



Economic Development Committee Agenda

Remote Meeting

Thursday, May 12, 2022 – 9:30 am

www.truro-ma.gov

Please join the meeting from your computer, tablet, or smartphone:

<https://meet.goto.com/252558925>

You can also dial in using your phone:

United States (Toll Free): 1-866-899-4679

United States: +1 (571) 317-3116

Access Code: 252-558-925#

Open Meeting

- **Approval of Minutes:**
 - April 7, 2022 and April 21, 2022
- **Outstanding Minutes:** None
- **Draft Truro Economic Overview** – This draft includes three parts: 1) statistical information from the US Census, Massachusetts Division of Unemployment Assistance and other sources to describe Truro's local economy and relevant community issues that have a bearing on economic performance; 2) a summary of the insights gleaned from the focus groups hosted by the EDC, including the changes discussed at the last EDC meeting; and 3) a list of issues and topics to be explored through a Truro Economic Development Summit.
- Review Deck for Community Forum
- Discussion of Community Engagement Forum Details including next steps
- Discussion of Town Usage/Demographic Data
- Process for public comment and input
- Further discussion on extending shoulder season
- Brief review of presentation shell for summit

Next Meeting Dates: Discussion

Adjourn

TOWN OF TRURO
3:45pm
MAY 09 2022

RECEIVED
TOWN CLERK

RD

Economic Development Meeting, April 7th, 2022

Members present: Robert Panessiti-Chair, Nancy Medoff, Kristen Roberts, Chris LaMarco, Dan Silva.

Others-Barbara Carboni-Truro Town Planer, Carol Ridley-Ridley and Associates.

Meeting was called to order at 9:35 am.

The minutes from the meeting on March 3rd were approved with a motion from Nancy Medoff and a second from Dan Silva.

Carol Ridley reviewed her “Economic Overview” report page by page with the committee members. Nancy reiterated the importance of ensuring that all data presented by the EDC is both accurate and properly cited. This report will serve as a base for the upcoming summit and needs to represent the research done.

The committee discussed the accuracy of the employment numbers and creating a differentiation between seasons in the labor report.

Goals for the summit were discussed. Emphasis on engaging the community to maximize the number of participants. A date of May 23rd was proposed and will be finalized in the next meeting of the EDC. The challenges of a remote meeting, hybrid meeting and an in person meeting were discussed with no final decision as to what will work best for the community. This decision will be made in the next meeting.

Carol requested that all committee members review the draft document in detail and have all edits back to her by April 11th.

Nancy volunteered to begin a slide deck to present to the committee for the next meeting.

A motion was made to adjourn the meeting by Kristen Roberts and seconded by Nancy Medoff. A roll call vote was taken, and the meeting adjourned at 10:32 am.

The next meeting of the committee will be May 12th at 9:30 am.

Respectfully submitted by,

Kristen Roberts

Chair

Economic Development Committee Meeting April 21st

Members Present: Robert Panessiti-Chair, Nancy Medoff, Kristen Roberts, Chris LaMarco and Dan Silva.

Others-Darrin Tangeman-Town Manager, Barbara Carboni-Truro Town Planner, Carole Ridley-Ridley and Associates

The meeting was called to order at 9:33 am.

There were no minutes to review from April 7th so the committee will review minutes from this and the last meeting at their next one.

Carole Ridley presented a second version of the town's economic overview based on the edits from all committee members.

Nancy expressed the importance of adding current census data as soon as it becomes available. The committee discussed this maintaining status as a "draft document" that is dynamic instead of static and having the committee update it periodically as new information becomes available. The roll of the committee was discussed. Bob said that we are appointed for a 2 year term.

The committee discussed the pros and cons of releasing the report prior to the summit to have it available. All members felt it was the best way to have a productive meeting.

Nancy presented the deck draft, which led to a discussion about what the summit would look like and what the committee hopes to accomplish. We discussed again the idea of remote, outdoor location and indoor location. Kristen offered Truro Vineyards as a potential outdoor location. Barbara Carboni said she would investigate it but felt that a public meeting at a private location may not be possible. Nancy then suggested the Truro Library lawn. Carole felt that there would be some technological challenges to presenting outside but the committee felt that the upside of having more attendees might be more important. Nancy suggested handouts for the deck as opposed to an onscreen presentation.

The committee discussed the best way to advertise the summit and a suggestion was made that a flyer is created in time to hand out at town meeting. Nancy volunteered to make a flyer. Barbara will ask the moderator if this is possible.

The date of June 16th from 5:30 to 7 was settled upon for the summit. Barbara will email the library to see if the date is available.

The meeting was adjourned with a motion from Dan Silva and a second from Kristen Roberts. A roll call vote was taken.

Respectfully submitted by,

Kristen Roberts

secretary

Truro’s Economic Overview

Table of Contents

Introduction	2
Part I. Truro by the Numbers: Demographic and Industry Profile	2
Population.....	2
Households.....	3
Housing	4
Housing Affordability.....	5
Industry Mix and Economic Sectors	65
Regional Economy.....	98
Land Use.....	98
Part II. Issues and Insights from Local Business Owners	1411
What characteristics of Truro are important to your business?	1411
What major challenges does your business face?.....	1512
What is the market outlook for your business?	1714
What would you like to see addressed in an economic development strategy?.....	1714
Part III. Discussion Topics for Economic Development Summit.....	2118

Tables and Figures

Table 1. Population and Race	3
Table 2. Population Age Distribution in Truro	3
Table 3. Affordable Housing Prices for Households Earning 50-120% of Median Income	5
Table 4. Summary of Economic Development Challenges and Opportunities	2017
Figure 1. Truro business establishments by industry segment	76

Introduction

The Town of Truro is preparing a community Economic Development Strategy to help foster sustainable economic activity and help local businesses thrive. The strategy is being developed in tandem with the Truro Local Comprehensive Plan, to ensure that the Economic Development Strategy re-enforces the community's broader long-term goals.

The preparation of the Economic Development Strategy is being led by the Truro Economic Development Committee (EDC), with assistance from Ridley & Associates, Inc. In the first quarter of 2022, the EDC ~~is conducted~~ed background research to understand and describe Truro's current economic condition, emerging trends, and the issues of greatest concern to local business owners and operators.

Truro's Economic Overview summarizes the background information compiled in this first step. Part I of this overview provides statistical information from the US Census, Massachusetts Division of Unemployment Assistance and other sources to describe Truro's local economy and relevant community issues that have a bearing on economic performance. It should be noted that only limited 2020 US Census data have been publicly released, and this Overview uses the best available information. The Overview may be updated as additional 2020 US Census data become available. Part II summarizes insights gleaned from a series of five focus groups hosted by the EDC. Part III identifies issues and topics to be explored through a Truro Economic Development Summit.

In Spring 2022 the EDC will host a community Economic Development Summit to review the topics raised in this Overview. The summit will be designed to formulate the community's economic development vision and goals, and identify strategies to accomplish the goals. An Economic Development Strategy will be compiled based on the summit, and circulated for public comment and review by the Select Board and other stakeholders, and will then be finalized.

Part I. Truro by the Numbers: Demographic and Industry Profile

Population

Truro's year-round population has increase by nearly a quarter over the past decade. (Table 1) This was the third highest rate of population increase among Cape towns in the last decade, with Wellfleet and Provincetown slightly higher.¹

¹ U.S. Census Bureau, 2020 Census, compiled by Cape Cod Commission

The Town estimates that the local population increases seven-fold in the summer, to between 15,000 – 20,000 people.²

Truro’s population is getting older. Median age has risen steadily over the past thirty years, from 42.7 in 1990, to 45.7 in 2000 to 60.3 in 2020. Over this same period, the share of population under 24 has dropped 15% while the share of population over 65 has increased by 10%. The proportion of working age population of 25-64 year olds has ranged between 57% and 61% within the past 30 years. ~~[note: missing 2010 data. 2020 is from ACS not 2020 census]~~

Truro has a relatively well educated population, with nearly half (48.5%) of the population having a bachelors degree or higher, compared to the County (43.4) or State (43.7)³

Table 1. Population and Race

	2020	%	2010	%	%Change 2010-2020
Total	2454		2003		23
African American or Black	74	3	39	2	90
American Indian & Alaska Native	5	0	4	0	25
Asian	16	1	10	1	60
White	2222	95	1911	97	16
Other	26	1	9	0	189

Source: 2020 Census

Table 2. Population Age Distribution in Truro

	2020	2000	1990
0-24	10%	21%	25%
25-64	60%	61%	57%
65+	30%	17%	20%
Median Age	60.3	45.7	42.7

Source: 2005 LCP, 2020 ACS

Households

Truro has 601 households with an average household size 1.86, which is ~~slightly~~ smaller than for the County (2.2) or state (2.5). Truro’s household median income of \$68,367 is 8% lower than the median income in the County (\$74,336) and 16% lower than median income in state (\$81,215).⁴

² Town of Truro website

³ U.S. Census Bureau, American Community Survey, 2019, compiled by Cape Cod Commission

⁴ U.S. Census Bureau, American Community Survey, 2019, compiled by Cape Cod Commission

Housing

Truro has a total of 3,001 housing units, a reduction of 76 units (-2.5%) from 2010–20.⁵ (2020 census). More than half, 58.35%, of Truro’s housing units are vacant. This is a 342-unit drop in vacant units (-16.34%).⁶ Since second homes are counted in the category of vacant housing units, it is possible that the decrease in vacant units over the past decade may be due to more second homeowners choosing to live in the Truro home year-round.⁷ Town Administration estimates that 60%-80% of housing units in Truro are second homes and of those, approximately 600 are used for short-term rentals.⁸

Two new surveys sponsored by the Cape Cod Commission provide some insight into new homeowner and second homeowner trends and indicate that new and second homeowners plan to spend more time on Cape Cod.

