MINUTES
OF
COMMUNITY PRESERVATION COMMITTEE
January 6, 2020
Sand Hill School Community Center, 16 Dewey Avenue, Sandwich

Present: Steve Hayes (SH), Daryl Crossman (DC); Ken Hughes (KH); Rick Anderson (RA); Jack Sidar (JS); William Daley (WD); Leanne Drake, CPC Coordinator

Guests: Heather Harper, Assistant Town Manager; Ralph Vitacco, Director of Planning and Development; Janice Mamayek, Architect; Tao Woolfe, Sandwich Enterprise; Mark Snyder, Finance Committee

Absent Committee Members: Robert King (RK); Richard Claytor (RC); Tobin Wirt (TW);

Meeting called to order at 5:01 pm by Vice Chair Rick Anderson.

Public Comment: No Public Comment

Staff Items:

a. Minutes of November 4, 2019 – Motion (KH) second (WD); approved 5-0-0

New Business/Pending Applications:

1. Wing School Residences – SCG Development Partners – Community Housing (SH) arrives 5:04pm. Ralph Vitacco, Planning and Development Director for the town, introduces himself and Janice Mamayek from Icon Architects. Mr. Vitacco gives a brief oral presentation on the history of the Wing School and Request for Proposal (RFP) process undertaken by the town. The winning RFP was submitted by SCG and CHOICE, the proposal is to redevelop the Wing School into 128 age restricted units, 62 and older. The project will be broken out into three phases with each phase seeing the construction of approx. 42 units. Mr. Vitacco explains that the applicant is seeking $2,650,000 in community housing funding from the CPC. 2 million will be used to demolish all buildings except the 1927 building and prepare the site. The $650,000 will be used in phases one, two and three for the purpose of constructing the units. Mr. Vitacco reminded the committee of the feasibility studies previously undertaken by the town. Several years ago, it would have taken the town approx. 3.8 million dollars to prepare the site. Adding a multiplier to that figure to make it current would see it increase to north of 4 million dollars. The applicant will need the 2 million to make the project cost effective and the site ready. If all goes well they will start construction in October of 2022. Mr. Vitacco outlines the steps need to permit this project. One of the initial steps is to come before the CPC and request the funding. The next step is to bring it before town meeting for final approval. Mr. Vitacco provides examples of other projects completed by SCG, CHOICE and Icon Architects. He mentions the Coady School in Bourne and the Simpkins School in Yarmouth. Ms. Mamayek addresses the board and presents draft renderings of the project. She explains that the majority of the senior services provided will be housed in the historic structure. Ms. Mamayek breaks down the phases of the proposed project by presenting renderings for each phase. Ms. Mamayek explains that they are continuously tweaking the plan but she wanted to present this as what was in the proposal. She explains that they are working on a parking ratio of 1:1 plus visitors parking, resulting in almost 18 visitor spaces in phase one as that will see the establishment of the senior
services use. The goal is to create courtyards with enriched green space for activities. Ms. Mamayek explains that for all of their projects they use green sustainable practices. Ms. Mamayek opens it up to questions.

(RA) asks what the red boundary in the presented site plan represents. Ms. Mamayek states that the red boundary reflects what was in the RFP. Mr. Vitacco details the acreage breakdown; the overall acreage of the property is 30 acres and the disposition will be 6.2 acres. (RA) states that the red line as shown divides one of the side parking lots; will this parking lot be removed? Ms. Mamayek cannot answer the question. Mr. Vitacco is unsure and states that they are working on an easement to access the rear parking lot. (RA) asks if the rear parking lot will remain untouched. Mr. Vitacco explains that the town will retain ownership of the parking and fields. (RA) states that the left parking lot is used frequently for one of the fields. Ms. Mamayek explains that the area is reserved for future commercial development.

