

# Economic Profile of New Jersey's Coastal Regions

New Jersey Coastal Resilience Summit

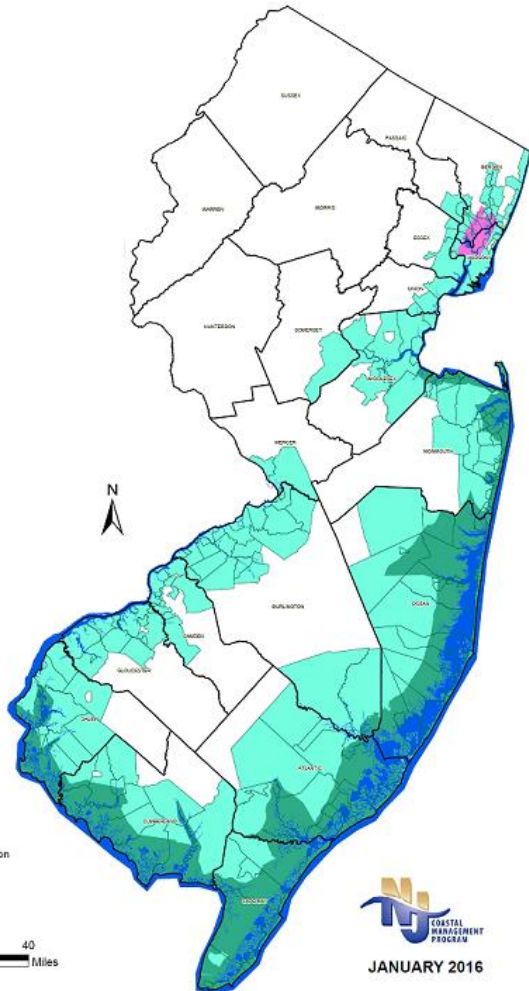
October 9, 2018

# Overview

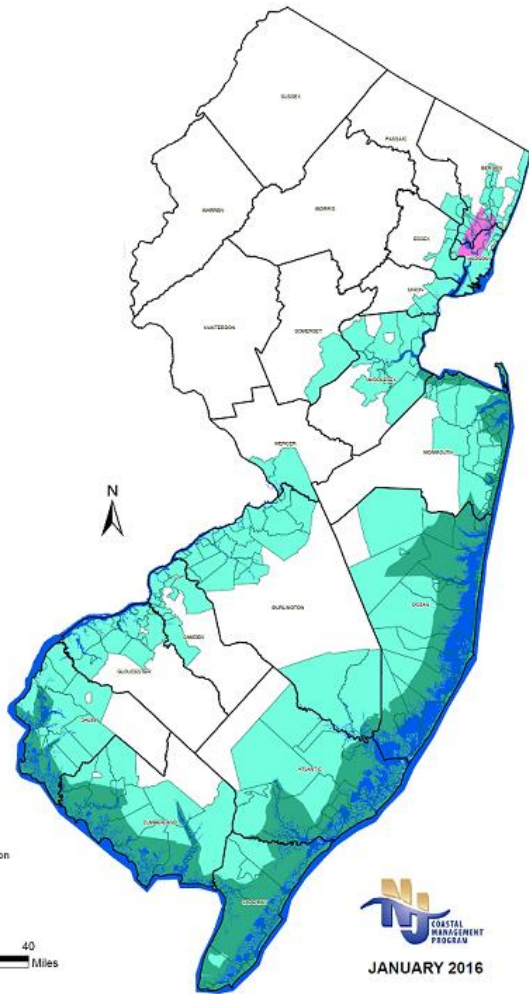
- Coastal Management Program Area
- How to approach it? – 4 regions?
- New Jersey trends
- Regional trends- available data
  - Industrial Composition
  - Employment Trends
  - Housing Trends
  - Property Losses from Sandy
  - Other Value at Risk

# Coastal Management Program Area

- 239 Municipalities
- All or part of 17 Counties
- About 53% of NJ population
- About 52% of NJ employment