A survey of new homeowners found that 90% of respondents use or plan to use their new home as their primary residence. Of Outer Cape respondents to the survey, 41% said they were year round residents now, and 52% describe them selves as part time residents. Slightly more than one-third of Outer Cape respondents said their home purchase was influenced by the pandemic.⁹

A survey of second homeowners found that “personal use of second homes appears to have increased both in terms of days of occupancy and self-reported use of second homes.”(p1) “Compared to prior years, second homeowners were more likely to report plans to use the home as their primary resident or convert it to their primary residence. However use of the second home as a rental property remained consistent with prior years.”(p.2) The pandemic has influenced the use of second homes. Forty-three percent of Outer Cape respondents said they spent more time on Cape than previous years and 11% said they allowed friends and acquaintances to use their Cape Cod house for extended periods of time.¹⁰

Like other parts of the Cape, Truro is experiencing tightening of the housing market. The median home sales price in Truro rose 12.5% 2020-21, from \$632,500 to \$711,250. This increase compares with much larger price increase in surrounding towns (32.9% in Wellfleet and 20.4% in Provincetown).¹¹ The number of houses for sale in Truro has declined. New listings in Truro

⁵ 2020 Census compiled by CCC

⁶ 2020 Census compiled by CCC

⁷ Schaefer, Chloe, personal communication, April 14, 2022

⁸ [Based on Assessor’s computation of percentage of second home personal property bills versus habitable parcels, 2021 Tangueman, Darrin](#)

⁹ Donahue Institute, University of Massachusetts, Cape Cod New Homeowners Survey-2021, December 2021 (Updated February 2022)

¹⁰ Donahue Institute, University of Massachusetts, Cape Cod Second Homeowners Survey-2021, December 2021 (Updated February 2022)

¹¹ Cape Cod & Islands Association of Realtors, Annual Report on the Cape Cod Housing Market, 2021

dropped 27.1% 2020-21, from 140 to 102. Closings dropped 3.3% from 120 to 116. Homes for sale went from 31 in 2020 to 5 in 2021, a drop of close to 84%. ¹²

Housing Affordability

- 2015 housing data generated by the Cape Cod Commission showed that Truro households earning between 50% and 120% of median income faced a significant housing affordability gap (Table 3). ¹³ This housing affordability gap would likely have widened with recent increases in median home price.

Table 3. Affordable Housing Prices for Households Earning 50-120% of Median Income

%Median Household Income	MHI	Affordable House Price (% of median home value)
50	29,879	102,835 (21%)
80	47,086	176,683 (37%)
100	59,758	226,449 (47%)
120	71,709	276,644 (58%)

Source: Cape Cod Regional Housing Market Analysis, 2017

- Only 5.87% of Truro’s year-round housing units are deed restricted affordable and counted in the Subsidized Housing Inventory (SHI) maintained by the Massachusetts Department of Housing and Community Development for the purposes of the MGL Chapter 40B, the Comprehensive Permit Law. ¹⁴ Communities with an SHI above 10% are afforded greater control over potential MGL Ch 40B housing development proposals, which are allowed to supersede local zoning.

Residential Tax Rates

Truro’s average single-family residential tax bill of \$6,401 is ranked 137 among the 351 towns in Massachusetts. Table 4 shows Truro’s average single-family tax bill among towns with comparable FY2022 operating budgets (\$20 million to \$25 million). Truro’s average residential tax bill represents 12.88% of per capital income as reported by Massachusetts Department of Revenue. As shown in Table 4, this rate compares with a high of 18.8% (Merrimac) and a low of 8.51% (Newbury) among towns with comparably sized operating budgets.

¹² Cape Cod & Islands Association of Realtors, Annual Report on the Cape Cod Housing Market, 2021

¹³ Economic Policy Resources and Crane Associates, Inc., Cape Cod Regional Housing Market Analysis, 2017, <https://www.capecodcommission.org/our-work/housing-market-analysis/>

¹⁴ B Carboni

Table 4. Comparison of Tax Rates and Average Tax Bills

DOR Code	Municipality	Year	Single Family Values	Single Family Parcels	Average Single Family Value	Single Family Tax Bill*	Single Family Tax Bill as % of Value*	DOR Income Per Capita	Average Tax Bill as a % of Income	Rank**
011	Ashburnham	2022	716,992,274	2,449	292,769	5,527	1.89	36,488	15.15	185
037	Boxborough	2022	793,227,500	1,210	655,560	11,420	1.74	61,952	18.43	28
074	Deerfield	2022	486,175,260	1,428	340,459	5,165	1.52	43,189	11.96	206
080	Dudley	2022	985,266,200	3,195	308,378	3,608	1.17	29,142	12.38	324
092	Essex	2022	661,016,100	994	665,006	10,441	1.57	70,424	14.83	37
111	Granby	2022	606,702,825	2,063	294,088	5,605	1.91	34,242	16.37	181
116	Groveland	2022	982,158,900	1,925	510,212	7,383	1.45	42,413	17.41	93
117	Hadley	2022	615,159,400	1,677	366,821	4,468	1.22	36,661	12.19	259
179	Mendon	2022	990,653,800	1,962	504,920	7,781	1.54	57,369	13.56	79
180	Merrimac	2022	758,357,800	1,656	457,946	7,483	1.63	39,810	18.80	87
205	Newbury	2022	1,531,585,400	2,397	638,959	6,217	0.97	73,077	8.51	148
250	Rochester	2022	854,019,453	1,813	471,053	6,001	1.27	44,102	13.61	160
276	Southampton	2022	780,666,300	2,160	361,420	5,447	1.51	41,806	13.03	190
294	Templeton	2022	660,268,700	2,484	265,809	4,051	1.52	27,597	14.68	297
300	Truro	2022	1,758,097,274	2,123	828,119	6,401	0.77	49,681	12.88	137
324	West Newbury	2022	935,286,800	1,390	672,868	8,754	1.30	70,872	12.35	59
327	West Tisbury	2022	1,810,145,523	1,469	1,232,230	7,172	0.58	41,970	17.09	100

Source: MA Department of Revenue, Division of Local Services

Industry Mix and Economic Sectors

Truro had 119 business establishments in 2020, compared to 116 in 2010. The distribution of business establishments across industries has not changed markedly over the past decade.

Roughly three quarters of these establishments are service-providing businesses. Leisure and hospitality is the leader in this category (26/22%); followed by transportation and wholesale and retail trade (20/17%); professional and business services (20/17%); banking and real estate (9/8%); and education and health services (8/7%). The other one-quarter of these establishments are considered goods-producing businesses, including fishing (8/7%) and construction trades (20/17%).¹⁵

¹⁵ Massachusetts Division of Unemployment Assistance, 2020 Wage Report

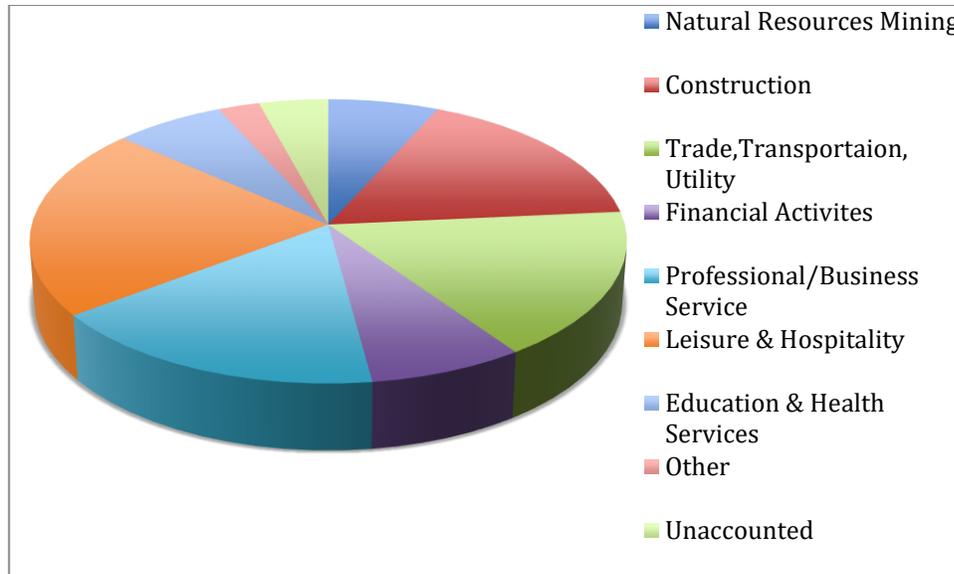


Figure 1. Truro business establishments by industry segment

Total employment generated by the 119 establishments in Truro averages 562 employees per month on an annual basis, and 660 per month over the months of May through October. However, Truro averages 475 employees per month during the off-season months of November through April.¹⁶

Average weekly wages of \$1,035 vary by industry. Higher wage industries include Professional and Technical Services (\$2,102) and lower end of the wage scale is Leisure and Hospitality (\$850) and Retail Trade (\$860).¹⁷

The twelve-month average unemployment rate for Truro Jan 2021 to December 2021 was 10%, and ranged from a high of 18.8% in January to 3.3% in August.¹⁸

Blue economy: The Blue Economy includes marine-based businesses and enterprises that thrive due to Truro’s access to ocean resources. This encompasses fishing, shellfishing, aquaculture, and fishing charters that operate out of Pamet Harbor or Provincetown. It also encompasses marine research enterprises. Truro is home to leading edge organizations involved in oceans research, including the Provincetown Center for Coastal Studies Highland Center coastal observation site; and the Cape Cod National Seashore Atlantic Research and Learning Center.

Cultural economy: Truro has a number of regionally significant cultural, entertainment and

¹⁶ Massachusetts Division of Unemployment Assistance, 2020 Wage Report

¹⁷ Massachusetts Division of Unemployment Assistance, 2020 Wage Report

¹⁸ Massachusetts Division of Unemployment Assistance, 2020 Wage Report

historical venues that attract patrons from across the Cape. These include Payomet Performing Arts Center, Truro Center for the Arts at Castle Hill; and the Truro Historical Society Highland House Museum and Cobb Archive. Truro is home to numerous other independent artists. The Select Board's FY2022 goals include working with the Massachusetts Cultural Council, Economic Development Committee and Truro Cultural Council to designate a cultural district in Truro.

