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2024 Cape Cod Comprehensive Economic Development Strategy

DRAFT

MAY 15, 2024

Prepared by Cape Cod Commission Staff.

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Introduction

The 2024 Cape Cod Comprehensive Economic Development Strategy (CEDS) is a five-year, actionable, and targeted strategic plan. It articulates the economic vision and goals for Cape Cod, key actions to improve the region's economic resiliency and address the region's major challenges, and metrics for measuring the region's progress toward achieving its goals. It has been developed in accordance with US Economic Development Administration (EDA) guidelines.

In 2013, Cape Cod was designated an Economic Development District (EDD).¹ This designation makes the entire region eligible for funding opportunities and support from the EDA. Maintaining a current CEDS, approved by EDA, allows Cape Cod to retain its EDD designation. EDA assistance was essential in obtaining the EDD designation, as well as completing and implementing past and current CEDS, and will continue to be integral in advancing economic development and resiliency in the region.

Developed collaboratively with stakeholders representative of a wide variety of perspectives and interests in the region, the CEDS provides a framework for creating a strong and vibrant Cape Cod.

The Cape Cod Region

Cape Cod is an iconic peninsula of 15 towns extending 60 miles into the Atlantic Ocean. Its natural beauty, environmental resources, and historic character have in the more recent past made Cape Cod a globally-recognized place to live, retire, and visit, with over 5 million annual visitors.²

The peninsula now called Cape Cod was home to the Wampanoag for thousands of years before the arrival of European colonists. The Wampanoag are also known as "People of the First Light," reflecting the eastern position of the peninsula. Many of the familiar names used for landforms and places testify to their long presence in the region. Acknowledging the Wampanoag's long stewardship of this land aims to provide a more comprehensive history of the people who played an important role in shaping and defining this area. Their history is full of hardship brought by Europeans, including disease, slavery, and loss of their land. Today, the Wampanoag live throughout southeastern Massachusetts, including in the Wampanoag communities of Mashpee, Herring Pond, and Aquinnah. Their careful stewardship of these lands and their efforts to maintain their cultural traditions and accurately tell their history should be respected and supported.

¹ EDA Economic Development Districts. <https://www.eda.gov/edd/>

² Cape Cod Commission staff analysis

Cape Cod is often described as four subregions of towns with similar characteristics – the Upper, Mid, Lower, and Outer Cape, with the Upper Cape being those communities closest to the Cape Cod Canal and mainland Massachusetts and the Outer Cape being those communities furthest from the Canal. Primary access to the region is over two vehicle bridges that span the Canal – the Bourne Bridge and Sagamore Bridge – though it is possible to access Cape Cod via air, ferry, and limited seasonal rail service. Moving west to east across the region, the towns generally become more seasonal and tourism-oriented in terms of both housing units and employment opportunities.

While Cape Cod has a strong regional identity, and the towns in the subregions share similar characteristics, each of the 15 towns in Barnstable County is unique. Common challenges may exist throughout the region and towns but some communities may be more acutely impacted than others. Both local and regional action are necessary for a thriving and strong future for Cape Cod.

PEOPLE

Though the region has been inhabited for over 12,000 years by the Mashpee Wampanoag people, rapid population growth on Cape Cod began in the 1950s with the population more than quadrupling between 1950 and 2020, adding over 182,000 year-round residents. As of 2022, the region's year-round population is estimated to be approximately 229,000.³ Much of the region's growth in population is due to its continued popularity as a retiree destination. This is reflected in Cape Cod's percent of the population 65 years and older, which has been increasing significantly over the last 50 years and now comprises nearly 1/3 of the population. Barnstable County has a relatively older population than Massachusetts, with a median age of 55.0 according to the 2020 Decennial Census; up from 49.9 in 2010. Over that same period, the state's median age only increased from 39.1 to 39.9.⁴ Two scenarios for population projections over the next ten years for the region show variation in what the future may hold; however, both point to an increase in the population 75 years and older and eventually a declining year-round population overall if current trends persist.

During the early part of the COVID-19 pandemic, with people seeking greater outdoor recreation opportunities and more space, and having the ability to work remotely, Cape Cod experienced an estimated influx of 20,000 to 30,000 people coming to the region temporarily or permanently.⁵ The region experienced the highest domestic in-migration at the state level between April 2020 and July 2022. In contrast, most of the counties in the state, apart from Nantucket and Martha's Vineyard, experienced an outflow in population.

³ American Community Survey, 2022 5-Year Estimates, Table DP05

⁴ US Census Bureau, 2010 Decennial Census Table P13 and 2020 Decennial Census Table DP1

⁵ Cape Cod Commission staff analysis of Placer.ai data

The region is predominantly white and much less diverse than Massachusetts or the nation, though it has seen an increase in demographic diversity recently. Between the 2010 and 2020 Censuses, the percent of Cape Cod's population not identifying as solely white nearly doubled from 7.3% to 14.2%.⁶ Between 2017 and 2022, the region saw an 11% increase in the number of residents identifying as Black or African American and an 8% increase in those identifying as Asian.⁷ Cape Cod's population includes members of the federally recognized Mashpee Wampanoag Tribe; 150 acres of land in Mashpee are the Tribe's initial reservation on which the Tribe can exercise its tribal sovereignty rights.⁸

The Cape's population is highly educated with 96% of the year-round population 25 years and older having graduated high school (or equivalency) and 46% having at least a Bachelor's degree, up from 42% in 2017.⁹ This is reflective of the highly educated, and large, retiree population. About 35% of the region's population between 18 and 44 years old have a bachelor's degree or higher, compared with over 50% of residents 65 years and older.¹⁰

The number of people with a bachelor's degree or higher among the region's population aged 25-34, 35-44, and over 65 increased by 47%, 17%, and 30%, respectively between 2017 and 2022. It is possible the recent domestic in-migration to the region explains this drastic change in educational attainment rather than any significant change in the school and education system during those years. Massachusetts as a whole saw similar increases, with the exception of the 25- to 34-year-old cohort with a bachelor's degree or higher, which only increased by approximately 14%.¹¹

In addition to the education of the adult population, affordable and accessible early education and childcare are critical components of a thriving community. Early education and childcare are important not only as foundations for education later in life, but also something that must be attainable to support families and retain residents and employees. On Cape Cod, "rising housing costs, child care program closures, limited industries, fewer subsidized care options, and a high cost of living create an added burden for those providing and seeking care."¹² Nearly half of respondents to a survey about childcare in the region (Cape Cod and the Islands) noted that at least one adult in

⁶ US Census Bureau, 2010 and 2020 Decennial Censuses, Table P1

⁷ American Community Survey, 2017 and 2022 5-year estimates, Table DP05

⁸ Mashpee Wampanoag Tribe, 2024. <https://mashpeewampanoagtribe-nsn.gov/>

⁹ American Community Survey, 2022 5-year estimates, Table DP02

¹⁰ American Community Survey, 2022 5-year estimates, Table S1501

¹¹ American Community Survey, 2017 and 2022 5-year estimates, Tables DP02 and S1501

¹² [Cape Cod & Islands Early Education and Child Care Needs Assessment](#), prepared by the Rennie Center for Education Research & Policy for the Cape Cod Commission, 2022

their household had made significant changes at work due to childcare responsibilities and 30% of respondents had considered leaving the region due to challenges securing affordable childcare.¹³

Another key element of a livable and thriving community is access to safe and attainable housing. While housing affordability has been a challenge in the region for decades, it has reached unprecedented levels in the last several years. The region's housing stock is overwhelmingly detached single-family homes (80%), which provides limited choices for housing, particularly more affordable, compact housing options. The region also has a much smaller proportion of housing units in the region that are renter-occupied, relative to the state (only 19% compared to 38% for Massachusetts).¹⁴ The popularity of the region during the COVID-19 pandemic, coupled with limited inventory, sent home sales prices skyrocketing, with the median home sales price increasing by 17% between 2019 and 2020 alone. The median sales price in 2023 for all homes was nearly \$680,000 and for single-family homes it was \$730,000, up nearly \$300,000 from \$433,000 in 2019.¹⁵ Home prices have risen significantly faster than wages, resulting in home prices that are woefully out of reach for most Cape Cod residents. The 2022 Cape Cod Regional Housing Needs Assessment found that a family would need to make approximately \$210,000 annually to affordably purchase a median-priced single-family home—nearly 2.3 times the median household income for the region.¹⁶

Housing is currently one of the main challenges for employee retention in all industries in the region. In 2021, almost 30% of jobs in the County were filled by people living outside of the region. Between 2016 and 2021, jobs in the region filled by people living in the county declined by 8%. In contrast, there has been an increase of 6% in the number of jobs outside of Barnstable County filled by people living in the county.¹⁷ This could be indicative of the recent domestic migration and the flexibility that remote work has provided some workers in recent years.

