Report from the Winterization Committee (Laurie Hutcheson and Liz Tavares)

We were tasked with exploring the feasibility and potential costs to individuals and the impact on the condo association on the whole if one or more owners wanted to convert from seasonal to year-round use.

This write-up utilized information and input from:

- Truro Building Department Building staff: Commissioner, Rich Stevens, and Assistant Michelle Fogarty,
- Peter's Property Management: Joslyn Bonfini
- Cape Quality: Erika Meads, Office manager
- Emily Beebe, Truro Health & Conservation Director
- Bob Bacon, Wellfleet Contractor (508-349-6332)
- Clyde (?), Wellfleet architect
- John Bologna, Coastal Engineering, Orleans (508-255-6511)

This report covers:

I. Steps that must be taken for a CHCCA Owner to Convert
II. The implications of our Shared Water System for One or Some Owners to Seek to Winterize
III. Input from Welflleet Contractor Bob Bacon Who Walked Through 8SLW and Cottage 7 to assess Winterization needs for insulation, etc.
IV. Other Practical Considerations for our Condo Association
V. CHCCA Decisions/Votes Needed

I. Steps that must be taken for a CHCCA Owner to Convert

The town law passed when Truro passed the ordinance allowing seasonal rentals to convert to year round use includes the following requirements that our association would have to adhere to to get started if even one owner wanted to convert. There are two steps that must be taken before any individual owner could go ahead and start a conversion process.

1. Application for conversion for the association. ***Apparently the entire condo association must vote to make an application for a "File Review" and agree that when the file review is done, each unit will undergo an inspection by the fire, plumbing, wiring, building and conservation/health inspectors***. This is to make the process most efficient for the Truro building department. After the condo association votes to make the application and undergo the inspections, inspections are scheduled with each owner usually over the course of a few weeks but the scheduling can be flexible. Michelle noted that the process can take a while.
2. ***Before an application can proceed the condo association must also have voted to have designated a person(s) who will be the contact to the building department throughout the process, and agreed to the inspections of each unit (regardless of any individual owner's interest in conversion)***. There is no prescribed timeframe from the completion of the file review to the point of the start of inspections within which the owners must act.

   The building commissioner told me that the inspection would determine what steps each unit would need to make to meet current energy codes. Truro is a "green community" so a HERS rating would have to be done on each unit as well as a "blower door" test to confirm energy code compliance. (He added that on older cape cottages

the steps that need to be taken to enable them to meet this requirement can be very difficult and costly.

I then spoke with the Truro conservation agent Emilee Beebe who elaborated on what the inspectors will look at and explained some requirements that cottages shifting to year-round-use would need to meet as follows:

I asked Emily if the inspections include an assessment of how and from where the water comes into our cottages and whether it includes a determination of whether one owner - who may be on the same water system as several of the condos (and that water system is currently drained at the end of the season and shut off) can proceed to make the renovations in plumbing, heating and insulation etc. to enable that home to convert to year round use and have the water stay on all year - *apart* from the others on that system, and if so, would this require that new pipes be laid?

Emily answered as follows: "Our inspectors will look at the plumbing, and the location of the plumbing; however, your water system is licensed by the State and operated by a certified water operator. Your plumber will need to work with Your operator to determine what needs to be done to meet the code. Our inspectors will review documentation from them, so it is best to get out in front of this request (by us) for this information by consulting with your professionals and getting estimates from them about what they foresee will be necessary to make the units functional and code-compliant for year-round occupancy. Your association may want to address/introduce sub-metering of the units; that is a question we will ask during the inspection."

Regarding the question of separate water systems – Peters' explained to me that this was very doable.

Regarding the question of year round temperature maintenance requirements, Emily explained the following: "Your dwelling units need to meet the heating requirements of the State Housing Code for the heating season, which is from September 15 to June 15 to a temp of at least 68 degrees between 7 AM and 11 PM, and 64 degrees between 11PM and 7 AM. The State housing code requires that heat is provided in all habitable rooms including bathrooms. Portable and space -type heaters are not allowed."

3. *The Application fee for the Truro Inspection assuming the condo association votes to proceed:* $250 plus a non-refundable per unit fee of $50 (These together cover application and include the inspection cost)

4. Once the file review and individual unit inspections have been completed, the building department prepares a report that describes, unit by unit, what each one needs in order to make the conversion from meeting seasonal to meeting year-round-use building codes.

