

# 5<sup>TH</sup> ANNUAL CAPE COASTAL CONFERENCE

## Cape Cod: A Tale of Two Economies

Heather Harper, Cape Cod Commission



CAPE COD  
COMMISSION

# CAPE COD

## A TALE OF TWO ECONOMIES

Heather Harper

5<sup>th</sup> Annual Cape Coastal Conference  
12/5/2017









# Mission of the Cape Cod Commission

...To protect the unique values and quality of life on cape cod by coordinating a balanced relationship between environmental protection and economic progress.





# Mission of the Cape Cod Commission

Keeping a special place  
special...





# Planning for healthy resilient Cape Cod communities anticipating and guiding housing needs





**215,000**  
PEOPLE



**160,000**  
HOUSING UNITS





















**101,000**  
JOBS



**84%**  
LAND PROTECTED OR  
DEVELOPED



# How Different Is Our Demography?

					
barnstable	sussex	horry	osceola	lee	collier
<b>394</b> square miles	<b>936</b> square miles	<b>1134</b> square miles	<b>1327</b> square miles	<b>785</b> square miles	<b>1,998</b> square miles
 <b>149</b> seasonal units per square mile	 <b>40</b> seasonal units per square mile	 <b>38</b> seasonal units per square mile	 <b>20</b> seasonal units per square mile	 <b>101</b> seasonal units per square mile	 <b>28</b> seasonal units per square mile
<b>51.7</b> MEDIAN AGE	<b>47.1</b> MEDIAN AGE	<b>43</b> MEDIAN AGE	<b>35.6</b> MEDIAN AGE	<b>47</b> MEDIAN AGE	<b>48.6</b> MEDIAN AGE
NEARBY ATTRACTIONS	NEARBY ATTRACTIONS	NEARBY ATTRACTIONS	NEARBY ATTRACTIONS	NEARBY ATTRACTIONS	NEARBY ATTRACTIONS
 CAPE COD NATIONAL SEASHORE	 NASCAR	 MYRTLE BEACH	 DISNEY WORLD UNIVERSAL STUDIOS SEA WORLD	 FORT MYERS BEACH	 EVERGLADES NATIONAL PARK



# Cape-wide Economic Trends

33%



## Year-round Employment Growth

Growth rate in year-around employment between 1990 and 2014, higher than MA and US  
( from 70,230 to 93,599 )

58%



## Wage Growth

Growth in inflation adjusted year-around wages between 1990 and 2014

9%



## Labor Force Growth

Growth in average size of civilian labor force on the Cape between 90s and 2000s

3%



## Regional GDP Growth

Growth in regional economy (RGDP) by 3% between 2000 and 2010 despite the recession  
& 62% growth between 1990 and 2010



# Demographic and Economic Forecast

## 3.3% population growth

Population is projected to grow to a total of 221,000 over the forecast period.

## 5.5% increase in employment

National, regional and local economic factors combine with projected population increases for this forecasted growth to a total of 155,700.

## 3.4% increase in households

Growth is slightly faster than population since household size is projected to decrease.

