



City of Lowell – Community Preservation Committee

Community Preservation Committee Meeting Minutes

Thursday, May 27, 2021 6:30 p.m.

Conducted via Zoom

Note: These minutes are not completed verbatim. For a recording of the meeting, visit www.ltc.org

Members Present

Adam Baacke, Chair
Eric Slagle, Vice Chair
Sinead Gallivan, Member
Sidney Liang, Member
Philip Shea, Member
Bradley Buitenhuys, Member

Members Absent

Christine McCall, Member
John Linnehan, Member
Troy Depeiza, Member

Others Present

Dylan Ricker, Assistant Planner
Peter Cutrumbes, Assistant Planner

A quorum of the Committee was present. A. Baacke called the meeting to order at 6:34pm.

I. Minutes for Approval

4/29 Minutes

P. Shea motioned, and S. Liang seconded the motion to approve the minutes for the April 29, 2021 meeting. The motion passed unanimously, (5-0).

II. Continued Business

III. New Business

Community Preservation Coalition Training: The Community Preservation Coalition will hold a training for CPC members to provide training on the basics of the CPA, including resources available to CPCs and explain the roles of committees.

On Behalf:

Stuart Saginor, Executive Director, Community Preservation Coalition

S. Saginor stated that he will accept questions throughout the presentation, and asked members to introduce themselves.

P. Shea stated he is the Chair of the Lowell Housing Authority and is interested in discussions surrounding affordable housing. S. Liang said he is a City Manager Appointee and is interested in outreach with the community surrounding CPC projects. S. Gallivan stated she is a Planning Board member and in her day job is a campus planner and architect.

E. Slagle said that he is the Director of Development Services and is one of two ex-officio members of the CPC along with C. McCall, the Assistant City Manager and Director of Planning and Development who could not attend. B. Buitenhuys said he is Vice-Chair of the Conservation Commission. A. Baacke said that he is a City Manager Appointee and is in charge of planning and design at UMass Lowell.

S. Saginor said the Community Preservation Coalition ('Coalition') is a non-profit which was formed by a number of non-profits to serve as an expert for MA communities on the CPA. The Coalition provides a technical assistance hotline for CPA questions, and the Coalition website includes updates on the CPA, and the Coalition sends out a newsletter as well. S. Saginor stated that the Coalition advocates for the CPA on Beacon Hill. The Coalition also works with communities looking to enact the CPA along with workshops and trainings for communities that have adopted the CPA.

S. Saginor stated that the CPA is an MA only program, and the Coalition is the only statewide source for CPA information. There is not state staff which handles the CPA, there are a few resources related to the CPA at the Department of Revenue. S. Saginor said that 'Technical Assistance' is the most helpful for CPC members.

S. Saginor said that CPA has been implemented in 187 MA cities and towns, this is 53% of municipalities, and 65% of MA residents; 0 communities have revoked the CPA after approving it. S. Saginor stated that the CPA was initially not popular in cities, however the Coalition advocated for CPA changes which made the CPA more beneficial to cities resulting in an increase of MA cities passing the CPA.

S. Saginor stated that there have been about 13,000 total CPA projects with almost half being in the historic preservation category; these are typically lower cost projects. The money spent on each category tends to be around even across all categories statewide.

S. Saginor stated in the first year the CPC typically focuses on writing the CPA Plan, and the Coalition has reviewed the Lowell CPA Plan and provided comments; S. Saginor stated he believes this will be reviewed at the next meeting. D. Ricker confirmed this.

S. Saginor said that there is a requirement to hold a public hearing annually to reassess the needs of the community. These are typically not hugely attended, but public outreach is very important to get involvement. S. Saginor said that after each public hearing there is a light update on the CPA Plan updating the needs of the community. The CPC will have to review CPA revenue and account balances periodically at meetings. The CPC is required to create a budget each year and makes project recommendations to the City Council.

S. Saginor stated that there is some necessary cleaning up of the CPA budgeting since the City has been collecting CPA revenue since FY2020. S. Saginor said that most CPCs begin accepting applications in the fall and make recommendations in spring. S. Saginor stated that most communities do one round of funding per year. S. Saginor recommended starting with 1 round of applications and adjust to 2 rounds the next year if necessary. S. Saginor said working with applicants to improve their applications takes a while and is not an immediate process. S. Saginor said the role of the CPC is to review projects in depth, and ensure projects align with the budget and city plans.