The housing challenges in the region are partly compounded by Cape Cod's draw as a seasonal destination. The region has approximately 165,000 housing units, more than 1/3 of which are used seasonally.¹⁸ In the summer months, the estimated population of the region swells to well over 400,000 people, not including day visitors.¹⁹ Many seasonal homes are used by second homeowners or part-time residents, and many are rented out on a short-term basis. Short-term rentals can provide significant sources of revenue. The Cape Cod Regional Housing Needs Assessment found it

¹³ [Cape Cod & Islands Early Education and Child Care Needs Assessment](#), prepared by the Rennie Center for Education Research & Policy for the Cape Cod Commission, 2022

¹⁴ American Community Survey, 2022 5-year estimates, Table DP04

¹⁵ Cape Cod and Islands Association of Realtors Fast Stats, 2023 Annual Report and December 2023 Monthly Indicators overview, available at <https://capecod.stats.10kresearch.com/reports>

¹⁶ [Cape Cod Regional Housing Needs Assessment](#), prepared by the Donahue Institute at UMass Amherst for the Cape Cod Commission, 2022

¹⁷ US Census Bureau, OnTheMap tool, Inflow/Outflow analysis for Barnstable County for 2016 and 2021.

¹⁸ American Community Survey, 2022 5-year estimates, Tables DP04 and B25004

¹⁹ Cape Cod Commission staff analysis

takes just two months for the income from an average short-term rental to exceed the income from an average year-round rental, and in some of the more seasonal communities, that time is closer to just one month.²⁰ The strong financial incentive to rent a home as a short-term rental further limits options for year-round housing.

The percentage of the population below the poverty level on Cape Cod has been consistently decreasing for the last 10 years, and is now estimated to be at about 7%, though the percentage of the population below the poverty level with some college or associate degree actually increased compared to the levels observed 5 years ago.^{21,22} While the percent of the population below the poverty level decreased between 2017 and 2022 by 7%, particularly for the younger cohort, the number of residents 65 years and older below the poverty level increased by 45% in the same period. The percentage of the population below the poverty level self-identifying as two or more races increased from 9.9% to 13.7% and residents of Hispanic or Latino origin (of any race) below the poverty level increased from 10.5% to 17.5% during that time period.²³

As the region looks forward, its economic development initiatives will need to support the people of Cape Cod. This includes continuing and expanding quality educational opportunities, ensuring access to safe and affordable housing, and providing services for families as well as to the elderly and aging population.

PLACES

Cape Cod is a peninsula with over 500 miles of coastline and beaches, 53 coastal embayments, 890 freshwater ponds, and more than 100,000 acres of habitat, wetlands, and protected open space. High-quality natural systems, including groundwater, marine water, freshwater, wetlands, open space, and habitat, are key to what draws people to Cape Cod. The quality of the environment is inextricably linked with the regional economy and quality of life. Protecting natural and cultural resources, providing access to outdoor recreation, and advancing initiatives for climate resilience are imperative to the region's sustainable economic development goals.

The region's development patterns reflect its history. The peninsula was home to the Wampanoag people long before the arrival of European settlers in the early 1600s. The Wampanoag maintained summer and winter settlements that allowed them to move between plentiful marsh or ocean resource areas in warmer months and more sheltered wooded areas during winter months. With the arrival of the European settlers came the establishment of small permanent fishing and farming

²⁰ [Cape Cod Regional Housing Needs Assessment](#), prepared by the Donahue Institute at UMass Amherst for the Cape Cod Commission, 2022

²¹ American Community Survey, 2017 and 2022 5-year estimates, Table S1701

²² American Community Survey, 2017 and 2022 5-year estimates, Table S1701

²³ American Community Survey, 2017 and 2022 5-year estimates, Table S1701

settlements. Development became more clustered around small village centers through much of the following century until the 1800s when growing maritime industries spurred development around harbors and waterfronts. The late 1800s through the early 1900s saw the region transition to a tourism destination as people made their way to the Cape via new rail and automobile connections.

The historic village centers and buildings are part of the region's iconic character. Today the Cape has nearly 11,000 inventoried structures built in 1950 or earlier, including more than 700 from before 1800. More than half of those inventoried structures do not have any protection from demolition or alteration of their character-defining features. Archaeological sites and historically open landscapes are similarly important to the region, and in many cases unprotected.

The region began to grow and develop dramatically beginning in the 1950s with an influx of people, resulting in development extending from the coastline to the interior of the peninsula. Zoning and other regulations set the standard for large lot sizes and buildings set far back from the road, and spread development out over larger areas, resulting in highly automobile-dependent land use patterns that are not as conducive to walking, biking, and public transit. The outcome is a more dispersed development pattern that requires more land and resources for infrastructure, a housing stock that is 80% detached single-family homes, and a high dependence on vehicular transportation.

The Cape relies on over 3,800 miles of roadways, 80% of which are smaller, local roads, to move people and goods throughout the region. Two bridges over the Cape Cod Canal allow for the only vehicular access points for travel to and from the region. The two canal bridges are the region's lifelines, and at almost 90 years old are in dire need of replacement. Traffic today far surpasses the design of the bridges, which were meant to accommodate approximately 1 million annual crossings. Today, the bridges see 38 million crossings a year. Critical to the economy and community, they provide access for 50,000 daily commuters, 5 million annual visits, and 122 daily school bus crossings.

The vast majority of residents in the region rely on personal vehicles for travel though there is year-round and seasonal public bus transportation, as well as bus connections to Boston and Providence. The region has two airports with commercial service to Boston, New York, Nantucket, and Martha's Vineyard and ferry routes link Cape Cod to the islands of Nantucket and Martha's Vineyard, in addition to Boston and Plymouth. More than 90 miles of multi-use pathways run through the region and a rail line provides seasonal rail service between Boston and Cape Cod. Air, ferry, rail, and bus services all run on more limited schedules in the off-season. The region must continue to invest in infrastructure to improve the safety, accessibility, and usability of public transit, biking, and walking, to reduce greenhouse gas emissions and support more affordable ways of life. Replacing the Canal Bridges must also remain a regional priority to ensure a viable future for the region.

In addition to a reliance on vehicular transportation, the region's predominantly suburban development patterns have resulted in impacts on natural resources. Existing infrastructure is both

inadequate to meet the needs of the region and at risk from the impacts of climate change. Approximately 95% of the region's development utilizes on-site septic systems. Cape Cod's generally permeable soil makes septic systems highly effective for wastewater disposal, but even when designed correctly and operating effectively, traditional septic systems do not remove nitrogen and phosphorus from wastewater. Combined with nutrients from stormwater and fertilizer, excess nitrogen and phosphorus are contributing to degraded water quality in both the region's coastal embayments and freshwater ponds. Watersheds flowing to coastal embayments cover 80% of the region's land area. Approximately two-thirds of the embayments have degraded water quality, requiring nitrogen reduction to meet water quality goals, and approximately 85% of the excess nitrogen entering coastal water bodies comes from on-site septic systems. The sprawling development patterns and limited development density in the region, along with the fact that the scale of wastewater infrastructure must meet the needs of the busy summer season, makes the cost of collecting and conveying wastewater to centralized treatment facilities expensive; however, wastewater infrastructure investments are imperative.

The Cape Cod and Islands Water Protection Fund (Fund) serves as a primary driver of long overdue progress on local wastewater management and water quality improvement. Since its inception in 2019, the Fund has awarded over \$200 million in subsidies to Cape Cod towns. The certainty of a 25% subsidy from the Fund has helped garner community support for project implementation, aided in positive outcomes at Town Meetings, and created unprecedented advancements of local water quality projects following decades of local, regional, and state efforts to address the issue. The Fund, established by the Massachusetts Legislature to help Cape Cod and Islands towns pay for necessary wastewater infrastructure and water quality remediation projects is funded by a 2.75% excise tax on traditional lodging and short-term rentals in member communities.

