HOUSING NEEDS ASSESSMENT

Provincetown

Massachusetts

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EXECUTIVE SUMMARY

The Massachusetts Housing Partnership, on behalf of the Town of Provincetown engaged consultant John Ryan of Amherst, MA to provide a housing needs assessment for the community. The assessment focuses on three aspects of housing need: 1) the ability of working residents to find secure, year-round rental housing; 2) the ability of residents and key members of the workforce to move from rental housing into homeownership; and 3) the housing needs of the community's seniors. The following summarizes key findings and recommendations.

Workforce Rental Need

Low wages and seasonal employment represent two critical factors in understanding Provincetown's housing need.. The wages paid for jobs in Provincetown reflect its resort economy. Nearly three quarters of Provincetown jobs are located in low paying industries. This compares to 29 percent for the state as a whole. The average Provincetown worker earns $116/ week less than their counterpart countywide and $404/ week less than the average worker for the state as a whole. The average worker in Provincetown can afford a rent of no more than $700/ month while the current market rent for a one-bedroom apartment is $900/ month. The number of renter households in Provincetown paying more than 35 percent of their income for rent is much higher than for the state as a whole and is growing rapidly. In ten years, the number of Provincetown residents working in January has grown by just three percent compared to 26.7 percent for the rest of the Lower Cape. Given its low wages and limited job growth, one might expect to see market rents and housing prices decline. Instead, rents are up by more than 10 percent/ year and median condo sales prices are up 18 percent/ year since 2000. By comparison, average wages have grown by 4.25 percent annually during that period. There is an increasing disconnect between the cost and composition of the community's housing stock and the make up of its work force. A strong argument can be made that the differential between wages and rental costs is as great in Provincetown is in any community in the Commonwealth including Nantucket and Martha's Vineyard.

The cost and availability of housing may be preventing the town's young adults from forming new households. Based on 2006 data, only five percent of 18-24 year olds and 28 percent of 25-29 year olds live among their peers without the presence of a much older resident in their household. At all age levels, Provincetown households are more likely to rent and remain renters longer than their counterparts in the Lower Cape and the county as a whole. Small households predominate among the town's renter households: 61 percent of renters live alone

and 86 percent of renter households consist of one or two persons. Contrary to common impression, the town's renter population is relative stable: in 2000, 39 percent of all renters in town had lived at the same address for at least five years, while 27 percent had moved within the past 12 months.

On the whole, Provincetown renters are poorer than their counterparts on the Lower Cape and county. They are also significantly more likely to experience rent burdens than renters on the rest of the Cape. The town's renters experience higher levels of rent burden at all ages and incomes. The consultant used a model of current renter income by percentage of Area Median Income (AMI). This model suggests that 355, or more than half of all Provincetown work age renter households would qualify for housing aimed at serving those under 80 percent of AMI.

In the consultant's view, Provincetown has a critical shortage of affordable year-round rental housing. According to the annual Town Census Provincetown has lost over 500 year-round residents since 2000. The conversion of commercial properties to condominiums since 2000, combined with the conversion of existing rental units into seasonal condominiums represents a serious erosion of the town's capacity to house its year-round work force.

Despite little job growth and low wages, the town has experienced significant increases in market rents. This is fueled by a continued strong demand for weekly seasonal rentals, which provides a financial incentive for landlords to convert rentals from year-round to seasonal use. Combining these factors with a housing market that provides no option for renters to become homeowners and you have the ingredients for a true housing crisis. In the course of this research, the consultant witnessed an extraordinary level of loyalty by ordinary Provincetown residents for the community that has evolved there over the past several decades. This strong identification with the town makes the continued exodus of residents no longer able to stay in the community all the more poignant.

The Table below represents the consultant's estimate of the number of rental housing units needed to address the rental housing shortage in Provincetown. In the consultant's view, **the community's #1 Housing Priority should be the creation of 200-250 year-round, affordable rental housing units for working residents.** This housing is needed to replace the rental housing lost to condominium conversion in the past ten years. It would provide secure, affordable housing for between one-quarter and one-third of the town's working year-round rental households. The addition of such housing would also provide an essential precondition for the community's year-round economic development, allowing employers to retain key workers and provide opportunities for job expansion not really possible given the current housing market.

The needed year-round rental housing embraces a range of bedroom sizes and income levels. Given the demographics, waiting list, and survey information reviewed, the consultant recommends that roughly 40 percent of the housing should serve those very low income workers earning less than 50 percent of the AMI; 25 percent should serve those "low-mod" residents earning between 50-79 percent of AMI; another quarter is needed for moderate income renters earning between 80-99 percent of AMI; and 10 percent is needed to serve those between 100 and 120 percent of AMI.

Given the composition of the town's renter community, the predominant need is for smaller studio, one and two-bedroom apartments. The consultant has no doubt that demand also exists for larger units to serve families and larger households. The survey responses suggest that this group is especially interested in secure affordable rental options. In all, the consultant places the need at between 45-50 percent studio/ one-bedroom units, 30 percent two-bedrooms, and 15-20 percent larger units.

Priority One
Workforce Rental Housing Need
Provincetown, August 2006

Income Limit	Studio/ One Bedroom	Two Bedroom	Three/ Four Bedroom	Total
<50% of AMI	40-50	35-40	5-10	80-100
50-79% of AMI	30-35	15-20	5-10	50-65
80-99% of AMI	25-30	15-20	10	50-60
100-120% of AMI	0-5	5-10	10	20-25
Total	95-120	70-90	35-40	200-250

Workforce Ownership Need

Between 2004 to May 2006, just over 500 homes were sold in Provincetown. It appears that many as 85 percent of these homes were sold to non-resident, seasonal owners. Only about ten percent of all sales were for less than $250,000. Indeed, by 2006 fewer than 40 percent of homes sold for less than $500,000.

Single Family & Condominium Sales-
Provincetown, 2004- May 2006

	2004 #	% of Homes Sold	2005#	% of Homes Sold	2006 #	% of Homes Sold
Under $250,000	30	12%	19	9%	4	7%
$250,000- $399,999	85	33%	63	31%	7	13%
$400,000- $499,999	42	17%	27	13%	10	19%
$500,000- $749,999	58	23%	40	20%	15	28%
$750,000-$999,999	23	9%	22	11%	8	15%
$1 million and over	16	6%	31	15%	10	19%
Total	254		202		54	
Median	$420,000		$451,250		$607,413	

SOURCE: Provincetown Assessor, 6/06

A first-time buyer looking for entry-level, year-round ownership in Provincetown is looking at a market that currently offers the following:

	Lowest Quartile of Pricing
Studio/ One Bedroom	$350,000
Two Bedroom	$425,000
Three Bedroom	$650,000+

The following table represents the difference in dollars between what a buyer at the top of their AMI scale can afford and what it would actually cost to purchase a home today at the bottom quarter of the Provincetown market. It shows that the only way for low, moderate and median income buyers to afford such a home is to come up with additional down payments of between $117,000 and $493,000. The

insurmountable challenge of coming up with that kind of money represents the reality forfirst time buyers today.

Affordability Gap for Low, Moderate and Median Income Residents in Provincetown
Based on the Asking Price of the Lowest Quartile Home or Condominium, 7/06

HUD Limit	One Person (Studio/ 1bd)	Two Person (1 bd/ 2 bd)	Three Person (2 bd)	Four Person (3 bd)	Five Person (3 bd)
<50% of AMI	$240,000	$224,000-$299,000	$284,000	$493,000	$480,000
50-79% of AMI	$169,000	$149,000-$224,000	$199,000	$402,000	$384,000
80-99% of AMI	$130,000	$123,000-$198,000	$149,000	$346,000	$324,000
100-120% of AMI	$144,000	$117,000-$192,000	$163,000	$359,000	$336,000

SOURCE: Sweetbriar Realty MLS Listings (7/17/06), MHP Mortgage Calculator (www.mhp.net)

The simple reality is that the current housing market in Provincetown provides no opportunity for homeownership to low, moderate or even middle-income first-time homebuyers. Competition from wealthy seasonal owners, many of whom rent their homes on a weekly basis to vacationers, have driven the cost of housing beyond the reach of nearly all year-round renters in the community. The gap between what working residents can afford and what the bottom quartile of the current market offers ranges from $117,000 to $240,000 for those seeking a one-bedroom home, and rises to $324,000 to $493,000 for those looking to find a three or four bedroom unit.

Roughly twenty percent of the community's 1,500 year-round jobs might be considered "essential" to the ongoing continuity of the community. These include key public service workers (police and fire, EMTs, and teachers); health professionals; public, non-profit and private business supervisors and managers; and a range of skilled tradespeople and artists. These are the workers whose year-to-year continuity, skills and experience have the greatest impact on the community's ability to serve residents and meet the needs of vacationers and tourists who drive the local economy. A significant number of these core workers already own a home in the community. Those who do not already own, have little real opportunity to do so in the current market. Many of these core workers have already left the community because of the lack of ownership opportunity. Of even

greater concern is that even those who do own are retiring or relocating away at a rate of 25-30/ year. The current housing market provides virtually no capacity to attract those who might move to town to replace those core workers.

A core of "community" housing options is need, which do not trade on the open market, but are reserved for those long-term residents and key employees needed to continue the essential work of the community. In the consultant's view, **the provision of 40 ownership opportunities immediately with an ongoing commitment to 25-30 units/ year represents the Priority #2 housing need.**

In the consultant's view, the needed community housing includes ownership opportunities to serve a range of household income and household size. Given the profile of Provincetown's workers, the consultant suggests a relatively even distribution of ownership opportunity for residents earning less than 80 percent of AMI, 80-99 percent of AMI, and 100-120 percent. The consultant recommends that 75 percent of the units be studio, one or two bedrooms with the remaining quarter being three or four bedrooms.

Priority #2
Recommended Ownership Units/ Immediate Need

Income Limit	Studio/ One Bdrm	Two Bdrm	Three Bdrm	Four Bdrm	Total
<80% AMI	6	4	2	0	12
80-99% AMI	5	5	2	1	13
100-119% AMI	4	6	3	2	15
Total	15	15	7	3	40

In order to meet the affordability needs of low, moderate, and median income renters, the ownership opportunities would need to be priced well below market rates; the consultant recommends studio and one-bedrooms ranging in price from $150,000-$200,000; two bedrooms from $180,000- $225,000; three bedrooms from $200,000- $300,000; and four bedrooms from $225,000 to $325,000 depending on the income level of the buyer. Deed restrictions will be needed to keep the homes from appreciating beyond what is affordable to the community's core workforce as time passes.

Senior Housing Need

While Provincetown's senior population has grown little since 2000, the data suggests that there is some unmet housing need among this population. According to the 2000 Census, there are more than 100 Provincetown senior households renting in market rate housing, sixty-five of whom were paying more than 35 percent of their income for rent. Among the town's senior renters, over 70 percent would qualify for housing aimed at those earning less than 80 percent of AMI. Nearly all of these seniors are living alone. A second factor indicating senior need is the very low income of Provincetown's 75-and-over households. In 2000, 71 percent of all "very old" households earned less than $25,000. Indeed, with a median household income of under $15,000, Provincetown's 75 and over population constitutes one of the poorest in the Commonwealth. The consultant estimates that there are at least 50 Provincetown homeowners who would qualify for affordable senior housing even after the sale of their homes. The Provincetown Housing Authority manages one 24-unit senior housing development. All current residents accessed the housing through a local preference. The PHA has a waiting list well in excess of the number of units they offer.

Finally, demographic projections suggest Provincetown's senior population will begin growing rapidly over the next 10-15 years. Part of this growth will come from new wealthier residents, but part will represent the aging of the community's older working renters.

In the consultant's view, Provincetown's key senior housing need focuses, like that of its working population, on affordable rental housing designed to meet the needs of seniors. Part of this need will be met when the New England Deaconess Association constructs the nine subsidized units planned for the Seashore Point Assisted Living Facility. In overall scale, the consultant sees the need for 24 additional one-bedroom units of independent senior housing, aimed exclusively for those seniors earning less than 80 percent of AMI. **In the consultant's view creating up to 24 units of additional independent senior rental housing represents Priority #3.**

Next Steps

The housing need identified by the consultant represents a daunting undertaking for the community. Taken by itself, the #1 Priority of 200-250 units of workforce rental housing will take several years and at least $30 million in subsidized value. The need for ownership and senior housing opportunities will not diminish while the community focuses on workforce rental housing. All of this effort needs to be integrated with thoughtful and forceful action on the town's economic development front. The following represents the consultant's recommended next steps to begin addressing the housing need identified.

The consultant recommends bringing together the various elements of the community to agree upon a range of specific actions to address the community's critical housing needs. This "Housing Summit" should:

1. Identify the Challenges: among others, these include the sheer size of the undertaking; the size of the affordability gap; land cost and availability; infrastructure limitations; zoning and permitting regulations; integration with economic development efforts; the professional capacity to manage a long term commitment; and competing interests (including individual rights, land conservancy, historic preservation, tax limits, family/ non-family goals, individual agendas)

2. Identify Community Resources: Provincetown is not without resources to address this need. Potential resources include town owned land, zoning and regulatory powers, distribution of water and sewer resources; bonding capacity; tax and fee incentives; relationship with the CCNSS and other Lower Cape communities. Perhaps most important is the depth of loyalty and commitment to Provincetown shared by so many of its residents and visitors.

3. Identify Funding Capacity: There is a limited amount of local, state, and federal funds available to address the community's housing needs. It will be essential to identify and tap these public sources, but it will be even more important to direct the private market forces that have helped create this crisis to help provide the solution.

4. Set a Goal: in light of the challenges, resources and financial realties, the community needs to set a public goal for itself that it will commit to reaching. Commitment to this goal can provide the energy to make hard, selfless choices along the way.

5. Create A Specific Action Plan: the heart of the Housing Summit's effort is a focused Action Plan that identifies specific initiatives to meet the

Town's housing goal. The Action Plan needs to identify the priority, the responsible party, the financial and non-financial requirements, and the timetable for each initiative agreed to by the stakeholders.

6. Provide a Person or Entity to Implement the Plan: in order to accomplish the initiatives identified by the Action Plan, many different parties will need to work together. The range of actions will be complex and often difficult to move forward. In the consultant's view, there needs to be someone or some entity whose sole responsibility is to get the action plan implemented.

7. Enlist the Support of the Entire Provincetown Community: again, loyalty to the Town and its special character is a uniquely powerful resource. Engaging that loyalty, both among year-round residents and summer visitors is essential. Provincetown is a community worth saving. The plan needs to address ways to tap that commitment effectively.