S. Saginor said that implementing the projects can take a long time. The CPC oversees the implementation of projects but is not directly involved, which can be a complicated process.

S. Gallivan asked about the oversight of CPC projects and their funding. S. Saginor said there are two types of projects, municipal projects, and private organizations. For city projects the City Department will oversee the funding. For private projects the CPC will need to set up a procedure for tracking where the funding will be spent. S. Saginor said that many communities will split projects up between members for them to oversee and obtain a report of the spending and progress of projects. Some communities have administrative staff that oversee the projects progress

and funding. S. Saginor stated this could be added to the plan to create a procedure for tracking projects after funding. Some CPCs require quarterly updates from applicants to provide updates to CPC on how CPC funds are being used and project progress.

S. Liang asked if CPC members can visit sites. S. Saginor stated you can do this, the CPA says nothing about the application process, and the CPC has the ability to create its own application process. S. Saginor said that doing site visits is generally good, and helps understand applications and the proposed use for CPA funds. S. Saginor stated there may be an exemption from Open Meeting Law for site visits.

S. Liang asked about the public input for the CPA. S. Saginor said some communities have 2 public hearings, one to understand city priorities, and one to get public input before issuing recommendations. Some communities feel this isn't necessary if public comment is allowed at CPC meetings. There are not specific regulations requiring a certain type of public input required on proposed projects, but it is advisable to get public input on proposed projects.

P. Shea asked about the process of getting CPA recommendations onto the City Council agenda. P. Shea stated he believes the City Manager has the ability to amend CPA recommendations. S. Saginor stated this goes according to the City charter, similar cities do not have their projects go to the City Manager first. Some cities only the City Manager can put funding recommendations in front of the City Council. S. Saginor said the City Manager cannot change a CPA recommendation because if it was changed it would no longer be the CPA recommendation. S. Saginor said that the CPA legislation states the City Council cannot vote on CPA funding unless it has been first recommended by the CPC. S. Saginor stated that the City Manager may be able to not present the recommendation to the Council or send a recommendation back to the CPC. The City Manager however cannot change a recommendation and send it to the City Council.

A. Baacke said that the City's process of distributing CDBG may be a good precedent for the process of appropriating CPA funding. Getting input from the City including the City Manager to ensure there are not concerns about a recommendation. A. Baacke stated that the senior city staff on the committee may be able to help ensure this open line of communication exists. E. Slagle added that this a reason why the Assistant City Manager is on the committee so that there is an open line of communication with the City Manager's Office.

S. Saginor said that CPA communities are guaranteed a match from the state each year. The money is an off budget item that is not subject to MA Legislature approval, the fund comes from fees from the Registry of Deeds. The Department of Revenue estimates an increased match percentage for the upcoming year.

S. Saginor stated that the CPA requires the CPC take a formal vote on the CPA budget annually. In order to make that vote an estimate must be made by city officials to estimate total revenues, including total state contributions. S. Saginor said that the CPC is required to spend or put aside for later spending 10% of annual funds for community housing, open space/outdoor recreation, and historic preservation; and additional 5% may be allocated toward administrative costs. S. Saginor stated that the CPC has already taken this step for this year, and this step will be required every spring.

S. Saginor said that the City collected money during FY20 and FY21, and this money is waiting the CPA fund balance, a budget was done since this was pre-CPC. These funds must now be budgeted. For FY20 City financial staff can do the budget per Bulletin 2002-12b of MA Department of Revenue. S. Saginor asked if this has been done. E. Slagle said he has been working with the CFO to do this and believes this has been done.

S. Saginor said that the CPA legislation requires that interest accrued from CPA funds must be credited to the CPA reserve.

S. Saginor said that for the FY21 budget, the budget motion must be made by the CPC. The budget must then be sent to the City Council for appropriation.

S. Saginor said the administrative account may total up to 5% of annual revenues, unspent balances at the end of the year go into the CPA reserves and cannot be used next year. The administrative account is an account for the CPC not for Lowell's CPA program. The account is to help the CPC carry out its statutory duties. These funds cannot be used for administrative costs not directly related to the CPC's duties (ex. The Assessor's Office implementing the tax surcharge is not eligible). S. Saginor explained that administrative costs may be allocated toward CPA staff, professional assistance related to CPA projects, due diligence on project recommendations, ads for public hearings, and miscellaneous expenses.

