



For immediate release

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The Case for Affordable Housing

The topic of affordable housing really needs to start with a clear explanation of what is being discussed. In Falmouth we have four affordable housing entities; that in and of itself confuses people. All four have a different mission and serve a different constituency. And the other question that is pertinent is how does affordable housing connect with business and economic development?

The Cape & Islands Workforce Investment Board site, <http://ciwib.org/overview-stats-facts.php>, confirmed a grim picture for business on Cape Cod and the subsequent fallout we've all struggled with. A recent examination of unemployment trends by region points to the Cape & Islands having a higher average of unemployment collected for 15+ weeks than the state average by as much as 28.5%. A comparison of wages prior to collecting unemployment shows that the Cape lags roughly 10% behind the state average in wages. And we're older; claimants on Cape are mostly 45 years of age or older, compared to the state average age of 43 years. Cape & Islands claimants are more educated; as the state average of claimants that were high school drop-outs is 12% and in our region it is 6.5%. Simultaneously the percentage of Cape claimants that held at least a bachelor's degree was 24.4% compared to the state average of 23%.

The report confirmed that the state as a whole has suffered during 2009, with an overall rise in unemployment across all regional areas. However the Cape & Islands saw that number double roughly from 6.8% to 11.2%, and was the third highest area in the state. The report confirmed that most employers on the Cape & the Islands are smaller, with fewer than 20 employees, and that our region has the highest percent of small employers across the state. Our share of employment among large employers by region is significantly lower than the state average of 49%. And wages are lower on Cape, at an average wage of \$38,310, compared to the state average of \$55,262. However our region's two largest sectors, leisure & hospitality and retail trade were well below the state average, at \$22,740 and \$28,598 respectively. These figures compared poorly to the mean national wage average of \$42,270.

Barnstable and Berkshire counties were the only two counties across Massachusetts to see a decline in the natural population, where deaths exceeded births. And more of us commute off-Cape to work, with a daily outflow estimated at 5,894 workers.

I did an Internet search on the area median income in Falmouth and housing prices. Much of the current data stems from the Census of 2000, but according to Yahoo.com the median income in Falmouth is roughly \$40,283 annually. Our cost of living index is estimated at or around 142 – that means that if 100 is the national average and Falmouth is at 142 we are 42% higher than the national average. The median home *value* is around \$575,100 in Falmouth, while the average cost of a home has hovered roughly at \$300,000 to \$400,000.

What this research does reveal, and it is far from scientific, is that there is a distinct and growing

disconnect between what is available for independent home-ownership and what a person or a family can expect to make as a salary on Cape Cod. One article taken from the *Cape Cod Times* puts the difference at \$40,000 annually between what the average family makes in salary compared to what is needed to purchase a home.

What does that mean? Some believe that as a municipality, Falmouth is nearing a pivotal point as we plan for our future. If things continue as they have, fewer and fewer young people, with or without families, will stay in our town, and it is safe to say that fewer will relocate to our town, or to Cape Cod.

A recent study commissioned by the Cape Cod Foundation, *Understanding Cape Cod*, estimates the senior population to rise 75% in the next 20 years. Another interesting fact is that Cape Cod has the highest rate of heroin addiction, alcoholism, and divorce rate in the state. We have many low income, elderly, homeless and sick individuals that are cared for on the Cape & Islands. The demand for services by this population is unlikely to diminish anytime soon. These statistics combined with an excellent reputation are why Gosnold, Inc. was the recipient of a federally funded three-year grant from the Department of Health and Human Services for its drug court program, BAND.

What do these statistics and predictors mean? Fast forward 10 – 25 years, from now and what will Falmouth be like? If we continue as is, unabated, Falmouth will be a socially and economically stratified town. The resources of the few, very rich and very old, will support the demand for services by the very needy. The low to moderate income families and individuals – the workers – in our town will no longer be here. We will be importing them daily from other towns to work in the hospital, nursing homes, stores, banks, and yes, schools. There will be more traffic at the Bridge, fewer locally owned businesses, tourism will suffer, our school population will continue to decline and the percentage of needy children in the public schools will continue to rise. MCAS scores will fall, funding connected to those scores will also lessen, and the demand for emergency services, medical services, and senior services will rise.

Rather bleak, isn't it? What can we do? We can all agree to open discussion on the issue of economic development and affordable housing. We can agree that we need to attract young people to this area and those that are here should be able to have the option to stay here.

The Falmouth Housing Trust helps low to moderate income people buy their own homes. An individual that makes \$43,450 annually, or a family of four making \$62,100 annually is eligible for our assistance. The data available from the Cape and Islands Workforce Investment Board proves that many Falmouth residents qualify for our help.

The Falmouth Housing Trust is a non-profit organization, and is the Town of Falmouth's Community Development Corporation. We work with local government to build individual homes that low to moderate income individuals and families qualify **to own** through income and family size demographics. Our home-owners are required to undergo extensive scrutiny by four vetting agencies, complete first-time home buyers and credit counseling classes, and **they must be employed and qualify for their own mortgage.**

The Trust also owns and operates the Gerald Flynn House. The Flynn House was purchased from the Veteran's Administration in the 1990s when that agency was divesting itself of properties in our area. The Trust runs the House as a 7-bed SRO with preference given to homeless Veterans and Falmouth residents through the assistance of a Gosnold staff clinician who lives on-site to assist residents in their transition to full self-sufficiency.

The other affordable housing entities in Falmouth are the Falmouth Housing Authority, which manages section 8 vouchers from the federal government for homeless and low income individuals and families and works in conjunction with the Falmouth Housing Corporation to build, manage and maintain senior and low income multi-family housing, (typically apartments), in Falmouth. Both organizations are professionally staffed and do very important work for our needy and elderly population.

The Affordable Housing Committee is a politically appointed committee of volunteers chosen by the Selectmen to recommend policy and procedures that will assist in the implementation of the Town's Affordable Housing Production Plan.

The Cape and Islands Workforce Investment Board (C&I WIB) is a regional, private sector led agency responsible for overseeing all publicly funded vocational education and training programs. The WIB is organized as a private non-profit 501 c (3) corporation, formed to carry out the mandates of the federal Workforce Investment Act of 1998.

For more information on the Falmouth Housing Trust, consult the Town's web site, <http://www.falmouthmass.us/depart.php>, email: falmouthhousingtrust@falmouthmass.us or contact us by phone, 508-540-2370.