Cape Cod's Sole Source Aquifer is one of the most productive groundwater systems in New England and provides 100% of the Cape's drinking water. Groundwater is derived solely from precipitation and is stored in sandy glacial deposits. These aquifer deposits are generally permeable, making them ideal for development of high yielding water supplies, but simultaneously vulnerable to contamination from land use. Approximately 85% of Cape Cod is serviced with public water, with remaining areas relying on private or privately-owned small volume wells. The quality of the Cape's drinking water is generally good; however, the region has seen a slight upward trend in nitrogen concentrations and some occurrences of contaminants of emerging concern in public and private water supplies in the region. Several municipal water supply wells are treated for a range of contaminants, and some historic wells subject to contamination have been abandoned and replaced. Water supplies require ongoing vigilance and there continues to be a need to identify and protect suitable undeveloped land with potential for water supply development.

Cape Cod's 890 freshwater ponds are essential "windows into the aquifer," or areas of the water table where topographically low-lying areas extend below water level. Freshwater ponds cover

more than 17 square miles of the region and are also exhibiting impacts from the region's development. In the first year of the Regional Pond Monitoring Program, intended to monitor 50 representative ponds across Cape Cod to better understand the current state of ponds in the region and how they are changing over the course of a season and from year to year, 46 of the 50 ponds monitored were above the ecoregion threshold established by the U.S. Environmental Protection Agency for phosphorus.²⁴ Identifying and implementing strategies to remediate and preserve freshwater quality in the region is vital for a healthy and thriving Cape Cod.

The open space on the Cape is critical to the health of the region's natural systems, economy, and population. Open space provides habitat for diverse species and protection of the region's drinking water supply. Wooded open space provides a carbon sink for mitigating the impacts of climate change, both through the storage of carbon that would otherwise be lost to the atmosphere were trees removed and through the carbon-absorbing capacity of trees. Open space contributes significantly to the character of the region and supports vital Cape Cod industries. The Cape's beaches, farms, woodlands, and marshes provide recreational outdoor activities that attract both visitors and residents to the region while also providing the necessary land and resources for the Cape's agricultural activities.

Approximately 99,054 acres on Cape Cod are considered "Open Space," representing nearly 40% of the Cape's area. Of these acres, the vast majority (93%) are permanently protected, meaning these areas are legally protected from development in perpetuity and recorded as such in a deed or other official document. Between 2019 and 2023, over 700 acres were permanently protected on Cape Cod, but many sensitive natural lands not protected remain at risk. Today, about 86% of the region's land is either permanently protected or already developed leaving limited land area remaining for development or protection. Critical natural areas must be protected and development or redevelopment in the region must be thoughtful and mitigate, rather than exacerbate, the region's challenges. Cape Cod must prioritize redevelopment of underutilized areas that are appropriate for denser and/or mixed-use development and are served, or planned to be served, by infrastructure.

The region has a heavily developed coastline, which is both a draw for visitors and residents, and a vulnerability in the face of climate change and increasing storm intensity. Not only are the region's, residents, beaches, and marine life potentially at risk from rising seas and ocean temperatures, but so is a significant portion of the region's built environment. Nearly 20% of the region is in the FEMA Special Flood Hazard Area (SFHA) and the total assessed value of properties in the SFHA is more than \$35 billion, including over 2,000 structures inventoried by the Massachusetts Historical

²⁴ [*Ambient Water Quality Criteria Recommendations: Information Supporting the Development of State and Tribal Nutrient Criteria, Lakes and Reservoirs in Nutrient Ecoregion XIV*](#), Unit States Environmental Protection Agency, Office of Water, 2001.

Commission. The number of structures in harm's way increases when considering not only existing floodplains but the threat of storm surges and sea level rise.

Hundreds of miles of roads throughout the region are vulnerable to flooding from storms and sea level rise, with 700 miles projected to be isolated due to climate change impacts by the end of the century. Almost 260 critical facilities, identified by towns, are located within the SFHA. In total, damage and losses due to sea level rise and storm surge could exceed \$50 billion by the end of the century if the region does not adapt to climate change impacts and work to mitigate its causes. These impacts on the region's built environment are easier to quantify than the potential impacts to human life and the natural systems in the region. People may become isolated, forced to relocate, and natural resources degraded or lost during storm events and as climate change impacts intensify.

ECONOMY

Cape Cod has a rich history of transformation from a small, subsistence-based economy to an economy centered around maritime industries in the 1800s, and ultimately to one driven by tourism. Today, its economic activity remains largely concentrated in seasonal and tourism-related industries.

The region had a gross domestic product (GDP) of just over \$16 billion in 2022.²⁵ Private industries account for the vast majority of the region's GDP (roughly 87%). When adjusting for inflation, Cape Cod's GDP has increased by about 8% from 2017 to 2022. From 2019 to 2020, it decreased by nearly 7% due to impacts from the COVID-19 pandemic but by 2021 had recovered to 2019 levels.²⁶

Accommodation and food services, health care and social assistance, retail trade, construction, and educational services are the top five industries for the region by employment, comprising 63% of the average monthly employment. However, these industries only account for about 30% of the region's GDP. The single largest contributor to the region's GDP is real estate and rental and leasing, which accounts for more than one-fourth of the GDP but less than 2% of employment.²⁷

Average monthly employment in the private sector decreased by 2.5% between 2017 and 2022, but the average wages increased by more than 30%. Industries such as health care and social assistance, accommodation and food services, information, and finance and insurance experienced an increase in actual wages and a decline in average monthly employment.²⁸

²⁵ US Bureau of Economic Analysis, Table CAGDP1 County and MSA gross domestic product (GDP) summary, 2017 – 2022

²⁶ US Bureau of Economic Analysis, Table CAGDP1 County and MSA gross domestic product (GDP) summary, 2017 – 2022

²⁷ Bureau of Economic Analysis Table CAGDP2 Gross domestic product (GDP) by county and metropolitan area for Barnstable County for 2022

²⁸ Massachusetts Department of Economic Research, 2017 – 2022 Annual ES-202 data, not seasonally adjusted

Construction has seen the greatest increase in employment between 2017 and 2022 (increasing by 1,215 jobs), while health care and social assistance has seen the largest decrease (2,454 jobs). Though employment in the health care and social assistance industry declined modestly in 2018 and 2019, it experienced an acute and dramatic decline from 2019 to 2020 with the onset of the COVID-19 pandemic.²⁹

Of the nearly 10,100 business establishments in the region, construction accounts for 14.5% of them; however, it only accounts for 8% of employment. This is indicative of the small business establishment sizes typical in the region (more than 80% of businesses are small businesses with less than 10 employees).³⁰ Educational services, by contrast, accounts for 7.6% of employment but only 1.4% of establishments, indicative of the larger establishments in the sector.³¹

The labor force participation rate (LFPR) is the number of people over 16 working or seeking jobs as a percent of the total civilian population 16 and older. For the region, LFPR is lower than the state's (approximately 60% compared to 67%), reflective of the older and retiree population in the region. Despite an 8.6% increase in the population 16 years and over, the labor force participation rate in the region experienced a slight decline from 2017 to 2022, likely due to an increase in the retiree population in the region and increasing housing affordability challenges, which are believed to be forcing younger residents and families to relocate.³² The LFPR for women with children only under six years old decreased slightly but the LFPR for women with children both under 6 and between 6 to 17 years old increased by 11 percentage points from 2017 to 2022. The LFPR also increased among populations identifying as of Hispanic or Latino origin (of any race), Asian, and two or more races.³³ Though the labor force participation rate is lower than the state, the region has a higher proportion of the population (16 years and older) that is self-employed – more than 14% compared with 8.9%.³⁴

The region's unemployment is heavily impacted by its seasonality. Unemployment often doubles in the winter compared to the low in summer months. In 2022, unemployment declined from a high of 7.5% in February to 3.4% in the summer. These fluctuations are even more extreme in some of the more seasonal communities in the region, such as Provincetown, where the unemployment rate peaked in February of 2022 at nearly 26% and fell to a low of 2.9% in the summer.³⁵ As would be expected, employment increases in the summer months compared to the winter months an average of 33% across the region from approximately 84,000 to 112,000 in recent years, not including

²⁹ Massachusetts Department of Economic Research, 2017 – 2022 Annual ES-202 data, not seasonally adjusted

³⁰ US Census Bureau Economy Surveys, 2021 County Business Patterns, Table CB2100CBP

³¹ Massachusetts Department of Economic Research, 2022 Annual ES-202 data, not seasonally adjusted

³² American Community Survey, 2022 5-year estimates, Table DP03

³³ American Community Survey, 2022 5-year estimates, Table S2301

³⁴ American Community Survey, 2022 5-year estimates, Table S2408

³⁵ Massachusetts Department of Economic Research, Labor Force and Unemployment Data

2020.³⁶ Promoting year-round jobs is key to creating a more resilient economy for Cape Cod to provide more stable and consistent income and employment opportunities for workers in the region.

