



GCAC Cocktail Reception

November 17, 2022

CRISFIELD'S ECONOMIC CONDITION



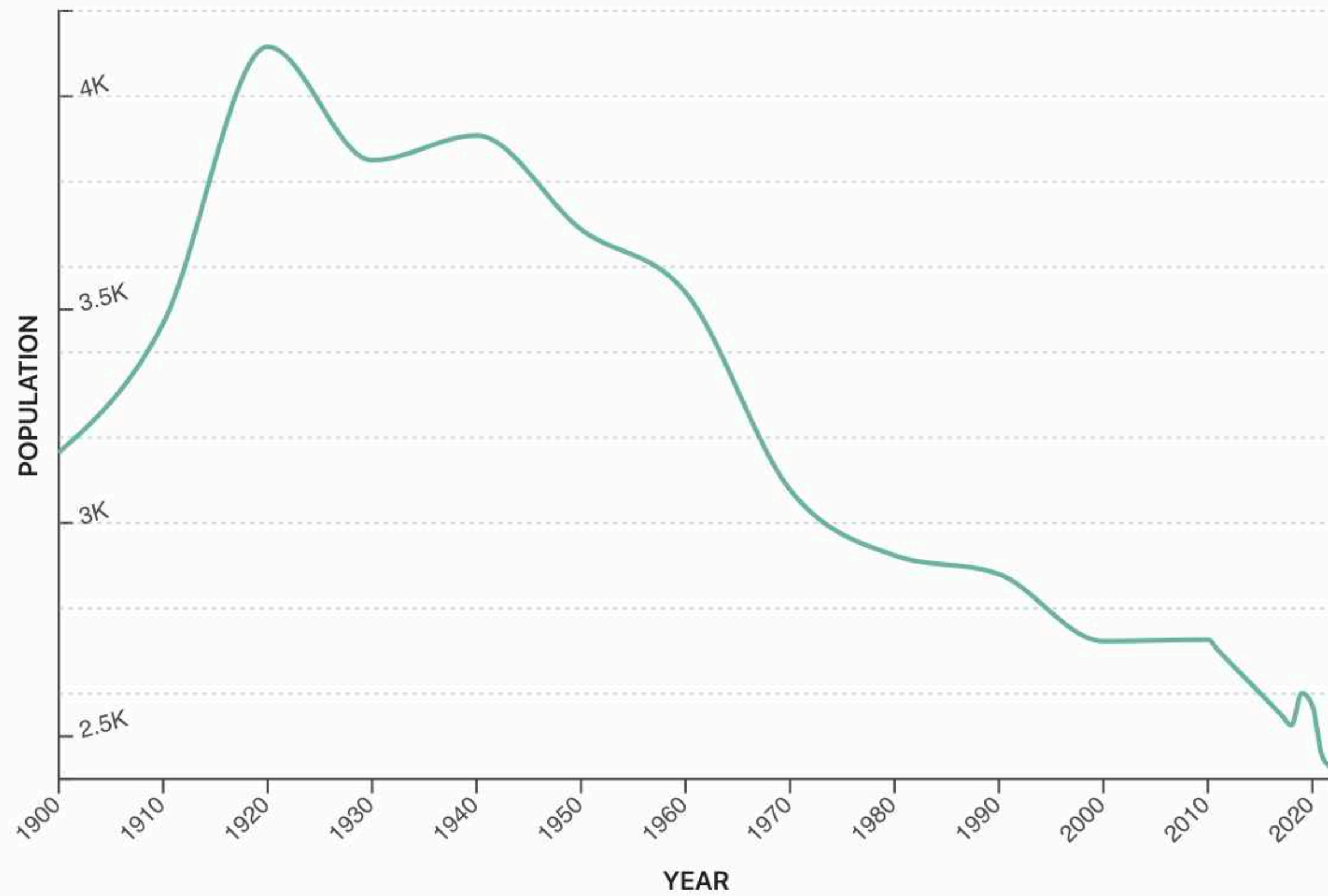
*WHAT CAN WE DO TO CHANGE COURSE?
GCAC HAS SOME IDEAS*

WHAT THE DATA SHOWS

- ✿ *City financial viability continues to be challenged, impacted by low property tax rolls*
- ✿ *38%-40% Poverty level in the City of Crisfield (MD poverty rate 9.3%, second lowest in the US)*
- ✿ *The population has seen steady decline since 1920.*
- ✿ *Business commerce suffering, 60% of residents participate in the economy, COVID, slower tourism, labor shortages, inflation*
- ✿ *Unemployment rate 7.4% - Almost 2x MD & US*
- ✿ *Crisfield median household income \$33,056 (MD \$94,384 & US at \$78K)*
- ✿ *Housing shortage has reach critical stage, clearly impacting the economy further.*

