

**TOWN OF PROVINCETOWN
COMMUNITY PRESERVATION COMMITTEE**

TUESDAY, JANUARY 31, 2006

ROOM 10, GRACE GOUVEIA BUILDING

Chairman Elaine Anderson convened the meeting at 9:00 a.m. noting the following attendees:

Members present: Elaine Anderson, Chairman; Mona Anderson; Bill Dougal; Tim Hazel; Nancy Jacobsen; Stephen Milkewicz

Absent CPC Member: Howard Burchman, Eric Dray (excused absences)

Other Attendees: Keith Bergman, Town Manager; Sarah Peake, Board of Selectmen; David Nicolau, Board of Selectmen; Patrick Manning, Executive Director PHA; Margaret Carroll-Bergman, PHA; Doug Taylor, Building Commissioner; Rita Farrell, Massachusetts Housing Partnership; Ellen Burbank, Pilgrim Monument and Provincetown Museum

Recorder: Cynthia Curran

The following are meeting minutes, in brief:

SPECIAL MEETING FOR DISCUSSION OF TWO PROPOSALS

The first proposal under discussion was #200601 from the PHA and the Town of Provincetown. Elaine Anderson said that she had verified that there was no conflict of interest in Keith Bergman's representing the proposal while his wife, Margaret Carroll-Bergman, was on the PHA. Neither one of them could get any financial gain from the proposal. Keith Bergman said that the option to buy the property was for thirty days, but could be extended if necessary. If the CPC agreed on the million dollars for the purchase of the property, this would help with their dealings with Cumberland Farms. Mr. Bergman said that the site testing has been done and that the cost of the cleanup would be between \$300,000 and one million. He said that they are looking at the lower number for remediation. Mr. Bergman said that the BOS and the PHA need a partner to develop the project and that partner is the Massachusetts Housing Partnership. They are a quasi-public state agency. He said that they have found funding to pay for the initial \$7500 for their fees. Mr. Bergman concluded by saying that they wanted to continue the dialogue on how they could move forward with the project to meet significant needs in the town.

Rita Farrell, who is the Director of Community Initiative for the Massachusetts Housing Partnership (MHP) was also present to speak about the application. Susan Connelly will be the person from the MHP who will work with Provincetown, but she could not be at the meeting today. The MHP will help turn the town's vision into reality. Ms. Farrell said that the MHP works statewide and that Provincetown's project was similar to others they have worked on. She said that local leadership and political support are critical to the success of a project. Sarah Peake said that the involvement of the MHP should give comfort to the CPC because the MHP will establish milestones to measure the progress of the project. David Nicolau said that he was happy about the partnership and that they were all in it together.

Bill Dougal started off the questions from the CPC by saying that he was happy that the attendees were present. He wanted to know how the process could be structured so that it gives confidence that we are moving forward in the same direction. He said that he did not want to repeat what happened with the Cape End Manor. Mr. Dougal said that he wanted the cards on the table so we know where we are going. Keith Bergman said that the deadline for warrant articles is March 3rd. If there is not a commitment to purchase by then, the Town will not be able to purchase the property.

Rita Farrell outlined the process. She said that typically the first step is for the community to have site control. She said that the MHP likes to have one client to deal with (as opposed to dealing with the BOS, PHA, and CPC). It is a client/consultant relationship. The MHP will say what they can do and what the client needs to do. They do not make decisions for the client. They assess the client's desires and let them know what will work. The client must say what will work in the community. The MHP needs to have consensus from the Town. She said that the MHP has knowledge of what has worked and connections at the state level to make things go forward and to obtain funding. Ms. Farrell said that the MHP has worked in Provincetown before and provides mortgages for multifamily dwellings. Mr. Dougal asked about the timeline. Ms. Farrell said that the site cleanup was a big unknown. She said a nine to twelve month process was not untypical. She said that the Town must follow 30B and craft a document that is what the Town wants and then step back. The document must be clear for the developer. She said that the community must