The COVID-19 pandemic caused an increase in the region's unemployment rate to more than 22% in April 2020 when employment rates are typically declining in the region from winter highs. While unemployment remained elevated throughout 2020, the region's draw during COVID-19 helped some return to or maintain employment and even though the region's unemployment rate in April 2022 was higher than the state's at 16.9%, it was less than the state's by July.³⁷

Median household income in the last 12 months increased by 33% between 2017 and 2022.³⁸ This increase is driven by a near doubling in the number of households with an annual income of between \$150,000 and \$199,999, an increase of more than three times what was observed at the state level, as well as an increase of nearly 140% of households with an annual income of more than \$200,000, which again is much higher than the increase for Massachusetts overall.³⁹ While wages have increased in the region, this increase in households earning more than \$150,000 is likely due to domestic migration in recent years and the income distribution of the incoming population rather than structural change or progress of the local economy. Despite these dramatic increases, the median income of the region has been, and remains, lower than that of the state, as do median earnings.

The region's arts and culture sector is a critical component of Cape Cod's identity and economy. Especially in some of the region's more seasonal towns, arts, entertainment, and recreation comprises a significant portion of employment (more than 10% in some towns), and it is a characteristic element of what draws people to the region.⁴⁰

While past and projected trends are useful in planning for the region's future, the COVID-19 pandemic underscored just how unpredictable the future can be. It is essential to plan for a well-rounded, diverse, and resilient economy and community that can nimbly respond to different shocks the region may face in the future, whether economic, natural, or demographic.

³⁶ 5-year Average of Massachusetts Department of Economic Research ES-202 Data (not seasonally adjusted) for 2017, 2018, 2019, 2021, 2022

³⁷ Massachusetts Department of Economic Research, 2019 – 2023 Labor Force and Unemployment Data

³⁸ American Community Survey, 2017 and 2022 5-year estimates, Table S1901

³⁹ American Community Survey, 2017 and 2022 5-year estimates, Table S1901

⁴⁰ Massachusetts Department of Economic Research, 2022 Annual ES-202 data, not seasonally adjusted

CEDS Planning Process

The 2024 Cape Cod CEDS was developed with regular input and guidance from the Barnstable County Economic Development Council (BCEDC) (the CEDS strategy committee), and input from dozens of stakeholders with a wide range of expertise and experience.

BCEDC Members 2024	
Member	Sector
Greg Bilezikian	Real Estate Development
Rob Brennan	Construction/Engineering
Amanda Converse	Retail Commerce/Small Business
Mark Forest	Barnstable County Commissioner
Kara Galvin	Workforce Development
Lisa Guyon (<i>resigned March 2024</i>)	Social Services
Cindy Horgan	Childcare
Tammi Jacobsen	Higher Education
Alisa Magnotta	Housing/Social Services
Harold Mitchell	Cape Cod Commission Representative
Wendy Northcross (<i>appointed May 2024</i>)	Cultural Organization
John Ohman	Assembly of Delegates
Jack Stevenson	Construction
Robert Talerman	Banking/Finance
Julie Wake (<i>resigned March 2024</i>)	Arts and Culture

In December 2023, the BCEDC provided input and guidance on the proposed process for developing the CEDS, including opportunities for public participation. In January of 2024 the BCEDC conducted an in-depth opportunities analysis to identify Cape Cod’s strengths, challenges, and opportunities. This workshop laid the foundation for articulation of the CEDS vision and goals, which were presented to the BCEDC in February for their review and feedback.

Nearly 100 people attended the 2024 Cape Cod Economic Summit on March 5, 2024 at the Cape Cod Museum of Art. The summit was a pivotal stakeholder engagement opportunity for the 2024 CEDS and brought speakers from around the region, state, and beyond. Presenters shared data on the current economic conditions of the region and the Commonwealth, insights into economic development strategies employed elsewhere, and current state-level economic development strategies and priorities. Attendees participated in breakout groups to provide feedback on the draft vision and goals and discuss priority actions to advance the goals over the next five years.

Based on the input from summit attendees, ten key actions were identified and refined through a series of focus groups and BCEDC feedback. Focus groups on the topics of workforce development and economic resiliency, housing, climate change and water quality, telecommunications and transportation were held to help articulate lead actors, critical tasks, and opportunities to leverage ongoing local and regional efforts in support of implementation of the key actions. A focus group of municipal staff and leaders gathered to provide feedback on municipal interests and efforts, articulate opportunities for municipal leadership on key actions, and identify where municipalities need support to ensure effective implementation of the CEDS. As a result of the significant input from dedicated stakeholders across Cape Cod, the CEDS includes 10 strategic actions that align with local and regional needs and priorities and will help to advance a sustainable and vibrant regional economy.

A draft CEDS was completed in May 2024 and released for public comment. *[The final document will include more information on the public comment period and final approvals by the BCEDC and the Cape Cod Commission when completed.]*

Regional Planning Context

While the CEDS provides a targeted plan for advancing the region's economic development goals, it works within a broader regional planning framework and in support of several issue-specific regional planning initiatives.

The Cape Cod Commission is charged with protecting the unique values and quality of life on Cape Cod by coordinating a balanced relationship between environmental protection and economic progress. The Commission articulates a vision, growth policy, and goals for the region in the Cape Cod Regional Policy Plan (RPP), a document that is reviewed and updated periodically to ensure it continues to provide an overarching framework that appropriately guides local and regional planning and regulation, as well as issue-specific plans necessary to encourage collaboration and strategic action on the region's most critical challenges. These regional plans work together and reinforce one another in addressing the region's critical challenges, including supporting the goals and vision of the CEDS.

REGIONAL POLICY PLAN (2018)

The 2018 Cape Cod Regional Policy Plan (RPP) articulates the vision for the future of Cape Cod – a region of vibrant, sustainable, and healthy communities, and protected natural and cultural resources. It articulates a growth policy that focuses growth in centers of activity and areas supported by adequate infrastructure, and guides it away from areas that must be protected for ecological, historical or other reasons. It also provides goals and objectives for 15 different issue

areas that impact the region and must be considered in planning for Cape Cod's future, including a specific economy goal and economy objectives.

RPP Economy Goal

To promote a sustainable regional economy comprised of a broad range of businesses providing employment opportunities to a diverse workforce.

RPP Economy Objectives

- Protect and build on the Cape's competitive advantages
- Use resources and infrastructure efficiently
- Foster a balanced and diverse mix of business and industry
- Encourage industries that provide living wage jobs to a diverse workforce
- Expand economic activity and regional wealth through exports, value added, import substitution, and local ownership

While the Regional Policy Plan is comprehensive in its vision and growth policy and serves as an overarching policy framework, there are certain resources or issues facing the region that require more focused planning efforts. This has resulted in the development of issue-specific plans including the Comprehensive Economic Development Strategy, Regional Transportation Plan, Climate Action Plan, Area-wide Water Quality Plan (208 Plan), and most recently a Regional Housing Strategy. Coordinated regional planning is at the core of the Cape Cod Commission's mission. These issue-specific plans are strategically aligned and work in conjunction with the RPP to accomplish local and regional goals.

CAPE COD CLIMATE ACTION PLAN (2021)

Addressing the region's economic challenges can and should work toward achieving the goals of the Cape Cod Climate Action Plan. Finalized in 2021, the Climate Action Plan recognizes that dedicated and immediate action is necessary to slow the effects of climate change and improve the region's resiliency to its impacts. It provides a framework for action to support a climate resilient region and its purpose is twofold: to improve the region's resiliency to climate hazards and mitigate climate change on Cape Cod through reducing net regional greenhouse gas emissions in support of the framework and targets established by the Commonwealth.⁴¹

⁴¹ Cape Cod Climate Action Plan, p. I, Cape Cod Commission, 2021. <https://www.capecodcommission.org/our-work/climate-action-plan/>

Identifying and supporting initiatives to grow industries (and associated workforces) that also improve the region's resiliency to climate change impacts and provide opportunities to reduce the region's greenhouse gas emissions should be prioritized to support both a physically and economically resilient and responsible region.

AREA-WIDE WATER QUALITY MANAGEMENT PLAN (208 PLAN) (2015)

The region cannot fully address its development and housing challenges without appropriately serving existing and future development with wastewater infrastructure. Cape Cod's Area-Wide Water Quality Management Plan (208 Plan), developed pursuant to Section 208 of the Clean Water Act, was certified by Massachusetts Governor Charlie Baker and approved by the United States Environmental Protection Agency in 2015. The 208 Plan recognizes septic systems—primarily serving single-family residential development—are the primary source of nitrogen impairing coastal water quality on Cape Cod. It established a framework to restore coastal water quality that local, regional, state, and federal partners continue to use to advance wastewater management efforts and regulatory reforms.

