

# Provincetown Finance Committee

## Public Hearing

March 30, 2004  
8:00 A.M.

**Members Present:** Sue Buerkel, Matthew Clark, Gail Enos, Ruth Gilbert (Chair), Mark Leach, Thomas Thurston, and Robert Vetrick.

**Members Absent:** Ann Maguire and Virginia Ross

The meeting was called to order at 8:02 a.m.

### March 26, 2004 Minutes

**Motion:** Mark Leach made a motion to approve the minutes, Tom Thurston seconded the motion and it was approved 6-0-0. (GE had stepped out for coffee.)

Robert Vetrick asked the chair if the March 18<sup>th</sup> minutes had been approved. He was assured that they had been.

Ruth Gilbert told the gathered group that the meeting had to close by 11 a.m. so she sought to limit each person's comments to 5 minutes each. She then asked for a motion to continue the discussion on STM Article 1 by taking it off the table.

**Motion:** Robert Vetrick made a motion to take Article 1 off the table and resume discussion of it. Matthew Clark seconded and it passed unanimously.

### Continued Discussion of STM Article 1:

[The interested parties in the audience, participating in the discussion were: Keith Bergman, Margaret Carroll-Bergman, Bill Dougal, Patrick Manning, David Nicolau, Gregg Russo, and Lincoln Sharpless.]

The discussion was begun by Bill Dougal who said that he would enjoy having more than the allotted 5 minutes since he was speaking for the assembled group. He continued that he fully comprehends the issues before the Finance Committee and that after he left FinCom, he was asked to delve into Community Economic Development and Affordable Housing issues. He also mentioned that some of the group have been working with Dr. Clive Barrow, a university professor, who truly believes that we are a community in crisis. We have a declining population and our tourism is shifting. There is speculation that two major restaurants may not be staying open next winter.

Bill continued that we have to become a major cultural destination citing the theatre, Campus Provincetown, The Pilgrim Monument, etc. He then touched on the schools and feels that at a

minimum the High School will have to close. Touching on the fishing industry, there is concern over how we can revive it. Mr. Dougal warned that if we have no jobs then we have no community adding that the Affordable Housing Task Force (AHTF) and the Board of Selectmen (BoS) have worked long and hard on this.

He went on to assert that the AHTF, at last, has a proposal for a community housing plan that needs the Community Preservation Act (CPA) to fund it. He further said that we can't look for a Chapter 40B waiver. The CPA is aimed at working class people – future cops, teachers, etc. The Town has to get involved through the CPA initiative.

The aim of the AHTF is to have a core community left which can sustain itself throughout the year. If we put together a plan for cultural happenings and add affordable housing to the mix then this can happen.

Greg Russo spoke next basically saying how much work and meetings had gone into the CPA proposal. “Funding is a MUST!”

David Nicolau next spoke saying he was sorry the proposal comes at such a very late hour.

Mark Leach spoke next saying he agrees with everything that had been said – but - BEFORE you have year round housing – you have to have jobs here. Turning to Mr. Bergman he asked, “Why was no STM held in February, as had been discussed, where the CPA initiative could have been discussed and voted on as a means of getting question #2 (3% surcharge) on the May ballot?” - Answer from Keith: We didn't have free cash certified.

Mark continued, saying that everyone in town has special focus groups and agendas. We should have had all the tax payers in focus. To Bill Dougal, “If you were sitting on this side of the table – how would you be voting today?” – Answer: “I would vote no without all the background facts – but once we met – I would vote for it. Affordable Housing has to be the #1 issue in this town. Bill continued that there are 3 major wild cards in budget and they are Cape End Manor (CEM), schools, and ever escalating health insurance. These will constantly have to be tweaked and revised as part of the economic development.

Robert Vetrick spoke next and said he didn't think anyone could disagree that affordable housing is necessary. – The problem is that the means of financing this need is suspect. – Dr Vetrick continued saying that it's only in the last 3 weeks that people have come to realize that there's a surcharge involved. Merely using the formula – for what is affordable – doesn't always provide housing that truly is affordable. Robert revisited the State's offer to us of 11 acres for affordable housing and the people in the neighborhood turning it down. Based on that decision, Robert asked, “How much need and commitment was shown?” He further suggested that a promise to not allow any new buildings built unless they are affordable housing for the following year or two would go far in convincing the Finance Committee of the Town's sincerity. KAB said he had talked to State people about earmarking certain percentages for specific projects.

Bill Dougal said he would support no building for 1 or 2 yrs unless it's for affordable housing.

Robert Vetrick continued by saying, “I think you realize the fear in having the CPA money spent in

other ways and for other purposes.”

The discussion became a bit cyclical, however, KAB suggested recommending STM Article 1 along with a by-law that directs money to affordable housing and suggesting further that the Community Preservation Committee (CPC) would be the gate keepers for the community.

Lincoln Sharpless says she is planning on bringing down a woman from the State to inform the public all about CPA. She envisions a large gathering in the auditorium to educate any one interested.

Greg Russo said this money can be used for rentals and that's the big sell! If you don't have the housing first – you won't have the community development.