"Cultural tourism includes performance, artistic, architecture, historical, recreational, and natural resources...[Arts and culture] is also an important economic driver, attracting visitors and second homeowners to Cape Cod."¹⁹

Construction Trades: Approximately 29 businesses in Truro are identified as construction trades. Anecdotally, many of these businesses have a single tradesperson or small crew and work primarily on the Outer Cape. Many trades businesses operate in the residential zoning district under the Town's Home Occupation Bylaw. Tradesman Park ~~constructed in 2011(?)~~ is a four-building, approximately 40,000-square-foot rental facility that provides work and storage space for small contractors, electricians, plumbers and others. Tradesman Park South ~~constructed in 2018(?)~~ consists of two buildings with 25,000 sf of climate-controlled storage and 14 bays for rent.

Agriculture: Truro's agricultural segment includes approximately twenty local growers that supply local markets and restaurants. Sustainable Cape coordinates seasonal Truro Farmers Market which operates one morning a week from June through September, as well as the annual Truro Agricultural Fair. Local growers are also engaged with providing food to local food assistance programs on the Outer Cape.

Wholesale/Retail Trade: Truro has approximately four wholesale trade businesses and ten retail trade businesses. Truro Vineyards, Chequessett Chocolate, and Atlantic Spice Co. are among the businesses that rely on online sales for a large portion of annual sales. Anecdotally, retail sales are seasonally influenced, with higher sales volume occurring during May through October. Robust online sales allow some of the businesses to keep their local retail operation open year round.

Tourism/Overnight Hospitality: Leisure and Hospitality is the largest industry segment in Truro. Including vacation rentals, cottages, inns, restaurants, and other amenities and attractions. ~~amenities/attractions.~~ These businesses are a main driver of economic activity from May through October, but are nearly all closed during the off-season months.

¹⁹ Cape Cod Community Economic Development Strategy, page 34.

“About one-third of all employment in the region is directly related to tourism in the Accommodation and Food Services and Retail Trade industries, compared with about 20% or less statewide.²⁰ However, most jobs in these industries pay lower wages, making it difficult for employees to afford to live on the Cape.”²¹ This characterization applies to employment in Truro as well.

Regional Economy

Truro is part of the Cape Cod regional economy and, within that economy, the Outer Cape sub-region comprised of Eastham, Wellfleet, Truro and Provincetown. As described in the Cape Cod Community Economic Development Strategy (CEDS), towns on the Outer Cape have smaller year round populations, a higher percentage of undeveloped land owing to the Cape Cod National Seashore, and a higher ratio of housing units to year round residents compared with towns in other Cape Cod sub-regions. As a result, the economies of the Outer Cape towns experience more of a seasonal influence than the other twelve Cape towns. According to the CEDS, “this sub-region of the Cape experiences the most significant seasonal changes in population, housing, and the economy, and is very heavily focused on the tourism industry.”²²

Land Use

Truro has a land area of 22 square miles (14,080 acres) (source 2009 Open Space Plan) The Cape Cod National Seashore accounts for 9366.53 acres or 67% of land area in Truro.²³

Truro’s landscape includes frontage on Cape Cod Bay and Atlantic Ocean, and extensive dunes and health lands. Truro’s 26 miles of shoreline include eleven town beaches on Cape Cod Bay and ocean beaches along the Cape Cod National Seashore. The Town also has seven freshwater kettleponds.

Nearly 70 % land area in Truro is zoned for residential use, to the exclusion of commercial, industrial or manufacturing uses.²⁴ Duplex houses and apartments are not an allowed use in residential districts. However, according to Section 40.1 of the zoning bylaw, the Zoning Board of Appeals may issue a Special Permit for duplexes. Accessory Dwelling Units (ADUs) are allowed by right with a permit from the Building Commissioner. Truro has xxx ADUs registered. An Affordable Rental Housing Overlay District encompasses approximately 10.6 acres at the site of Sally’s Way, the library and community center.

Truro has a total of 195,791 square feet of commercial space. Of this amount, 165,032 square feet are located in five districts Areas-zoned for commercial activity in Town-include the following (include figure and additional information when available):

²⁰ From CEDS reference to Cape Cod Housing Market Analysis. 2017. www.capecodcommisison.org/housing

²¹ Cape Cod Community Economic Development Strategy, page 33.

²² Cape Cod Economic Development Strategy, page 25.

²³ Truro Open Space Plan, 2009.

²⁴ 2005 Truro Local Comprehensive Plan, page 23.

- Route 6A North Truro Limited Business district is intended to provide space for professional offices in an otherwise residential district (6,576 square feet);
- Truro Center Limited Business district is intended to enable and foster the mix of retail businesses and restaurants together with single-family homes historically characteristic of this village (3,157 square feet).
- Beach Point Limited Business district is intended to enable, define, and control the traditional vacation cottages and other activities in this area, together with any conversions of cottage or cabin colonies, motor courts, motels or hotels (72,988 square feet).
- Route 6 General Business district is intended to enable, define, and control the establishment of larger businesses as well as residential housing, in this high-visibility part of Truro (80,811 square feet).
- North Truro Center General Business district is intended to foster larger businesses as well as hotels and restaurants together with residences, while protecting the small-town flavor of this historic center (1,500 square feet).
- An additional 14,357 square feet of commercial space is located in the Seashore district, and 16,362 square feet in Residential district. This commercial use is considered lawfully nonconforming (grandfathered). Generally speaking, if the non-confirming use is discontinued for more than two years, the lawful status of the nonconforming use would terminate, and the property would revert to the underlying zoning.
- The Town is undertaking evaluation of development/land use/planning issues that have bearing on economic development opportunities in the community:
 - Local Comprehensive Plan - The Town Select Board has appointed a citizen committee to oversee the process of updating the Truro Local Comprehensive Plan. According to its charge, the Committee will seek to “generate consensus on a host of issues that confront the Town such as affordable and community housing, land use, sustainability and environmental protection...to produce a final plan that ...will be regularly used to inform the direction of Town administration and services.”
 - Walsh Property – In 2019 Town Meeting authorized the purchase of the 70-acre Walsh property for general municipal purposes. The Town Select Board has appointed a committee to “lead a community wide process...to engage a wide range of Truro residents in developing plans for the use of the property to be presented at a future town meeting for approval.”

- Highland Center and Cape Cod National Seashore –According to the National Park Service website, the Highlands Center at Cape Cod National Seashore is a science, arts and educational center occupying the former North Truro Air Force Station. Cape Cod National Seashore (CCNS) acquired the 110-acre property in 1994. Since then, the Seashore has adaptively reused six buildings, has made numerous in infrastructure improvements, and spent over \$1.2 million for building demolition. The website also notes that the Center involves “an interactive community of artists, scientists and educators pursuing their work in a national park setting. These public and private program partners enrich each other's work and the center's mission through their distinctive activities.”²⁵

DRAFT

²⁵ <https://www.nps.gov/caco/planyourvisit/highlands-center-at-cape-cod-national-seashore.htm>



Figure 2. Commercial Districts and Square Footage of Commercial Space in Truro

Infrastructure

Internet service in Truro is provided by Xfinity (cable), TMobile (5G), Verizon (DSL), Viasat (satellite) and Hugesnet (satellite). Cellular service is provided by AT&T, Verizon and TMobile.²⁶

In 2010 Truro's Cable Advisory Committee conducted a study of properties that have or could have access to broadband service from Comcast (Xfinity). The study concluded that "the number of properties with buildings with or having access to Broadband service today via Comcast is between 93 and 98 percent of 2,800 lots with buildings. Thus, our best estimate is that there are between 65 and 198.5 lots, with a building of some kind, without Broadband service from Comcast." However the study notes that conclusions are preliminary because of difficulty obtaining information.²⁷ Cellular and Internet service within the Cape Cod National Seashore in Truro is widely viewed to be unreliable. The Select Board's FY2022 goals include preparing a letter to the Cape Cod Commission to provide an accurate report of the inadequacy of Internet services and requesting funding and support to resolve the infrastructure deficiency.<sup>[L]
[SEP]</sup>

Two-thirds of Outer Cape Respondents to the Cape Cod Commission's survey of second homeowners find that their Internet service allows them to perform necessary tasks, 22% report that the service causes some problems for the household, and 7% said the service is inadequate for necessary tasks.²⁸

²⁶ <https://www.inmyarea.com/internet/massachusetts/truro>

²⁷ Truro Cable Advisory Committee Broadband Availability Report, Phase 1, 2010. <https://www.truro-ma.gov/sites/g/files/vyhlf3936/f/file/file/broadbandreportph1.pdf>

²⁸ Donahue Institute, University of Massachusetts, Cape Cod Second Homeowners Survey-2021, December 2021 (Updated February 2022), Table for Question 43.

Part II. Issues and Insights from Local Business Owners

The Truro Economic Development Committee (EDC) sponsored a series of five focus groups for Truro business owners to provide input and recommendations related to current issues, industry trends and potential solutions to help ensure a diverse and thriving economy.

The focus groups were widely advertised to the public and were designed to convene complementary types of businesses:

- Farming, Marine, Fishing
- Restaurant, Retail, Gallery & Arts
- Overnight Hospitality, Real Estate and Vacation Rental
- Non-profit, Business and Services (including home based businesses)
- Construction and Trade

Each focus group lasted approximately one hour and included two to four representatives of the scheduled industries and non-profit organizations, as well as two members of the EDC. The meetings were facilitated by Ridley & Associates.

A summary of the highlights of the focus group conversations follows.

What characteristics of Truro are important to your business?

People are drawn to Truro because of the sense of tranquility it offers and its spectacular coastal landscapes, beaches, wooded ponds, and walking trails. The attraction of these features leads to spending, so there is a real economic impact attributable to the community's natural assets and quaint charm.. Many businesses, particularly hospitality businesses, have a lot of repeat customers who have been coming for many years and have a strong connection to Truro.