The 208 Plan identifies challenges and limitations of providing wastewater infrastructure on Cape Cod, not the least of which is the increased cost of collecting and conveying wastewater given the dispersed patterns of development across the region. The plan encourages land use policies that focus future growth in existing centers of activity—areas that can be most cost-effectively served by wastewater infrastructure and that are appropriate for mixed-use and more diverse housing opportunities. Ultimately, more compact and diverse housing options in appropriate locations will help provide the customer base for effective wastewater treatment that improves the quality of the region's coastal water while offering increased housing opportunities for current and prospective residents and employees.

REGIONAL TRANSPORTATION PLAN (2023)

The region's transportation infrastructure has both shaped, and been shaped by, the development patterns of the region. It must continue to evolve to meet the needs of current and future generations. The 2024 Regional Transportation Plan (RTP), completed in 2023, envisions a multi-modal transportation system that supports the environmental and economic vitality of the region

through infrastructure investment that focuses on safety, livability, sustainability, resiliency, equity, and preservation of the character that makes Cape Cod special.⁴²

The RTP includes a goal to support livable communities and the economic vitality of the region, in part by supporting mixed-use development in compact centers of activity, improving connections between housing, jobs, cultural centers, and essential services, and supporting land use strategies and investments in the roadway network that encourage walkability and public transit, and promote appropriate connections to housing.

HOUSING CAPE COD: THE REGIONAL STRATEGY (2024)

Housing Cape Cod: The Regional Strategy is the first regional housing strategy for Barnstable County. Completed in 2024, it addresses the decades-long challenge of providing affordable and diverse housing choices for year-round residents, which has only become more acute in recent years. The COVID-19 pandemic pushed the region's housing challenges into a crisis. With the onset of the pandemic, housing prices increased rapidly, inventory became significantly limited, and the gap between housing prices and wages widened.

The Regional Housing Strategy provides the data and information necessary to target key short- and long-term actions to improve housing access and affordability. It outlines a path forward for each of the key regional recommendations and identifies local zoning opportunities to better facilitate development and redevelopment of more diverse housing opportunities. It empowers local and regional stakeholders to take action to sustain and enhance Cape Cod's year-round community and provide a stable foundation for the region's economy.

COORDINATED LOCAL AND REGIONAL PLANNING

The Commission's regional planning activities address needs and challenges that transcend municipal or individual site boundaries. The Commission provides resources to prepare and implement local plans consistent with regional plans and priorities.

Local plans developed consistent with regional plans, such as Comprehensive Wastewater Management Plans consistent with the 208 Plan, local comprehensive plans consistent with the regional policy plan, and local economic development plans working to advance goals and initiatives identified in the CEDS, include more detail around projects that must be completed to meet Cape Cod's economic vision and goals. Successful implementation of the action plan will rely on both

⁴² Cape Cod 2024 Regional Transportation Plan, pg. viii, Cape Cod Commission, 2023. <https://www.capecodcommission.org/our-work/rtp/>

individual town actions, as well as collaborative efforts among multiple organizations and entities at the subregional and/or regional scale.

[The final version of the document will have some examples of local plans that complement the CEDS and are important in making progress on regional goals.]

LOCAL PLAN EXAMPLE: ORLEANS ECONOMIC DEVELOPMENT PLAN

In 2022, the Town of Orleans completed a local economic development plan that includes actionable recommendations for improving local economic vitality. The recommendations in the plan align with a series of guiding principles, including promoting growth in centers of activity and supporting the year-round workforce, while protecting natural assets. The plan incorporates and prioritizes actions, including strategies to address housing and infrastructure that support existing and growing industries and their workforce. Achievement of local actions outlined in the Orleans Economic Development Plan will contribute to the regional economic development goals and vision.

LOCAL PLAN EXAMPLE: YARMOUTH COMPREHENSIVE WASTEWATER MANAGEMENT PLAN

The Town of Yarmouth, like most towns on Cape Cod, is planning for and implementing necessary wastewater infrastructure. The Yarmouth Comprehensive Wastewater Management Plan (CWMP) is a long-term plan to meet the town's wastewater and water resources needs over the next 40 years, including addressing existing nitrogen loading and associated impacts on coastal water quality and supporting economic development in centers of activity. The project is a multi-year, multi-phase project and implementation of phase 1 has support from voters. Ensuring continued support and project funding advances not only local priorities, but regional water quality and economic development goals as well.

Local action plays a significant role in implementing the key regional actions in this CEDS. The action plan represents broad regional priorities that will require many actors and entities to advance. In some cases, many individual town actions are required to implement a regional action.

Opportunities Analysis

In January 2024, the CEDS strategy committee (the BCEDC) conducted an in-depth opportunities analysis for Cape Cod. The exercise focused on defining Cape Cod's core economic strengths, challenges, and opportunities to leverage to help the region thrive.

STRENGTHS

Cape Cod is a known brand. The region's recognition as a destination due to its natural beauty and cultural heritage are key strengths. Cape Cod also benefits from a resilient and civically engaged

community, a strong local business network, and established technical and vocational schools and training programs. One of the region's main competitive advantages is its natural environment, particularly its fresh and coastal water resources, which brings visitors and residents to the region and offers outdoor recreation, as well as opportunities for new and emerging economic advancements. Access to an extensive coastline makes the region a prime location for blue economy and climate tech-related industries.

CHALLENGES

Many of the region's economic challenges are similar to, albeit in many cases more acute than, other areas of the state and country. Many are interrelated. One of the primary economic challenges currently facing the region is the lack of affordable and attainable housing options for current and future residents, particularly employees. Different types of housing other than detached single-family homes are often not allowed to be built because of local zoning or lacking infrastructure. Many businesses have had to reduce their operating hours due to a lack of staff who cannot secure housing in the region. Along with the high cost of housing, childcare can be expensive and hard to find and many of the tourism-related jobs are lower-paying. Many employees commute to the region, crossing the two Canal bridges daily, but those bridges are in dire need of replacement. Relying on employees to commute to the region is not sustainable and does not help to foster a strong year-round economy.

Workforce challenges extend beyond the tourism industry, impacting healthcare and social services and other businesses and institutions across the region. With an older and aging population, healthcare and social services and employees who fill critical jobs in this industry are increasingly important. In addition to major investment in the Canal bridges, improvements to wastewater, broadband, and other local transportation infrastructure must be prioritized. Investments in wastewater and transportation infrastructure are necessary to support more compact and mixed-use development that can both foster access to attainable housing and ensure protection of natural resources. Gaps in broadband availability must be addressed so residents and businesses can adequately participate in civic, social, and economic activity and access the services they need to remain in the region. Climate change is an existential challenge that is threatening Cape Cod at a faster rate than many other areas across the country. Successful implementation of the CEDS and other regional plans will require working with community members to ensure change happens in a way that both preserves the region's unique assets and fosters a more inclusive community.

OPPORTUNITIES

The region's strengths and challenges provide opportunities for a more resilient economy in the future. The region is fostering science, technology, engineering, and math (STEM) education, which can help grow innovative industries, including in the green energy, blue economy, and climate tech

sectors. While the population is older, retirees on Cape Cod are highly educated and there are opportunities to support knowledge transfer to younger populations. Redevelopment to enhance village centers can help provide more affordable housing opportunities in walkable environments, reducing greenhouse gas emissions and contributing to activity – both community and economic – in these centers. Towns are advancing zoning changes to enable greater housing opportunities and the region has worked to secure funding subsidies for local wastewater projects and is continuing to work to attract and dedicate resources to this issue. Cape Cod has a demonstrated history of working across town boundaries and collaborating on major regional challenges. While each town in the region is unique, there is also a recognition that Cape Cod is a region and has the ability to address many of these challenges regionally.

Vision, Goals & Objectives

VISION

The economic vision for the region was developed through an iterative process based on input from the BCEDC and numerous stakeholders engaged throughout the planning process.

A strong and vibrant Cape Cod

A region that supports a resilient, inclusive, and diverse year-round community with access to housing options, high quality business, education, and employment opportunities, and thriving natural resources, building upon the historic and unique characteristics that have drawn people to the region for centuries.