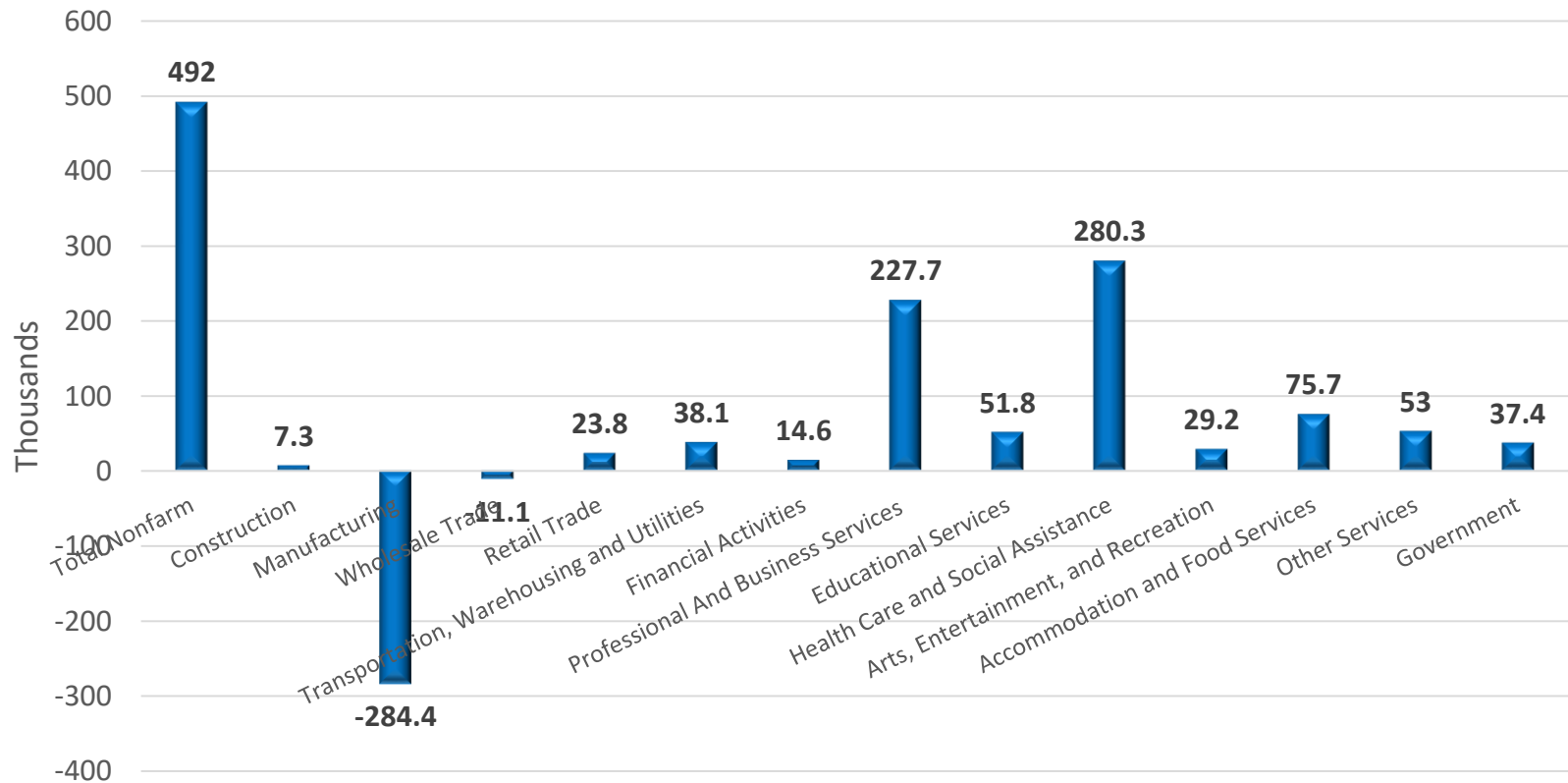
# A Diverse Region



- Shore Counties – Monmouth, Ocean, Atlantic, Cape May
- Northern urban industrial “coastal” areas – Jersey City, Newark, Bayonne
- Delaware Bay – Cumberland/Salem
- Delaware River/Industrial Coast

