



City of Gloucester

City Council

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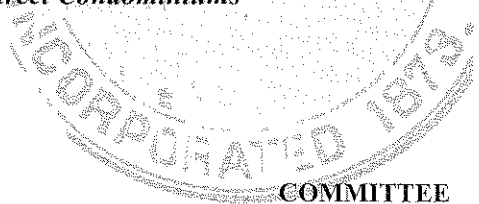
CITY COUNCIL STANDING COMMITTEE
Special Budget & Finance Committee
Wednesday, November 10, 2010 – 6:00 p.m.
1st Floor Council Conference Room, City Hall

AGENDA

1. *Continued Business:*

- A) *Memorandum from Community Development Director re: acceptance of Seaport Bond Funds in the amount of \$500,000.00*
- B) *Memorandum from Comm. Dev. Director re: Community Preservation Committee's recommendations on the first round of project applications for the Community Preservation Act funding (Cont'd from 11/04/10 to review the applications for:*

Community Housing to include Central Grammar: Gloucester Housing Authority; Gardner Co. – 10 Taylor Street Condominiums



COMMITTEE

Councilor Steven Curcuru, Chair
Councilor Paul McGeary, Vice Chair
Councilor Jacqueline Hardy

Committee members – Please bring relevant documentation

Back-up and Supporting Documentation all on file at the City Clerk's Office, City Hall
CPA recommended projects also available to view on www.gloucester-ma.gov

CC: Mayor Carolyn Kirk
Jim Duggan
Kenny Costa
Jeffrey Towne
Sarah Garcia
Community Preservation Committee

GLOUCESTER COMMUNITY PRESERVATION COMMITTEE RECOMMENDATIONS FOR FY10 & FY11 ROUND 1 APPROPRIATION

The Gloucester Community Preservation Committee recommends that City Council appropriate \$502,600 from the Community Preservation Fund for the projects hereinafter described.

The Community Preservation Committee recommends \$307,600 in funding for one-time projects. In addition the Committee recommends that the City Council authorize the issuance of a general obligation bond, in anticipation of future revenues raised through the CPA surcharge, to pay for a substantial portion of the remaining exterior restoration of Gloucester City Hall. The Community Preservation Committee recommends issuance of a 20 year level-debt service general obligation bond for the lesser of \$2,600,000 (plus associated transaction costs) or the amount of debt supported by an annual debt service of \$185,000 (plus \$10,000 in associated transaction costs).

All recommended projects are subject to the terms and conditions imposed by the Community Preservation Committee. The following conditions are common to all recommended projects:

1. Projects financed with Community Preservation Act funds must comply with all applicable State and municipal requirements. Funds are administered and disbursed by the City of Gloucester.
2. Project oversight, monitoring, and financial control are the responsibility of the Community Preservation Committee or its designee.
3. The Community Preservation Committee will require quarterly project status updates from Community Preservation Act Fund recipients. Additionally, recipients shall also provide an interim report at the 50% Completion Stage along with budget documentation.
4. All projects will be required to state "This project received funding assistance from the citizens of Gloucester through the Community Preservation Act" in their promotional material and, where appropriate, on exterior signage.

Attached are:

1. Summary of Community Preservation Committee Recommendations
2. Project Summaries for each Recommendation
3. Criteria for Project Evaluation adopted and published by the Community Preservation Committee

Estimated Community Preservation Fund Revenue available for appropriation or reservation is \$960,000. This includes receipts for the local surcharge during FY 2010 and accumulated interest, and estimated receipts for FY 2011, plus the anticipated 28% state match.

Applications for all projects are available for review in the Office of Planning and Development.

Submitted by: Community Preservation Committee

J.J. Bell, Co-Chair and At-Large
Bill Dugan, Housing Authority
Karen Gallagher, Planning Board
Dan Morris, Open Space and Recreation
Scott Smith, At-large

Sandy Dahi-Ronan, Co-Chair and At-Large
John Feener, Conservation Commission
Ian Lane, Historic Commission
Stacy Randell, At-large

Summary of 2010 Community Preservation Committee Recommendations

Project No.	Applicant	Project Title	Category	Recommended Amount
1	Community Development Department	Dogtown/ North Gloucester Woods Preservation Planning	Open Space	\$30,000
2	Gloucester High School, Jim Schoel	Wostrel Environmental-Adventure Center	Open Space/Recreation	\$10,100
3	Gloucester Development Team	Central Grammar Apartments	Community Housing	\$50,000
4	The Gloucester Adventure	Schooner Adventure Restoration: Windlass and Anchor Chain	Historic Preservation	\$25,000
5	City Hall Restoration Commission	City Hall Restoration-Completion of the Exterior Restoration	Historic Preservation	\$195,000* (\$2,600,000)
6	Gloucester Unitarian Universalist Church	Universalist Meetinghouse Restoration Phase II	Historic Preservation	\$30,000
7	Gloucester Historical Commission	Gloucester Street Survey Update	Historic Preservation	\$7,500
8	Historic New England	Beauport Window Conservation	Historic Preservation	\$25,000
9	Gloucester Housing Authority	Cape Ann Homeownership Center	Community Housing	\$20,000
10	Gardner Company	10 Taylor St. Condominiums	Community Housing	\$110,000
* 20 Year Bond @ 3.75% approximately \$185,000/ year + one-time transaction costs of \$10,000-\$15,000			TOTAL	\$502,600