8. Report and Celebrate Success Along the Way: it will be especially important, given the attention the "housing problem" will get in the next several months, to create and celebrate success. Both as an antidote to apathy and as an incentive for more active participation among the Town's summer residents, it will be important to keep residents and out-of-town owners aware of the actions and progress the community makes to address the community's housing need.

I. INTRODUCTION

The Massachusetts Housing Partnership, on behalf of the Town of Provincetown, engaged consultant John Ryan of Amherst, MA to provide a housing needs assessment for the community. The assessment focuses on three aspects of housing need: 1) the ability of working residents to find safe, decent year-round rental housing; 2) the ability of residents and key members of the workforce to move from rental housing into homeownership; and 3) the housing needs of the community's seniors.

The study follows trends in demographics, income, housing production and costs, summarizes surveys of residents and major employers, and assesses the size and nature of the current housing need. The study asks the following basic questions: How much workforce rental housing is needed? How much ownership? What levels of affordability and bedroom mix are needed? How much elderly housing is needed? Are there other housing needs the Town should be considering?

A. Methodology

In preparing this new assessment, the consultant utilized a number of sources including: the U.S. Census of Population and Housing for demographic information; the MA Department of Workforce Development (DWD) to track changes in local jobs and wages; the U.S. Department of Housing & Urban Development (HUD) for estimates of household income by family size as well as Fair Market Rent (FMR) by bedroom size. The Town Clerk of Provincetown provided information on the current population; the Chief Assessor provided data on home sales, and vacation properties. The Building Inspector provided data on new construction and commercial conversions. The Provincetown Housing Authority and Community Housing Resources Inc. provided information on waiting lists. The Federal Home Mortgage Company provided information on changes in mortgage interest rates. Banker & Tradesmen provided additional information on home sales. The website for Sweetbriar Realty provided information on current homes for sale. The consultant prepared an on-line survey of residents about housing needs (see Appendix A) and also surveyed a group of employers about the nature of workforce housing needs (see Appendix B).

B. Defining Need

This report uses a number of different terms to describe the community's housing need. The following describes some of those terms as they are applied in this study:

- "Workforce Housing" acknowledges the community's larger goal of creating a sustainable year-round economy that will support a stable population of year-round residents. Workforce housing is housing to support year-round working residents at an affordable cost given the wage structure of the local job market.

- "Community Housing" describes housing created or acquired with the help of the Town that provides housing stock that is reserved for residents and which does not trade on the open market. The goal of community housing is to provide a core of housing whose value is pegged to the earnings of those residents who perform the critical work of the community. Community and Workforce housing are used more or less interchangeably in this assessment. The community itself will need to define the specific characteristics of selection to meet their community workforce needs (i.e. income restrictions, residency requirements, type of critical employment, rental or ownership).

- The primary focus of the consultant's review is year-round Provincetown residents as well as year-round employees working in Provincetown but living elsewhere. The needs for seasonal housing are considered only as they impact the supply and cost of housing that supports residents year-round.

- By its very nature, a Housing Needs Assessment focuses on those households who do not already own a home. This includes current renters and newly forming households. These are the key groups who typically struggle most to find secure affordable housing, be it rental or ownership. Among those already owning a home, the Needs Assessment focuses primarily on housing that addresses the mobility needs of older or disabled residents. The consultant also considered the needs of homeowners paying an excessive portion of their income to cover their hosing costs.

At the community's request, the consultant looked at needs for a broad range of household incomes, defined in this study as follows:

- "Very Low Income" residents whose household income is less than 50 percent of the non-PMSA portion of Barnstable County's Area Median

Income (AMI) for a household of their size as estimated each year by the U.S. Department of Housing & Urban Development (HUD).

- "Low-Mod Income" households earning between 50 and 79 percent of HUD's AMI adjusted for household size;
- "Moderate Income Residents" earning between 80 and 99 percent of HUD's AMI; and
- "Median Income Residents" earning between 100 and 120 percent of HUD's AMI.

Figure I.1 indicates the current upper limit of those HUD estimates of Area Median Income:

Fig. I.1
HUD Income Limits
Provincetown, FY 2006

Household Size	Very Low Income (50%)	Low-Mod Income (80%)	Moderate Income (100%)	Median Income (120%)
1 person	$23,380	$37,408	$46,760	$56,112
2 persons	$26,720	$42,752	$53,440	$64,128
3 persons	$30,060	$48,096	$60,120	$72,144
4 persons	$33,400	$53,440	$66,800	$80,160
5 persons	$36,072	$57,715	$72,144	$86,573
6 persons	$38,744	$61,990	$77,488	$92,986
7 persons	$41,416	$66,266	$82,832	$99,398
8 persons	$44,088	$70,541	$88,176	$105,811

SOURCE: HUD, 7/06 from MHP Eligibility Requirements

C. Limitations

This study has a number of limitations to consider when reviewing the findings and recommendations provided:

- The study assumes relatively stable conditions will persist over the next several years. Specifically, it assumes that neither Massachusetts not the United States will suffer a major decline or depression.

- The study based all dollar amounts on the 2006 value of the dollar unless otherwise noted. In order not to overstate the available levels of need, the projections are not adjusted to reflect the effects of future inflation.

- The information, estimates and opinions contained in this report were derived from sources considered to be reliable. The consultant assumes the possibility of inaccuracy of individual items and for that reason relied on no single piece of information to the exclusion of other data, and analyzed all information with a framework of common knowledge and experienced judgment.

II. SURVEYS

A. Community Survey

In June 2006, the consultant prepared an on-line survey of housing need for Provincetown residents. The survey was advertised in the Provincetown Banner and other local papers in both June and July. The Town Manager also requested all town employees fill out the survey. An email request went out to a listing of Provincetown employers asking them to bring the survey's attention to the employees. Hard copies of the survey were made available at Town Hall.

Appendix A summarizes the 131 responses received by August 7, 2006. These responses included 61 renter and 70 owner households. Of these, 79 percent currently live in Provincetown; the rest represent former community residents or employees working in town. Roughly seven percent of Provincetown's current year-round households responded to this survey. The reader should be careful not to place too much emphasis on the results of this survey alone. The overall sample size is relatively small, and being a voluntary survey it is likely that those with a greater housing needs and interests responded. That said the responses provide a meaningful overview of local perspectives.

The profile of respondents suggests a number of differences between survey respondents and those answering the 2000 U.S. Census. Thirty-nine percent of respondents have children under 18 living at home. This contrasts with the 2000 Census that recorded children in only 25 percent of Provincetown households. Of the respondents, 29 percent of renters live in households of three or more. In 2000, only 14 percent lived in household of three or more. This may suggest that larger households, especially those with children, have a greater interest in finding housing solutions. A relatively small proportion of the town's senior population responded to this survey. In most other key respects, survey respondents appear to reflect the overall demographics of town residents.

The respondents were quite evenly distributed in terms of Area Median Income. Just about one-quarter of respondents fit each of the definitions of very low, low-mod, moderate, and median income or greater (as adjusted by household size). Renters, as might be expected, were more like to have incomes below 80% of AMI (68% compared to 33% for owners) and far less likely to have incomes of 120% of AMI or more (10% compared to 48%).

Among renters responding, roughly one-third had lived at their current address for less than one year; the median length of rental tenure at the current address was two years. Nineteen percent of renting respondents had lived at the same location for more than five years. By contrast, nearly three quarters of

owners had lived at their current address for at least five years. One-third of renter respondents were aged 40-49 and one-third 50-59.

Renters currently pay a median rent of $1,060 up 65 percent from the $644/month median reported in the 2000 Census. Slightly less than half have the protection of a year-round lease. Most of the rest live on a month-to-month basis. About one in ten rent seasonal housing. For nearly two-thirds of renters, lower cost housing is the primary need. For that half of respondents that do not have a year-round lease, that is a major concern as well. Nearly half of renters are on a waiting list for affordable housing. All but one of these is on the list maintained by Community Housing Resources. Eighty-three percent of renters would elect to own a home in Provincetown of they could afford to do so. Roughly 60 percent would consider buying a studio or one-bedroom home; the same number would consider a two-bedroom home, and 30 percent reported interest in a three bedroom or larger home. For those looking to purchase a studio or one-bedroom property, the maximum price they could afford would be $200,000. For those looking for a two-bedroom home, the median affordable price is $240,000. For those seeking three or four bedrooms, that maximum affordable price is $300,000. Slightly less than half of those seeking housing in town would be "very willing" to limit their appreciation if it meant they could afford to purchase a home.

Among all respondents, there was a fairly high level of support for a local transfer tax, a requirement for affordability in conversion of commercial properties to residential condominiums, and for priority being given to community housing when determining sewer extensions. Renters were typically 12-20% more likely to support such measures than were homeowners.

	Yes	Maybe	No	Don't know
Municipal borrowing for affordable community housing development, with debt service paid through a Proposition 2 1/2 debt exclusion?	30%	29%	28%	12%
A transfer tax of 1% on the sale of residential property (with an exemption on the first $500,000 of value) to help fund affordable community housing development?	63%	11%	18%	8%
An affordable community housing requirement as part of any conversion of commercial property to residential condominium?	62%	15%	16%	7%

A voluntary program to sell homes at slightly below market rate (6%+/-) with the proceeds going to support long-term affordability?	43%	20%	23%	14%
Zoning amendments allowing greater density if dedicated to affordable community housing?	35%	25%	32%	9%
Priority for sewer extensions to serve affordable housing?	59%	22%	12%	7%

B. Employer Survey

In July 2006, the consultant prepared a second survey for the Town's major employers and representatives of the community's business organizations. The responses came as a mix of written answers and telephone conversations. This survey garnered thirteen responses. Appendix B lists the individuals contacted and summarizes the responses received. Key findings from this second survey include:

- There was clear and general recognition of the severity of the housing problem expressed by virtually all respondents

- Several employers focused on the critical linkage between secure year-round housing options and the development of a sustainable year-round economy

- While most respondents report that both seasonal and year-round housing is a problem that needs addressing, their clear priority is reliable year-round housing

- Again, while most respondents recognize that there is a shortage of both rental and affordable ownership housing that needs addressing, the clear priority is rental housing to address workforce needs

- There was general consensus that both hourly and salaried employees struggle for housing in the Provincetown market. A slight majority report that hourly workers have a more significant housing problem than salaried workers

- Half of all respondents report housing at least some staff, mostly seasonally, in apartments they own or lease

- When asked about incentives that might encourage employers to provide more workforce housing, the responses focused on tax and municipal incentives, especially reductions in water & sewer fees, for those businesses that provide workforce housing. Respondents also suggested zoning relief and financing incentives would spur long-term employer investments in employee housing.

III. WORKFORCE RENTAL NEED

The following section looks at the need for rental housing to serve a work age population. The keys to rental housing need include job creation and employment, wages and income, new household formation, household demographics, supply of existing affordable units, current rents and rent burden, and the availability of affordable ownership.

A. Employment Characteristics

The following highlights a number of key employment characteristics that help profile Provincetown's current renter population.

Commuting and Work Patterns

A significant majority of Provincetown's working residents work within the community. In 2000, for example, 79 percent of the town's working residents worked in Provincetown. That compares to 41 percent of residents who work in the own community for the Lower Cape. In all of Massachusetts, only Nantucket has a higher ratio of residents working in their home town. Another key factor of Provincetown employment is a relatively new dependence on "guest workers" to fill local jobs. In 1995, Provincetown had about as many local summer jobs as it does today, but it had more than twice the number of residents working in summer compared to today. A significant share of those summer jobs formerly held by residents are now filled by seasonal guest workers, largely from Eastern Europe and Jamaica. One question that remains unanswered is where are those former resident workers now? It seems likely that many of those who previously lived in Provincetown year-round on a seasonal income have left the community.

Fig. III. 1
Working in Community of Residence
Provincetown 2000

Provincetown	Lower Cape	County
79%	41%	42%

SOURCE: U.S. Census 2000, STF-3, P29

Local Jobs and Employment

The most fundamental reality of employment in Provincetown is its dramatic seasonal shifts. In July and August, the town employs about 4,000

workers. In January and February that number dips to about 1,500. Figure III. 5 provides the consultant's estimate of the composition of local workers in winter and summer, based on MA Department of Workforce Development (DWD) data and discussions with local employers.

Fig. III.2

Provincetown's Winter-Summer Work Force

2006 (Estimate)

	January	July	Change
Year-Round Residents	1,250	1,600	350
Cape Commuters	250	800	650
Seasonal Residents	-	900	900
H2B/ J-1 Guest Workers	-	700	700
Total Provincetown Jobs	**1,500**	**4,000**	2,500
Unemployed Residents	900	70	(830)
Residents Commuting Out of Town for Work	400	450	50

SOURCE: MA DWD and Development Cycles, 8/06

Over the past five years, neither winter nor summer employment in Provincetown has grown significantly. Since 2001, local jobs in July are up about five percent and jobs in January have increased by less than three percent. This represents a significantly slower winter growth rate than for the Lower Cape or County as a whole. From 2001 to 2005, winter employment grew by more than six percent in the other Lower Cape towns.

From 1995-2005, the number of Provincetown residents employed in winter increased by only three percent. This compares to 26.7 percent growth in winter employment for the rest of the Lower Cape. That represents a remarkable difference given the geographic and economic similarity of the towns involved. During that period, Provincetown witnessed a dramatic downsizing of the town's year-round resident labor force as well as the number of residents working in summer. In January 1995, Provincetown had 1,600 working residents and another 1,450 residents in the labor force but unemployed. By January 2005, the town had 50 more working residents but 750 fewer residents in the labor market. In 1995, the town's resident labor force increased by 55 percent to 4,750 from January to July. In 2005, the resident labor force actually declined from January to July as more and more of the town's local jobs are worked by guest workers, commuters, and non-resident summer guests. The evidence suggests that ten years ago, nearly

half of Provincetown's roughly 3,000 working residents lived on seasonal employment. Today that number has been reduced by at least 50 percent to fewer than a quarter. This data is consistent with anecdotal evidence and survey responses that suggest that the cost of living in town is making it virtually impossible for residents to get by without year-round employment. This marks a significant change in the culture of the community.

