



Town Of Chatham
Economic Development Committee



MEMORANDUM

TO: **Honorable Board of Selectmen**
 Jill R. Goldsmith, Town Manager

FROM: **Luther Bates, Chairman**
 Economic Development Committee

DATE: **12/26/2016**

SUBJECT: **Demographics - Encouraging Greater Age Diversity in the Town of Chatham**

The Board issued the following directive on 12/29/15:

“Identify ways the Town can encourage greater age diversity; maintain 'youth' of the Town (create jobs and improve the demographic balance).”

In response, the Economic Development Committee has spent several meetings discussing the demographic imbalance and has specifically identified the main issue to be the exodus of and inability to retain or attract 18-44 year old adults to the Town of Chatham.

The age shift in our town is not unique, and is occurring Cape-wide. However, relative to national statistics, Cape Cod is an outlier and is experiencing a larger than average demographic shift. The EDC has identified two primary drivers of this shift; lack of gainful employment opportunities and a high cost of living (including housing).

At this time, the EDC is focusing on exploring solutions to mitigate the high cost of living for young adults and their families. Several factors contribute to the high cost of living and the EDC believes the Board should consistently work to reject cost increases that affect this demographic.

The EDC has identified childcare as the largest component of the cost of living, outside of housing, for young families. With an estimated 20-25 percent of Chatham families seeking financial assistance for childcare, the EDC views childcare as one issue for which the Town can rapidly develop solutions that would have an immediate and significant positive impact on the critical 18-44 demographic. Additionally, the EDC believes addressing this need will generate childcare-related employment opportunities in Chatham.

Childcare Data:

- The estimated cost of childcare to a Chatham household from infant to 5th grade is \$106,000 per child:
 - Pre-K care averages \$280 per week or \$14,000 per year
 - Toddler care averages \$287 per week or \$14,350 per year
 - Infant care averages \$363 per week or \$18,150 per year

- There are 201 Chatham residents who attend Pre-K to Grade 4 representing roughly 6-8% of households in the town. In addition, there are 88 Chatham residents attending Grades 5-7.

Monomoy Community Services Childcare Programs and Fees (K-4):

- Programs Offered:
 - Before School Care (7-8:45AM) - \$40 per week (during school year 41 weeks) \$1,640 per year.
 - After School Care (3:30-5:30PM) - \$60 per week (during school year 41 weeks) \$2,460 per year.
 - Summer Day Care (7:30AM-5:30PM) - \$300 per week, 8 weeks, \$2,400 per year.
- Monomoy Community Services received \$27,000 of requests for financial assistance, these requests are funded as follows:
 - \$10,000 budgeted by MCS
 - \$11,000 was provided by the Town
 - An additional \$3,800 was provided through private contributions, and
 - \$2,200 in requests went unfunded

Childcare for working families is a critical financial decision that may heavily impact choices on whether to move to Chatham or remain living in Chatham. Given the number of young families in town and the high annual cost of childcare, EDC agrees that increasing childcare services has the potential to create significant economic and demographic benefits for the town.

The EDC advises that the Town explore solutions to mitigate the cost of childcare. Some of the possible solutions could be:

1. Increasing the annual funding allocation to Monomoy Community Services.
2. Increasing the annual funding allocation to the Childcare Network Voucher program and expanding the outreach in Chatham and/or streamlining the program including considering partnering with or administrating Chatham applications through Monomoy Community Services.
3. Creating a public/private partnership to expand the services available by contracting with local care providers.
4. Coordinating with neighboring towns to develop a centralized childcare facility for infants to Pre-K children.
5. Exploring opportunities such as the Wellesley High School Child Lab program (est. 1979) and its potential for implementation in the Monomoy School District.
6. Providing 100% full time Town funded child care.

The EDC will be continuing to work on the issue of demographics and seeks public input at all stages.