

# Provincetown Year-Round Rental Housing Trust Board of Trustees

Minutes: March 16, 2021

Virtual Meeting Town Hall, 260 Commercial Street, Provincetown

**6:05 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 MARCH 16, 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: 845 728 612 #. 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 - At the last Trust meeting, there was continued discussion about Capital Improvement Planning [CIP] 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 participated to share how the DPW proceeds with that process for town-owned buildings. As a result, I drafted a Request for Proposals for that purpose and circulated with DPW staff.

Property Manager Rob Doane and I met with DPW staff, including DPW Director Rich Waldo, Deputy DPW Director Steven Wlodkowski, and Town Engineer Robert Capurso, to further discuss. After a great deal of discussion, we all agreed that it is preferable to spend the money on actual work and reduce the amount to be spent on planning. Everyone agreed that the building envelopes were a priority but that there is still a lot unknown about what is below the surface. There was also discussion about timing, funds, etc. We also agreed that the estimates appear to be too low given direct experience at Harbor Hill in Provincetown. Mr. Capurso suggested that we do one building’s envelope and see what really lies below. He also asked if we ever considered eliminating the skylights? I don’t recall that consideration but it could be discussed.

Looking at the Needs Assessment estimates below, walls \$350,671 + roof \$42,232 = \$392,903 for all 4 buildings. If divide by 4 and round up = \$100,000 per building. We all agreed that these numbers are low, so if we round up to \$150,000 to include that adjustment, contingency, and supervision, perhaps we could select 1 building to do the envelope as a trial for the rest as Bob suggested. This would fit into the existing \$150,000 budget line for capital improvements. The net FY 2021 surplus estimated at \$73K +/- could be for other ongoing Repairs & Replacement [R&R] for the ongoing needs and for hiring a cost estimator for \$15,000 +/- to look at the rest of the CNA and further the 5-year planning with better numbers. At this suggestion, Mr. Capurso did not think that \$150,000 was enough and suggested a better estimate would be \$225,000 for 1 building.

**OPTIONS:**

	<i><b>description</b></i>	<i><b>estimate</b></i>	<i><b>source</b></i>	<i><b>comments</b></i>
<b>A</b>	Continue ongoing Repairs & Replacement and hire Cost Estimator to review Needs Assessment estimates and update to create 5 year CIP	\$150,000	Existing CIP line-item	Allows HH to settle while updating estimates and continue repairs
<b>B</b>	Issue RFP for CIP Plan Consultant	\$50,000	Existing CIP line-item	All agreed better to put funds into actual repairs
<b>C</b>	Ask for \$2-million to do all renovations	\$2,000,000	STM ask in future	

<b>D</b>	Ask for reno of 1 building envelope	\$225,000	STM ask in future	Could try to issue IFB for smallest building with alternates within existing budget
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<i>Fiscal Year (starting July)</i>		2020	2021	2022	2023	2024	5 Year
<b>LOCATION and SYSTEM CLUSTER</b>		1	2	3	4	5	<i>Total</i>
<b>BUILDING</b>	Structure	\$0	\$0	\$0	\$0	\$0	\$0
	Entry	\$865	\$865	\$865	\$865	\$865	\$4,325
	Walls	\$0	\$350,671	\$0	\$0	\$0	\$350,671
	Windows	\$22,501	\$37,899	\$20,455	\$20,455	\$20,455	\$121,767
	Roof	\$0	\$42,232	\$0	\$0	\$0	\$42,232
	Interior	\$0	\$0	\$0	\$0	\$0	\$0
<b>HEATING &amp; COOLING</b>							

**Harbor Hill & YRRT FY 21 - FY 25 BUDGETS**

revised 3/12/21 DRAFT

	<i>Budget FY 2021</i>	<i>FY 2022</i>	<i>FY 2023</i>	<i>FY 2024</i>	<i>FY 2025</i>
<b>HH Rent Receipts</b>	588,528	559,102	570,284	581,689	593,323
<b>HH Expenses:</b>					
<u>CDP Expenses:</u>					
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
<b>Total Expenses</b>	240,326	245,133	250,035	255,036	260,137
<b>Net HH Surplus</b>	348,202	313,969	320,248	326,653	333,186
<b>Trust Expenses:</b>					
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
<b>NET SURPLUS</b>	<b>77,279</b>	<b>63,068</b>	67,329	71,676	76,109

assumptions:  
adjusted existing FY 21 budget with known revenue numbers through 3/2021  
FY 22 rent based on 95% occupancy at current rents; no increase  
FY 23- FY 25 rents have 2% increase each year  
all expenses show 2% increase each year  
adjusted insurance to reflect this year's increase

Ms. Venden asked if we could use existing plans. Ms. Jarusiewicz stated that we could in part, perhaps with help from DPW. Which building would go 1<sup>st</sup>? What will this year's CIP budget balance be? Ms. Jarusiewicz stated that some items such as the alarms upgrade would be paid from that line but there might be some funds remaining. Mr. Cliggott commented that the combined balances and reserves over two years look doable. He thought it was a great idea to do one building as it would lead to more solid information before approaching town meeting in the future. It might also provide enough funds to hire cost estimator. Ms. Jarusiewicz said that she could work with DPW on scope and timeline and with the CDP on numbers. Ms. Benson stated that she would like to see some funds carryover and asked for more information about the property management as it is the biggest line item in the budget. Ms. Jarusiewicz stated that a new RFP would be issued later this year. Members requested copies of existing contract and original RFP. Ms. Jarusiewicz pointed out that the first RFP issued was new territory as municipalities are almost never landlords and must follow procurement laws. This is not a bid process but a proposal process. Submitted proposals are evaluated and ranked on background and experience. The separate price proposal is only considered after. Mr. Butera liked the idea of moving forward with one building with existing funds.

