

Committee to Assess and Recommend Strategies for Housing Creation Within the Town

Selectmen's Conference Room 2nd Floor Town Hall Building
367 Main Street Hyannis, MA 02601

Rick Presbrey: Chair
Councilor Paula Schnepf
Councilor Betty Ludtke
Councilor Charles Bloom
Councilor John Crow
Councilor Gordon Starr
Maryann Barboza
Hilda Haye
Laura Shufelt

January 29, 2025
4:00pm

MEETING MINUTES

The Administrator of the Town Council opened the meeting of the Committee to Assess and Recommend Strategies for Housing Creation Within the Town and made the following announcement:

This meeting is being recorded and will be re-broadcast on the Town of Barnstable's Government Access Channel. In accordance with Massachusetts General Laws Chapter 30A, Section 20, the Administrator must inquire whether anyone else is recording this meeting and, if so, please make their presence known. This meeting will be replayed via Xfinity Channel 8 or high-definition Channel 1072. It may also be accessed via the Government Access Channel live video on demand archives on the Town of Barnstable's website: <https://streaming85.townofbarnstable.us/CablecastPublicSite/?channel=1>

The administrator of the Town Council took Roll call, all members present in the Selectmen's Conference Room; Hilda Haye (via Zoom) Absent: Councilor Starr; Councilor Betty Ludtke; Maryann Barboza.

PURPOSE: Recommend strategies for the creation of housing to serve year-round residents and seasonal workers. The committee shall review the Cape Cod Commission's Regional Housing Strategy, <https://www.capecodcommission.org/our-work/regional-housing-strategy> and the proposed Massachusetts State Housing Bond Bill <https://www.mass.gov/lists/housing-bond-bill> and the Town's Housing Production Plan, <https://www.townofbarnstable.us/Departments/planninganddevelopment/Projects/Housing-Production-Plan-Update.asp> with a goal of recommending 2-4 strategies for the Town to adopt, along with recommendations for implementation and resources needed.

Chair of Committee opened public comment:

Councilor Kristin Terkelsen spoke about just returning from the Massachusetts Municipal Association Conference in Boston, along with my fellow Councilors, we went to the workshop on Affordable Housing, and it was interesting but not long enough, the program that she wanted to mention was presented from Provincetown, and encourages this Committee to reach out to those about that presentation as well as the representatives from Nantucket as well and maybe present something to this committee via zoom to get you up to speed on some of the things happening. The presentations were a great learning tool for me as a Councilor learning about all the things they are doing in their town. Committee member Laura Shufelt is familiar with the programs and could explain it to the committee if asked to do so, but Nantucket bonded 20 million dollars through free cash bonding and have put that aside for housing needs and to acquire properties, and they also made available public land for housing, and then subsidized the rest. Provincetown has a variety of ways to subsidize incentives for year-round housing and have trust funds that they were able to get special legislation for to do above 100 percent

AMI, and with their own funds they buy a time share that was going bankrupt, so there were several things unique to their community that allowed them these opportunities.

Larry Morin- Cotuit talked about the possibility of doing a site visit, and told the Committee they can do this as a committee, but you can't deliberate at the site if you do go, but it is allowed under the Open Meeting Law and wanted the committee to know this.

Chris Gregory wanted to talk about some of the topics discussed last time which was by right zoning for duplexes in the other villages; short term rental regulations. Mr. Greory believes there is a market inefficiency in our housing community that has priced out a large population, because property is too valuable and he thinks that is almost more insidious than someone intentionally saying, no we don't want this type of person living there. It is weird inefficiencies and not a free market that decides who lives where. He did some research and talked to realtors in the area and in Barnstable there were only 134 houses that were under the median price of \$775,000, and he just can't understand that that is where we are at. The short-term rentals are only about 2-3 percent of the stock, so regulating them probably will not do much to move the needle at all, he sees more of an issue with the second homes that snowbirds leave vacant, or investors have bought and leave empty because they can afford to and don't need the rental income. One of the Councilors mentioned that they believed the types of houses make the neighborhoods nice and keep the characteristic, but he believes that it is the people that make a neighborhood, not the type of house; having diversity in a neighborhood is what makes it nice. He also does not believe there is any more room on the Cape for Cape style houses and ranches, we need density housing, or cluster housing or duplexes. In some villages you are not allowed to divide lots because of the 2-acre zoning put in place years ago, so building there is not an option. Mr. Greory also mentioned if short term rentals are as much of a problem as people say they are, then cap them, the town can restrict short term rentals if you all believe we have enough of them. He is worried that we are envisioning new ideas but then only coming up with reasons for them not to exist. He appreciated the committee's efforts in trying to solve this problem.

