

Provincetown Year-Round Rental Housing Trust Board of Trustees

Minutes: January 19, 2021

Virtual Meeting Town Hall, 260 Commercial Street, Provincetown

6:04 p.m.

YRRT Members Present: Nathan Butera, Doug Cliggott, Louise Venden, Cass Benson

Staff: Community Housing Specialist Michelle Jarusiewicz, Finance Director Josee Cardinal Young

CDP: Rob Doane

MODERATOR [Michelle Jarusiewicz]:

The JANUARY 19, 2021, meeting of the Provincetown Year Round Market Rate Housing Trust is about to be convened. As a precautionary measure to reduce the spread of coronavirus, all Town buildings are closed to the public; therefore, this meeting will be held by remote participation. My name is Michelle Jarusiewicz, I am the Town's Housing Specialist, and will be moderating participation. I will begin by taking a roll call for quorum.

Provincetown Year Round Market Rate Housing Trust:

Nathan Butera, Chair	Here	Doug Cliggott	Here
Cassandra Benson	Here	Louise Venden	Here

The chair of the Board will now call the meeting to order and I will then explain how remote participation works before proceeding.

CHAIR [Nathan Butera]:

[calls the meeting to order @ 6:04 pm] I will now ask the moderator to explain how remote participation works.

MODERATOR:

Pursuant to Governor Baker's March 12, 2020, Order Suspending Certain Provisions of the Open Meeting Law, the Governor's March 23, 2020, Order imposing strict limitations on the number of people that may gather in one place, and Chapter 53 of the Acts of 2020, this meeting of the Provincetown Year Round Market Rate Housing Trust is being conducted via remote participation. No in-person attendance of members of the public will be permitted, but every effort will be made to ensure that the public can adequately access and participate in the proceedings. Participation is only available through telephone where members of the public will be allowed to speak during the public comment portion of the hearing by dialing (833) 579-7589. When prompted, enter the conference ID: 427 860 46 #. Please do not speak until the chair asks for public comments or questions and keep your phone muted at all times. Use *6 to mute or unmute your phone. Clearly state your name each and every time prior to speaking and remember to mute your phone when not talking. We will post a record of this meeting on Provincetown's website as soon as possible. All votes must be roll call votes. After a motion is made and there is a second, the Chair will ask for a roll call vote. All motions, decisions, documents, and letters should be verbally referenced for the record.

If it appears the meeting cannot or should not proceed, then the moderator will recommend that the Chair request to continue the hearing to a later date and time. I will now hand the meeting back to the Chair.

CHAIR: Please clearly state your name each time prior to speaking. At the completion of each agenda item, ask “At this time I did not hear any request for additional comment, if you wish to speak, please check that your phone is not muted using *6 and this is the final time I will ask if there is anyone who wishes to speak on the matter at hand.”

Agenda #1 Public Comments:

Jamie DeSouza, former tenant of Harbor Hill, urged the Trust to provide more oversight of Harbor Hill [HH]. He had a roommate situation that could have led to eviction and resulted in his moving out. The Property management took a different approach than another situation. Now he has unstable housing. He was on the HH waitlist for a different unit and he believes someone went ahead of him for an available unit. He is looking for accountability in accordance with the Trust’s mission.

Agenda item #2 Annual Report:

2020 annual report drafted by Chair Nathan Butera; members discussed draft. Ms. Venden offered to provide some minor edits. Mr. Cliggott thinks that it is fine.

Agenda item #3 Harbor Hill Update: with Rob Doane/CDP

- Unit 11 – existing resident has broken lease. Application pending final approval for 2/15/2021 move-in. Existing tenant is responsible for rent until new tenant takes occupancy.
- Windows
 - Three windows installed in units 3, 4, 26
 - Received quote for windows for remaining units in buildings. Refer to Window Schedule below.
 - Unit 5 triangle windows ordered
- Fire Alarm
 - Quote pending from Cape Cod Alarm; rough estimate \$35,000
 - Wiring details to be finalized on 1/12/2021
 - Unit 11 – Hood venting to be completed during make ready. Quote is \$500; pilot effort to see how it works
- Irrigation work proceeding
 - Controls to be installed on existing common meter
- Unit 25 replacement carpet has been ordered
- Entrance way Heating issue buildings 3 & 37
 - Heat is not reaching down to entrances – split systems inadequate
 - Condensation is forming on doors causing mold to form in closets
 - 5 Units with issues
 - Waiting for quote to add heater to entrance in Unit 6 which is the most problematic unit

