

Island cost of living tops \$100K for most

Data Platform calculator intended to help set living wages

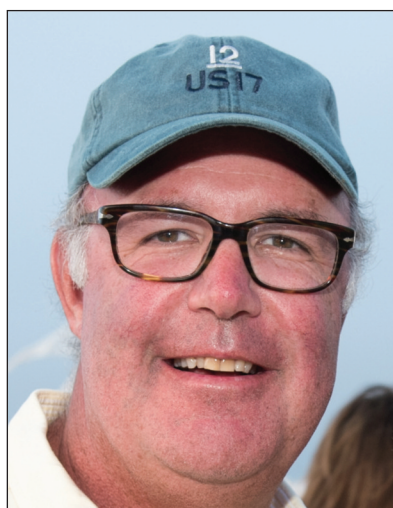
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The website works like a calculator. Plug in how many adults live in your house, how many kids and bedrooms you have, and out pops a dollar figure: the current annual cost of living on Nantucket.

The answer? Anywhere from \$66,756 to \$160,728 per year. More specifically, \$152,424 for a family of four in a three-bedroom home, \$124,000 for a family of three in a two-bedroom home, and \$100,812 for two adults in a two-bedroom house, according to the Nantucket Data Platform, which developed the calculator.

"We've built a cost-of-living indicator that can be a model for the nation," said Alan Worden, founder and CEO of Community Data Platforms, the umbrella organization that includes the Nantucket Data Platform.

The online calculator was released this week. The intention is to provide quantifiable information for people considering moving to Nantucket, and for employers setting wages and salaries for staff, in order



Alan Worden

to provide a living wage that takes into account the estimated cost of living on-island.

"If we don't get it right, we're going to have a revolving door of employees," Worden said. "In order to have a community where employees can afford to work and live here, we need to know the cost of living."

The calculator separates cost of living into categories, from housing to food, transportation, healthcare, childcare and taxes. Putting it together took a team of 10 Data Platform employees analyzing data from home rental prices, USDA food budgets and federal healthcare-premium costs six months, Worden

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Cost: Tops \$100,000 for most

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said. It was funded entirely by ReMain Nantucket.

“For ReMain it’s so we’re better able to do our job,” executive director Cecil Jensen said. “It brings up questions like, what does it cost to hire good, reliable people on the island, and questions like, is my cost of childcare adequate, or the cost of food and utilities, which leads to our choices in energy.”

“With the right data, we can make better decisions for the community, and that’s what led us to be the first customer of the Nantucket Data Platform. The first question we asked them was how many people live here, and that led to the population study.”

Through a data table on the website, users can compare Nantucket’s cost of living to the cost of living in Boston, as well as the national average.

Nantucket’s cost of living ranges from about 7.25 percent to more than 21 percent higher than Boston, between \$4,000 and \$17,000 per year, according to the calculator.

Compared to Barnstable County, living on Nantucket is anywhere from 16 percent to 32 percent more expensive.

The national average cost of living for a family of four in a three-bedroom home is \$114,980, according to Data Platform analysis.

It’s helpful information for young professionals or experienced people in the workforce

considering applying for a job on the island, who need a baseline of information on how much money they can expect to pay for groceries or rent, Worden said. It’s also important for employers, he said, especially when they set employee wages or salaries, so their staff does not leave for a better-paying job on the mainland.

“The cost of living here is expensive, and turnover is very expensive for employers,” Worden said. “If you hire someone and the next year they leave, that’s more expensive than increasing a salary. Turnover is brutal. You hire someone and if you don’t pay them, now they’re gone, and you’re scrambling to fill that job. We think the community will be more stable and successful if employees and employers know the true cost of living. We need to pay them a living wage. Otherwise, we’re putting people in substandard housing because they can’t afford anything else.”

Similar online cost-of-living calculators exist, including a Massachusetts Institute of Technology version that compares every county in the state, as well as city-specific calculations for Boston, Worcester, Springfield, Pittsfield and Barnstable.

But many of those calculators are not as comprehensive as the one the Nantucket Data Platform put out last Thursday, Worden said.

“To our surprise, the vast majority of calculators did not include healthcare,” he said. “If you have kids on childcare,

that’s a huge expense. Child-care costs can be upwards of \$800 a month. That was a missing component. On food, a lot of indexes would take a state number and assume all communities are the same, but we know food on Nantucket is a lot more expensive than most other places in the state.”

“If you try to tell your friends what it costs to live somewhere and you leave out a third of the cost, you’re not going to be painting a full picture,” he added.

Work on the Data Platform calculator is not necessarily complete, Worden said. Data scientists are nothing short of what Worden calls hunter-gatherers, and if more information becomes available, they can include it.

Everybody knows Nantucket is expensive, Worden said, but collecting the information allows people to have quantifiable data on exactly how much it costs to live on island.

“Before this, it was totally anecdotal,” he said. “The whole reason the Nantucket Data Platform exists is to move away from anecdotes and toward real evidence. There will always be more that can go into this, like in any research project. Is it 100 percent of all the data available? No. But the goal is that it’s strong enough so it can be peer-reviewed and researchers can say this is credible research.”

The calculator is available at costofliving.nantucketdataplatform.com.