granted hereunder shall be assigned by Grantee without prior written agreement by the HAHT, which may be withheld in its sole and absolute discretion.

15. Severability. If any term or condition of this Agreement or any application thereof shall to any extent be held invalid, illegal or unenforceable by a court of competent jurisdiction, the validity, legality, and enforceability of the remaining terms and conditions of this Agreement shall not be deemed affected thereby.

16. Governing Law. This Agreement constitutes the entire agreement between the parties hereto, and may be amended only in writing executed by both the HAHT and the Grantee. Signatory below acknowledges and avers that he/she has the authority to execute this Agreement on behalf of the Grantee.

[Signature page follows]

In Witness Whereof the parties have set their hands and seal on the date first written above.

GRANTEE:

HARBORLIGHT HOMES LLC

By: Mark Ventresco
Title: Manager, Duly Authorized

HAMILTON AFFORDABLE HOUSING TRUST

By: Jamie Knudsen, its Chairperson, Duly Authorized

TOWN OF HAMILTON

By: Joseph Domelowicz, its Town Manager

TOWN OF HAMILTON CERTIFICATION OF AVAILABLE FUNDS

BY ITS FINANCE DIRECTOR

APPROVAL AS TO FORM ONLY

KP LAW, P.C., TOWN COUNSEL

EXHIBIT A

PROJECT FUNDING APPLICATION

DRAFT

EXHIBIT B

**G.L. c. 40B COMPREHENSIVE PERMIT DATED _____
RECORDED IN THE ESSEX COUNTY REGISTRY OF DEEDS IN
BOOK _____, PAGE _____, INCORPORATED HEREIN BY REFERENCE**

DRAFT

EXHIBIT C

HAHT AWARD LETTER

DRAFT