(WD) asks where the entryways and exit ways will be placed. Ms. Mamayek responds that it is to be determined but that she believes it will probably remain the same as the existing infrastructure. (WD) questions the historic preservation of the seven palladium windows and two major ornate entryways that are Georgia revival style. He asks for information as to how they will be preserved. Ms. Mamayek responds that the perimeter of the 1927 building will remain untouched; from a historic perspective it will be restored. There will be some intervention as the new and old come together particularly with the more accessible entryways. Ms. Mamayek states that the intent is for the historic portion to remain. (WD) clarifies that the palladium windows will remain the same; Ms. Mamayek agrees. She references other projects she worked on that were eligible for historic tax credits, such as the Coady School in Bourne and the Simpkins School in Yarmouth, and references her experience with historic structures. (WD) states that he is familiar with the Coady School and it looks very nice. He has one last question relating to the projected cost of 53 million. Looking at the costs of other projects this looks to be one of the largest undertaken by the applicant. Ms. Mamayek states that each phase is not unlike any other phase they have done, it actually ends up smaller than some other tax credit projects. (WD) reference a document provided in the packet showing the total development costs for a handful of their projects. He asks Mr. Vitacco to help him understand this. Mr. Vitacco explains that this is one of the larger projects undertaken. Charlie Ritch, who was part of the external RFP review team, was the president of a Cape commercial bank and was very happy with the presented financials. Icon has been around awhile and both are very good companies that have done many projects like this. (WD) clarifies that he is not taking shots or questioning anything, this just spiked his own curiosity. It is clear from looking at the development costs from other projects that this is the largest and this is something to think about. (RA) recognizes Heather Harper, Assistant Town Manager. Ms. Harper introduces herself to the committee and details the phasing of the project. Each phase is a distinct and separate project that will be reviewed independently by the tax credit financing entity as well as the state Department of Housing and Community Development. Both of these will be testing the viability of the projects and the financing. So there is a tremendous amount of rigor involved at all phases. Taking all of this into consideration they felt comfortable making the recommendation to the Board of Selectmen to move forward.

(DC) states that he has several questions. He references the parking lot discussed earlier and asks of its being taken for any specific purpose. He believes in the initial conversations the parking was to remain part of the town’s portion and that they would only lose the front parking lot. The left hand parking lot gets used frequently. A discussion ensues regarding the left hand side parking lot and whether or not it was part of the RFP. Mr. Vitacco states that he will look into this and update the committee. (DC) asks about the leaching field and its location. Ms. Mamayek
describes where the leaching field is and explains that phase's one and too can be built and remain on the existing system, and by the time phase three would be ready for construction there should be different infrastructure in place. (DC) asks if the applicant requested CPA funding in the Coady or Simpkins School projects. Ms. Mamayek stated that this is typical but she cannot speak to it. (DC) is curious of the dollar amount because he is a little concerned about the dollar amount being requested tonight. In the case of the Coady School, the school remains. However, in this project everything but the 1927 building is being demolished. He would like to see how much the other towns were asked to support in their CPC versus what they are being asked to support. Mr. Vitacco explains that he had a feeling they would as this question so he tried to find the answer. He believes the other towns may not have received CPA funding directly but their housing authorities contributed. He asks the committee to put it into perspective, look at the breakdown of CPA funding per unit. It works out at approx. $20,500 per unit. The CPC supported Terrapin Ridge which was awarded 1.4 million dollars for 30 unit's which results in $47,000 per unit. The per unit request is very reasonable. (DC) questions the 2 million that will be used for site prep, stating that this will primarily be used for the demo and is not really community preservation. The cost should fall on to the developer. Ms. Mamayek concurs that looking at the short term only the majority of the funds will be used for site prep. However, the overall project will provide community housing and the support of the CPC will make the project more attractive to DHCD and the State. (RA) states that it is a piece of a financing package.

(SH) asks of they are seeking tax credits phase by phase. Ms. Mamayek replies yes. (SH) asks what happens if phase 3 never gets built because the future infrastructure does not materialize? What happens to the CPA funding? Mr. Vitacco explains that the CPA funding for phase three would not be drawn upon and that there are several factors in play. Currently the wastewater systems support phases 1 and 2. (WD) asks about the revenue coming back to the town. Mr. Vitacco explains that the taxes should generate approx. $80,000 a year. He further explains that it is a revenue stream for the town and that there are maintenance charges of $200,000-250,000 that the town pays each year for the building. (WD) asks about the management of the building and if there would be an onsite person. Ms. Mamayek states that it will be a private management company but she cannot comment further on that. She believes that at total buildout there will be an onsite person but she has no information on that as she is just there to discuss the architecture. Mr. Vitacco reminds the committee that there is also a purchase offer of 1.265 million dollars which is not like getting $1 for the property, it is a legitimate. (DC) asks when the developer will start paying taxes. Mr. Vitacco explains that the numbers he gave early are for all units wouldn't be generated right off the bat. (DC) rephrases his question. If the applicant were to become the owner tomorrow would they start paying taxes? Mr. Vitacco responds that the greater savings to the town is that we would no longer be responsible for the upkeep. (RA) asks about the discrepancies in the application. On the application Community Housing was circled but further on in the narrative Historic Preservation is also mentioned. Do you know which it is? Mr. Vitacco responds that there are elements of historic preservation but the majority is community housing. Mr. Vitacco didn't know if he could circle two categories on the application. (RA) states that if you read through the whole packet it says both and it needs to be clarified. The project is for community housing and it would be unfair to take it out of the historic preservation pot. (DC) clarifies that it is for 62 and older. Mr. Vitacco responds yes.

