

Provincetown Year-Round Market Rate Rental Housing Trust Board of Trustees

Minutes: January 11, 2022

Caucus Hall, Town Hall, 260 Commercial Street, Provincetown

6:01 p.m.

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

Remote: Austin Miller, Doug Cliggott

CDP: Rob Doane

Staff: Community Housing Specialist Michelle Jarusiewicz, Town Manager Alex Morse, Assistant Town Manager David Gardner [remote]

Pursuant to Chapter 20 of the Acts of 2021, this meeting will be conducted **in person** and as a courtesy via remote means, in accordance with applicable law. Please note that while an option for remote attendance and/or participation is being provided as a courtesy to the public, the meeting/hearing will not be suspended or terminated if technological problems interrupt the virtual broadcast, unless otherwise required by law.

Microsoft Teams meeting

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To Participate during public comment:

- Teams: Raise hand to be called on to speak.
- Phone: Speak name clearly to be called on to speak.

Please do not speak again until acknowledged by Chair or meeting moderator.

- Keep your phone muted at all times when not talking (*6 to mute & unmute your phone)
- Do not use speakerphone, Bluetooth devices (speakers or headphones)
- Mute all background noises, including PTV, television or computer and use only phone audio.

Agenda #1 Public Comments: none

Agenda 2: Harbor Hill update discussion with Rob Doane

CDP Update January 7, 2022

Occupancy

- Full occupancy
- Waitlist: One Bed: 6; Two Bed: 9; Three Bed: 3

Life Safety

- Building 6 & 7 Deck (egress) Footings
 - Brundage to complete 4 footings as test
 - Brundage Site work bid accepted. Deposit paid. Waiting for scheduling.

Capital Improvement Planning

- Building 6 Envelope – bid process needed.
 - \$109,700 + 30% = \$142,610 -- plus contingency of 10% = \$156,871

Repairs

- Units 7 & 8: Mold issues. Remediation required. Quotes coming.
 - Roof Repair complete – Small patch front right side of building. \$2,800.00
 - Unit 8: Bathroom fans replaced - \$956.00
- Unit 11: Mold issues.
 - Potential roof leak. To be investigated Saturday 1/8/2022
 - No fan in upstairs bathroom.
 - Quote coming.

- Unit 11: New washer timer needed.
- Unit 6: Carpet re-stretch needed – \$926.75
- Unit 22: New carpet ordered - \$3,974.48
- Unit 21: Window replacement needed. Quote coming.

Landscaping

- Repairs to lighting underway.
 - Lights on island replaced - \$979.00
 - Timer for building 4 & 5 lights to be replaced.

Mr. Doane spoke of the ongoing issue of mold in B#6. Part of the issue was the doors; they also repaired small section of the roof. The roof needs to be replaced and insulation may need to be updated. He is trying to have Rise Engineering conduct thermal imaging. The mini-splits are not able to keep up. There are some baseboards still in place that they will reconnect if able to do so.

Ms. Venden inquired about the waitlist – how does it compare to the numbers in July? Mr. Doane stated that there have been 3 turnovers from the waitlist. There are no available units. All 3 on the 3-bedroom list are current residents.

Agenda #3 Funding sources for housing including room tax allocation and other potential town meeting articles *discussion with Town Manager Alex Morse*

The Town Manager spoke to the articles considered at the Housing Workshop where consensus was to move forward with all but one [harbor overlay]. Since that time, following actual receipts of room tax revenues that were higher than the estimated, the spreadsheet and proposed re-allocation have changed. He hopes that all 3 boards will support the now proposed 30% allocation for housing estimated at \$1,410,000. The Select Board voted to endorse 1/10/21. The formula applies to all room tax receipts, not just short-term rentals.

From: Alex Morse <amorse@provincetown-ma.gov>

Sent: Tuesday, December 28, 2021 2:34 PM

To: David Abramson <dabramson@provincetown-ma.gov>; Leslie Sandberg <lsandberg@provincetown-ma.gov>; John T. Golden <jtgolden@provincetown-ma.gov>; Louise Venden <lvenden@provincetown-ma.gov>; Robert Anthony <ranthony@provincetown-ma.gov>; Austin Miller <austin.d.miller@gmail.com>; cassandra benson <cassbenson@me.com>; Doug Cliggott <dcliggott@gmail.com>; Fran Coco <fmcoco@aol.com>; Kristin Hatch (kristinhatch@gmail.com) <kristinhatch@gmail.com>; kevinmoss@yahoo.com; Michael Litvin <ml148@aol.com>; Nathan Butera <nathanbutera@mac.com>; Paul Richardson (pmrlawyer@aol.com) <pmrlawyer@aol.com>

Cc: David Gardner <dgardner@provincetown-ma.gov>; Michelle Jarusiewicz <mjarusiewicz@provincetown-ma.gov>; Elizabeth Paine <epaine@provincetown-ma.gov>

Subject: Rooms Occupancy Tax Update

Good afternoon Select Board, Community Housing Council, and Year-Round Market Rate Rental Housing Trust members:

I am writing to provide an update on Rooms Occupancy Tax revenues for Quarter 2 (August, September and October overnight stays), that will be deposited with the Town this coming

Friday 12/31. See attached with numbers provided by the Department of Revenue. We also added the breakdown between short-term rentals and traditional lodging.

