



KATJANA BALLANTYNE
MAYOR

CITY OF SOMERVILLE, MASSACHUSETTS COMMUNITY PRESERVATION COMMITTEE



MINUTES

NOVEMBER 20, 2024

MEMBERS

Jahan Habib, Chair
Ryan Kiracofe, Vice Chair
Laura Beretsky
Jon Bronenkant
Joe Capuano
Heather Heimarck
Eric Parkes
David Turin

The Community Preservation Committee (CPC) virtually held its annual public hearing and monthly meeting at 6:30 pm on the Zoom Webinar platform in compliance with Chapter 22 of the Acts of 2022 regarding the Open Meeting Law during the COVID-19 crisis.

Members Present Jahan Habib, Ryan Kiracofe, Eric Parkes, Heather Heimarck, Joe Capuano, David Turin, Laura Beretsky (late)

STAFF

Roberta Cameron

Members Absent Jon Bronenkant

Staff Present Roberta Cameron; Luisa Oliveira, PSUF Director; Estello Raganit, Parks Planner;

Others Present OSPCD Director of Finance, Alan Inacio

Roll Call

Chair Habib opened the meeting at 6:30. He reminded everyone that the meeting was being held virtually and being recorded in accordance with Chapter 2 of the Acts of 2023. CPA Manager Cameron called the roll.

Agenda Item 1: Approval of Meeting Minutes

Members discussed some minor edits to the draft meeting minutes.

Member Heimarck moved to approve the meeting minutes as amended from October 23, 2024, seconded by member Parkes. The motion passed unanimously, 6-0.

Agenda Item 2: Review of Fall Report

CPA Manager Cameron gave an overview of the CPA Fall Report which provides an update and analysis of the funding availability. She showed the estimated and actual revenues for the previous fiscal year, and discussed the amount that has been added to the Undesignated Fund balance. She suggested that the CPC may elect to transfer half of the additional revenue to the AHT to maintain the program area distribution that the CPC identified in its CPA Plan. Cameron also noted that unappropriated FY24 revenue must be held until it is certified the following fiscal year, after which it will be available to use for any program area category. Cameron reported that she is waiting for some details from Accounting that may change the total available fund balance. She then gave a brief status update on ongoing projects and a preview of potential off-cycle applications. After further discussion about the contents of the report, committee members instructed Cameron to provide a final report at the next meeting so that they can determine the correct amount to add to the Affordable Housing allocation.

Cameron noted that the increased surcharge will take effect in FY26, so it will become available in the next fiscal year's budget.

Agenda Item 2: Deliberation on FY25 Applications

Cameron shared the budget worksheet for FY25. She showed how the FY25 budgeted funds and the carried funds in the program areas reserves and Undesignated Fund Balance are reflected in the available funds shown in the spreadsheet. The total amount requested is above the FY25 budgeted revenue, so that the CPC would need to draw from the Undesignated Fund Balance to award all of the requests this year, but that this amount would still leave sufficient funds to be carried over. ("Sufficient" = more than the \$750K minimum the committee decided on last year and more than the unanticipated FY24 revenue that has to be held back until certified next year.)

Cameron highlighted a memorandum that was just submitted by the Somerville Museum requesting additional funds to complete the Bullfinch Staircase, which would add \$24,300 to the total funding requests. Cameron pointed out that the CPC would not vote on this request at this meeting, but could choose whether to add this to the budget worksheet, as this is a request they will consider within this fiscal year. Chair Habib asked whether the Somerville Museum would be submitting a full application for this request. Cameron suggested that the committee can decide whether to treat this as an amendment to the Museum's application or as a stand-alone off-cycle application. Committee members agreed that, in the interest of transparency and equity they would prefer to treat this as an off-cycle application because it adds an element to the scope that was not mentioned in the Museum's FY25 application. Cameron will convey to the applicant that they should submit a full application form to accompany the material already submitted regarding the completion of the Bullfinch Staircase.

Cameron further noted that she had received a substantial scope change on the application from the Somerville Veterans Department. In response to feedback they received at the previous CPC meeting they reached out to a cemetery conservator to request an estimate for a condition assessment which they would like to undertake before proceeding with restoration of the Veteran's Cemetery. Committee members agreed that this is properly classified as an amendment to their application because it was a change in approach that followed from the CPC's application review, not as an additional item beyond what was included in the FY25 application. The Veteran Department's new budget includes a \$100,000 commitment toward future renovation (the highest priority to be determined by the condition assessment), so that they will be able to demonstrate local funding as a match to enable them to apply for funding from other sources later this year. Cameron mentioned that HPC had recently met with each of the applicants for historic preservation projects for the required Advisory Review, and will be preparing a memorandum summarizing the discussion for each project.