# Long-Term Employment Trends in NJ

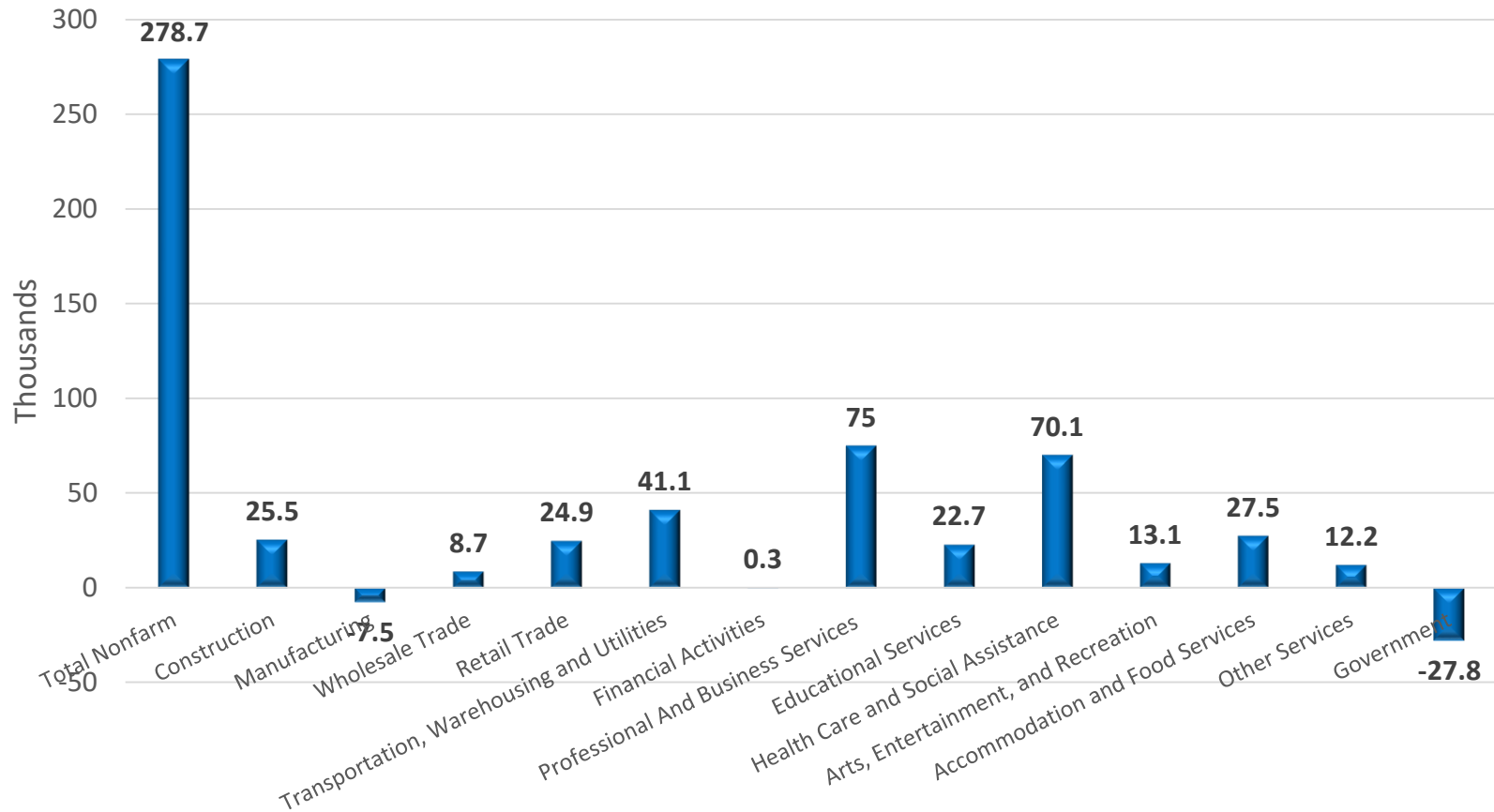
Employment Change, 1990-2017



Source: U.S. Bureau of Labor Statistics.

# Post-Recession Employment Trends in NJ

Employment Change, 2010-2017



Source: U.S. Bureau of Labor Statistics.

# Shore Tourism Counties

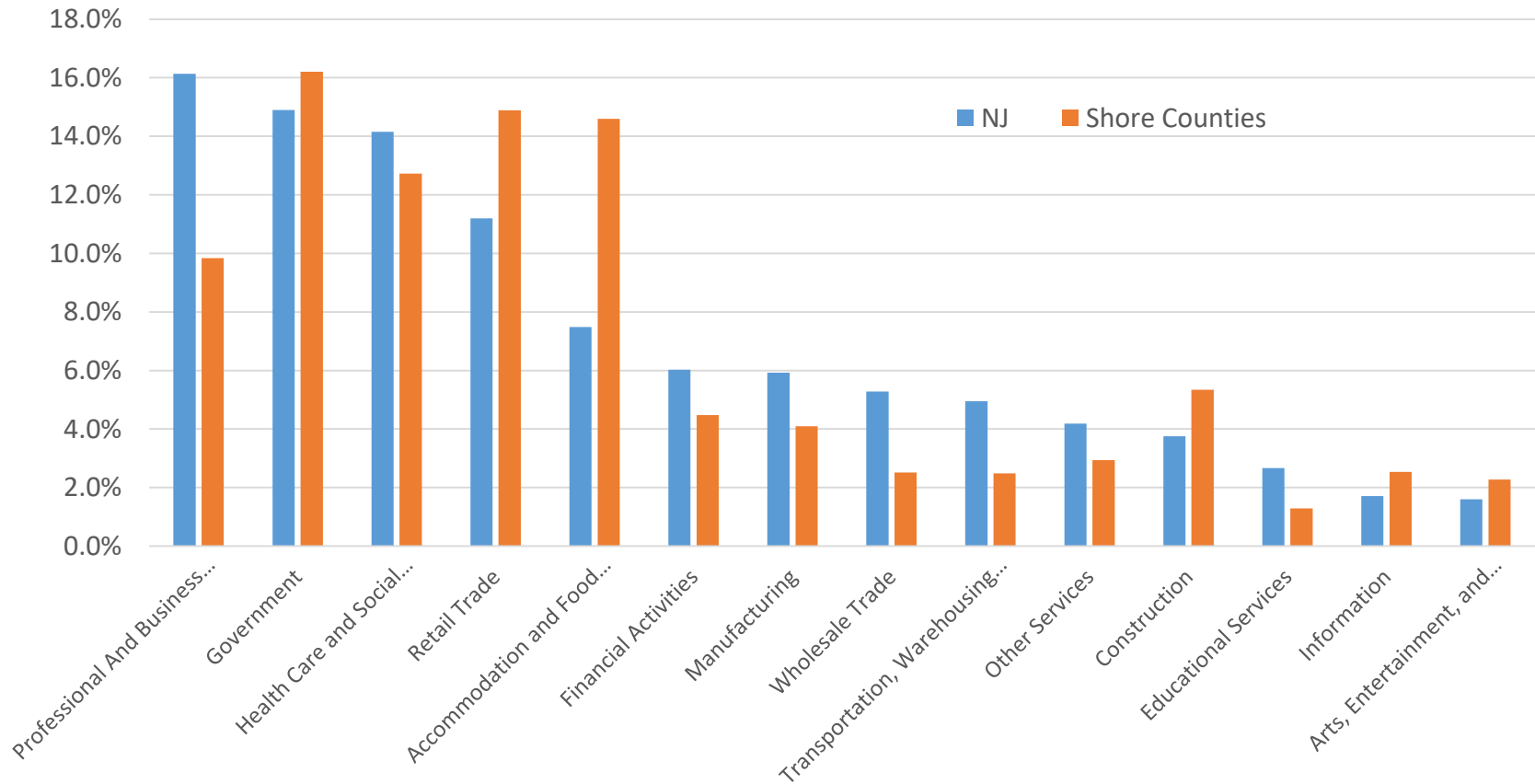
- Most of the municipalities and population of these counties falls in the CMP area
- About 85% of population and employment in those counties
- They account for about 28% of total population in the CMP area
- A total of 590,000 jobs
- 15% of state employment