Louise Venden MOVE to ask Ms. Jarusiewicz, Rob Doane, and DPW to evaluate which building to focus on first for renovation within remaining FY 21 budget and FY 22 CIP budget; Cass Benson second; approved 4-0 roll call vote:

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

Ms. Jarusiewicz suggested they think about shakes and skylights. Members supported consideration of the elimination of the skylights.

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

**Occupancy:** 100% full occupancy with many inquiries regarding availability as typical for Spring; people are directed to submit an application to be placed on waitlist.

**Storm & Winter:**

- Stairs to side entrance & deck Unit 26 blew off during a storm at \$2,200 [estimate], 90% complete, 1 panel to finish, steps are safe.
- Pressure washing of stairs/decks estimated at \$3,600. Add stair tread grip as needed - To be done in April after frost date.
- Pipes freezing:
  - Unit 5A: CDP Maintenance will add insulation and vent to wall.

**Ongoing:**

- Cape Cod Alarm to upgrade smoke alarms in building #6 (3 Harbor Hill Rd) to begin March 29; 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 in multiple units requires replacement of glass. Warranty covers providing the glass panels, CDP maintenance expected to replace panels.

**Misc:**

- Irrigation system – Initial two zones to be finished
- Proposal for landscaping work received including labor, clearing & weeding, plants, soil, mulch, fertilizer, \$6,013

**Operation:**

- CDP has hired a new maintenance employee. [Rich].
- Provincetown Independent published article 3/4/21 with interviews of various tenants.

Ms. Venden reminded us about the conditions in the Planning Board approval. Some things remain to be done and should be looked at. She asked about the doors. Mr. Doane stated that the seals failed, the new glass has arrived and would be installed ASAP. Mr. Butera asked about the lattice work at fence near street and the sign which should be repaired. Mr. Doane stated that they are going to repair & paint the sign. They can add lattice work or completely remove that fence. Members agreed that the fence should be removed. Mr. Butera said tenants should be notified of upcoming landscape work as some may be doing their own thing. Ms. Venden suggested perhaps designating a community garden space. Ms. Jarusiewicz stated that in 2020 they had started working with tenants on landscaping but need a plan now.

Nathan Butera MOVE to approve the landscaping proposal for \$6013; Louise Venden second; approved 4-0 roll call vote:

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

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

**YEAR ROUND MARKET RATE HOUSING TRUST  
FY21 YTD BUDGET TO ACTUAL RESULTS  
March 10, 2021**

REVENUE			
	FY21 Budget	FY21 Received to Date	FY21 REV Remaining
Rental Income (HH Rental Operation)	522,000	409,353	112,647
	-	-	-
<b>Total Revenue</b>	<b>522,000</b>	<b>409,353</b>	<b>112,647</b>

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	5,167	(167)
HH Insurance	45,000	46,567	(1,567)
HH Betterment	17,500	17,208	292
HH CDP Reimbursed Expenses	77,000	81,515	(4,515)
HH CDP Management Fees	134,000	104,513	29,487
<b>Total Expenditures</b>	<b>488,500</b>	<b>290,180</b>	<b>198,320</b>
<b>Net Income FY21</b>	<b>33,500</b>	<b>119,173</b>	<b>(85,673)</b>

RENTAL ACTIVITY			
FY21 Net Rental Income Per CDP as of January 31, 2020	<b>314,714</b>	<b>175,063</b>	<b>(139,651)</b>

Ms. Young said that the rent numbers are through 3/12/21 and that the budget numbers are estimates. Ms. Bensen asked if the management line would go over the estimated budget? Ms. Jarusiewicz said that it probably would as it was an estimate and there has been a great deal of repairs done.

**Agenda item #5 Invoices** none

**Agenda #6: Minutes:**

*Doug Cliggott MOVE to approve minutes of 2/9/21, 2/24/20, & 9/15/20 as presented; Louise Venden second; approved 4-0 by roll call:*

<b>Nathan Butera, Chair</b>	<b>yes</b>	<b>Doug Cliggott</b>	<b>yes</b>
<b>Cassandra Benson</b>	<b>yes</b>	<b>Louise Venden</b>	<b>yes</b>

**Agenda #7: Other**

Ms. Jarusiewicz stated that there is a restricted 1-bedroom condo for sale at 36 Nelson Ave. and interested parties should contact her.

**Agenda #8: Future Meetings:**

Next Trust meeting April 6, 2021

Annual Town Meeting now scheduled for Saturday, May 1<sup>st</sup> 10am

*Cass Benson MOVE to adjourn at 6:57 pm; Louise Venden 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*