

## **Frequently Asked Questions (FAQ) on Maurice's Campground/80 State Highway**

### **What is for sale?**

Maurice's Campground consisting of 21.25 acres of land with all buildings and improvements including the cabins, mobile homes, travel trailers, and the store.

### **Why is the Town of Wellfleet interested in purchasing Maurice's Campground?**

To make a real difference in the availability of year-round affordable housing. This is the Town's opportunity to take control our destiny instead of leaving it in the hands of private developers. The affordability gap between housing prices and wages for the average working person is not sustainable. The median sales price for houses sold in Wellfleet in the last six months is \$826,000. Even Wellfleet's highest paid employees struggle to find homes due to the shortage of housing and it is only getting worse. Local businesses struggle to find and house their staff. We are already seeing our essential services eroding.

- Between 1990-2015 those in the 25-44 age range decreased by 62%
- Between 1990-2015 Seasonal Properties increased from 1566 to 2824 - an 80% increase
- Between 1990-2015 year-round rentals declined by 42 units or 13.5%

Desperate times call for Strong Action. There is virtually no municipal land available in Wellfleet.

This property is an ideal site for affordable and workforce housing. The location right on State Highway giving access to public transportation, the current use, the level topography, the access to the bike trail and the potential to hook up to the Eastham municipal water system.

### **What does the Town plan to use this land for?**

The intention of this proposed purchase is to develop housing serving a range of incomes that is accessible to individuals and families to live in Wellfleet. The amount and forms of this housing will be determined by the community through "visioning sessions" and other means of outreach after closing, should the voters approve the purchase. It is hoped that a diversity of housing types can be created.

### **Why now?**

Before the pandemic we had a housing problem. Now, with the rapid escalation in housing prices we have a full-blown housing crisis. This parcel is a unique property and an opportunity that if not seized will be gone forever. The sellers are ready to sell now and if the Town wants to keep control over this 20 plus acre parcel, and not let a developer make the decisions, we need to act now.

### **What are the Benefits to Town**

Year-round housing for the first responders, teachers, care givers, servers, fishing and construction trade workers who are the backbone of our local community. Also, to ensure housing for our seniors, our young people, and our families. These families are Wellfleet's future.

There is virtually no municipal land available in Wellfleet. This property is large enough to also use some of it for other municipal purposes.

**What will this cost the Town?**

\$6.5 million

**What will this cost each homeowner?**

The initial estimate is that the annual cost of a \$6.5 million dollar bond will cost the owner of a median priced home an average of less than \$80 per year.

(Based on a 30-year level payment bond at a 4% interest rate.)

**How will we pay for it?**

We will bond the purchase price. We are exploring multiple alternatives to reduce or eliminate the property tax impact including:

- grants
- ARPA (pandemic money) and infrastructure funds
- net revenues from running the campground
- short-term rental tax proceeds

A detailed proposal will be presented before town meeting decisions

**Is this a fair price?**

We believe it is a good value knowing what other towns have paid to purchase properties. We have agreed to pay \$305,882 per acre for land and buildings.

Three recently published numbers for local purchases were significantly higher:

- Eastham Town Center - \$3,080,000 for 3.5 acres or \$871,041 per acre
- Orleans Governor Prence Inn - \$2,925,000 for 5.5 acres or \$531,818
- Orleans Cape Cod Five - \$3,250,000 for ~3.5 acres or \$928,571

**Why have we agreed to run the campground for now?**

Because of our respect for the traditions and service it has provided to this town. This ensures that the many seasonal workers who live there each summer can continue to have housing while contributing to Wellfleet's economy. This also ensure that the hundreds of families who have visited Maurice's Campgrounds and Cabins over the years will continue to have a relatively affordable place to vacation in Wellfleet

The net income from running the campground will help defray the borrowing costs on the purchase as the Town finalizes plans for the property.

### **When will the town residents get to decide?**

Because of the importance of this purchase to the Town, we are currently planning a special town meeting to consider this issue.