<b>CMP Population, Ocean Counties</b>			
<b>County</b>	<b>CMP</b>	<b>Total</b>	<b>CMP Share</b>
Atlantic County	241,883	269,918	89.6%
Cape May County	93,553	93,553	100.0%
Monmouth County	423,211	626,351	67.6%
Ocean County	589,400	597,943	98.6%
<b>Total</b>	<b>1,348,047</b>	<b>1,587,765</b>	<b>84.9%</b>

<b>CMP Municipalities, Ocean Counties</b>			
<b>County</b>	<b>CMP</b>	<b>Total</b>	<b>CMP Share</b>
Atlantic County	19	23	82.6%
Cape May County	16	16	100.0%
Monmouth County	42	53	79.2%
Ocean County	32	33	97.0%
<b>Total</b>	<b>109</b>	<b>125</b>	<b>87.2%</b>

# Industry Employment Shares, 2017

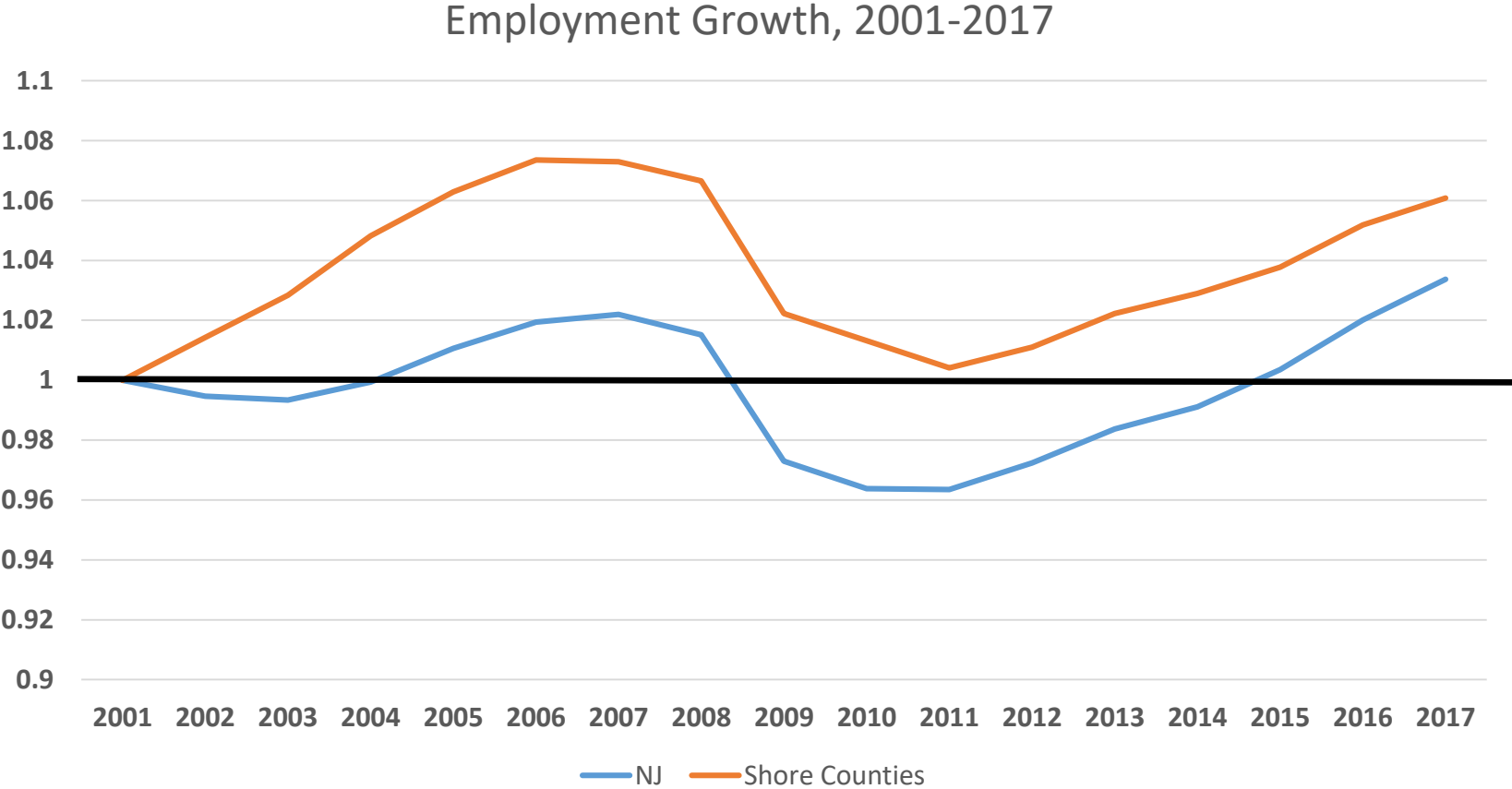
## Industry Shares 2017, NJ and Shore Region



Source: U.S. Bureau of Labor Statistics.