The Chair of the Committee mentioned that the other issue, the income levels of individuals here and the cost of living, the cost of living has outpaced the wages, it is climbing faster than the wages do for this area, which is causing great stress on everyone, and it is a permanent problem.

The Chair of the Committee closed public comment.

The Chair of the Committee attended the Town Council meeting a couple weeks ago, and it was said they would be looking for a report from this Committee on the progress or where we currently are today, so they can have an idea of what solutions we may have been discussing. One of the ideas he had was when someone wants to build a complex of 100 units and 10 of them are affordable, they don't gain any ground when only 10 percent are offered as affordable and the others are market rate, they are not satisfying the 40B requirement, but if you do all 40B projects they are all affordable; so there is a huge advantage of doing 40B projects, but there is also resistance to these types of projects.

Councilor Schnepf mentioned that the workshop at the beginning of January regarding the Marstons Mills property was to introduce to the full Council what had occurred so far in the planning process; which was basically developing three conceptual plans for that property, and although there was not a vote on the resolution at the Council, but she got the sense that the majority, not all unanimously in agreement, but the sense she had was that there would be housing and recreation of some sort there. There was an option also discussed as being all recreation there, but again that was not the consensus of the Council. The next question would be how we move to the next step of determining what the most appropriate types of housing would serve but also keep in mind that this is a public piece of property so there should be an equivalent public purpose to the housing that is created there. Councilor Schnepf doubts it's something that we want to hand to a developer, If the town did, we would be selling it at a market rate value for market rate housing, that is only one consideration but would not be her recommendation. There is an opportunity to make an extension of the Marstons Mills Community with

an interesting blend of housing. Councilor Schnepf also mentioned that that we need to look at the feasibility of what could be created here, we know that here will be sewer infrastructure brought to that site in the next 2-3 years, so that removes what used to be a limiting factor as to what could be done there. In terms of financial feasibility, whether the preference is to have something that would go back on the tax roll, that is a financial consideration. If the land goes to a non-profit, then that doesn't happen but probably serves a lower income population. Councilor Schnepf believes this is all the things we need to look at. Councilor Schnepf believes we need a feasibility study to get all the questions answered.

The Chair of the Committee mentioned he has had a conversation with Mr. Kupfer and has asked him to do some research on some of the feasibility questions that were brought up at our last meeting, and he is happy to do it, so when he joins us next time, he will have some information for us. The Chair of the Committee mentioned that he looks at the needs of the community first when he looks at housing but believes there is a government that ignores the crisis, but ultimately it will be the Council that decides what happens with that property, so if he is understanding what Councilor Schnepf just said was that the Council would like this committee to discuss the types of housing that should be there. Councilor Schnepf said no, that is not what our charge is for this committee. She believes the Council wants to understand the process and some of the other considerations that we should know before making any decisions.

Committee member Laura Shufelt explained that even before the town gets to the Request for Proposal (RFP) is put together they need to know where the guardrails are that are put on by 30B in the Attorney General's Office as to how much you can dictate in an RFP without it becoming a town project. So, you need to know the steps and have a brief overview of the process and timeframe before you issue the RFP; so those are some of the things that the Council would have to know. Chair of Committee went over the list of 7 Items discussed at the last meeting and asked for any further discussion.

1. Armory- can be used for municipal purposes, or for a profit museum (State Legislation)
2. Air BNB- make them rentals on a regulatory agreement structure for short-term rentals.
Councilor Crow wants regulations on short-term rentals
3. Transfer tax on real estate- If an individual sells their home, the seller pays a fee, and that fee is used for affordable housing options.
4. Define affordability and different levels of income and encourage the Planning Department and others not to approve projects unless this criteria is met, which will allow all individuals with different types of income to qualify.
5. Increase the percentage of affordable housing units proposed and developments with perhaps incentives for the developer.
6. Re look at the Inclusionary Ordinance:
7. Increase the percentage of CPC funding for housing.

Councilor Crow mentioned an article in the Wall Street Journal that communities build these units, but they are not affordable for the salary ranges in the area they are building them, a lot of them come with high amenities and fees, and they are unfilled because of that.

Councilor Bloom stated that Hyannis already has enough market rate units. What we need is workforce housing and affordable housing, but we can't do one without the other unless right now unless we do 40B projects to get more of the affordability options or rely on the developer to give more than the usual 10 percent. Councilor Bloom said the town is still at 6.5 percent and has been since 1969, so whatever we are doing is not working. We need to figure it out. Committee member Laura Shufelt said one way to do it is with public land available for affordable housing and increase the affordability and change the

inclusionary ordinance. Once we have a financial analysis, it should say 15 percent affordable and even doing that is not going to get us there, but we are not making much progress at all, so we need to look at all opportunities to increase the affordable requirement and dedicate more funds to writing down the cost to market affordable, which we should be negotiating that also.