Preserving Truro's natural, small-town character and environmental quality is in everyone's interests. Business owners expressed a strong affinity for the area, and felt that major benefits of operating a business in Truro are proximity to beaches and walking trails, space to spread out, and peace and quiet. Being next to a National Park is an asset that is very appealing to visitors and is something that could be amplified and promoted. The proximity of arts and entertainment and the Town's strong local history are also appealing features.

It was noted that the 70 percent of land in Truro that is within the Cape Cod National Seashore will help to protect the Town's natural character, and there should be opportunities in the remaining land area to accommodate thoughtful development to address community needs. "No one wants to change the character of Truro, but there is room to address the housing issue and

maintain the character of the Town. By allowing businesses to flourish this will be a more livable community.”

Truro has a strong sense of community, and businesses and organizations support each other in many ways. May businesses and organizations work in partnership with each other and with the Chamber of Commerce and non-profit organizations. Some businesses noted that they are large customers of other local businesses. For example, charter businesses buy fuel locally, and farmers supply local restaurants. Lastly, businesses and organizations make referrals on each other’s behalf.

There also is an engaged part-time resident community that supports local businesses and provides a pool of volunteers for local non-profit organizations.

However, it was noted that conditions in Town have changed over several years making it difficult for some types of businesses to prosper. “There are still people who earn their livelihoods fishing and farming, but there are fewer of them. We need to make sure that these people can continue to earn a living.”

What major challenges does your business face?

The significant shortage of affordable housing needed to attract and retain employees was cited in all five focus groups as by far the most pressing issue facing businesses.

One long time Truro business owner noted, “there is no sense in talking about economic development if the Town does not tackle the housing issue.” He is not able to hire and retain enough employees due to lack of housing, and does not feel the Town is doing enough to address this issue.

The housing problem is especially acute for young workers. It is not realistic to expect workers to travel from Eastham or Provincetown for a job in Truro. There need to be housing options in the community. All other things being equal, employees of the Town or local businesses that live in the mid-Cape area could be expected to take positions closer to their homes when opportunities arise, when child care and transportation costs are factored in.

The implications of the housing shortage for local businesses are multi-faceted. Businesses can’t grow without employees and numerous businesses described how they are unable to attract or retain employees due to the lack of affordable housing. Commuting from mid or upper Cape is not sustainable for most people taking the jobs. The shortage of employees has caused many businesses to reduce hours of operation, take on less work, reduce services offered, and forgo innovations that would lead to growth, income, jobs and spending in the local economy.

With less help than needed available, business owners are unable to scale-up operations. One participant said he could double his business if he had the employees. In some cases the shortage of employees is causing owners to take on more work themselves, leading to burnout and the tendency to reduce hours.

As businesses cut back, other businesses lose important support services. One contractor noted that he purchases coffee and lunch for his crew, but at certain times “you can’t even buy a cup of coffee in Town.” Rather than spend more of his day traveling back and forth to other towns for these services, he will be inclined to take work out of town where you can buy coffee and lunch.

Many businesses are finding it increasingly difficult to retain long-term employees to “learn the ropes” and take on more responsibilities and, potentially, take over the business. As a result, many businesses expressed a concern that there would be no one to continue their business once they retire.

Some participants lamented that many people fail to understand that the ultimate effect of these changes will be to diminish the quality of life in Truro. Fewer businesses and restaurants will be open, fewer tradespeople will be available, fewer support services such as medical care will be conveniently located. It was noted that town Fire Department positions are going unfilled due to the inability to attract employees to work in Truro where there are too few affordable housing options.

“If the housing problem is not addressed, soon there may not be restaurants, tradespeople and other services that residents depend on,” said one participant. The implications include fewer young adults and young families in Truro, and a less economically and age diverse community. “There used to be five little league teams just in Truro,” said one participant, “and now there is only one shared with other towns.”

A number of other issues and challenges (listed below) were raised by participants but were viewed as secondary to addressing the affordable housing crisis.

The worker visa program is unpredictable, and too few visas are available.

The foreign worker visa program used to supply a back-up pool of employees for businesses that are busiest during the summer months. Now there are 33,000 visas nationwide, and Cape Cod alone could use that many. Visas are issued via a lottery system and this is very unpredictable for businesses. Also, returning workers count against the visa numbers.

Many businesses do not have timely access to business support services they need

“Businesses are closing or curtailing hours of operation because they don’t have enough help due to the housing shortage. As a result, there are fewer places to get a cup of coffee or sandwich and people are taking more time out of their day to go out of town for these things. This spending is leaving the town.”

“It is more difficult to find employees and trades people to provides support services such as repairs, plumbing, cleaning, etc.” As a result, business owners are taking on more of these tasks to the best of their abilities.

Broadband service needs to be expanded and quality improved.

Better broadband access and cellular service is needed to support remote workers and meet the expectations of renters and visitors who demand good services. Some participants expressed a desire for a greater number of service options and more reliable service.

Truro residents and employees need more access to affordable daycare

Childcare was identified as a major challenge, particularly for employees with very young children. Upon learning about the Town’s new childcare voucher program for residents, one participant suggested that the Town evaluate making this option available to non-residents who work in Truro, as well as residents.

What is the market outlook for your business?

Truro’s market outlook is robust.

Across the board, business owners see a strong market going forward. Truro is “the last to be affected by an economic downturn and the first to bounce back,” said a trades business owner. Truro’s hospitality market is also viewed as resilient. According to one real estate professional, “people will want to come back for vacations and there might be only slight changes in pricing depending on what is happening in the national economy.”

The real estate market is over heated. This is good for sellers and not for locals who are priced out of the market. Buyers know they can rent their property seasonally to cover the mortgage, so they are willing to pay top dollar for properties, which is putting upward pressure on prices.

What would you like to see addressed in an economic development strategy?

Affordable housing is the number one economic development challenge facing the Town, and failure to act threatens the quality of life in the community. The solution to the housing crisis should be multi-pronged: building affordable housing in appropriate locations, such as the

Cloverleaf, Walsh property, and through mixed-use development; increasing use of the Town's Accessory Dwelling Unit bylaw and expanding access to loans for ADUs, such as those available in other parts of the Cape; augmenting incentives to second homeowners to rent their houses year round; using mobile homes at the campgrounds for workforce housing; creating a tax on home sales over \$1M to fund affordable housing development, among others.

Public education on the housing crisis is needed. It seems that residents do not understand the connection between the housing shortage and the shortage of restaurant options and other businesses and services, which is only going to get more severe.

Truro could do more to foster a business-friendly environment

A number of business shared experiences where decisions that affected their business were made without their knowledge or an opportunity to comment or weigh in. "Businesses need to be part of the conversation with the Town," said one business owner, "Sometimes it seems decisions are driven by the opinions of one person. The process of decision-making is sometimes opaque."

Businesses should be supported in their efforts to expand and innovate. In past instances businesses have been kept from these innovations due to health or zoning regulations. More flexibility is warranted.

Licensing and permitting, particularly licensing that is required on an annual basis, should be streamlined and accessible online. Businesses and non-profits in Town would benefit for more consolidated, user-friendly permitting.

A small amount of area in Truro is zoned commercial, and Tradesmen's Park is at full capacity. Though not cited as major impediment to growth, the lack of commercial space may be an issue for some types of businesses. The Town has a flexible home occupancy bylaw that lets many trades and other businesses operate from their residential property, at least until they need more space or draw complaints from neighbors.

Tradesmen's Park and Tradesmen's Park South are locations where businesses too large for home occupancy can rent a bay. This helps smaller trades businesses expand. However, there currently are waiting lists for bays at these facilities.

Other ideas raised include:

- Truro is part of a broader regional economy and the strategy needs to take that into consideration.
- Better broadband and cellular service are needed.
- There needs to be an open dialogue with the Town on issues that could affect business operations.

- Beach stickers to Town and Seashore beaches should be made easier to get for people staying/visiting for more than one day.
- Laws governing the year round use of condos need to be evaluated as a source of housing.
- A database of service people who are willing to provide services to the area (e.g., Seasonal Connect) is needed.
- The visa program needs to be expanded, which is a national issue.
- The Town should look at successful strategies used in other regions with similar problems to see what might be applicable to Truro.

DRAFT

Table 54. Summary of Economic Development Challenges and Opportunities based on Focus Group Input

Challenges	Advantages/Opportunities
<ul style="list-style-type: none"> • High cost of housing and lack of affordable workforce housing, making it difficult to attract/retain employees and restricting business activity in a number of ways. • Unpredictable visa process, too few visas • Difficulty attracting workers for some positions • Lack of affordable childcare • Supply chain difficulties • Lack of repair/cleaning/trades services to support hospitality businesses • Unclear or onerous permitting • Truro could be more business friendly 	<ul style="list-style-type: none"> • Natural environmental features and scenic character is a major draw for tourists who spend money locally. • Natural environment, walking trails • Beaches, water access, fishing • Proximity to National Seashore (4.1M visitors in 2020 per Cape Cod Chamber)²⁹ • Vibrant arts and entertainment • Rich local history • Truro’s economy is resilient. Businesses are often the last to experience decline during national economic downturns, and the first to experience improvement when the economy rebounds. • Strong sense of community, businesses and organizations support each other • Loyal tourists and visitors who return year after year • Strong non-profit sector • Active part-time residents

²⁹ Visitor expenditures support 6,400 jobs, \$239 million in labor income and \$672 million in economic output in communities surrounding the Seashore. Source Seashore spending report Cape Cod Times

Part III. Discussion Topics for Economic Development Summit

Economic Development Vision

Using this *Economic Overview* as a starting point, the summit will explore the community's shared aspirations for Truro's economic outlook and articulate a future community economic development vision.

