

# FINAL

Part Time Residents Advisory Committee  
Truro Town Hall  
(Selectmen's Chambers)  
Monday, July 16, 2018  
10:00 am

**Members Present:** Jean Krulic, Ira Joseph, David Sawicki, Carol O'Flaherty, Mary Worthington, David Grimason, and Larry Pisapio

**Regrets:** None

**Present:** Selectmen Liaison Maureen Burgess, Anne Greenbaum, Cathy Haynes, and Town Manager Rae Ann Palmer (second half of meeting for RAP)

## **Opening of Meeting and Introductions**

Chair Larry Pisapio opened the meeting and call to order.

David Sawicki inquired as to an item wanted included on the agenda and asked how specific the agenda items should be. The item, which centered on his research regarding the Residential Tax Exemption (RTE), was recognized as submitted. The item discussed briefly and will be part of the discussion at the next scheduled meeting on Monday, July 30, 2018 at 9 am.

## **House Size Discussion with Anne Greenbaum**

Anne Greenbaum  
One Truro

Ms. Greenbaum provide information about a proposed house size proposal. During the 2017 Annual Town Meeting, voters set limits for future house sizes. Greenbaum explained the current status of housing size limitations outside the seashore district and provided data on town-wide house sizes.

Greenbaum represents a group, One Truro, interested in expanding the town size limit to all areas. Current limits are only placed on houses inside the seashore district. Outside the seashore district, the only house size limitation address zoning setbacks from property boundaries, zoning height limits, and Board of Health limits on number of bedrooms per 10,000 square feet. Greenbaum implied that "your neighbor could legally build a 15,000sf house on a ¾ lot."

The date set for public hearing on this item will be August 15, 2018 at 6 pm. Two community forums are planned prior to this meeting on Aug. 1 from 6-8 pm and Aug 4 from 10 am to noon.

Greenbaum submitted a summary sheet of the proposed bylaw drafted from the Seashore District Bylaw created by the Planning Board.

### **Residential Tax Exemption with Cathy Haynes**

Cathy Haynes presented her views on the Residential Tax Exemption.

Haynes wants alternatives used to the currently approved RTE that are used elsewhere in the Commonwealth. Haynes recommends looking at a list of current exemptions and use, and encourages the town to promote these alternatives used in other areas of the state. As an example, she provided an overview of clause 41c for senior citizens, which she claims can provide exemptions up to a 20% limit. Few residents currently use this exemptions, even though 35% of residents are 65 years old and older.

Suggestions from Haynes as to what the committee should ask the Board.

1. What were the reasons for the RTE?
2. Evaluate existing use of tax exemptions that are being underutilized (only 9 took advantage of 41c last year)
3. A better reach out program to promote exemptions to elderly and low income
4. Use of these exemptions to shift from all people to those who actually need them

### **Follow Up Questions and Issues**

Questions such as, "What was fully amount of assessed values" and "what was the effect on part timers?" were asked to both Haynes and Town Manager Rae Ann Palmer.

The Board raised the idea if we need a tax professional to go through the numbers assessed and paid in last year's tax year?

Committee member Dave Sawicki presented research on the relationship between RTE and sustainability in the policy literature in the Cape Cod area (please see below for extended remarks by Mr. Sawicki). He sees no correlation between sustainability and the implementation of the RTE. Sawicki asked if we can come up with the appropriate survey questions? He suggested a format (see below).

Anne Greenbaum said that 95% of part time resident's survey opposed to the RTE. However, these people also agreed that people who need tax breaks should get it. Greenbaum encourages closure around the RTE discussion before house size discussion.

Maureen Burgess mentioned that Lego-sized scales of what does 3600 sf looks like are on display at the farmers market each week.

Carol O'Flaherty spoke about size of budget (\$19-million) and costs and cutting costs of town

Larry Pisapio asked about how our committee gets on the monthly agenda.

The committee passed a motion by Ira Joseph to make future meetings at 9 am instead of 10 am. Rae Ann Palmer entered the meeting to

1. Confirm tax rate numbers presented on paper for Fiscal year 2018 were actuals
2. Can't get to a number easily that shows the shift number of tax burden from residents to non-residents
3. Confirm that she can get a list of who took the tax break

David Grimson wants to raise the issue of affordable housing, particularly as it relates to the possibility of the Hortons property constructing home or townhouses on 17 acres.