Members discussed costs and options and the need to protect the property. Mr. Doane described that in some units, the mini-split is located in the living room and the door is half-level down. Electric baseboard remains but the electrical source was disconnected and re-assigned. They are looking at re-wiring and heater in the area. One unit put up a thermal curtain and that seems to work. Members questioned source of funding -- from maintenance line or CIP? Ms. Jarusiewicz indicated that the CIP budget line is available for the larger items. Mr. Doane said that we can choose which budget line item. They are moving slowly and prioritizing items such as remedying the smoke detector/fire alarm issue. The carpet replacement was about \$4500. The budget for replacing windows detailed below. And yes, need more CIP funds.

**Harbor Hill
Window Schedule 4 Harbor Hill & 8 Harbor Hill Rd.
January 12, 2021**

Unit	Windows already replaced	Windows In Need of Immediate Replacement	Remaining Windows to be Replaced	Total Windows 4 HH and 8 HH
1	0	2	5	7
2	0	3	4	7
3	1	2	4	7
4	1	1	5	7
5	0	2	8	10
21	0	1	7	8
22	0	2	3	5
23	0	2	6	8
24	0	2	9	11
25	0	1	5	6
26	3	0	3	6
Total	5	18	59	82
	\$13,889	\$36,000	\$118,000	\$167,889
Total Estimate for Remaining Windows		\$154,000		
\$2,000 per window				

++ Two windows for unit 5 have been ordered
>> Window replacement in 3 HH & 37 BSE has been completed

Agenda item #4 Financial Update with Finance Director Josee Cardinal Young

**YEAR ROUND MARKET RATE HOUSING TRUST
FY21 YTD BUDGET TO ACTUAL RESULTS
January 14, 2021**

REVENUE			
	FY21 Budget	FY21 Received to Date	FY21 REV Remaining
Rental Income (HH Rental Operation)	522,000	309,043	212,957
	-	-	-
Total Revenue	522,000	309,043	212,957

EXPENDITURES			
	FY21 Budget	FY21 Paid to Date	FY21 EXP Remaining
Trust Capital Improvements	150,000	18,784	131,216
Trust Legal (related to Housing Trust)	5,000	-	5,000
Trust Bond	1,400	1,423	(23)
Trust Meetings - PTV and Advertising	3,600	270	3,330
Trust Consulting	-	7,000	(7,000)
Trust Condo Conversion	25,000	-	25,000
HH Legal (related to HH property rental)	5,000	515	4,485
HH Water/Sewer	20,000	7,218	12,782
HH Common Area Utilities	5,000	3,241	1,759
HH Insurance	45,000	46,567	(1,567)
HH Betterment	17,500	17,208	292
HH CDP Reimbursed Expenses	77,000	51,929	25,071
HH CDP Management Fees	134,000	66,470	67,530
Total Expenditures	488,500	220,625	267,875
Net Income FY21	33,500	88,418	(54,918)

RENTAL ACTIVITY			
FY21 Net Rental Income Per CDP as of November 30, 2020	124,061	114,161	(9,900)

Ms. Venden commented that some lines are little thin. Ms. Cardinal indicated that some items are not monthly expenses but annual such as insurance. Ms. Venden stated that we may need to shift some funds around.

Agenda item #5 Budget FY 21 & FY 22

Ms. Jarusiewicz summarized budget; note this is *budget* not actual expenses but has been adjusted for some known numbers such as revised rent receipt projection and the September 2020 vote regarding debt service. The Finance Director’s status above is based upon original FY 21 budget and reflects expenses. At this time, this year’s budget projection as adjusted results in projected net surplus of \$66,732. The Adjusted FY 22 budget assumes level rents, 95% occupancy, \$150,000 CIP, expenses increasing by 2%, and -0- gap [with debt service included in town budget]. This results in projected net surplus of \$69,406. In the Capital Needs Assessment [CNA], Dr. Nutt-Powell notes that we had -0- reserves in FY 2020 and recommends that we increase reserve set-asides annually. The old plan had \$960 per unit, \$26,880 per year, which was not enough.

