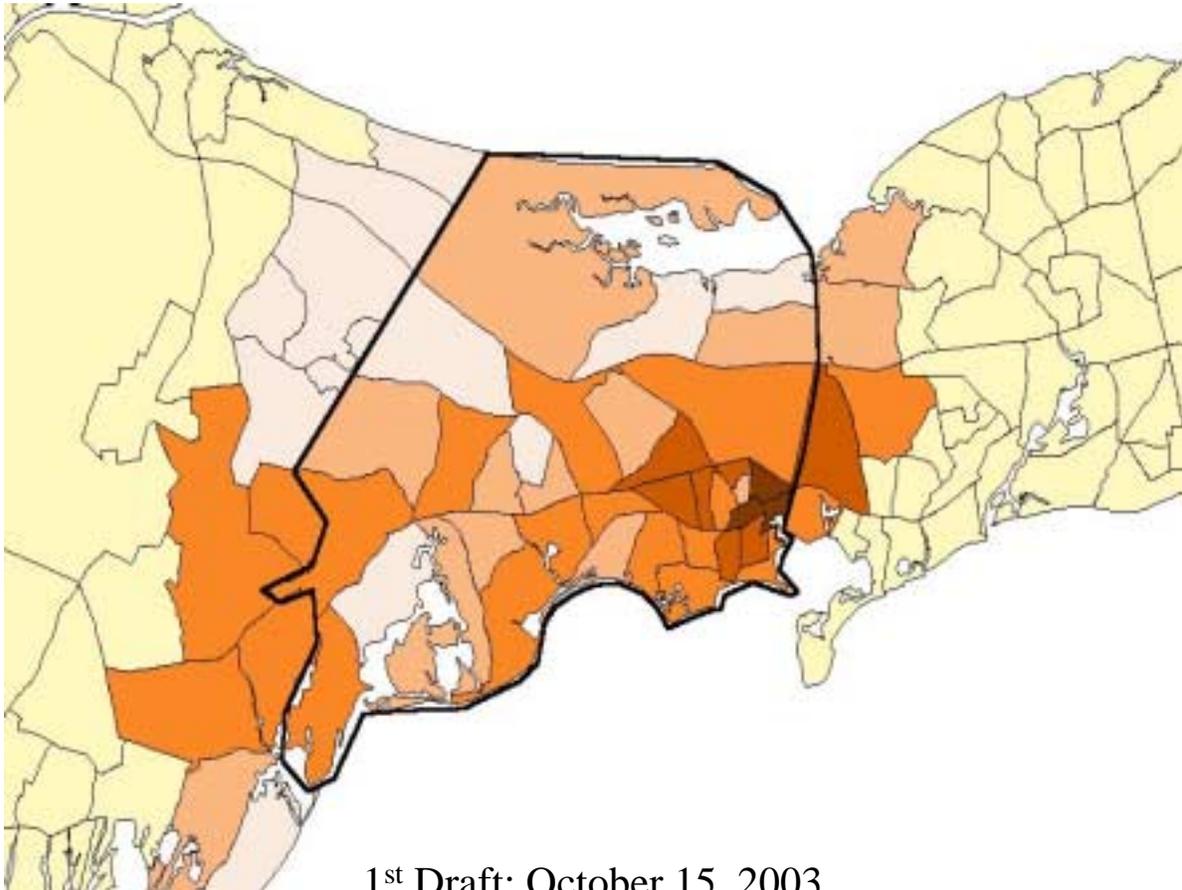


# **TOWN OF BARNSTABLE**



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Final Report: December 1, 2003

## **HOUSING NEEDS ASSESSMENT**

Prepared for

OFFICE OF COMMUNITY AND ECONOMIC DEVELOPMENT

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## **1. Executive Summary**

The Town of Barnstable has made considerable progress in meeting the housing needs of its citizens. This Housing Needs Assessment sets forth the extent of estimated need for additional housing, according to the specific composition of its current and expected populations, the nature of the Town's economy, and regional conditions.

### **Rental Housing is Top Need**

The greatest need in the Town is for rental housing, especially with monthly rents at or below \$1,200, the approximate 2003 gross rent that can be managed by the median family income. This is largely driven by economic factors. The majority of employment in the Town and region is in the service and retail sectors, where lower wage levels prevail. Workers in this sector are increasingly challenged to find decent, affordable housing within the Town as real estate values continue to outpace the rate of wage growth in these industries.

While Barnstable has a greater supply of rental housing than surrounding communities, its need continues to be great. This is largely due to the concentration of service sector jobs in the Town and surrounding region and the economic growth generated by ongoing population growth in the region. As the Cape grows, the concentration of service jobs in the Cape's largest business center (Barnstable) typically increases as well.

Another reason for strong rental demand is a high degree of workers in service and other lower wage occupations. High turnover in this population is natural and expected to continue, indicating that the supply of housing units with reasonable rents needs to be adequate. Another reason is the tendency of existing rentals in Barnstable to be overcrowded with multiple wage earners required to meet rental rates. Additional rentals can help moderate this effect by leveling the rent increase curve.

Prevailing market rents make for inadequate choices largely at the mid and lower rent levels, as demonstrated by the length of waiting lists for affordable rentals. Demand for high-end rental housing is much less significant than for lower cost units. In fact, high-end units are experiencing a price leveling effect, due to current oversupply conditions. The ability of the market place to produce an adequate supply of rentals is limited by zoning, land prices/supply, and escalating homeownership costs, suggesting that subsidies should figure prominently in the Town's Housing Plan.

### **Ownership Opportunities Second Need**

While Barnstable has a relatively large renting population, it also has a great need to accommodate the housing needs of a more permanent workforce. The composition of this sector is largely professional and managerial workers, such as teachers, medical technicians, public safety personnel, administrators, managers, etc. The secondary ranking for retention of these types of workers after service sector workers is due only to the numbers of each. However, professional and managerial workers tend to have greater job stability and greater earning power - two important conditions for viable homeownership. This more settled population is also likely to have growing families in need of homes with three or more bedrooms. As households move from rental units to owned housing, they provide additional availability in the rental stock.

The forms of housing choice for this population should be quite varied so as to allow choices at all price levels. Attached single-family units, garden-style condos, and detached single-family units could realistically fill this need.

### **Seniors Show Third Greatest Need**

The Town of Barnstable population continues to exhibit higher-than-average proportions of residents age 65 and older. This is a well-known trend for all Cape Cod communities. In 2000, Town of Barnstable residents age 65 and older were much more likely to own than rent but had typically fixed and lower incomes than the median. Thus due to its sheer size and income characteristics, this population has a prominent need for affordable housing but lower in priority than rental and ownership needs for the working population. Affordable resources for this population should consist of a mixture of type choices, price ranges, and related services.

### **Disabled Citizens Had Fourth Greatest Need**

The number and percent of disabled people in the general Cape Cod population continues to increase. In Barnstable, disabled people made up a significant portion of the total year-round population. It is estimated that at least 5% of all new affordable housing should be barrier-free in order to provide adequate choice for this population in the Town.

### **Suggested Proportions**

Due to the split in priority need among four major populations, it is suggested that the Housing Plan include measures to provide proportionate shares of each type in each village as opportunities for affordable housing arise. This could be accomplished by setting a policy of encouraging the following mix of housing types when affordable housing is developed:

- 50% Rental (2 and 3 bedroom, primarily for the resident labor force)
- 25% Ownership primarily for first-time home buyers
- 15% Senior housing
- 5-10% Barrier-free units with preference for disabled residents

Special needs housing should be developed as resources allow until need is sustainably served.

### **Suggested Distribution**

Hyannis village had a much greater share of affordable housing than any other village. There are two good reasons for sustaining such a differential mix. One is that Hyannis is a major employment and service center, which is the preferred setting for housing people with limited means and efficiently connecting these residents with jobs and services. The other reason is that the existing land use patterns and public facilities in Hyannis are best suited to support the higher densities typical of affordable housing.

Despite the optimal locational factors of Hyannis, each village area has evolved its own community fabric as if each were a separate town. The lower income residents in each village should not have to move away from their familiar surroundings and jobs to find

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affordable housing any more than any other resident should have to leave his or her own town in search of reasonable housing choice. The need indicators in this report identify similar needs in all seven villages. They tend to be more concentrated in Hyannis because of the existing concentration of subsidized households there. Thus the Town's existing policy of even distribution among the seven villages should be used to affirmatively guide the allocation of all available affordable housing resources and initiatives.

## **2. Assumptions**

In order to frame the findings of research into housing need in Barnstable, it is important to set forth the underlying assumptions or community values. The following concepts provide the basis for this analysis:

- A. Affordable housing is defined as housing that can be purchased or rented by households with incomes at or below 80% of the area median income while paying no more than 30% of income for housing. Such housing typically requires an initial subsidy and long-term affordability restrictions.
- B. The quality of life is largely determined by the quality of living arrangements, especially adequate housing choice.
- C. The Town of Barnstable desires to provide *at least* 10% of its year-round housing as decent, safe, affordable housing, as defined in the Town's Housing Plan.
- D. The distribution of affordable units should be reasonably even, in terms of quantity and type, among the seven village areas of the Town, giving due regard for the merits of sustaining higher concentrations in Hyannis.
- E. The distribution of affordable housing and types of populations to be served should be generally but not rigidly, guided by the extent of need represented in this Needs Assessment and any revisions hereof.
- F. The Town desires to promote a balanced and sustainable community, which provides reasonable accommodation of people in diverse populations and income levels.
- G. The fabric and quality of community life in Barnstable is preserved and improved by retaining an adequate mixture of income levels, work skills, talent, and participation in the community.
- H. The Town accepts the principle that adequate affordable housing is key to community sustainability, both economically and socially, because of the growing gap between median housing prices and ability to pay as indicated by median income.
- I. Housing is one of several basic necessities for a reasonably manageable lifestyle. Therefore, it should not consume disproportionate amounts of income. Nor should it require excessive commitment of time in order to earn income, to the exclusion of family and leisure time. For the purposes of this analysis, it is assumed that monthly housing costs should not exceed 30% of monthly income for renters or owner-occupants.

### **3. Overview of Housing Situation**

By most measures, there is a crisis of affordability in the housing sector in Barnstable. Median home prices and rents have exceeded the median income household's ability to pay by large and growing amounts. Said differently, more than half of the Town's households cannot afford to purchase or rent a new or existing home in the Town. This shortage of affordable housing sustains the high prices, especially rents. It also contributes to homelessness, community loss of valuable, contributing, young families and individuals, higher costs for goods and services, greater inconvenience in securing services, stressful and frequently uprooted lives, and poor attention to maintenance of rental housing.

Barnstable, like most growing communities, sees a steady increase in market rate housing stock and new affordable units that are less than 10% of the new market rate total on an annual basis. Under these conditions, it will be inclined to regress toward lower and lower percentages of affordable housing. Appropriately, the Town of Barnstable continues to ambitiously pursue affordable housing solutions that bring annual production totals higher. Increased annual production is further encouraged by changes to housing policy at the State level, which reward higher affordable production communities by allowing them local control over all future affordable housing development proposals while their production is sustained.

The Town of Barnstable had, as of September, 2003, 1,036 units of State-accepted affordable housing that is counted toward fulfillment of the State's goal of 10% of the year-round housing stock as affordable. Based on a total year-round housing unit count of 22,600, the total amount needed to satisfy this goal as of this date was for 2,260 subsidized units. More units are in the production pipeline but so are more market rate units, which makes progress toward the 10% goal so challenging.

Other than the accessory apartment amnesty by-law, current zoning and market forces are unable to produce affordable housing. Therefore, production must come from town-sponsored initiatives, nonprofit housing provider actions, and incentives to private developers. Each mode requires a subsidy of some sort to cover all costs.

#### 4. **Affordable Housing Helps Promote Balanced, Successful Communities**

According to several housing professionals interviewed for this Needs Assessment, there appear to be two opposing perspectives on affordable housing in Barnstable. One is that there is a great need for affordable housing. The other is that there is no need for such housing. This is a common split in many communities, based on individual experiences and perceptions concerning affordable housing. Those who believe it is needed will be inclined to embrace the findings of this analysis. Those who say it is not needed in Barnstable or are undecided on the matter are encouraged to consider the following questions and answers:

**Q: Why should the Town encourage the retention and production of affordable housing? All Barnstable residents, no matter how poor, are living somewhere in the Town now, right?**

A: It is true that in order to be a current resident, one must already have a place of residence within the Town. However, Barnstable residents are just as likely as any other resident to move in the next five years, according to the US Census. In fact, 30% (1,418) of Barnstable renter-occupied households moved into their units in the year before the 2000 Census. These moves can be by *choice*, such as moving closer to family or a job or into a more spacious or better home. More often than not, though, such moves are *forced* due to a sudden change in circumstances - death of a spouse, divorce, loss of employment, rent increase, sale or repossession of a rental unit by the owner, etc. According to one high-volume Barnstable rental agent interviewed, 75% of the rental seekers she sees are losing their homes due to the sale or repossession of the units by the owners. Unfortunately, some of the roughly 4,000 renter-occupied units that changed occupancy between 1995 and March 2000 may have been vacated by some of the householders aged 20-24 who left the Town and were not replaced between 1990 and 2000.

The housing market can accommodate relocation within the Town only when there is adequate supply and adequate choice at prices current residents can handle. Well over half of the total households in Barnstable in 2000 could not afford the June 2003 median priced home by virtue of income, insufficient down payment, or both. In addition, the total supply of rentals is shrinking and home prices that match the median income buying power are practically nonexistent. Thus, there is a good chance that any of these households may not be able to find suitable replacement housing when forced to move. If so, this Barnstable household becomes a *former* Barnstable household.

This result affects not only the dislocated household but others, as well. Let's say the household that is forced to move and can't find replacement housing is a family of three; husband, wife, and 17 year old daughter. The husband, Mr. Jones, is a skilled auto mechanic employed by a Hyannis car dealer. The wife is a paramedic with the Barnstable Fire Department. The daughter works part-time in a small downtown Hyannis store. Because of the shortage of affordable housing, three employers must struggle now to replace skilled workers in a very

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tight labor market. The labor market is tight in the first place because of all the households before the Jones's that left Barnstable in search of reasonably priced homes and the difficulty prospective new households have in trying to find suitable housing within the Town.

Until these employees are replaced, those they would have served will wait longer to have their car repaired, emergency response capacity will be diminished, and the small store owner may have to close early due to the lack of qualified help. This is in addition to the loss of active church and community organization members and contributors.

**Q: Won't people from other places come to live in the subsidized housing we build?**

A: Due to the long local waiting list for affordable housing and a long-standing policy of local preference, it is unlikely that people other than Barnstable residents would have an opportunity to occupy such housing. Even if they did, they may very well be an important participant in the Barnstable work force and community. In reality, there is no scrutiny of people moving from other areas into nonsubsidized housing in Barnstable. So why should it matter where residents of subsidized housing come from?