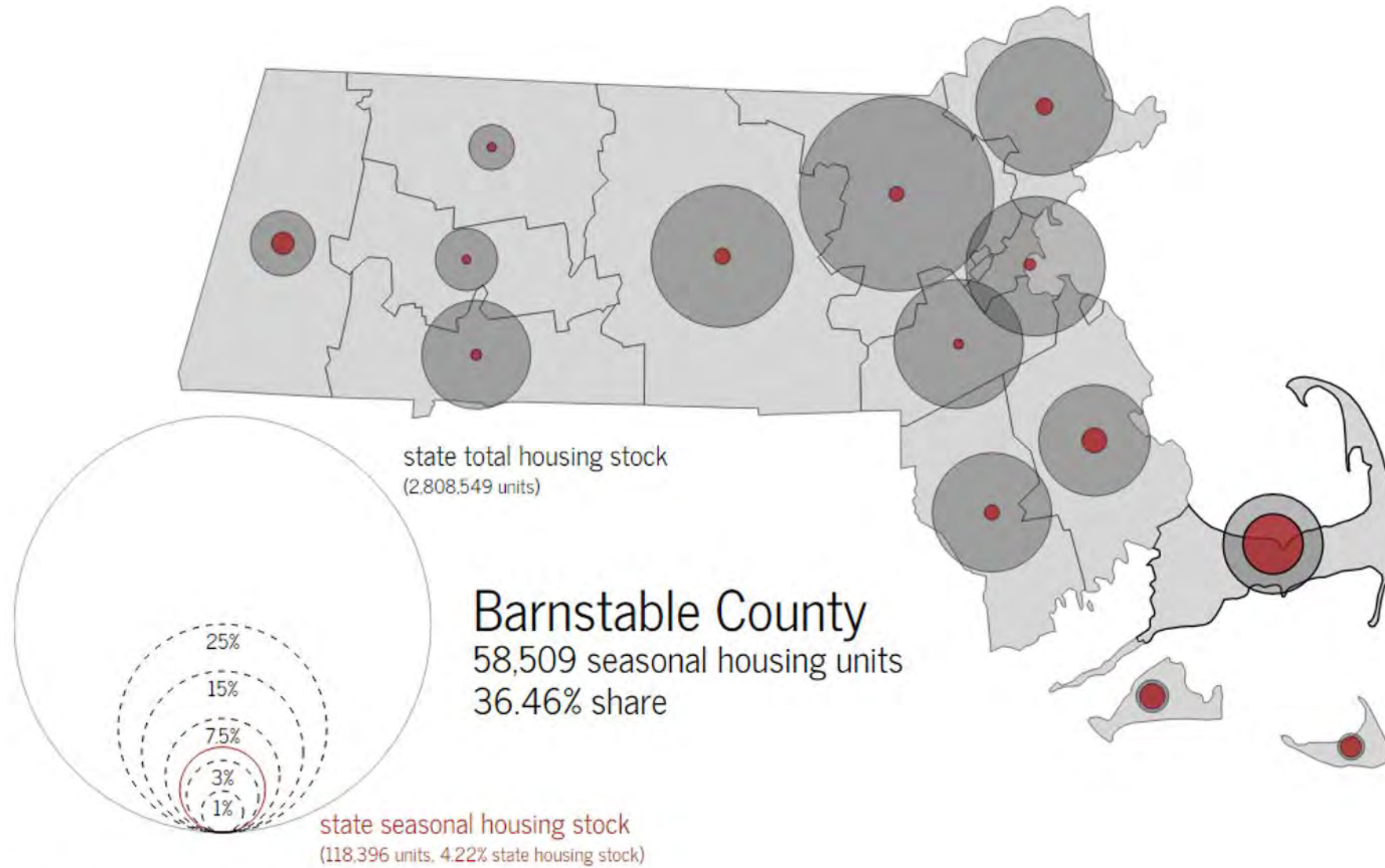


Standard economic  
indicators show an  
improved economy....

...So why doesn't it feel like  
our economy is thriving?



(2010 data)



### Size by

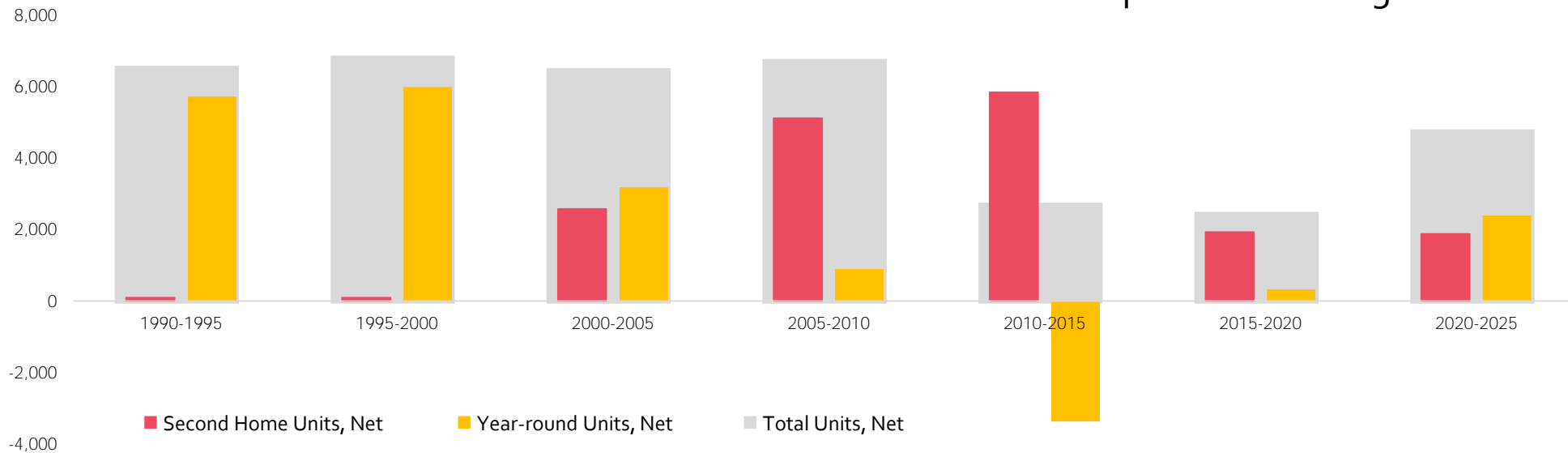
- Total Housing Units
- Seasonal Units
- Population
- Seasonal & Total Housing Units



