

Housing

What is the total number of units that can be built on the property?

The WPCPC recommends development of no more than 160 residential units.

In how many phases will the units be built?

The WPCPC recommends developing residential units in phases, and that Phase 1 be 50-80 units. The WPCPC recognizes that the formulation of phases of development will be proposed by prospective developers, and will be influenced by a number of considerations, including the availability of financing, an assessment of market need for proposed development, and the readiness of infrastructure.

Is there demand for the types of housing being recommended?

There are multiple indicators of need for housing that is attainable to a broad cross section of the Truro community.

A March 2023 report sponsored by the Cape Cod Commission projects that by 2030, there will be a shortfall of 307 units of ownership housing that is affordable to households earning at or below 120% of AMI.¹

Other local indicators of housing need were recently report by the Town's Administration:

- Truro's 16-unit affordable housing development at Sally's Way is fully occupied. According to the developer of Sally's Way, Community Housing Resources, the waitlist for their Outer Cape is more than 300 households.
- Currently, only 15 percent of Truro's housing stock are long-term rental units, which places the town in the category of a "rental desert" according to the Harvard Joint Center for Housing Studies.
- More than 100 illegal rental units have been identified within the Town that do not meet town and state health and environmental requirements.
- More than 80 percent of Truro's municipal permanent employees live elsewhere and commute from other towns on Cape Cod. Not a single employee of the Town of Truro is paid a salary that would qualify for traditional mortgage financing for the median-valued home in Truro.

The draft Housing Production Plan prepared by consultants under the auspices of the Truro Housing Authority cited the following findings:

- 27% of full time Truro households (179 Households) are housing cost burdened, meaning they spend more than 30% of their gross income on housing.
- 63% of those households (109 households) are low- or moderate-income households earning 80% of AMI.

¹ Cape Cod Housing Needs Assessment, Donahue Center, UMASS, for Cape Cod Commission, March 2023.

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- A household with the Truro median income of \$83,992 can afford at single home worth \$255,000. By comparison, the median sale price for a home in Truro is \$1,387,500 (2022).

How many bedrooms will each unit have?

The WPCPC recommends a mix of year-round housing unit types on the property to accommodate both seniors and individuals (universally designed studios and one bedrooms) and families (from 2- to 4-bedroom units) and that units be thoughtfully designed to address issues such as aging in place, growing a family, and sound buffering. Housing will include adequate parking and include shared green spaces for congregation and connection.

What is the definition of affordable housing?

According to the US Department of Housing and Urban Development, Affordable housing is generally defined as housing on which the occupant is paying no more than 30 percent of gross income for housing costs, including utilities.

The term affordable housing can be used to describe housing that affordable to a wide range of income levels. Most of what is considered affordable housing is constructed using state or federal funding programs and must meet income eligibility requirements. Affordable housing can also describe housing that is priced below market rates, whether or not it has been financed with state or federal programs.

All federal and state funding programs used to develop affordable housing set income limits for occupants to be eligible to live in the units developed using the funding. The income eligibility limits vary by program, and usually are expressed as a percentage of Area median income — referred to as AMI. AMI is defined as the midpoint of Barnstable County’s income distribution and is calculated on an annual basis. The FY2023 AMI for Barnstable County is \$124,300. Table 1 shows percentage of AMI calculated by household size.

Table 1. Barnstable County Area Median Income by Household Size²

% of Area Median Income	Household Size						
	1	2	3	4	5	6	7
50%	40,300	46,050	51,800	57,550	62,200	66,800	71,400
60%	50,790	58,050	65,310	72,540	78,360	84,150	89,970
80%	64,450	73,650	82,850	92,050	99,450	106,800	115,150
100%	87,010	99,440	111,870	124,300	134,244	144,188	154,132
120%	104,412	119,328	134,244	149,160	161,093	173,026	184,958
150%	130,515	149,160	167,805	186,450	201,366	216,282	231,198

² AMI figures in the Table are from US Department of Housing and Urban Development, Community Preservation Coalition or MA Housing Partnership One Program.

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To put the County AMI income levels in perspective, here are some examples of salary ranges for local positions based on information provided by the Town (note, Truro's median income is \$83,992):

Truro Police Officer, Firefighter/EMT: \$66,776 -\$87,128 (not including overtime)
Truro Fire Department Paramedic: \$73,454-\$95,841 (not including overtime)
Truro Elementary School Teacher: \$49,973-\$108,637

Many households with incomes that exceed eligibility limits for housing built with state and federal support still struggle to find housing that consumes no more than 30% of household income. These households need homes that are priced significantly below the going market rates. These units are generally more difficult to supply because there are extremely limited public resources available to underwrite the cost difference between market housing prices and what these households can afford to pay. According to a study released by the Cape Cod Commission earlier this year, the income needed to afford a median priced home in Truro is \$420,898.³

Who would be eligible to live in rental units built on the Walsh property?