   Note: Once we receive the report, each individual owner may proceed, or not, to pursue getting the Truro select board permission to proceed and the building permits and hire a contractor to convert their own units. No owner will be obliged to take any steps to convert.

5. Once the application and inspection report has been given to the condo association, there is not a time limit within which an owner must take steps to convert. But for the points made below, the rest of the costs of conversion including the permit process (for example, there is a $50 permit fee for installing insulation) would be borne by the individual owners and the process would be apart from a condo process from the town's perspective. (That said, there are currently condo rules regarding changes made to the six littler cottages that dictate that the changes must be made simultaneously to retain the original cottage colony character. In addition, after a plumber assesses what is needed regarding the shared pipes, separating one or more units off etc., there may need to be further condo association actions before any owner can proceed.

6. As part of the process of permitting any individual conversion, the permit application must be approved by the Truro Select Board. The designated CHCCA designated representative would appear to board on behalf of whatever condo owner was hoping to move forward. With the board's approval they would receive the building permit, have the work done and the various inspections related to meeting the full year use codes completed. When the permit is closed the town issues the condo a certificate of occupancy for the unit(s) successfully converted.

II. <u>The implications of our Shared Water System for One or Some Owners to Seek to Winterize</u>

I have spoken with Joslyn of Peters. She conveyed the following:

1. We are currently all on one well but there are two well pumps one to upper and the cottage pipes are like spokes with the well in the center. She thinks she may have the site plans for the units and will send them to me if so.
2. For any single unit to winterize, it would have to mean separating it from this shared system and the Water main, which is grouped would be reconfigured
3. Any owner that wanted to convert would have to bring their pipes and plumbing system up to code for year-round use. This might require having a full foundation to ensure that the pipes are sufficiently insulated. In addition, each units' pipes between the cottage and the pump must be a requisite 3 feet below grade. ***The pipes coming up under and into the cottage are not and would need to be buried***.
4. An engineer looking at the site plan and maybe digging would be able to answer the question about the depth of the pipes to the spoke being sufficient or not. In addition, If the pipes from cottage to pump were not deep enough there would have to be more digging to sink them.
5. In terms of adding a partial (a four foot crawl space) or full foundation so that insulation could be blown in sufficient to meet the requirements, each cottage would need to be assessed. There are a few options including having a crane lift the cottage, or a foundation company to dig beneath the cottage. I was advised to talk with a contractor ahead of time and possibly a structural engineer. I have met with a contractor (see discussion below).
6. I also got a proposal from a structural engineer (John Bologna for Coastal Engineering) for a structural assessment of the needs to winterize for three of the cottages to serve as prototypes for the others. He proposed to assess 8 SLW, 5 (the whole building) and 7. He would develop a report on the three for $3,000.

III. <u>Input from Welfleet Contractor Bob Bacon (508-349-6332) Who Walked Through 8SLW and Cottage 7</u>

On the advice of the town to get some idea of the changes necessary to convert and associated costs before proceeding with the town's inspection, I was referred to Bob Bacon (by the head of a Cape foundation company- Brendan Donovan). Bob met me on 9/19/2020 and walked through 8SLW and cottage 7 with the primary purpose of providing some ballpark estimates for each cottage about what would be needed to bring them up to code and the insulation options.

My notes are as follows:

8 SLW
Foundation insulation: Given the partial foundation crawl space, he thought the pipes could be sunk down and then the space made "more conditioned." He would suggest putting down a heavy duty vapor barrier over the sand and then spraying in insulating foam - **$5K** (he added that jacking the cottage up to dig a foundation would be about $70k and not the way to go because of our location) (I did speak with someone whose friend had just had his home in Welfleet lifted to dig a foundation in order to winterize and his costs were $33K for the lifting and digging and $15K for the insulation once the foundation was dug.)

Heating the main cottage and insulation: His suggestion was to blow in insulation in the attic – but only after other desired changes were made, such as venting the bathroom vent outside, and installing the mini split heat pumps and running ducts to each room. There would also need to be a compressor placed outside. He said that the setup now would make this easy to do. The bigger issue would be the lack of insulation in the walls. He suggested adding insulation to the exterior walls by drilling holes in each and blowing it in behind the paneling for an estimated cost of **~$10,000**. He also said that every window that is not thermal pane would need to be replaced. The cost for replacing the windows he estimated at $1,000 each ($2K for the picture windows) and roughly **$12-15K** for all. He suggested that all ceilings should be drywalled. He did not give me any prices for the minisplits and compressor and duct system.