Crisfield, Maryland Population 2022

2,425



Statistics

From [Bureau of Labor Statistics, United States Department of Labor](#) via [Data Commons](#)

Maryland United States

Unemployment rate

4%

Updated Sep 2022

Total unemployed people

128K

Updated Sep 2022

Unemployment insurance claims

20K

Updated Oct 29, 2022

Unemployment rate | Total unemployed people | Unemployment insurance claims



Unemployment rate is collected once a month · Numbers are seasonally adjusted

Statistics

From [Bureau of Labor Statistics, United States Department of Labor](#) via [Data Commons](#)

Maryland United States

Unemployment rate

3.7%

Updated Oct 2022

Total unemployed people

6.1M

Updated Oct 2022

Unemployment insurance claims

1.4M

Updated Oct 29, 2022

Unemployment rate | Total unemployed people | Unemployment insurance claims



Unemployment rate is collected once a month · Numbers are seasonally adjusted

COVID'S SILVER LINING

- ✦ *Younger Boomers retiring sooner*
- ✦ *Remote working is a thing*
- ✦ *Hot Real Estate Market*
- ✦ *29% purchased in small towns*
- ✦ *19% purchased in rural towns*
- ✦ *Attraction to lower cost communities*
- ✦ *Crisfield has a chance to compete*



THE WAY FORWARD

- ✦ *Simultaneous actions required*
- ✦ *Address the Housing Shortage - Build suitable & relevant housing (purchase/rent)*
- ✦ *Market segments: Retirees, Remote Workers, First Time Homebuyers, Renters*
- ✦ *Business Development and Commerce: Use the 2021 GCAC Consumer Survey as a guide while anticipating the wants of newcomers and tourist (hotel, retail & service businesses, restaurants and bars, boardwalk, recreation etc)*
- ✦ *Manage the growth by optimizing Crisfield's small town character, charm and uniqueness*

Market Segment Size & Characteristics

THE BOOMER TSUNAMI

- ✦ *72 million strong*
- ✦ *Born 1946-1964*
- ✦ *Largest Retiring Group in History*
- ✦ *10K will turn 65 everyday (2010-2029)*
- ✦ *47% consider relocating*
- ✦ *400K estimated annual moves*