Economic Development Goals and Strategies

Summit participants will help to identify Truro's economic goals, which encompass component steps to achieve the community's vision. Goals will set forth the broad categories around which strategies and actions will be focused. Goals could encompass:

- Opportunities to Expand Existing or Develop New Business Sectors
- Land use and regulatory changes that could support economic development goals
- Opportunities to increase the supply of affordable workforce housing
- Opportunities to support the workforce
- Infrastructure enhancements to support local businesses
- Place-based economic development opportunities (e.g., Walsh, Highland Center, other)

Truro Economic Development Strategies Report

Following the summit, the vision, goals and strategies will form the basis of the Truro Economic Development Strategy Report to be compiled by the EDC and submitted to the community as a draft for public comment.

Sources

[U.S. Census Bureau, 2020 Census Data, compiled by Cape Cod Commission.](#)

[U.S. Census Bureau, American Community Survey, 2019, compiled by Cape Cod Commission.](#)

[Town of Truro website](#)

[Cape Cod Commission, Comprehensive Economic Development Strategy Report, 2019-2023.](#)

[Cape Cod & Islands Association of Realtors, Annual Report on the Cape Cod Housing Market, 2021.](#)

[Carboni, Barbara, personal communication, April 7, 2022](#)

[Donahue Institute, University of Massachusetts, Cape Cod Second Homeowners Survey-2021, December 2021 \(Updated February 2022\)](#)

[Donahue Institute, University of Massachusetts, Cape Cod New Homeowners Survey-2021, December 2021 \(Updated February 2022\)](#)

[MA Department of Revenue, Division of Local Services](#)

[Massachusetts Division of Unemployment Assistance, 2020 Wage Report](#)

[National Park Service website, https://www.nps.gov/caco/planyourvisit/highlands-center-at-cape-cod-national-seashore.htm](https://www.nps.gov/caco/planyourvisit/highlands-center-at-cape-cod-national-seashore.htm)

[Economic Policy Resources and Crane Associates, Inc., Cape Cod Regional Housing Market Analysis, 2017.](#)

[Schaefer, Chloe, Cape Cod Commission, personal communication, April 14, 2022](#)

[Truro Cable Advisory Committee Broadband Availability Report, Phase 1, 2010.](#)
<https://www.truro-ma.gov/sites/g/files/vyhlf3936/f/file/file/broadbandreportph1.pdf>
<https://www.inmyarea.com/internet/massachusetts/truro>

[Maps at Work, Truro Open Space Plan, 2009.](#)

[Helios Associates, Truro Open Space Plan 2015.](#)

[Truro Local Comprehensive Plan, 2005.](#)

[Truro Assessors' Data](#)

Truro Economic Overview



Truro Economic Development Committee



May 2022

Draft for Public Discussion

Truro’s Economic Overview

Table of Contents

Introduction	2
Part I. Truro by the Numbers: Demographic and Industry Profile.....	2
Population	2
Households.....	3
Housing.....	4
Housing Affordability	5
Industry Mix and Economic Sectors	6
Regional Economy.....	9
Land Use.....	9
Part II. Issues and Insights from Local Business Owners.....	14
What characteristics of Truro are important to your business?	14
What major challenges does your business face?	15
What is the market outlook for your business?.....	17
What would you like to see addressed in an economic development strategy?	17
Part III. Discussion Topics for Economic Development Summit	21
Sources.....	22

Tables and Figures

Table 1. Population and Race	3
Table 2. Population Age Distribution in Truro	3
Table 3. Affordable Housing Prices for Households Earning 50-120% of Median Income.....	5
Table 4. Comparison of Tax Rates and Average Tax Bills	6
Table 5. Summary of Economic Development Challenges and Opportunities	20
Figure 1. Truro business establishments by industry segment.....	7
Figure 2. Commercial Districts and Square Footage of Commercial Space in Truro.....	12

Introduction

The Town of Truro is preparing a community Economic Development Strategy to help foster sustainable economic activity and help local businesses thrive. The strategy is being developed in tandem with the Truro Local Comprehensive Plan, to ensure that the Economic Development Strategy re-enforces the community's broader long-term goals.

The preparation of the Economic Development Strategy is being led by the Truro Economic Development Committee (EDC), with assistance from Ridley & Associates, Inc. In the first quarter of 2022, the EDC conducted background research to understand and describe Truro's current economic condition, emerging trends, and the issues of greatest concern to local business owners and operators.

Truro's Economic Overview summarizes the background information compiled in this first step. Part I of this overview provides statistical information from the US Census, Massachusetts Division of Unemployment Assistance and other sources to describe Truro's local economy and relevant community issues that have a bearing on economic performance. It should be noted that only limited 2020 US Census data have been publicly released, and this Overview uses the best available information. The Overview may be updated as additional 2020 US Census data become available. Part II summarizes insights gleaned from a series of five focus groups hosted by the EDC. Part III identifies issues and topics to be explored through a Truro Economic Development Summit.

In Spring 2022 the EDC will host a community Economic Development Summit to review the topics raised in this Overview. The summit will be designed to formulate the community's economic development vision and goals, and identify strategies to accomplish the goals. An Economic Development Strategy will be compiled based on the summit, and circulated for public comment and review by the Select Board and other stakeholders, and will then be finalized.

Part I. Truro by the Numbers: Demographic and Industry Profile

Population

Truro's year-round population has increase by nearly a quarter over the past decade. (Table 1) This was the third highest rate of population increase among Cape towns in the last decade, with Wellfleet and Provincetown slightly higher.¹

The Town estimates that the local population increases seven-fold in the summer, to between 15,000 – 20,000 people.²

¹ U.S. Census Bureau, 2020 Census, compiled by Cape Cod Commission

Truro’s population is getting older. Median age has risen steadily over the past thirty years, from 42.7 in 1990, to 45.7 in 2000 to 60.3 in 2020. Over this same period, the share of population under 24 has dropped 15% while the share of population over 65 has increased by 10%. The proportion of working age population of 25-64 year olds has ranged between 57% and 61% within the past 30 years.

Truro has a relatively well educated population, with nearly half (48.5%) of the population having a bachelors degree or higher, compared to the County (43.4) or State (43.7)³

Table 1. Population and Race

	2020	%	2010	%	%Change 2010-2020
Total	2454		2003		23
African American or Black	74	3	39	2	90
American Indian & Alaska Native	5	0	4	0	25
Asian	16	1	10	1	60
White	2222	95	1911	97	16
Other	26	1	9	0	189

Source: 2020 Census

Table 2. Population Age Distribution in Truro

	2020	2000	1990
0-24	10%	21%	25%
25-64	60%	61%	57%
65+	30%	17%	20%
Median Age	60.3	45.7	42.7

Source: 2005 LCP, 2020 ACS

Households

Truro has 601 households with an average household size 1.86, which is smaller than for the County (2.2) or state (2.5). Truro’s household median income of \$68,367 is 8% lower than the median income in the County (\$74,336) and 16% lower than median income in state (\$81,215).⁴

² Town of Truro website

³ U.S. Census Bureau, American Community Survey, 2019, compiled by Cape Cod Commission

⁴ U.S. Census Bureau, American Community Survey, 2019, compiled by Cape Cod Commission

Housing

Truro has a total of 3,001 housing units, a reduction of 76 units (-2.5%) from 2010–20.⁵ More than half, 58.35%, of Truro’s housing units are vacant. This is a 342-unit drop in vacant units (-16.34%).⁶ Since second homes are counted in the category of vacant housing units, it is possible that the decrease in vacant units over the past decade may be due to more second homeowners choosing to live in the Truro home year-round.⁷ Town Administration estimates that 60%-80% of housing units in Truro are second homes and of those, approximately 600 are used for short-term rentals.⁸

Two new surveys sponsored by the Cape Cod Commission provide some insight into new homeowner and second homeowner trends and indicate that new and second homeowners plan to spend more time on Cape Cod.

A survey of new homeowners found that 90% of respondents use or plan to use their new home as their primary residence. Of Outer Cape respondents to the survey, 41% said they were year round residents now, and 52% describe them selves as part time residents. Slightly more than one-third of Outer Cape respondents said their home purchase was influenced by the pandemic.⁹

A survey of second homeowners found that “personal use of second homes appears to have increased both in terms of days of occupancy and self-reported use of second homes.”(p1) “Compared to prior years, second homeowners were more likely to report plans to use the home as their primary resident or convert it to their primary residence. However use of the second home as a rental property remained consistent with prior years.”(p.2) The pandemic has influenced the use of second homes. Forty-three percent of Outer Cape respondents said they spent more time on Cape than previous years and 11% said they allowed friends and acquaintances to use their Cape Cod house for extended periods of time.¹⁰

Like other parts of the Cape, Truro is experiencing tightening of the housing market. The median home sales price in Truro rose 12.5% 2020-21, from \$632,500 to \$711,250. This increase compares with much larger price increase in surrounding towns (32.9% in Wellfleet and 20.4% in Provincetown).¹¹ The number of houses for sale in Truro has declined. New listings in Truro

⁵ 2020 Census compiled by Cape Cod Commission

⁶ 2020 Census compiled by Cape Cod Commission

⁷ Schaefer, Chloe, Cape Cod Commission, personal communication, April 14, 2022

⁸ Based on Assessor’s computation of percentage of second home personal property bills versus habitable parcels, 2021

⁹ Donahue Institute, University of Massachusetts, Cape Cod New Homeowners Survey-2021, December 2021 (Updated February 2022)

¹⁰ Donahue Institute, University of Massachusetts, Cape Cod Second Homeowners Survey-2021, December 2021 (Updated February 2022)

¹¹ Cape Cod & Islands Association of Realtors, Annual Report on the Cape Cod Housing Market, 2021

dropped 27.1% 2020-21, from 140 to 102. Closings dropped 3.3% from 120 to 116. Homes for sale went from 31 in 2020 to 5 in 2021, a drop of close to 84%.¹²

Housing Affordability

- 2015 housing data generated by the Cape Cod Commission showed that Truro households earning between 50% and 120% of median income faced a significant housing affordability gap (Table 3).¹³ This housing affordability gap would likely have widened with recent increases in median home price.