# Shifting Demand

**Demand for seasonal homes will persist as a major driver of housing unit demand.**

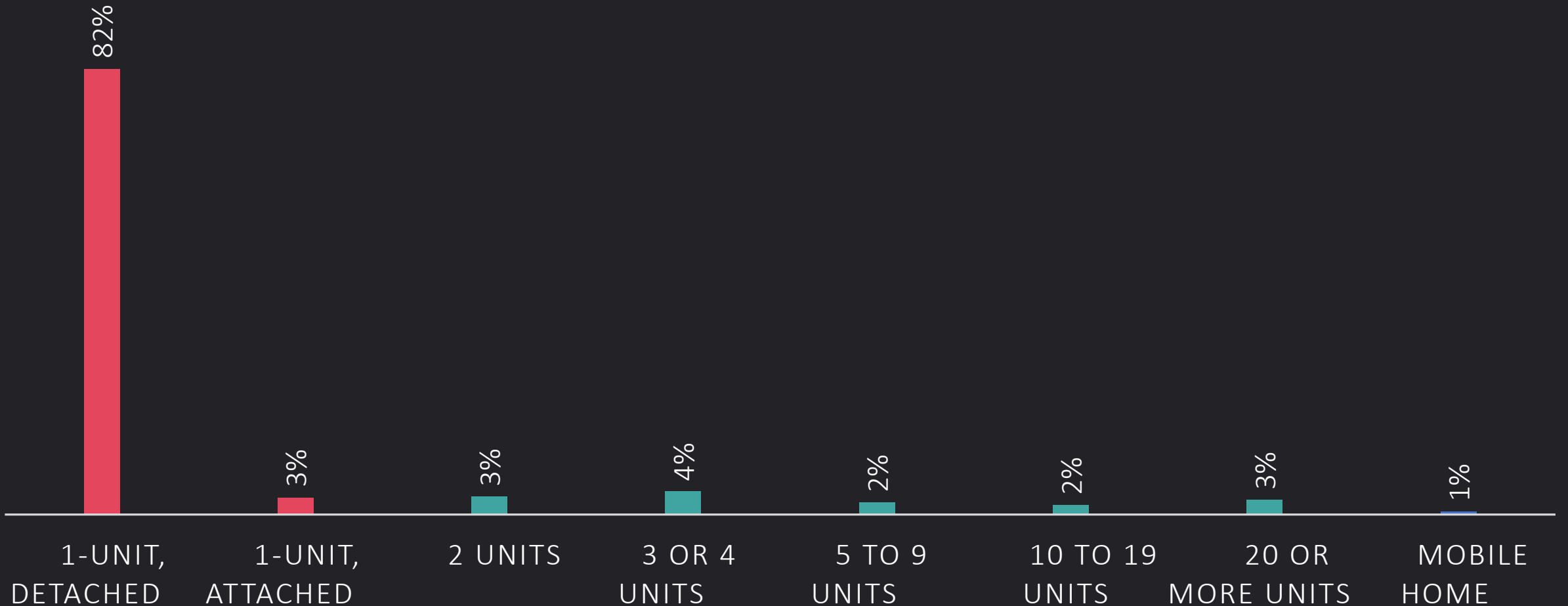
The impacts of the Great Recession caused a surge in second home demand. This will have a long lasting effect on Cape Cod's housing market.