Fig. III.3

Changes in Summer & Winter Employment

Provincetown, 1995 & 2005

	July	Feb	Annual Average
1995			
Labor Force	4759	3046	3610
Employed	4367	1595	2670
Unemployment Rate	8%	48%	26%
2005			
Labor Force	2121	2354	2204
Employed	2053	1635	1809
Unemployment Rate	3%	31%	18%
Change			
Labor Force	-2,636	-23%	-39%
Employed	-53%	3%	-32%
Unemployment Rate	-61%	-36%	-31%

SOURCE: MA DWD

Wages

The average wage paid for jobs in Provincetown in 2005 was $559/ week, or just under $28,000/ year based on year-round employment. That average wage is about $5,750/ year lower than for Barnstable County and more than $20,000/ year lower than the average wage for the State as a whole. Nearly three quarters of jobs in Provincetown are in low paying job sectors (retail, leisure & hospitality, and other services).

Fig. III.4

Average Wage & Percent Jobs in Low Wage Industries

Provincetown, Barnstable County & Massachusetts, 2005

	Provincetown	County	State
Average Weekly Wage	$559	$675	$963
% Statewide Average	58%	70%	100%
% Low Wage Jobs*	73%	46%	29%

** Jobs in Retail Trade, Leisure & Hospitality and Other Service sectors (all pay less than 80% of statewide average wage)* **SOURCE**: MA DCS/DUA, 7/06

Employment Summary

Low wages and seasonal employment represent two critical factors in understanding Provincetown's housing need.. Wages in Provincetown reflect its resort economy. Nearly three quarters of Provincetown jobs are located in low paying industries. This compares to 29 percent for the state as a whole. The average Provincetown worker earns $116/ week less than their counterpart countywide and $404/ week less than the average worker for the state as a whole. The average worker in Provincetown can afford a rent of no more than $700/ month while the current market rent for a one-bedroom apartment is $900/ month. The number of renter households in Provincetown paying more than 35 percent of their income for rent is much higher than for the state as a whole and is growing rapidly. In ten years, the number of Provincetown residents working in January has grown by just three percent compared to 26.7 percent for the rest of the Lower Cape. Given its low wages and limited job growth, one might expect to see market rents and housing prices decline. Instead, rents are up by more than 10 percent/ year and median condo sales prices are up 18 percent/ year since 2000. By comparison, average wages have grown by 4.25 percent annually during that period. There is an increasing disconnect between the cost and composition of the community's housing stock and the make up of its work force. A strong argument can be made the differential between wages and rental costs is as great in Provincetown is in any community in the Commonwealth including Nantucket and Martha's Vineyard.

B. Renter Demographic Characteristics

The following highlights a number of key demographic characteristics of Provincetown renters that bears upon current housing need.

Household Formation

According to the 2006 Town Census, the town has 1,837 year-round households. This is identical to the number reported in the 2000 Census. Of these, 183 households include young adults age 18 to 29. Of these young adults, more than three-quarters either still live with their parents or a non-relative (probably the owner) who is a generation older. These young adults represent the age cohort that typically forms most new households. That is simply not happening in Provincetown. Only five percent of 18-24 year olds and 28 percent of 25-29 year olds live among their peers without the presence of a much older resident in their household.

Tenure

In 2000, 46 percent of Provincetown's households were renters compared to 22 percent for the Cape as a whole. At all age levels, Provincetown households are less likely to be homeowners than their counterparts in the Lower Cape and the county as a whole. Nearly three quarters of all householders under 35 and more than half of all householders 35-54 rent rather than own their home. Among residents 35-54, Provincetown residents are more than twice as likely to be renters (56%) compared to those on the Lower Cape (23%) or in Barnstable County (24%).

Fig. III.5
Renters By Age of Householder
Provincetown, 2000

	Province-town Renters	Province-town % Renters	Lower Cape % Renters	County % Renters
Under 35 Years Old	102	74%	54%	53%
35-54 Years Old	533	56%	23%	24%
55-64 Years Old	66	25%	11%	12%
65-74 Years Old	85	31%	10%	12%
75 and Over	65	31%	15%	17%

SOURCE: U.S. Census 2000, STF-3, H14

Renter Household Size

According to the 2000 U.S. Census, 61 percent of Provincetown renters live alone and 86 percent of renter households consist of one or two persons. This contrasts with the state where only 68 percent of renter households include one or two persons. Provincetown's concentration of small households, especially the number of single-person households is uniquely high. These single person households represent the group most likely to be displaced by the conversion of guesthouses and apartments to seasonal condominiums.

Fig. III.6
Renters, By Persons in Household
Provincetown, 2000

Persons	Provincetown	Provincetown	Lower Cape	County
1	520	61%	52%	43%
2	214	25%	27%	29%
3	75	9%	12%	14%
4	31	4%	5%	9%
5+	11	1%	4%	6%

SOURCE: U.S. Census 2000, STF-3, H17

By Household Type

Figure III.7 looks at renter households by family type based on the 2000 Census. Provincetown's renter population is much more likely to consist of residents living alone (61%) or living in unrelated households (18%) than the Lower Cape or county. Among renter households, 64 or eight percent of all renters live in single-parent households.

Fig. III.7
Renter Households, By Household Type
Provincetown, 2000

Type	Provincetown	Provincetown	Lower Cape	County
Live Alone	520	61%	41%	33%
Married Couple Family	110	13%	20%	28%
Single Parent Family	64	8%	24%	25%
Other	157	18%	15%	14%

SOURCE: U.S. Census 2000, STF-3, H73

Length of Tenure

Given the common impression of Provincetown as a place where residents come and go, its renters have been a surprisingly stable group. In 2000, 39 percent of all renters in town had lived at the same address for at least five years, while 27 percent had moved within the past 12 months. By comparison, 30 percent of the county's renters had moved within the past 12 months and only 29 percent had stayed at the same address for at least five years, according to the 2000 Census.

Fig. III.8
Renters, By Year Householder Moved Into Unit
Provincetown, 2000

	Provincetown	Provincetown	Lower Cape	County
Less than One Year	230	27%	26%	30%
One to Five Years	293	34%	39%	40%
More than Five Years	328	39%	35%	29%

SOURCE: U.S. Census 2000, STF-3, H38

Demographic Summary

The cost and availability of housing may be preventing the town's young adults from forming new households. Based on 2006 data, only five percent of 18-24 year olds and 28 percent of 25-29 year olds live among their peers without the presence of a much older resident in their household. At all age levels, Provincetown households are more likely to rent and remain renters longer than their counterparts in the Lower Cape and the county as a whole. Small households predominate among the town's renter households: 61 percent of renters live alone and 86 percent of renter households consist of one or two persons.

C. Renter Household Income and Rent Burden

Renter Household Income

According to the 2000 Census, the median renter household income for Provincetown was just under $25,000. At that time, 41 percent of all renters in Provincetown earned less than $20,000, compared to 36 percent for the Lower Cape and 35 percent for the county as a whole.

Fig. III.9
Renter Household Income
Provincetown, 2000

Income	Provincetown	Provincetown	Lower Cape	County
Less than $20,000	351	41%	36%	35%
$20,000- $34,999	224	26%	27%	24%
$35,000- $49,999	110	13%	14%	17%
$50,000 and over	166	20%	23%	24%

SOURCE: U.S. Census 2000, STF-3, H73

Rent Burden, By Age

By comparison with the Lower Cape and County, Provincetown had a significantly higher concentration of renters paying more than 35 percent of their income for rent in 1999. Forty percent of non-elderly renter households paid that much for rent in 1999. This compared to 26 percent for the Lower Cape and 28 percent for the county as a whole. Another 66 senior renters paid more than 35 percent of their income for rent. Age was not a particular indicator of rent burden in the community.

Fig. III.10
Renters Paying 35 Percent or More of Income for Housing
By Age of Householder,
Provincetown, 2000

		Percent of Renters Paying 35%+		
	Provincetown	Provincetown	Lower Cape	County
Under 35 Years Old	41	40%	26%	28%
35-64 Years Old	239	40%	26%	29%
65 and Over	66	44%	33%	36%
Total	346	41%	28%	31%

SOURCE: U.S. Census 2000, STF-3, H96

Rent Burden, By Income

The problem of rent burden in Provincetown, as in most communities, concentrates among the poorest residents. Seventy-two percent of all Provincetown renters paying more than 35 percent of their income for rent earned under $20,000 in 1999. In all, 71 percent of those who earned less than $20,000 paid more than 35 percent. The percentage of rent burdened households dropped off to 40 percent of those earning between $25,000 and $34,999 and six percent of renter households earning more than $35,000 in 1999. At all income levels, Provincetown renters were more likely to experience a rent burden compared to the Lower Cape and county.

Fig. III.11
Renters Paying 35 Percent or More of Income for Rent
By Household Income,
Provincetown, 2000

		Percent of Renters Paying 35%+		
	Provincetown	Provincetown	Lower Cape	County
Less than $20,000	249	71%	59%	60%
$20,000- $34,999	90	40%	23%	33%
$35,000- $49,999	7	6%	2%	7%
$50,000 and over	0	0%	0%	0%

SOURCE: U.S. Census 2000, STF-3, H73

Current Renter Income, By AMI

The consultant created a model of current renter household income by indexing income distribution from the 2000 Census to current levels based primarily on changes in local wages and secondarily on shifts in household size. According to the model, about 27.5 percent of all non-elderly renter households earn less than 50 percent of AMI. Another 25 percent or 169 households earn between 50 and 79 percent of AMI. In all, 355 or just over half of all non-elderly rental households would qualify for housing serving those earning less than 80 percent of AMI.

Fig. III.12
Model of Non-Elderly Renter Household Income By Percentage of AMI
Provincetown 2006

	HHs	% of Renters
Less than 50% of AMI	186	27.5%
50-79% of AMI	169	25.0%
80-99% of AMI	118	17.5%
100-120% of AMI	51	7.5%
More than 120% of AMI	152	22.5%

SOURCE: Development Cycles, 8/06

Renter Income and Rent Burden Summary

On the whole, Provincetown renters are poorer than their counterparts on the Lower Cape and county. They are also significantly more likely to experience rent burdens than renters on the rest of the Cape. The town's renters experience higher levels of rent burden at all ages and incomes. The consultant's model of current renter income by percentage of AMI suggests that 355, or more than half of all Provincetown work age renter households would qualify for housing aimed at serving those under 80 percent of AMI.

D. Rental Market Conditions

Year-Round Rental Units

According to the last U.S Census taken in April 2000, Provincetown had 851 occupied rental-housing units and 93 units vacant for rent, or 944 year-round rentals in the community at that time. A number of these listed rental units may have been winter-only rentals, a practice that has always been a part of Provincetown's housing landscape. Since 2000, significant market changes have reduced the number by as many as 250-300 through conversion of year-round rentals to condominiums for seasonal use or through changes in owner practices from year-round to seasonal rentals.

The consultant estimates that the community currently has a stock of between 500-600 year-round market rental units. In addition, there are a little more than 100 subsidized rental units developed as year-round affordable housing using local, state or federal funding.

Fig. III.13
Housing Units by Type
Provincetown 1995-2005

	1994	1999	2004	Change 1994-2004	Percent Change 1994-2004
Year Round*	**2239**	**2439**	**2822**	**583**	**26%**
Single Family	763	778	806	43	6%
Condominium	1122	1307	1669	547	49%
Other Multi-family	354	354	347	-7	-2%
Vacation Properties	**1897**	**2191**	**2256**	**359**	**19%**
Commercial Properties	527	350	238	-289	-55%

SOURCE: MA DoR Assessment/ Classification Report for FY 1995, 2000, 2005

** Note: According to the 2006 Town Census there are only 1,837 households. This suggests to the consultant that the number of identified vacation properties is dramatically understated in this report.*

Units in Structure

Housing composition represents one of the biggest differences between Provincetown and the rest of the Lower Cape or County. In Provincetown, only 18 percent of renters and 57 percent of owners live in single-family homes. This contrasts with 48 percent of renters and 92 percent of owners who live in single-

family homes countywide. Given the availability of multi-unit buildings, one might expect Provincetown to offer a greater range of housing choice and lower costs for renters. That Provincetown renters experience higher levels of rental burden despite a lack of higher cost single-family rentals only highlights the severity of the community's rental need. At the same time, the presence of so many multi-unit structures provides an opportunity to develop more year-round rental stock from existing property than is typically available on the rest of the Cape.

Fig. III.14
Tenure By Units in Building

	Provincetown	Lower Cape	County
Renters			
Single Family	18%	50%	48%
Owners			
Single Family	57%	91%	92%

SOURCE: U.S. Census 2000, STF-3, H32

Affordable Rental Options

Currently, Provincetown has an inventory of affordable housing equal to roughly 6.25 percent of its year-round housing stock (see Appendix C). Roughly a quarter of these rental units are reserved for seniors. The Provincetown Housing Authority manages nine units of scattered site family rental housing in five buildings. All of these units are occupied with tenants who received local Provincetown preference. All residents have household incomes below 80 percent of AMI and pay 27 percent of their income for rent. In addition, the PHA operates Foley House with ten single room units for persons with HIV/AIDS. Four of the current tenants lived in Provincetown prior to move in; two units are vacant although there is a waiting list of eight potential residents.

Community Housing Resources has developed 83 units of housing (as well as 43 units of art studio/ workspace) in Provincetown. These include 31 affordable and two market rate rentals, as well as 50 ownership units (including 13 affordable and seven median). In addition, CHR has three units of affordable rental and eight units of affordable ownership under construction. Four other CHR projects in pre-development have the potential to add another 35 rentals and 29 ownership units. CHR maintains a waiting list of nearly 300 renters seeking affordable rental housing.

Fig. III. 15
Waiting List Information
Provincetown, May-06
Community Housing Resource

	One Bedroom	Two Bedroom	Three Bedroom	Mix
Wait List for Housing				
To Rent	190	81	24	33
To Purchase	181	107	32	n/a
Percent Seeking Either	*57%*	*50%*	*51%*	*n/a*
Rental Wait List, By Current Address				
Provincetown	75%	79%	75%	79%
Rest of Cape	16%	15%	25%	9%
Other	9%	6%	0%	12%
Ownership Wait List, By Current Address				
Provincetown	70%	75%	63%	n/a
Rest of Cape	13%	13%	28%	n/a
Other	17%	12%	9%	n/a
Provincetown Housing Authority				
Elderly/ Disabled	51	0	0	
Scattered Site Family	17	165	148	
Foley House (SRO)	8	0	0	
From Provincetown	*43%*	*1%*	*1%*	
From Rest of Lower Cape	*9%*	*3%*	*1%*	
Other	*47%*	*96%*	*98%*	

NOTE: Duplication almost certainly occurs between the two lists.

