

Provincetown Year-Round Rental Housing Trust Board of Trustees

Minutes: February 9, 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, DPW Director Richard Waldo

CDP: Rob Doane

MODERATOR [Michelle Jarusiewicz]:

The FEBRUARY 9, 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: 685 257 432 #. 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: none

Agenda item #2 Capital Improvement Planning:

Ms. Jarusiewicz summarized that at the last Trust meeting, there was some discussion about process and potentially hiring a consultant to assist us with the development of a CIP 5-year plan building on the Capital Needs Assessment [CNA]. DPW Director Rich Waldo has been invited to share how the DPW proceeds with that process for town-owned buildings.

Note that we need to define the scope of services that we are seeking from our consultant. For example, are we specifically replacing the roof and/or siding or Y of building X and need specifications – or - are we looking more for planning component based on CNA that will lead to a plan in phase 1, with phase 2 targeting the scope identified in year 1 of the plan. The Phase 2 might lead to specifications for that scope that can be used as part of a bid process. We also need to think about how much we want to spend on the consultant.

Last Meeting 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.

Mr. Waldo explained that Capital Improvement planning for buildings is a perpetual thing; setting priorities can be tricky. The Trust has about 1 year operating with less than that for the buildings that became occupied in the fall. Occupancy leads to intimate knowledge of the systems. The tenants will assist with identifying issues. This helps to build a master plan. Procurement laws can be difficult and need to go through a designer selection process, this requires issuing a Request for Proposal [RFP]. Selection is not based upon lowest bid but rather proposals are reviewed for background and experience in accordance with the criteria in the RFP. Submissions are ranked and then you go to the price proposal. Need to gather base information about what has been done, what complaints have been received, etc. The consultant can evaluate and prepare a CIP for 5 years. Life safety issues come first then health issues such as air quality/circulation. Priorities may include egress, HVAC, exterior

envelope, etc. He did not know price range. Ms. Jarusiewicz stated that the CNA was done pro-bono and asked if there is a preferred approach such as one building at a time or all buildings. Mr. Waldo said there are pros and cons to each approach. Mobilization costs being one. Could tell the consultant what the budget is per year and ask them to tell us.

Mr. Butera thanked Mr. Waldo. Ms. Venden said that the CNA identified important near term issues with regard to the envelope; we know the limits on rents and funds; looking for guidance such as the report done for the Pier Corporation. Ms. Venden believes the exterior is the most important and hopes that he can help ID scope. Mr. Waldo appreciates the vote of confidence, he is not sure what looking for – help with RFP? Ms. Venden stated that what she was looking for was what should we focus on - in his professional capacity? Mr. Waldo explained that he is not too familiar with Harbor Hill. There are issues that are priority such as the recently damaged deck, door condensation, etc. You want to talk to the maintenance people as they are the most familiar with small and large things. Mr. Butera asked what is the next step? Mr. Waldo suggested build the RFP with the CNA, then evaluate. Compile the data and build a 5 year plan with budgets and dates. The CNA has background information and dollar amounts. The ultimate goal provides continued incremental repairs over time. Ms. Venden suggested we ask Mr. Nutt-Powell where his numbers come from. She believes we must submit CIP article. Ask Rob what are the priorities? Rob responded with question about what is the Town’s appetite for spending money? What if we ask for \$2-million? Ms. Venden did not think we could ask for the full amount; \$2-million is too much. We need to make the case that we have completed a planning process with reliable numbers. The Trust’s goal to create market rate rentals is done; now we need to preserve it. Mr. Waldo stated that he thinks people believe it is an asset. It always helps if there is other funding. Ms. Jarusiewicz pointed out that the Trust had hired a financial consultant and that grants do not target these income levels. Mr. Butera stated that he is not comfortable picking a priority and thinks that asking for the full amount is not realistic. Ms. Benson stated that the CNA is pretty clear. It looks doable to proceed with \$150,000 per year plus surplus, but the building envelope needs to be addressed. Ms. Jarusiewicz noted that there are also some choices to explore from the CNA such as cedar vs. vinyl shakes for the exterior. Ms. Benson stated that they used vinyl at Gull’s Nest and they were great. Ms. Venden suggested that Mr. Waldo look at the CNA and help develop an RFP, perhaps before annual town meeting. He said it hard pressed to do before ATM.

Nathan Butera MOVE to seek advice from the DPW Director to inform priorities for next year’s CIP for Harbor Hill; Louise Venden second:

Members discussed various components including the development of an RFP and how it would be funded. Ms. Young stated that sometimes it can be best if the first CIP request is for the cost to figure it out, unless funds in the FY 21 and FY 22 budget covers it. Ms. Venden said that the buildings are deteriorating and we cannot wait. Mr. Waldo stated that perhaps there could be parallel approach and he would help as best he can. Ms. Jarusiewicz stated that she would work with Rob and DPW on potential scope for immediate needs and future needs. Mr. Cliggott suggested that for the upcoming annual town meeting perhaps a modest amount to address the acute needs plus for the design firm for the long-term costs. It won’t be cheap, but some things must be done this summer and fall.