Recommendations:

- Set-aside net surplus funds at end of FY 2021 and FY 2022 into reserves.
- Hire architect/engineer to focus on top priorities [TBD] and create scope and design for procurement process and potentially to submit future CIP request to the Town. The priorities may be to address all roof repairs [along with associated work such as skylights, gutters....] for all buildings or to do one building at a time perhaps to include the siding for that building.
- Continue utilizing the CIP budget allocation of \$150,000 to address the ongoing capital repairs [such as alarm system] while conducting analysis. This allows the Trust to get further into the stabilization of the property. Typically, it takes about 5 years for a property to stabilize including rental/occupancy and repairs, especially in a property that was unoccupied for few years. We are in year 1. Actual use of systems results in better understanding of the needs.
- Trust may want to consider some of the options in the CNA, such as traditional shingles/cedar shakes vs. vinyl shakes.

Ms. Venden stated that they are great suggestions. Maybe we should hire architect/engineer. Think of the Pier Corp, they engaged a consultant to develop a plan and schedule. This would provide more clarity and detail about priority. Ms. Jarusiewicz indicated that she is reaching out to DPW to see how they proceed with CIP for buildings. There are procurement regulations and we need a detailed scope.

Ms. Benson asked when would they need to meet with Finance Committee? Ms. Jarusiewicz said that would be if and after an Article is submitted for town meeting which is now scheduled for May 1st with warrant articles due by April 1st .

	<i>Budget</i>	<i>revised</i>	
	<i>FY 2021</i>	<i>Budget FY 2021</i>	<i>difference</i>
HH Rent Receipts	521,695	577,981	56,286
HH Expenses:			
<u>CDP Expenses:</u>			
CDP Management	133,654	163,515	29,861
Advertising	1,600	1,600	-

Legal, Licenses & Fees	1,958	1,958	-
Maintenance Grounds	13,270	13,270	-
Maintenance Snow	6,980	6,980	-
Maintenance Supplies	9,549	9,549	-
Maintenance Contract	31,755	31,755	-
Rubbish Removal	8,156	8,156	-
Special Expense/Bad Debt	3,543	3,543	-
Total Expenses	210,465	240,326	29,861
Net HH Surplus	311,230	337,655	26,425

Trust Expenses:

Trust capital improvements	150,000	131,216	(18,784)
NEI delay change order [net]	28,000	18,784	(9,216)
legal	5,000	5,000	-
bond	1,400	1,423	23
PTV	3,600	2,000	(1,600)
Condo conversion	25,000	25,000	-
HH legal	5,000	5,000	-
water/sewer	20,000	15,000	(5,000)
common area utilities	5,000	5,000	-
HH insurance	45,000	45,000	-
HH Betterment	17,500	17,500	-
	305,500	270,923	(34,577)

NET SURPLUS 5,730 66,732 61,002

Debt service 594,557 594,557
 Sept 20 vote 594,557
 GAP (588,827) -

Budget FY 2021 FY 2022 FY 2023 FY 2024 FY 2025

HH Rent Receipts 577,981 565,440 576,749 588,284 600,049

HH Expenses:

CDP Expenses:

CDP Management	163,515	166,785	170,121	173,523	176,994
Advertising	1,600	1,632	1,665	1,698	1,732
Legal, Licenses & Fees	1,958	1,997	2,037	2,078	2,119
Maintenance Grounds	13,270	13,535	13,806	14,082	14,364
Maintenance Snow	6,980	7,120	7,262	7,407	7,555
Maintenance Supplies	9,549	9,740	9,935	10,133	10,336
Maintenance Contract	31,755	32,390	33,038	33,699	34,373