Income eligibility requirements will depend on the sources of funding used to develop the housing.

Almost all affordable rental housing on Cape Cod is funded with state and federal tax credits. Here are the required income limits for projects using MA Low Income Housing Tax Credits:

- at least 20% of the units must be reserved for persons with incomes at/or below 50% of the area median income adjusted for family size; or
- at least 40% of the units must be made affordable for persons with incomes at/or below 60% of the area median income adjusted for family size.

The Cloverleaf project is an example of a project using state and federal tax credits. Cloverleaf has

- 6 units affordable to households earning 30% or less of the area median income (AMI);
- 19 units for households earning 60% or less of AMI;
- 8 units will be affordable to those making less than 100 of AMI and
- 6 market rate units.

Because of the mix income requirements, all of these units are eligible for the state and federal tax credits funding.

³ Cape Cod Housing Needs Assessment, prepared by Donahue Institute, UMASS for Cape Cod Commission, March 2023.

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Who will be given preference for housing on the Walsh Property?

The WPCPC recommends giving Outer Cape residents and workers preference for housing to the maximum extent allowed.

Who will monitor and ensure that rental units remain affordable in perpetuity?

State and federal funding sources include requirements that the units remain affordable. Rental units financed with Low Income Housing Tax Credits must be retained as low-income housing for at least 30 years. The Town can also issue include restrictions on the use of land, including the requirement that the affordable units remain affordable in perpetuity.

Homeownership lots can retain affordability by requiring homeowners to record a deed restriction to maintain affordability.

How will the rental housing be financed?

It is anticipated that development of housing and commercial space at the site would be funded through State or Federal tax credits (the primary source of funding for affordable housing) and other public grants, much as was done at the Clover Leaf Development. Any affordable housing funded with these sources would be deed-restricted to ensure they remain affordable

Who will own and manage the rental housing?

The developer of the rental units will own and manage the rental housing property.

Open Space and Recreation

Will open space on the Walsh property be protected in perpetuity?

Of the 69-acre property, the WPCPC recommends retaining up to 60% of the property as open space. Regulatory requirements for permanently protected open space will be met.

What types of recreational uses will be provided on the property?

The WPCPC recommends providing approximately 4 acres for public recreational purposes that may include multi-use athletic fields and/or community outdoor event space. Actual use will be determined by the Town. The WPCPC also recommends providing walking trails that are accessible to the public, including ADA-compliant trails.

Non-residential Space

What will the commercial space be used for?

The WPCPC recommends providing non-residential space that could include daycare, meeting space, community kitchen, or similar community-oriented use. This could include ancillary outdoor space for public use/recreation such as a park or playground.

Costs to the Town

Who will pay for and manage the wastewater treatment system needed on the Walsh property?

The Town may be eligible for state grants that could help to offset the cost of designing and installing a wastewater treatment system. However, the developer will be responsible for any design and installation costs not covered by grants, and for ongoing operation and maintenance of the wastewater treatment system.

What costs will Truro taxpayers be responsible for paying?

Community Preservation Act (CPA) funds collected through municipal property taxes and short-term rental tax receipts would be the primary sources of local funding for the project. Based on the experience of other affordable housing development projects, the Town could expect to contribute \$30,000-\$50,000 per unit from CPA and short-term rental tax receipts to underwrite development costs. The Town also could expect to provide a \$0, 99-year land lease.

What impact will development of the Walsh property have on local property tax revenues?

As a town-owned property, the Walsh Property is currently exempt from property taxes. In addition to \$0 in municipal tax revenue, the Town pays to service the bond issued to purchase the property. If developed the Walsh Property will generate annual tax revenue. By way of example, Sally's Way, a 16-unit property located in Truro, is assessed at \$2 million and generates approximately \$13,000 in annual property tax revenue. Larger affordable housing developments are assessed at higher values. Another example is Kings Landing in Brewster, a 108-unit affordable housing property on 17 acres, which is assessed at approximately \$7 million. Hypothetically, a newly built 50-unit affordable housing development in Truro could be assessed in the range of \$4 million to \$6 million conservatively. This range of assessed values would yield approximately \$27,000 to \$40,400 in annual property tax revenue to offset any potential increase in community services.

How many people will live on the Walsh Property?

The number of people who will live on the Walsh property will depend on the mix of units types, including studios, one-, two- and three/four-bedroom units. The precise mix of units would be determined by the Town in consultation with the developer and will be contingent on many factors including funding source and market demand. Not all of residents of new housing units would be new to Truro, particularly if the Town pursues the maximum allowed local preference option.