**Q: Why can't we reach the 10% affordable housing goal just by building lots of senior housing since the senior population is the fastest growing age group?**

A. Seniors do indeed need affordable housing but so do young families, newly forming households, workers who provide basic services, low income households, and disabled people on limited incomes. Failure to provide housing choice for these groups in equilibrium will lead to undesirable imbalances and repercussions. One such repercussion would be increased costs of goods and services due to the higher labor costs that would result. Another would be greater inconvenience in obtaining services from all manners of service providers due to a chronic shortage of labor. Help from other communities is not likely as the labor shortage affects all Cape towns due to the demographic shift towards an older, nonworking population continues.

The contributions workers make is fairly easy to discern. The value of housing for seniors and disabled residents warrants some explanation. Both seniors and disabled residents (sometimes one and the same) are very valuable economically as they typically import money into the local economy from off-Cape sources through pensions, Social Security, and Supplemental Security Income payments to these households. This money goes out into the community through spending on goods and services, including housing, thereby helping to sustain their provision. Senior households also tend to generate very little in the way of public service costs due to their typically small household size. These benefits are in addition to their value as members of extended families, especially when they provide supplemental child care for other family members. According to the Community Action Committee's Child Care Needs Assessment study and Barnstable County's The Human Condition, 2001 Report, affordable child care ranks among the

top concerns of working households on Cape Cod, along with affordable housing.

Low income populations also make their own contributions through work force participation as well as local spending of wages and public assistance.

Finally, everyone in the Town benefits from provision of adequate affordable housing resources. It is especially important to reflect on the ability of young people to stay in or return to the community. The Town dedicates over \$50 million (roughly half) of its annual appropriations to educating its children. Much of that investment is lost if the child cannot afford to live in the community to provide a return on that investment.

**Q: Why do affordable housing projects get built at higher densities than other housing? Doesn't this work against the Town's environmental protection goals?**

A: Affordable housing typically requires higher density than normal because of the economics of producing the affordable units. It is generally acknowledged that 3-4 market rate units are required to provide one affordable unit. In smaller projects, the density may exceed the zoning standards and surrounding development densities. However, the higher density may be buffered by the lower densities around it so that the net increase area-wide is fairly small. Given the importance of affordable housing, this is a reasonable compromise in balancing the housing/environment equation.

In larger affordable developments, there may be enough units to make a wastewater treatment system financially feasible. If so, the effluent from such system may actually be *cleaner* than the aggregate discharge from a conventional (market rate) development with septic systems and developed to zoning specifications.

Town and nonprofit sponsored affordable housing may have other subsidies that reduce the economic need for higher density. However, the limited supply of Town-owned or donated land necessitates achieving optimal densities to make the most of this approach. In addition, the Town has hired environmental experts to evaluate the carrying capacity of its prospective Town-owned affordable housing sites. This practice should be continued.

Where Town sewer capacity is available, densities may be significantly higher with negligible net impact on the environment.

There is a third common perspective, somewhere between the two opposing ones, which holds that affordable housing is needed in town but it should go in ***some other neighborhood***. Some in this camp have been vocal about the ills of too much density, too much traffic, impact on the schools, etc, all in an effort to divert affordable housing away from their neighborhoods because they believe it will threaten their quality of life. If all residents prevailed with this approach, there would be no town-sponsored (i.e. highly controllable) affordable housing built all. Under this scenario, the only builders of affordable housing would be private sector sponsors who, by virtue of MGL Chapter

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40B, would have nearly free rein to build at whatever density or design they need to produce the affordable units and make a reasonable profit. Furthermore, quality of life impacts affordable housing NIMBYs (Not In My Back Yard) fear will actually be induced by failure to provide enough such housing, as explained above.

It is important to recognize that pro-active production of appropriate types of affordable housing is the only realistic option for a community to have any meaningful control over the location and design of affordable housing. As long as a community has less than 10% of its year-round units as publicly assisted affordable units, very little control can be exercised over Chapter 40B affordable housing projects.

It is also important to acknowledge that an affordable unit can appear anywhere, overnight, without any public process. Rental assistance programs can provide an affordable unit through any willing rental owner. History has shown that this approach may be problematic only where an excessive concentration of poorly monitored subsidized units is permitted to occur. This is why the Town was wise in adopting a housing policy that promotes widely dispersed affordable housing solutions.

In summary, the whole community benefits from meeting its affordable housing needs through reasonable, well-considered approaches. Therefore, every citizen interested in a quality community shares a civic responsibility in making it happen.

## 5. Rental Housing

### 5.1 Inventory

According to US Census data, occupied housing units in Barnstable in totaled 16,601 and 19,626 in 1990 and 2000, respectively. Renter-occupied units comprised 4,837 or 29.1% of the 1990 occupied housing while only 23.8% were renter-occupied in 2000. This was due to several factors. The most prominent being the substantial production of market rate single-family housing during the 1990s, which ultimately led to a growth rate cap by-law. Other reasons include national economic forces that may have changed the disposition of some rental properties and the increased cost of building rental housing.

#### 5.1.1 Count by type

The US Census in 2000 provided a breakdown of the 25,018 total Barnstable housing units by type as follows:

**Table 5-1, Barnstable Housing Units by Type, 2000**

Type	Count
Single-family detached	21,038
Condo	487
Two-family	644
Multi-family	2820
Other	29

The 2000 Census count of 4,675 renter-occupied units probably included most of the multi-family units and two-family units. Not all of these types were considered rental because owners may live in some of the units. The 2000 Census reported that 2,242 Barnstable condos and single-family units were renter-occupied. Some 843 rental units were specified in 2 to 4 unit structures.

The Town's FY03 Assessor parcel data base was queried through a geographic information system to identify all single-family units that had an owner address that was different from the street address of the dwelling. PO box addresses were treated as different addresses if they had distant zip codes (i.e. not in an adjacent village). The result of this process was a list of some 6,470 parcels that had single-family detached dwellings on them with different owner addresses. Any of these could be rental units but many are actually second homes and/or seasonal rentals. The 2000 Census identified 4,752 units in Barnstable as vacant due to seasonal, recreational or occasional use. With this number subtracted, then the remainder (1,718) were the potential single-family rental units. The distribution of nonresident owner units was dispersed across the entire town. There were greater concentrations of waterfront units than inland but the inland units were more likely to be year-round rentals due to the respective values of each location.

#### 5.1.2 Average price by type

Market research among rental agents and listings, conducted in September, 2003, revealed that the price of a rental unit in Barnstable varies according the type of unit.

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There were mostly single-family dwellings for rent and these had the following price ranges:

- 2 Bedroom - \$1,100 - \$1,200
- 3 Bedroom - \$1,350 - \$1,400 (most commonly available)
- 4 Bedroom - \$1,900 - \$2,000

Other units were in duplexes, condos, and multi-family structures (3+ units) and had the following price ranges:

- 1 Bedroom - \$850 - \$900
- 2 Bedroom - \$950 - \$1,100 (most commonly available)
- 3 Bedroom - \$1,100 - \$1,200

The 2004 HUD Fair Market Rent (maximum rent for participation in HUD's Section 8 Rental Subsidy Program for 1 bedroom units was \$724 and \$967 for 2 bedroom units. Three bedroom Fair Market Rent for 2004 was \$1,212 and for four bedrooms it was \$1,357. One rental agent interviewed confirmed that very few units with these prices were ever available and if so, they were usually in poor condition.

The bulk of the rental market appears to be squarely within the 25 to 55 age group with significant rental seeker totals below and above this age group. The typical reasons people sought apartments included change in marital status, new job, and owner sale of former residence. The latter was the most common creator of renter demand, according to those interviewed for this study. This may have been caused by the economic downturn, which motivated some two-home owners to reduce their costs by consolidating their real estate into one home on the Cape, terminating rentals here in the process. Still other landlords may have wanted to take advantage of the dramatic appreciation their Barnstable homes have recently experienced. Some did this by evicting their tenants and moving into the unit for at least two years in order to then sell it and reap the capital gain exemption (up to \$500,000) from sale of a primary residence.

On the other hand, according to one rental manager, there was a glut of rentals in the marketplace in September, 2003. She and others interviewed postulated that this was due in part to several factors. One was the dip in stock values, which created greater numbers of rental properties when investors switched from stocks to real estate. Another factor was the related lower returns from investments in general, which may have caused some people to convert their second homes on Cape Cod to year-round rentals.

Even with a greater rental supply, the resulting subtle price adjustment has not been enough to bring rental rates into realistic conformity with the majority of area renter incomes. The current trend in median home prices suggests that the oversupply trend will be short-lived because the traditional formula for buying and renting out an investment property now requires too much of a down payment to allow the market rent to cover operating costs.

## **5.2 Rate of Production/Loss**

According to the US Census data for 1990 and 2000, there was a net loss in total renter-occupied units between 1990 and 2000. In 1990 there were 4,837 renter-occupied units and 4,675 in 2000, a 3.4% drop. This was likely due to low overall production of new units, plus removal of even more units from rental status.

## **5.3 Production Capacity**

With very limited options for market production of rental housing, it is unlikely that there would be an appreciable increase in rental housing stock, absent any subsidy or other incentive. Currently, the Chapter 40B process is the most viable and likely route for production of affordable rental housing by a private developer. Options for market rate rental housing are limited by environmental issues, zoning, and land supply as well as the sharp increase in single-family home prices. The Town does encourage apartment construction in its downtown zone and industrial zone but not at densities likely to result in significant numbers of new affordable units.

# **6. Owner-Occupied Housing**

## **6.1 Inventory**

Owner-occupied units grew dramatically in numbers and percent of total between 1990 and 2000, according to the US Census. There were 11,764 owner-occupied units in 1990 and 14,954 in 2000, a 27.1% increase.

Since single-family detached dwellings are by far the most common type, they are most likely to be owner-occupied as well, due to the relatively small percentage of rental units. Figure 6-1 in Appendix 9.3 shows the distribution of single-family dwellings by FY03 assessed valuation and village. Osterville, West Barnstable, Barnstable and Cotuit show high concentrations of homes valued above \$300,000 while Hyannis, Marstons Mills and Centerville show the highest concentrations of lower valued units. Figure 6-2 in Appendix 9.3 shows the distribution of single family unit supply across the seven Barnstable villages. Most of these units have at least 2 and usually 3 bedrooms.

The cost of homeownership has gone up astronomically in just the past few years. As of June, 2003, the median-priced home in Barnstable was \$286,500 and rising. There were significant variations in sale prices between village areas with Hyannis offering the lowest prices for both single-family detached and condos at \$237,500 and \$150,000, respectively. Sales numbers and prices for condos and single family detached dwellings from 1998 through June 13, 2003 are summarized in Figures 6-3 and 6-4 in Appendix 9.3. Figures 6-5 and 6-6 show distributions of these unit types by fire district, which approximate village areas. See Map 6-1 in Appendix 9.1 for fire district boundaries relative to village geography.

A significant aspect of ownership that somewhat mitigates the steep increases in prices and has kept real estate moving is the easier access to financing for home buyers. The current HUD median household income for the area at \$58,7000 could actually qualify for a loan to purchase a \$300,000 home. This is due to the relaxation of some of the traditional standards for mortgage generation. For example, the long-standing ratio of debt-to-income, in order to qualify for a home loan, is no longer an obstacle because

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some lenders will authorize higher ratios than the old standard that said total debt cannot exceed 36% of total income. This, combined with lower interest rates and smaller percentages required for down payments, has enabled many earning the median income to qualify for financing a median priced home, according to Paul Beatty of Today Real Estate's Mortgage Department.

The down side of the more liberal lending standards is that home buyers will commit to greater and greater debt levels in their monthly budgets, just to obtain a basic house. The standard percentage of income to be spent on housing costs under many subsidized programs is 30%. New homeowners in Barnstable today are paying significantly higher percentages of their income for housing. The 2000 US Census reported that 3,756 owner-occupied households in Barnstable paid more than 30% of their income for housing.

The requirement of ever-increasing percentages of income going to pay for housing appears to be a long-term trend with housing prices continuing to greatly outpace inflation and wage growth in particular. The result has been that commonly at least two full-time jobs must be held by those earning an above-average wage, leaving little time for family and making for greater tendencies toward stress-related illness. The Human Condition 2001 report, published by the County of Barnstable Department of Health and Human Services noted that stress was a big issue for many Barnstable households that also reported not having enough money for housing.

Stress is a hard-to-measure indicator but its toll on the community can be significant. The medical community has stated that high stress levels contribute to weakened immune systems, which invites illnesses to plague those experiencing sustained stress. Illness translates into missed work. Missed work lowers productivity and reduces quality of life for those who were depending on the absent worker. The greater impact is the time when the stressed person decides he or she can do better elsewhere and moves away from the Cape altogether.

The ratios of nonworker to worker households appear to be increasing, which tends to support the "U-Haul syndrome" of people in the work force leaving the Cape. At the minimum, it shows that the population is becoming imbalanced by the demographic changes that replace workers with nonworkers. This has serious implications for the local and regional economy because the remedy requires either higher wages and/or higher costs of doing business for businesses that must import their labor from off-Cape locations. Both lead to higher consumer prices and a more sluggish economy.

### **6.2 Rate of Production**

The market place has had little trouble generating or satisfying the demand for owner housing but only at market prices. As mentioned above, owner-occupancy in Barnstable grew by 27% or 2.7% per year between 1990 and 2000, according to the US Census, 2000. This was in a light mix of condos with mostly single-family detached dwellings. The growth rate cap by-law and natural market forces (mainly supply of land) has slowed the production rate somewhat but Chapter 40B proposals could change that quite suddenly.

**6.3 Production Capacity**

Using a rough estimate of build-out potential for single-family dwellings, another 4,500 dwellings could be built between 2003 and build-out. If potential Chapter 40 B projects are included, it is possible that another 3,000-5,000 unanticipated units could put the year-round total over 30,000 units, requiring at least 1,964 (3,000-1,036) additional affordable units to meet the 10% goal.

**7. Characteristics of Population & Households**

**7.1 Population**

**Change and Composition**

While the Town of Barnstable's population grew by 16.8% (6,872) to a total of 47,821 between 1990 and 2000, it also changed in composition. Most significant was a net loss of those age 20-34 years, which tracks with national trends. However, the impact in Barnstable may be greater than other areas that do not rely so heavily on this age group in its services sector. See also section on employment.

While the numbers of residents age 20-34 years dropped, the numbers of residents age 45-54 years increased dramatically, as did those 65 and older. The result of these changes was that the median age increased by 11 percent, from 38.1 years to 42.3 years, a substantial jump. There was relatively little change in gender and race proportions.

**Disability**

There was a large segment of the population that reported having at least one disability in 2000. The breakdown of disabled residents by age and status is provided in table 7-1 below:

**Table 7-1.  
Disability Status of the Civilian Noninstitutionalized Population**

<b>Population 5 to 20 years</b>	<b>9,213</b>	<b>100%</b>
With a disability	1,058	11.5%
<b>Population 21 to 64 years</b>	<b>26,063</b>	<b>100%</b>
With a disability	4,630	17.8%
Percent employed	56.4%	
No Disability	21,433	82.2%
Percent employed	80.9%	
<b>Population 65 years &amp; over</b>	<b>9,517</b>	<b>100%</b>
With a disability	3,133	32.9%

Source: US Census, 2000

**7.2 Households**

Barnstable's households totaled 19,626 in 2000, up 3,019 or 18.2% from 16,607 in 1990. There were 13,005 family households in 2000, including 10,275 married couple families and 2,103 female headed households. There were 6,621 nonfamily households in 2000, including 5,437 householders living alone.