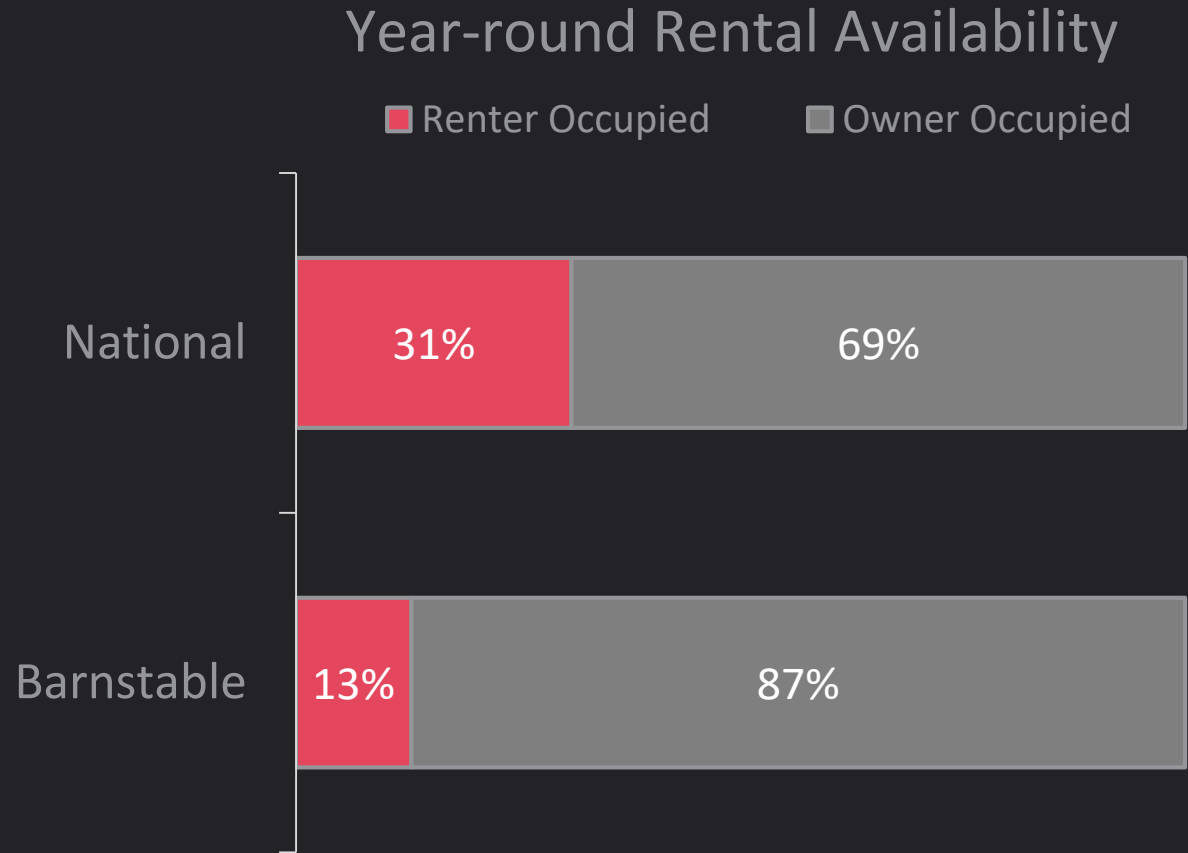


# State of Housing Stock

## Problem of Monoculture



We have lower  
share of year-  
round rental  
properties



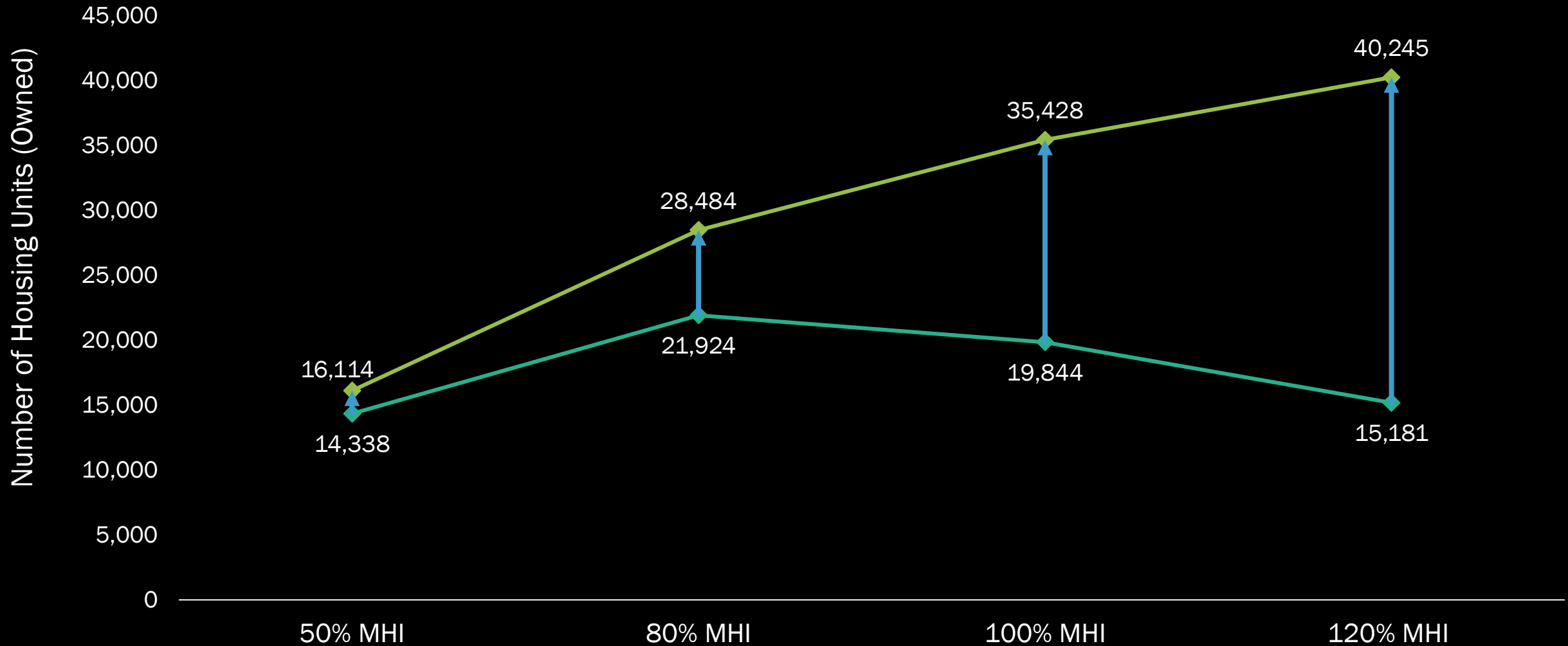


**26,000 households on Cape  
Cod are 'cost burdened'  
spending more than 30% of  
income on housing.**

Source: CRANE/EPR, Barnstable County Housing Market Analysis

# Change in Cumulative Affordability Gap by Income Level for Owners in Barnstable County, 2015-2025

◆ 2015 ◆ 2025





# Affordable Home Price vs. Median Home Value, by Town and Income Level (2015)

Choose Year

● 2015

○ 2025

Select Your Town (s)

All

Select Your Subregion(s)