Electricity and smoke/carbon detectors: they need to be in each room and hardwired and this would be installed before the sprayed in insulation/foam. Estimated cost: **$4K**. He said we have 100 amps now and room for more so the electrical box was okay but probably should be upgraded further to support the heating units and the wall that it is in would also need renovation. He did not give me an estimate.

Plumbing: Bob was unable to give me an estimate about what would be entailed to get our pipes the requisite 3 feet below grade.

Overall: He did not give me any overall estimate for labor and materials but based on the above, the price to winterize would **start at: $30,000**+

#7
Foundation insulation: All of the little cottages would be a bit easier in terms of jacking up or digging down to create a foundation and he noted that if six were done at once the price could be quite reasonable. Because the cottages are so old however, the floor joists would need some additional framing to support them before the cottages were lifted. He said that it would be possible to dig a full foundation beneath each without jacking them up and it was not clear which option would be better and cheaper. He estimated $40K for the foundation. Insulation: Bob suggested that since the walls are roof are not insulated but that the interior of the cottages should ideally be left alone to maintain their character that rather than creating walls inside, to redo the outside, put in foam insulation and then re-shingle. He recommended this for the roof too.

Regarding the windows, they would need to be replaced with thermal pane and electrical system upgraded to support the mini splits. Since the mini splits require compressors outside, where these could go for one or all of the cottages and how they could be installed without being unsightly would have to be addressed.

Overall: He did not give me any overall estimate for labor and materials but did give a ball park estimate of **$75-$100K** to winterize one cottage and possibly a little less if more than one was done at a time and the contractor could make a volume discount.

IV. Other Practical Considerations for our Condo Association:

Different Electricity Use: Assuming one, some or all owners go ahead and convert, and even if they do so by separating their units off from the water lines of the rest of the condos, there will be an impact on the condo association's electricity use and homeowner's insurance. Regarding the electricity, assuming that most who convert will go to electric heating (mini splits), and need to run the heaters all year to maintain the winter season minimum temps. If only some converted, but our electricity is still shared, we would have to determine how to allocate the additional cost.

Impact on Homeowner's Insurance: Regarding the homeowner's insurance, Liz checked with our insurance carrier and got some good news. She confirmed that our premium would NOT be affected if one or more cottages decided to winterize.

Bylaw/Deed restrictions: There is currently a bylaw preventing any anything more than seasonal use (section 8 letter b) and preventing anyone to make external changes alone and/ or make changes that would change the architectural integrity of the building (section 8 letter e of the deed). We would need to amend the master deed if we wanted to move forward to allow any owner to proceed with winterization.

One advantage of winterization is the potential for year-round rental income for owners. Truro passed the new rule about converting seasonal rentals in part to address the huge housing shortage on the cape so the town officials are likely to be accommodating. I have found them very helpful so far and got the sense that the conservation commission would also be supportive and helpful as possible in helping us address the submersion of pipes, etc.

V. **Decisions/Vote Needed**

1. ***Does the Condo association want to proceed with the Town's assessment for the $250 fee plus $50/unit?*** (This would then requires every owner to pay their portion of the $250 plus $50 for their unit and allow entry for the assessment. It would NOT oblige anyone to proceed with winterization efforts).
2. If the vote is yes, ***who will the association designate*** as the person who will work with the town and go before the select board after the town's review is done and any individual owner seeks to take out a permit to start the winterization permit to get the board's permission to proceed?
3. If the vote is yes, ***does the Condo association wish to proceed with the engineer's structural assessment*** of three "prototype" cottages (8SLW, 5/12 and 7) and share the $3,000 cost to do so before proceeding with the town's assessment?

Committee Recommendation:

We recommend that we should go ahead with the initial assessment by the town - it was what both the contractor and the engineer I spoke with recommended because once that is done -

we would have a report on each cottage and what would be entailed for very little cost per cottage cost ($50 plus a share of the overall cost of $250). While this means a minimal inconvenience of allowing the town of Truro in to do the assessment, we think that this is not a huge burden given the helpfulness of the report that it would yield. The town's report would give us much more detailed information by unit of what would be required.

Then we could address the other needed amendments if we decided that we wanted to allow anyone to go it alone. If we don't at least take this step it will kill the idea for now and the people I spoke with said we should really take advantage of Truro's lenient feeling about winterization while we can.