

D. FAQs ABOUT COSTS & FINANCING A POSSIBLE ACQUISITION OF THE CAPE COD SEA CAMPS



Credits: Town of Brewster; Keen-Summit Capital Partners, Phoenix Management

COSTS & FINANCING

How much were the two properties appraised for?	The Town hired a professional appraiser to appraise the market value of both Sea Camps properties. Because the parcels are unusual in their size and waterfront locations, local land use and conservation experts were consulted during the appraisal process to verify the accuracy of the appraisal analysis.
Are the ASSESSED property values the same as APPRAISED values?	No, assessed property values are used only for property tax purposes utilizing data from previous fiscal years. The appraised value is based on analysis of the property and reflects what a buyer might expect to pay for one if it is on the current market.
What were the listing prices for the CCSC properties?	The sellers did not identify listing prices; they only invited confidential bids from interested parties. The sellers set out a process for parties interested in buying the Sea Camps to follow. The Town followed the process in an effort to negotiate a sale with the sellers.
How much did the Town of Brewster bid for the properties?	The Town submitted bids in June based on the two professional appraisals of \$15,215,000 for the Bay Parcel and \$4,200,000 for the Pond Parcel.
Why is a negotiated sale the desired path?	A negotiated sale has always been the preferred path to acquire the properties of the Select Board and Town Administration in order to reduce the financial risk to Brewster taxpayers, to avoid potential litigation and other related expenses and to start the Master Planning process and any future public uses in a more expedient manner.
What are the results of the negotiated agreement with the Cape Cod Sea Camps?	Although initial negotiations stalled, the Town and the Cape Cod Sea Camps re-entered negotiations in late August and were able to come to mutually beneficial agreement. The Town will pay \$20,000,000 for the Bay Parcel and \$6,000,000 for the Pond Parcel if approved by Brewster voters. While the Town's initial bids were consistent with the anticipated market value for these properties based on the analyses we completed earlier this year, new information from the sellers regarding actual bids they received from private developers prompted the Town to increase their offers. It is desirable to the Sea Camps to sell the parcels to the Town as a package deal.
Are there other parties interested in working with the Town and making contributions toward the properties' costs?	Yes, the Town has been in communication with several possible partners and other interested parties to create relationships that could reduce the costs of acquisition to Brewster taxpayers. Brewster Conservation Trust and Mass Audubon have made pledges to the Pond Parcel of \$1.75 million and \$1.5 million respectively. The Water Commissioners have committed \$250K+ towards the Pond Parcel. Resident input through the Master Planning processes will help inform what partnerships make the most sense for our community and the extent to which they will ultimately reduce capital costs and/or ongoing operating expenses for the Town.
How will acquiring the Sea Camps affect my taxes?	Financing the \$20 million of excluded debt for the Bay Parcel would result in a projected increase in the Town tax rate of \$.25 per \$1,000 of assessed property value. That means a \$100/year increase in property taxes for a home valued at \$400,000. For each \$100,000 increment of property value, residents would pay an additional \$25/year. The Long Pond acquisition, as proposed, would have no impact on residents' property tax bills. The required debt exclusion for acquiring that property is for financing purposes only based on the pledges secured to date and available Town funds.