☒ Lower Cape

☐ Mid Cape

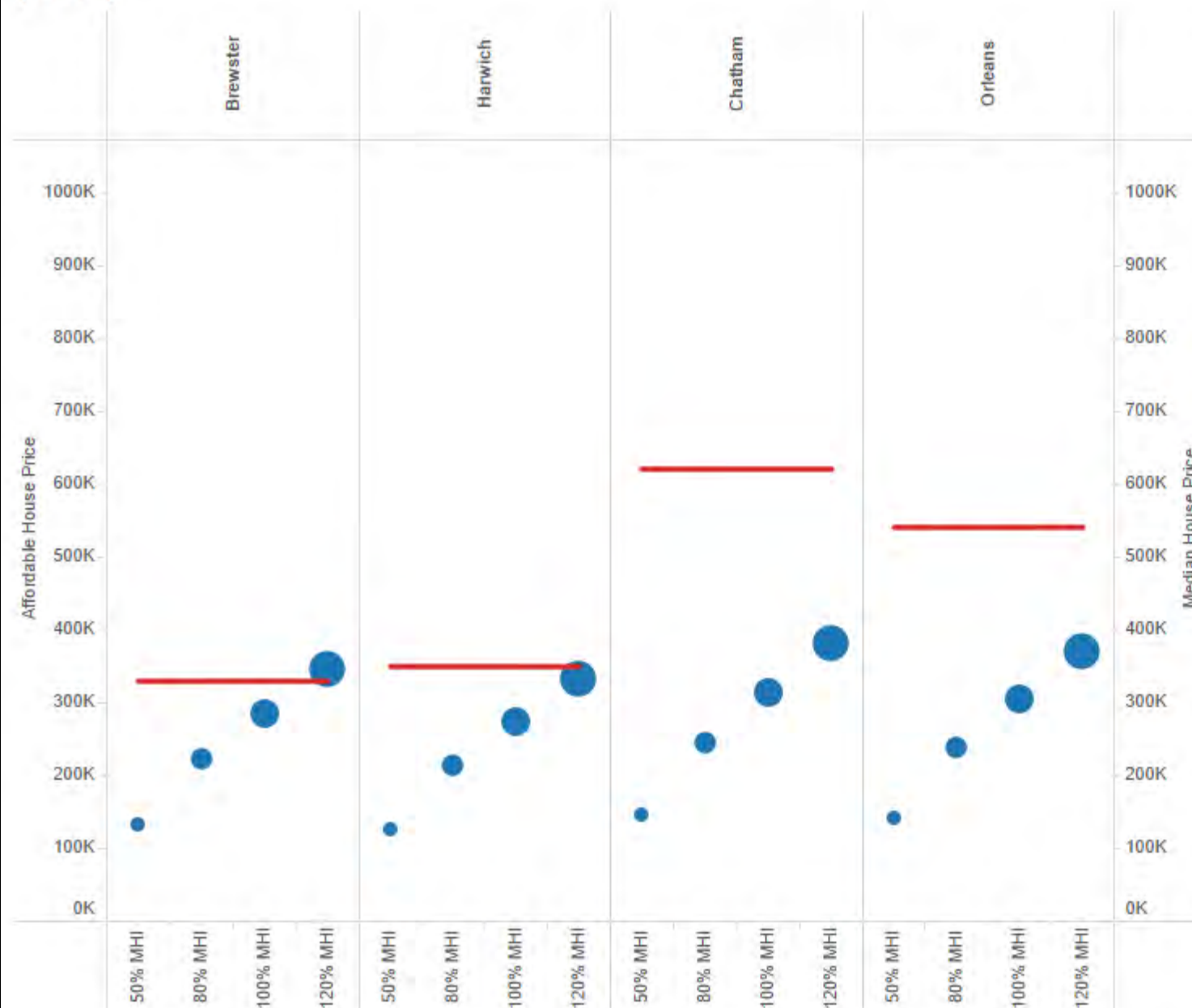
☐ Outer Cape

☐ Upper Cape

Legend

■ Affordable House Price

■ Median House Price



Click the 3rd Arrow  
Below to Reset.

Source: EPR 2017



# Affordable Home Price vs. Median Home Value, by Town and Income Level (2025)

Choose Year

☐ 2015

☒ 2025

Select Your Town (s)

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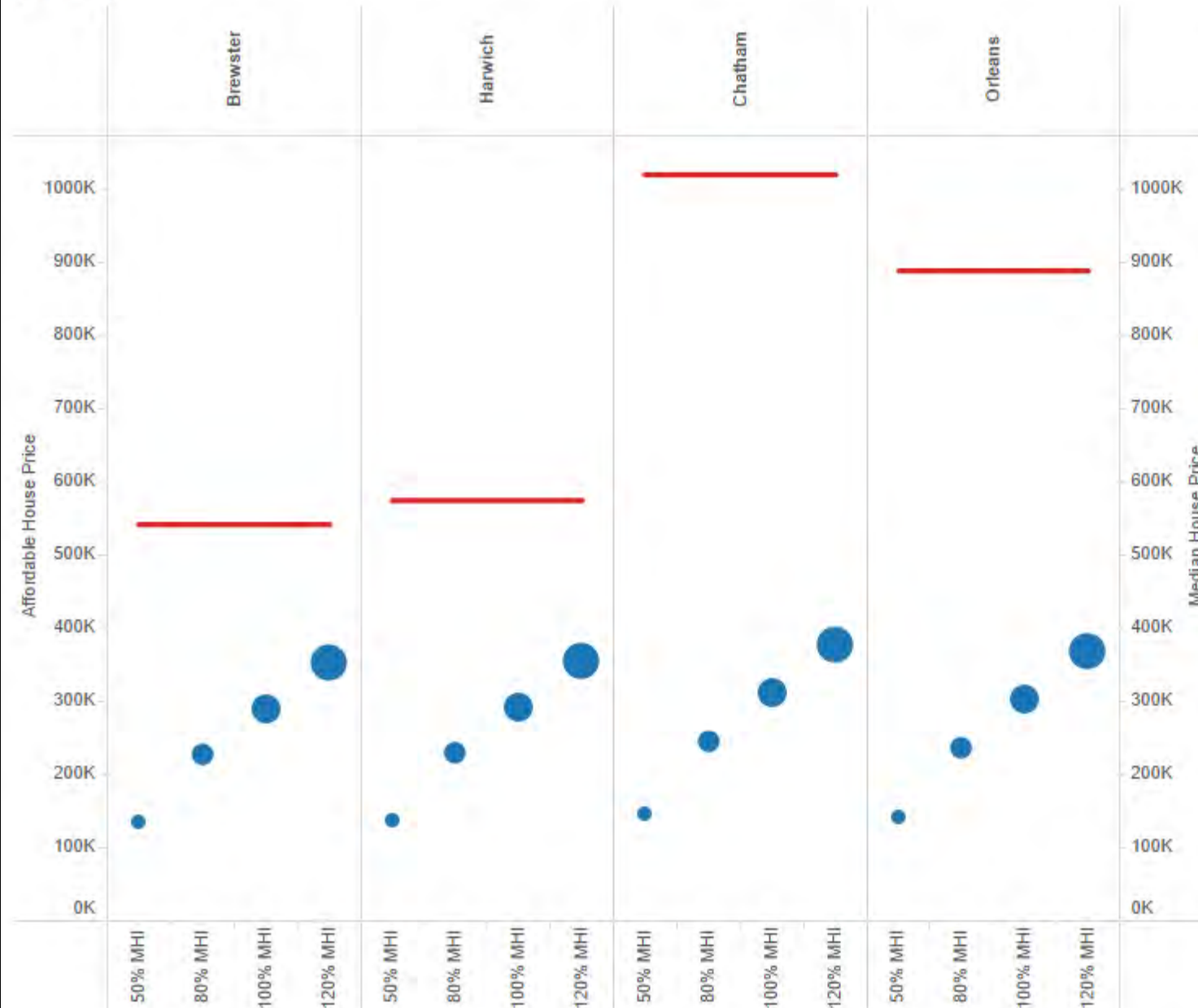
☐ Outer Cape

☐ Upper Cape

Legend

■ Affordable House Price

■ Median House Price



Click the 3rd Arrow  
Below to Reset.