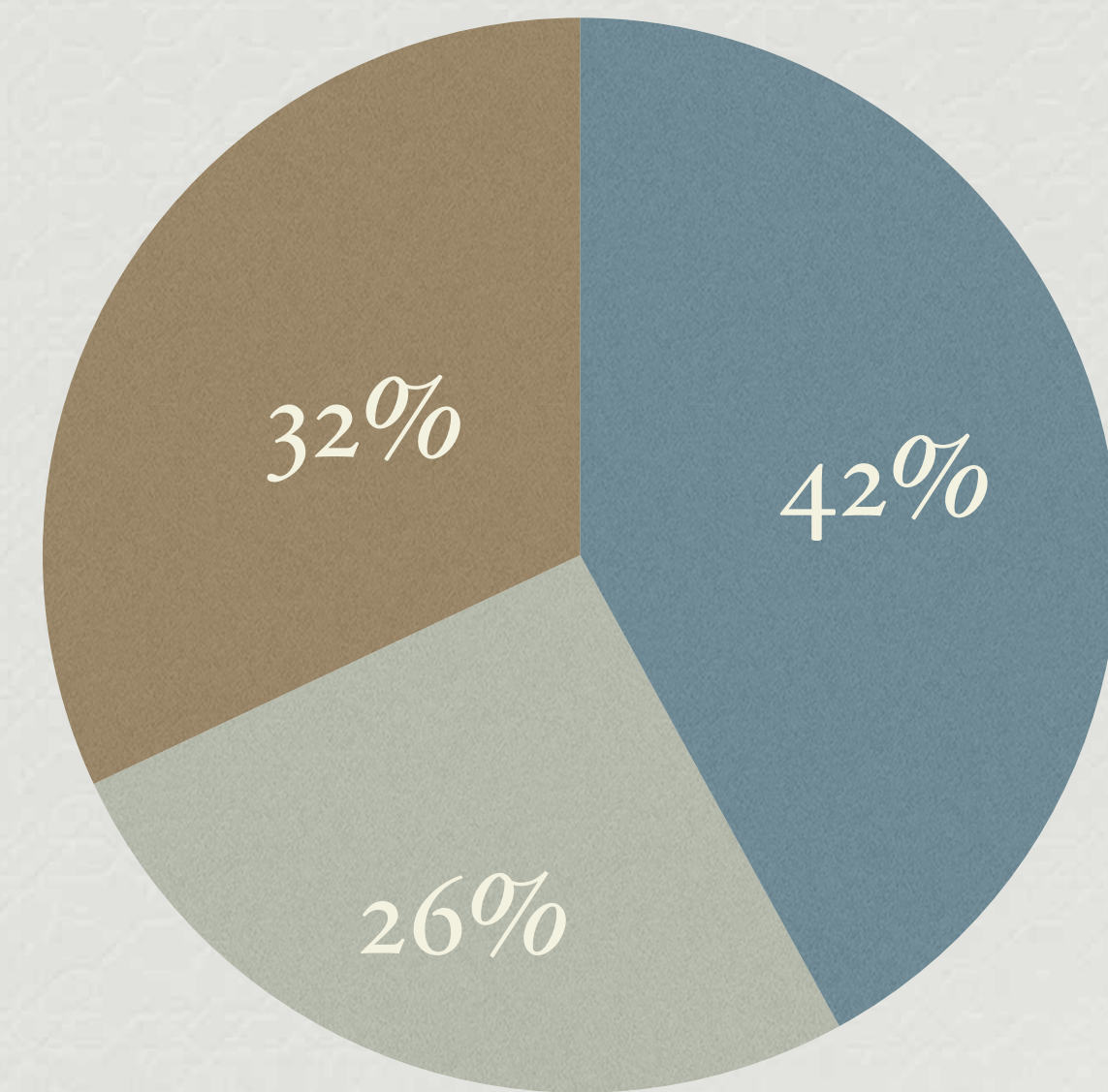


BOOMER'S FINANCIAL IMPACT

- ✦ *\$87 trillion net worth*
- ✦ *67% of U.S. equity via primary residence*
- ✦ *>50% pay cash for homes*
- ✦ *\$2.3 trillion spending power (>50% all US consumption)*
- ✦ *Create 1 job for every 1.8 retirees*
- ✦ *Contribute to the RE tax base*
- ✦ *83% have a 401 K or equivalent (saving since 35)*



Boomer's Real Estate Industry Impact



- ✦ *80% Homeownership Rate*
- ✦ *53.8% of all homeowners in the US*
- ✦ *42% of current real estate transactions*

BOOMERS CARE ABOUT...

