

Provincetown Community Housing Council

Veterans Memorial Community Center ↻ 2 Mayflower Street
December 19, 2016

1:02 p.m.

Members Present: Susan Cook, Paul Richardson, Ron Irwin, Elaine Anderson, Kristin Hatch

Staff: Community Housing Specialist Michelle Jarusiewicz

Public Statements: none

Growth Management Report: In preparation for the annual Board of Selectmen Public Hearing, the Housing Specialist gave a summary of the annual growth management report which includes a housing section and recommendations from the Community Housing Council on gallonage to be allocated to the housing categories.

This report constitutes the Annual Growth Management report required by Section 6600(3) of the Provincetown Zoning Bylaw on which a Public Hearing is to be held on Monday, February 8, 2016 at 6:00 pm. The Annual Report evaluates the effects of growth on our resources over the past year, including but not limited to potable water supply, solid waste disposal, wastewater disposal, and the inventory of affordable housing.

Annually, during the Growth Management Review, the Board of Selectmen may allocate up to a specified number of gallons per day (gpd) for each of Categories 1, 2, 3, and 4, provided that the Board of Selectmen shall have made a finding that the Town is in compliance with the water withdrawal permit issued by the Department of Environmental Protection ("DEP") pursuant to 310 CMR 36.00 and all applicable rules and regulations promulgated by DEP with respect thereto. The Selectmen shall have the flexibility with the General Use Category 1 to distribute up to the specified gallons amongst the Use Categories 1a, 1b, and 1c based on the recommendation of the Provincetown Community Housing Council.

Based on the analysis of existing inventories within Growth Management for affordable housing and the anticipated demand from existing projects in the pipeline, the Community Housing Council has historically recommended the full allotment of affordable housing gallons be equally distributed as follows:

- 550 gallons to Category 1a (Low Income Affordable Housing)
- 550 gallons to Category 1b (Median Income Community Housing)
- 550 gallons to Category 1c (Middle Income Community Housing)

<i>12/28/15</i> <i>2015</i>	Category 1a Affordable: low/moderate Income Up to 80% AMI	Category 1b Median Income Up to 100% AMI	Category 1c Middle Income Up to 150% AMI
Previous Year Carryover	11,176	7,793	4,671
Grace Gouveia rentals	-62		
Stable Path	-3,630	-1,100	
Remaining Balance	7,484	6,693	4,671
Approximate equivalent	68 bedrooms	60 bedrooms	42 bedrooms
Potential 2016 addition	+ 550	+ 550	+ 550
New balance	8,034	7,243	5,221
Approximate equivalent	73 bedrooms	65 bedrooms	47 bedrooms

9/28/16 2016	Category 1a Affordable: low/moderate Income Up to 80% AMI	Category 1b Median Income Up to 100% AMI	Category 1c Middle Income Up to 150% AMI
Previous Year Carryover	8,034	7,243	5,221
44 – 48 Winslow			-220
Remaining Balance	8,034	7,243	5,001
Approximate equivalent	73 bedrooms	65 bedrooms	45 bedrooms
Potential 2016 addition	+ 550	+ 550	+ 550
New balance	8,584	7,793	5,551
Approximate equivalent	78 bedrooms	70 bedrooms	50 bedrooms

Ms. Anderson suggested that they could shift some to category 1c to send a message regarding the need for housing for middle income. After some discussion, given the balances within each category, the vote was as follows:

Kristin Hatch MOVE to recommend 550 gallons be allocated to each category 1a, 1b, and 1c; Ron Irwin second; approved 5-0.

MHP Housing Institute: Save the date June 7 & 8, 2017 at Devens, MA. It is a very worthwhile 2 day conference for all housing officials and volunteers.

Updates: The Housing Specialist described the following:

Winslow Street: the Regulatory Agreement has been signed. The construction of 2 new community housing ownership units should be complete in about a year.

Grace Gouveia Building: the closing for the Housing Authority to acquire the 3 rental units is scheduled for 12/30/16.

Housing Authority expansion: Laura Shufelt will be providing technical assistance for them on moving the project forward. Ms. Anderson said that she is phenomenal. Kristin Hatch would like to put a team together to work on that.

Year Round Rental Trust: Trustees are moving forward and scheduled meetings. Paul is interested in attending. Community Center: Proposals are due 1/13/17.