Committee members then discussed each of the FY25 Funding Applications to give an initial sense of their priority for funding this round. Committee members indicated whether each project was high priority, low priority, or if they had some reservations about whether to fund the project or the full amount requested.

12 Pleasant Ave

Cameron reminded committee members that this request is to do historic restoration of a building that the Somerville Community Land Trust intends to create affordable housing. Committee members agreed that they strongly support this project but would prefer to assign a portion of the scope – specifically the interior/structural elements and contingency – to the affordable housing category rather than historic

preservation. This would better reflect what the actual community benefits of the project are, as well as to ensure that the funds will be retained for affordable housing rather than historic preservation should the project be completed under budget, which keeps the funding distribution aligned with the priorities identified in the CPA plan.

Kiracofe noted that the contingency requested in this application is 15% of the construction cost for the CPA-funded scope, and that there is a disparity in the application instructions for how much contingency applicants can apply for. Cameron observed that the contingency is recommended for all projects that pertain to construction so that they will be less likely to have to return with requests for additional funds to complete projects that face budget increases. Committee members should discuss what contingency limits/recommendations should be used in a future update of application materials. Kiracofe noted that he has seen 5-10% contingency in projects in his experience, but he doesn't have a problem with 15% in this context. Parkes agreed that 15% contingency is a reasonable request. Turin recalled that the CPC has seen a steep rate of escalation in projects that have been funded previously. Cameron pointed out that the Fall report includes a list of projects that have recently been completed, and that several have come in under budget either due to having been accurately estimated and implemented on a timely schedule, or because they were able to obtain matching funds from other sources so that the entire CPA grant wasn't needed. Any unused funds were returned to the CPA reserves.

There was discussion about the potential for grantees to use excess contingency funds for scope expansion beyond what the grant originally specified. Cameron noted that the general conditions in grant agreements and memoranda of agreement include a condition that unspent funds must be returned to the CPA and that CPA funds cannot be spent on anything that isn't eligible. Parkes asked for examples of what has driven changes in budget for projects in the past. Cameron used the Somerville Museum as an example, where the grantee requested additional funds due to change-orders in their construction projects driven by unforeseen circumstances. Heimarck pointed out that the expenditures are audited by City staff as funds are disbursed.

Cameron offered to draft a suggested recommendation with the grant split between historic preservation and affordable housing, and invited committee members to reflect on whether to recommend a grant with the requested 15% contingency or to change this amount.

50 Bow Street Brickwork

Cameron reached out to the Law Department and the Stuart Saginor of the Community Preservation Coalition to ask for guidance in how a CPA grant can be structured with a condo association as the grantee, as this is a situation that Somerville has not faced before. It would be very difficult to put a permanent preservation restriction on a building with a condo association, but a term-limited preservation restriction could be considered as a condition instead, which offers a similar and possibly higher level of protection than the existing Local Historic District that applies to this building. She received feedback from Stuart Saginor that the CPC should be extremely cautious to ensure that the grant complies with the Anti-aid amendment of the state constitution which prohibits using municipal funds to benefit an individual or an organization's operations. The CPC should ensure that the project has a clear and compelling public benefit.

Turin asked how the CPC funding to restore the façade of this building would differ from restoration of the public facing sides of any building in Somerville. Cameron compared this project to the previous Adams Magoun House application. Parkes recalled that one of the conditions for the Adams Magoun

House grant was a provision that the grant would be repaid if the property was sold within 50 years, which would be challenging to apply to a building with many condo owners. Cameron concurred and pointed out that the 50 year clawback was also the sticking point for why the building owner has not yet agreed to move forward with the grant. Turin suggested that the community would benefit from the building restoration regardless of who owns the building, and whether individual condo owners happen to sell their units. On the other hand, in the Adams Magoun House case the CPC had been concerned about whether the property owner would profit from the increase in value generated by the grant. In this case the condo owners might benefit by not having to pay for the renovation through a special assessment through their condo association. Turin asked whether there would be any difference in how the project is undertaken with or without the CPA grant – would they still be required to follow Secretary of Interior standards? Parkes described the advice on the quality of workmanship that was given by the HPC in their advisory review. Committee members agreed that the key question is whether the grant would enable or compel the grantee to carry out the project in a manner that is substantially different from what they would do without the grant.

Parkes further observed that the CPC needs to have a basis on which to limit significant historic preservation grants to buildings of particular importance because there isn't sufficient money to restore all of the historic properties that might request funding. Committee members agreed that they should rely on guidance from the Historic Preservation Commission to identify buildings that are of special importance to merit large CPA grants, as had been requested and provided for the Adams Magoun House.