**7.2.1 Age of Householder & Tenure**

The most striking aspect of tenure and age of householder data for 2000 was that as the age of householder went up, the likelihood of home ownership also went up while the drop in age corresponded to an increased share of renter-occupied units. See Figures 7-1,2,3&4 in Appendix 9.3. According to the US Census, 2000 data, 51% of all householders under age 35 were renters. Only 17.2% of householders age 65 and up were renters. Householders age 55-64 were least likely to rent of all age groups. 24% of all year 2000 households were renter-occupied, down from 29% in 1990. This was due to a loss of rental units and a dramatic increase in new owner units.

**7.2.2 Income and Ability to Pay for Housing**

The 2003 HUD Area Median Income for Barnstable-Yarmouth Metropolitan Statistical Area (MSA) was \$58,700. 80% of this income was \$46,960 and 50% was \$29,350. For assistance program purposes, the standard household size typically used in illustrations is 4 persons and this standard is assumed herein as well.

**7.2.2.1 Ownership**

As of June 2003, the median priced single-family, detached home in Barnstable sold for \$286,500 (based on 292 sales as of 6/13/03). The median priced condo in the same period was \$154,000 (based on 33 sales as of 6/13/03). The median family income (considerably higher than the median household income) of \$58,700 could afford the median priced condo in 2003 but not the median priced single-family home.

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Tables 7-2 and 7-3 in Appendix 9.2 provide overviews of the variations in median household incomes and housing prices among the villages.

Table 7-4 below shows the sharp changes in affordability just since 1999. In 1999, the median family income of \$54,026 could afford both the median priced house (in all villages but Barnstable & West Barnstable) and the median priced condo in all villages but Centerville. However, in 2003, only the median priced condo *in Hyannis* was affordable to the median family income while the median priced house in every village was significantly beyond the means of the median family income, using 30% of monthly income as the maximum for housing costs.

Table 7-4, Home prices and affordability, 1999 and 2003

Type & Year	Median Price*	Estimated Number of Units Sold Below Median Price	Monthly Cost**	Median Family Income	Maximum Monthly Housing Payment @30% of Median Income
S.F. House '99	\$156,000	535	\$1,037	\$54,026	\$1,351
Condo '99	\$99,000	58	\$658	\$54,026	\$1,351
				<b>Median Household Income</b>	
1999 (@100%)				\$46,811	\$1,170
1999 (@80%)				\$37,449	\$936
1999 (@50%)				\$23,405	\$585
S.F. House '03	\$286,500	292	\$1,904	\$58,700	\$1,468
Condo '03	\$154,000	33	\$1,024	\$58,700	\$1,468

\* Largely reflects Hyannis prices; all other villages had much higher median prices

\*\* Principle & interest, based on 30-yr loan @6.0% & 10% down, plus taxes & insurance @1.5% of purchase price per month

Source: Compiled by Michael J. Pessolano, Consultant, from US Census, 2000 and Barnstable Assessor data

As shown in the table above, only 593 units in 1999 and 325 units in 2003 were sold below the median price. With 1,561 owner-occupied units moved into between 1999 and March, 2000, only one third of these home owners could have purchased at or below the 1999 median sale price. Yet half of the households in town earned less than the median income. While these few facts are not conclusive, this apparent disparity suggests a significant shift in the population may be underway with more affluent owners displacing less affluent owner-occupied households.

The above table also shows that while family median income enabled some participation in the Barnstable housing market, median and lower household income were not as able to participate. As shown in 7.2.2.2 below, the majority of renter-occupied households in town could not afford the monthly payments required to own the median priced home in Hyannis let alone other villages where median home prices were much higher.

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Home owner housing costs exceeded reasonable limits in 2000. The US Census reported that 27.2% (3,749) of all specified owner-occupied units paid more than 30% of monthly income for housing costs. 20% (2,756) paid more than 35%. These percentages and numbers were likely to have been much higher in 2003 as steep housing price increases continued to outpace household income gains.

### 7.2.2.2 Rental

#### Proportion of Monthly Income Required for Gross Rent

Lack of housing affordability for renters was even more pronounced than for owners. Among the 4,675 specified renter-occupied units per the US Census, 2000, 42.4% paid more than 30% of monthly income for gross rent (rent plus basic utilities) in 2000. 34% paid more than 35%. The largest concentrations of poorly afforded rentals was among single-family dwellings and condos and had the greatest impact on the renting population with householders aged 25-54. There were 977 households paying more than 35% of income for gross rent where the householder was aged 25-54. The next largest renter population paying more than 35% was the 75 and over age group. Some 367 households in this category were counted by the 2000 Census. See Table 7-5 below:

Table 7-5, Rents above 35% of household income by age of householder

<b>Renter-Occupied Households that paid more than 35% of Monthly Income for Rent in 1999</b>			
<b>Age of Householder in Years</b>	<b>Number</b>	<b>% of Renting Age Group</b>	<b>% of All Renter-occupied Households</b>
15-24	72	23.0	6.7
25-34	322	33.2	20.7
35-44	425	36.3	25.1
45-54	230	28.4	17.3
55-64	87	25.4	7.3
65-74	88	24.0	7.9
75+	367	52.4	15.0

Source: Compiled by Michael J. Pessolano, Consultant, from US Census, 2000 data

Excessive rents were most likely to be associated with 1 to 4 unit structures, where the majority (69.8%) of Barnstable renter households lived in 2000. Some 1,109 such units had gross rents that exceeded 35% of household income.

Predictably, the vast majority of renter-occupied households in 2000 where 1999 household income was under \$35,000, paid more than 35% of monthly income for gross rent. This represented 1,551 such households, which accounted for 33.2% of all renter-occupied units. It is likely that the majority of the 1,311 units where 1999 householder income was under \$35,000 and rent was less than 35% of income were subsidized units. Townwide, 62.1% (2,861) of the households in all renter-occupied units in 2000 had 1999 incomes below \$35,000, with an expected higher ratio in Hyannis (68.7%), where subsidized rental housing was most abundant. In total, some 3,609 units (77.2% of all renter-occupied units) in 2000 had 1999 household incomes of less than \$50,000.

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See also Figure 7-5 in Appendix 9-3 and Table 7-6 in Appendix 9-2 for additional representations of renter housing expenditures relative to income.

### **Market Rates in 2003**

Rental rates in 2003 were considerably higher than in 1999, despite a disproportionately smaller rate of wage growth in the same period. The 1999 median household income could afford the median 1999 rent of \$742. However, prevailing rents of **\$1,200 - \$1,400** and up for family size housing throughout the Town in 2003 were incompatible with the 1999 Town-wide monthly median household housing budget (30% of monthly gross household income) of **\$1,170**. Even by adding to 1999 income 2 % per year for 4 years for inflation, prevailing rents still exceeded the resulting median housing budget of **\$1,266**. See Table 7-3 in Appendix 9.2.

Unfortunately, the short supply of reasonably priced rental units causes renters to commit more of their income to housing expense in 2003 than they did in 1999. Such adjustments cannot continue indefinitely while retaining the resident workforce, which is most impacted by the excessive and growing gap between rents and income. ***At some point, each family paying too much for rent will assess their options and consider moving elsewhere.***

### **7.2.2.3 Subsidized Housing**

Assistance in meeting the challenges of finding affordable housing is available in a variety of forms as follows:

**Barnstable Housing Authority (BHA)** - This agency exists to serve Barnstable's housing needs for those earning less than 50% of the median income. It is separate from Town government. The Authority manages some 350 units of housing for families and individuals plus 52 units of special needs housing. The BHA collaborates with the Housing Assistance Corporation, which has about 450 Barnstable residents on an actively culled waiting list for "Section 8" certificates and 500 on a wait list for conventional subsidized housing. There tends to be about 30 new vacancies per year among the BHA's housing inventory.

The BHA also manages housing vouchers (enable low income people to secure housing in the market place by supplementing rent payments to private unit owners) and a variety of other assistance programs. However, the voucher programs for rental assistance and disabled people have been dwindling down due to the absence of funding at the State level.

**Housing Assistance Corporation (HAC)** - HAC is a regional nonprofit that has become not only the sole provider on Cape Cod of emergency shelter for families and individuals experiencing homelessness, but also the creator and administrator of various first-time homebuyer, rental assistance, rehabilitation and prevention programs. The agency's mission is to promote and implement the right of all people on Cape Cod and the islands to occupy safe and affordable housing.

**Office of Community and Economic Development** - This Town agency provides supplemental funding and technical assistance to preserve and expand the supply of affordable housing in the community through CDBG funding and Town appropriations.

**Community Action Committee of Cape Cod and Islands** - As its name implies, this is a pro-active advocacy and social service organization focused on preventing and ameliorating the effects of poverty and homelessness on area residents. The Committee provides housing search and other forms of assistance for families and individuals in need.

**HOME Consortium** - The Barnstable County HOME Consortium consists of the Cape's 15 towns within Barnstable County. Since 1994 the Consortium has been allocated over \$6.9 million in federal HOME Investments Partnership funds. Prior to becoming a consortium the County had been awarded \$615,628 in HOME funds from the state. During this time County HOME funds awarded to local projects have resulted in the creation of 312 affordable housing units in the County. There are another 122 units under construction with commitments to projects that will create another 39 units. The HOME Program has provided funding for acquisition and rehabilitation of rental housing, homeowner repairs, rental assistance and first-time homeownership.

**Habitat for Humanity** - This organization strives to leverage existing resources into permanently affordable housing and has been active in all Cape towns, including Barnstable. Typically, Habitat receives a donation of land and materials and organizes a construction process using volunteer labor to build new deed-restricted housing for a program participant.

These resources have made progress, providing affordable housing solutions for many Barnstable residents. In total, there were 1,036 subsidized units in Barnstable as of September 2003. See other sections of the updated Barnstable Housing Plan for details on affordable housing production.

### **7.3 Future Characteristics**

Demographic trends indicate that there will continue to be gains in the proportion of older residents and a continued dearth of younger people. Recent school consolidation in Barnstable is one manifestation of this trend. Older people will be most able to move into Barnstable, as they will be most likely to bring with them the significant equity needed to participate in the Barnstable housing market, which is increasingly dominated by owner-occupied units. Thus, while there will be additional older residents, housing for younger people is needed most of all because of the ongoing losses from the younger age groups and the expected continued prevalence of home ownership among seniors. However, because of their increasing numbers, reliance on fixed incomes and unique needs, a substantial segment of seniors will need affordable housing and assisted living arrangements.

The number of households is expected to grow steadily but more slowly than recent decades. Depending on how affordable housing is developed, there could be 30,000 or more year-round units in the Town at build-out. The current supply of affordable units at 1,036 in September, 2003 would need to be tripled to sustain 10% of year-round units as affordable. Gradually expiring deed restrictions on current affordable units would require additional conversion or production to keep the percentage of affordable units from regressing.

## 7.4 Estimated Housing Need by Housing Type

### 7.4.1 Rental

The largest segment of rental seekers in Barnstable was in the 25 to 54 year-old population, according to US Census, 2000 data and a high-volume rental agent who handled mostly average quality units. This agent also confirmed that mostly working people were among her clientele. As of September, 2003, there was an abundant supply of 3-bedroom single-family homes renting for \$1300 and up, plus utilities. However, very few such units were available for less rent.

Vacancies were available in some apartment complexes featuring one and two-bedroom units, renting for \$885 and \$1,025 per month, respectively. Utility costs (estimated to average \$60/month) added in brought these housing unit costs to \$945 and \$1,085 per month.

In Barnstable, the median earnings for full-time, year-round workers in 1999 was \$41,494 for males and \$30,442 for females.

The greatest measure of rental housing need is the US Census findings regarding Gross Rent as a % of household income. It has long been held in the subsidized housing industry that housing costs should not exceed 30% of income. In Barnstable in 1999, a significant portion of the renting population paid more than 30% of their gross household income for rent, as shown in Table 7-6 in Appendix 9.2. In total, some 1,985 households paid more than 30% of household income for gross rent in 1999. The majority of such households (1,426) were in Hyannis. However, among all renters in all villages, the percent of renters who paid more than 30% ranged from a low of 26% of all renter-specified households in Barnstable and West Barnstable (combined) to a high of 47% in Hyannis. The Townwide value was 42%. ***Approximately 22% (1,009) of all specified renter-occupied households paid more than 50% of their income for gross rent in 1999.***

***Roughly 1/3 (30%) of all tenants had moved in the year before the 2000 Census. Nearly 3/4 (73%) of all tenants had moved within five years prior to the 2000 Census.*** Homeowners, however, experienced much greater stability with only 10% moving in the year before the 2000 Census and 36% moving in the 5 years prior to the 2000 Census. Sharp distinctions in recent move rates among Census tracts were not evident among renters or homeowners. Higher transience is normal in the renting population. While the respective move rates in 1990 were even higher (47% 1 year before and 81% 5 years before Census), the 2000 rates are significant. They largely indicate a combination of turnover of the same units and displacement due to the sale or owner take-over of rental units. Local housing professionals interviewed believed that greatest cause of tenant moves in Barnstable remains the sale or owner take-over of the rental unit. This trend appears to be driven by national economic issues and demographics. Shifting markets as well as an ongoing wave of baby boomers retiring to their investment properties on the Cape may be responsible for significant changes in tenure.

The displacement effect is further validated by the presence of fewer renter-occupied units in Barnstable in 2000 (4,683) than in 1990 (4,835). This trend is also evident for

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Barnstable County as a whole with 1.9% fewer renter-occupied units in 2000 than in 1990.

### **Seniors**

The need for senior housing is difficult to document. There are clearly many seniors in the Town who earned less than the median income in 1999. These households were widely distributed throughout all seven village areas. However, many in the senior population may have purchased their homes long ago or with cash from sale of other property such that for some, housing costs may be very low. Thus it would be erroneous to conclude that seniors have the greatest need simply due to their growing numbers and lower incomes, which have always been lower than those of the working population. This is borne out by the housing data itself. Only 27% of homeowners paid more than 30% of their income for housing costs. There were 6,566 Barnstable households in 2000 with individuals age 65 years or older. Of these, 1,068 households were specified renter-occupied and 5,100 were specified as owner-occupied.

### **Families**

Young couples and families with children represent a vitally important segment of the population. Not only do families include the future citizens of the Town, but they are largely responsible for the function of the community, through various employment and business venues. This is not to say that seniors or any other populations do not contribute. However, it must be recognized that the majority of the workforce is part of the family population. Families also include female-headed households, of which 2,103 households had no husband present and 1,234 of these had children present. The total count of family households was 13,005 in 2000. This number includes senior couples as well as younger couples. There were about 3,000 nonsenior (under age 65) householders living alone and nearly 1,200 additional nonfamily households (unrelated people living together not related by blood or marriage).

