



Board of Selectmen

Meeting Agenda

The Provincetown Board of Selectmen will hold a public meeting on Friday, September 09, 2016, at 10:00 a.m. in Judge Welsh Room, Town Hall, 260 Commercial Street, Provincetown, MA 02657.

1. Round Table Discussion – Update on the Year-Round Market Rate Rental Housing Trust Fund.
2. Others – Other matters that may legally come before the Board not reasonably anticipated by the Chair 48 hours before the meeting. Votes may be taken.

Posted by the Assistant Town Clerk: www.provincetown-ma.gov, 9/7/16 9:05 am dv



Provincetown Board of Selectmen
AGENDA ACTION REQUEST

Friday, September 09, 2016

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YEAR-ROUND MARKET RATE RENTAL HOUSING TRUST FUND
Update

Requested by: BOS Chair Raphael W. Richter

Action Sought: Discussion

Proposed Motion(s)

Discussion dependent. Votes may be taken.

Additional Information

Board Action

<i>Motion</i>	<i>Second</i>	<i>Yea</i>	<i>Nay</i>	<i>Abstain</i>	<i>Disposition</i>

Town of Provincetown
Comparison of Various Town Boards and Independent Agencies
September 7, 2016

	Provincetown Affordable Housing Trust Fund c. 230, Acts, 2002 amended c. 83, Acts 2008	Massachusetts Municipal Housing Trust MGL c. 44 § 55C	Housing Authority MGL c. 121B	Provincetown Public Pier Corporation C. 13 of the Acts of 2000	Year-Round Market Rate Housing Trust Fund <i>Pending House Bill #3742</i>
Purpose	Established a separate fund for the creation and preservation of affordable housing in the Town of Provincetown.	Authorizes a Town to establish a separate fund for the creation and preservation of affordable housing..	Authorizes the establishment of a separate board apart from the Town for the clearance of substandard, decadent or blighted open areas or the provision of housing for families or elderly persons of low income or engaging in a land assembly and redevelopment project, including the preservation, restoration or relocation of historical buildings.	Established a body politic and corporate separate from the Town to oversee MacMillan Pier operations, and authorized the Town to lease the pier to the PPPC.	Proposes to establish a municipal trust for the creation and preservation of year-round market rental units in the Town of Provincetown.
How is it Created	Town Meeting voted to authorize a Home Rule Petition for a Special Act	Town Meeting vote to accept c. 44, § 55C; adoption of a General Bylaw designating powers and	Town Meeting voted to create a Housing Authority.	Town Meeting voted authorize a Home Rule Petition for a Special Act.	Town Meeting voted to authorize a Home Rule Petition for a Special Act.

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		duties.			
Ownership or Rental	Ownership and Rental Year-round	Ownership and Rental Year-round	Rental Only Year-round	N/A	Rental only Year-round
Composition at Local Level	Pursuant to c. 83 of the Acts of 2008, the Trust is administered by the Provincetown Community Housing Council, which is a Town board appointed by the Board of Selectmen.	An Affordable Housing Trust under c. 44, § 55C is administered by a Board of Trustees appointed by the Board of Selectmen.	Managed, controlled and governed by 5 members appointed pursuant to MGL c. 121B §§ 5 and 5A	Managed by a board of directors consisting of five members appointed by the BOS.	Will be managed by a Board of Trustees consisting of five members appointed by the Board of Selectmen.
Relationship to the Town	CHC is a Town board.	The Board of Trustees is a Town board.	A Housing Authority is an independent agency.	The PPPC is an independent public corporation separate and apart from the Town.	The Board of Trustees will be a Town board.
Affordability level	Low/moderate Up to 80% AMI	Low/moderate Up to 80% AMI	Set by Massachusetts Department of Housing and Urban Development. Eligibility figures vary by region.	N/A	Up to and including market rate Up to 200% AMI

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Authority to:	The fund shall finance low and no interest loans, grants, subsidies, credit enhancements and other financial assistance for community affordable and mixed-income housing developments and shall pay for administering the fund; provided, however, that such assistance shall be the minimum amount necessary to make a project feasible.	Accept & receive real property; Purchase & retain real property;; to execute deeds, leases, contracts, notes; to employ advisors & agents; to participate in reorganization, recapitalization, merger; to deposit security with any protective reorganization committee; to borrow money; to make distributions; to manage or improve property	Wide ranging authority pursuant to MGL c. 121B §§ 11 and 26, including the authority to receive loans and grants from the federal government; to take by eminent domain; to engage in or contract for the construction, reconstruction, alteration, remodeling or repair of any clearance, housing, relocation, urban renewal or other project; to borrow money; to execute contracts;	Wide ranging authority pursuant to Chapter 13 § 5 of the Acts of 2000, including employing consulting engineers, an executive director, superintendents, managers and others; enter contracts; receive and accept grants, loans or advances for or in aid of an economic development project; borrow money; designate property as marine and marine-related economic development projects in accordance with the Harbor Plan; acquire and hold property for any of its objects and purposes; sell and	Funds within trust available without further appropriation from town meeting Accept & receive real property or money, by gift, grant, contribution, devise or transfer Purchase & retain real property, including without restriction investments To sell, lease, exchange, transfer any personal, mixed, or real property and to make such contracts To execute deeds, leases, contracts, notes To employ advisors & agents To participate in reorganization, recapitalization, merger To deposit security To borrow money To make distributions To comprise, attribute, defend, enforce, release, settle or otherwise adjust claims in favor or against the trust

