

Cape Cod Chamber of Commerce
Economic Summit – October 26th

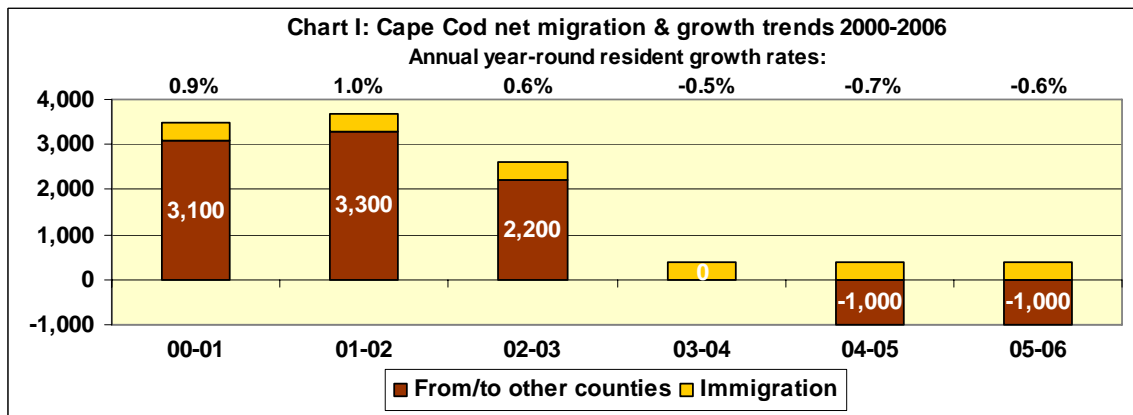
Challenges & Opportunities in Cape Demographics

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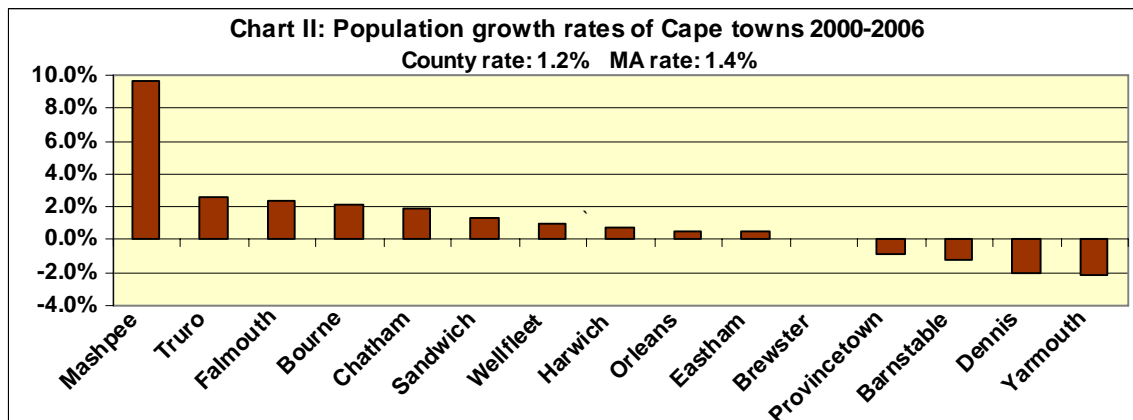
Cape resident growth trends:

- Growth in year-round Cape residents (2,600 from 2000-06) has virtually ceased
- More year-round residents are now moving away from the Cape than to here
- Cape has high negative natural increase: 5,000 more deaths than births 2000-06



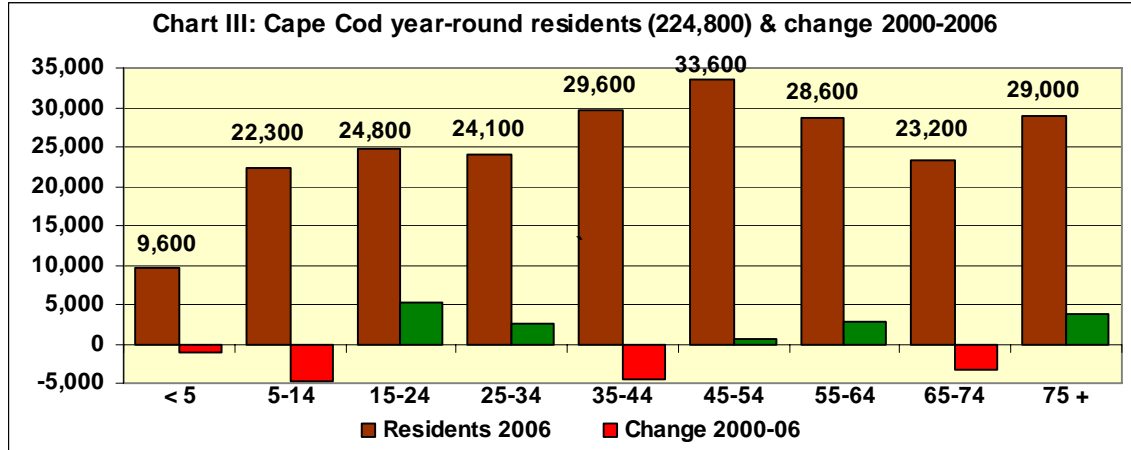
Source both charts this page: Census Bureau population estimates