Market Rents

According to the 2000 U.S. Census, the median rent in Provincetown was $644/ month or 89 percent of the $723/ month median for the county at that time. Since the Census, market rents in Provincetown have increased considerably. The current HUD Fair Market Rent (FMR) for the community is now $954/ month for a two-bedroom rent. A one-bedroom FMR is $725/ month and a three-bedroom

$1,138/ month. The rare listings in the Cape Cod Times and through on-line services, along with the responses from the community survey suggest that the relatively few year-round rents that come on the market in Provincetown are actually significantly higher than the listed HUD Fair Market Rents as shown below. The consultant estimates the current median market rent in Provincetown at roughly $1,050/ month, an increase of 64 percent since 2000. With an estimated median renter household income of $35,000, the typical Provincetown non-elderly renter pays 36 percent of their gross income for rent, up sharply from 30.6 percent in 2000 (when the median income paid for rent statewide was 25.5 percent).

Fig.III.16
HUD FMRs & Current Year-round Market Rents
Provincetown 2000- 2006
Estimate

# of Bedrooms	HUD FMR FY 2006	Current Median Market Rent	Difference	Income Need to Support Median Rent
0	$619	$750	+$131	$30,000
1	$725	$900	+$175	$36,000
2	$954	$1,200	+$246	$48,000
3	$1,138	$1,600	+$462	$64,000
4	$1,174	$1,800	+$636	$72,000

SOURCE: HUD FMRs, Community Housing Resource & Development Cycles, 8/06

E. Workforce Rental Housing Needs Summary

In the consultant's view, Provincetown has a critical shortage of affordable year-round rental housing. According to the annual Town Census Provincetown has lost over 500 year-round residents since 2000. The conversion of commercial properties to condominiums since 2000, combined with the conversion of existing rental units into seasonal condominiums represents a serious erosion of the town's capacity to house its year-round work force.

Despite little job growth and low wages, the town has experienced significant increases in market rents. This is fueled by a continued strong demand for weekly seasonal rentals, which provides a financial incentive for landlords to convert rentals from year-round to seasonal use. Combining these factors with a housing market that provides no option for renters to become homeowners and you have the ingredients for a true housing crisis. In the course of this research, the consultant witnessed an extraordinary level of loyalty by ordinary Provincetown residents for the community that has evolved there over the past several decades. This strong identification with the town makes the continued exodus of residents no longer able to stay in the community all the more poignant.

The Table below represents the consultant's estimate of the number of rental housing units needed to address the rental housing shortage in Provincetown. In the consultant's view, **the community's #1 Housing Priority should be the creation of 200-250 year-round, affordable rental housing units for working residents.** This housing is needed to replace the rental housing lost to condominium conversion in the past ten years. It would provide secure, affordable housing for between one-quarter and one-third of the town's working year-round rental households. The addition of such housing would also provide an essential precondition for the community's year-round economic development, allowing employers to retain key workers and provide opportunities for job expansion not really possible given the current housing market.

The needed year-round rental housing embraces a range of bedroom sizes and income levels. Given the demographics, waiting list, and survey information reviewed, the consultant recommends that roughly 40 percent of the housing should serve those very low income workers earning less than 50 percent of the AMI; 25 percent should serve those "low-mod" residents earning between 50-79 percent of AMI; another quarter is needed for moderate income renters earning between 80-99 percent of AMI; and 10 percent is needed to serve those between 100 and 120 percent of AMI.

Given the composition of the town's renter community, the predominant need is for smaller studio, one and two-bedroom apartments. The consultant has no doubt that demand also exists for larger units to serve families and larger

households. The survey responses suggest that this group is especially interested in secure affordable rental options. In all, the consultant places the need at between 45-50 percent studio/ one-bedroom units, 30 percent two-bedrooms, and 15-20 percent larger units.

Fig. III.17
Priority #1

Workforce Rental Housing Need

Provincetown, August 2006

Income Limit	Studio/ One Bedroom	Two Bedroom	Three/ Four Bedroom	Total
<50% of AMI	40-50	35-40	5-10	80-100
50-79% of AMI	30-35	15-20	5-10	50-65
80-99% of AMI	25-30	15-20	10	50-60
100-120% of AMI	0-5	5-10	10	20-25
Total	95-120	70-90	35-40	200-250

IV. WORKFORCE OWNERSHIP NEED

The following section summarizes the current homeownership housing market in Provincetown and analyzes the gap between the income for Provincetown's non-owning residents and workforce, and the cost of housing.

A. Current Housing Market

Median Home Costs

According to the Warren Group, the median single-family home price in Provincetown has increased by 33.8 percent per year from $155,200 in 1995 to $680,000 in 2005, before dropping by 22 percent to $530,000 for the first six months of 2006. Condominiums, which represent 80 percent of all sales, increased in value by 23.8 percent per year from 1995 to 2005, and have continued to go up by 12.6 percent for the first six months of 2006. The median cost of a condominium sold in 2006 was $402,000 or more than four times the value of the median condominium sold in 1997. Since 2000, the median single-family home sold in Provincetown has appreciated by 23 percent per year and the median condominium by 18 percent annually. During that same period, the average wage paid for jobs in Provincetown has increased by only about 4.5 percent annually.

During the ten-year period from 1995-2005, an average of just under 50 single family homes and 200 condominiums sold each year. The first six months of 2006 saw a dramatic drop in the number of sales as shown in Figure V.1.

Fig. IV.1
Number of Home Sales
Provincetown, 1996- June 2006

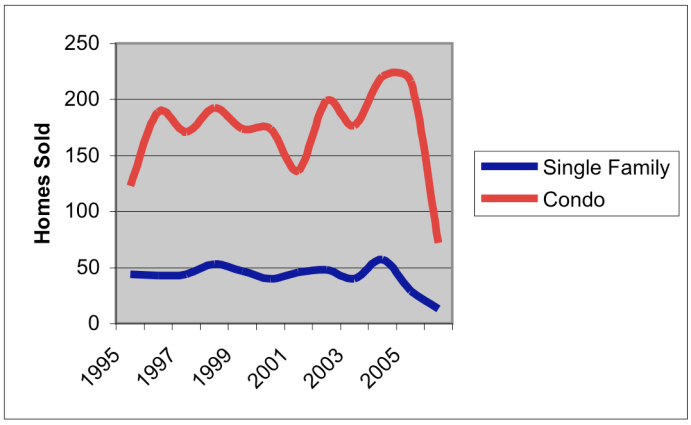
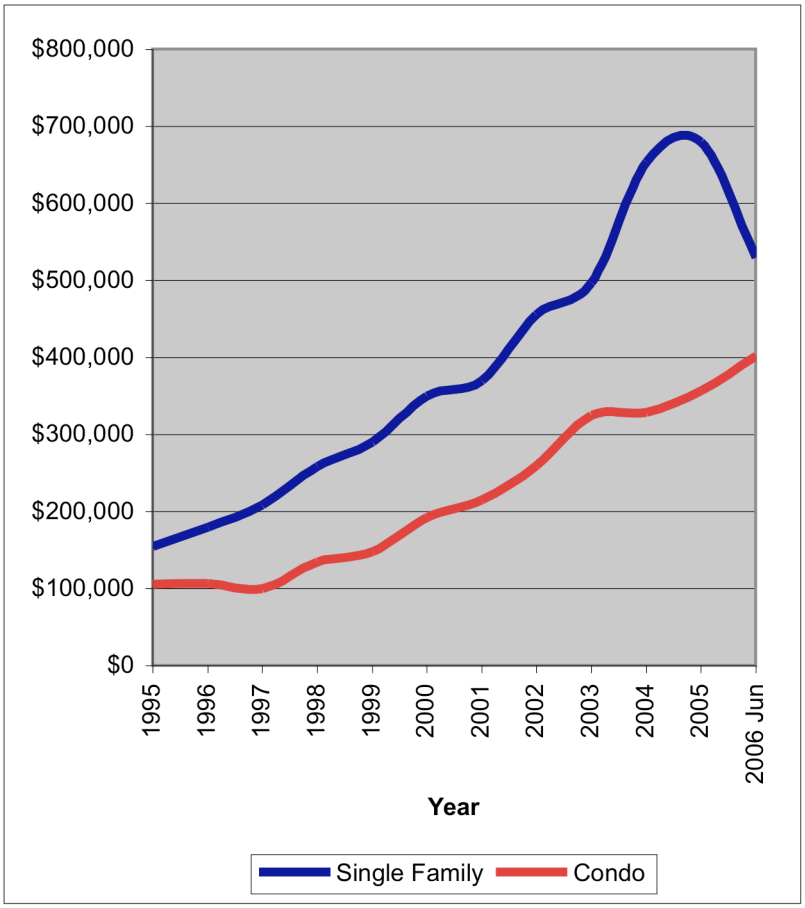


Fig. IV.2
Median Home Price
Provincetown, 1996-June 2006



SOURCE: The Warren Group, 8/2006

Distribution of Home Sales

Figure IV.3 looks at the price distribution of single-family and condominium home sales in Provincetown from 2004 to May 2006 as reported by the Town Assessor. The data shows that the number of homes and condominiums that have sold for less than $250,000 accounts for only about ten percent of all sales. Indeed, by 2006 fewer than 40 percent of homes sold for less than $500,000.

The consultant compared the names of homebuyers in Provincetown between 2004-2006 with the Town's 2006 Town Census. Of the 512 transactions recorded during this period, only 75 buyers, representing 14.7 percent, are listed as town residents. This suggests that as many as 85 percent of all purchases are

being made to buyers for seasonal or vacation use. In 2000, slightly more than half of all housing in Provincetown was owned for seasonal use.

Fig. IV.3
Single Family & Condominium Sales
Provincetown, 2004- May 2006

	2004 #	%	2005#	%	2006 #	%
Under $250,000	30	12%	19	9%	4	7%
$250,000- $399,999	85	33%	63	31%	7	13%
$400,000- $499,999	42	17%	27	13%	10	19%
$500,000- $749,999	58	23%	40	20%	15	28%
$750,000-$999,999	23	9%	22	11%	8	15%
$1 million and over	16	6%	31	15%	10	19%
Total	254		202		54	
Median	$420,000		$451,250		$607,413	

SOURCE: Provincetown Assessor, 6/06

Note: the Assessor and Warren Group information differ slightly because of differing time frames for 2006 and because of different definitions of arms-length transactions.

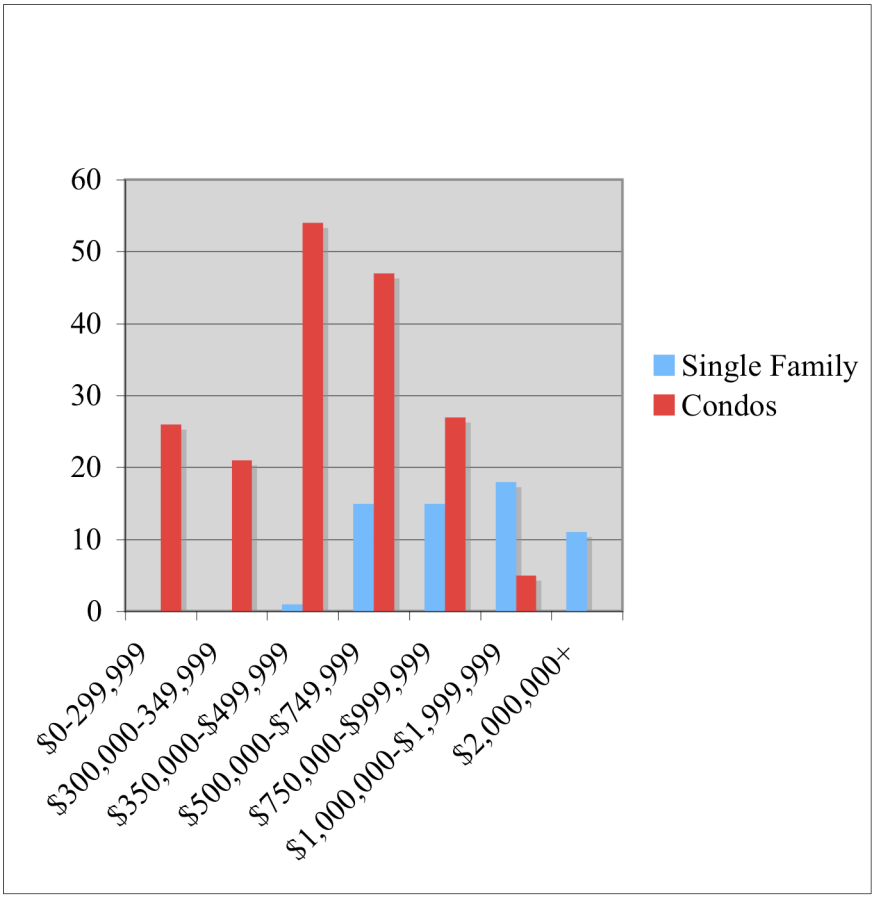
Homes Currently on the Market

Sweetbriar Realty's website provided Multiple Listing Service (MLS) listings for 60 single-family homes and 180 condominiums for sale in Provincetown on July 17, 2006. Figure IV.4 displays the price distribution of these properties. The site listed only one single family home priced below $500,000 (see Appendix D) and only 16 homes priced below $750,000. The median asking price for a single family home on that date was $949,000. Condominiums continue to provide lower cost options. The lowest cost condominium on the market (a 255 SF Studio marketed as a summer rental) was listed at $179,000. About 15 percent of all condominiums were asking less than $300,000, with the median asking price of $475,000.