Median family income was higher than median household income, largely due to the likelihood of two adults working in most family households. However, the median 2003 family income could not afford to purchase the median priced Barnstable home in 2003 while paying 10% down and keeping their housing costs under 30% of monthly income. Just as with seniors, the numbers tell an incomplete story. Obviously, the families being discussed were living in homes of some sort in Barnstable in 2000. However, the sudden loss of housing or income could quickly "unhouse" any family and homelessness becomes an instant possibility for those unable to leave the area for more affordable housing opportunities.

### **People with Disabilities**

For Barnstable Town and the County as a whole in 2000, disabled people were about 16% of the noninstitutionalized population over age 5. There were no unusual concentrations of this population among the villages. The largest concentration of noninstitutionalized disabled residents (34% or 2,435) was in Hyannis. Some 3,000 residents (6% of the Town's total 2000 population based on a sample) reported they had an employment disability. However, it is not known how well-housed any of these residents were in 2000 or what their household incomes were.

It can be estimated that the disabled population that could not work was probably challenged to keep or find their housing. While Social Security and/or Supplemental Security Income would be likely in most of these households, together with other potential sources, there would be implicit limitations in competing in the housing marketplace not just due to prevailing high rental prices but also to the scarcity of affordable, barrier-free units. Due to the fairly similar proportions of disabled people in the Town, County and State populations, the Barnstable Housing Plan should provide that at least 5% of new affordable units should be barrier-free and made available to disabled Barnstable residents in need of such housing on a preferential basis.

### **Special Needs Population**

Barnstable continues to house a substantial number of individuals with various special needs, including people with AIDS, mental retardation, and mental illness. These housing needs are typically met in group home settings, which are required by State law to be treated under zoning as single family uses. Programs to develop and operate such housing should be encouraged to continue, as the need for them will grow with the general population.

#### **7.4.2 Owner-Occupied**

The majority of occupied Barnstable housing units has long been owner-occupied. Between 1990 and 2000, the proportion of owner-occupied units to total units increased. This was due to extremely high production of owner housing, relatively low production of rental housing, and an actual loss of units for rent. Clearly, owner-occupancy will remain the predominant form of tenure for the foreseeable future.

Ownership opportunities for current residents who rent or even own their own homes are becoming increasingly more limited as appreciation continues to drive up median home and condo prices. It is advisable to encourage home ownership as this form of tenure is most likely to support a fairly stable population that has a vested interest in supporting and preserving the quality of life in town, based on historic indicators. New ownership opportunities for current renters helps keep rental units more available as the renters move out of their rental units and into their owned units.

Based on historic demographic characteristics, owned housing is more likely to be occupied by long-time residents, which enhances stability and a sense of community. Retaining workers in the community is dependent in large measure on the ability of new households to form and raise families reasonably close to employment centers.

Given the above benefits of ownership, the Town should continue to encourage home-ownership in balanced proportions with the needed additional rental stock.

## **8. Characteristics of Local/Regional Economy**

### **8.1 Employment**

The largest employment sectors in the Town of Barnstable in 2001 were services (9,702 employees) and trade (9,416 employees). These two sectors combined represented 68.2% of all employees in Barnstable in 2001. This measure indicates the number of employees by their place of work rather than by where they live. It is the more

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meaningful measure when considering housing need because it is more specific to a particular community. Employment data by place of residence may tell how many people work in each occupation or industry but the jobs these residents hold are dispersed within the Town as well as beyond town boundaries.

In general, employment in the Town of Barnstable, as well as the County of Barnstable, is concentrated in the retail and service sectors. This has been the dominant pattern for decades. The significance of this is that wages are largely derived from lower paying jobs due to the concentration of low and medium skilled positions in these industries.

The mismatch between wages and housing prices has manifested in the recent and growing trend of employers importing workers from other communities and even other countries. Foreign workers appear to have temporary housing arrangements due to their temporary residency here. Such housing is very likely to be overcrowded and/or employer-supplied. Some retail, lodging and restaurant employers have secured housing for workers to sustain their basic staffing levels during the summer months with many such workers coming from abroad. This activity may serve reduce the overall supply of housing for workers, in general, but insufficient data is available for adequate documentation.

In any event, the importation of workers is necessary because not enough workers exist locally. A likely cause of the shortage of workers is the lack of adequate housing resources at affordable prices. The significant reduction of residents age 20-24 years and 25-34 years between 1990 and 2000 (25.7% and 21.4%, respectively) is a major indicator behind this labor trend. While this is a national phenomenon due to demographic changes, it hits particularly hard in local economies that are deeply vested in low-skilled trade and service occupations, as is the case with Barnstable and all Cape Cod communities. The absence of adequate housing choice for younger workers greatly exacerbates their shrinking numbers.

Even if more families with teen age children seek to move in to replace the reduced numbers of 20-somethings, the housing shortage and prevailing low wages will make it difficult for them to establish and sustain independent households.

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### 8.1.1 By Industry

According to the 2000 US Census, there were 22,677 employed civilians 16 years and over living in Barnstable. These workers were distributed among the following industries as shown in Table 8-1:

**Table 8-1**

<b>INDUSTRY</b>	<b>NUMBER OF EMPLOYEES</b>	<b>PERCENT OF TOTAL</b>
Agriculture, forestry, fishing and hunting, mining	88	0.4
Construction	2,111	9.3
Manufacturing	1,071	4.7
Wholesale trade	478	2.1
Retail trade	3,336	14.7
Transportation & warehousing, and utilities	1,046	4.6
Information	658	2.9
Finance, insurance, real estate & rental and leasing	1,256	5.5
Professional, scientific, management, administrative, & waste management services	1,973	8.7
Educational, health and social services	5,356	23.6
Arts, entertainment, recreation, accommodation and food services	2,868	12.6
Other services (except public administration)	1,317	5.8
Public administration	1,119	4.9
<b>Total</b>	<b>22,677</b>	<b>99.8%*</b>

\*Total not shown as 100% due to rounding

Source: U.S. Census, 2000

Three of the traditionally lower wage industries - 1. retail trade, 2. education, health and social services, and 3. arts, entertainment, recreation, accommodation and food services - constitute 50.9% of the adult employed population. It is probable that relatively few employees (managers) of the roughly 12,000 in these three industries earned more than the approximate 1999 median HUD income of \$50,000. It is not known how many or what types of households are represented by these employment statistics. However, it would be accurate to say that most of these 12,000 workers would be very challenged if they had to replace their current home with another place to live, due to the wide gaps between median income and median housing prices. Unfortunately, it would also be accurate to state that one very plausible option would be to leave the community if reasonably priced housing could not be readily found.

### 8.1.2 By Place of Work

There were several indicators that a significant number of Barnstable workers traveled to jobs outside of Barnstable. In the 2000 US Census, 45% (10,014) of the workers age 16 and over reported working outside their place of residence. However, it is unclear whether "place" meant village place or town place to the Census respondent. The US Census also reported an average commute time of 23.7 minutes for the 22,161 workers

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16 years and over. This, too, suggests that a fair number of workers traveled outside of Barnstable for employment in 2000. This is further supported by the following considerations. The March, 2000 employed resident labor force was 22,677 per the US Census. The total number of employees in Barnstable establishments in 2000 was 27,558. Many of these were residents of other towns (as demonstrated by commuter congestion at town entrances). Therefore, it stands to reason that not all the jobs in Barnstable were filled by Barnstable residents and that at least 4,881 Barnstable workers had to work elsewhere ( $27,558 - 22,677 = 4,881$ ). It is likely that more than that worked outside the Town.

The significance of the place of work indicators is that Barnstable is part of a larger employment region. With Hyannis village as the central location for many businesses serving the Mid-Cape area (Barnstable, Yarmouth, Dennis) and beyond, all Barnstable villages, especially Hyannis, are desirable places to live in terms of proximity to work for many thousands of people. This helps sustain upward pressure on rental prices in these villages.

### 8.2 Labor Force

The total Barnstable labor force in 2000 was 23,901 or 61.9% of the total population age 16 years and over. This was measured in March, 2000, at the time of the 2000 Census. However, the total labor force in Barnstable varies significantly due to seasonal influences. According to the Mass. Department of Employment and Training (DET), July employment levels in establishments are much higher than January levels in Barnstable (30,173 in July, 2001 vs. 26,393 in January, 2001). The traditional seasonal increase is due to the seasonal nature of the overall economy. However, more year-round employment exists in Barnstable than any other Cape community. Thus, County-wide employment fluctuation is roughly double the rate of change in the Town of Barnstable (27% vs. 14%) between January and July.

**Average annual labor force** (aggregate monthly labor force divided by 12) in Barnstable Town and County was as follows:

YEAR	BARNSTABLE TOWN	BARNSTABLE COUNTY
2000	24,029	108,290
2001	24,079	109,296
2002	25,136	112,218

Barnstable's 2000-2002 average annual labor force (i.e. the total number of *residents* covered by the Commonwealth's unemployment laws, as opposed to total *employees in establishments*) was about 22% of the County total. This demonstrates that the Town houses nearly one-quarter of the Cape's average labor force. Put another way, the Town had 33% of the total Cape employees in January, 2001 and 28% in July, 2001, as shown in Figure 8-1 in Appendix 9.3. Thus, the greatest concentration of both labor and jobs in Barnstable County, especially in the lower wage industries, occurs within the Town of Barnstable.

#### 8.2.1 Growth

Over the decade of 1991 to 2001, total annual employment in Barnstable grew by 6,589 workers or 3% per year. 60% of this growth was in the trade and services industries,

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where lower wages are typical. The number of establishments grew by about 1.5% per year. If the economy grows at the same rate and with the same types of jobs over the next ten years, there would be 30% more employment (totaling roughly 36,490 workers) in the Town of Barnstable or another 5,053 workers in the trade and services industries in 2011.

### 8.2.2 Expected composition

The expected composition of the Barnstable employment picture in 2011 is roughly the same as in 2001 with a greater concentration in services and other low-skill, low-wage occupations, based on generalized economic forecasts and DET's 2008 employment projections for the State as a whole.

### 8.3 Wages, Income, and Poverty

There are several ways to measure wages and income in the context of housing affordability. These are described below in detail, according to the following headings:

- Average Wages
- Median Household Income
- Median Family Income
- Median Earnings
- Earnings by Type
- Poverty Status

**Average wages** - In Barnstable, the average annual wages (earnings by workers) was \$33,592 in 1999 and \$35,592 in 2001. Although average wages increased by 55% between 1991 and 2001, the cost of housing increased much more dramatically over a shorter period.

**Median Household Income** - According to the 2000 US Census, the median 1999 household income (combined income from all sources in a household) among the 19,647 households in Barnstable was **\$46,811**. The breakdown of households by income category is provided below:

<b>Income in 1999</b>	<b>Number of Households</b>	<b>Percent of Total</b>
Less than \$10,000	1,383	7.0
\$10,000 to \$14,999	1,253	6.4
\$15,000 to \$24,999	2,199	11.2
\$25,000 to \$34,999	2,437	12.4
\$35,000 to \$49,999	3,154	16.1
<i>Total under \$50,000</i>	<i>10,426</i>	<i>53.1</i>
\$50,000 to \$74,999	4,237	21.6
\$75,000 to \$99,999	2,309	11.8
\$100,000 to \$149,999	1,584	8.1
\$150,000 to \$199,999	399	2.0
\$200,000 or More	692	3.5

**Median Family Income** - This measure of income is typically higher than median household income because of the more consistent presence of two wage earners

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among families (i.e. single householders and nonfamily households are excluded). The 1999 median family income in Barnstable was **\$54,026**.

**Median Earnings** - This measure is perhaps the most useful in this housing needs assessment as it provides a valid estimate of income for each year-round, full-time worker by gender. According to the 2000 US Census in Barnstable in 1999, male median earnings were **\$41,494** and female earnings were **\$30,442**, per worker.

Median earnings by industry sector are also indicative of income. The following listing of occupations provides annual median wages or wage ranges for salaried workers and hourly rates for unsalaried workers. Many unsalaried positions on Cape Cod are likely to be part-time.

<b>Occupation</b>	<b>Median Salary/Hourly Rate</b>
General managers	\$43,500-\$58,000
Food service managers	\$29,471
Lodging managers	\$31,352
Medical and health care managers	\$48,442
Social and community service managers	\$44,243
Business operations specialists	\$34,000-\$48,000
Social service specialists	\$20,700-\$38,500
Teachers	\$26,000-\$46,000
Health technicians	\$20,000-\$45,500
Health care support	\$8.43-\$17.97
Office workers	\$9.00-\$15.19
Fire fighters	\$21.04
Food service workers	\$6.48-\$11.36
Miscellaneous service workers	\$7.63-\$10.50
Retail workers	\$7.91-\$11.93

Source: MA Dept. of Employment & Training, 2001

The above wage rates, which are representative of typical employment in the Town of Barnstable indicate very few opportunities for earning the median household income without multiple income sources.

**Mean Earnings by Type** - The 2000 US Census identified the numbers of households by the type of earnings used in compiling total household income. There are some multiple income sources per household in these numbers because the percent of total numbers add up to more than 100%.

**TOWN OF BARNSTABLE HOUSING NEEDS ASSESSMENT - FINAL DRAFT**

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<b>Category</b>	<b>Number of Households</b>	<b>Mean Earnings/Income</b>	<b>Percent of Total Households</b>
With earnings	14,643	\$59,924	74.5
With Social Security income	6,886	\$11,979	35.0
With Supplemental Security income (needy aged, blind, disabled)	858	\$6,176	4.4
With public assistance income	333	\$3,612	1.7
With retirement income	4,599	\$18,451	23.4

Source: US Census, 2000

**Poverty Status** - The 2000 US Census reports a variety of categories, which document poverty measures in Barnstable households according to descriptions of individual situations as follows:

<b>Poverty Status in 1999</b>	<b>Number Below Poverty Level</b>	<b>Percent Below Poverty Level</b>
<b>Families</b>	<b>830</b>	<b>6.3</b>
With related children under 18 years	655	11.1
With related children under 5 years	278	12.7
<b>Families with female householder, no husband present</b>	<b>488</b>	<b>22.2</b>
With related children under 18 years	448	31.6
With related children under 5 years	198	45.5
<b>Individuals</b>	<b>4,173</b>	<b>8.8</b>
18 years and over	2,898	7.9
65 years and over	564	5.9
Related children under 18 years	1,199	11.7
Related children 5 to 17 years	917	11.8
Unrelated individuals 15 years and over	1,739	18.2

Source: US Census, 2000

**For Calculation Purposes**

With such a wide variety of income measures, it is necessary to establish a consistent reference point for use in the calculations in this needs assessment. The HUD median income (used for establishing eligibility for public housing assistance) for the Barnstable area in 2003 was \$58,700. 80 percent of this measure was \$46,960. In looking back at conditions at the time of the 2000 US Census, the area median was rounded to \$50,000 (\$40,000 at 80% of median) for simplicity in estimating numbers of households above and below this level. This was done primarily to match the income breaks in the Census income data.