(RA) asks for any other comments. Ms. Harper addresses the committee and asks to add a comment regard the value proposition. Across the Cape and the region, municipalities are really stretched trying to create affordable housing. Many municipalities are offering land to developers at no cost to create affordable housing. The developers can then demonstrate that value as a market value to their project in presentations for tax credit purposes and to DHCD. That's why
the contribution to make the site ready is so important. It’s all part of the financial packet. It can be hard to see those dollars doing the site readiness effort but it really is an important part of setting the stage. (DC) asked how much they property was being bought for. Mr. Vitacco responds that it is 1.265 million dollars. Mr. Snyder asks why they want this money up front as they are paying for the property in phases, the CPA funding should also be in phased. Mr. Vitacco explains that it is broken out into phases with the first phases requesting the bulk of the money. A brief conversation ensues regarding taxes and construction completion dates. (RA) asks if the project has the support of the Selectmen. Mr. Vitacco responds that it does, the board voted unanimously to move it forward. Mr. Snyder was under the impression that the RFP did not include the fields behind the school or the parking lot behind the school. Ms. Mamayek states that it doesn’t. Mr. Vitacco confirms that the town is retaining the parking and the fields and that there is a question over the left parking lot and whether that was in the RFP or not. (RA) asks Mr. Snyder if the Finance Committee has discussed this. Mr. Snyder explains that they have not and are due to discuss at next Tuesdays meeting. (DC) asks about the phasing. The money is mostly earmarked for the demolition, what is purpose of the $200,000 for phase 2 and 3. Mr. Vitacco explains that is the contribution for the residences and for the tax credits. Mr. Vitacco asks Ms. Harper to speak to how the CPA is funded. Ms. Harper explains that Bud has done an analysis of the future CPA funding and that they have talked to bond counsel and our town Finance Director about borrowing for this project. By 2022 there will be sufficient funds to pay back the borrowing over time. A discussion ensues regarding rescinding unspent funding. (DC) asks when the money is given to the developer. (RA) invites Ms. Harper to sit in front of the committee. Ms. Harper states that they are negotiating the Land Development Agreement right now with SCG so they do not know the final terms yet. However, our goal is to have those dollars as late in the project as possible. We would not put municipal dollars at risk but the demo phase will require the funding sooner than perhaps the other two phases. Mr. Snyder would like to pick up where he left off earlier regarding the phasing. Using 2.25 million of CPA funding for demolition bothers him. CPA is not for that, it is for preservation not destruction. It is also bothersome that they want all that money upfront. (RA) explains looking at the project as a whole that money is being used to initiate the project. (DC) agrees with Mr. Snyder and a discussion occurs. Ms. Harper explains that you have to look at the project as a whole and look at what it is achieving. She continues to explain that they had the same concerns at first, whether it was appropriate to use CPA funding for this purpose. After speaking with bond counsel who reviews CPA funding very carefully were comfortable with the use of the funds for this project. (WD) asks when the town will receive the 1.256 million for the property. Mr. Vitacco explains that it will be phased but they haven’t worked out the dates yet. (RA) asks Mr. Vitacco how important it is for them to vote on this matter tonight. Mr. Vitacco explains that they are looking at several options, primarily the tenants so they know what to expect. The town is looking at holding a Special Town Meeting early in the Spring so they can vote on both the authorization to sell the property and the CPA funding; so sooner is always better than later. (RA) explains that there are several board members not here tonight that would be instrumental. (SH) asks when the Special Town Meeting will be held. Mr. Vitacco responds late March early April. (SH) states that their next meeting is February 3rd. Is there that much harm in waiting for that meeting? Mr. Vitacco explained that the way he looks at it the more support from the CPC the better. A lot of questions were raised we do not want you to rush a decision. A discussion ensues regarding timelines. (KH) states that he would prefer to hear what the Finance Committee say at their meeting before voting on this. He would also like to know the final decision on that parking lot as he remembers that they should have all remained with the town. A discussion regarding the parking occurs. Mr. Vitacco will look into it. (RA) asks if a survey has been performed. Mr. Vitacco states that it has not at this time. (RA) asks the consensus of the board.
Motion: I, Steve Hayes, move to take this matter under advisement and have a definitive vote at the next meeting, (DC) seconded; all approve 6-0-0

(WD) states that we will not be at the next meeting but he supports this project. (RA) sums up the questions the board would like answered at the next meeting: the relationship of the requested dollars versus what was asked in other projects, the parking issues, if the project has the support of the Finance Committee.

**Old Business:** None

(DC) asks about the CPA budget spreadsheet and if they can be updated. Ms. Drake will provide an updated spreadsheet in the board members packet for February.

**Daryl Crossman motioned to adjourn, (JS) seconded; all approve 5-0-0.**
Meeting adjourned at 6:10 pm.

Respectfully submitted,

[Signature]

Leanne Drake, CPC Coordinator