A first-time buyer looking for entry-level year-round ownership housing in Provincetown this summer is looking at a market that offers the following:

	Lowest Quartile of Pricing
Studio/ One Bedroom	$300,000- $350,000
Two Bedroom	$400,000- $425,000
Three Bedroom	$650,000+

Fig. IV.4
Provincetown Homes for Sale
July 2006



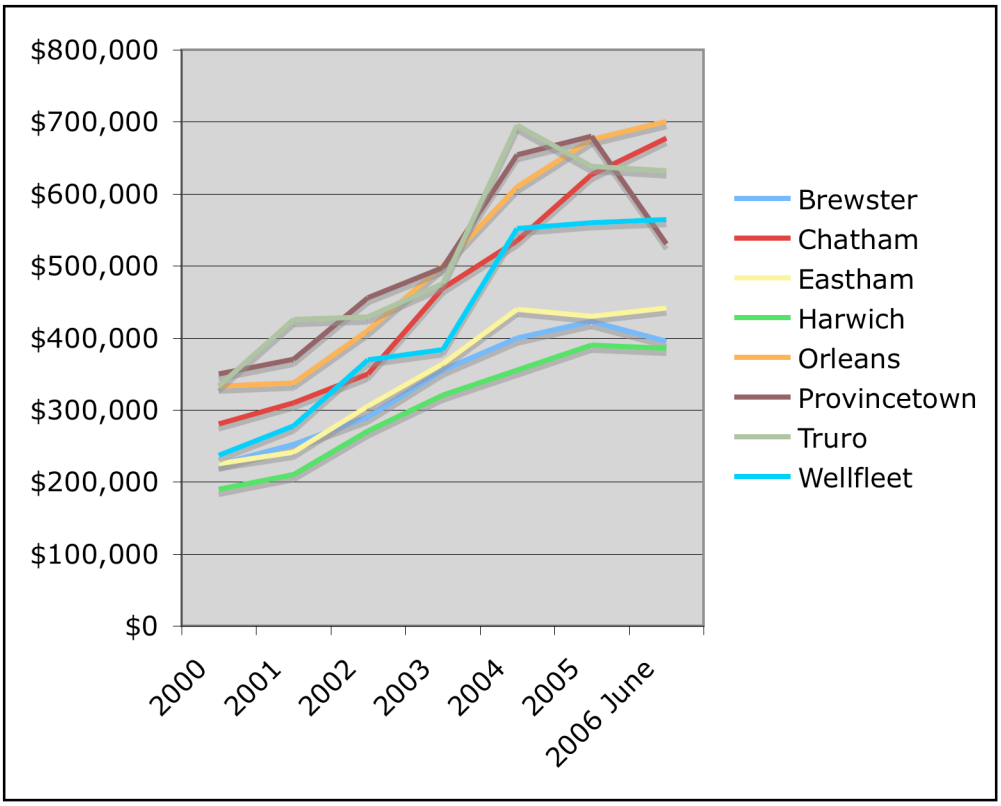
SOURCE: Sweetbriar Realty, 7/06

Lower Cape Sales Trends

Figure IV.5 looks at the trend in median home price for the eight Lower Cape communities since 2000. Since 2000, all eight communities have seen price increases of at least 75 percent. Provincetown's median price has been the highest of the Lower Cape communities during much of this decade. While its

drop in median price in 2006 was the steepest of the eight communities, it was based on too few transactions to draw any significant conclusions about the future trend.

Fig. IV.5
Median Single Family Sales
Lower Cape, 2000-June 2006



SOURCE: The Warren Group, 7/06

Despite the slowdown in sales and reductions in pricing, the current housing market offers virtually nothing for Provincetown's working residents who do not already own a home. Residents compete with wealthier seasonal buyers for the few small condominiums on the market for under $300,000. If the seasonal condominium market remains soft, local residents may have a few more options to purchase small units in buildings occupied predominantly by weekly summer renters. Survey respondents report that mixing working residents and "partiers" in the same building is a recipe for continued conflict. Such are the choices available to local workers. In this market, getting to purchase a Community Housing Resources' affordable unit when one comes on line is the local equivalent of winning the lottery.

B. Gap Analysis

Figure IV.5 looks at the maximum cost of an affordable home for households at different levels of income. If you are trying to reach a population earning less than 80 percent of AMI, the cost of their housing cannot exceed $180,000. For those one-person households earning between 80-120 percent, the maximum affordable price is in the $180,000- $220,000 price range. It is significant to note that since the Massachusetts Housing Partnership's (MHP) Soft Second Financing provides below market interest rates and is not available to those earning over 100 percent of AMI, those earning 120 percent of AMI can actually afford $20,000 less for housing than those earning at the 100 percent level. The maximum price of an affordable home rises with household size. If you are trying to serve a household of four earning less than 80 percent of median income, you must offer housing priced under $248,000. For a median income household of four, the maximum purchase price is $304,000.

Fig. IV.6

Maximum Affordable Home Price by Household Size and Income

Provincetown, 2006

	One Person	Two Person	Three Person	Four Person	Five Person
MHP Soft Second					
<50 Percent of AMI	$110,000	$126,000	$141,000	$157,000	$170,000
50-79 Percent of AMI	$181,000	$201,000	$226,000	$248,000	$266,000
80-99 Percent of AMI	$220,000	$227,000	$276,000	$304,000	$326,000
*Conventional Financing**					
100-120 Percent of AMI	$204,000	$233,000	$262,000	$291,000	$314,000

** MHP Soft Second financing not available for buyers over 100 percent of AMI*

SOURCE: MHP Mortgage Calculator (www.mhp.net)

Figure IV.7 looks at the gap that exists between what these low, moderate and median income households can afford and the market cost of housing. A first-time buyer looking for entry-level year-round ownership housing is looking at a market that offers the following:

	Lowest Quartile of Pricing
Studio/ One Bedroom	$350,000
Two Bedroom	$425,000
Three Bedroom	$650,000+

The following table represents the difference in dollars between what a buyer at the top of their AMI scale can afford and what it would actually cost to purchase a home today at the bottom quarter of the Provincetown market. It shows that the only way for low, moderate and median income buyers to afford such a home is to come up with additional down payments of between $117,000 and $493,000. The insurmountable challenge of coming up with that kind of money represents the reality for first time buyers today.

Fig. IV.7
Affordability Gap for Low, Moderate and Median Income Residents in Provincetown
Based on the Asking Price of the Lowest Quartile Home or Condominium, 7/06

HUD Limit	One Person (Studio/ 1bd)	Two Person (1 bd/ 2 bd)	Three Person (2 bd)	Four Person (3 bd)	Five Person (3 bd)
<50% of AMI	$240,000	$224,000-$299,000	$284,000	$493,000	$480,000
50-79% of AMI	$169,000	$149,000-$224,000	$199,000	$402,000	$384,000
80-99% of AMI	$130,000	$123,000-$198,000	$149,000	$346,000	$324,000
100-120% of AMI	$144,000	$117,000-$192,000	$163,000	$359,000	$336,000

SOURCE: Sweetbriar Realty MLS Listings (7/17/06), MHP Mortgage Calculator (www.mhp.net)

C. Ownership Need Summary

The simple reality is that the current housing market in Provincetown provides no opportunity for homeownership to low, moderate or even middle-income first-time homebuyers. Competition from wealthy seasonal owners, many of whom rent their homes on a weekly basis to vacationers, have driven the cost of housing beyond the reach of nearly all year-round renters in the community. The gap between what working residents can afford and what the bottom quartile of the current market offers ranges from $117,000 to $240,000 for those seeking a one-bedroom home, and rises to $324,000 to $493,000 for those looking to find a three or four bedroom unit.

Roughly twenty percent of the community's 1,500 year-round jobs might be considered "essential" to the ongoing continuity of the community. These include key public service workers (police and fire, EMTs, and teachers); health professionals; public, non-profit and private business supervisors and managers; and a range of skilled tradespeople and artists. These are the workers whose year-to-year continuity, skills and experience have the greatest impact on the community's ability to serve residents and meet the needs of vacationers and tourists who drive the local economy. A significant number of these core workers already own a home in the community. Those who do not already own have little real opportunity to do so in the current market. Many of these core workers have already left the community because of the lack of ownership opportunity. Of even greater concern is that even those who do own are retiring or relocating away at a rate of 25-30/ year. The current housing market provides virtually no capacity to attract those who might move to town to replace those core workers.

A core of community housing options is need, which do not trade on the open market, but are reserved for those long-term residents and key employees needed to continue the essential work of the community. In the consultant's view, **the provision of 40 ownership opportunities immediately with an ongoing commitment to 25-30 units/ year represents the Priority #2 housing need.**

In the consultant's view, the needed community housing includes ownership opportunities to serve a range of household income and household size. Given the profile of Provincetown's workers, the consultant suggests a relatively even distribution of ownership opportunity for residents earning less than 80 percent of AMI, 80-99 percent of AMI, and 100-120 percent. The consultant recommends that 75 percent of the units be studio, one or two bedrooms with the remaining quarter being three or four bedrooms.

Priority #2
Recommended Ownership Units/ Immediate Need

Income Limit	Studio/ One Bdrm	Two Bdrm	Three Bdrm	Four Bdrm	Total
<80% AMI	6	4	2	0	12
80-99% AMI	5	5	2	1	13
100-119% AMI	4	6	3	2	15
Total	15	15	7	3	40

In order to meet the affordability needs of low, moderate, and median income renters, the ownership opportunities would need to be priced well below market rates; the consultant recommends studio and one-bedrooms ranging in price from $150,000-$200,000; two bedrooms from $180,000- $225,000; three bedrooms from $200,000- $300,000; and four bedrooms from $225,000 to $325,000 depending on the income level of the buyer. Deed restrictions will be needed to keep the homes from appreciating beyond what is affordable to the community's core workforce as time passes.

Figure IV.9
Recommended Ownership/ Pricing
Provincetown 2006

Income Limit	Studio/ One Bdrm	Two Bdrm	Three Bdrm	Four Bdrm
<80% of AMI	$150,000-$180,00	$180,000-$200,000	$200,000-$250,000	$225,000-$275,000
80-99% of AMI	$180,000-$200,000	$200,000-$225,000	$250,000-$300,000	$275,000-$325,000
100-119% of AMI	$180,000-$200,000	$200,000-$225,000	$250,000-$300,000	$275,000-$325,000

V. SENIOR HOUSING NEED

The following summarizes a number of key characteristics of senior housing need in Provincetown.

A. Senior Population

Provincetown has a current population of 3,333. Of these, 620 or 16 percent are age 65 and over. This number is virtually unchanged since the 2000 Census.

Age Distribution

Fig V.1 shows that Provincetown has seen little change number of residents in different age groups beginning with those 65 and over. However, the number of residents 60-64 years old more than doubled in the six years. This explosion of "pre-seniors" may be read as an earlier warning indicator that younger baby boomer retirees are starting to move into the community. This is a trend that is showing up throughout the Lower Cape. The consultant expects to see this age cohort continue to grow much faster than the population as a whole over the next decade.

Fig V.1
Senior Age Distribution
Provincetown, 2000-2006

	2000	2006	Pct Change
60-64 Year Old	146	306	110%
65-69 Years Old	154	170	10%
70-74 Years Old	153	129	-16%
75-79 Years Old	108	121	12%
80-84 Years Old	87	97	11%
85+ Years Old	103	83	-19%
Households with Individuals 65 +	*463*	*493*	*6%*

SOURCE: 2000 Census SF-1 DP-1 & STF33, P8; also 2006 Provincetown Census

Population Projections

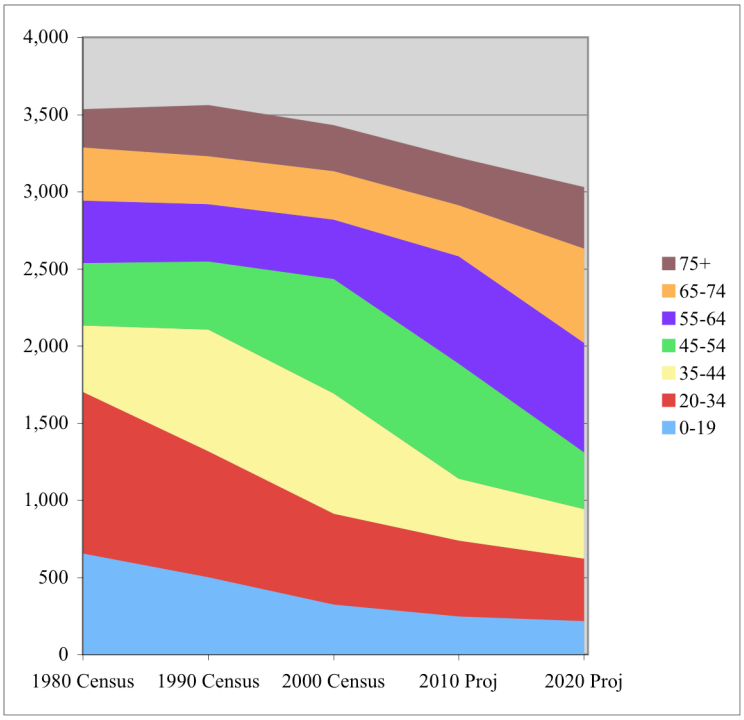
In 2003, the State Data Center (MISER) projected resident populations for all Massachusetts Cities & Towns until 2020. Fig. V.2 represents MISER's

"moderate" projections for different age cohorts in Provincetown. MISER starts with lower Census totals than the Town census and shows a population declining by 12 percent from 2000-2020. By comparison, the Town Census shows the overall population declining by 13 percent already.

MISER's relatively slow projected overall decline masks a significant redistribution of the population by age. MISER projections suggest that the number of residents under 55 will actually drop by 46 percent between 2000-2020. This includes a 33 percent drop in children 0-19 and a 55 percent decline in residents 35-54. MISER projects that residents 55 and over will nearly double from 999 to 1,717 over the twenty-year period. By 2020, MISER projects that 57 percent of all Provincetown residents will be at least 55 years old, up from 35 percent in 2000.

These projections, which are based on historical Aging in Place, Birth/Death and In-Migration/ Out-Migration patterns, have only limited credibility for small communities like Provincetown. They capture large-scale demographic shifts but typically miss more local changes in conditions. For example, rapid rises in home prices or lack of available rental housing can truncate expected increases in younger households. High demand for vacation and retirement homes can further distort the population mix. In the consultant's view, all of these characteristics are in fact impacting Providence as well as the rest of the Lower Cape. High housing costs and increased demand for vacation homes may help explain why the year-round population is falling faster than projected. The projected decline among residents under 35 year olds is likely to be more significant than projected with few affordable, rental options. The overall shift MISER projected toward a population dominated by older residents is, in the consultant's view, probably understated. The local conditions appear to be accelerating the shift to older residents faster even than projected by MISER.

Fig.V .2
Population Projections by Age
Provincetown, 1980-2020



SOURCE: MISER, 2003

B. Provincetown Seniors in Context

The following section looks at Provincetown's seniors within the regional context, comparing key senior characteristics for Provincetown, the Lower Cape (including Brewster, Chatham, Eastham, Harwich, Orleans, Provincetown, Truro, and Wellfleet), and Barnstable County as a whole.

Age Distribution

The age distribution of Provincetown's year-round population in 2000 was significantly different from the Lower Cape and Barnstable County as a whole. The town has far fewer children than the Lower Cape or county. It is home to more young adults (17% to 15%) and has a far larger middle-age population than county (51% to 43%). Provincetown's concentration of seniors is the lowest of all communities on the Cape and is significantly lower than the rest of the Lower Cape (16% to 28%). The rapid growth of the town's 60-64 population strongly

suggests that the retirement age population is spreading rapidly from the Upper to Lower Cape with Wellfleet the current leading edge.