Source: EPR 2017





# HOW MANY EARNERS DOES IT TAKE?

Using 2015 data and average hourly and annual wages for Cape Cod's top employment sectors, this is how many wage earners it takes to buy or rent at median values.

**TO OWN**  
**\$335,000**



**\$38.37/hr**  
**\$80,000/yr**

**TO RENT**  
**\$1,100/m**



**\$21.23/hr**  
**\$44,000/yr**

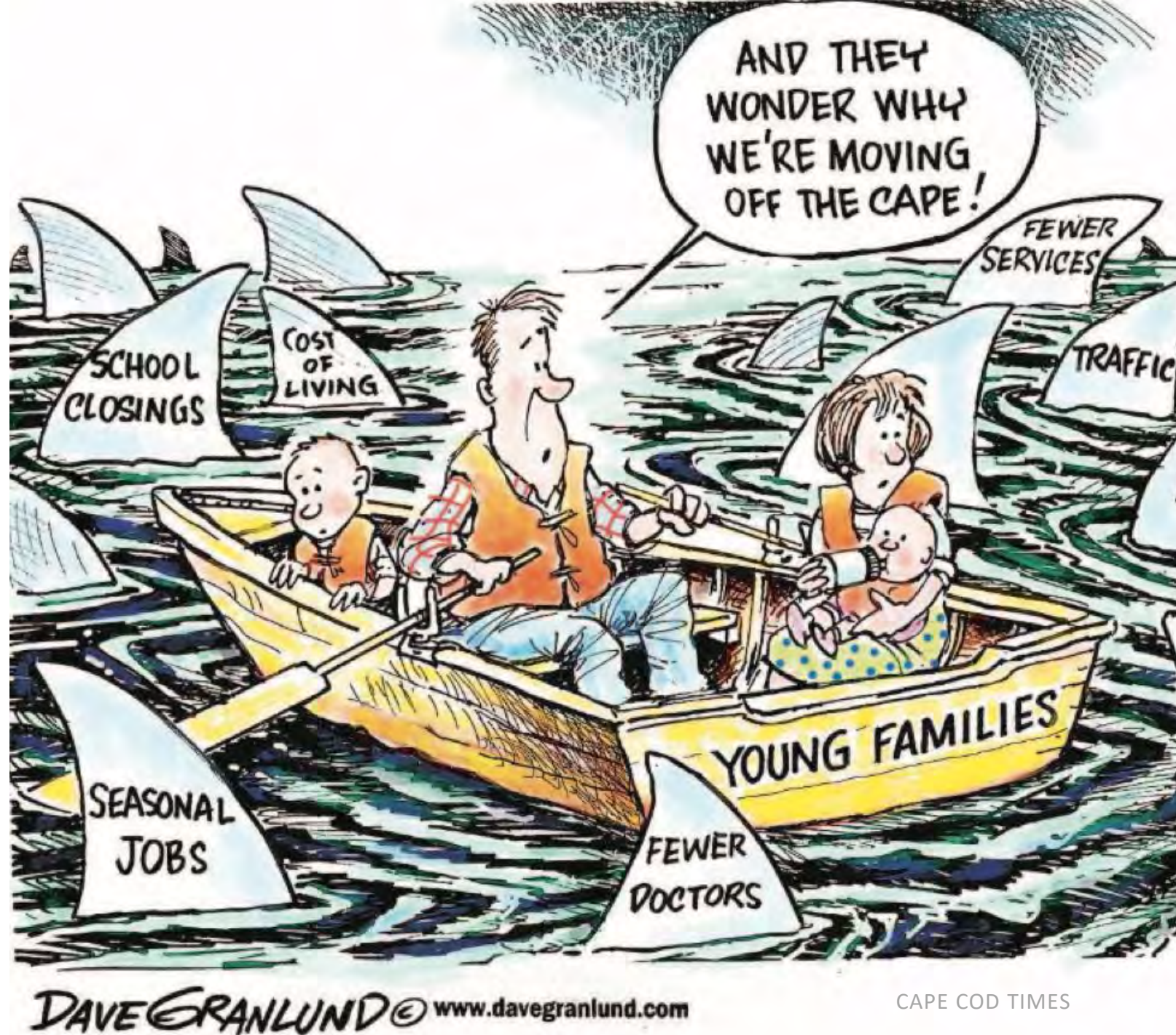
RANK	GROWTH	SECTOR				
1	↑	<b>Health Care &amp; Social Assistance</b> 17.4% OF ALL EMPLOYMENT	1.6		0.9	
			\$24.57		\$24.57	
2	↑	<b>Accommodation &amp; Food Services</b> 16.6% OF ALL EMPLOYMENT	3.3		1.8	
			\$11.70		\$11.70	
3	↑	<b>Retail Trade</b> 16.2% OF ALL EMPLOYMENT	2.6		1.4	
			\$14.75		\$14.75	
4	↑	<b>Local Government</b> 10.8% OF ALL EMPLOYMENT	1.5		0.8	
			\$25.82		\$25.82	
5	↑	<b>Construction</b> 5.7% OF ALL EMPLOYMENT	1.4		0.8	
			\$27.10		\$27.10	