### **Why is the purchase price \$6.5 million when the assessed value is \$2.7 million (as printed in the Provincetown Independent?)**

Assessed value is often considerably lower than what a property might sell for on the open market. This is, in part, because it is based on the last full year of sales when the tax cards come out. For 2022 that would be 2020. In this rapidly escalating market the disparity in values will be higher. For comparison, the Brewster Sea Camps was assessed for \$19.4 million and sold for over \$50 million, Eastham Town Center Plaza was assessed for \$1 million and sold for \$3.8 million, and the Walsh Property in Truro was assessed for \$3.2 million and sold for \$5.1 million.

### **I'm worried about "affordable housing" going in next door. What will it do to my neighborhood?**

Nice as the campground is, your new neighborhood may be even better as it will be populated by stable year-round residents, working families and seniors. How this would be developed will depend on the voters and the will of the Town to best serve its citizens. This land WILL be sold. If the Town buys it, you, as a voter, have some measure of control. If someone else buys it, the only control is through Town zoning bylaws.

### **How can I vote on this when I don't know how it will be used, who will it serve, what will it look like...?**

There is a great deal of work going on between now and Town meeting in September. All that is known at this time is that the primary purpose of this potential purchase is the creation of year-round housing that is within reach of working people, families and seniors. Planning the answers to your questions can only be done after the voters approve the purchase at Town Meeting scheduled for September 10. A new study group will be formed at that time to consider just those questions. You will have many opportunities to get involved with steering the answers. You could be in the study group, attend outreach sessions designed to get at those answers, complete surveys and VOTE. Go to <https://www.wellfleethousing.org/maurices-campground> for frequent updates between now and Town Meeting in September.

### **What will this do to my taxes? I'm already stretched!**

The proposal is to fund the purchase with a 30-year bond. While interest rates remain fluid, a currently conservative estimate is 4.5% interest. The Town anticipates using some CPA funds, Mixed Income Stabilization Funds and revenue from campground operations to service some portion of the debt. If all the assumptions prove correct, the average annual tax increase to a median valued home (\$659,000), with year-round residential tax exemption, would be \$54.79.

Take, as an example, a house assessed at \$700,000. The tax increase would be highest in the first year (fiscal year 2024) at \$127.919 (an \$0.18 addition to the tax rate) and would decline to \$8.64 in year 30 (a \$0.09 addition to the tax rate.) The difficulty with all this is that the interest rate is unknown and will not be known until the bonding process is complete this fall: it may be higher or lower than the 4% used in

the example. It is also possible (hoped for) that some bond repayment costs will be met using other sources of income than taxes such as short-term rental tax revenue, CPA funds, ARPA (American Rescue Plan Act) funds, Community Impact Funds if approved at June Town Meeting, and possibly during the first six years, from campground operations.

We are considering this possible tax increase a “worst case” example.

**Please define the terms “Affordable”, “affordable”, and “attainable”.**

These are slippery terms! For a more thorough answer see the page entitled “Affordable Housing: A (Not so) Brief Definition of Terms.” In short form, Affordable housing (“Big A”) receives significant State and Federal funding support and is generally restricted to individuals and families with income between 30%-80% of Area Median Income (AMI). In contrast, affordable housing (“little a”) is any housing that residents can find that requires no more than 30% of their before-tax income. Usually this refers to less than market rate housing. This may be “naturally occurring” or be made available through incentives and possible subsidies whether from the government or other sources. Attainable housing is sometimes referred to as Workforce Housing. It is really a subset of affordable and refers to housing that also requires no more than 30% of gross income but the income may be somewhat higher, between 80%-120% AMI, too high to receive much assistance but too low to be able to afford market rate housing. This kind of housing generally requires a diversity of housing types appropriate to individuals and families at different life stages such as apartments, duplexes, condos, accessory dwelling units, etc.

**It has been reported that this property has many cesspools rather than Title 5 septic systems. How do we know that the cesspools are not polluting the groundwater and surrounding area?**

There is no indication of any contamination from the cesspool systems on-site nor any indication that they pose a public health hazard.