Fig V.3
Age Distribution
Provincetown 2000

		Percent of Total Population		
	Provincetown	Provincetown	Lower Cape	County
Under 18	273	7%	17%	20%
18-34 Years Old	693	17%	13%	15%
35-64 Years Old	1909	51%	42%	43%
65 and Over	610	16%	28%	23%
75 and Over	298	8%	12%	11%

SOURCE: U.S. Census 2000, STF-1 DP-1

Households with Individuals 65 and Over

In 2000, one quarter of all Provincetown households had at least one resident age 65 or over. This was a much smaller share of all households than the rest of the Lower Cape (41%) or the county (37%). The Town's own Census for 2006 suggests that the number of households with a member 65 or over increased only from 463 to 492 in the past six years.

Fig. V.4
Households with Individuals 65 and Over
Provincetown 2000

		Percent of All Households		
	Provincetown	Provincetown	Lower Cape	County
Households with Individuals 65 +	463	25%	41%	37%

SOURCE: U.S. Census 2000, STF-1 DP-1

Tenure

In 2000, 69 percent of the community's senior households owned their home. By comparison, 90 percent of seniors on the Lower Cape and 88 percent on the Cape as a whole owned their own home. At that time, 150 Provincetown senior households rented. A relatively high 44 percent of these senior renters paid more than 35 percent of their income for rent. All but six lived alone.

Household Income

Provincetown's seniors, especially its very old seniors have much lower incomes than their counterparts on the rest of the Cape. For those 65-74 years old, the median household income was $33,393 in Provincetown in 1999, or just 88 percent of the countywide median for that age cohort. Among those 75 and over, the median income for Provincetown was just $14,271 barely half of the $26,944 median for the county as a whole.

Fig. V.5
Age of Householder by Household Income
Provincetown 2000

	Provincetown	Provincetown	Lower Cape	County
65 and Over			8,352	32719
< $25,000	215	54%	42%	26%
$25,000- $49,999	102	26%	31%	33%
$50,000- $99,999	60	15%	20%	34%
$100,000 or more	19	5%	7%	7%
Median		$22,300	$36,644	$37,791
75 and Over			4,182	16275
< $25,000	127	71%	50%	46%
$25,000- $49,999	32	18%	29%	33%
$50,000- $99,999	11	6%	16%	16%
$100,000 or more	5	3%	5%	5%
Median		$14,271	$25,000	$26,944

SOURCE: U.S. Census 2000, STF-3, P55

The consultant created a model of current senior household income based on an indexing of income distribution from the 2000 Census to current levels. The model uses the Town Census to determine household size and age distribution and current HUD Income limits to determine percent of Area Median Income (AMI.) According to the model, about 207 or 43 percent of all senior households earn less than 50 percent of AMI (before considering home equity). Another 16 percent earn between 50 and 79 percent of AMI. Sixty-four percent of those households that qualify as below 80 percent of AMI are one-person households. Roughly 60 percent of the 290 senior households earning less than 80 percent of AMI includes at least one individual 75 years or over.

Fig. V.6
Model of Senior Household Income By Percentage of AMI
Provincetown 2006

	HUD Limit	One Person	Percent	HUD Limit	Two Person	Percent
Less than 50% of AMI	$25,100	137	47%	$28,700	70	33%
50-79% of AMI	$41,250	49	18%	$45,900	34	16%
80-99% of AMI	$50,200	44	16%	$57,400	40	19%
100-120% of AMI	$60,240	22	8%	$68,880	21	10%
> 120% of AMI	>$60,240	28	10%	>$68,880	45	21%
Total		280	100%		210	100%

SOURCE: Development Cycles, 7/06

Again, it is important to recognize that 71 percent of seniors own their own homes. Of the roughly 290 senior households earning less than 80 percent of AMI, about 150 own. If they sell their home in order to enter senior housing, the value of the equity is assumed to earn five-percent/ year and is added to the household's other income. With the home equity on Provincetown properties ranging from $300,000 to $750,000 or more, the consultant estimates that no more than a third of home-owning senior households would qualify as earning less than 80 percent of AMI after the sale of their home. That leaves about 50 homeowner households and 120 senior renters (not already living in senior housing), who would qualify for housing aimed at those earning less than 80 percent of AMI.

Poverty Status

In 2000, 86 of Provincetown's seniors lived below the poverty line. That represents 13.9 percent of all seniors and contrasts starkly with the Lower Cape communities (4.9%) and Barnstable County (5.0%).

Fig. V.7
Poverty Status
Provincetown, 2000

Persons Living in Poverty		Percent of All		
	Provincetown	Provincetown	Lower Cape	County
Families	39	8.5%	3.1%	4.6%
Families with Female Householder, No Husband Present	20	4.4%	7.9%	17.4%
Individuals 18 and Over	464	14.3%	6.2%	6.3%
Individuals 65 and Over	86	2.7%	4.9%	5.0%

SOURCE: U.S. Census 2000, STF-3 P87, P90

Disability Status

In 2000, just over a third of Provincetown's non-institutional seniors (65 and over) reported some form of disability. Of these, 21 had a condition that limited their ability to care for themselves. The share of Provincetown's seniors reporting some form of disability was significantly higher than for seniors on the Lower Cape or in Barnstable County generally, while those requiring help with self-care was slightly lower. This data suggests that there are a significant number of Provincetown seniors experiencing some form of physical disability for which age-appropriate housing could extend their independence.

Fig. V.8
Disability Status, By Age
Provincetown, 2000

		Percent of Total Senior Population		
	Province-town	Province-town	Lower Cape	County
Persons 65 and Over				
With a disability	188	37.6%	27.7%	30.9%
With a self care disability	21	4.0%	5.5%	5.7%

SOURCE: U.S. Census 2000, STF-1 DP-2 & STF-3 P41

Other Potential Senior Need

In many independent and assisted senior housing developments across Massachusetts, a significant portion of the resident population consists of the aging parents of local middle-aged, middle-income residents. These residents move to the community to be closer to their children as their needs for support grow with age. It is not uncommon that a quarter to a third of all units reflect this type of resident. Provincetown has a significant population of middle-aged residents (over 1,000 between 45-59 year old in 2006) for whom housing for elderly parents may represent a significant concern. In addition to any housing aimed to serve long-term Provincetown seniors, the community may wish to consider this component of indirect housing need.

C. Senior Housing Options

The Provincetown Housing Authority operates Maushope, an independent rental housing development for seniors and disabled residents. The project includes 24 one-bedroom units. Twenty units are reserved for seniors and four serve disabled/handicapped residents. There is one handicapped accessible unit. Rents are based on 30 percent of the tenant's gross income minus deductions (medical, health insurance). Residents must earn less than 80 percent of the AMI. Maushope reported one elderly vacancy as of May 1, 2006. All current tenants accessed housing with a local Provincetown preference. The PHA maintains a wait list including 20 current residents of Provincetown, five from the Lower Cape, and 25 from elsewhere.

The closest nursing home is the Manor in Provincetown. This 60-bed Level III Residential Care Facility will be part of a larger continuing care facility operated by the New England Deaconess Association. The proposed new Seashore Point will include 69 assisted living apartments of which nine will be reserved for low-income residents. The project is moving forward with town support and hopes to be ready for occupancy in Summer 2007. The nearest existing Assisted Living facilities are currently in Chatham and Brewster.

D. Summary

While Provincetown's senior population has grown little since 2000, the data suggests that there is some unmet housing need among this population. According to the 2000 Census, there are more than 100 Provincetown senior households renting in market rate housing, sixty-five of whom were paying more than 35 percent of their income for rent. Among the town's senior renters, over 70 percent would qualify for housing aimed at those earning less than 80 percent of

AMI. Nearly all of these seniors are living alone. A second factor indicating senior need is the very low income of Provincetown's 75-and-over households. In 2000, 71 percent of all "very old" households earned less than $25,000. Indeed, with a median household income of under $15,000, Provincetown's 75 and over population constitutes one of the poorest in the Commonwealth. The consultant estimates that there are at least 50 Provincetown homeowners who would qualify for affordable senior housing even after the sale of their homes. The Provincetown Housing Authority manages one 24-unit senior housing development. All current residents accessed the housing through a local preference. The PHA has a waiting list well in excess of the number of units they offer.

Finally, demographic projections suggest Provincetown's senior population will begin growing rapidly over the next 10-15 years. Part of this growth will come from new wealthier residents, but part will represent the aging of the community's older working renters.

In the consultant's view, Provincetown's key senior housing need focuses, like that of its working population, on affordable rental housing designed to meet the needs of seniors. Part of this need will be met when the New England Deaconess Association constructs the nine subsidized units planned for the Seashore Point Assisted Living Facility. In overall scale, the consultant sees the need for 24 additional one-bedroom units of independent senior housing, aimed exclusively for those seniors earning less than 80 percent of AMI. **In the consultant's view creating up to 24 units of additional independent senior rental housing represents Priority #3.**

VI. NEXT STEPS

Next Steps

The housing need identified by the consultant represents a daunting undertaking for the community. Taken by itself, the #1 Priority of 200-250 units of workforce rental housing will take several years and at least $30 million in subsidized value. The need for ownership and senior housing opportunities will not diminish while the community focuses on workforce rental housing. All of this effort needs to be integrated with thoughtful and forceful action on the town's economic development front. The following represents the consultant's recommended next steps to begin addressing the housing need identified.

The consultant recommends bringing together the various elements of the community to agree upon a range of specific actions to address the community's critical housing needs. This "Housing Summit" should:

- Identify the Challenges: among others, these include the sheer size of the undertaking; the size of the affordability gap; land cost and availability; infrastructure limitations; zoning and permitting regulations; integration with economic development efforts; the professional capacity to manage a long term commitment; and competing interests (including individual rights, land conservancy, historic preservation, tax limits, family/ non-family goals, individual agendas)

- Identify Community Resources: Provincetown is not without resources to address this need. Potential resources include town owned land, zoning and regulatory powers, distribution of water and sewer resources; bonding capacity; tax and fee incentives; relationship with the CCNSS and other Lower Cape communities. Perhaps most important is the depth of loyalty and commitment to Provincetown shared by so many of its residents and visitors.

- Identify Funding Capacity: There is a limited amount of local, state, and federal funds available to address the community's housing needs. It will be essential to identify and tap these public sources, but it will be even more important to direct the private market forces that have helped create this crisis to help provide the solution.

- Set a Goal: in light of the challenges, resources and financial realties, the community needs to set a public goal for itself that it will

commit to reaching. Commitment to this goal can provide the energy to make hard, selfless choices along the way.

- Create A Specific Action Plan: the heart of the Housing Summit's effort is a focused Action Plan that identifies specific initiatives to meet the Town's housing goal. The Action Plan needs to identify the priority, the responsible party, the financial and non-financial requirements, and the timetable for each initiative agreed to by the stakeholders.

- Provide a Person or Entity to Implement the Plan: in order to accomplish the initiatives identified by the Action Plan, many different parties will need to work together. The range of actions will be complex and often difficult to move forward. In the consultant's view, there needs to be someone or some entity whose sole responsibility is to get the action plan implemented.

- Enlist the Support of the Entire Provincetown Community: again, loyalty to the Town and its special character is a uniquely powerful resource. Engaging that loyalty, both among year-round residents and summer visitors is essential. Provincetown is a community worth saving. The plan needs to address ways to tap that commitment effectively.

- Report and Celebrate Success Along the Way: it will be especially important, given the attention the "housing problem" will get in the next several months, to create and celebrate success. Both as an antidote to apathy and as an incentive for more active participation among the Town's summer residents, it will be important to keep residents and out-of-town owners aware of the actions and progress the community makes to address the community's housing need.

Appendix A
Community Survey: Summary of Responses

Appendix A

Summary of Community Survey

Page 1

Profile of Respondents					
Number of Responses	131				
Percent Residents	79%				
Percent Renters	47%				
Length of Time at Current Address	Renters	Owners	Total		
Less than One Year	31%	3%	15%		
One to Two Years	24%	6%	13%		
Three to Five Years	26%	17%	21%		
More than Five Years	19%	74%	52%		
Household Size	Renters	Owners	Total		
One	41%	24%	30%		
Two	28%	46%	40%		
Three or More	31%	30%	30%		
Children under 18	39%	39%	39%		
Type of Employer					
Arts and Culture	13%				
Government & Education	28%				
Health Care	7%				
Real Estate and construction	16%				
Tourism & Waterfront	23%				
Other	6%				
Not Working	31%				
Age of Respondent	Renters	Owners	Total		
18-29	12%	4%	7%		
30-39	18%	10%	13%		
40-49	33%	58%	24%		
50-59	33%	55%	32%		
60 and over	4%	24%	14%		
Household Income	One	Two	Three	Four+	Total
Less than 50% AMI	25%	23%	40%	14%	24%
50-79% AMI	33%	23%	13%	23%	25%
80-99% AMI	18%	23%	13%	32%	22%
100-120% AMI	10%	60%	13%	18%	10%
More than 120% AMI	15%	25%	20%	14%	19%

(as of August 7, 2006)

Appendix A

Summary of Community Survey

Page 2

For Renters	
Median Gross Rent	$1,060
Rental Basis	
Year-round Lease	47%
Month to Month	43%
Seasonal	8%
Other	2%
Housing Needs	
Year-round Lease	53%
Lower Cost	66%
Other	20%
On Waiting List for Housing	45%
Size of Rental Needed (all that apply)	
Studio	10%
One Bedroom	49%
Two Bedrooms	49%
Three Bedrooms	8%
Four Bedrooms	8%
Desire to Purchase in Provincetown	83%

For Those Seeking to Purchase		
Size of Home (all that apply)		Maximum Affordable Price *(median response)*
Studio	11%	$200,000
One Bedroom	49%	$200,000
Two Bedrooms	58%	$240,000
Three Bedrooms	27%	$300,000
Four Bedrooms	7%	$325,000

Willingness to Limit Appreciation	Very	Somewhat	Not at All
No Greater than Cost of Living	54%	16%	5%
No Greater than Change in AMI	50%	17%	6%
No Greater than 50% of Market Appreciation	46%	29%	3%

Appendix A

Summary of Community Survey

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Would you support or consider:

	Yes	Maybe	No	Don't know
Municipal borrowing for affordable community housing development, with debt service paid through a Proposition 2 1/2 debt exclusion?	30%	29%	28%	12%
A transfer tax of 1% on the sale of residential property (with an exemption on the first $500,000 of value) to help fund affordable community housing development?	63%	11%	18%	8%
An affordable community housing requirement as part of any conversion of commercial property to residential condominium?	62%	15%	16%	7%
A voluntary program to sell homes at slightly below market rate (6%+/-) with the proceeds going to support long-term affordability?	43%	20%	22%	14%)
Zoning amendments allowing greater density if dedicated to affordable community housing?	35%	25%	32%	9%
Priority for sewer system extensions that serve affordable housing?	59%	21%	12%	7%

Appendix A

Summary of Community Survey Comments

Change the zoning by-laws to limit the number of dwelling/condo units allowed on a property unless a certain percentage of the units are designated as affordable in perpetuity. I think it is important to do an analysis of the median income of the working class alone (excluding those who are independently wealthy) & compare it to the cost of housing & the cost of living in Provincetown, then base eligibility of affordable housing (rentals & ownership) on that comparison. For example, although we have owned our own home since the late 70's, we could not afford to buy it today because our incomes have not kept pace with the exorbitant housing prices.
1.Allow "in-law" apartments that could be used for moderate income people working in Provincetown. 2. Give a tax-break to people willing to rent at below market values. 3. Prohibit any more properties being divided up for condos until the question of water and moderate income housing is addressed. 4. Increase the percentage of a housing/condo project that must be for moderate income people.
Look into the condo conversion law in Maryland. Have jobs available for affordable housing dwellers. Do not sacrifice green space for housing Do conduct a survey of how many folks in town need housing, rental or otherwise. Do determine how many of these folks can actually afford "affordable" housing. Deed restrictions on landlords for affordable rent is often a deterrent. Find another way to incent.
Landlords allow property to get to such a state of disrepair that it allows for demolition to build condos. They are rewarded for doing nothing to keep their property up! The town lets them get away with this. If renters complain they risk losing their housing. The town should be ashamed of itself!
There should be a category of employee housing, which would be affordable, for the seasonal workers, as well as the employers to invest in. employers are left to deal with the open market for employee housing, and that is impossible now.
Incentives to home owners to be able to rent at lower rates
A moratorium on condo conversion for 12 - 18 months to allow for an impact study. definitely include affordable in any multi family/guest house/other commercial condo conversion. tax realtors and "flippers" to the max.
Affordable housing should be supported by a real estate sales tax, rather than Open Space and CPA monies. Property owned and resided in by full-time residents should receive a lower annual real estate tax bill (split level). Property owned by a resident or non-resident, not rented at affordable or community housing rates, but rented seasonally, or year round, at market rates, should pay the higher real estate tax rate. It will become increasingly more difficult for year round residents to maintain a home in our community, until the Board of Selectmen take the bold moves necessary to increase revenues to maintain an ever increasing annual budget and to compete in the real estate market for the production of Community Housing (today our most pressing need). The increased rates for services by the Town will help support various departments but, will never entirely support staff salaries and perks. The monies necessary to maintain a reasonable resident tax rate, while maintaining our infrastructure, such as our deplorable conditioned streets; sidewalks; buildings, such as the new library with an unfinished exterior which begs the weather elements to enter its beautiful interior; the structurally compromised Town Hall will take millions before properly stabilized and upgraded; the inadequate DPW garage, including the need to construct office space on-site allowing management to watch much more closely over the daily routines of their staff. Lets not forget the new pier and stop

dreaming about a pier income that will pay the construction bonds and annual maintenance. Anyone with any on the water experience knows that will never happen. Come on Selectmen, let's start making decisions in the best interest of the entire Town, instead of for the small constituency that is constantly in your ear.
Reduce the priority given to "open space" and increase priority to "affordable" since maintaining a vibrant community is clearly subject to having a varied cross section being able to be here to include affordable housing to include affordable rentals as well.

Allowing the conversion of 3 season properties to year round occupancy if that property would provide affordable year round housing. Purchase or rental. Conversion restricted to affordable housing opportunity criteria. Resident priority.
there are so many beautiful homes in P'town, some still occupied by older residents who have short term rentals to help make things pay....I totally feel it would provide three things if those houses were identified, owners were compensated to make changes or allowances to assist renters, and repairs etc made to their homes to keep historic cultural heritage alive in P'town. I work here year round, and the difference between summer and winter is astounding.... There has to be a specific measure that keeps community alive for seniors, full time year round renters, AND summer seasonal work.... using shank painter as a housing warehouse for summer/seasonal doesn't make a community -- any community as a row of houses shacked up to provide a roof for those of us who work at art, science, etc. isn't enough to give us a shared sense of values.
Comment: I responded that I've been living at my current residence for 3 years, but it has really only been three tourist seasons but I didn't know how to designate that response. Also, I've never considered purchasing a home in Provincetown because I never considered it a real possibility until I recently found out about the affordable housing organizations.
MAKE SURE THE HOUSING GOES TO FAMILIES WITH CHILDREN, MOVE FAMILIES HERE.
Something needs to change. I grew up here and I would have raised my children here. I did not want to live in a community housing home. I wanted a home that I felt was really my own. I didn't want to buy a home and have to ask Ted Malone if I could get satellite television. It's sad leaving this town, but I needed to buy a home for my children where I could afford to. Thank You Brandy Salvador
Make the rich people leave. Bring in some children.
Although the lottery system is a great way to distribute available property, it does not seem exactly fair that someone who has lived here for a period of 6 months. to a year should win as opposed to someone who has lived & worked in town year-round for many years. Especially several people I know who are single mothers. Somehow this seems very unbalanced
start lending cheaper money (i.e. interest rate) out to homeowners - then they can afford market rate and everyone will be happy - and put a lien on the property - you actually will very cheaply secure affordable housing for ever, with the lien
as result of income rising slower than the increase in property values, disillusionment has set in. I haven't bothered to save for a deposit and, consequently, if the building I live in were sold and I couldn't find a comparable rent, I'd have to consider moving off-Cape. I never thought I'd admit to that....
more year round rentals. more flexibility so 3 single adults of limited means can rent a 3 bedroom aff apt. That's what we used to do. Try and use existing developed properties over undeveloped

I am a Provincetown native and it is an outrage that the prices of homes, if you can find one that has not been completely cut up into condominiums, has risen so high that only the wealthy can afford them. I am against taking all the lots in Provincetown and building these huge complexes on them (all condos) then having a percentage go affordable. This allows the developer to get his pockets full while destroying any free land Provincetown has and he is viewed as the savior because he has some low income condos. Let's start buying some of the property that is for sale and turning that into low income housing!!!! The economics of Provincetown have changed completely and condos are no friend to Provincetown.
Condo conversions that include any conversion with a change of use i.e. Commercial to residential or income producing properties to sole residence should have an affordable componant attached to it.
I just wanted to make sure , since I filled out the survey last week on the Housing Auth. computor at work that my answers were not attributed to my directors email log-in but mine instead. jimntony@earthlink.net
I think anyone who can afford to pay $4 million for a house, tear it down and pay God knows how many more millions to build a new house should be required to include an affordable year round apartment within the structure. Same goes for ANYONE who wants the permits to build a trophy home (see Telegraph Hill) that sits unoccupied for 50 weeks out of the year. Anyone who voluntarily provides year round affordable apartments should pay LESS on their property taxes or water/sewer fees; anyone who has the space but hopes to cash in on a summer rental, thereby removing the apartment from the year round pool, should pay MORE in taxes and fees. I don't need a Hummer or a McMansion. Safe, affordable, reliable, clean housing for ordinary folk - rental or otherwise - needs to be given greater priority. I spend approximately 40% of my gross income on housing and that sucks. But I choose to live here and will continue to do so, until I reach that inclome/expense tipping point and have to leave.
I think the transfer tax no proposed for the Islands is a good idea. The Islands exemptioons are $750K & one or 2 million? People will probably freak ove r$500K but drastic times call for drastic measures.
A lot of the language on this survey is not completely understandble to the lay person trying to find a place to live here - hence the "i dont know" responses. Also... the people here that I know and talk to who are interested in buying here, never seem to make little enough money to qualify for "affordable" housing. There is a medium area - those who bust their ass year round in "good" local jobs w/ health insurance etc, but we will never make enough to save up for a home here and we make too much to be "low income" or "affordable."
We live in a free market system.
There needs to be more for Town employees or the Town is going to loose them.
Provincetown already has an abundence of housing being withheld from the year-round market, because the seasonal market is so profitable. In addition to afforable projects, the town should increase enforcement of illegal units rented at great profit on the seasonal market. They should work to charge the hotel tax for private units rented on a transitent basis (under 90 days or under 30 days). Condo conversions should include a inclusionary affordablity requirement (at least 1 in 6, or inlieu payment to affordable fund). Year round residents and tennats in year round units should receive a tax benefit over seasonal housing units.
Transfer Tax: If buying another residential home in Provincetown, then transfer tax should be waived

AS I PREVIOUSLY SUGGESTED TO THE TOWN YEARS AGO, I PROPOSE A PROPERTY TAX INCENTIVE FOR THOSE OF US WHO ARE SHARING THEIR HOMES - RENTING AT AN AFFORDABLE RATE A (BED)ROOM WITH ALL HOUSE PRIVILEGES - TO OTHER P-TOWN RESIDENTS (ALSO, WORKERS), WHO ARE UNPROPERTIED AND DEPENDENT ON AFFORDABLE RENTS TO REMAIN LIVING IN PROVINCETOWN. THIS WOULD EXPAND THE DEFINITION OF AFFORDABLE HOUSING TO INCLUDE AN AFFORDABLE SHARE OR HOUSE SHARE, NOT, AS IS CURRENT, I BELIEVE, AN AFFORDABLE HOUSE OR SRO (SINGLE ROOM OCCUPANCY) RENTAL ONLY. WITHOUT STATISTICAL TRACKING, IT IS IMPOSSIBLE TO KNOW JUST HOW MANY TAXPAYING HOMEOWNERS ARE MARGINAL, UNABLE TO MAKE THEIR HOUSE EXPENSES WITHOUT RENTING OUT A ROOM, BUT WHO ARE WANTING TO STILL MAINTAIN RENTS AT AFFORDABLE RATES FOR THEIR TENANTS. SOME OF US ARE JUST HANGING IN, AND HONESTLY, WOULD RATHER MOVE OUT OF TOWN, THAN RAISE THEIR TENANTS' RENTS, PASSING DOWN THE HARDSHIP. IT'S A TERRIBLE CATCH-22 FOR SO MANY, BEING FORCED INTO A "THEM OR US" DILEMMA. I BELIEVE THE RATIONALE GIVEN FOR NOT INCLUDING THIS CATEGORY IN THE PAST HAS BEEN THAT IT DOESN'T MATCH HUD CATEGORIES. MY STRATEGY WOULD BE FOR THE TOWN TO ADDRESS HUD HEAD ON AND ARGUE THAT WE, LIKE OTHER TOURIST TOWNS, NEED HUD TO CREATE CATEGORICAL DEFINITIONS THAT ADDRESS THE REAL CRISIS. THAT THE STANDARDS/CRITERIA NEEDS TO MATCH THE REALITY. IN OTHER WORDS, GET OUT OF THE BOX, LITERALLY, OR WE WILL REMAIN IN THE FAST LANE FOR BECOMING WHAT I FIRST SAW WHEN I LANDED HERE SUMMER 2000 AND CALLED MY EDITOR BACK IN BOSTON: "HEY, FORGET_____! THE REAL STORY HERE IS THAT THIS TOWN IS HEADING THE WAY OF THE HAMPTONS UNLESS THERE'S SOME MAJOR, MAJOR INTERRUPTION/TURN AROUND LIKE YESTERDAY!! AND THAT WAS SIX YEARS AGO. SECONDLY, SENORITY SHOULD BE A CONSIDERED CATEGOY UNDER HUD FOR AFFORDABLE HOUSING CRITERIA. IT IS PATENTLY UNFAIR, AND COUNTERPRODUCTIVE, FOR RESIDENTS OF 25 YEARS TO BE EQUALLY SITUATED FOR THE AFFORDABLE HOUSING LOTTERY AS FOLKS WHO HAVE JUST MOVED TO TOWN. AND THEN, LET'S ADD THE VARIABLE OF RESIDENTS WITH CHILDREN. AGAIN, HUD CRITERIA NEEDS TO SHIFT WITH THE REALITIES OF BUILDING LONG-TERM, STABLE DIVERSIFIED COMMUNITY, A STATED GOAL OF THIS TOWN. THE FORMULA NEEDS TO CHANGE. FOR EXAMPLE, THERE SHOULD BE A SYSTEM OF POINTS GIVEN: i. e., X POINTS PER CHILD UNDER_____, X NUMBER OF POINTS FOR FIVE YEAR INCREMENT OF RESIDENCY, YOU GET THE PICTURE. I KNOW OF ANOTHER CASE JUST RECENTLY: 25 YEAR RESIDENT, FULL-TIME TOWN WORKER, 2 KIDS, BEING EVICTED AFTER 17 YEARS IN THE SAME HOUSING. DENIED AFFORDABLE HOUSING BASED ON INCOME. ISN'T THERE SOMETHING RADICALLY WRONG WITH THIS PICTURE? AND THEN A SINGLE INDIVIDUAL, NO KIDS, NO HISTORY OF LONG-TERM EMPLOYMENT HERE COULD JUST MOVE INTO TOWN AND WIN THE LOTTERY. OBVIOUSLY, WE NEED HOUSING FOR BOTH. YOU CAN'T BUILD A YEAR-ROUND ECONOMY IF YOU DON'T HAVE AFFORDABLE HOUSING FOR NEW (NEEDED) WORKERS. WE NEED TO HAVE A SYSTEM THAT WORKS FOR BOTH CATEGORIES, BUT UNTIL WE DO, I FEEL STRONGLY THAT SENIORITY, CHILDREN NEED TO BE ADDED TO THE MIX. WITHOUT KIDS, THERE WILL BE NO SCHOOL SYSTEM, A VERY, VERY IMPORTANT VARIABLE TO WITHSTAND THE HAMPTONS SYNDROME. THANKS FOR LEAVING THIS OPEN-ENDED QUESTION/COMMENT SECTION.