Next meeting is scheduled for July 30 at 9 am

Approve minutes



Agenda

1. Discuss RTE and House size questions for the Board
  - a. Review David Sawicki's document on RTE
2. Our ideas on how to incentivize full time people to stay

*The following two items represent the view of committee member David Sawicki only and not the committee itself*

Additional comments by David Sawicki

### **A Sustainable Vision for Truro 2050**

We are interested in describing a realistic "sustainable" vision for Truro's future because we saw a legitimate desire among Truro's elected leaders to create a "sustainable Truro." Our focus here will be people, jobs, and housing. In other words, we are concerning ourselves with the economic sustainability of Truro, not the sustainability of its natural environment, although that is also a worthy concern.

We feel that Truro's challenges must be understood and addressed in a regional context, as a part of Barnstable County. Truro is inescapably part of the economic system on Cape Cod. It cannot stand alone. This is partly because Truro is relatively remote—except from our neighboring Cape communities. Transporting people and goods to and from Truro takes time and money even though communication is instantaneous. It is also true because Truro is a small municipality and of necessity depends heavily on the rest of the Cape for many basic and specialized goods and services and for labor. That is a given for small communities everywhere. It is also true that many challenges Truro faces also challenge the larger region and are being addressed (or not) in ways that affect Truro.

Truro's local comprehensive plan (2005) along with the 2015 Final Housing Needs Assessment Report (both available on the Truro town website) provide good descriptions of the challenges Truro faces, along with many solid policy alternatives. An update of the 2005 plan is under development but will not likely be published until 2019. We suggest those interested in participating in a discussion/workshop on Truro sustainability begin by first carefully reviewing these two documents. Several other documents (available on the Cape Cod Regional Commission website) are worth reviewing as well. These include:

Cape Cod Regional Policy Plan (CCRPP)  
Cape Cod Second-Home Owners Report 2017 (CCSHOR)  
Shaping the Cape's Future (STCF)  
Market Assessment for Cape Cod Massachusetts (MAFCCM)  
Cape Cod Comprehensive Economic Development Strategy (CCCEDS)

From these documents and other sources we draw a number of conclusions relevant to Truro's economic sustainability.

- **Approximately 24% of Truro's residential parcels are occupied by full-time residents.** Most of the remaining 76% are occupied part-time. This is calculated using data in the 2017 handout provided by the town to explain the Residential Tax Exemption (RTE).
- **Truro is losing full-time residents.**
- **Most of Truro's new construction will be occupied seasonally.**
- **Part-time residents are not all the same—and some are very much like full-time residents.** The CCSHOR survey indicated that 8% of second homes on the Outer Cape are occupied year-round. There is a lot of diversity concealed by the yes/no question of whether a house is a primary residence. On average, second homes on the Cape are occupied by their owners (part-time residents) for about 100 days out of the year. The average number of days of occupancy reported was above zero in every month, although the number of days of occupancy was highest in July and August. On the other hand,

some people who vote in Truro are absent from Truro for several months a year. Thus the full-time/part-time distinction is not particularly helpful in terms of defining sustainable needs (i.e. healthcare, public safety, retail, etc.), with the clear exception that part-time residents do not send children to school in Truro.

- **Truro has fewer resident children than in the past and a smaller working-age population.** Truro's school serves fewer children than when it was built, but without it families with young children would be even less likely to remain, or to be attracted to Truro in the first place.
- **Truro's population is growing older and includes more fragile older people who need special assistance.** Truro is relatively remote from much healthcare and has few potential caregivers. Consultants recommend that these deficiencies be addressed at a regional scale. Some elderly full-time residents move off-Cape to address health issues and be reunited with children who no longer live here.
- **Truro's housing is very expensive.** Truro is attractive to a large, affluent population within a day's drive, creating significant demand for second homes. Yet Truro has done better than some other Cape towns at adding affordable housing and has attempted to tailor it to people already living and/or working in Truro.
- **Local workers cannot afford to live in Truro.** Both full-time and part-time residents need services, including those provided by local government, but local employment often does not pay enough to allow local workers to live in Truro's expensive housing. There is little rental housing, especially multi-family. In other communities where housing is expensive some workers commute from less expensive locations, but Truro is relatively remote and other Cape towns are also short of affordable housing. (One caveat here: some full-time and part-time Truro residents work from home, providing services remotely, and could choose any location. Though they are local workers, the sustainability concern is for housing workers who provide goods or services to other Truro residents.)