articulate what they want: the level of affordability, who the tenants will be, etc. She said that the MHP can help with this and it will be a back and forth process. The MHP will help determine what is viable financially and in other ways. Bill Dougal said that the CPC saw it as a two-part process. The CPC would first create a warrant article for the one million dollar purchase price and later approve more funding as needed. He said that they did not want delays, but did not want to shortchange the process. Ms. Farrell said that there is a pretty good likelihood that additional CPA funds will be needed. Keith Bergman said that the developer would have to say so in the RFP. Bill Dougal asked who would initially own the land and who would develop it. Keith Bergman said that the Town would own the land. The PHA would not develop the property, but a separate non-profit entity would handle the development.

Nancy Jacobsen said she would like to hear from the PHA what their role would be. Patrick Manning said that they had been working with Cumberland Farms for two years. He said that it is the PHA's goal to manage the property, but he realizes that it may not happen. He said that it is too early to tell.

Elaine Anderson said that it is not unusual to appropriate funds which are released down the line. She said that we don't want to over bond ourselves.

Rita Farrell said that once they know the number of units, they can give an estimated cost. She said that public subsidy will be needed. Ms. Farrell said that the developers are under strict guidelines so that they cannot make a huge windfall on the project. Elaine Anderson said she was estimating \$50,000 per unit for forty units. That would come to two million dollars for construction. Steve Milkewicz said that housing is needed for people like police, firemen and teachers. Ms. Farrell said that fair housing laws must be followed. She said that there are two factors: rent structure (who are we trying to house and what can they pay) and funding sources. Ms. Farrell said that some local preference can be given, possibly up to 70%, but not 100%. David Nicolau said the challenge is that middle-income people are not included in affordable housing. Ms. Farrell said that it would be a mixed income project. She said it is a back and forth process to figure out what the rent structure will be.

Mona Anderson said that she is concerned about the ability to economically sustain the project in the long run. She wondered if there could be an anchor commercial renter to help finance the project. Keith Bergman said that there might be a problem with that, because Cumberland Farms is selling the land for affordable housing so that they can get tax credits. Ms. Farrell said that the question has to be looked into. Sarah Peake agreed that it should be looked into and thought that the Town should negotiate with Cumberland Farms to have the greatest flexibility in designing the project.

Rita Farrell said that the underwriting lender looks at possible commercial income, but must look at the income stream for the next twenty years. They also look at the expenses for the long term such as maintenance and client services. They can give feedback on what does or doesn't work. Mona Anderson wondered if onsite management could be made a condition of the project. She thought that a project with forty or fifty units would need this. Ms. Farrell said that they would check on what the threshold for needing onsite management is. Tim Hazel questioned if the RFP for the project would include management or if that would be a separate RFP. Ms. Farrell said that the MHP would advise on the RFP. She said that there is a template on their web site, www.mhp.net. David Nicolau suggested that it could be stated in the RFP that they wanted onsite management. Ms. Farrell said that the project might need more public money to do this.

Tim Hazel wondered when they will have all the information needed, such as what Cumberland Farms will allow for commercial development. Keith Bergman said that they should have clarity in the next thirty days. Mr. Hazel also wanted to know when they would know how much the cleanup would be. Mr. Bergman assured him that they would not be coming back to the CPC for money for the cleanup.

Elaine Anderson asked if the consensus of the Committee was to focus on the land acquisition, if the necessary questions were answered. She wondered if the additional funding should also be approved (with contingencies) at this time. Keith Bergman said that additional funds will probably be needed, but he doesn't know how much. Elaine Anderson said that the land acquisition was the most important point in order to move forward. Margaret Carroll-Bergman said that a special Town Meeting could be held if additional funds needed to be voted on. Rita Farrell said that more funding would make things easier, but it is reasonable to start with the acquisition part of the process. Sarah Peake said that the money would be bonded in phases and Keith Bergman explained that it is bonded only as it is paid out.