Mixed-income housing is a nice concept, but taxing someone making $40,000 a year to subsidize someone making $55,000 is an idea dead on arrival. Counter-productive is the high tax burden which is part of what is driving out those you hope to keep.
Affordable housing should not be tied into being employed by any particular employer. Those workers, be they American or international, that live in workforce housing provided and dependent upon their employer often end up being treated as indentured servants. Job mobility is key and as such workers cannot have their housing based on one particular job or employer. I am actually in favor of a moratorium on new construction unless it is affordable. Envionrmentally our natural resources are being taxed to the max and trophy homes, like those on Telegraph Hill, which are empty most of the year, are useless and provide no benefit to the community. I also think that money should be put into buying existing property and converting it to affordable housing. Friends currently live in affordable rentals, but the buildings are for sale and they will be displaced. I can think of three different buildings where this is the case. This isn't so much for town government, but more for the community as a whole, but we need to be vigilant in our fight against the greed brought into this town by many business owners and especially this grotesque real estate culture.
For those of us with moderate incomes, there needs to be more rental housing and more opportunities to purchase, if that is the goal. Maximum incomes on many programs are too low for those single individuals (or couple) who work in the community and make over $35k-$40k annually.
Employers who hire foreign workers should have to supply their housing (and insurance) Taxes are getting too high to be able to remain a landlord renting to moderate income (working people)
Right now the only affordable housing for town employees who do not already have a house is the condo experience which has the following drawbacks: absentee owner, absentee owners making condo association meetings inefficient, renters who party and do not obey condo rules, and ever increasing fees to cover these two situations. People want to live in houses not dwell in condos - huge difference in living conditions. ZONING SHOULD BE THE FIRST PRIORITY! To preserve the town, zoning laws should benefit the character of the town not the $$$$$$ interests of the town.
We need it for people that were BORN here and can't afford to live and stay .
People need to have affordable rents first so that they can have a place to develop into buying a home. Security through stable housing should be a top priority.
On your main question you do not include middle income housing and it should be part of the process of this survey even though it is not technically affordable
STRONG SCHOOLS
Affordable housing needs to be explicitly defined. To some people it can mean housing for transient summer workers, as well as for year-rounders. Affordable housing should be exclusively for the preservation of Provincetown as a viable, family community, lest we move too far into the resort community/vacation home community, and lose our connection with the past, and the future.
Discussing a possible LAND SWAP with CCNS to acquire some land from them that is available for development, perhaps in exchange for an abutting parcel of Town owned land that could go to CCNS for conservation purposes.

The community should stop everything for a bit of time, reassess the entire issue, and realize that Provincetown has shot itself in the foot and a serious infection has taken over the entire entity. There is no place to live here if you do not have serious residual income. The backbone of this town, the workers in all levels of service, are relegated to doing the twice-yearly shuffle of seasonal to seasonal rental. We experience exorbitant rents in summer and now, in 2006, almost equally outrageous 'affordable winter rates'. It's as if the town has said to the folks who really make it tick, "Good luck, suckers, but you're on your own and at the mercy of the money-grubbing real estate people who will remove you from your home so as to get yet another out of town summer resident in for a five percent commission. And we welcome such behavior! In fact, we sanction it. Just note how every selectman has a net wealth of at least a million dollars either on paper or in the bank." The deep chasm between the haves and have nots in this community is so deep that it's not even discussed. 80 percent of the habitable condos/homes in this town sit empty 9 months out of the year. None of the 'haves' truly care that their summer waiter, their winter hardware store clerk or their year-round retail worker is always an inch or two away from homelessness. As example of the egregious behavior of land/property owners in this town: Napi VanDerik who has more real estate and property--not to mention multitudes of good old cash--displaced about 20 year round renters in order to raze the units and build condos for profit. He didn't even blink. Nor did the town or the Banner (which is owned by yet another very, very wealthy person--inherited wealth, of course--who is so out of touch that she thinks that poverty is having less than 2 SUV's). I know a couple of those people who were evicted. Some were lucky enough to find a place to land. Some are now renting for thousands and thousands of dollars just to stay--but only for the summer. And then they will most likely leave the town to find someplace affordable. But what place is affordable when one has to leave their life, friends, familiar surroundings and 'home' of Provincetown? It is like a banishment sentence handed down by the wealthy judges who like to have meetings and discuss things on out-of-touch town 'boards' in order to appear compassionate and understanding when in reality they don't have a clue. The only real change that comes out of these sham meetings is the poundage of useless paper that accumulates which contain the minutes and inevitably will be stored somewhere in town hall, never to be seriously read. Not that it would matter. How about a few less meetings and discussions and a lot more serious action in assisting people to find someplace to call home? Frankly it cheers me to no end to note that the real estate market in this town has tanked and agents are sitting around now with their tongues out. It's as if they spent the past ten years digging their own financial greed-based graves and now find themselves sitting at the bottom of that dark hole wondering how they got there. Hint: look up. We, the workers, the soul of the town are looking down on you now with harsh judgment as to your previous behavior. Final note: Good luck, everybody. This ship is floundering and the rescue ship, the SS Common Sense, is no where in sight.

Appendix B
Employer Survey: Summary of Responses

Provincetown Employers Contacted for Survey or Interviews

Cape End Manor
David Maloney, Administrator
Outer Cape Health Services
Executive Director: Henry Tuttle
Provincetown Post Office
Postmaster: Kathy Clobridge
Center for Coastal Studies
Executive Director: Peter Borelli
Grand Union
General Manager: Marc Holbrook
Chamber of Commerce
Director: Candice Collins-Boden
Provincetown Business Guild
Director: Gabrielle Hanna
Lobster Pot
Joy McNulty, owner
Provincetown Inn
Evan Evans, owner
Town of Provincetown Department Heads
Keith Bergman, Town Manager
Michelle Jarusiewicz, Acting Asst Town Mgr
Doug Taylor, Building Commissioner
Alexandra Hellaia, Director Municipal Finance
Doug Johnstone, Town Clerk
Linda O'Brien, Treasurer
Paul Gavin, Assessor

Napi's
Anton Van Dereck Haunstrup
Far Land
Owners: Tom Boland & Jim Farley
Crown & Anchor
Owner: Rick Murray
Bayside Betsy's
Owner: Steve Melamed
Crowne Pointe
Tom Walter, Owner
Pat Shultz Realty
Bill Dougal, Realtor
Police Department
Police Chief: Ted Meyer
Board of Fire Engineers:
Michael Trovato (Chair)
School System
Jessica Waugh, Superintendent
Local Housing Partnership
AJ Alon, Chair
Provincetown Housing Authority
Patrick Manning, Director
Community Preservation Comm
Elaine Anderson, Chair
Provincetown DPW
David Guertin, Director

Appendix B

Employer Interviews

Page 1

	Steve Melamed Bayside Betsy's	Kathy Clobridge Postmaster	Thomas Walter Crowne Point
Do you provide housing support to your staff?	Not formally; loan money to staff in needs	No; USPS provides higher pay only in very rare instances; not here.	Yes ; 25 staff rent employer housing; costs CP $750-$1,000/ employee per year to operate; also pay higher benefits to retain staff.
Has housing affected your ability to hire and retain staff?	Overall no; we have retained long term staff have residences; H2B staff receives housing through C&A	Preferred transfers unable to relocate due to housing cost	Constant problem related to extended season; need to buy housing to grow staff
Is problem greatest for year-round or seasonal workers?	One will help the other	Year-round	Equal; we have almost as many year-round as seasonal only
Is problem greatest for salaried or hourly workers?	Equal.	Hourly and temporary workers	Both but hourly a little more than salary. Everyone has a hard time finding affordable places to live.
Is problems greatest for rental or ownership?	Rental is crucial	Both	More an issue of rents
Suggestions to Address Housing Needs	Coalition of Towns to address issue regionally; involvement of National Seashore; Regional EDC Zone	Tax or municipal incentives. Sliding scale payments; No single family; apartments or townhouses	Incentives for employers who provide good affordable housing (sewer, water, tax credits), loosen growth management/ zoning to promote workforce housing.

Appendix B
Employer Interviews
Page 2

	Joy McNulty Lobster Pot	Henry Tuttle Outer Cape Health Services	Bill Dougal Pat Shultz Realty
Do you provide housing support to your staff?	We house about half of staff and have for years	No; we address housing costs by paying higher per diem for this location	Yes; in other businesses he owns
Has housing affected your ability to hire and retain staff?	Yes	Yes; we lose out in hiring decisions to other Cape facilities	Yes; continually an issue with both guest workers and year round.
Is problem greatest for year-round or seasonal workers?	Year-round; non-guest workers	Year-round; though problem is exacerbated by summer hiring needs	Both are needed; we need to stabilize summer employment to reverse decline of town as a tourist draw
Is problem greatest for salaried or hourly workers?	Both	Hourly	We are going to need to find housing for the 30-40 core salaried workers/ year who are retiring or leaving in an environment where there is no housing option for those coming in to replace them
Is problem greatest for rental or ownership?	Both	Both; greater numbers of smaller units	Both are needed; rental makes more sense
Suggestions to Address Housing Needs	Come up with land to build housing on	Provide employer financing package, zoning relief. We're thinking regionally; we have some land in Wellfleet; considering housing	Start with a master plan; create a professional Not-for Profit to implement; link efforts to EDC efforts- the goal is to save town from becoming a seasonal only community. Face up to eminent domain. Renovation of existing is fantasy.

Appendix B
Employer Interviews
Page 3

	Ted Meyer Police Chief	Candice Collins-Boden Chamber of Commerce	Peter Borrelli Ctr for Coastal Studies
Do you provide housing support to your staff?	The Town rents a house in Truro to up to 5 summer officers. This is the last year we will be able to do it. Chief receives a housing allowance of $9,000/yr. and cannot afford to renew contract.	No	No. Occasionally, we network in an effort to find suitable housing arrangements. And for one of our winter research projects we rent a house for 4-6 seasonal staff.
Has housing affected your ability to hire and retain staff?	Very clearly; both cost of rental and purchase impedes hiring and retention.	We got lucky and had one key staff get affordable unit that allowed her to stay.	Absolutely. It is the number one problem we have when it comes to recruiting
Is problem greatest for year-round or seasonal workers?	Year-round; without housing you can't make a career decision or raise a family. Housing for summer officers is very difficult – often they band together and commute.	Both: rental for seasonal; ownership for year-round	Year-round. As difficult as things are, we manage to get through the peak season. But in terms of maintaining a sustainable operation with senior staff, year-round housing is the challenge.
Is problem greatest for salaried or hourly workers?	Both are critical; hourly probably feels it more.	Hourly workers have the greatest needs: in response, employers have to get into "wage wars" to attract workers in like industries	Salaried workers suffer the most in the long run, since they have a larger stake in the institution.
Is problem greatest for rental or ownership?	N/A	Both	Owning is no longer an option for any of our staff.
Suggestions to Address Housing Needs	Higher wages or housing allowance to reflect costs; seasonal dormitory as in Nantucket.	Give property tax relief to those current owners who provide affordable rentals. Loosen zoning to allow for more supplementary apartments	More affordable rentals and ownership opportunities

Appendix B

Employer Interviews

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	Anton Van Dereck Haunstrup Napis	David Maloney Cape End Manor	Rick Murray Crown and Anchor	Jessica Waugh Superintendent of Schools
Do you provide housing support to your staff?	Yes; we own several properties and rent to key staff.	No	Provide low cost seasonal housing for 15 FT Staff and 8-10 entertainers	We cannot provide housing assistance or supplement salaries to compensate for higher housing costs
Has housing affected your ability to hire and retain staff?	It is a key component in the downward cycle of town as year-round community	Does not expect it to be a problem for expansion simply because Deaconess is one of the few year-round benefited employers	Without providing housing it would be impossible for business to continue	Yes increasingly difficult for teachers to live in Provincetown. We are becoming dependent on finding teachers commuting from elsewhere on Cape.
Is problem greatest for year-round or seasonal workers?	Year round	Their concerns are largely year-round.	Both; realistically many key workers don't want to live here through the winter; tourist industry needs 4-5 month housing NOW.	School system doesn't have seasonal employees
Is problem greatest for salaried or hourly workers?	Both	Problems are greatest among hourly, non-professional workers	Both	The real problem is the lack of good jobs. We have to attract a different type of economy – perhaps technology that is not dependent on geography.
Is problem greatest for rental or ownership?	Both	Greatest need for rental	Rental that does not need to change every six-eight months	Rentals are almost non-existent so that alone is a huge issue
Suggestions to Address Housing Needs	Don't lose site of the equal importance of providing year-round industry reason for vacation owners & tourists to come	N/A	Tax and other incentives for businesses who provide housing and who remain open year-round; more efficient government management	N/A

Appendix C
Provincetown's Chapter 40B Housing Inventory

Town of Provincetown

Property	40B Units	Year End
Harry Kemp Way [Ch 667-1, Housing Authority]	24	perpetuity
Pearl/Court [Ch 705-1, Housing Authority]	5	perpetuity
Harry Kemp Way [Ch 705-2, Housing Authority]	4	perpetuity
27A Conwell Street	5	2017
214 Bradford Street [Foley House]	10	2036
35 Conwell St [Hensche estates]	11	2041
27 Nelson Avenue	2	2031
56 West Vine Street	1	2042
27 Nelson Avenue	0	duplicate
24 Captain Bertie's Way	5	2041
CDC CDF Rehab	0	expired
Housing Rehab	30	varies 06 - 20*
TOTAL	**97**	
Units on 04/05 certification		
32 Conwell Street	18	2042
56B West Vine Street	1	2042
83 Shank Painter Rd	0	2041
139 Bradford Street	1	2041
5 Fritz's Way [Habitat]	2	2053
122 Bradford St Ext		
40A Nelson Ave	6	2103
54-58 Harry Kemp Way	4	2054
total additional completed units	**32**	
TOTAL	**129**	
Adjustments	***"Certified"***	
Units pending, not on 04/05 state list:		
83 Shank Painter Rd (restored)	5	2041
122 Bradford St Ext	18	pending
CEM Care Campus	9	pending
68 Race Point Rd	1	pending
34- 36 Conwell St	1	pending
48 Race Point Rd	1	pending
total pending units	**30**	
GRAND TOTAL	**164**	
	"Potential"	

SOURCE: Massachusetts Department of Housing & Community Development &Town of Provincetown

Appendix D

Homes Listed for Sale

Provincetown, July 2006

Single Family Home

Bottom of Market $599,900

Two Bedroom/ One Bath/ 1,102 SF

Appendix D

Homes Listed for Sale

Provincetown, July 2006

Median Price Single Family Home $945,000

Five Bedroom/ Two Bath/ 2,079 SF

Appendix D

Homes Listed for Sale

Provincetown, July 2006

Condominium

Bottom of Market $179,000

Studio/ 3/4 Bath/ 255 SF

Appendix D

Homes Listed for Sale

Provincetown, July 2006

Median Price Condominium $475,000

One Bedroom/ One Bath/ 753 SF