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				convey any property as the objects and purposes of the corporation may require, subject to town meeting approval	To manage or improve property To hold all or part of the trust property uninvested To extend the time for payment of any obligation to the trust
Subject to procurement/C. 30B?	YES.	YES, but agreements and conveyances between the AFT and the Town are exempt from c. 30B.	Yes	Yes	YES, but agreements and conveyances between the Trust and the Town will be exempt.
Supports:	Creation Preservation Rehabilitation Support	Creation Preservation Rehabilitation Support	clearance of substandard, decadent or blighted open areas housing for families or elderly persons of low income redevelopment	Eliminating decadent, substandard or blighted open conditions of MacMillan Pier and preventing reoccurrence of such conditions.	Create preserve
Sources of funds	25% of tax title proceeds, gifts, 10% of Land Bank funds [Ch. 43 Acts 2000] Donation check box on tax bills	CPA, negotiated developer fees, inclusionary zoning, general fund, resale fees of affordable units at market	Federal and state funding and any rental income from such properties.	Rental and mooring fees, Funds in the form of grants appropriated by the Town.	Gifts, grants, appropriations, revenues from sale or lease of trust property and any rental income from such properties

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		rate, donations			
Audit?	Done under Town's annual audit.	Required annually	Independent external audit performed at a frequency agreed to between the Housing Authority and the Massachusetts Department of Housing and Community Development Also subject to audit by State Auditor	Required once each fiscal year	Annual audit by independent auditor; Financial records subject to control and oversight by Town's Finance Department and subject to yearly audit.
Insurance?	No	Yes as needed		Corporation has authority to purchase insurance.	Procure against loss for any properties and other assets
Other:					Public Hearing required prior to undertaking year-round market rate rental housing project Annual public hearing for management & operations
Subject to Fair-housing laws?	YES	YES	YES	N/A	YES. Local preference as allowed Lottery Trust may enact regulations for additional preference criteria based on income eligibility

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Dissolution	Special Act would be required because the legislation is silent regarding dissolution of the Trust.	Special Act would be required because the legislation is silent regarding dissolution of the Trust.	Whenever a housing authority determines that there is no further need for its existence, it may by a majority vote of the five members submit the question of its dissolution, in a town, to the voters at an annual town meeting. If a town votes for such and the department is satisfied it shall so certify to the state secretary and the housing authority will be dissolved	Either the Town Manager or the Board of Selectman shall make a finding that the corporation is no longer needed to provide for the sound and market-based management, operation and maintenance of MacMillan Pier, and that the purpose of the corporation has been fulfilled or that the corporation has failed to fulfill such purposes. If such a finding is made, the board of selectman shall hold a public hearing on whether the corporation should be dissolved. After the public hearing, the BOS shall make a	Special Act would be required because the legislation is silent regarding dissolution of the Trust.

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				<p>recommendation to the town meeting as to whether the corporation shall be dissolved. Thereafter, the town meeting may by majority vote dissolve the corporation. After dissolution, the town assumes all legal obligations, and liabilities, assets, debts, leases, contracts and all real or other property of the corporation.</p>	

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FINAL DRAFT: Provincetown ULI TAP Report

[excerpt]

Push Ahead with Housing Trust

Town Meeting voters in 2015 approved plans to create a Year-Round Rental Housing Trust. Voters also agreed to seed it with an initial investment of \$1 million. The proposal is now pending at the State House, where it must be approved in order to take effect. The housing trust is designed to provide support for middle-income renters without regard to income, but targeted for households between 80 and 200 percent of area median income. Currently most subsidy programs top out at 80 percent AMI. A number of town employees currently fall through the cracks, making too much money to qualify for affordable housing programs but not earning enough to pay for an apartment in the super-heated Provincetown rental market where seasonal rentals bring in the biggest profits. These include patrol officers, teachers, public works employees and the town clerk.

There was some discussion with community members that a possible action item for the Year-Round Rental Housing Trust would be to purchase housing on the market and hold it. This housing could then be rented out, generating income which could then fund further activity by the housing trust. At a surface level this does not appear to be the most effective use of funds and would have a very limited impact given the cost of housing. The housing trust public procurement requirements would also need to be taken into consideration and can be onerous when a municipal entity is managing a residential property. Any third-party management party would also be subject to MGL Ch. 30B since the requirement is triggered by the public status of the owner. With limited funds, the trust may have more success purchasing deed restrictions to preserve some rentals for year-round use. A third-party analysis, based on the economics of the community is recommended to help determine the best business plan for the Year-Round Rental Housing Trust.



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OTHER

Requested by: Town Manager David B. Panagore

Action Sought: Discussion

Proposed Motion(s)

Discussion Dependent – votes may be taken.

Additional Information

Board Action

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