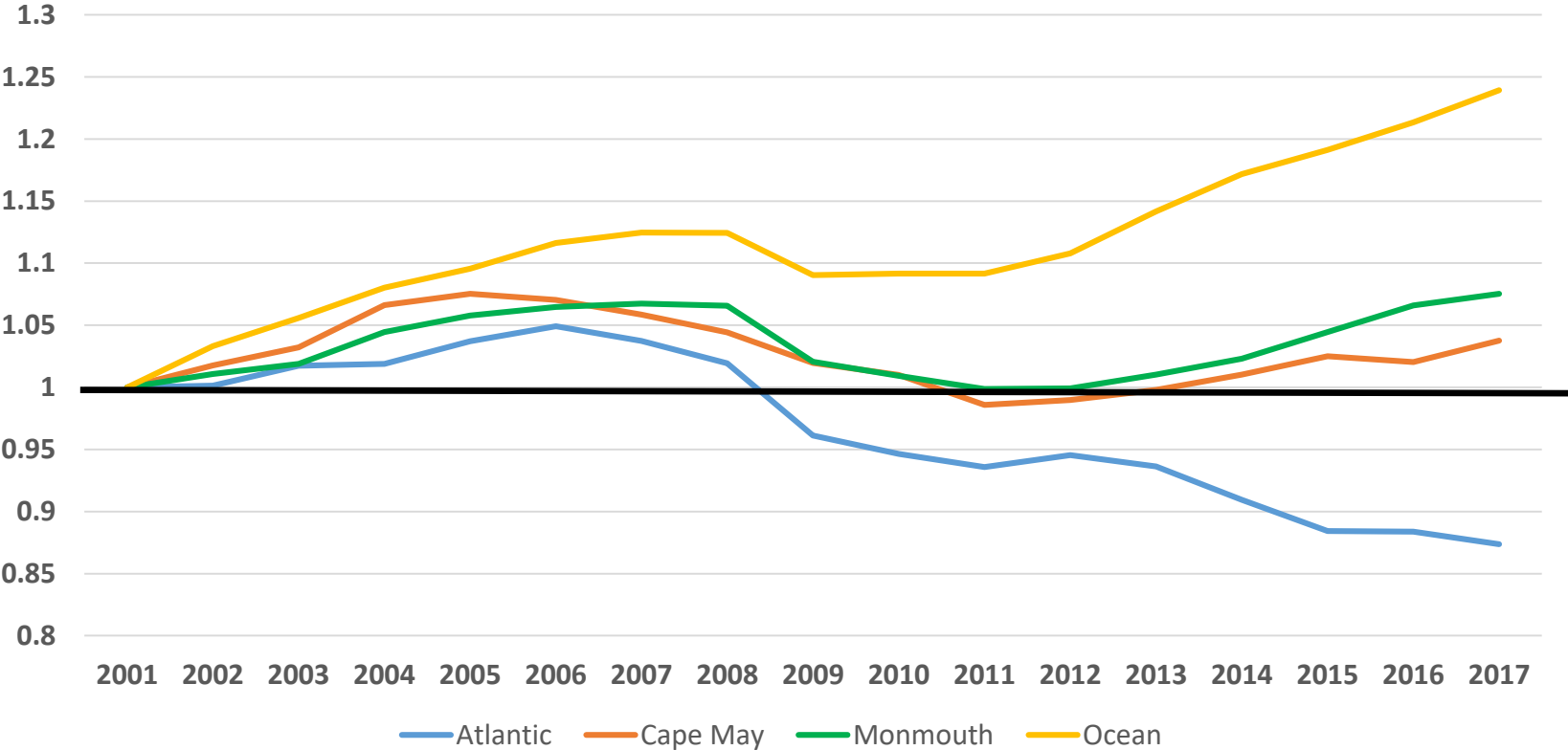
# Shore Counties Employment Growth



Source: U.S. Bureau of Labor Statistics.