GOALS & OBJECTIVES

The vision is supported by six goals and corresponding objectives. The goals are grouped into three categories – people, places, and economy – though many relate to and support one another.

PEOPLE

Housing Attainability

Provide an adequate supply of ownership and rental housing that is attainable for a range of incomes and meets the needs of year-round residents and employees.

OBJECTIVES

- Increase diversity in housing options
- Encourage and preserve year-round housing

- Increase wages and lower housing costs to make housing more affordable and attainable

Community

Strengthen the sense of community by protecting and enhancing the region's historic assets and cultural resources, fostering greater civic engagement, and supporting local businesses, entrepreneurs, and people of all ages and abilities.

OBJECTIVES

- Document and highlight stories of underrepresented populations
- Advance protection and inventorying of historic structures
- Promote civic engagement through year-round activities and participation in town government and events that are accessible to all
- Provide support and resources for local businesses and entrepreneurs to pilot and build their businesses

PLACES

Infrastructure

Invest in infrastructure that provides safe access to, from, and within the region, ensures effective telecommunications, and facilitates compact development patterns protective of natural resources and sensitive to climate considerations.

OBJECTIVES

- Invest in infrastructure projects that will facilitate access to, from, and within the region through a variety of modes (driving, biking, walking, transit)
- Support walkable development patterns by concentrating development and redevelopment in discrete centers of activity
- Develop climate resilient infrastructure that enhances the region's natural environment
- Identify and address broadband infrastructure challenges to ensure equal and affordable access throughout the region

Natural Resources

Protect and restore the region's iconic and vital natural and coastal resources, which contribute to and impact the local and regional economy.

OBJECTIVES

- Continue to raise awareness of the criticality of natural resources for local and regional economies

- Protect Cape Cod's natural and coastal habitats
- Improve the region's fresh and coastal water quality

ECONOMY

Workforce Development

Support and grow a talented and diverse local workforce with access to education and training aligned with essential and emerging industry needs.

OBJECTIVES

- Align training opportunities with local employers' needs
- Provide education and training opportunities for key industries and higher-wage jobs
- Ensure students and jobseekers in the region are aware of and can access high-quality education and training opportunities

Economic Diversity and Resiliency

Foster diverse and innovative industries that capitalize on Cape Cod's competitive advantages and will improve the region's resiliency in the face of current and future challenges.

OBJECTIVES

- Identify and support new and growing industries in the region
- Promote the region's unique characteristics and competitive advantages to attract new industries and businesses to the region

Action Plan

Throughout the CEDS planning and development process, key actions surfaced to advance the region's economic vision over the next five years and beyond. Many of the actions advance not one but multiple goals. This list is not meant to be an exhaustive list of all actions that can be taken to advance the vision and goals of the CEDS but rather to provide a targeted list of key strategic and impactful actions to prioritize. Similarly, the lead actors identified are not a comprehensive list of all the entities that would need to be engaged to advance an action, but rather those key actors that will lead implementation efforts.

[The final version of the document will have some examples of previous Cape Cod projects supported by EDA to advance CEDS goals.]

INCENTIVIZE YEAR-ROUND HOUSING

Having safe, stable, and affordable housing available for current and future residents and employees is crucial for the region's economic sustainability and resiliency. The draw of the region as a seasonal destination compounds many of its housing challenges and limits a smaller amount of the housing stock for year-round residents who often must compete with second homeowners for properties. The region must develop and establish programs to incentivize year-round housing, such as a year-round occupancy deed restriction program or other incentive program, and couple these programs with disincentives for converting year-round housing to short-term rentals or seasonal housing. The first step in establishing such a program is a comprehensive analysis of the existing housing landscape, in particular the short-term housing landscape, the impacts (positive and negative) that short-term rentals may have on a community, and what level and types of incentives will encourage and preserve housing units for year-round use and discourage short-term or seasonal use. Once this foundational study is complete, towns, housing organizations and non-profits, real estate professionals, and residents must collaborate to form the programs.

Initial Task for Years 1-2

Conduct a comprehensive analysis of short-term rentals on Cape Cod, including a town-by-town analysis. The study should provide an understanding of the existing landscape of short-term rentals in each town, impacts on town budgets and revenues, impacts on the year-round housing market, and the efficacy and cost-effectiveness of these programs relative to developing or redeveloping new housing. The study should also identify what level of incentives would be likely to foster participation in programs that convert short-term rentals to long-term housing.

LEAD ACTORS

Cape Cod Commission, Community Development Partnership, and Housing Assistance Corporation, with engagement from the Cape Cod Chamber of Commerce, the Cape Cod and Island Association of Realtors, and towns

KEY STEPS

- Complete the study
- Identify and build consensus on the effective programs
- Establish and administer programs

SIMPLIFY APPROPRIATE HOUSING DEVELOPMENT

Through the development of the CEDS (and the Regional Housing Strategy), stakeholders clearly articulated the challenges associated with building more diverse and affordable housing options. Zoning throughout the region is very restrictive, with multi-family housing development not allowed

in most areas or only permitting it through special permit processes, which may be lengthier, riskier for developers, and more resource intensive. To facilitate the creation of greater diversity of housing options, the process for developing (or redeveloping) housing in appropriate locations should be simplified.

This can be achieved through zoning changes to allow multi-family housing development and redevelopment by right in appropriate locations, including in mixed-use areas; development and utilization of pre-reviewed or pre-approved plans for different types of multi-family housing; or other permitting strategies to help facilitate appropriate housing development and redevelopment as outlined in the Regional Housing Strategy. These regulatory changes should advance year-round housing opportunities specifically (as well as seasonal worker housing where necessary and appropriate).

Initial Task for Years 1-2

Towns will continue to review their existing zoning and identify where and what types of zoning changes to implement to increase housing diversity and opportunities in appropriate areas in their communities. Once areas for increased housing opportunities have been identified, the appropriate zoning changes will be articulated, and outreach and engagement will commence to gather input and garner community support. Significant consideration should be given to areas with current or near-term plans for wastewater infrastructure as priority areas for zoning changes.

LEAD ACTORS

Towns, with assistance developing zoning amendments available from Cape Cod Commission staff and advocacy support from the Community Development Partnership and Housing to Protect Cape Cod

KEY STEPS

- Identify and draft zoning changes with community input
- Conduct outreach and community education around zoning changes proposed at Town Meetings/Town Council
- Explore the creation of pre-approved or pre-permitted plans
- Develop plans that may be used as pre-reviewed or pre-approved plans
- Identify other opportunities for streamlining review processes for housing development and redevelopment in appropriate locations

PROVIDE OPPORTUNITIES FOR ORGANIZATIONS AND ENTREPRENEURS TO PILOT IDEAS

Cape Cod has a strong tradition of small and local businesses, which comprise the vast majority of businesses in the region. Providing support for entrepreneurs and new organizations is critical in helping them advance from idea to establishment. Continuing and expanding programs that help build business acumen among local proprietors and aspiring entrepreneurs can ensure local businesses' success and continuity. In particular, increasing access to funding for small businesses to become established and pilot their ideas is needed. This can include new grants, as well as working with local financiers to provide small loans and start-up funds to local businesses. Developing and reinforcing programs and organizations that offer spaces for a diverse range of local businesses and organizations to pilot their ideas or test their businesses before investing in buildings or places of their own can be helpful in the infancy of a new business. Locations with space for new pilot or pop-up businesses where there is already activity can help give those new business ideas greater exposure. Local chambers, business organizations, and real estate representatives can work with local business support organizations to identify potential physical spaces for businesses to pilot their ideas.

Initial Task for Years 1-2

EforAll and Love Live Local will continue to identify and seek new funding opportunities to support local businesses and entrepreneurs; these lead organizations will engage other regional entities, as appropriate, to ensure widespread access and awareness of their programs, including providing programs to underserved populations.

LEAD ACTORS

EforAll and Love Live Local with engagement from Local Chambers of Commerce, Amplify POC Cape Cod, other local business support organizations, and local financial institutions

KEY STEPS

- Identify funding opportunities
- Apply for or secure funding
- Expand participation in business skills programs and assistance in navigating the small business ecosystem
- Build partnerships to provide locations for pop-ups or pilot businesses
- Connect local businesses with locations for pop-ups and pilots

SUPPORT YEAR-ROUND COMMUNITY ACTIVITY AND CIVIC ENGAGEMENT

Cape Cod is famous as a seasonal tourist destination, however it has year-round civic and community activity that can be better promoted and expanded. Raising more awareness about the year-round offerings of the region is important in retaining and attracting year-round residents and workers and can bolster the seasonal activity and economy as well. Increasing awareness of, and participation in, year-round events can also be a way to connect with year-round residents and increase their knowledge about civic engagement opportunities. These engagement opportunities may vary from getting involved with a local non-profit organization to serving on a town board. Whatever shape the engagement takes, it can help residents create stronger ties in their communities. A stronger, more engaged, and more inclusive year-round community may help keep families and employees on Cape Cod and attract new employees or residents to the region.