SOURCE: American Community Survey, 2015, Crane/EPR

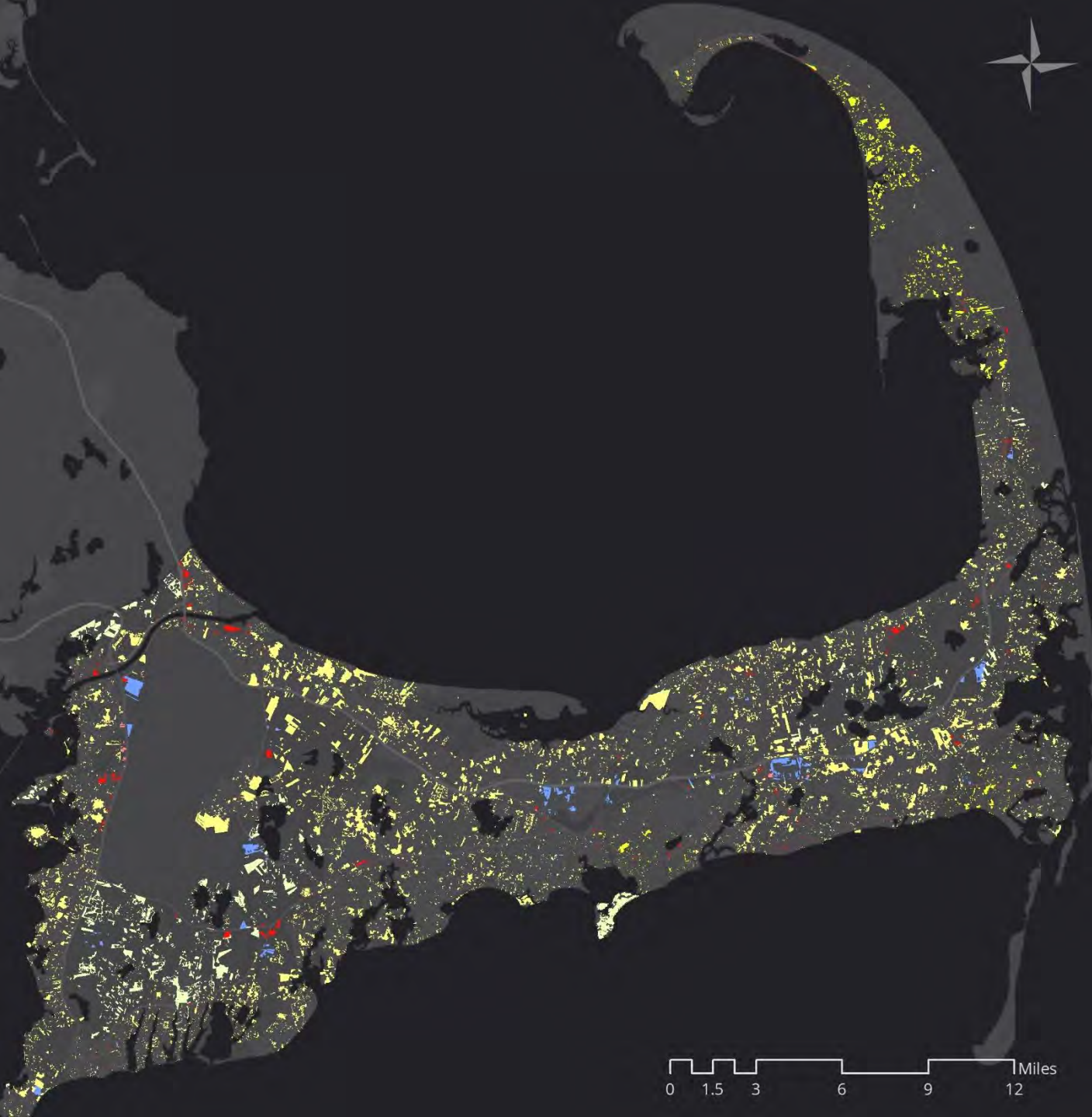


# There are Challenges

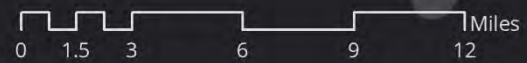
Families and young people don't appear to be moving away but they are not immigrating to meet employment needs