At our last housing workshop, I recommended that we wait for this Q2 number before we ultimately reach consensus on an updated formula that would dedicate significant funds to housing. I'm excited to share that the December payment is in the amount of **\$2,246,400**. Combined, Quarter 1 and Q2 for FY22 already total **\$4,126,00.63**. If we use 2-year averages for Q3 and Q4, we would be looking at a total of around \$4.7M in rooms tax revenue in FY22.

At our first housing workshop, I used an estimate of \$3.4M for FY22, based on the fact that Q1 for FY22 was slightly down from Q1 in FY21. However, this new Q2 payment is very encouraging. We do need to keep in mind the impact that COVID could have in the coming months and/or years, as the ups and downs have been largely unpredictable, as well as the uptick in property conversions to single-family homes. But given the trends we are seeing I believe we can assume a larger revenue estimate for the purpose of planning for the reallocation in advance of Town Meeting in April. At this time, I feel comfortable using **\$4.7M** as an estimate, which allows us to more accurately project funds for the different categories.

I don't necessarily think we need to reconvene the three boards to revisit what we discussed a couple of weeks back. However, I do plan on attending upcoming meetings of the Community Housing Council, the Year-Round Market Rate Rental Housing Trust, and of course, the Select Board, to follow up on this email and present an updated scenario/spreadsheet similar to what I showed at the last workshop. My hope is that each board vote to adopt the recommendation and proposed formula, and we then shift our efforts to communicating with the public about the reallocation article and the other housing articles we already agreed on.

Please let me know if you have any comments or questions. Thank you all for your dedication and partnership on this important work.

Happy New Year!

Alex

Alex B. Morse, Town Manager (*he, him*)

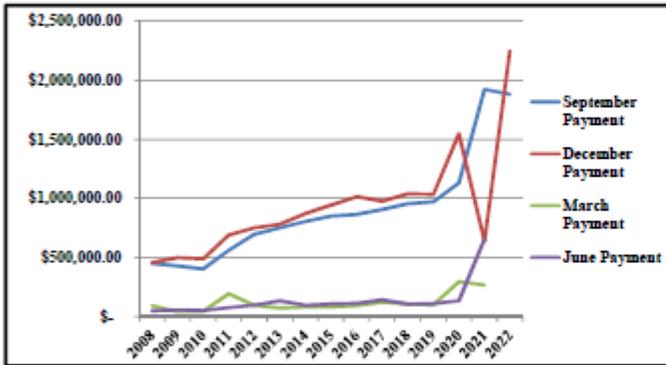
Town of Provincetown

508-487-7002

amorse@provincetown-ma.gov

Rooms Occupancy Tax: Fiscal Years 2008 - 2022

Fiscal Year	Quarter 1		Quarter 2		Quarter 3		Quarter 4		Fiscal Year Total	% Change
	September Payment	December Payment	March Payment	June Payment	September Payment	December Payment	March Payment	June Payment		
2008	\$ 449,645.00	\$ 455,940.00	\$ 91,411.00	\$ 48,002.00	\$ 1,044,998.00	N/A				
2009	\$ 429,018.00	\$ 497,247.00	\$ 41,718.00	\$ 54,745.00	\$ 1,022,728.00	-2.13%				
2010	\$ 402,379.00	\$ 487,903.00	\$ 44,754.00	\$ 50,144.00	\$ 985,180.00	-3.67%				
2011	\$ 560,266.00	\$ 688,759.00	\$ 193,168.00	\$ 75,405.00	\$ 1,517,598.00	54.04%				
2012	\$ 694,685.00	\$ 749,600.00	\$ 95,434.00	\$ 96,199.00	\$ 1,635,918.00	7.80%				
2013	\$ 751,022.00	\$ 780,503.00	\$ 73,062.00	\$ 132,389.00	\$ 1,736,976.00	6.18%				
2014	\$ 803,236.00	\$ 870,207.00	\$ 82,101.00	\$ 96,341.00	\$ 1,851,885.00	6.62%				
2015	\$ 849,508.00	\$ 942,922.00	\$ 80,944.00	\$ 106,894.00	\$ 1,980,268.00	6.93%				
2016	\$ 863,927.00	\$ 1,014,238.00	\$ 92,980.00	\$ 111,392.00	\$ 2,082,537.00	5.16%				
2017	\$ 904,588.00	\$ 974,980.00	\$ 122,425.00	\$ 140,876.00	\$ 2,142,869.00	2.90%				
2018	\$ 953,606.00	\$ 1,038,399.00	\$ 108,009.00	\$ 105,767.00	\$ 2,205,781.00	2.94%				
2019	\$ 969,731.00	\$ 1,033,334.91	\$ 97,238.51	\$ 109,202.10	\$ 2,209,506.52	0.17%				
2020	\$ 1,129,931.97	\$ 1,545,897.66	\$ 295,133.51	\$ 134,362.30	\$ 3,105,325.44	40.54%				
2021	\$ 1,921,013.50	\$ 637,545.77	\$ 266,827.94	\$ 652,652.70	\$ 3,478,039.91	12.00%				
2022	\$ 1,879,600.63	\$ 2,246,400.00			\$ 4,126,000.63	TBD				