# Shore Region Growth by County

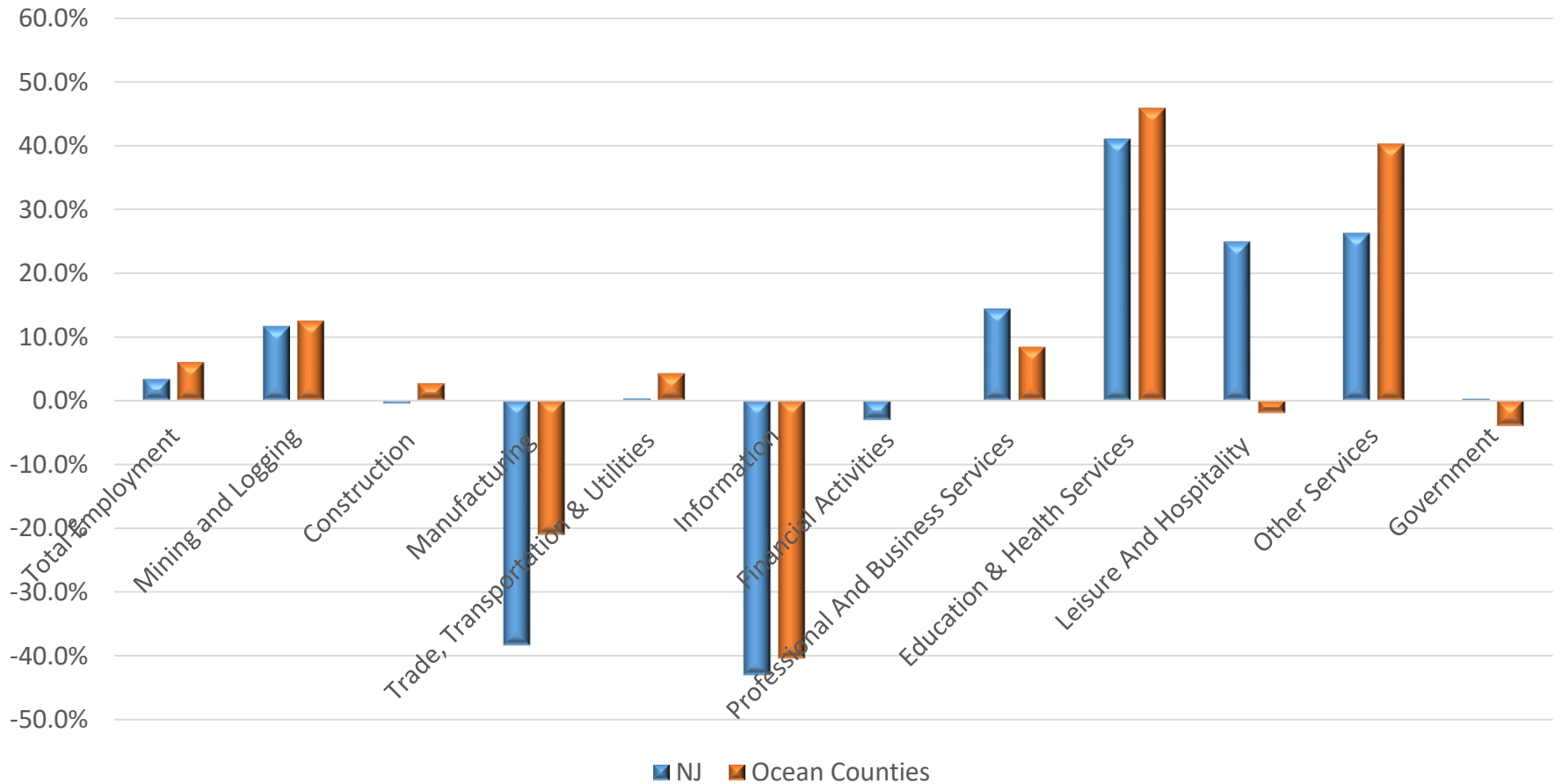
Employment Growth, 2001-2017



Source: U.S. Bureau of Labor Statistics.