Maurice’s water supply (DEP PWS ID # 4318063 at the Energy & Environmental Affairs Data Portal) has well test results from 1993. Current nitrogen levels are 1/100th the state limit which is also about 1/10th of that commonly found in “very good” Wellfleet water samples. The public water supply is also tested twice a month for bacteria from 05/20 to 10/15 of each year.

**What is the plan for waste water at Maurice’s going forward?**

We would like you to think of this as an opportunity to address wastewater on this site and, hopefully, the surrounding properties that will yield a major benefit to the natural resources of Wellfleet Harbor. We will be working with the Mass DEP to develop a wastewater plan for the property, we have a septic upgrade roadmap, and there will be a back and forth with the DEP on this. This is something that we need to do for any development of the property as well. We are committed to providing the best available technologies for the wastewater treatment plant that will serve the end use of the property as housing. In the worst-case scenario, we will close the early campground to minimize the liability to the town. Right now, it provides seasonal housing for local workers our estimates are between 60-80 workers use the campground as their seasonal housing. There are avenues that the town will pursue to fund this, and right now, there are once in generation money available to fund this.

The latest Septic Upgrade Plan can be read on the Maurice’s page of [wellfleethousing.org](http://wellfleethousing.org).

**Will the Septic Upgrade Plan be expensive?**

The Town is developing a plan for a facility that could serve the eventual end use of the housing envisioned for this site. Our goal is to build something similar to the wastewater treatment facility that will be at 95 Lawrence Road. For that system, the developer has to compensate the Town for its share of the overall system; a similar model could be used at Maurice's Campground.

### **What is the zoning on this property? What can and cannot be built there?**

This property is zoned R2 (Residential 2). Permitted and Prohibited uses and those requiring a Special Permit are shown on pages 19-23 of the Zoning Bylaws posted on the Town of Wellfleet website. Essentially this property is restricted to residences on individual lots of 40,000 square feet or more. The size of the property makes it eligible for Wellfleet's Cluster Zoning Regulations (Article 6.6 of the Wellfleet Zoning By Laws, pages 33-35) and also for Affordable Flexible Residential Design (Article 6.6A, pages 35-42) which allows for some density bonus for the provision of year-round affordable homes. Additionally, the Commonwealth of Massachusetts may override a town's zoning by laws if the town has less than 10% of its housing stock listed as deed restricted affordable year-round housing. Wellfleet has 2.45% (along with Truro, the lowest on the Cape.) This law is known as 40 B. For more information on this law see "Some Housing Definitions" under a separate heading on Maurice's Campground page.

### **What about the seasonal workers who currently stay at Maurice's?**

Creative solutions are sought for this challenging situation! However, the primary task of the three Wellfleet Housing Committees (Housing Authority, Housing Trust, Local Housing Partnership) is to work to find solutions to the lack of affordable and attainable housing for year-round residents whose plight is equally dire.

Of the 170 campsites with full hook ups, 60 are occupied by 1-4 summer workers each. Many local businesses rely heavily on these workers who, among others, find it very difficult to find reasonably priced housing elsewhere. There are at least 10 businesses who lease trailers at the campground for their summer employees.

It is likely that 60-80 summer workers are housed at the campground. Many of these workers have jobs in Wellfleet but some work in jobs ranging from Dennis to Provincetown.

It is a deep concern for the working committee that seasonal worker housing be addressed within the Town's final plans for the property. One hurdle will be financing this type of housing, since Affordable Housing Tax Credits are not available for housing that is not year-round. Local businesses may help with the funding of this seasonal worker housing.

It should also be mentioned that should the Town not purchase this property it WILL be sold anyway and, likely, to a private developer who, to make a profit will need to build larger, more expensive homes.

### **Won't any affordable housing built here be flooded with people from all over the state leaving no room for locals?**

This question comes up a lot. Affordable developments, such as 95 Lawrence Rd, the Cloverleaf in Truro and Nauset Green in Eastham are mostly funded by State and Federal funds (Tax credits) which allow for a municipality to request up to 70% Local Preference in the initial lottery selection of residents.