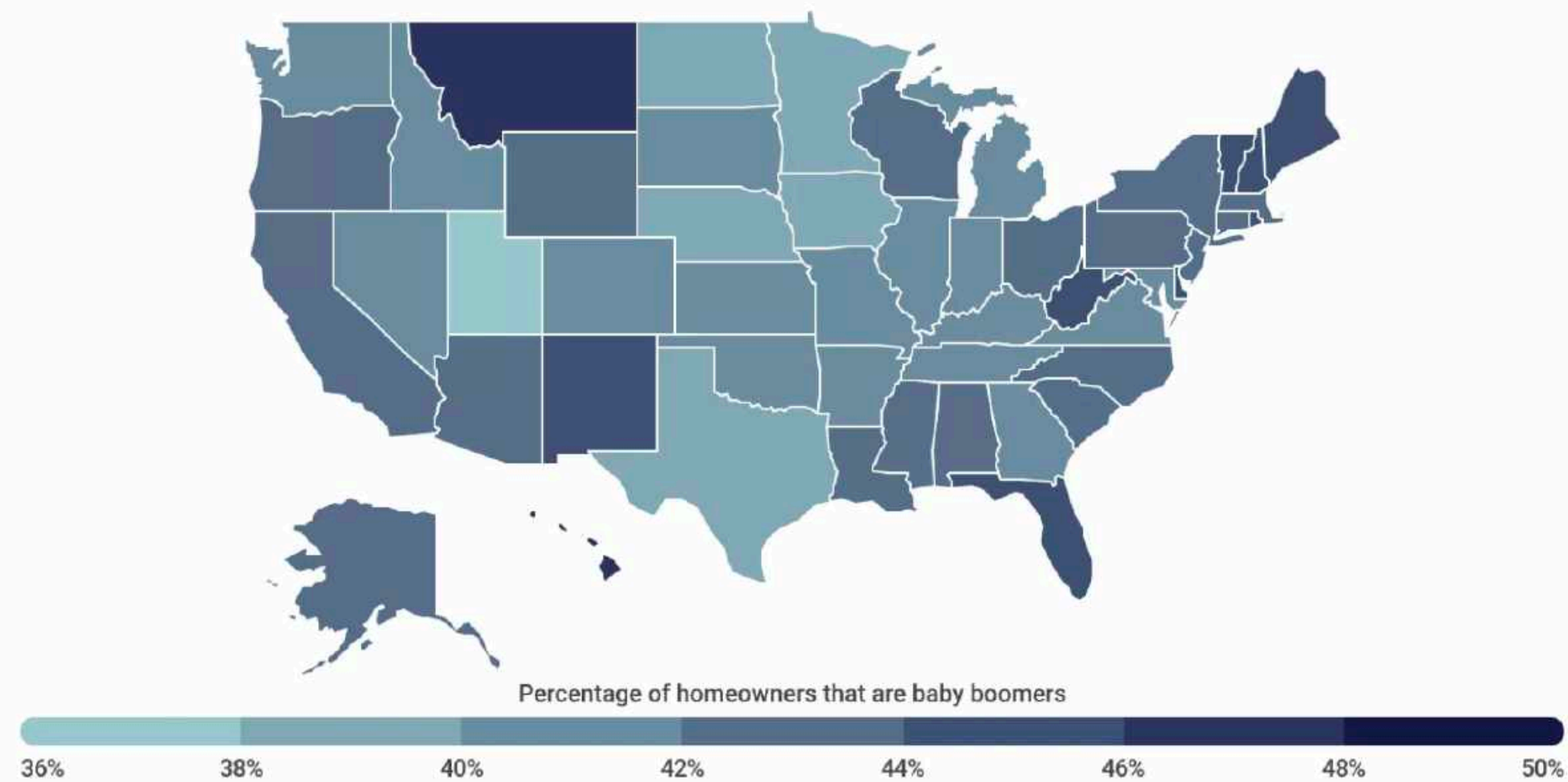
- ✿ *Cost of Living*
- ✿ *Quality Health Care*
- ✿ *Access to Cultural Amenities*
- ✿ *Climate*
- ✿ *Low Crime Rate*
- ✿ *Ability to Stay Active*



Boomer Migration Patterns

- ✦ *Northeast accounts for most negative migration*
- ✦ *Stay within the same region or coast*
- ✦ *Coastal Markets have highest appeal*
- ✦ *42% of retirees did not save enough—looking for lower cost areas*
- ✦ *Competing Areas for Crisfield: Carolinas, VA, DE, FL, GA*