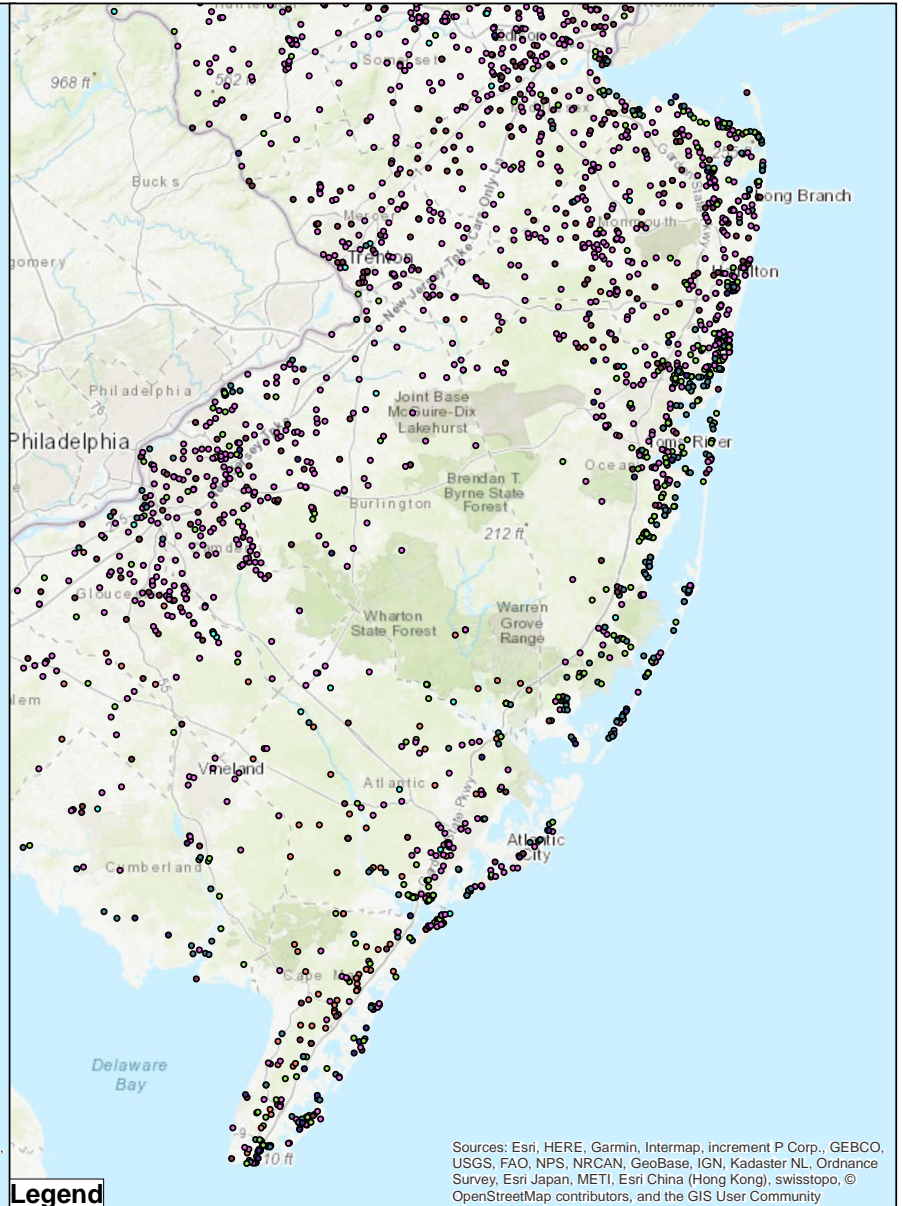
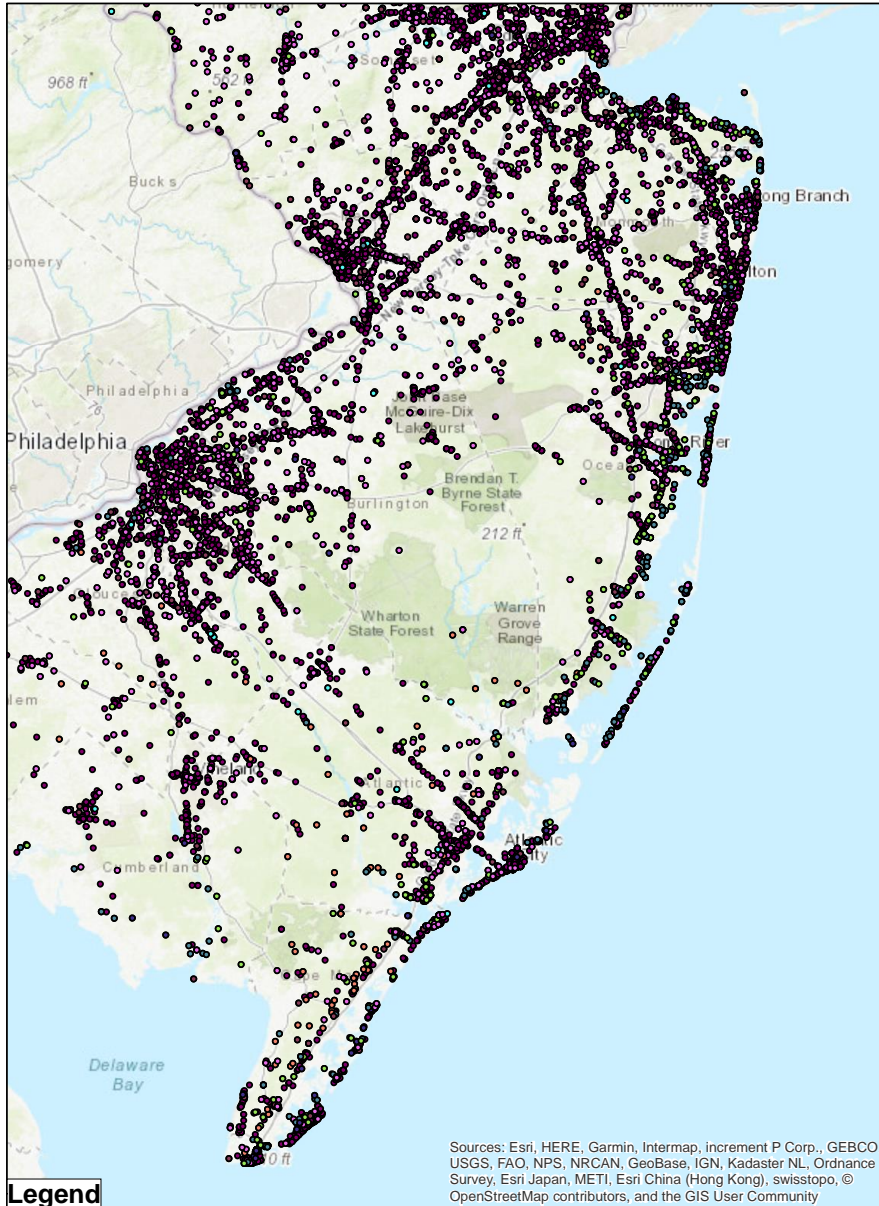
# Employment Change, 2001-2017

## NJ and Shore Region



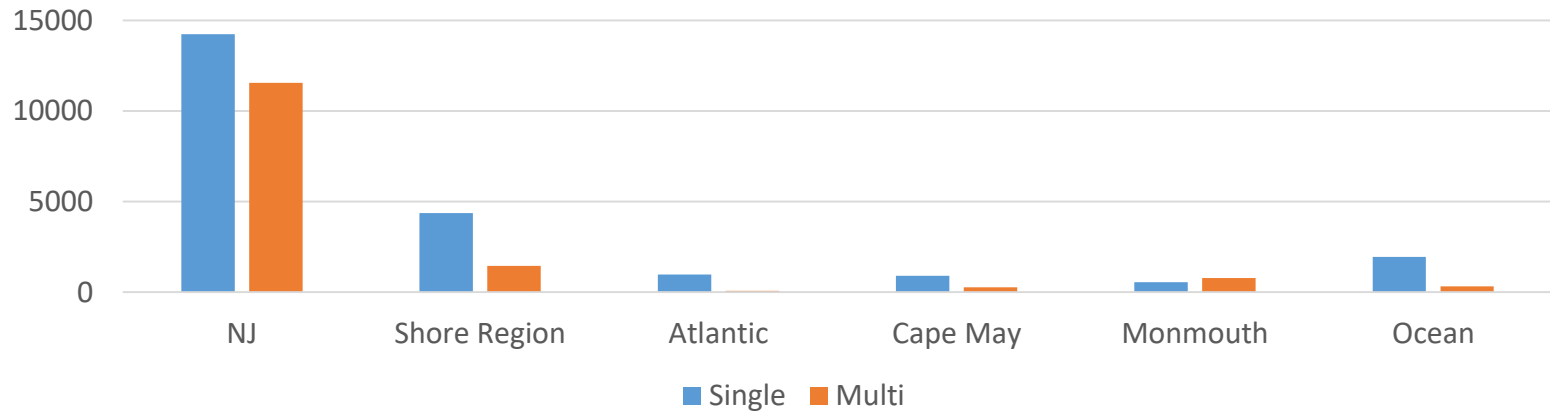
Source: U.S. Bureau of Labor Statistics.