Approved 4-0 roll-call vote:

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

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

Make-ready: Unit 11 make-ready underway for February 15 move-in

Storm & Winter:

- Stairs to side entrance & deck Unit 26 blew off during the storm. To be replaced at \$2,200 [estimate]
- Pressure washing of stairs/decks estimated at \$3,600. Add stair tread grip as needed.
- Pipes freezing:
 - Unit 2: no water due to pipes freezing. Heat was not working in room with meters. Two meters failed and were replaced by the Town. Heater was repaired and is functioning.
 - Unit 5A: no water due to pipe freezing. Pipes added on exterior wall were not adequately insulated. Insulation to be added with a vent to allow air circulation.
- Unit 10 no heat: Two of three heating head units failed and needed to be replaced: \$8,150

Ongoing:

- Cape Cod Alarm to upgrade smoke alarms in building #6 (3 Harbor Hill Rd) beginning in March; estimate of \$18,455.98
 - Building #7 (37 Bradford St Ext): \$15,935.98 TBD/April
 - Building #4 (8 Harbor Hill Rd): \$10,995.98 TBD/May
- Door leak issue being investigated by Shepley Units 6, 14, 15; Unit #6 significant water infiltration

Appliances:

- Washer/Dryer replaced in Unit 14. \$1800
- Washer/Dryer to be replaced in Unit 23 \$1800

Misc:

- Unit 24 Roof repair: \$950. An animal scratched through the rubber roof on the flat portion causing a leak.

Operation:

- CDP maintenance employee fell, injured shoulder, out on leave.

Mr. Butera stated that it is great that we are taking care of alarms.

Ms. Venden asked where is the repair budget? Mr. Doane said that probably would need some of the \$150,000 CIP budget.

Harbor Hill Demographics

	7/7/20	2/5/21
Occupancy	24 of 28 units occupied [86%]	28 of 28 units occupied [100%]
Number of People	46	54
Number adults	38	44
Number of children	8	10
Pets:	6 dogs, 4 cats	6 dogs, 4 cats
Household Size:		
Single person	10	11
2-person	9	12
3-person	2	1
4- person	3	4
Income:		
Average household income	\$71,453	\$73,600

Average income per person	\$45,128	\$46,836
Household Income range	\$36,608 - \$145,852	\$36,608 - \$145,852
Employment sector:		
Service	19 [50%]	25 [57%]
Trades	6 [16%]	5 [11%]
Town	2 [5%]	2 [5%]
Professional	9 [24%]	10 [23%]
Retired/disabled	2 [5%]	2 [5%]

Members discussed the data. Mr. Butera asked about the waitlist. Mr. Doane said that there have been few recent additions and needs to check status. Ms. Benson asked about Harbor Hill having mostly 2-bedroom units, which is true. Mr. Butera said that a friend said that there are 66 people on the list. Rob will check but believes that is wrong.

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

**YEAR ROUND MARKET RATE HOUSING TRUST
FY21 YTD BUDGET TO ACTUAL RESULTS
February 8, 2021**

REVENUE			
	FY21 Budget	FY21 Received to Date	FY21 REV Remaining
Rental Income (HH Rental Operation)	522,000	342,123	179,877
	-	-	-
Total Revenue	522,000	342,123	179,877

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	55,483	21,517
HH CDP Management Fees	134,000	83,083	50,917
Total Expenditures	488,500	240,792	247,708
Net Income FY21	33,500	101,331	(67,831)

RENTAL ACTIVITY			
FY21 Net Rental Income Per CDP as of December 31, 2020	314,714	142,907	(171,807)

Ms. Young described the financial update where rents and expenses are as of yesterday in accordance with what is in the Munis system and are about at 50% with little change from last report. Ms. Benson stated that we have turned the corner and starting to accumulate cash.

Agenda item #5 Invoices none

Agenda #6: Minutes:

Doug Cliggott MOVE to approve minutes of 2/24/20, 10/6/20, & 1/19/21 as presented; Louise Venden second; approved 4-0 by roll call:

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

Agenda #7: Other

Agenda #8: Future Meetings:

proposed Trust meeting: Tuesday, March 2, at 6:00 pm

Housing 101 Training online February 19th, highly recommended.

Annual Town Meeting now scheduled for Saturday, May 1st 10am

Nathan Butera MOVE to adjourn at 7:23 pm; Cass Benson second; approved 4-0

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

Minutes drafted by:

Community Housing Specialist Michelle Jarusiewicz