PROJECT NO. 3

CENTRAL GRAMMAR APARTMENTS

Project Sponsor: Gloucester Development Team

The Community Preservation Committee recommends the appropriation of \$50,000 to the Gloucester Development Team for the restoration of the Central Grammar Apartments, located at 10 Dale Avenue.

The Community Preservation Act spending purpose for this appropriation is to support community housing.

Project Summary

Central Grammar Apartments is an 80-unit affordable elderly housing development across the street from Gloucester City Hall. It is a brick school building built in 1889 and the 1920's that was converted to residential use by Gloucester Development Team in 1975. Legal affordability restrictions on the apartment rentals are expiring, and after 35 years the building badly needs renovation. The Gloucester Development Team is proposing to recapitalize the property with tax exempt bond financing, private equity, 4% federal low income housing tax credits, federal and state historic preservation tax credits, and other state funding. The rehabilitation includes fire suppression sprinkler system, roofing, pointing and masonry repairs, new historically accurate and more energy efficient windows, handicap accessibility, new kitchens and baths, interior cosmetic upgrades, boiler and control replacement, insulation and other energy-conserving improvements.

Community Preservation Act funding will leverage public funding for the project by contributing toward the local match for \$2,695,000 in the Commonwealth's Capital Improvement and Preservation Funds and Affordable Housing Trust Funds.

PROJECT NO. 9

CAPE ANN HOMEOWNERSHIP CENTER

Project Sponsor: Gloucester Housing Authority

The Community Preservation Committee recommends the appropriation of \$20,000 to the Gloucester Housing Authority to expand their pre-purchase, post-purchase, and foreclosure prevention counseling programs through the Cape Ann Homeownership Center.

The Community Preservation Act spending purpose for this appropriation is to support community housing for low and moderate-income individuals and families.

Project Summary

Established in 1948, the Gloucester Housing Authority currently assists over 1400 low and moderate-income households on Cape Ann annually through public housing, rental assistance, and homeownership programs.

Housing prices and tight credit markets pose obstacles for credit worthy families to purchase their own home. The waiting lists for Gloucester Housing Authority pre-purchase certificate courses have doubled in the past year. The goal of the Cape Ann Homeownership Center is to prepare the potential buyer to be in the best possible position armed with the highest level of knowledge prior to seeking financing. The Homeownership Center also provides training on household budgeting, repair and maintenance, and wise refinancing decisions to enable homeowners to stay in their homes and enjoy being part of the Gloucester Community. There is an urgent need to educate prospective homeowners about safe and stable decisions to ensure the success of their pending homeownership. Guidance and tools to sustain ownership and avoid foreclosure are provided to existing homeowners.

Community Preservation Act funding will help expand the existing counseling program offsetting program expenses and the salary of the Homeownership Specialist.

PROJECT NO. 10
10 TAYLOR STREET AFFORDABLE CONDOMINIUMS
Project Sponsor: Gardner Company

The Community Preservation Committee recommends the appropriation of \$110,000 to the Gardner Company to help fund the construction of three affordable condominium units at 10 Taylor Street.

The Community Preservation Act spending purpose for this appropriation is to create community housing for low and moderate-income individuals and families.

Project Summary

The Gardner Company proposes to acquire, at a bargain price, a vacant 4,318 s.f. lot, currently owned by the Gloucester Housing Authority, and construct three new condominiums, in accordance with plans approved by the Zoning Board of Appeals. All of the units will be sold to pre-qualified, income eligible, first-time buyers at prices no greater than \$130,000 for 2, two-plus bedroom townhouses and 1, one-bedroom handicap accessible unit. These prices will allow households earning approximately 60-70% of the area median income to qualify for purchase. All units will be deed restricted as permanently affordable, meet the requirements of the Local Initiative Program of the Department of Housing and Community Development, and count towards the City's subsidized housing inventory. Multiple funding sources will combine to achieve the balance of the required \$140,000- \$150,000 project subsidy. Construction financing will be provided by Bank Gloucester.

The 10 Taylor Street Condominium project will revitalize an existing vacant lot in central Gloucester, and provide affordable housing in an established neighborhood. The site is within walking distance of Main St., the waterfront and CATA bus-service.

Community Preservation Act funding will be used to offset all project expenses, including land acquisition, site improvements, building construction and project management.