Initial Task for Years 1-2

Identify opportunities for increased communications around current events and engage towns in event programming to ensure civic engagement opportunities are shared.

LEAD ACTORS

Towns, Chambers of Commerce, Community and Senior Centers, and Arts and Cultural Organizations

KEY STEPS

- Identify and evaluate how events are currently advertised
- Identify opportunities for expanded events and programming
- Collaborate to ensure civic engagement opportunities are shared at events

DEVELOP AND CONNECT STUDENTS AND WORKFORCE TO EDUCATIONAL AND TRAINING OPPORTUNITIES

Cape Cod has several existing educational and vocational training opportunities available including, but not limited to, two technical high schools, Cape Cod Community College, and resources from the MassHire Cape and Islands Career Center. Expanding these programs and aligning them with the needs of businesses is critical for developing and maintaining an effective workforce. Identifying ways to improve student and job seeker awareness of the existing opportunities is also important. Creating a more accessible platform that includes a comprehensive list of the varying employment training opportunities in the region is one way to better connect students and trainees with those programs. Local businesses may need employees trained for operations in existing key industries in the region, such as health care and leisure and hospitality, but as the region's businesses evolve,

training and education targeted toward nascent industries, such as renewable energy and the blue economy, will be important in improving the region's economic resiliency. Entities providing educational and vocational training opportunities must continue to evaluate offerings and engage employers to define existing and anticipated needs.

Advertising of programs, and the programs themselves, should target a diverse range of participants. Information on the opportunities should continue to be available on different platforms and in different languages to attract a broad range of participants and promote equitable access to the programs.

Initial Task for Years 1-2

Compile a comprehensive list of the various vocational and technical training opportunities; evaluate how the offerings are currently advertised; learn from trainees how they are finding opportunities; and identify new and existing channels for communicating the training and education opportunities.

LEAD ACTORS

Cape Cod Community College and MassHire with engagement from Tech Schools, the Cape Cod Chamber of Commerce, and local Chambers of Commerce

KEY STEPS

- Compile a comprehensive list of all offerings
- Identify an appropriate mechanism for compiling all offerings in one location
- Develop a communications plan for the repository, as well as targeted communications for certain programs
- Develop a strategy for ongoing engagement with employers to evaluate offerings and anticipate needs
- Establish additional programs that meet needs of employers

IDENTIFY AND SUPPORT GROWING INDUSTRIES IN THE REGION

To provide for greater economic diversity and resiliency, supporting growing industries outside of the tourism and hospitality industry is critical for Cape Cod. An analysis must be conducted to determine which industries are growing in the region and which industries the region is poised to attract. The region's environment and location provide opportunities for growing innovative industries such as those associated with the blue economy and climate technology. Identifying key workforce needs for greater electrification of building and transportation systems and increasing renewable energy generation in the region can provide opportunities for higher-wage jobs while also advancing the region's climate mitigation goals. Once those industries have been identified,

education, training, and other business needs should be articulated, and support and training programs offered that align with those industries.

Initial Task for Years 1-2

The Cape Cod Commission and Cape Cod Chamber of Commerce will conduct an analysis to determine which industries in the region have been growing over the last 5-10 years, and which assets and opportunities exist on Cape Cod for new industries. The analysis should include an outline of anticipated staffing and business needs for climate tech and renewable energy industries and their evolution.

LEAD ACTORS

Cape Cod Commission, Cape Cod Chamber of Commerce, Cape Cod Climate Change Collaborative

KEY STEPS

- Conduct an analysis of growing industries in the region
- Identify assets and opportunities in the region for new industries
- Conduct a process to identify which new or growing industries the region can and should attract
- Define the needs for establishing businesses and organizations in those new industries and identify strategies to support them

INVEST IN WATER QUALITY AND WASTEWATER INFRASTRUCTURE

To support housing and other development in more compact, walkable, active areas, and to remediate the region's water quality impairments, local and regional leaders must secure funding for water quality and wastewater infrastructure projects on Cape Cod. Funds, including but not limited to state and federal funds, must support expeditious investments in infrastructure consistent with the requirements of the Commonwealth's amended Title 5 and new Watershed Permitting regulations. Zoning and regulations for areas that are targeted for wastewater infrastructure and would be suitable for increased housing density should be amended to allow for more housing opportunity while also protecting the region's water quality. Continuing to enhance data collection and reporting on fresh and coastal water quality will be critical in understanding the region's progress and needs and must be consistently funded.

Initial Task for Years 1-2

Identify discretionary funding that may be dedicated to water quality and wastewater infrastructure projects and develop strategies to pursue funding sources, as appropriate. Develop a long-term

funding strategy for consistent water quality monitoring for both fresh and coastal water resources to support adaptive management as projects are implemented.

LEAD ACTORS

Towns, Cape Cod Commission, Association to Preserve Cape Cod, Cape Cod Chamber of Commerce, Cape Cod and Islands Water Protection Fund Management Board

KEY STEPS

- Continue outreach and advocacy to ensure project funding is supported at Town Meetings or by Town Council
- Evaluate local, regional, state, and federal funding sources available for wastewater infrastructure implementation
- Develop and implement a strategy for directing local and regional discretionary funding to wastewater projects
- Support town applications to state and federal funding sources
- Identify appropriate areas for zoning changes that are or will be served by sewer infrastructure
- Develop zoning amendments in anticipation of infrastructure investments

INVEST IN BROADBAND INFRASTRUCTURE

Cape Cod must have greater accessibility to high-speed internet, and the network needs improved resiliency. Municipalities and key regional entities should work with existing, and potentially new, broadband providers to increase broadband infrastructure and reliability throughout the region. Investing in and improving broadband infrastructure is necessary to allow for remote work and to provide the internet capabilities needed for educational opportunities and business operations (the region has a relatively high self-employment rate compared to the state). Providing the infrastructure to allow for increased online operations (whether educational or business) can be critical in continuing economic activity in the face of local and global disruptions, as was seen during the COVID-19 pandemic.

Initial Task for Years 1-2

Secure available state and federal funds to extend and modernize the existing broadband network, addressing gaps in broadband service. Identify and pursue opportunities to encourage competition in the region.

LEAD ACTORS

Cape Cod Commission, Towns, and the Cape Cod Technology Council

KEY STEPS

- Complete assessment of broadband needs and opportunities for the region

- Support funding efforts that seek to expand and modernize the system
- Identify opportunities for strategic regional collaboration to encourage competition

ADVOCATE FOR THE CANAL BRIDGES REPLACEMENTS

The region must continue advocating for replacement of the Bourne and Sagamore bridges to ensure its future. Expanding data collection and reporting on the economic repercussions of potential bridge closures will be important for communicating the importance of the bridges to the region, and beyond. The information should be a focal point of communication efforts to inform residents and decision-makers in a meaningful way about these potential impacts. Advocating for replacement of the bridges should result in continued commitments of funding from state and local agencies. Given the significant disruptions that could result from potential bridge closures and/or construction activities, consideration must be given to alternate modes of transportation to support access to and from the region. An evaluation of rail, water, and enhanced public transportation opportunities that could aid the region during canal-area disruptions should be conducted. Consideration should be given to the applicability and sustainability of alternate modes of transportation into the future.

Initial Task for Years 1-2

Complete economic impacts analysis on potential closures of the bridges for maintenance, if they are not replaced, and develop materials to help communicate the results of the analysis.