Other:

Kristin Hatch heard a rumor that the Year Round Rental Trust was considering using their \$1.5 million to purchase Harbor Hill? They could borrow funds. It needs repair. She is interested in the conversation.

Paul Richardson: following up on previous Homeless Prevention Council presentation. Should the cost burden be shifted to the Town if homeless prevention is a priority? Ms. Jarusiewicz indicated that the Town does have a Human Services Grant process. The objective is to build housing assets; there is limited income. Kristin Hatch said that she was on the human services committee and they are interested in increasing funding overall. Perhaps we should invite COA Director Chris Hottle to discuss before the next cycle.

Next Meeting: Monday, 1/23/17 at 1:00 pm.

Meeting adjourned at 1:52 pm

*Submitted by:
Michelle Jarusiewicz, Community Housing Specialist*

Finding – Affordable Housing Needs Assessment Annual Update 2016 DRAFT

2016 witnessed significant milestones in our efforts in providing additional affordable and community housing in Provincetown. Three year-round affordable rentals at the Grace Gouveia building at 26 Alden Street came on-line in January and 23 new rentals at Stable Path came on-line in June 2016. While the Town continues to strive to increase affordable rental units -- that is, the traditional spectrum of up to 80% Area Median Income -- it has become apparent that there is a great need across a broad range of incomes. Year round rentals are simply not available at any income level. This led to Town Meeting approving in 2015 and again in 2016 a request for special legislation, along with a \$1.5-million allocation, to create a year-round rental trust that would include market rate units. The Year-Round Rental Trust was approved by the legislature and signed into law by the Governor on 11/3/16 [Chapter 305, Acts of 2016]. On 10/28/16 the Community Housing Council approved 2 community housing permits under growth management for the creation of 2 new ownership units at 44 -48 Winslow as part of 6 new units. These units are within the median income range with eligibility up to 120% & 150% Area Median Income.

The Problem

Since 1997, the Town of Provincetown has been actively tackling the need for stable housing for the people that live and work here. Given the increase in home prices over the last twenty years, housing is priced outside the reach of the majority of residents, with Provincetown median household income at \$43,272¹ and the median price of a single family home reaching above \$790,000², there are housing needs at all local income levels. The general rule is that housing costs [including utilities] should be no more than a third of income. So for a household with \$43,272 income, maximum housing & utility costs would be \$1,190 per month. The Provincetown median household income of \$43,272 could afford to purchase a home at approximately \$125,000; an income of about \$100,000 could purchase a home at approximately \$350,000.

The needs are great and cross the spectrum of incomes. Lack of stable housing has a severe impact on our community character and our future viability. We have witnessed the outmigration of many of our year-round residents and families which has led to the closing of our high school and loss of our year-round population by 14% from 2000 to 2010.³

As we struggle to maintain and grow our local economy, it is imperative that we concurrently strengthen our housing options. Without housing, there are no workers; without workers there is no economy. Because our economy is primarily tourist-based, seasonal worker housing is also a problem. Without a diverse population, there is no Provincetown as we know and love. Provincetown's needs go beyond the traditional categories of affordable housing and reach up into the middle income brackets. Much of our workforce is positioned above the conventional affordable income limits, thereby excluding them from the otherwise available state and federal subsidy programs. As a result, the middle class segment of our workforce, along with the lower income segment, is being and has been squeezed out of Town. Over the last five years, there has been a 13.3% decline in the average number of employed residents,⁴ while the average number of local jobs stayed the same. This almost certainly means that an increasing number of workers are commuting to Provincetown from other communities on the Cape. This problem starts local, becomes regional, and without a long term consistent and persistent program, will permanently alter, and potentially eliminate as we know it, community life on the Outer Cape.

¹ US Census Bureau American Community Survey 5-year estimates 2010-2014

² Zillow ...

³ US Census: 2000 - 3,431; 2010 - 2,942

⁴ MA DWD, 12/13

We have identified three categories of housing need that must be addressed effectively in order for Provincetown to support and expand its economy and retain a viable year-round population: Affordable, Community and Seasonal. Because the housing need problem extends across all levels of affordability and seasonality, no single project, or type of project, will be able to meet all the housing needs of the community. The Town needs to take a comprehensive approach, including multiple smaller projects which collectively can begin to address the need.