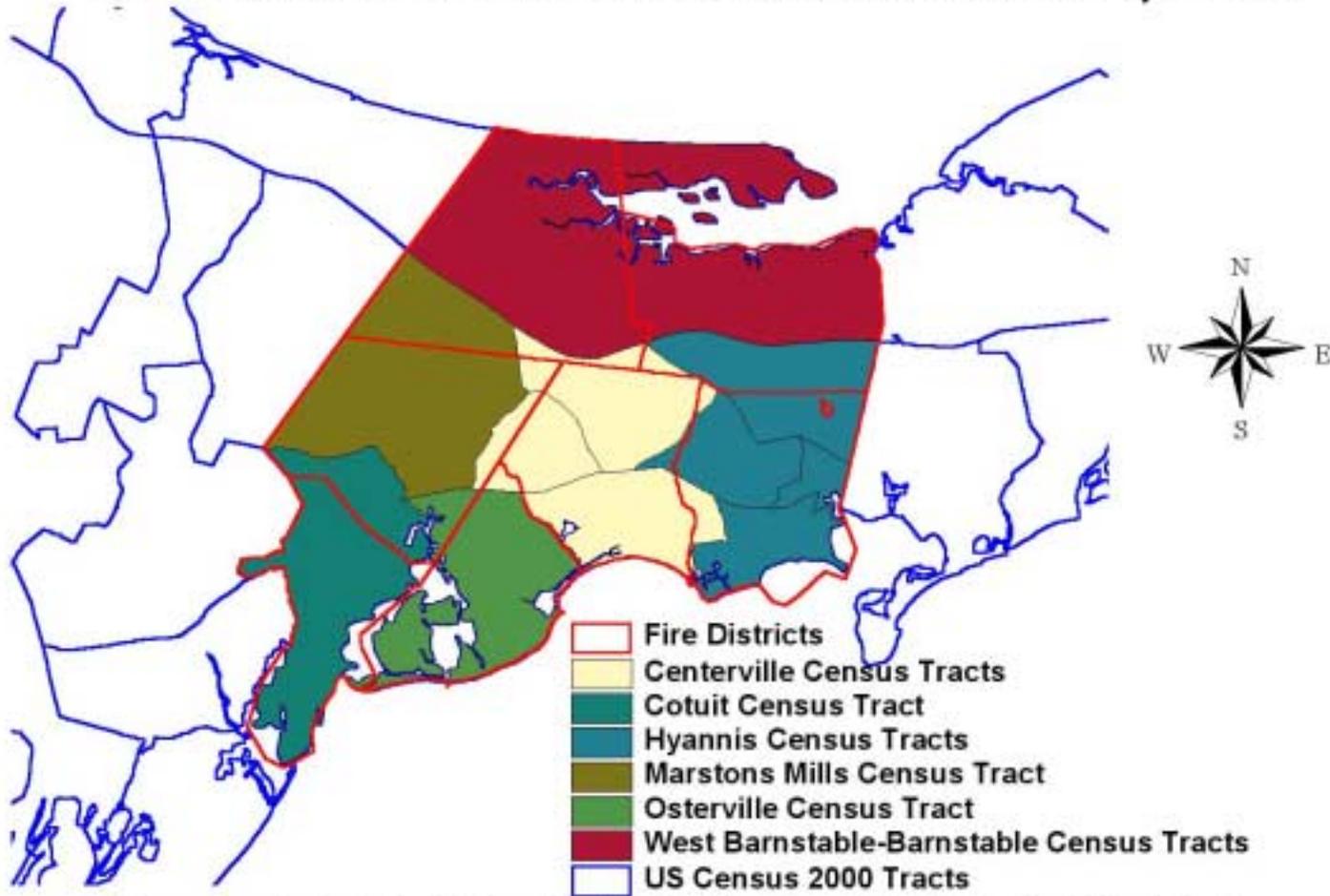
**9. Appendices**

**9.1 Maps**

**9.2 Tables**

**9.3 Figures**

# Barnstable Census Tracts by Village Orientation & Fire District Boundaries, 2003



Source: Compiled by Michael J. Pessolano, Consultant, from Town of Barnstable GIS and MassGIS data

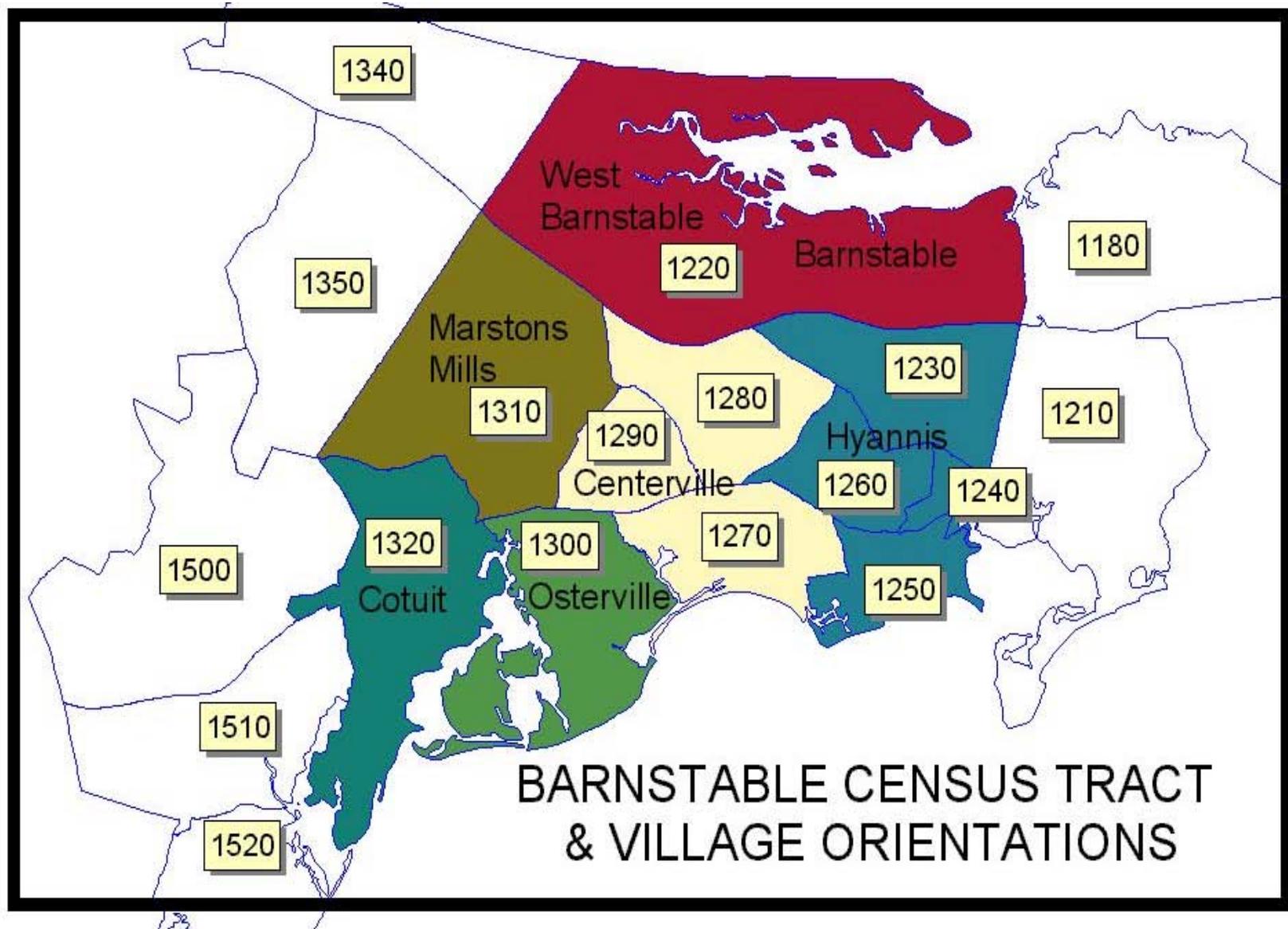


TABLE 7-2, BARNSTABLE HOUSEHOLD INCOME ABOVE & BELOW \$50,000, 1989 & 1999													
Approximate Village Area	US Census Tract	Up to \$49,999						\$50,000 or More					
		1989	1989	1999	1999	1989-99 Change		1989	1989	1999	1999	1989-99 Change	
			% of all Households		% of all Households	Number	Percent		% of all Households		% of all Households	Number	Percent
<b>W. Barns. &amp; Barns.</b>	<b>1220</b>	<b>1,025</b>	<b>60%</b>	<b>718</b>	<b>36%</b>	<b>-307</b>	<b>-30%</b>	<b>686</b>	<b>40%</b>	<b>1,304</b>	<b>64%</b>	<b>618</b>	<b>90%</b>
Hyannis	<b>1230</b>	205	85%	204	80%	-1	-	37	15%	52	20%	15	-
	<b>1240</b>	1,153	91%	1,058	85%	-95	-	109	9%	189	15%	80	-
	<b>1250</b>	1,208	78%	1,046	64%	-162	-13%	341	22%	588	36%	247	72%
	<b>1260</b>	2,300	83%	2,064	65%	-236	-10%	462	17%	1,120	35%	658	142%
<b>Hyannis</b>	<b>1230-60</b>	<b>4,866</b>	<b>84%</b>	<b>4,372</b>	<b>69%</b>	<b>-494</b>	<b>-10%</b>	<b>949</b>	<b>16%</b>	<b>1,949</b>	<b>31%</b>	<b>1,000</b>	<b>105%</b>
Center-ville	<b>1270</b>	1,541	71%	1,005	48%	-536	-35%	619	29%	1,108	52%	489	79%
	<b>1280</b>	1,071	71%	777	47%	-294	-27%	427	29%	885	53%	458	107%
	<b>1290</b>	1,141	70%	912	53%	-229	-20%	479	30%	796	47%	317	66%
<b>Centerville</b>	<b>1270-90</b>	<b>3,753</b>	<b>71%</b>	<b>2,694</b>	<b>49%</b>	<b>-1,059</b>	<b>-28%</b>	<b>1,525</b>	<b>29%</b>	<b>2,789</b>	<b>51%</b>	<b>1,264</b>	<b>83%</b>
<b>Osterville</b>	<b>1300</b>	<b>965</b>	<b>69%</b>	<b>747</b>	<b>48%</b>	<b>-218</b>	<b>-23%</b>	<b>426</b>	<b>31%</b>	<b>825</b>	<b>52%</b>	<b>399</b>	<b>94%</b>
<b>Marstons Mills</b>	<b>1310</b>	<b>1,152</b>	<b>61%</b>	<b>1,016</b>	<b>46%</b>	<b>-136</b>	<b>-12%</b>	<b>734</b>	<b>39%</b>	<b>1,215</b>	<b>54%</b>	<b>481</b>	<b>66%</b>
<b>Cotuit</b>	<b>1320</b>	<b>1,183</b>	<b>70%</b>	<b>879</b>	<b>44%</b>	<b>-304</b>	<b>-26%</b>	<b>504</b>	<b>30%</b>	<b>1,139</b>	<b>56%</b>	<b>635</b>	<b>126%</b>
<b>TOWN</b>	<b>All Tracts</b>	<b>12,944</b>	<b>73%</b>	<b>10,426</b>	<b>53%</b>	<b>-2,518</b>	<b>-19%</b>	<b>4,824</b>	<b>27%</b>	<b>9,221</b>	<b>47%</b>	<b>4,397</b>	<b>91%</b>

Source: Compiled by Michael J. Pessolano, Consultant, from US Census data, 1990 and 2000

**Table 7-3, Median Incomes and Housing Prices by Village Area, 1999 & 2003**

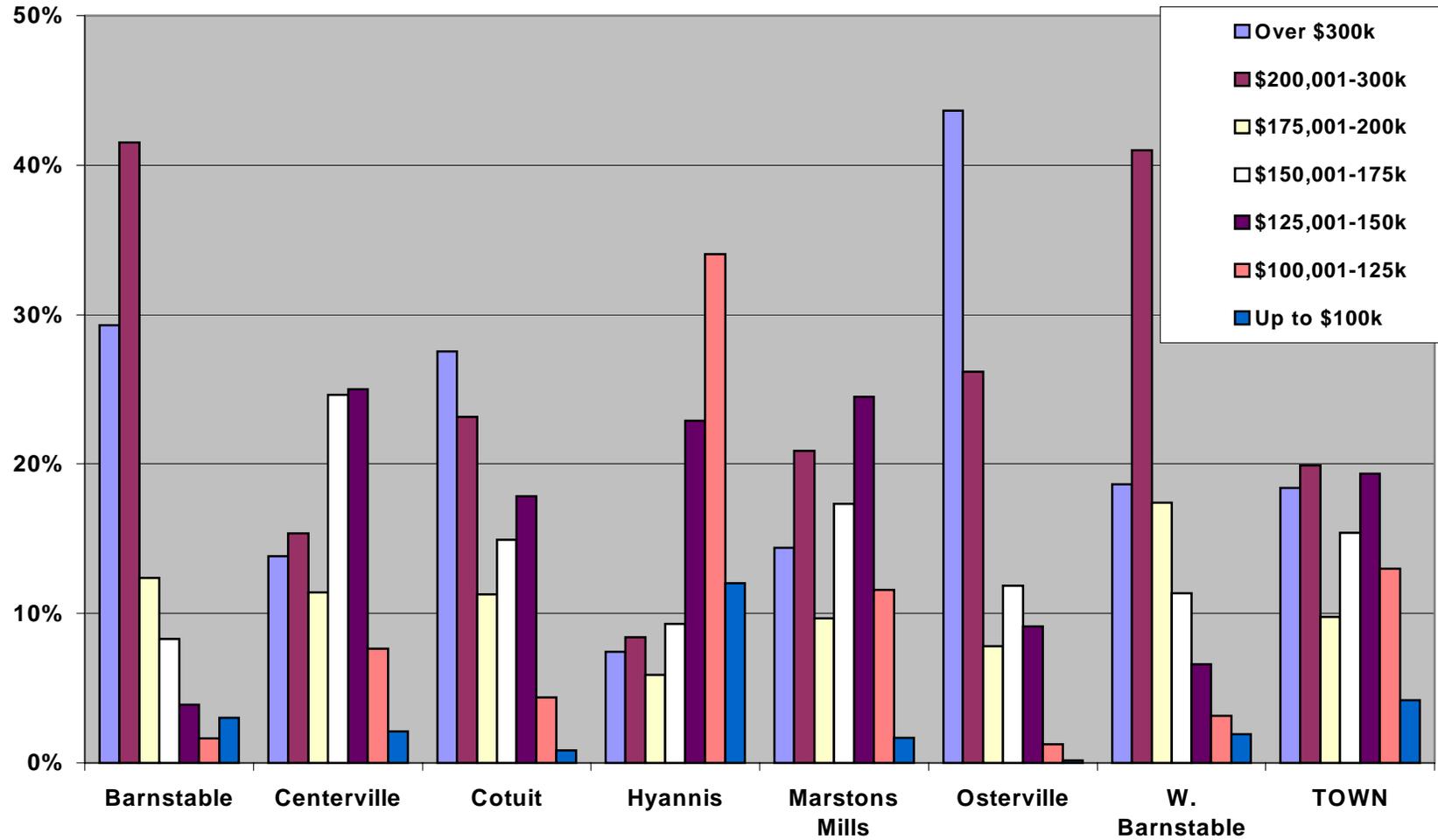
	<b>Barnstable &amp; W. Barnstable*</b>	<b>Hyannis**</b>				<b>Centerville</b>			<b>Oster-ville</b>	<b>Mars-tons Mills</b>	<b>Cotuit</b>	<b>Town</b>
Census Tract	<b>1220</b>	<b>1230</b>	<b>1240</b>	<b>1250</b>	<b>1260</b>	<b>1270</b>	<b>1280</b>	<b>1290</b>	<b>1300</b>	<b>1310</b>	<b>1320</b>	<b>All Tracts</b>
Median Household Income, 1999	\$66,450	\$30,000	\$21,442	\$38,452	\$37,432	\$51,110	\$52,411	\$46,952	\$55,122	\$51,681	\$55,101	\$46,811
Single Family Home, 1999	\$219,500	\$125,000	\$125,000	\$125,000	\$125,000	\$164,000	\$164,000	\$164,000	\$164,000	\$164,000	\$186,250	\$156,000
Median Price - Condo, 1999	\$181,750	\$73,500	\$73,500	\$73,500	\$73,500	\$310,000	\$310,000	\$310,000	\$310,000	\$310,000	--	\$79,000
Median Family Income, 2003	\$58,700	\$58,700	\$58,700	\$58,700	\$58,700	\$58,700	\$58,700	\$58,700	\$58,700	\$58,700	\$58,700	\$58,700
Single Family Home, 2003	\$441,500	\$237,500	\$237,500	\$237,500	\$237,500	\$299,000	\$299,000	\$299,000	\$299,000	\$299,000	\$479,500	\$286,500
Median Price - Condo, 2003	\$295,000	\$150,000	\$150,000	\$150,000	\$150,000	\$297,900	\$297,900	\$297,900	\$297,900	\$297,900	--	\$154,000
Gross Median Rent, 1999	\$911	\$692	\$620	\$753	\$745	\$831	\$922	\$845	\$845	\$885	\$929	\$742
Maximum Affordable Gross Rent @ 30% of Median Income	\$1,661	\$750	\$536	\$961	\$936	\$1,278	\$1,310	\$1,174	\$1,378	\$1,292	\$1,378	\$1,170