Tom Thurston repeated that he is thinking that we're putting the cart before the horse. Everyone here is working and living year round. He's convinced that affordable housing should be addressed but he cited his personal “war story” about his attempt in 1992 about starting up a telemarketing firm in Town. He only needed to find 20 people willing to work year round. Tom found that people preferred working ridiculously in the summer and collecting unemployment for the winter. He took his proposition to South Yarmouth on Union Street and from 1990 – 1998 the firm employed about 100 people who were getting benefits, etc. and some were making \$70-\$80K/year.

Sue Buerkel wondered how the affordable housing goals parallel the funding mechanism? “How much money would you need?” Patrick Manning said that you still have to have proposals come forward for affordable housing. He's looking for a 5 year plan.

Sue then asked about the 3% matching fund from the State. Right now the proposal is for 100% matching funds (provided the State has the money). For the 1<sup>st</sup> round there will be a full 3% and then depending on how many other towns opt for this, the money could go down.

Gail Enos cited rentals as the basic need and told the group about her son who lives in Harwich because it's more affordable.

Bill Dougal said we've had a lot of long term employees who have sold their property and moved to Truro BUT still work here.

Matthew Clark had a logistical question because he's still trying to understand how this money will be spent. Referring to things he has heard from proponents: “Would the CPC be recommending subsidies for building rentals? Developing properties itself? Waiting for inbound proposals or issuing proactive RFPs?” “Is there a good sense of the actual housing needs of future cops, teachers, etc. ? Do we have any good prospective market data? There needs to be some kind of a vision of a mix.”

Patrick Manning responded that they have looked at the demographics and have an idea of what is needed but nothing is in place yet. Bill D. said there is no economic development plan in place, either.

KAB said the land bank language can't change but Town meeting vote could adjust the CPA by-law and vote it down in the future.

Matthew said, “This is a very hard vote; I think it's a good match for the needs of the Town but I will oppose it now given the timing and wait for an actual solution for the CEM.

Ruth Gilbert was privy to this article but could not participate in the task force this winter because she can't do both – Finance and Affordable Housing but has read every statement and every decision made by the affordable housing group. She also will say that the 3% surcharge has come out at a very late date and it's going to take people by surprise. It would have been healthier to have the surcharge eased in. She doesn't feel that the CEM will be resolved within the next few months. We're looking at another 4 years of carrying that deficit. The goal is to continue plugging away at the schools and their budget. I really came here thinking I was going to oppose this. What we are being asked to do in Article 1 – is to name a committee. It's a ballot item and you get a more accurate read on the ballots rather than the town hall floor. However, she has reservations about other constituencies such as the library seeking to tap into this money. She respects the task force that has been working all winter but she still wants to know where the land is going to come from for affordable housing. She also has reservations about making any more open space purchases.

**Motion: Robert Vetrick made a motion to approve Article 1 (and for the long range it would be recommended to the general public). Gail Enos seconded the motion.**

**Motion: Sue Buerkel made a motion to amend STM Article 1 by mandating that 80% of the surcharge be earmarked for affordable housing using the language town counsel suggested for the amendment. Gail Enos seconded the motion and it passed 7-0-0.**

**Motion: Robert Vetrick made a motion to approve Article 1 as amended. Gail Enos seconded the motion and it was approved 5 in favor, 2 opposed (MAC and TT) and 0 abstaining.**

Ruth suggested that Matthew, who remains opposed at this time, be allowed to speak as one dissenting vote.

Ruth concluded this long discussion by telling the Committee she was very proud of their deliberations and, in general, very proud of the Committee.

### **STM – Article 6 – Recreational Facilities Improvement Plan**

Initially the Committee had voted to reserve recommendation of this article but now that Motta Field is not an issue, the following motion was made:

**Motion: Gail Enos made a motion to not support STM Article 6. Mark Leach seconded the motion and it passed 7-0-0.**

### **ATM Articles 2, 3, and 4.**

**KAB said you would be asked to speak on budgets where you're not in agreement with the BoS. Matthew Clark asked where FinCom could raise its broader concerns about the CEM operating budget and benefit costs. KAB indicated that the Moderator could offer FinCom an opportunity for introductory comments at the start of the ATM.**

### **ATM Article 5**

**Motion: Tom Thurston made a motion to approve. Sue Buerkel seconded the motion and it was approved 7-0-0.**

### **ATM Article 6**

**Motion: Robert Vetrick made a motion to approve, Mark Leach seconded it and it was**

**approved 7-0-0.**

**ATM Article 27**

**Motion: Sue Buerkel made a motion to NOT APPROVE. Matthew Clark seconded the motion and it was passed 7-0-0.**

**ATM Article 28**

**Motion: Robert Vetrick made a motion to NOT RECOMMEND; Tom Thurston seconded it and it was approved 7-0-0. (Ann Maguire will defend.)**

**ATM Article 32**

**Motion: Robert Vetrick made a motion to recommend. Tom Thurston seconded it** and then Matthew asked if the motion were prudent???? - Based on that one question, the motion was withdrawn.