- Most year-round resident loss appears to be coming from the Mid-Cape towns
- Two-thirds of all resident growth since 2000 occurred in Mashpee or Falmouth
- This is a big change from the 1990s when all but 3 towns grew over 1% / year



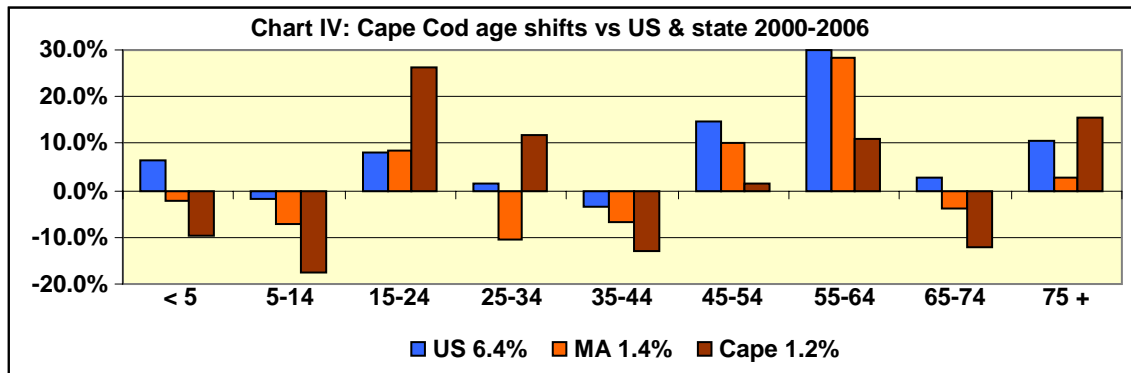
Aging trends:

- Cape is losing working age adults 35-44 & their children plus early retirees
- Largest ten year age group is 45-54, but nearly 1 in 4 residents are age 65 +
- The Cape median age is 45.7 (men: 44 women: 47), one of the highest in nation



Source both charts this page: Census Bureau

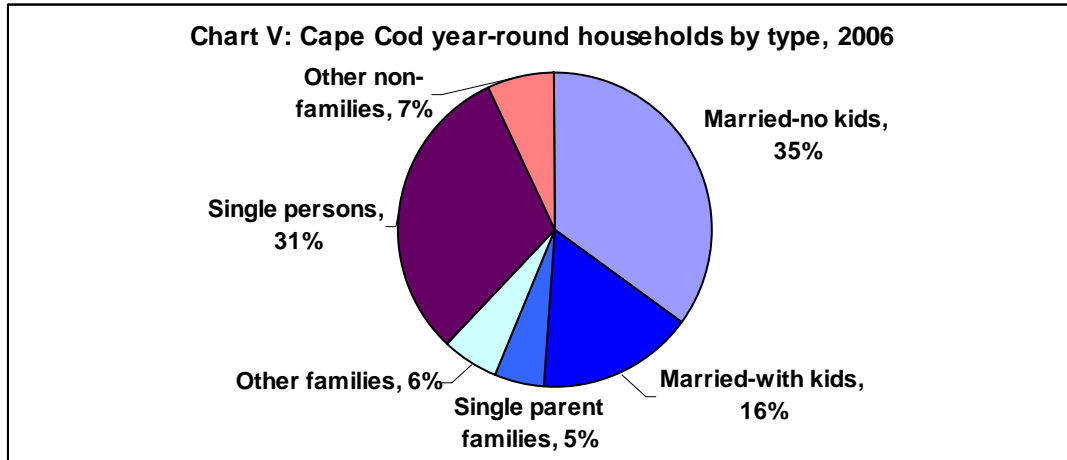
- The Cape is losing children at a faster rate than elsewhere in Massachusetts
- But the Cape has above average growth rates in young adults & those age 75+
- The loss of children & families ages 35-44 will mean slower growth in retail sales



Implications: Cape Cod's significantly older than average age profile creates a far greater imperative to build workforce housing than for most other counties in the state. But other incentives to encourage young people to stay may also be needed.