Councilor Schnepf asked about a timeline in which to complete the recommendation to the Council, she spent a considerable amount of time on the memo below:

Committee to Assess and Recommend Strategies for Housing Creation

Strategies to create affordable housing gleaned from committee meeting held on 12.30.2024:

Increase revenue for affordable housing

- 1. Submit Home rule petition to place a transfer tax on certain real estate transactions*
- 2. Optimize state and federal public funding for housing (CDBG, Gateway initiatives, etc.)*
- 3. Recommend (minimum, average) amount/percentage of CPC funding that is annually allocated for housing*

Align town resources to support the creation of housing and administration of housing programs

- 1. Use/designate town assets for creation of affordable housing*
- 2. Prioritize operating funds to support the administration of housing programs (development, monitoring, etc.)*

Adopt/revise zoning and general ordinances to increase the supply of year-round and affordable housing

- 1. Increase flexibility and density in appropriate zoning districts or create overlay districts to achieve same.*
- 2. Revise inclusionary ordinance based on current economic data while consider making it zoning ordinance instead of a general ordinance*

Councilor Schnepf stressed the need for potential recommendations, we are not moving on inclusionary zoning, or anything else that is beneficial and if that's the intent of our committee is to just slow the process down, then we are doing a fine job. Committee member Laura Shufelt would like to go back to Councilor Schnepf's memo and highlight the three strategies that were put together. Everything that this committee has talked about fits into one of the three categories listed. The first one is ***Increase revenue for affordable housing***; the second one being; ***Align town resources to support the creation of housing and administration of housing programs***. And underneath each of these sections above are suggestions on how to achieve the potential recommendation. It already explains the tools that we have now that can be used.

Councilor Schnepf said that this was put together for talking points and if there is anyone that wanted to add to this, Councilor Crow had some suggestions regarding short term rentals, if he wanted to put something in this regarding that. Councilor Schnepf suggested asking the other committee members if this document was okay as it stands or does it need further discussion before making some of these as potential recommendations. This memo is not only my thoughts, but this memo is also a culmination of this committee discussions to date. The Chair of the Committee has concerns about making recommendations for things that are never going to get done, he would like to see potential recommendations that will get done. Councilor Schnepf has faith that our Council will debate and discuss, and the potential recommendations this committee makes, but if the potential recommendation stays in the committee and never gets to Council, there is nothing to debate and nothing will get done. The Chair of the Committee mentioned that this town has not done anything for housing in 55 years in his opinion, so he doesn't see anything happening now. Councilor Schnepf disagrees with that

statement, as you look at the units that have been created and zoning that has been created and changed to create more housing, so to say we have not done anything is not a correct statement.

Councilor Bloom agrees with Councilor Schnepps outline. It was presented well, and it checks off the subjects in the subtitles under the topics, it looks like anyone who sees and reads that can see that this committee has talked about these talking points and that there are real solutions to those discussions we have had. Councilor Bloom has a small concern with the zoning item, there may be some pushbacks to changing the zoning or be directly contradictory what the Ad Hoc Zoning is going to recommend, so he cautions the committee about changing or recommending anything for zoning. It's a very helpful framework for us to work with and it hits all three areas we have discussed.

Councilor Bloom would like some time to think about this and be able to come back with the notes he took.

Committee member Laura Shufelt mentioned the Ad Hoc Zoning committee is not looking at zoning regarding affordable housing, and that is the difference, and she feels that this committee should support zoning changes that support affordable housing, so she would support the following:

Adopt/revise zoning and general ordinances to increase the supply of year-round and affordable housing

1. *Increase flexibility and density in appropriate zoning districts or create overlay districts to achieve same.*
2. *Revise inclusionary ordinance based on current economic data while consider making it zoning ordinance instead of a general ordinance*

The Chair of Committee would like the committee members to work off of Councilor Schnepp's memo and add to it if necessary, but there are three members not present tonight and he would like their input on this as well, so may be we all take this home tonight and then at our next meeting decide what needs to be added or tightened up before voting on any recommendations to the Council. Councilor Schnepp mentioned adding under the third goal adding another bullet

- To consider regulations and other policies focused on short-term rentals to the extent that they impact year-round affordable housing.

Councilor Crow agreed with that as well. He would like to put the two lists together and then discuss with a full committee rather than just the 5 of us. The Chair of Committee will put together a memo and send it to the Administrator and have her distribute to the members of the committee.

The Chair of committee asked the members about their availability for the next meeting. The Committee decided on February 24, 2025, at 4pm providing IT can provide the technical support.

A motion was made by Councilor Paula Schnepp, this was seconded by Committee member Laura Shufelt, all members voted in favor of adjournment at 5:18pm

ADJOURNMENT 5:18pm