Sources: Table compiled by Michael J. Pessolano, Consultant, from US Census, 2000, HUD, and Barnstable Assessor data

\* Median Condo price for these two villages based on 2002 sales due to lack of sufficient data for 2003

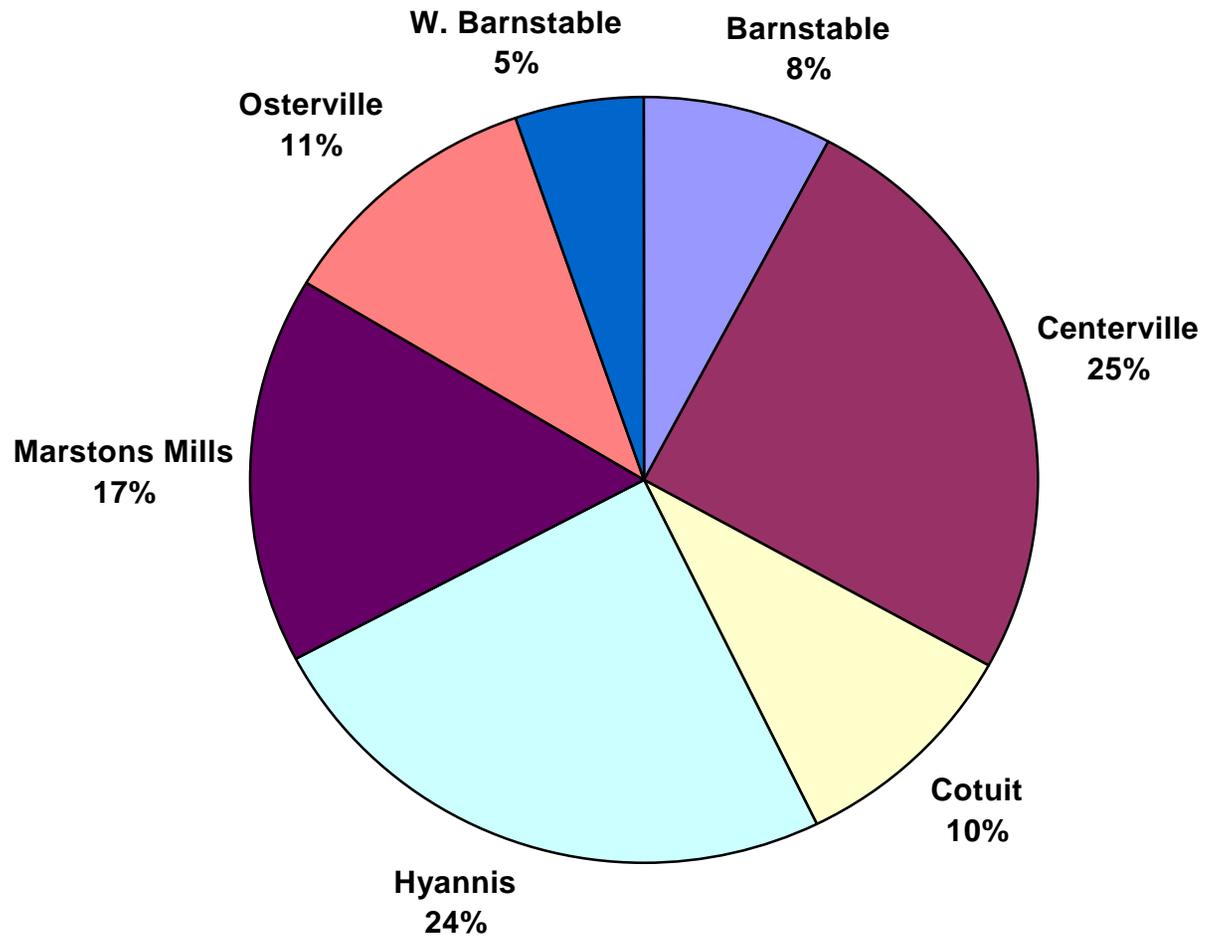
\*\*Disparity between Hyannis and other villages partially due to high concentration of subsidized units (81.3%) combined with very low concentrations of such

**Single-Family Homes by Village and FY03 Assessed Valuation**



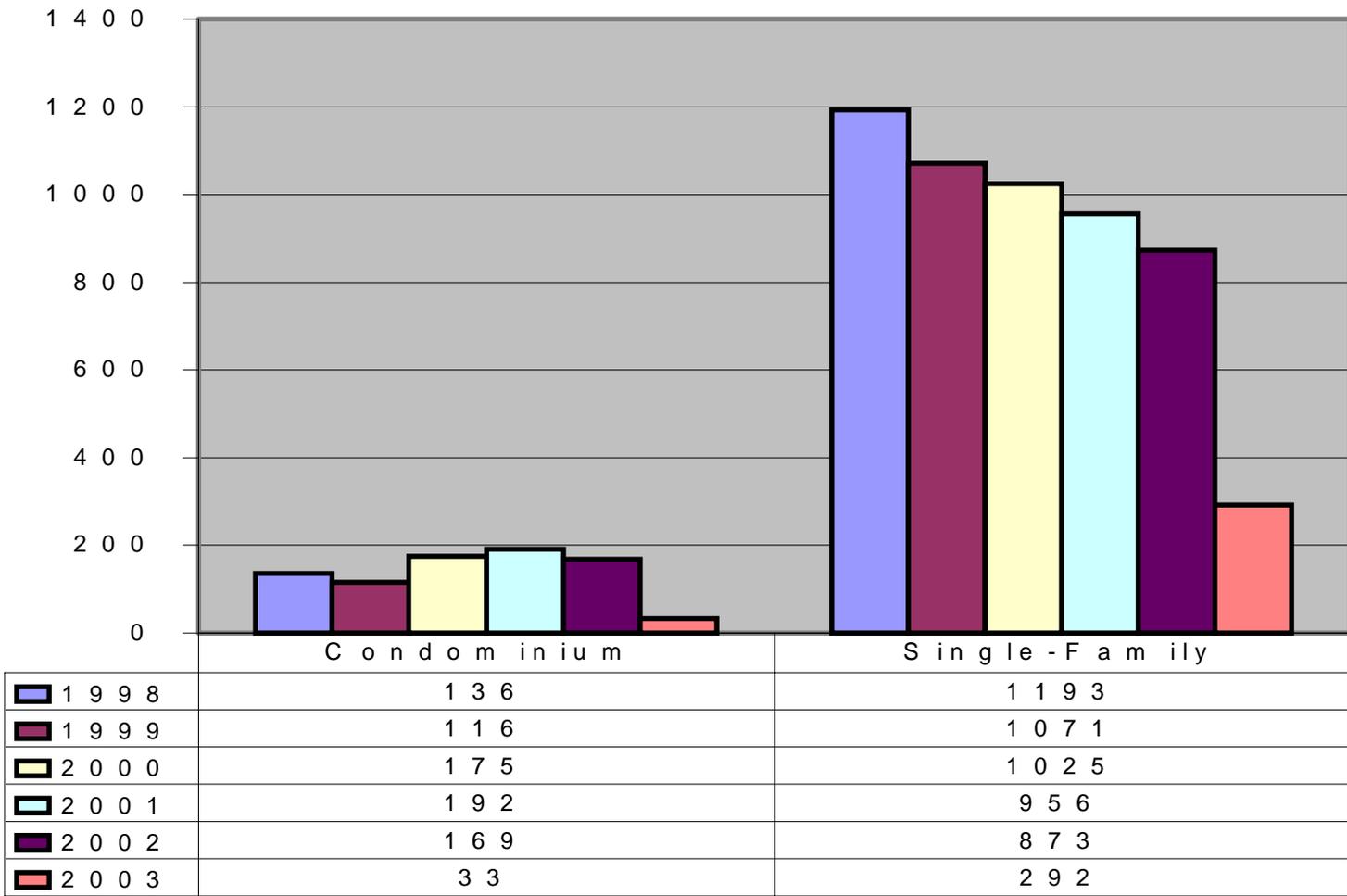
Source: Compiled by Michael J. Pessolano, Consultant, from Barnstable Assessor and GIS data for FY03

**Distribution of FY03 Single-Family Dwellings by Village, Total = 20,735**



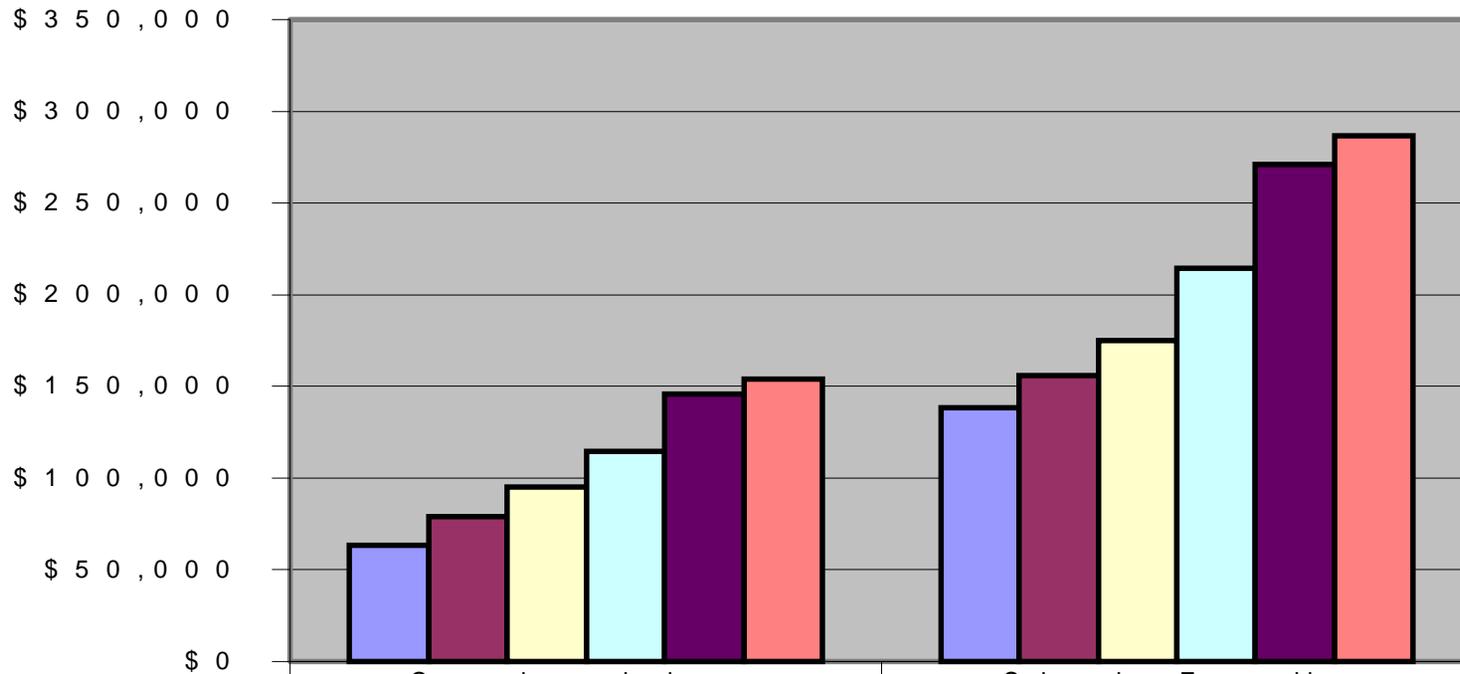
Source: Compiled by Michael J. Pessolano, Consultant, from Barnstable Assessor and GIS data for FY03