What impact will this number of housing units have on the local school system

Housing development would include a mix of studios, one-, two- and three/four-bedroom units. There is also strong interest in senior housing. Thus, not all units will house school age children. According to developers we spoke with, there are always fewer students than people imagine in new developments, and any students would span a range of ages from not yet in school, to

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elementary, middle and high schools. Moreover, not all students will necessarily be new to Truro, particularly if the Town pursues the maximum allowed local preference option.

Truro Elementary is currently under populated It has the capacity to educate 180 students and presently there are fewer than 100 students attending.

Are there enough jobs for people who will be living on the Walsh property?

It is a misconception that residents of newly built units would be unemployed. These householders would likely already be employed and would need to meet verified annual income requirements to be eligible for housing and or mortgage financing.

What benefits will this development provide for Truro Taxpayers?

- Your neighbors, community members, town employees and essential workers will have secure housing.
- The need documented in the draft Housing Production Plan and Truro Economic Development Strategy will be addressed.
- Community-oriented non-residential space that could be used for public meeting space, day care, community kitchen, live-work space or other community-oriented use.
- Development on the property will generate local property tax revenue.
- New passive and active recreation opportunities on a property that is currently inaccessible to the public.
- The addition of 7-acres to Truro Central School, making it eligible to receive state subsidies for any future expansion needs

Town Meeting and Community Input

What is Town Meeting being asked to approve?

Town Meeting is asked to vote to adopt the recommendations contained in the WPCPC report. This is a non-binding vote, which means that it does not commit the Town to take any action, but provides a sense of voters' preferences.

What happens if Town Meeting adopts the recommendations of the WPCPC?

The Town will put together a Request for Proposals (RFP) for a first phase of development based on the recommendations of the report. The Select Board has put forward an article to establish a community advisory committee to work with Town officials to develop the RFP for the first phase.

After Town Meeting, will Truro voters have a say in making future decisions about the property?

If adopted, the Advisory Committee would provide a vehicle for ongoing community input in the development of the RFP for the first phase. Any proposal for Phase 1 development would be subject to regulatory reviews that require public comment opportunities. Moreover, it is

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anticipated that there would be a process of community review and evaluation of need prior to initiating any subsequent phases of development.

Impacts of Development

Will this housing overwhelm the local water supply system?

Provided a new water tower is installed, water could be supplied to the site without affecting service quality or groundwater supply elsewhere in Truro and Provincetown. A new water tower is proposed by the Town of Truro to be located adjacent to the Property to ensure necessary water pressure for fire suppression for the Property and nearby areas. Water supply at the site will need to be negotiated with the Provincetown Water & Sewer Board.

Will this housing contribute nitrogen to the local groundwater supply?

To protect the groundwater resource, and meet public water supply (Zone II) requirements advanced wastewater treatment will be needed at the site. The primary water quality concern is nitrate. Scott Horsley, Water Resources consultant for the Town, has recommended a potential shared wastewater treatment system with the school and/or other adjacent properties. A wastewater treatment system that services new development on the Property as well as the school would meet nitrogen loading requirements. If a small number of surrounding properties were added to the system it could actually lower net nitrogen load in the Zone II, providing an overall public benefit through greater protection of the water supply. Treated water would be filtered at the site to recharge the groundwater

Will Traffic Generated by Development of the Walsh Property Create Unsafe Conditions?

The Cape Cod Commission conducted a traffic analysis based on 260 residential units and 32,000 square feet of commercial use—much more development than currently proposed. This analysis concluded that, based on the amount of development proposed, impacts to traffic on Route 6 were not anticipated to warrant a signalized intersection at the Property driveway. However, left turns out of Walsh Way onto Route 6 are anticipated to experience significant delays, particularly in summer months. During summer months at afternoon peak that delay will average 3.28 minutes or 196.8 seconds. Many people have expressed concerns about traffic impacts on Route 6, and more study of this issue is warranted. Recommendations for further study include:

- Because this analysis was undertaken in February, summer traffic conditions were estimated. Additional traffic data under summer conditions should be collected and assessed.
- Conduct a traffic study specifically including a gap analysis of Route 6 under summer conditions
- Analyze crash reports for Route 6 at Castle Road, Whitmanville Road, and the school driveway
- Evaluate configuration and treatment options for the driveway connection to Route 6

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General infrastructure recommendations included consideration of all road users in project design and in connections to Route 6, and to work with MassDOT on improvements to Route 6 to better accommodate all users of the roadway.

What will happen to existing cottages on the property?

One of the existing cottages are being moved to 25 South Highland Road to be used for housing for town employees. There are no final plans for the other cottages but the Select Board plans to ensure they are historically documented.