Subsequently, as apartments become available through natural attrition, they may be leased to locals and non-locals alike.

**I read that according to the Purchase and Sale Agreement signed by the Selectboard the Town will be required to operate the Campground for 6 years. How will this be managed?**

The "[Slide presentation to Wellfleet Select Board Aug 16, 2022: Maurice campground working group updates](#)" on the Maurice's Campground page of this website addresses this question. The Operations Committee (Michael DeVasto, Chair) presented work to date concerning campground operations during the six years that the campground must stay in operation as required by the purchase and sale agreement. Representatives of this committee have worked with SCORE to develop a business plan and outline the most important components. They have developed a matrix of criteria for guiding decisions on two primary options for running the campground (see Operating Model Comparison tab [in an excel spreadsheet](#)):

- 1) Town leases the entire campground to an operator who will assume all responsibility and liability while paying the Town a fee.
- 2) Town hires a contractor to run the campground for the Town. Town assumes responsibility and liability but takes all profits.

The group considered the possibility of Town employees running the campground but has rejected it as infeasible. The result of the evaluation was to recommend the Town leasing the entire campground to an operator.

**Won't the Town have to spend a lot of money upgrading structures and infrastructure currently in place to run the campground for the required 6 years?**

Jay Norton, Head of the Department of Public Works, along with a knowledgeable team has thoroughly examined existing conditions at Maurice's. Their findings are published on this website under "June 23, 2022 Due Diligence Report". They are currently preparing a cost estimate for required work which will also be published when complete. It is anticipated that some or all of this money will be raised through the rental of campsites.

**What about the wetlands there?**

Massachusetts Housing Partnership (MHP) has granted the Town \$10,000. This funded a wetlands delineation study by Lucas Environmental and is presented as part of an extensive site assessment by Bohler Engineering. (See "Due Diligence Memorandum" on the Maurice's page of [wellfleethousing.org](http://wellfleethousing.org).) Silver Spring flows to the north of the property leaving, by far, the bulk of the site developable. Property development will, at a minimum, comply with all wetland regulations.

**I am a seasonal homeowner. How can I stay informed and get involved?**

It is registered Wellfleet voters who will make the final decision about the purchase of the campground but 67-70% or more of Wellfleet's housing is owned by seasonal residents. You are a very important segment of this town! Your best source of up-to-date information is this website which is updated on a regular basis. All meetings of the working group, both whole group meetings and sub-committee

meetings are open to all and are posted on the Town Website. The large group meetings are also recorded and the recordings are posted on the Town website.

In addition, the Wellfleet Seasonal Resident Association will be presenting a Housing Forum on Monday, July 25 at the Adult Activity Center (previously COA) at 7 pm. This would be a great opportunity to hear about all things housing in Wellfleet and what part may be played by seasonal residents. You do not have to be a member of the WSRA to attend.

Also, there will be a GREAT concert By Wellfleet's own Narrow Lands String Band to benefit the Housing Trust at WHAT Theater on Monday, August 8. Tickets are on sale at [what.org](http://what.org) and additional donations would be another great way to show your support.

And finally, there will be a Wellfleet Town Forum sometime in the later part of August to specifically share information and answer questions ahead of the vote at Special Town Meeting on September 10.

### **So, the Town buys the land and THEN builds the housing? What will that cost us?**

Typically, when a developer is contracted to build affordable housing, the Town's primary contribution is the land which is usually provided as a long-term lease. The developer would pay for the construction likely using Affordable Housing Tax Credits and would retain ownership of the development. The Town would apply to the Commonwealth for additional grant funding for such things as wastewater management. It is likely the Town will only be asked to fund a small portion of the additional expenses.

### **Why are we buying 3 acres of it with CPA funds?**

There is a request to the Community Preservation Committee (CPC) for funds to purchase three acres of the property as a means of reducing the amount of the bond required. These three acres would then be permanently deed restricted as affordable at 100% AMI and year-round as required by the CPA. These three acres will be included in the overall planning for the property. This must be approved at Town Meeting and appears as Article 7 in the Warrant.