Table 3. Affordable Housing Prices for Households Earning 50-120% of Median Income

%Median Household Income	MHI	Affordable House Price (% of median home value)
50	29,879	102,835 (21%)
80	47,086	176,683 (37%)
100	59,758	226,449 (47%)
120	71,709	276,644 (58%)

Source: Cape Cod Regional Housing Market Analysis, 2017

- Only 5.87% of Truro’s year-round housing units are deed restricted affordable and counted in the Subsidized Housing Inventory (SHI) maintained by the Massachusetts Department of Housing and Community Development for the purposes of the MGL Chapter 40B, the Comprehensive Permit Law.¹⁴ Communities with an SHI above 10% are afforded greater control over potential MGL Ch 40B housing development proposals, which are allowed to supersede local zoning.

Residential Tax Rates

Truro’s average single-family residential tax bill of \$6,401 is ranked 137 among the 351 towns in Massachusetts. Table 4 shows Truro’s average single-family tax bill among towns with comparable FY2022 operating budgets (\$20 million to \$25 million). Truro’s average residential tax bill represents 12.88% of per capital income as reported by Massachusetts Department of Revenue. As shown in Table 4, this rate compares with a high of 18.8% (Merrimac) and a low of 8.51% (Newbury) among towns with comparably sized operating budgets.

¹² Cape Cod & Islands Association of Realtors, Annual Report on the Cape Cod Housing Market, 2021

¹³ Economic Policy Resources and Crane Associates, Inc., Cape Cod Regional Housing Market Analysis, 2017, <https://www.capecodcommission.org/our-work/housing-market-analysis/>

¹⁴ B Carboni

Table 4. Comparison of Tax Rates and Average Tax Bills

DOR Code	Municipality	Year	Single Family Values	Single Family Parcels	Average Single Family Value	Single Family Tax Bill*	Single Family Tax Bill as % of Value*	DOR Income Per Capita	Average Tax Bill as a % of Income	Rank**
011	Ashburnham	2022	716,992,274	2,449	292,769	5,527	1.89	36,488	15.15	185
037	Boxborough	2022	793,227,500	1,210	655,560	11,420	1.74	61,952	18.43	28
074	Deerfield	2022	486,175,260	1,428	340,459	5,165	1.52	43,189	11.96	206
080	Dudley	2022	985,266,200	3,195	308,378	3,608	1.17	29,142	12.38	324
092	Essex	2022	661,016,100	994	665,006	10,441	1.57	70,424	14.83	37
111	Granby	2022	606,702,825	2,063	294,088	5,605	1.91	34,242	16.37	181
116	Groveland	2022	982,158,900	1,925	510,212	7,383	1.45	42,413	17.41	93
117	Hadley	2022	615,159,400	1,677	366,821	4,468	1.22	36,661	12.19	259
179	Mendon	2022	990,653,800	1,962	504,920	7,781	1.54	57,369	13.56	79
180	Merrimac	2022	758,357,800	1,656	457,946	7,483	1.63	39,810	18.80	87
205	Newbury	2022	1,531,585,400	2,397	638,959	6,217	0.97	73,077	8.51	148
250	Rochester	2022	854,019,453	1,813	471,053	6,001	1.27	44,102	13.61	160
276	Southampton	2022	780,666,300	2,160	361,420	5,447	1.51	41,806	13.03	190
294	Templeton	2022	660,268,700	2,484	265,809	4,051	1.52	27,597	14.68	297
300	Truro	2022	1,758,097,274	2,123	828,119	6,401	0.77	49,681	12.88	137
324	West Newbury	2022	935,286,800	1,390	672,868	8,754	1.30	70,872	12.35	59
327	West Tisbury	2022	1,810,145,523	1,469	1,232,230	7,172	0.58	41,970	17.09	100

Source: MA Department of Revenue, Division of Local Services

Industry Mix and Economic Sectors

Truro had 119 business establishments in 2020, compared to 116 in 2010. The distribution of business establishments across industries has not changed markedly over the past decade. Roughly three quarters of these establishments are service-providing businesses. Leisure and hospitality is the leader in this category (26/22%); followed by transportation and wholesale and retail trade (20/17%); professional and business services (20/17%); banking and real estate (9/8%); and education and health services (8/7%). The other one-quarter of these establishments are considered goods-producing businesses, including fishing (8/7%) and construction trades (20/17%).¹⁵

¹⁵ Massachusetts Division of Unemployment Assistance, 2020 Wage Report

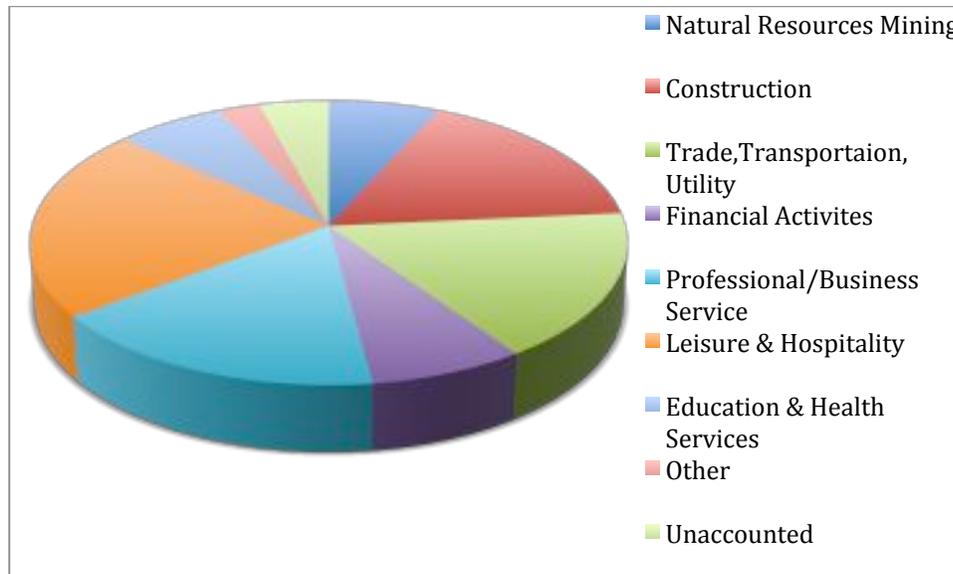


Figure 1. Truro business establishments by industry segment

Total employment generated by the 119 establishments in Truro averages 562 employees per month on an annual basis, and 660 per month over the months of May through October. However, Truro averages 475 employees per month during the off-season months of November through April.¹⁶

Average weekly wages of \$1,035 vary by industry. Higher wage industries include Professional and Technical Services (\$2,102) and lower end of the wage scale is Leisure and Hospitality (\$850) and Retail Trade (\$860).¹⁷

The twelve-month average unemployment rate for Truro Jan 2021 to December 2021 was 10%, and ranged from a high of 18.8% in January to 3.3% in August.¹⁸

Blue economy: The Blue Economy includes marine-based businesses and enterprises that thrive due to Truro’s access to ocean resources. This encompasses fishing, shellfishing, aquaculture, and fishing charters that operate out of Pamet Harbor or Provincetown. It also encompasses marine research enterprises. Truro is home to leading edge organizations involved in oceans research, including the Provincetown Center for Coastal Studies Highland Center coastal observation site; and the Cape Cod National Seashore Atlantic Research and Learning Center.

Cultural economy: Truro has a number of regionally significant cultural, entertainment and

¹⁶ Massachusetts Division of Unemployment Assistance, 2020 Wage Report

¹⁷ Massachusetts Division of Unemployment Assistance, 2020 Wage Report

¹⁸ Massachusetts Division of Unemployment Assistance, 2020 Wage Report

historical venues that attract patrons from across the Cape. These include Payomet Performing Arts Center, Truro Center for the Arts at Castle Hill; and the Truro Historical Society Highland House Museum and Cobb Archive. Truro is home to numerous other independent artists. The Select Board's FY2022 goals include working with the Massachusetts Cultural Council, Economic Development Committee and Truro Cultural Council to designate a cultural district in Truro.

“Cultural tourism includes performance, artistic, architecture, historical, recreational, and natural resources...[Arts and culture] is also an important economic driver, attracting visitors and second homeowners to Cape Cod.”¹⁹

Construction Trades: Approximately 29 businesses in Truro are identified as construction trades. Anecdotally, many of these businesses have a single tradesperson or small crew and work primarily on the Outer Cape. Many trades businesses operate in the residential zoning district under the Town's Home Occupation Bylaw. Tradesman Park is a four-building, approximately 40,000-square-foot rental facility that provides work and storage space for small contractors, electricians, plumbers and others. Tradesman Park South consists of two buildings with 25,000 sf of climate-controlled storage and 14 bays for rent.

Agriculture: Truro's agricultural segment includes approximately twenty local growers that supply local markets and restaurants. Sustainable Cape coordinates seasonal Truro Farmers Market which operates one morning a week from June through September, as well as the annual Truro Agricultural Fair. Local growers are also engaged with providing food to local food assistance programs on the Outer Cape.

Wholesale/Retail Trade: Truro has approximately four wholesale trade businesses and ten retail trade businesses. Truro Vineyards, Chequessett Chocolate, and Atlantic Spice Co. are among the businesses that rely on online sales for a large portion of annual sales. Anecdotally, retail sales are seasonally influenced, with higher sales volume occurring during May through October. Robust online sales allow some of the businesses to keep their local retail operation open year round.

Tourism/Overnight Hospitality: Leisure and Hospitality is the largest industry segment in Truro. Including vacation rentals, cottages, inns, restaurants, and other amenities and attractions. These businesses are a main driver of economic activity from May through October, but are nearly all closed during the off-season months.

“About one-third of all employment in the region is directly related to tourism in the Accommodation and Food Services and Retail Trade industries, compared with about 20% or

¹⁹ Cape Cod Community Economic Development Strategy, page 34.

less statewide.²⁰ However, most jobs in these industries pay lower wages, making it difficult for employees to afford to live on the Cape.”²¹ This characterization applies to employment in Truro as well.