The Consequences

In simplest terms, if the status quo continues and the loss of viable housing options for all income levels is left unchecked, the year round community will continue to shrink and potentially even eventually effectively disappear. With a shrinking local population, the Town will feel not only a community impact, but a financial one as well. The cost of converting from a volunteer to a fully paid fire department is just one example, while businesses will need to factor in the cost of importing their workforce each day. The identity and local culture that lies at the heart of the way of life in Provincetown, its economy, and even tourism will be fundamentally altered. The unique characteristics of Provincetown's restricted land base, its low-wage seasonal economy, and the attractiveness of its housing for seasonal use, are steadily eroding the Town's capacity to sustain itself on a year-round basis.

The Goal

To implement a consistent, robust and aggressive housing program that builds on the efforts outlined in the Community Housing Action Plan, expanding it to include three categories of housing: 1) Affordable Housing, 2) Community Housing, and 3) Seasonal Workforce Housing.

The Town's Housing Playbook drafted in 2016 begins our work on a more comprehensive approach. It's a roadmap that builds upon the existing data and the work (238 units so far) that has already been accomplished. It establishes a one stop reference for all the programs, efforts and financial sources and tools currently available. It takes into consideration new opportunities, public and private properties and new initiatives identified since the 2014 Housing Summit.

Organizationally, this Playbook is divided into three main sections (1) Affordable Housing, (2) Community Housing and (3) Seasonal Worker Housing. In each section we attempt to comprehensively cover the topic for Provincetown. We then identify the current real estate opportunities. Finally, we lay out recommended action steps.

**Provincetown
lost 489
households
from 2000 to
2010!**
US Census:
2000 3,431; 2010 2,942

With significant support from the Provincetown community, the Town has developed an expansive toolbox that addresses some of the housing needs in the community. While the various programs and approaches described in this Housing Playbook will continue to allow the Town to work toward protecting the vitality and sustainability of the community, the Town must remain flexible in adopting new tools and seizing new opportunities as they arise.

While the Town continues to promote housing for all incomes and all household sizes in order to encourage and retain families and our year round workforce, the highest demand has consistently been for one-bedroom units for single person households. This is reflected in the January 2016 applications received for Stable Path, where 58 of 104 (56%) applications submitted were from single person households, although there were only 5 one-bedroom/efficiency units available out of a total of 23 units. Currently, 70 of 91 (77%) of the households on the waitlist at Province Landing are for one-bedroom affordable units.

As reflected in the chart below, of the 238 deed restricted units we have, 225 of those are Affordable Housing units and only 13 have been Community Housing units. As housing prices have steadily risen, outstripping the

ability of anyone on a median income to secure housing, this has steadily pushed the need for housing at below market prices up into higher income levels. The production of Community Housing can respond to this need and will require a focused effort on par with our affordable housing production, while recognizing that as of today the overwhelming number of programs and financial tools available are for Affordable rather than Community Housing.

Existing Deed Restricted Units

	40B SHI		Non-40B SHI		Total
	Affordable	Community	Affordable	Community	
Rentals	170	5	9	0	184
Ownership	35	0	11	8	54
Totals:	205	5	20	8	238

Pursuant to Zoning Bylaw Section 6600 (1), The CHC provides the following recommendation:

The need to have a full range of affordability options in housing is a key component of any vibrant and diverse community. However fully achieving this is a very challenging undertaking that requires a long-term and ongoing commitment by that community. In Provincetown, our unique geographical location and the seasonal nature of our economy combined with an expensive housing market present us with significant challenges in housing. The Community Housing Council stands ready to work with anyone to move development forward for safe, decent, and affordable housing.

Provincetown has always shown a tremendous commitment to creating a safe and welcoming environment for all. However it is critical that we continue the work to create a range of affordability in housing to ensure that we are able to attract and retain a diverse group of individuals and families that make up our workforce and our community. The *December 2013 Housing Needs Update* along with ongoing loss of year-round population demonstrates a continued and growing need for affordable housing in the area. We urge the Town to continue its commitment to helping meet our affordable housing needs through the creation of new housing resources in the future.

Based on the analysis of existing inventories within Growth Management for affordable housing and the anticipated demand from existing projects in the pipeline, the Community Housing Council recommends the full allotment of affordable housing gallons be placed as follows:

- 550 gallons to Category 1a (Low Income Affordable Housing)
- 550 gallons to Category 1b (Median Income Community Housing)
- 550 gallons to Category 1c (Middle Income Community Housing)