These concerns led Truro elected officials to a policy that is poorly targeted—passing a tax exemption for full-time resident homeowners (the 2017 residential tax exemption, or RTE). The plans and policy documents we reviewed above do not propose such an exemption, and we think it may undermine rather than promote Truro's economic sustainability. Without question it stirred controversy and hard feelings. We suggest that instead of continuing a divisive policy like the RTE, Truro might usefully discuss alternative ways to more effectively address the issues noted above and maintain a sustainable local economy. These alternatives should be realistic. The many studies already completed indicate that some visions are not possible. Truro's economy is not sufficiently diverse to permit all its children to pursue careers here. It is too small. Though there are exceptions, most young adults will find more opportunity for employment and social connection in larger population centers.

However, there are alternative approaches, some of which are already underway. The Truro Housing Authority has taken the initiative to improve the supply of affordable housing in town, adding to the opportunities for young families and local employees to live and work locally. The town now allows the construction of additional housing units on developed residential parcels if the new units will be for full-time rather than seasonal use. The town is investigating coordination with neighboring communities as a method of reducing staff expenses and controlling the budget and thus tax bills. It may be possible to target housing assistance to occupations deemed essential to the town.

There has been less discussion of how improved transportation (by land, water, or air) could contribute to making commutes into and out of Truro safer and less time-consuming, allowing Truro to import more of the workers it needs and simultaneously to provide greater opportunity to Truro residents. If it were easier to travel up-Cape and off-Cape, health care services would also be easier to access, as would educational opportunities, social services and retail options, as well as speeding the deliveries that Truro increasingly relies on.

Any approaches selected should be more efficient than the RTE, which provides only minor tax relief and is provided to all full-time residents, irrespective of their incomes.

Dr. Amy Helling  
Dr. David Sawicki

Amy and David are a married couple who built their home in Truro in 1980. They split time between Truro and Atlanta, Georgia. Amy is a retired professor of public policy from Georgia State University and David is a retired professor of city and regional planning and public policy from Georgia Tech. David co-authored a best-selling textbook, *Basic Methods of Planning and Policy Analysis*. It was first published in 1986, with the third edition published in 2013.

### **Suggested RTE Survey by David Sawicki**

This short survey is designed to measure levels of support for the Truro Residential Tax Exemption (RTE) adopted by the Selects 4 to 1 in August 2017. It must be re-voted annually, thus this survey will inform their decision. The RTE allowed all full-time residents who qualified in the 2018 tax year to subtract \$122,494 (20% of the Truro median property value) from the assessed value of their property. This resulted in tax savings of over \$900 for all full-time residents who took the exemption, regardless of how expensive their home was. It also raised the property tax rate for everyone (full-time and part-time) to compensate. When the Selects vote on the tax classification again in 2018 (likely in August or September) they may vote (1) not to have

an RTE, (2) to keep the exemption at 20%, or (3) to increase it up to a maximum of 35%. Now to the questions.

1. Do you approve or disapprove of the RTE as currently structured?

Approve \_\_\_\_\_ Disapprove \_\_\_\_\_

2. If it were possible to substitute instead of the RTE a program that would reduce the tax burden only on **needy full-time residents**, would you approve or disapprove?

Approve \_\_\_\_\_ Disapprove \_\_\_\_\_

3. Are you a full-time or part-time resident?

Full-time \_\_\_\_\_ Part-time \_\_\_\_\_

4. If you are willing, please estimate the assessed value of your home below.

Less than \$200,000 \_\_\_\_\_

\$200,001-\$500,000 \_\_\_\_\_

\$500,001-\$700,000 \_\_\_\_\_

\$700,001-\$1,000,000 \_\_\_\_\_

More than \$1,000,000 \_\_\_\_\_