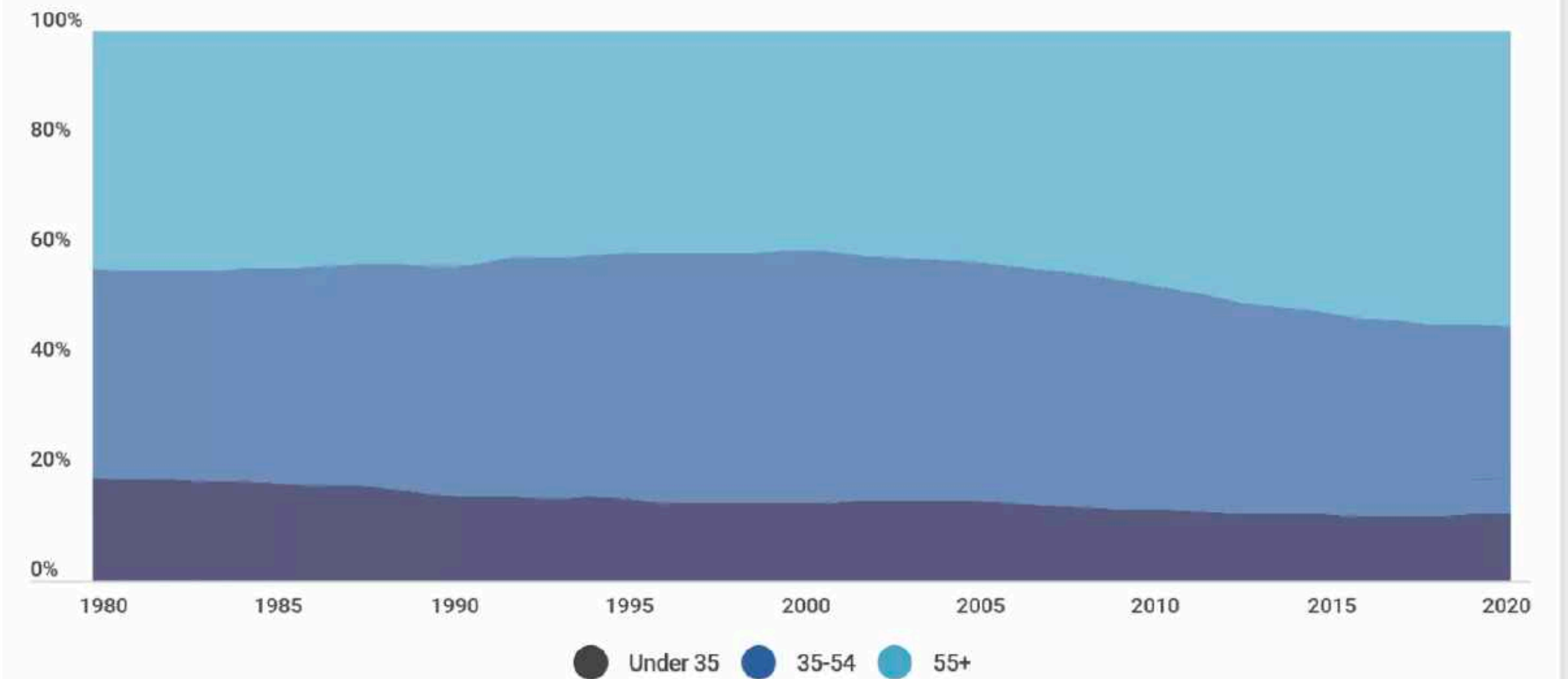
Baby boomers dominate the housing market in coastal states