**Motion: Matthew made a motion to not recommend. Mark Leach seconded the motion and it was passed with 6 in favor – 0 opposed – 1 abstaining (TT). Mark will be speaking on it.**

**ATM Article 33**

**Motion: Robert Vetrick made a motion to recommend, Sue Buerkel seconded the motion and it passed 7-0-0.** The group then asked, “what does it mean?” and received a satisfactory explanation from KAB. Gail will speak on it.

**ATM Article 34**

**Robert Vetrick made a motion to approve; Matthew Clark seconded the motion and it was approved 7-0-0.**

**ATM Article 35**

**Motion: Mark Leach made a motion to approve; Sue Buerkel seconded the motion and it was approved 7-0-0.**

**Cape End Manor Update**

Dennis Anderson and Keith Bergman presented the latest scenario:

KAB led the discussion and told the group that Mary Jo Avellar and the Bishop of the Fall River diocese had proposed a land exchange which was the latest plan in making a care campus happen. Ultimately, the church didn't need the land swap which was proposed but they do need help with their bottom line. The Bishop admitted that 20% of their revenues come from their parking lot. Dennis and KAB met with Father Dahl and the Parish Council recently. The entire group was unanimous in its support of the land exchange and had no interest in acquiring the High School annex. David Guertin and Wayne Perry said it would take \$330K to turn the annex into a parking lot. Only 23 spaces could be made from the annex lot. There was a “show and tell” plan about how the swap would work. There was a great deal of possible reconfiguration of parking spaces.

There would still be the same number of parking spaces in town; the only difference is in where the revenues will go. The configuration has not been agreed upon but the Grace Hall lot and School Buildings are all part of the same lot. CEM will cede a small corner of Motta field back to the

School Committee BUT the School will have to release certain parking spaces that are needed in exchange for smidgeon of Motta field.

Tom asked if it is being proposed that people would enter the church lot and the town lot through same access road?

Keith said that the Town would have to relocate the cemetery shed, etc. and that would come to an incidental expense. He had briefed the School Committee (Therese Nelson, and Peter Grasso) and the CEM Board (Marilyn Downey and Bobby Cabral) and everyone was enthused with the plan.

Tom wondered how the split would take place for the parking spaces. The Town has 160 spaces and the Church has 55. Mr. Bergman said you would look at total revenues and split percentage wise with the church; he also said there would have to be a contract drawn up.

Ruth Gilbert suggested reeling the discussion back in – figuring out a management plan – and she is not thrilled about losing \$50K/year in parking revenues. Why the annex was turned down also doesn't make fiscal sense.

Gail Enos said the building is falling down and needs too much maintenance. Robert Vetrick envisions a 2-deck parking lot on the annex lot; he feels the major cost would be demolition.

Matthew Clark said he would love an update on timing of pursuing this option. After a lot of dates being bandied about, the December 2007 move in date for the new Care Campus remains in place with a lag time of three to six months.

Dennis Anderson said the marketing takes a whole lot of time. There are 470 entities out there who know we lost our originally proposed site so – to pursue any option, we're going to have to have site control. If we put out a Request For Proposal (RFP) before we have "site control" the entire exercise is useless.

Mark Leach felt we are putting the "cart before the horse." Mark continued that he felt the voters should first decide on the future of the CEM (close, Care Campus, or go to for-profit), before going through a site control process. Ruth told the Committee that the Town Manager is proposing this but it's not an article. This just gives the BoS a sense of what is being done. Keith Bergman then asked the group if they wanted to go forward with this deficit for the next three years?

Dennis told the group that they just took the BoS through these scenarios recently.

Matthew Clark noted that the inducement payments in the Site Y proposals were eventually paid back to the Town by the non-profit, he asked if the Town imagined that would be the case in the latest plan (since it was not indicated in the Town's fiscal policy plan?) Dennis indicated that we would not know until we opened the proposals. The proposed plan would result in 90+ jobs.

This concluded the informational presentation on the CEM.

### **Finalizing finance committee 2004 report.**

Motta Field would require a footnote –

This option has been withdrawn and plan C is now being discussed with the Catholic Fall River diocese by the Cape End Manor Board of Trustees and the BoS.

Tom Thurston left at 11:00 a.m.

Motta Field proposals have now become moot.

Mark Leach, and any others presenting, were informed that - when presenting – the presenter should have 3 identical sheets – one to the Moderator – one to the Town Clerk – and one from which to read.

Also an explanation on CPA stating that this annual surcharge can end at any time the voters decide to rescind it. Unlike the land bank surcharge – this tax (CPA) can be voted out at any future time.

It was decided by the group that they would post mtgs ½ hr before the Town Meeting in order to address any new developments. Town meetings begin at 6:00 p.m. so the Finance Committee meetings will begin at 5:30p.m. Gail Enos may be a few minutes late for the April 7<sup>th</sup> Town meeting. She was asked to give paper work to Ruth before the designated day if she feels she may not make the meeting.

The meeting – by popular vote – adjourned at 11:16 a.m.

Respectfully submitted,

*Evelyn Gaudiano*

Evelyn Rogers Gaudiano

Approved by \_\_\_\_\_ on \_\_\_\_\_, 2004  
Ruth Gilbert