Regional Economy

Truro is part of the Cape Cod regional economy and, within that economy, the Outer Cape sub-region comprised of Eastham, Wellfleet, Truro and Provincetown. As described in the Cape Cod Community Economic Development Strategy (CEDS), towns on the Outer Cape have smaller year round populations, a higher percentage of undeveloped land owing to the Cape Cod National Seashore, and a higher ratio of housing units to year round residents compared with towns in other Cape Cod sub-regions. As a result, the economies of the Outer Cape towns experience more of a seasonal influence than the other twelve Cape towns. According to the CEDS, “this sub-region of the Cape experiences the most significant seasonal changes in population, housing, and the economy, and is very heavily focused on the tourism industry.”²²

Land Use

Truro has a land area of 22 square miles (14,080 acres) (source 2009 Open Space Plan) The Cape Cod National Seashore accounts for 9366.53 acres or 67% of land area in Truro.²³

Truro’s landscape includes frontage on Cape Cod Bay and Atlantic Ocean, and extensive dunes and health lands. Truro’s 26 miles of shoreline include eleven town beaches on Cape Cod Bay and ocean beaches along the Cape Cod National Seashore. The Town also has seven freshwater kettleponds.

Nearly 70 % land area in Truro is zoned for residential use, to the exclusion of commercial, industrial or manufacturing uses.²⁴ Duplex houses and apartments are not an allowed use in residential districts. However, according to Section 40.1 of the zoning bylaw, the Zoning Board of Appeals may issue a Special Permit for duplexes. Accessory Dwelling Units (ADUs) are allowed by right with a permit from the Building Commissioner. Truro has xxx ADUs registered. An Affordable Rental Housing Overlay District encompasses approximately 10.6 acres at the site of Sally’s Way, the library and community center.

Truro has a total of 195,791 square feet of commercial space. Of this amount, 165,032 square feet are located in five districts zoned for commercial activity in Town:

- Route 6A North Truro Limited Business district is intended to provide space for professional offices in an otherwise residential district (6,576 square feet)

²⁰ From CEDS reference to Cape Cod Housing Market Analysis. 2017. www.capecodcommisison.org/housing

²¹ Cape Cod Community Economic Development Strategy, page 33.

²² Cape Cod Economic Development Strategy, page 25.

²³ Truro Open Space Plan, 2009.

²⁴ 2005 Truro Local Comprehensive Plan, page 23.

- Truro Center Limited Business district is intended to enable and foster the mix of retail businesses and restaurants together with single-family homes historically characteristic of this village (3,157 square feet).
- Beach Point Limited Business district is intended to enable, define, and control the traditional vacation cottages and other activities in this area, together with any conversions of cottage or cabin colonies, motor courts, motels or hotels (72,988 square feet).
- Route 6 General Business district is intended to enable, define, and control the establishment of larger businesses as well as residential housing, in this high-visibility part of Truro (80,811 square feet).
- North Truro Center General Business district is intended to foster larger businesses as well as hotels and restaurants together with residences, while protecting the small-town flavor of this historic center (1,500 square feet).
- An additional 14,357 square feet of commercial space is located in the Seashore district, and 16,362 square feet in Residential district. This commercial use is considered lawfully nonconforming (grandfathered). Generally speaking, if the non-confirming use is discontinued for more than two years, the lawful status of the nonconforming use would terminate, and the property would revert to the underlying zoning.
- The Town is undertaking evaluation of development/land use/planning issues that have bearing on economic development opportunities in the community:
 - Local Comprehensive Plan - The Town Select Board has appointed a citizen committee to oversee the process of updating the Truro Local Comprehensive Plan. According to its charge, the Committee will seek to “generate consensus on a host of issues that confront the Town such as affordable and community housing, land use, sustainability and environmental protection...to produce a final plan that ...will be regularly used to inform the direction of Town administration and services.”
 - Walsh Property – In 2019 Town Meeting authorized the purchase of the 70-acre Walsh property for general municipal purposes. The Town Select Board has appointed a committee to “lead a community wide process...to engage a wide range of Truro residents in developing plans for the use of the property to be presented at a future town meeting for approval.”
 - Highland Center and Cape Cod National Seashore –According to the National Park Service website, the Highlands Center at Cape Cod National Seashore is a science, arts and educational center occupying the former North Truro Air Force Station. Cape Cod National Seashore (CCNS) acquired the 110-acre property in 1994. Since then,

the Seashore has adaptively reused six buildings, has made numerous in infrastructure improvements, and spent over \$1.2 million for building demolition. The website also notes that the Center involves “an interactive community of artists, scientists and educators pursuing their work in a national park setting. These public and private program partners enrich each other's work and the center's mission through their distinctive activities.”²⁵

DRAFT

²⁵ <https://www.nps.gov/caco/planyourvisit/highlands-center-at-cape-cod-national-seashore.htm>



Figure 2. Commercial Districts and Square Footage of Commercial Space in Truro

Infrastructure

Internet service in Truro is provided by Xfinity (cable), TMobile (5G), Verizon (DSL), Viasat (satellite) and Hugesnet (satellite). Cellular service is provided by AT&T, Verizon and TMobile.²⁶

In 2010 Truro's Cable Advisory Committee conducted a study of properties that have or could have access to broadband service from Comcast (Xfinity). The study concluded that "the number of properties with buildings with or having access to Broadband service today via Comcast is between 93 and 98 percent of 2,800 lots with buildings. Thus, our best estimate is that there are between 65 and 198.5 lots, with a building of some kind, without Broadband service from Comcast." However the study notes that conclusions are preliminary because of difficulty obtaining information.²⁷ Cellular and Internet service within the Cape Cod National Seashore in Truro is widely viewed to be unreliable. The Select Board's FY2022 goals include preparing a letter to the Cape Cod Commission to provide an accurate report of the inadequacy of Internet services and requesting funding and support to resolve the infrastructure deficiency.

Two-thirds of Outer Cape Respondents to the Cape Cod Commission's survey of second homeowners find that their Internet service allows them to perform necessary tasks, 22% report that the service causes some problems for the household, and 7% said the service is inadequate for necessary tasks.²⁸

²⁶ <https://www.inmyarea.com/internet/massachusetts/truro>

²⁷ Truro Cable Advisory Committee Broadband Availability Report, Phase 1, 2010. <https://www.truro-ma.gov/sites/g/files/vyhlf3936/f/file/file/broadbandreportph1.pdf>

²⁸ Donahue Institute, University of Massachusetts, Cape Cod Second Homeowners Survey-2021, December 2021 (Updated February 2022), Table for Question 43.

Part II. Issues and Insights from Local Business Owners

The Truro Economic Development Committee (EDC) sponsored a series of five focus groups for Truro business owners to provide input and recommendations related to current issues, industry trends and potential solutions to help ensure a diverse and thriving economy.

The focus groups were widely advertised to the public and were designed to convene complementary types of businesses:

- Farming, Marine, Fishing
- Restaurant, Retail, Gallery & Arts
- Overnight Hospitality, Real Estate and Vacation Rental
- Non-profit, Business and Services (including home based businesses)
- Construction and Trade

Each focus group lasted approximately one hour and included two to four representatives of the scheduled industries and non-profit organizations, as well as two members of the EDC. The meetings were facilitated by Ridley & Associates.

A summary of the highlights of the focus group conversations follows.

What characteristics of Truro are important to your business?

People are drawn to Truro because of the sense of tranquility it offers and its spectacular coastal landscapes, beaches, wooded ponds, and walking trails. The attraction of these features leads to spending, so there is a real economic impact attributable to the community's natural assets and quaint charm.. Many businesses, particularly hospitality businesses, have a lot of repeat customers who have been coming for many years and have a strong connection to Truro.

Preserving Truro's natural, small-town character and environmental quality is in everyone's interests. Business owners expressed a strong affinity for the area, and felt that major benefits of operating a business in Truro are proximity to beaches and walking trails, space to spread out, and peace and quiet. Being next to a National Park is an asset that is very appealing to visitors and is something that could be amplified and promoted. The proximity of arts and entertainment and the Town's strong local history are also appealing features.

It was noted that the 70 percent of land in Truro that is within the Cape Cod National Seashore will help to protect the Town's natural character, and there should be opportunities in the remaining land area to accommodate thoughtful development to address community needs. "No one wants to change the character of Truro, but there is room to address the housing issue and

maintain the character of the Town. By allowing businesses to flourish this will be a more livable community.”

Truro has a strong sense of community, and businesses and organizations support each other in many ways. May businesses and organizations work in partnership with each other and with the Chamber of Commerce and non-profit organizations. Some businesses noted that they are large customers of other local businesses. For example, charter businesses buy fuel locally, and farmers supply local restaurants. Lastly, businesses and organizations make referrals on each other’s behalf.

There also is an engaged part-time resident community that supports local businesses and provides a pool of volunteers for local non-profit organizations.

However, it was noted that conditions in Town have changed over several years making it difficult for some types of businesses to prosper. “There are still people who earn their livelihoods fishing and farming, but there are fewer of them. We need to make sure that these people can continue to earn a living.”

What major challenges does your business face?

The significant shortage of affordable housing needed to attract and retain employees was cited in all five focus groups as by far the most pressing issue facing businesses.

One long time Truro business owner noted, “there is no sense in talking about economic development if the Town does not tackle the housing issue.” He is not able to hire and retain enough employees due to lack of housing, and does not feel the Town is doing enough to address this issue.

The housing problem is especially acute for young workers. It is not realistic to expect workers to travel from Eastham or Provincetown for a job in Truro. There need to be housing options in the community. All other things being equal, employees of the Town or local businesses that live in the mid-Cape area could be expected to take positions closer to their homes when opportunities arise, when child care and transportation costs are factored in.