LEAD ACTORS

Cape Cod Commission, Cape and Islands Bridges Coalition

KEY STEPS

- Finalize economic impacts analysis on potential bridge closures for the purposes of maintenance and rehabilitation
- Advocate for funding to replace both the Bourne and Sagamore Bridge
- Advocate for design of the Bourne and Sagamore Bridge and approaching infrastructure that accommodates all road users
- Advocate for proactive efforts to mitigate Canal Bridge construction impacts
- Identify and advocate for opportunities to expand non-automobile modes of transportation both in the Cape Cod Canal area and across the region

ADVANCE CLIMATE CHANGE RESILIENCE

Cape Cod is vulnerable to the impacts of climate change and must adapt and work to mitigate its causes. In doing so, the region must implement strategies that advance climate change resilience

but also protect the natural environment (e.g., utilizing existing hardscape areas for solar installations) and prioritize nature-based solutions (e.g., salt marsh restoration). To help advance climate action throughout Cape Cod, towns should develop local Climate Action Plans that provide strategic direction for local action and align with and complement regional climate change planning. Cape Light Compact should continue to administer, and potentially expand as appropriate, electrification and energy efficiency programs to support the region's movement toward a more sustainable future with reduced greenhouse gas emissions and a more resilient utility grid. The programs should continue to provide targeted assistance to low-income households, vulnerable populations, and underrepresented sectors of the community. As funding is available and secured, those programs should be expanded. Towns and regional entities should also work to advance low-lying roads conceptual designs to final design plans and implementation to strengthen the resiliency of the region's transportation network.

Initial Task for Years 1-2

The Cape Cod Climate Change Collaborative will collaborate with the Cape Cod Commission to engage towns in the development of local climate action plans.

LEAD ACTORS

Towns, Cape Cod Commission, Cape Cod Climate Change Collaborative, Cape Light Compact

KEY STEPS

- Develop local Climate Action Plans
- Secure additional funding for energy efficiency and electrification programs
- Secure funding to advance low-lying road project designs

Evaluation Framework

Evaluation of progress on the CEDS will involve three types of metrics or indicators: macro level, programmatic, and qualitative. Macro level indicators are high-level data that is collected regularly. Macro indicators may not change significantly in short amounts of time (e.g., one year) but they are important in understanding the region generally and its trends. Programmatic indicators are related directly to the implementation and administration of efforts and initiatives that are important to the CEDS (e.g., completing an analysis or convening stakeholders). Qualitative indicators may not be regularly updated and may not be comparable over time but rather include contextual information about progress on key initiatives of the CEDS. Qualitative indicators will arise naturally from the work done to advance the CEDS and so are not identified here. The indicators below will help illustrate the region's progress toward achieving its economic vision and goals and where new or expanded planning and action may be needed.

MACRO INDICATORS

Below are the macro indicators that will be tracked annually.

- Year-round population: it will be vital to know how the year-round population is changing and whether it is increasing or decreasing
- Age and racial diversity: understanding how the composition of the region's population is changing will be important in planning for the future and providing adequate services for all residents
- Percentage of housing units used seasonally: this will help understand year-round housing opportunities and whether they are increasing or decreasing
- Median home sales price: tracking how quickly home prices are changing relative to wages will be important to understand if wages are keeping up and if housing is attainable for year-round residents
- Housing Affordability Index: this will also help understand how housing affordability is changing in the region, based on income, housing prices, and mortgage rates
- Percent of housing stock that is detached single-family homes: a decrease in the percent of the housing stock that is detached single-family homes would likely signify an increase in multi-family housing opportunities in the region
- Number of units on the state's Subsidized Housing Inventory: this is an indicator of the number of affordable housing units in the region
- Labor force participation rate: this will show if more or fewer residents are participating in the labor force
- Unemployment rates: a stronger year-round economy would have more minimal seasonal fluctuations in unemployment rates, coupled with lower off-season unemployment rates
- Employment growth by industry: understanding which industries are growing in the region will be important in providing necessary support for the industries the region seeks to attract
- Industry employment mix: understanding whether employment is concentrated in a few key industries or becoming more diversified is necessary to target workforce programs and identify gaps in support for employers and employees
- Median household income: annual increases or decreases in median household income are important to track to understand how the region is changing in terms of wealth and quality of jobs
- Average wages: changes in average wages across industries and how they relate to changes in housing prices will help demonstrate if the region is advancing toward its vision and goals

PROGRAMMATIC INDICATORS

- Changes in zoning to allow for more housing opportunities: these changes will help to advance housing goals for the region

- Entrepreneurs served by support programs: this metric will reflect the reach of these programs in the region
- Number of people completing training programs: this will help show growth or needs for education and training programs
- Number of climate resiliency projects: these will help advance climate adaptation goals for the region
- Number of local climate action plans: towns should look to adopt their own local climate action plan with locally appropriate actions and goals consistent with the regional climate action plan
- Publicly accessible EV charging stations: an increase in publicly accessible EV charging stations can help position the region for increased use of electric vehicles and advancement of climate change goals
- Investment in wastewater infrastructure projects: this should continue to increase throughout the region to show progress toward improving coastal water quality and providing infrastructure to support housing goals
- Number of pond remediation and restoration projects: this should increase to indicate progress to remediate and restore freshwater quality
- Acres of land preserved for open space: this should increase to protect more priority open space and habitat
- Locations served by broadband: this should increase as investments are made in the region's broadband network
- Locations served by more than one broadband provider: a greater proportion of residents and businesses should have more choices in their providers and more affordable options as investments are made in the region's broadband network
- Funding secured for the canal bridges: should continue to increase as the region works toward securing funding for replacement of both the Bourne and Sagamore bridges

Many of these indicators are available on the Cape Cod Commission's [Data Cape Cod](#) website, which provides interactive dashboards on economic and demographic data for the region, from varying sources. The dashboards often provide information at the town and county level, allowing users to access data at the scale most relevant for their needs. As the CEDS is implemented and continues to evolve, so too will Data Cape Cod. The website will continue to make information easily accessible to stakeholders throughout the region as they pursue planning and projects. Other indicators will be provided regularly directly from partners responsible for implementing key actions.

Cape Cod Commission Year 1 Action Plan

While implementation of the key actions will take numerous actors from throughout the region, there are several key actions the Cape Cod Commission will be responsible for advancing. The year 1

implementation plan describes the Commission's initial work plan for the projects and initiatives it is directly engaged in and responsible for related to CEDS implementation. Commission staff will engage partners and stakeholders on additional projects and initiatives identified in the action plan, as appropriate.

Commission staff will continue to provide administrative support to the BCEDC and work with them to implement the CEDS, track progress, and adapt and adjust the approach to implementation as needed, including providing annual updates with action plans for subsequent years. Over the first year, and beyond, the Commission will provide technical assistance to towns to implement local zoning recommendations from the Regional Housing Strategy, advance wastewater infrastructure projects, and initiate local climate action plan development, as needed. To ensure the Cape Cod and Islands Water Protection Fund continues to provide substantial subsidies to local water quality and wastewater projects, the Commission will continue to provide administrative and technical support to the Management Board. This will include maintaining an up-to-date understanding of anticipated local expenditures on wastewater projects across the region over the next five years.

Commission staff will continue working with a consultant to finalize the economic impacts analysis on potential Canal bridge closures for the purposes of maintenance and rehabilitation. This information will be leveraged to communicate the need to replace the bridges. The Commission will continue to support investments for the purposes of constructing new canal bridges and engage in providing feedback on design and proactive efforts to mitigate construction and maintenance impacts, as necessary and appropriate.

The Commission will also complete the assessment of broadband needs and opportunities in the region that is currently underway. The assessment will provide recommendations for improving broadband infrastructure and affordability for Cape Cod, and Commission staff will begin to communicate and increase awareness of those recommendations.

To understand the most effective strategies to incentivize year-round housing, the Commission will work to initiate a comprehensive analysis of short-term rentals on Cape Cod, including a town-by-town analysis. This will advance the action plan and housing goal of this CEDS as well as the Regional Housing Strategy.

Commission staff will outline workplans for years 2 through 5 in the annual CEDS reports. Those reports will also provide an opportunity to report on the metrics identified in this plan and make any adjustments necessary for effective implementation of the CEDS.



Moving Forward

Implementation of this CEDS will help address the economic development challenges of the region, which are inextricably tied to many of the region's other challenges – housing affordability, wastewater infrastructure, and climate change to name a few. No single entity can implement the entirety of this plan. New collaborations and reinforced partnerships will be essential in successful implementation, strengthening the region's economy, places, and people.

Funding is critical in advancing the work of the CEDS. EDA's designation of the region as an Economic Development District and EDA funding assistance has been instrumental in implementing the CEDS and advancing Cape Cod's economic development goals. Ongoing partnerships with, and support from, EDA and other state and federal partners will continue to be integral in implementing the impactful priority actions identified in this strategy.

As the COVID-19 pandemic made abundantly clear, it is not always possible to anticipate the shocks and disruptions a community (local or global) may encounter. The 2024 Cape Cod CEDS is meant to anchor the region's efforts and initiatives in action that will create a more resilient region that can respond to unforeseen challenges, ensuring a strong and vibrant Cape Cod.

DRAFT

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