Rubbish Removal	8,156	8,319	8,486	8,655	8,828
Special Expense/Bad Debt	3,543	3,614	3,686	3,760	3,835
Total Expenses	240,326	245,133	250,035	255,036	260,137
Net HH Surplus	337,655	320,307	326,714	333,248	339,913
Trust Expenses:					
Trust capital improvements	131,216	150,000	150,000	150,000	150,000
NEI delay change order [net]	18,784				
legal	5,000	5,100	5,202	5,306	5,412
bond	1,423	1,451	1,480	1,510	1,540
PTV	2,000	2,040	2,081	2,122	2,165
Condo conversion	25,000				
HH legal	5,000	5,100	5,202	5,306	5,412
water/sewer	15,000	15,300	15,606	15,918	16,236
common area utilities	5,000	5,100	5,202	5,306	5,412
HH insurance	45,000	48,960	49,939	50,938	51,957
HH Betterment	17,500	17,850	18,207	18,571	18,943
	270,923	250,901	252,919	254,978	257,077
NET SURPLUS	66,732	69,406	73,794	78,270	82,835
Debt service	594,557	589,806	589,806	589,306	588,306
9/21/20 vote	594,557				
GAP	-	(520,400)	(516,012)	(511,036)	(505,471)

**Community Development Partnership
Harbor Hill Capital Needs Review
January 2021**

	<i>CDP Managed</i>		<i>Capital Needs Assessment</i>			
	Actual To Date	Projected 2021	Five Year Total	Year 6-10	Year 11-20	Total
			2020 - 2024	2025 - 2029	2030 - 2039	
Building						
Structure	0	0	0	0	0	0
Entry	0	0	25,000	0	0	25,000
Walls	4,200	0	350,671	0	0	350,671
Windows	13,889	36,000	318,188	0	10,228	328,416
Roof	6,015	0	110,426	0	0	110,426
Interior	0	0	0	0	0	0
Mechanical & Electrical						
Mechanical	0	0	0	0	0	0
Fire	3,060	35,000	0	0	0	0
Electrical	11,860	0	0	0	0	0
Site						
Amenities	0	0	0	0	0	0
Improvements	4,840	5,000	161,095	156,596	0	317,691
Paving	0	0	0	42,209	0	42,209
Distribution	0	0	0	17,945	0	17,945
Dwelling Units						
Finishes	14,663	4,500	45,696	76,160	91,391	213,247
Kitchen	1,369	10,000	43,928	54,550	81,980	180,458
Bathrooms	7,480	0	63,324	60,715	72,859	196,898
Mechanical & Electrical	26,569	0	27,059	16,777	54,753	98,589
Other	0	0	1,750	1,750	3,500	7,000
Total	93,945	90,500	1,147,137	426,702	314,711	1,888,550

Agenda #6: Invoices: none

Agenda #7: Minutes: 10/27/20 & 12/8/20

Nathan Butera MOVE to approve minutes of 10/27/20 & 12/8/20 as presented; Cass Benson second; approve 4-0 by roll call:

Nathan Butera, Chair	yes	Doug Cliggott	yes
Cassandra Benson	yes	Louise Venden	yes

Agenda #8: Conflict of Interest Summary & Training

All board & committee members, all staff, are issued a copy of a summary of Conflict of Interest Laws and must take the on-line training class every two years. The Online Training can be found at

<http://www.muniprogram.state.ma.us/>

Agenda #9: Other

Ms. Venden said that the Trust needs to consider articles for town meeting. The current proposed budget has the debt service incorporated into the Town's debt service. A CIP article could be considered to address urgent needs. Mr. Butera thanked her for drafts and Ms. Jarusiewicz said that she would consult with the Finance Department

Mr. Butera follow-up on public statement. Ms. Jarusiewicz said that she would request a confidential report from the CDP.

Agenda #10: Future Meetings:

proposed Tuesday, February 9 at 6:00 pm
Annual Town Meeting now scheduled for Saturday, May 1st 10am

<i>Nathan Butera MOVE to adjourn at 7:11 pm; Doug Cliggott second; approved 4-0</i>	
Nathan Butera, Chair	yes
Doug Cliggott	yes
Louise Venden	yes
Cassandra Benson	yes

*Minutes drafted by:
Community Housing Specialist Michelle Jarusiewicz*