The implications of the housing shortage for local businesses are multi-faceted. Businesses can’t grow without employees and numerous businesses described how they are unable to attract or retain employees due to the lack of affordable housing. Commuting from mid or upper Cape is not sustainable for most people taking the jobs. The shortage of employees has caused many businesses to reduce hours of operation, take on less work, reduce services offered, and forgo innovations that would lead to growth, income, jobs and spending in the local economy.

With less help than needed available, business owners are unable to scale-up operations. One participant said he could double his business if he had the employees. In some cases the shortage of employees is causing owners to take on more work themselves, leading to burnout and the tendency to reduce hours.

As businesses cut back, other businesses lose important support services. One contractor noted that he purchases coffee and lunch for his crew, but at certain times “you can’t even buy a cup of coffee in Town.” Rather than spend more of his day traveling back and forth to other towns for these services, he will be inclined to take work out of town where you can buy coffee and lunch.

Many businesses are finding it increasingly difficult to retain long-term employees to “learn the ropes” and take on more responsibilities and, potentially, take over the business. As a result, many businesses expressed a concern that there would be no one to continue their business once they retire.

Some participants lamented that many people fail to understand that the ultimate effect of these changes will be to diminish the quality of life in Truro. Fewer businesses and restaurants will be open, fewer tradespeople will be available, fewer support services such as medical care will be conveniently located. It was noted that town Fire Department positions are going unfilled due to the inability to attract employees to work in Truro where there are too few affordable housing options.

“If the housing problem is not addressed, soon there may not be restaurants, tradespeople and other services that residents depend on,” said one participant. The implications include fewer young adults and young families in Truro, and a less economically and age diverse community. “There used to be five little league teams just in Truro,” said one participant, “and now there is only one shared with other towns.”

A number of other issues and challenges (listed below) were raised by participants but were viewed as secondary to addressing the affordable housing crisis.

The worker visa program is unpredictable, and too few visas are available.

The foreign worker visa program used to supply a back-up pool of employees for businesses that are busiest during the summer months. Now there are 33,000 visas nationwide, and Cape Cod alone could use that many. Visas are issued via a lottery system and this is very unpredictable for businesses. Also, returning workers count against the visa numbers.

Many businesses do not have timely access to business support services they need

“Businesses are closing or curtailing hours of operation because they don’t have enough help due to the housing shortage. As a result, there are fewer places to get a cup of coffee or sandwich and people are taking more time out of their day to go out of town for these things. This spending is leaving the town.”

“It is more difficult to find employees and trades people to provides support services such as repairs, plumbing, cleaning, etc.” As a result, business owners are taking on more of these tasks to the best of their abilities.

Broadband service needs to be expanded and quality improved.

Better broadband access and cellular service is needed to support remote workers and meet the expectations of renters and visitors who demand good services. Some participants expressed a desire for a greater number of service options and more reliable service.

Truro residents and employees need more access to affordable daycare

Childcare was identified as a major challenge, particularly for employees with very young children. Upon learning about the Town’s new childcare voucher program for residents, one participant suggested that the Town evaluate making this option available to non-residents who work in Truro, as well as residents.

What is the market outlook for your business?

Truro’s market outlook is robust.

Across the board, business owners see a strong market going forward. Truro is “the last to be affected by an economic downturn and the first to bounce back,” said a trades business owner. Truro’s hospitality market is also viewed as resilient. According to one real estate professional, “people will want to come back for vacations and there might be only slight changes in pricing depending on what is happening in the national economy.”

The real estate market is over heated. This is good for sellers and not for locals who are priced out of the market. Buyers know they can rent their property seasonally to cover the mortgage, so they are willing to pay top dollar for properties, which is putting upward pressure on prices.

What would you like to see addressed in an economic development strategy?

Affordable housing is the number one economic development challenge facing the Town, and failure to act threatens the quality of life in the community. The solution to the housing crisis should be multi-pronged: building affordable housing in appropriate locations, such as the

Cloverleaf, Walsh property, and through mixed-use development; increasing use of the Town's Accessory Dwelling Unit bylaw and expanding access to loans for ADUs, such as those available in other parts of the Cape; augmenting incentives to second homeowners to rent their houses year round; using mobile homes at the campgrounds for workforce housing; creating a tax on home sales over \$1M to fund affordable housing development, among others.

Public education on the housing crisis is needed. It seems that residents do not understand the connection between the housing shortage and the shortage of restaurant options and other businesses and services, which is only going to get more severe.

Truro could do more to foster a business-friendly environment

A number of business shared experiences where decisions that affected their business were made without their knowledge or an opportunity to comment or weigh in. "Businesses need to be part of the conversation with the Town," said one business owner, "Sometimes it seems decisions are driven by the opinions of one person. The process of decision-making is sometimes opaque."

Businesses should be supported in their efforts to expand and innovate. In past instances businesses have been kept from these innovations due to health or zoning regulations. More flexibility is warranted.

Licensing and permitting, particularly licensing that is required on an annual basis, should be streamlined and accessible online. Businesses and non-profits in Town would benefit for more consolidated, user-friendly permitting.

A small amount of area in Truro is zoned commercial, and Tradesmen's Park is at full capacity. Though not cited as major impediment to growth, the lack of commercial space may be an issue for some types of businesses. The Town has a flexible home occupancy bylaw that lets many trades and other businesses operate from their residential property, at least until they need more space or draw complaints from neighbors.

Tradesmen's Park and Tradesmen's Park South are locations where businesses too large for home occupancy can rent a bay. This helps smaller trades businesses expand. However, there currently are waiting lists for bays at these facilities.

Other ideas raised include:

- Truro is part of a broader regional economy and the strategy needs to take that into consideration.
- Better broadband and cellular service are needed.
- There needs to be an open dialogue with the Town on issues that could affect business operations.

- Beach stickers to Town and Seashore beaches should be made easier to get for people staying/visiting for more than one day.
- Laws governing the year round use of condos need to be evaluated as a source of housing.
- A database of service people who are willing to provide services to the area (e.g., Seasonal Connect) is needed.
- The visa program needs to be expanded, which is a national issue.
- The Town should look at successful strategies used in other regions with similar problems to see what might be applicable to Truro.

DRAFT

Table 5. Summary of Economic Development Challenges and Opportunities based on Focus Group Input

Challenges	Advantages/Opportunities
<ul style="list-style-type: none"> • High cost of housing and lack of affordable workforce housing, making it difficult to attract/retain employees and restricting business activity in a number of ways. • Unpredictable visa process, too few visas • Difficulty attracting workers for some positions • Lack of affordable childcare • Supply chain difficulties • Lack of repair/cleaning/trades services to support hospitality businesses • Unclear or onerous permitting • Truro could be more business friendly 	<ul style="list-style-type: none"> • Natural environmental features and scenic character is a major draw for tourists who spend money locally. • Natural environment, walking trails • Beaches, water access, fishing • Proximity to National Seashore (4.1M visitors in 2020 per Cape Cod Chamber)²⁹ • Vibrant arts and entertainment • Rich local history • Truro’s economy is resilient. Businesses are often the last to experience decline during national economic downturns, and the first to experience improvement when the economy rebounds. • Strong sense of community, businesses and organizations support each other • Loyal tourists and visitors who return year after year • Strong non-profit sector • Active part-time residents

²⁹ Visitor expenditures support 6,400 jobs, \$239 million in labor income and \$672 million in economic output in communities surrounding the Seashore. Source Seashore spending report Cape Cod Times

Part III. Discussion Topics for Economic Development Summit

Economic Development Vision

Using this *Economic Overview* as a starting point, the summit will explore the community's shared aspirations for Truro's economic outlook and articulate a future community economic development vision.

Economic Development Goals and Strategies

Summit participants will help to identify Truro's economic goals, which encompass component steps to achieve the community's vision. Goals will set forth the broad categories around which strategies and actions will be focused. Goals could encompass:

- Opportunities to Expand Existing or Develop New Business Sectors
- Land use and regulatory changes that could support economic development goals
- Opportunities to increase the supply of affordable workforce housing
- Opportunities to support the workforce
- Infrastructure enhancements to support local businesses
- Place-based economic development opportunities (e.g., Walsh, Highland Center, other)

Truro Economic Development Strategies Report

Following the summit, the vision, goals and strategies will form the basis of the Truro Economic Development Strategy Report to be compiled by the EDC and submitted to the community as a draft for public comment.

Sources

U.S. Census Bureau, 2020 Census Data, compiled by Cape Cod Commission.

U.S. Census Bureau, American Community Survey, 2019, compiled by Cape Cod Commission.

Town of Truro website, <https://www.truro-ma.gov/about>

Cape Cod Commission, Comprehensive Economic Development Strategy Report, 2019-2023.

Cape Cod & Islands Association of Realtors, Annual Report on the Cape Cod Housing Market, 2021.

Carboni, Barbara, personal communication, April 7, 2022

Donahue Institute, University of Massachusetts, Cape Cod Second Homeowners Survey-2021, December 2021 (Updated February 2022)

Donahue Institute, University of Massachusetts, Cape Cod New Homeowners Survey-2021, December 2021 (Updated February 2022)

MA Department of Revenue, Division of Local Services

Massachusetts Division of Unemployment Assistance, 2020 Wage Report

National Park Service website, <https://www.nps.gov/caco/planyourvisit/highlands-center-at-cape-cod-national-seashore.htm>

Economic Policy Resources and Crane Associates, Inc., Cape Cod Regional Housing Market Analysis, 2017.

Schaefer, Chloe, Cape Cod Commission, personal communication, April 14, 2022

Truro Cable Advisory Committee Broadband Availability Report, Phase 1, 2010.
<https://www.truro-ma.gov/sites/g/files/vyhlf3936/f/file/file/broadbandreportph1.pdf>
<https://www.inmyarea.com/internet/massachusetts/truro>

Maps at Work, Truro Open Space Plan, 2009.

Helios Associates, Truro Open Space Plan 2015.

Truro Local Comprehensive Plan, 2005.

Truro Assessors' Data