

# Provincetown Year-Round Rental Housing Trust Board of Trustees

Minutes: February 24, 2020

Caucus Hall, Town Hall, 260 Commercial Street, Provincetown

**2:26 p.m.**

YRRRT Members Present: Nathan Butera, Doug Cliggott, Louise Venden

Excused: Kevin Mooney

Staff: Community Housing Specialist Michelle Jarusiewicz

PTV Taping

**Public Statements:** none

**Preparation for Joint Meeting with Select Board 2/24/20:** Housing Specialist stated that things were happening very fast at Harbor Hill with changes daily; including more units receiving certificates of occupancy. Members should be at the meeting at 6:00 pm as the agenda item could be before 7:00 pm. Members discussed approach for the discussion with Chair Nathan Butera presenting the narrative and then the power point slides. The goal is to update them and the public. This is an opportunity to hear comments and questions. Ms. Venden pointed out that the BOS will vote on recommendations on March 9<sup>th</sup>.

***DRAFT 02/20/20***

***ATM Article 13. Funding for Year-Round Rental Housing.*** To see if the Town will vote to raise and appropriate, borrow, or transfer from available funds, a sum of money to increase the general fund debt service budget line item to pay FY21 debt service payments of the general obligation bond authorized at February 6, 2017 STM for the acquisition and improvements of the Harbor Hill property by the Provincetown Year-Round Market Rate Rental Housing Trust; or to take any other action relative thereto.

*[Requested by the **Select Board** and the Provincetown Year-Round  
Market Rate Rental Housing Trust]*

***Explanation of Article 13:*** *This article asks Town Meeting to approve funding the Housing Trust's obligated debt service for the acquisition and renovation of Harbor Hill. The debt service was voted as excluded debt which means it can be paid from the general fund and included in the operating budget at any time. To date the Housing Trust's available funds of \$1,500,000 has been depleted by financing of Harbor Hill renovations and related debt service. The early depletion of the Trust's seed money is due, in part, to increased constructions costs and a low construction contingency (5%). As disclosed when the acquisition and debt service was approved at the February 2017 Town Meeting, rental income was not expected to cover both operating expenditures and debt service obligations. Since no other revenue has been allocated to the Trust, this appropriation transfer is necessary to sustain the project. It is anticipated that Harbor Hill rental income will cover operating expenditures, while the voted debt override will fund the debt service. If this article fails and the Trust does not have funds available to pay the entire debt service amount, the Town is still obligated to pay this debt service from the general fund and raise it on the tax recap which will reduce available free cash.*

**STM Article 12. Funding for Year-Round Rental Housing.** To see if the Town will vote to raise and appropriate, borrow, or transfer from available funds, a sum of money for the purpose of supplementing capital and operating expenses for the Provincetown Year-Round Market Rate Rental Housing Trust for Fiscal Year 2020; or to take any other action relative thereto.

*[Requested by the **Select Board** and the Provincetown Year-Round  
Market Rate Rental Housing Trust]*

**Explanation of Article 12:** *This motion appropriates additional funding to the Year Round Market Rate Rental Housing Trust from Free Cash. The June subsidy included a 5% construction contingency which was surpassed due to unanticipated, but necessary, change orders.*

*The Trust has certificates of occupancy in three of the four buildings and it has leased tenants in all three buildings with applications for vacant units being received weekly. Trust has obtained a grant from the State for the two accessible one-bedroom units to the property which are now complete and occupied.*

**Other:**

Members discussed other considerations such as the need for PR, need for round numbers for the renovation work including NEI, LDa, and misc. Future considerations such as is it legal or desirable to connect the rent amount to actual income?

The Trust has a vacancy with the resignation of Chris Andrews; it is a BOS appointment.

**Meetings:**

Annual Town Meeting:                      Warrant closes Friday, March 6, 2020  
Monday, April 6, 2020

Public Hearing:                                March 31, 2020

Adjourned 3:13 pm

*Minutes drafted by:*

*Community Housing Specialist Michelle Jarusiewicz*