Amounts Received Split-By-Use for FY2022:		
Tourism Fund	35%	\$ 1,444,100.22
General Fund	27%	\$ 1,114,020.17
Capital Stabilization Fund	25%	\$ 1,031,500.16
Sewer Fund	13%	\$ 536,380.08
FY22 Total		\$4,126,000.63

Traditional vs. Short-Term Rooms Tax			
Payment Date	Short-Term Rentals	Traditional Lodging	Total
FY2021 - Q1	\$1,194,680	\$726,334	\$1,921,014
FY2021 - Q2	\$237,257	\$400,289	\$637,546
FY2021 - Q3	\$178,885	\$87,943	\$266,828
FY2021 - Q4	\$442,601	\$210,051	\$652,652
FY2022 - Q1	\$868,355	\$1,211,246	\$1,879,601
FY2022 - Q2	\$1,020,432	\$1,225,968	\$2,246,400

Payment Timing			
FY Quarter	Months Tax Assessed by Establishments	Months Tax Revenue Collected by DOR	Distribution Date
Quarter 1	May, June, July	June, July, August	September 30th
Quarter 2	August, September, October	September, October, November	December 31st
Quarter 3	November, December, January	December, January, February	March 31st
Quarter 4	February, March, April	March, April, May	June 30 th

Members discussed and were pleased and supportive. Questions included when the receipts might be available – probably not until FY 23 and how they would be shared. The Town Manager stated that

there had been some agreement about an annual process where proposals would be submitted to the Select Board [SB] and they would decide. This allows the fluidity not to return to town meeting for each project and for the SB to focus on priorities. A policy should be drafted in advance of town meeting so that it is clear to the voters how it will work.

Nathan Butera MOVE to support room tax allocation as presented by the Town Manager; Austin Miller second; approved 5-0.

Ms. Jarusiewicz pointed out that the Trust must hold an annual public hearing and later in the agenda they will discuss scheduling. At that time, they can vote specifically on articles.

Agenda #4: Annual Town report due by January 21, 2022: Mr. Butera and Mr. Cliggott agreed to draft the Trust annual report. Ms. Jarusiewicz will send bullets of info.

Agenda #5: homeownership plan discussion with Chris Mathieson: tabled for future agenda. Members were curious. Ms. Jarusiewicz stated that she believes he wants to discuss a tenant's ability to save for downpayment for ownership by giving up car and related expenses. Mr. Austin said that the Community Housing Council may also be interested.

6:37 pm Mr. Butera left meeting to repark car.

Agenda #6: Minutes:

Austin Miller MOVE to approve the minutes for 12/7/21; Cass Benson second; approved 4-0.

6:39 pm Mr. Butera returned.

Austin Miller MOVE to approve the minutes for 12/15/21; Cass Benson second; approved 5-0.

Agenda #7: OTHER

Ms. Jarusiewicz requested a thank you be sent to Bob Newell from Harbor Hill B#3 [41 Bradford St Ext.] for contributing various items to Harbor Hill including 3 stoves and 3 new water heaters as they continue their renovations. Mr. Butera agreed to send a thank you.

Ms. Venden reminded about her request from last meeting about property management expenses information from CDP.

Members discussed the suggestion by Mr. Cliggott for possible town meeting articles for operating reserve and consultant for CIP planning. Mr. Cliggott suggested that they could approach the Select Board for the funds under the previously discussed housing allocation from the room tax receipts instead.

Agenda #8: Events & Meetings

- Next YRRT meeting Feb 1st @ 6 pm
- YRRT Public Hearing March 8th @ 6 pm
- Annual Town Meeting Monday, April 4th

Nathan Butera stated that he would be away for 2 weeks in February but exact dates to be determined. He might be able to attend meetings remotely.

Agenda 9: Executive Session–

Nathan Butera MOVE that the Year Round Market Rate Rental Trust Board of trustees Vote to go into Executive Session pursuant to: MGL c30A Sec 21(a) Clause 6 for the purpose of: To consider the purchase, exchange, lease, or value of real property for the purposes of affordable and community housing, as the Chair so declares that an open meeting may have a detrimental effect on the negotiating position of the Town and to not convene, in open session thereafter; Louise Venden second approved 5-0 by roll call vote:

Nathan Butera	aye	Doug Cliggott	aye		
Austin Miller	aye	Cassandra Benson	aye	Louise Venden	aye

Adjourned 6:50 pm

*Minutes drafted by:
Community Housing Specialist Michelle Jarusiewicz*