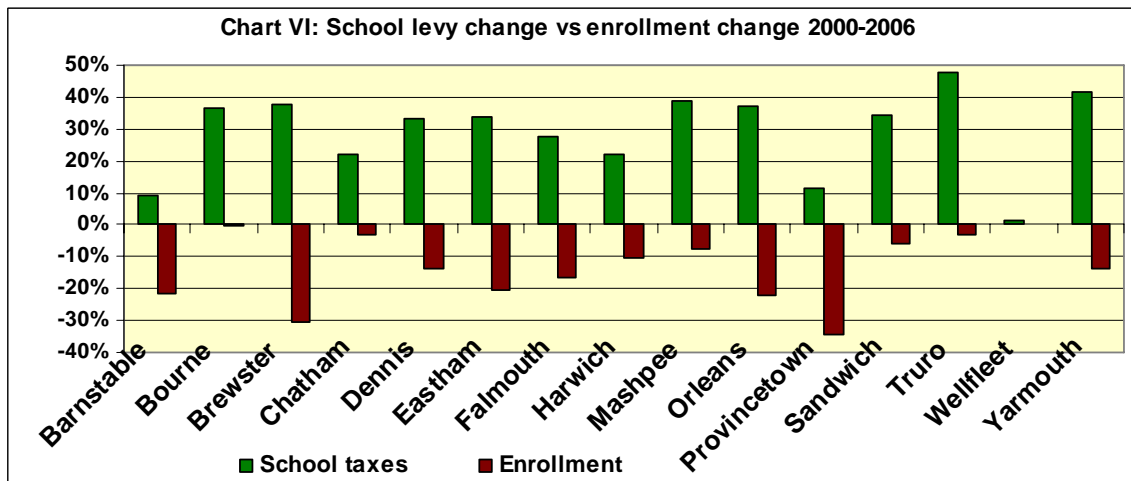
Housing & household trends:

- The Cape has about 155,000 housing units: over 80% are single family dwellings
- Nearly 100,000 units are occupied year-round, over 50,000 are vacation homes
- Four fifths of year-round units are owner occupied vs two thirds region wide



Sources: Chart V: Census Bureau Chart VI: Massachusetts Dept of Revenue

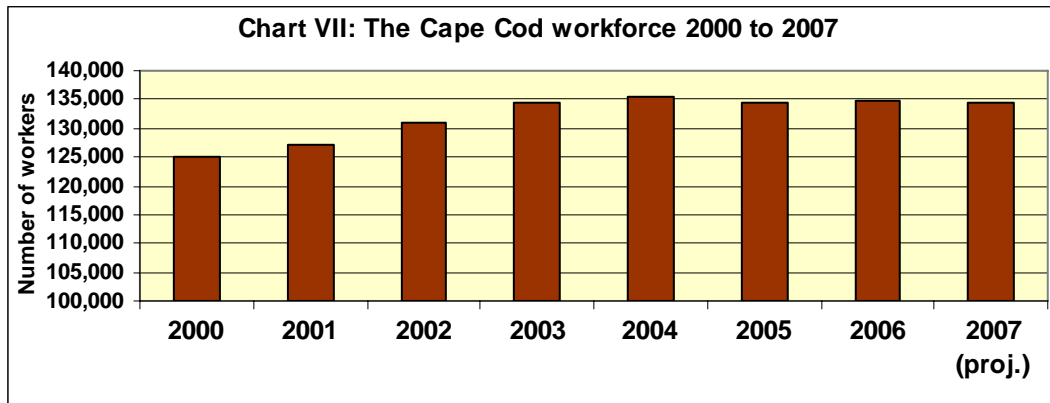
- Only one fifth of households have any children compared to 30% region wide
- Nearly one in three households are one person: 60% women, about 1/2 age 65+
- The average Cape year-round household has only 2.2 people vs 2.5 region wide



Implications: The heavy reliance on property tax revenue from single family units with so few occupants, many of whom are retired and with so few having any kids means that annual increases in school spending as shown above are unsustainable.

Workforce and housing trends:

- Home demand on Cape has three drivers: workers, retirees & 2nd home buyers
- After some growth earlier this decade workforce growth on the Cape has ceased
- If growth does not resume it will negatively affect both tourism and home prices



Source: Massachusetts Labor & Workforce Development

Survey results:

Cape Cod Commission fall 2005 resident survey:

- Top two issues: traffic congestion and lack of affordable workforce housing
- Most favored development: cultural facility Most opposed: gambling casino
- Most favored town project: purchase open space to keep it from development

Cape & Islands Association of REALTORS® fall 2007 survey of members

- The number of real estate sales and \$ volume sales has been declining since 2004
- Median home prices: about same as last year, holding at nearly \$400,000, so far
- Half of this year's home buyers reason to buy: vacation or investment purposes
- Home buyers: 69% are from Cape or other MA, only 22% from outside region
- Just one in eight home buyers had kids & one in eight were 1st time home buyers
- Most home buyers (53%) will have just one or two people living in their home

Implications: Cape resident and home buyer demography is becoming unbalanced. There may not be enough year-round workers or families with children to sustain Cape communities long term. Critical goal: rebalancing the Cape's human ecology.