**A l l R e s i d e n t i a l S a l e s , 1 9 9 8 t h r o u g h  
J u n e 1 3 , 2 0 0 3 , N u m b e r o f S a l e s**



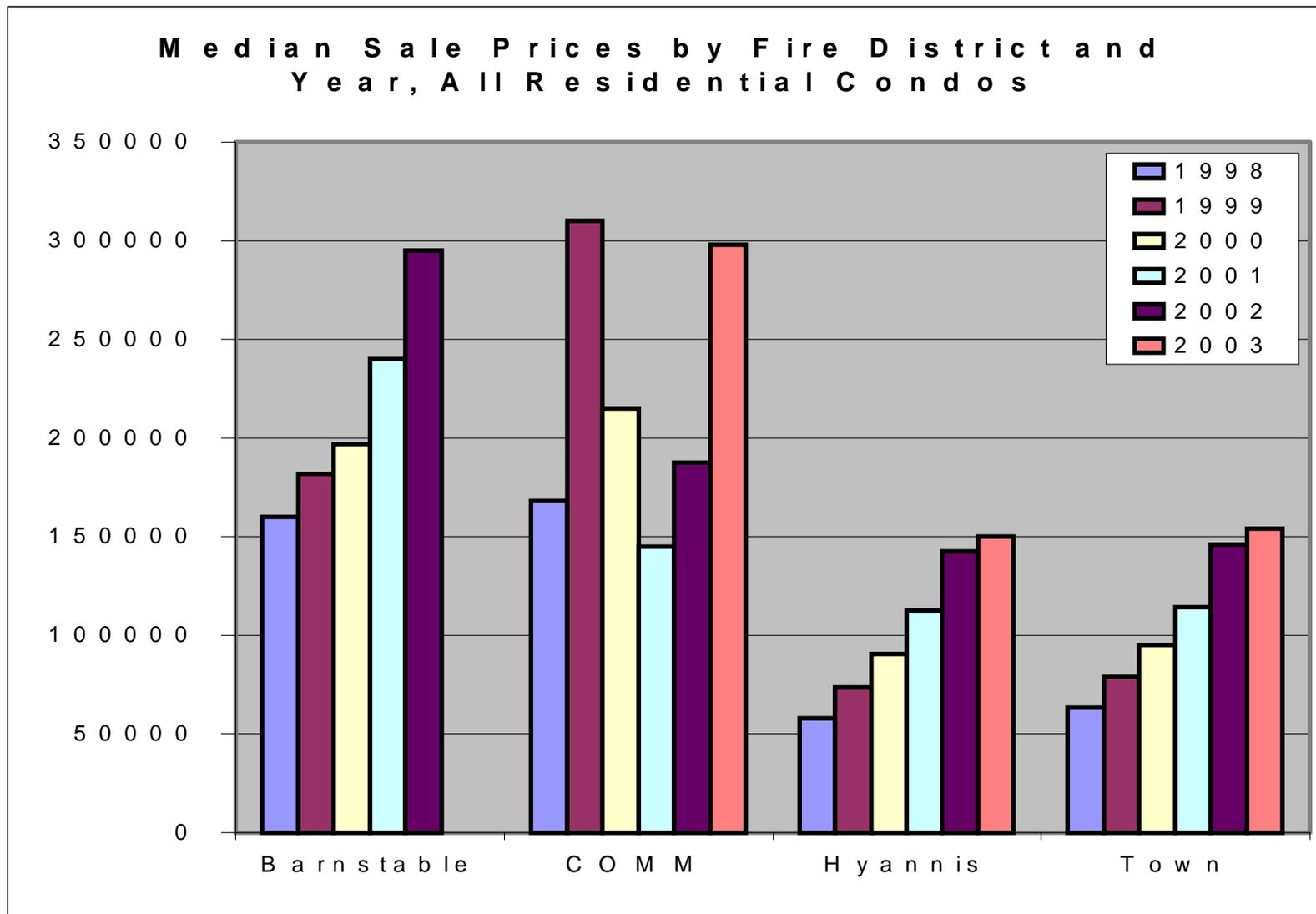
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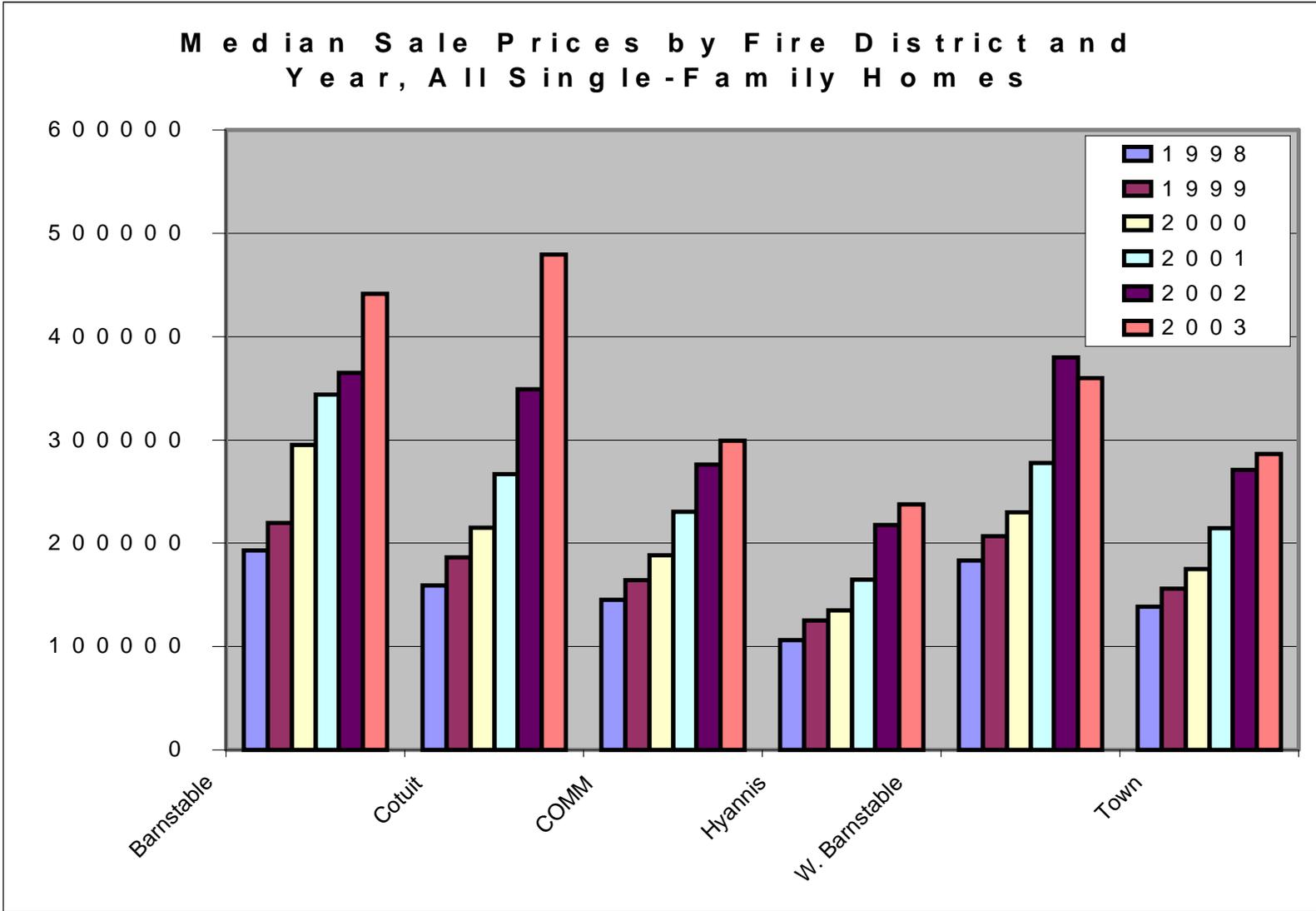
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J u n e 1 3 , 2 0 0 3 , M e d i a n S a l e P r i c e s**



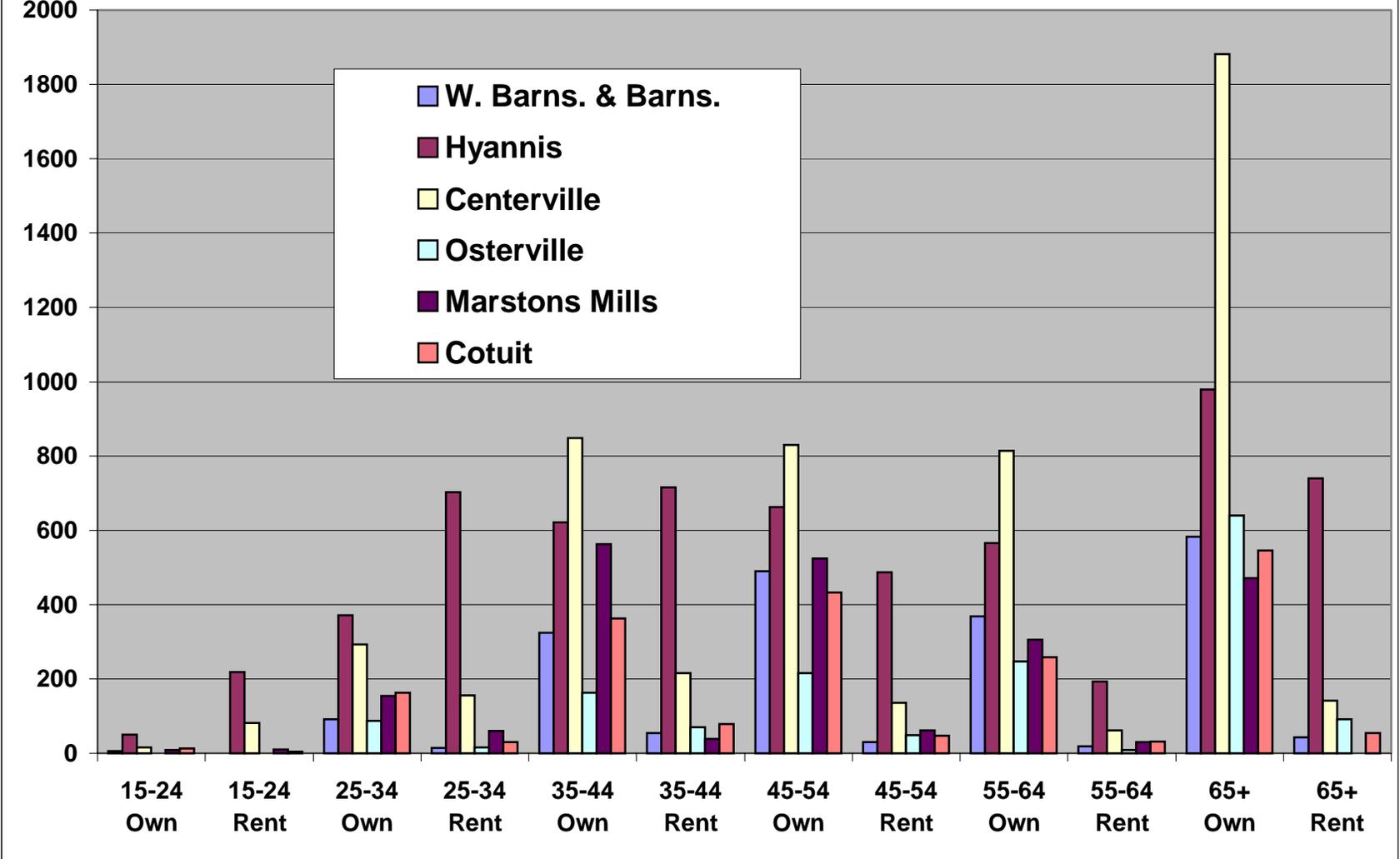
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1 9 9 8	6 3 2 5 0	1 3 8 5 0 0
1 9 9 9	7 9 0 0 0	1 5 6 0 0 0
2 0 0 0	9 5 0 0 0	1 7 5 0 0 0
2 0 0 1	1 1 4 3 5 0	2 1 4 3 5 0
2 0 0 2	1 4 6 0 0 0	2 7 1 0 0 0
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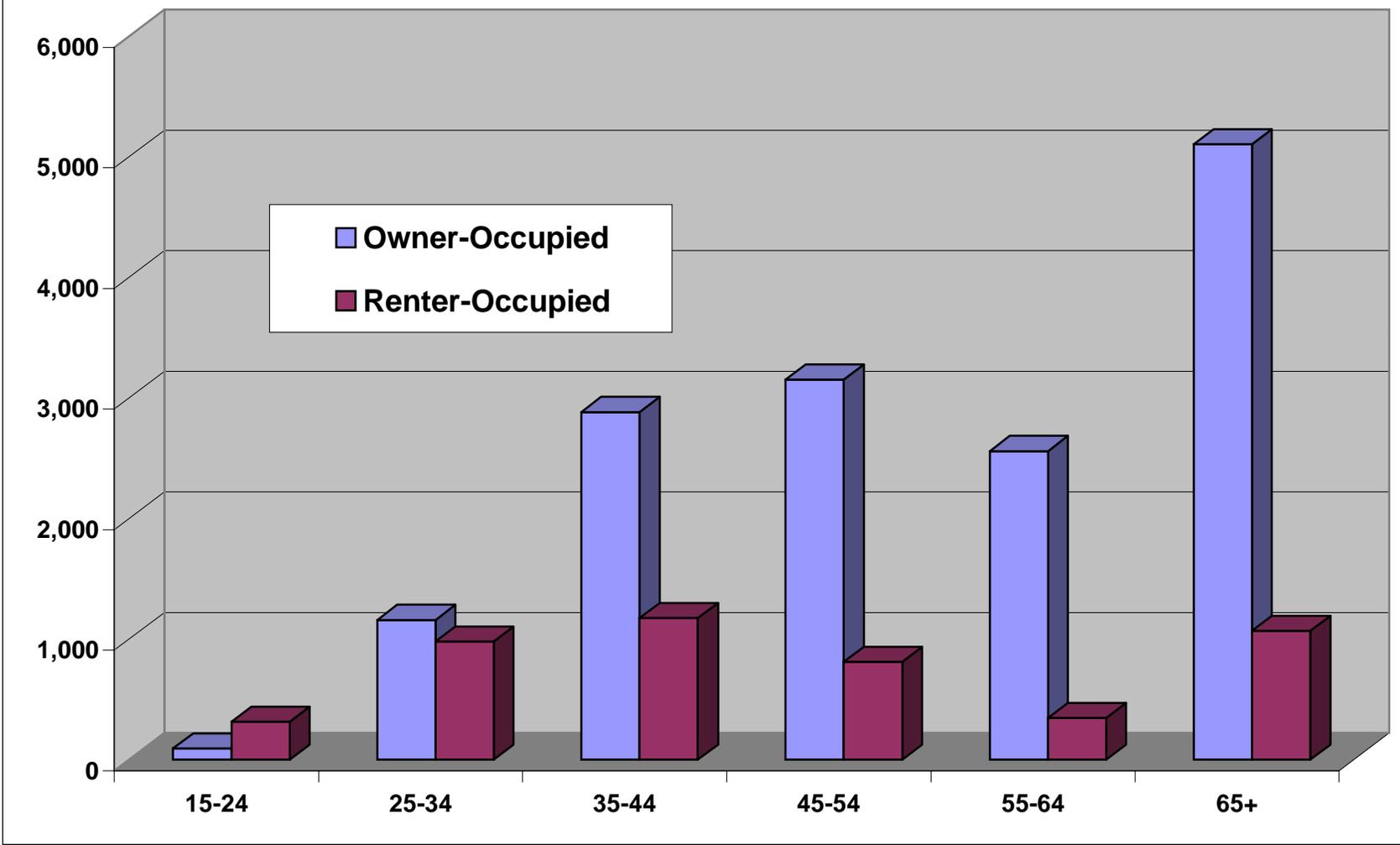