Source: U.S. Census Bureau, Current Population Survey

Americans 55 and older own 54% of U.S. homes, up from 44% in 2008

Percentage of homeowners



Source: U.S. Census Bureau, Current Population Survey

Maryland

Total Inbound: 47.8%
Total Outbound: 52.2%

Primary Reason for Moving

Age Ranges

INBOUND

OUTBOUND

22.94%

<18 to 34

13.97%

15.88%

35 to 44

17.32%

11.18%

45 to 54

11.17%

19.41%

55 to 64

30.17%

30.59%

65 or older

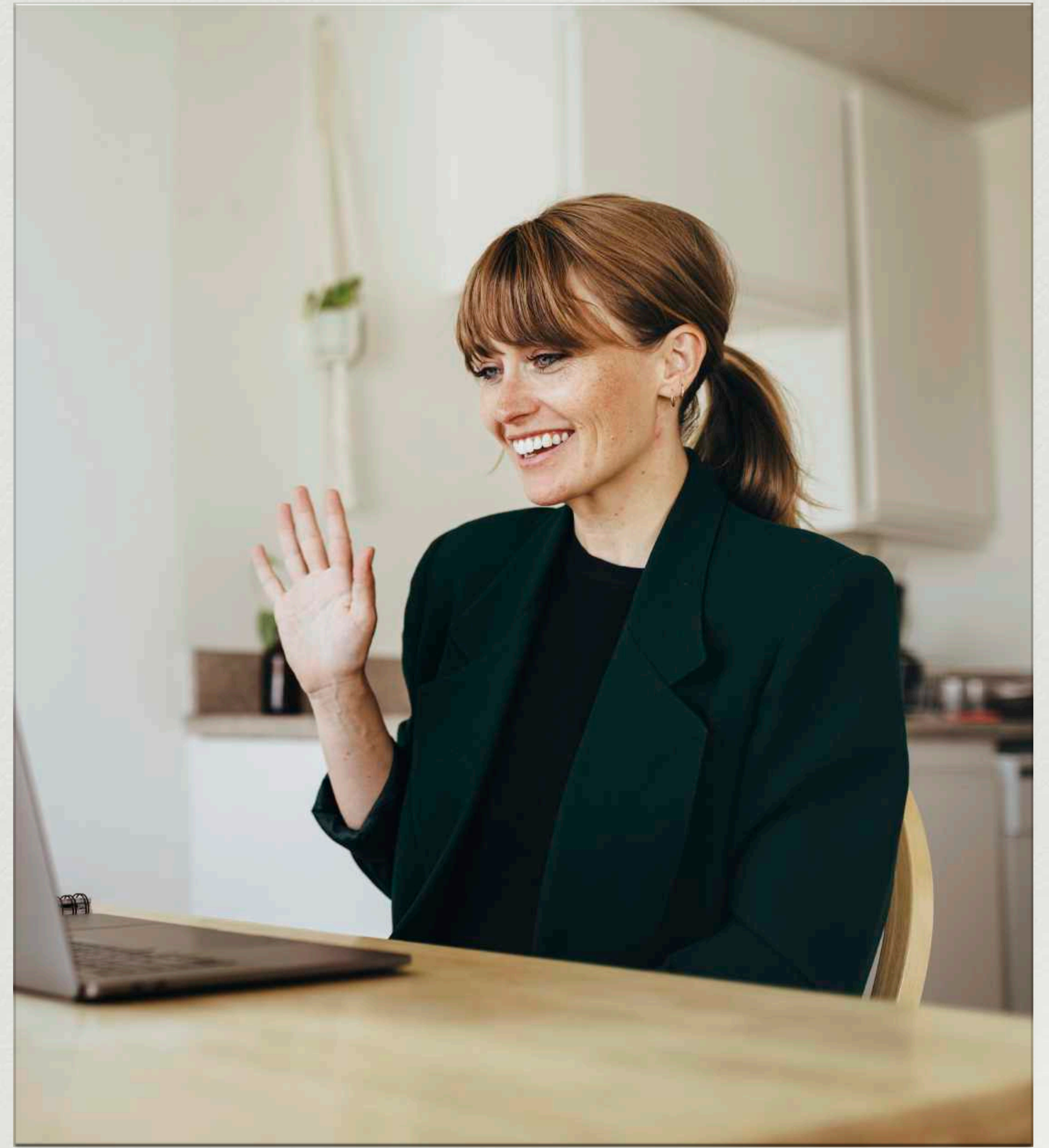
27.38%

Boomer Market Opportunity

US Rank	State	% of homeowners	Median SP	#Homeowner Households	
#13	NY	43.5%	\$335,502	1,733,973	
#15	CT	42.8%	\$269,890	383,510	
#17	PA	42.7%	\$204,876	1,495,795	
#19	MA	42.5%	\$449,102	701,031	
#23	NJ	42.2%	\$353,518	879,514	
	Balt	39.4%	\$154,813	45,487	
	DC Mkt	32.2%-37.4%	\$518,345-\$636,247	62,742	DC, Arlington & Alexandria
Mkt size				5,302,051	
Relocating	30%			1,590,615	conservative projection
Capture	0.02%			318	

U.S. WORKFORCE 36.2 MILLION

REMOTE WORKERS
22% of Workforce by 2025
Buyer or Renter



How do we define success??

- ✿ *New housing attracts new residents who bring their own resources (300 new homeowners)*
- ✿ *Housing is available for first time homebuyers and renters*
- ✿ *Grow the tax rolls for City and County to provide greater support to the community*
- ✿ *Create and support a vibrant and sustainable downtown and uptown, benefiting business owners, all residents and visitors*
- ✿ *Grow the number of days tourists stay in Crisfield by providing more choices of accommodations, which also allows for larger scaled events in the City*
- ✿ *More local jobs, financial self sufficiency is growing and stability for our residents*

**YOU HAVE TO LOVE WHERE
YOU LIVE VIDEO.....**

GCAC NEEDS.....

- ✦ *Financial Support*
- ✦ *Volunteers*
- ✦ *Ideas & Suggestions*
- ✦ *Your Voice in Support*
- ✦ *Sponsorship & Participation*

USE OF MONEY

- ✦ *Operational expenses*
- ✦ *Staffing Support*
- ✦ *Consulting Services*
- ✦ *Grant Writing Services*
- ✦ *Promotional Materials*
- ✦ *Event Creation*