Bill Dougal brought up the cleanup again and Mr. Bergman said that the Town does not want to acquire property that can't be used later. He said that Cumberland Farms says that the sale is not contingent upon the issuance of permits, but the Town does not agree. Elaine Anderson asked if there were any advances on getting a clear title, but apparently it is still in litigation. David Nicolau said that the best way is to approve the funding with contingencies.

Elaine Anderson said that she has confidence that the partnership will look after our funds well to protect us all. She said that the Committee must feel that they are not in it alone. Keith Bergman said that the remediation of the property still has to be determined. It may be done pre or post acquisition, but will definitely be a factor in the purchase price.

Bill Dougal asked who would pay for the MHP's services. Rita Farrell said that the first \$7500.00 was being paid by the DHCD. Keith Bergman said that any costs above that may be paid out of the Affordable Housing Trust Fund, but they will also look for other funding. Patrick Manning said that they applied to the Cape Cod Commission for \$5000.00. He said they would not use CPA funds for the MHP.

Keith Bergman said that there are two tracks: the acquisition of the land and the RFP for the developer. Rita Farrell said that the MHP needs more details from the Town. Elaine Anderson asked if there were a theoretical picture of what the project would look like. Ms. Farrell advised putting design guidelines in the RFP.

Elaine Anderson then thanked the applicants for coming. She said that the CPC would have a decision session and the applicants would know within one week what the CPC's commitment will be.

At 10:20 a.m. the attendees left and the Committee considered the application of the BOS and PHA which they had just been discussing. Elaine Anderson suggested approving the one million for the land acquisition with contingencies. Nancy Jacobsen wondered if perhaps they should approve the full 2.5 million now. Tim Hazel said that they would possibly approve the additional funds in the future, but didn't think it should be done now. Ms. Jacobsen thought that it might show confidence in the project, but the funding would have contingencies. Elaine Anderson said that the money would not be used until milestones had been reached. Tim Hazel favored just approving the one million now because the second 1.5 million opens up a barrage of questions. Elaine Anderson said that approving the one million will get the MHP involved and get the project going. Bill Dougal said that they should approve just the one million for now, because the whole process is still up in the air. He said that when the site is ready and the permits have been approved, then they will feel ready to approve more funding. He said they could have a special Town Meeting in the fall if needed. Mona Anderson thought that they should wait and see what additional funds are needed for the project. Tim Hazel said he is intent on doing a responsible job with the taxpayer's money. Elaine Anderson said that she believed that the amount that they have approved could be decreased at Town Meeting, but not increased. Bill Dougal said the CPC's portion of the total cost is actually small, so they can't really be driving the bus. He wanted to discuss the contingencies. He said one should be Cumberland Farms' remediation of the site. Elaine Anderson said that it may not be Cumberland Farms, but the developer, who may do the cleanup. There was more discussion on possible contingencies and the following motion was made:

MOTION: Move to approve up to one million dollars borrowing authority for CPA funds for the purpose of acquisition of the site at 90 Shankpainter Road by the Town of Provincetown, conditional on information received by the Town Manager.

Motion by: Bill Dougal Seconded by: Mona Anderson Yea 6 Nay 0

Bill Dougal left at 11:00 a.m., recusing himself from the discussion of the Pilgrim Monument application.

Ellen Burbank arrived to represent the Pilgrim Monument and Provincetown Museum (application 200604). Ms. Burbank said that as the Monument approaches its 100th year, there are many demands in keeping the structure in good shape. She said the lightning rod must be improved, but they want it to look like the original one. The shutters and doors must look as they originally did. Ms. Burbank said they want to stop the deterioration, but in a historically sensitive way.