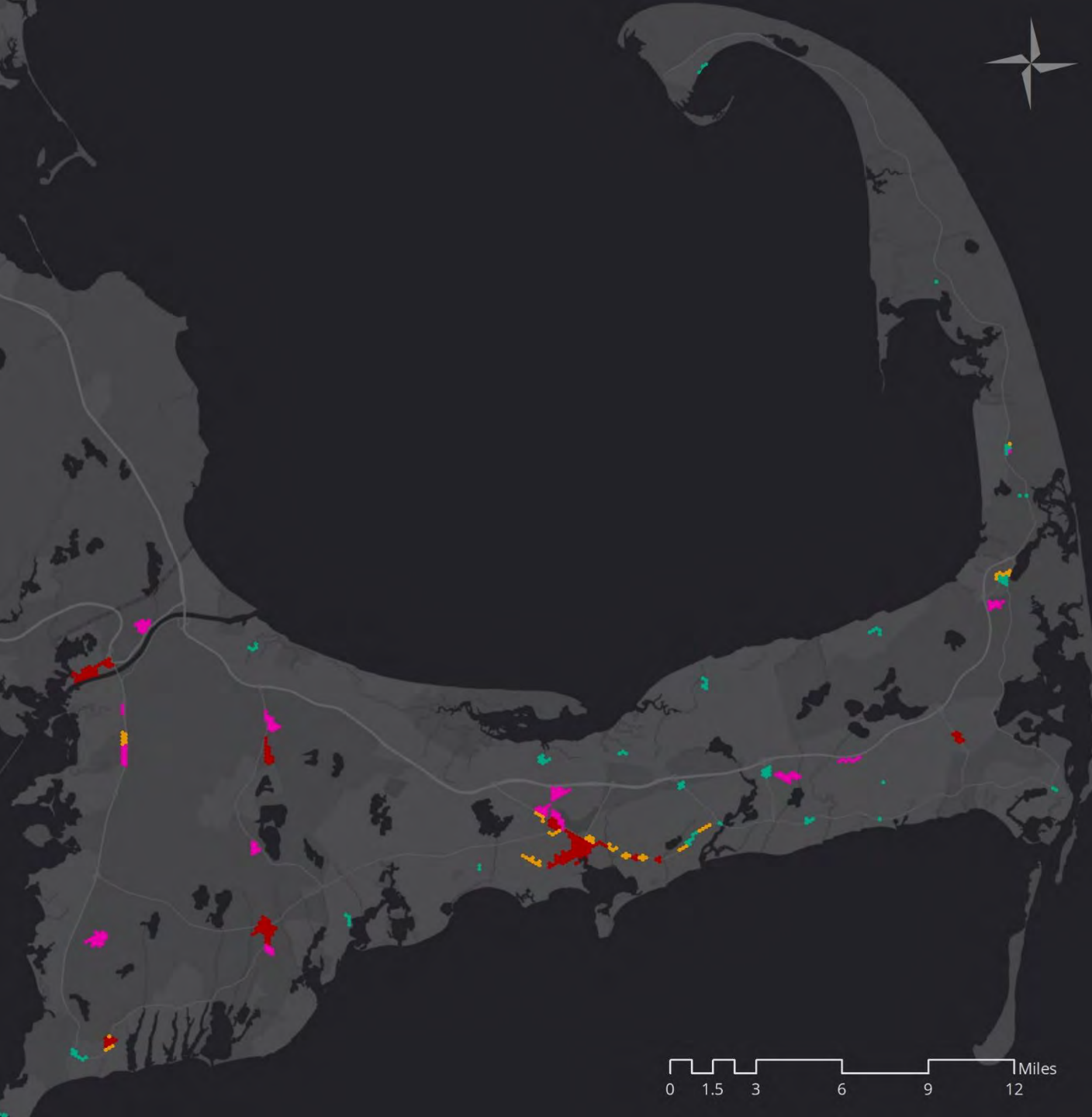




# TREND SCENARIO







## ALTERNATIVE SCENARIO

### **increases density**

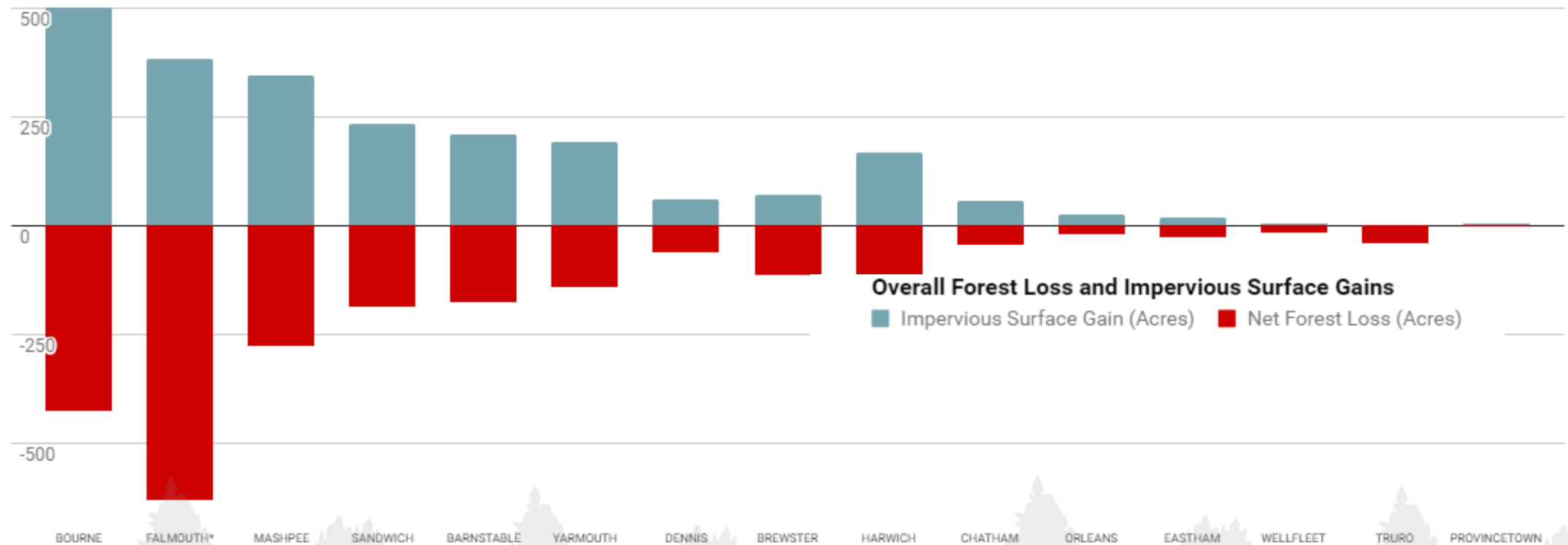
Regulatory relief/incentive  
more housing units per acre

**more affordable housing** to  
those with household  
incomes of \$50K-\$100,000K

**less infrastructure needed**  
90% reduction in new roads

**creates more jobs**  
nearly twice as many

# Consequence of Sprawl



2,300 ACRES OF TREE COVER LOST



# 7,258

Acres Potentially  
Developable in Special  
Flood Hazard Areas  
on Cape Cod

Percentage of  
Each Town's  
Potentially  
Developable  
Land in Special  
Flood Hazard  
Areas

38%	Orleans*
29%	Sandwich *
22%	Chatham
21%	Wellfleet
15%	Brewster
14%	Bourne
20%	Eastham
11%	Dennis
11%	Falmouth
9%	Harwich
8%	Truro
7%	Barnstable
4%	Mashpee
3%	Yarmouth
1%	Provincetown





# REGIONAL POLICY PLAN UPDATE



**Streamlined regulation**



**Housing**



**Infrastructure**



**Easing local  
comprehensive planning  
process**

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