S. Liang asked what happens if the CPA overspends on administrative costs. S. Saginor said that has not happened, most communities spend only a small amount of the administrative account. The City can appropriate additional money from the regular city budget for administrative costs.

S. Saginor said that borrowing is permitted under the CPA, the CPA can only bond against the local surcharge, not the state match. Bonding requires a two-thirds vote from the City Council to approve, and debt service on non-CPA bonds is not allowed.

S. Saginor said CPA funds can be used for recreation can only be used for outdoor recreation, and housing is for either rental or homeownership for people up to 100% the area median income. In all categories CPA funds can be used to acquire or preserve. Only certain categories allow the CPA to create a CPA eligible asset, and there are some restricting on rehabbing and restoring them. CPA funds can only be used to support housing and no other category.

S. Saginor stated that the Coalition will help CPCs go through applications to ensure projects are eligible, the Coalition offers this to CPCs the first time through. S. Saginor said the Coalition is happy to answer questions as they arise.

S. Saginor said the CPA budget is a bottom up approach to spending, the fund is a voluntary community fund. The public should be able to provide input on the needs of the City. S. Saginor explained that projects apply to the CPC for funding, the CPC reviews projects with input from city officials, the CPC makes recommendations to the City Council, and then the City Council appropriates the funds by a majority vote. The Council cannot appropriate funds without a formal vote recommending funding from the CPC.

S. Saginor stated that the City Council approves recommendations, it can also reject recommendations, reduce the amount recommended by the CPC, or they can reject a project and order funds to send funding to the applicable reserve account.

S. Gallivan asked if the City Council rejects a recommendation, are they required to provide a reason. S. Saginor said the CPA does not require that, the Council will likely debate and make clear their opposition to a project if they are opposed.

S. Liang asked whether the CPC must contact an applicant if the amount of funding is reduced by the City Council. S. Saginor said that it is recommended that the CPC includes the money, funding source, and make clear who will oversee the project within its recommendation to the City Council. The applicant must then determine how to implement the project with less funding, an applicant can communicate with the Council to explain why it needs the funding or can return to the CPC for additional funding.

S. Saginor stated that CPA revenues cannot supplant general municipal revenue, and cannot be spent on maintenance or operating expenses, the funds are only for capital improvements. The CPA may be used for outdoor recreation only, and if land is purchased with CPA funds then there must be a permanent restriction on the property with the state

(ex. For affordable housing or conservation). S. Saginor added that the City Council can only vote on an appropriation if the CPC has first issued a positive recommendation.

A. Baacke asked about whether there is only a requirement for a permanent restriction if the CPA funds are used for acquisition, S. Saginor confirmed this. A. Baacke asked whether if the CPA was used to support an affordable housing project whether that would need to be put under a permanent restriction. S. Saginor said this would not have to have a permanent restriction since it was not purchased with CPA funds.

A. Baacke asked if CPA funds can be used for artificial turf. S. Saginor said it can be partially used, it cannot be used for the surface itself.

A. Baacke asked whether 100% of the units in a development must be affordable if a project receives CPA funding. S. Saginor stated that the projects can be mixed-income and it only needs to be all affordable if the funding is used to acquire land, CPA funding usually go toward pre-development or construction costs.

S. Saginor stated that the Coalition has a technical assistance hotline to help communities with questions related to the CPC.

S. Gallivan asked if the money remains in the CPA fund if it is not spent. S. Saginor confirmed this and stated that the money will remain in the CPA reserves.

IV. Other Business

V. Notices

VI. Further Comments from Community Preservation Committee Members

S. Liang asked where the CPA budget item is within the City budget. E. Slagle stated that the CPA is a non-general fund revenue and the appropriation is a separate vote that will take place at the next Council meeting.

A. Baacke requested a summary of the funding from FY20, FY21, and the projection for FY22, and FY23. E. Slagle stated that he will be meeting with the CFO to clean up the FY21 budget and will get the projections for the CPC>

VII. Adjournment

P. Shea motioned, and S. Gallivan seconded the motion. The motion passed unanimously, (6-0). The time was 8:39pm.