Tim Hazel wondered what will happen if the cost of the restoration is more than what they estimate. Ellen Burbank said that one possible source of grants has said no, but that they are looking for others. They do have some funds of their own, but they may not be able to do everything that they want to do. Mona Anderson said she supported using funds for this project. Steve Milkewicz said that he is on the Historical Commission and wondered if a new lightning rod would look different from the original one. Ms. Burbank said that it would look different and described what needed to be done. She said the lightning rod would protect the Monument. If it were hit by lightning, part of it could fall down, which would be very dangerous. Steve Milkewicz said he hadn't understood how a lightning rod was historic and knew it would come up at Town Meeting. Nancy Jacobsen said that she supported the application. Elaine Anderson said that the Committee would discuss how much they would approve, but that the CPC did support the application. Ellen Burbank left the meeting at 11:15 a.m..

The meeting returned to the discussion of this application. Elaine Anderson said that they are asking for \$58,500.00 from the CPC. She said that according to Ms. Burbank \$2000. for the welding has already been spent. She said that the money won't have to be bonded, because they have cash for historic preservation. She said she will verify this with the treasurer. She said she might not want to support all of it. Tim Hazel said that he supports the application. Mona said that they should give them the money to do the project. There was more discussion about how much should be approved. Steve Milkewicz wondered if a condition of the grant could be that the admission be free for residents. Tim Hazel didn't think that that could be required. Elaine Anderson said that she could support the application and she felt

the community would support it also.

MOTION: Move to approve \$58,500 for the restoration of the Pilgrim Monument and Provincetown Museum.

Motion by: Tim Hazel Seconded by: Mona Anderson Yea 5 Nay 0 Abstain 1 (BD)

APPROVAL OF MINUTES

-
MOTION: Move to approve the CPC minutes of January 24th, 2006 as amended.

Motion by: Stephen Milkewicz Seconded by: Tim Hazel Yea 5 Nay 0

OTHER BUSINESS

-
Elaine Anderson passed around a letter to Laura Shufelt for the members to sign. Tim Hazel said that it wasn't enough. Elaine Anderson said that they could do more, but the letter was a start.

Elaine Anderson asked if there should be a meeting on February 14th. The Public Hearing on the warrant articles will be on February 28th. Tim Hazel wondered if the meeting could be at 9:00 on the 28th with the Public Hearing at 10:00. It was decided to do this.

Elaine Anderson wanted the Committee to consider creating a warrant for rental assistance for needy people. The money would be set aside for a two-year period. She suggested the amount of \$10,000 per year. Tim Hazel said that they could approach the Lower Cape Council and the Interfaith Council to see if they would be interested in administering the assistance. He said the money should be for Provincetown only and for a limited time. Elaine Anderson agreed that the CPC should not administer the program. She said it should be for rental assistance or emergency housing. Mona Anderson said she thought it was a good idea. Elaine Anderson asked what procedure should they follow to make it a warrant article. Tim Hazel said that they should put it on the agenda for the Public Hearing, even though they didn't have all the information needed yet. Elaine Anderson said they needed to find out if it is legal, and also if the Interfaith Council or the Lower Cape Council are interested. Steve Milkewicz said that they should go ahead and advertise it for the Public Hearing so that it could be a possible warrant article. Elaine Anderson said that the agencies could be at the Town Meeting to support the warrant.

MOTION: Move to set the agenda for the meeting on February 28th, with the regular meeting at 9:00 a.m. and the Public Hearing at 10:00 a.m. to discuss the three possible warrants 1) BOS and PHA application for a project at 90 Shankpainter Road; 2) Pilgrim Monument and Provincetown Museum application for historic restoration; 3) A two year grant for emergency rental housing assistance to be administered by a local non-profit agency.

Motion by: Stephen Milkewicz Seconded by: Tim Hazel Yea 5 Nay 0

Elaine Anderson said that since they will not be meeting until February 28th, she will be emailing information to the members.

MOTION: Move to adjourn at 11:47 a.m..

Motion by: Stephen Milkewicz Seconded by: Tim Hazel Yea 5 Nay 0