Habib asked whether the condo association would need to adopt changes to its bylaws to comply with the conditions of the grant. Cameron stated that it is possible they will and she is working with the law department to put in place a process to address this with the condo association before the grant is approved by City Council. In the case of the Adams Magoun House the Law Department had prepared a Memorandum of Understanding requiring that the grantee sign that they will agree to all of the conditions of the grant before submitting the recommendation to City Council. (This is why the Adams Magoun House recommendation hasn't gone to City Council, because the property owner had concerns about whether she should agree to the conditions, which is a topic for the CPC to discuss at a later time.)

Cameron also noted that the CPC previously gave a small grant to a private homeowner, but that the committee had agreed that HPC recognition of the unique significance of a building could be used to support the award of large grants for privately-owned buildings. It would be helpful for the committee to have a discussion at a future time about the threshold between small grants and large grants where there will be more substantial criteria for defining public benefit. Parkes recalled the HP small grant program that had been canceled – this offered an amount of up to \$10k-\$15K which was intended to pay for the difference between historically appropriate restoration versus more economical workmanship. There was further discussion about whether any threshold could be supported that isn't just arbitrary.

Heimarck observed that the property owners and their condo association have been good stewards of this building and that it is in a very publicly visible location. Several committee members agreed that they consider this to be a high priority but that they need to consider the precedent they set with this decision so that they can set clear guidelines going forward.

Elizabeth Peabody House

Committee members agreed that they strongly support this application, both because of the organization's service to the community as well as the importance of improving the building aesthetically given its prominence in the Broadway neighborhood.

Veteran's Cemetery

Committee members affirmed the importance of the project and the need to begin with the condition assessment as presented in the revised scope. There was discussion about the request for an advanced commitment for construction. Committee members were not supportive of awarding funding for construction before the assessment is completed which would establish the plan for priority improvements to be undertaken. Cameron explained the intent that the advanced funding commitment would help the Veteran's office to apply for other grant programs which have application deadlines that come before the next CPA funding cycle would be completed. Committee members indicated that they would prefer to see an off-cycle application if the Veteran's Department is applying for another grant, rather than to commit the funding up front. In principle committee members would like to see applications for specific scopes of work based upon planning that has been completed, although cases like Blessing of the Bay Path, where the CPA funding commitment for construction was granted with only conceptual planning rather than a solid estimate indicate that the issue is not set in stone and there is room for the committee to set the bar.

Somerville Museum

Cameron recalled that the Somerville Museum's FY25 request was a repeat of the elements from their FY24 application that were not funded last year due to funding availability. Committee members reiterated their support for the elements that they would have recommended a grant for had there been sufficient funds before.

Quincy Street Open Space Renovation

Kiracofe observed that the updated budget for the Quincy Street park renovation still includes a water fountain which is incorrect. The committee requests that a corrected budget be submitted to confirm the amount of funds being requested.

Nunziato Park Water Fountain

Committee members agreed that this project is a priority for funding.

Open Space Acquisition Fund

Kiracofe asked how the requested amount of \$300,000 was derived. Cameron provided context that in a previous funding round PSUF had requested only \$50,000 for the Open Space Acquisition Fund and the CPC wanted to increase the amount of funding they recommended but they were advised by the Law Department at that time that they cannot arbitrarily increase by order of magnitude a recommendation above what was requested. For this reason PSUF requested the maximum amount that might be available with the understanding that the CPC could decrease the amount they recommend if they so choose. Turin concurred with the approach of having PSUF requesting and the committee funding the maximum amount available, but cautions that the CPC should consider how much funding remains to cover any off-cycle applications that may come in later in the fiscal year. Cameron noted that there have been three previous awards for the OS Acquisition fund totaling \$500,000, with the largest allocation having been \$250,000.

CPC Business

Committee members agreed to hold the December meeting on 12/11.

Cameron reported that the candidate selection process is on target to have two new general public members appointed in time to begin at the start of the next term in January, 2025. The Planning Board is also selecting a new representative as Jahan is reaching the end of his last term.

Cameron reminded committee members that the election of officers for 2025 is scheduled to take place at the December meeting.

Cameron finally shared that she is organizing a social meeting for CPC members on 12/3 at a location to be determined.

Adjournment

Beretsky moved to adjourn the meeting, seconded by Heimarck. The motion passed unanimously, 7-0.

Documents and Exhibits

1. Agenda
2. Draft Minutes 10/23/2024
3. CPA FY25 Annual Fall Report
4. FY25 Financial Workbook
5. Supplemental Application Materials
 - a. Nunziato Field Water Fountain
 - b. Quincy Street Open Space Renovations
 - c. Veterans Cemetery Restoration Project
 - d. Somerville Museum Artifact Restoration
6. Summary of CPA Conditions
7. Reference documents describing existing CPA Conditions
 - a. Draft CPA FY25 Grant Agreement General Conditions
 - b. FY21 CPA City MOA General Conditions
 - c. FY22 CPA AHTF MOA General Conditions
 - d. Magoun House Grant Agreement Conditions
 - e. Somerville CPA Draft PR CR policy