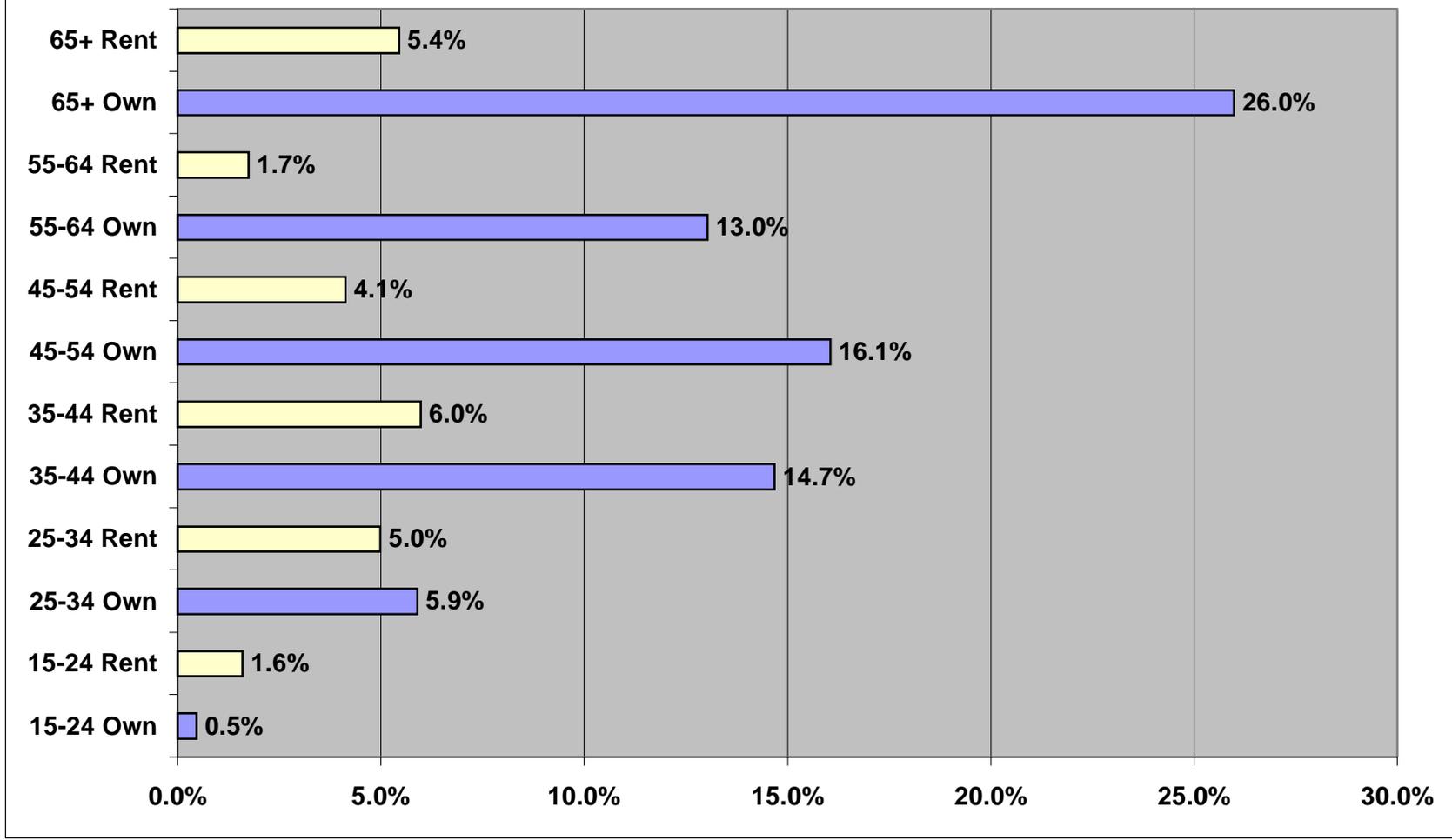
**Number of Occupied Households by Tenure, Age of Householder and Village, per US  
Census 2000**



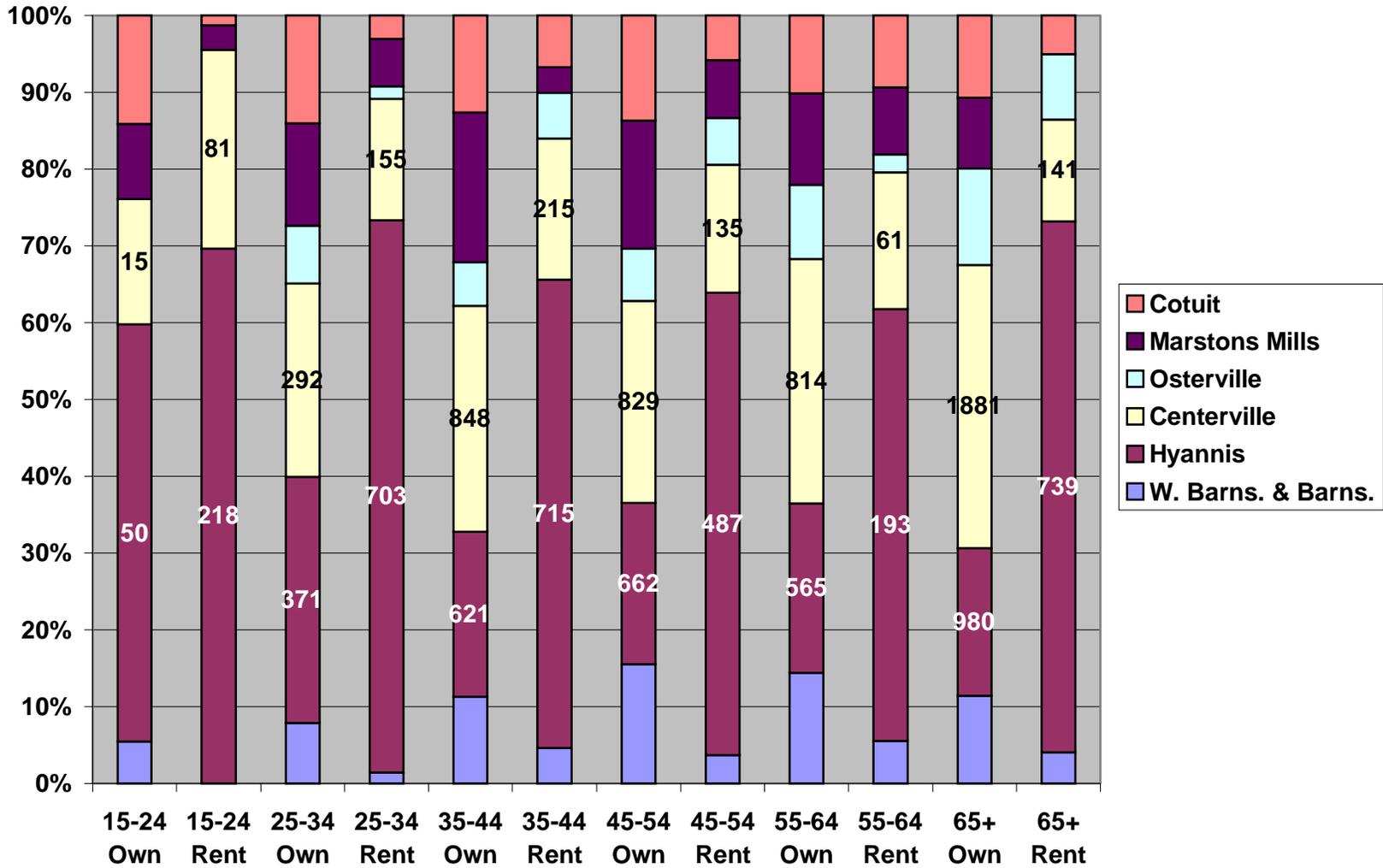
Owner and Renter Occupied Housing Units by Age of Householder, per US Census, 2000



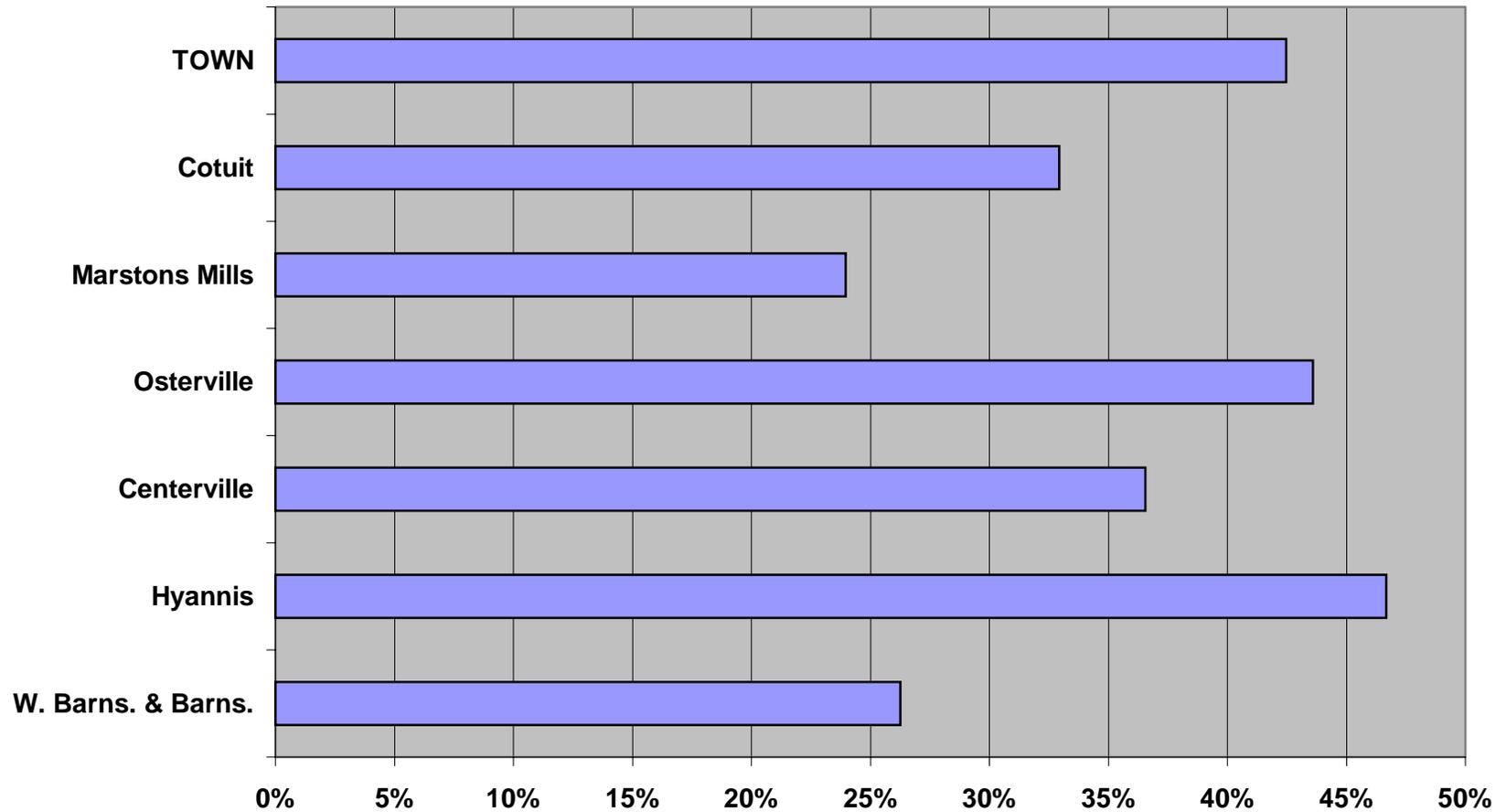
**Distribution of Owner- and Renter-Occupied Households as percent of Total Occupied Units by Age of Householder per US Census, 2000**



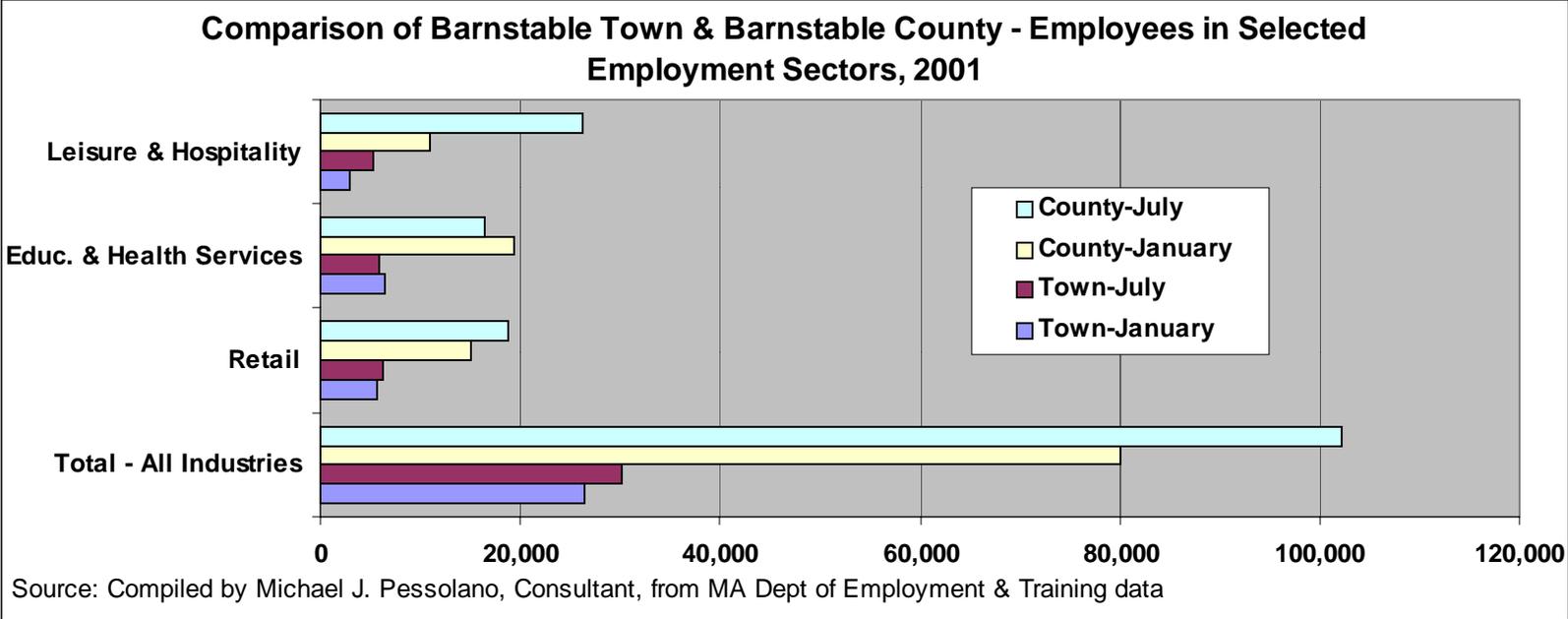
**Percent Distribution of Owner-Occupied and Renter-Occupied Households by Age of Householder and Village, per US Census, 2000**



**% of Renter-Occupied Units that paid more than 30% of 1999 Income for Gross Rent by Village Area**



Source: Compiled by Michael J. Pessolano, Consultant, from US Census, 2000 data  
Village areas matched to Census Tract boundaries for analysis purposes only



	Town- January	Town-% of County	Town-July	Town-% of County	County- January	County- July
Total - All Industries	26393	32.9%	30173	29.5%	80106	102131
Retail	5753	38.2%	6301	33.6%	15042	18757
Educ. & Health Services	6440	33.3%	5935	35.9%	19330	16516
Leisure & Hospitality	2868	26.0%	5256	20.0%	11050	26243
Total Establishments	2230	26.1%	2230	26.1%	8554	8554
Tot Ret, Ed, Leis.	15061	33.2%	17492	28.4%	45422	61516

Source: MA Dept of Employment & Training data