# Tourism and Recreation

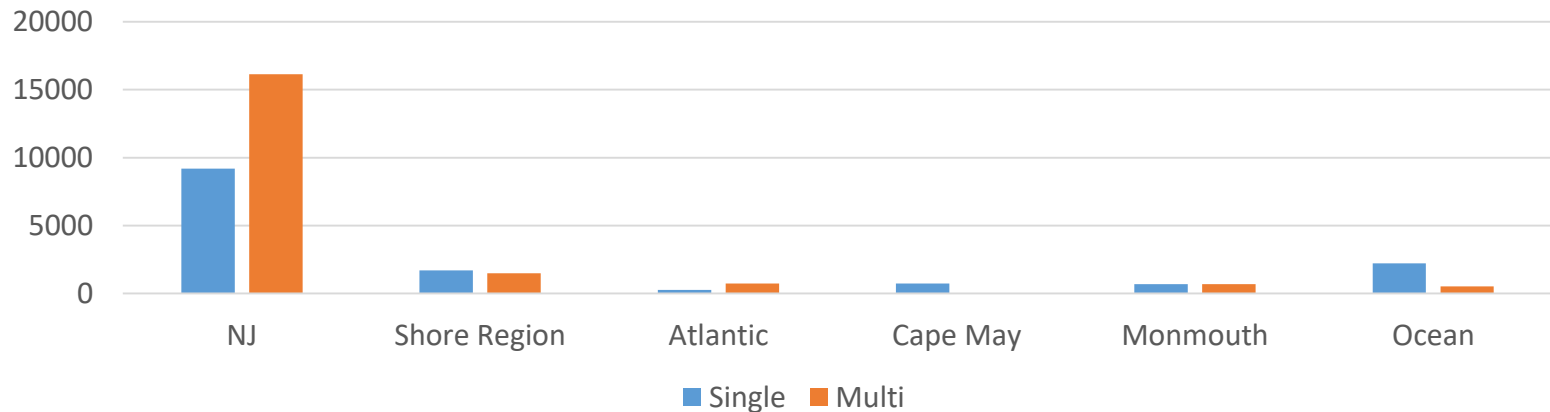


# Housing Development – Shore Counties

## Building Permits, 2007



## Building Permits, 2017



# Hurricane Sandy Property Losses (Total property value in \$ millions)

<b>County</b>	<b>2011</b>	<b>2014</b>	<b>Change</b>	<b>Percent</b>
Atlantic	45,746.0	37,298.3	-8,447.7	-18.5%
Cape May	50,679.7	47,881.7	-2,798.0	-5.5%
Monmouth	75,735.7	74,360.7	-1,375.0	-1.8%
Ocean	95,157.1	86,513.7	-8,643.4	-9.1%
<b>Total</b>	<b>267,318.5</b>	<b>246,054.3</b>	<b>-21,264.2</b>	<b>-8.0%</b>

# Other Value at Risk - Recreation Annual Beach Visitations (2000)

<b>Selected States</b>	<b># of Participants (millions)</b>	<b># of Days (millions)</b>
<b>New Jersey</b>	<b>3.965</b>	<b>40.881</b>
<b>Florida</b>	<b>15.246</b>	<b>177.153</b>
<b>California</b>	<b>12.598</b>	<b>151.429</b>
<b>North Carolina</b>	<b>3.185</b>	<b>27.936</b>
<b>Only Florida, California and Hawaii have more beach days than New Jersey!</b>		

Source: Leeworthy, Vernon and Peter Wiley, "Current Participation Patterns in Marine Recreation," *National Survey on Recreation and the Environment 2000*, National Oceanic and Atmospheric Administration, U.S. Dept. of Commerce, November 2001.

# Annual Value of NJ Beach Visits

<b>Method</b>	<b>\$ Value per Day</b>	<b># of Days (millions)</b>	<b>Annual Value (\$Mln, 2007)</b>
<b>Travel Cost</b>	<b>\$31.45<sup>1</sup></b>	<b>40.881</b>	<b>\$1,286</b>
<b>Contingent Valuation</b>	<b>\$5.36</b>	<b>40.881</b>	<b>\$219</b>

1. New Jersey estimate : Leeworthy and Wiley, "Recreational Use Value for Island Beach State Park," Technical Report, National Oceanic and Atmospheric Administration, Strategic Environmental Assessments Division, Office of Ocean Resources and Conservation, 1991.

2. Massachusetts estimate: Kline and Swallow, "The Demand for Local Access to Coastal Recreation in Southern New England," *Coastal Management*, Vol. 26, Issue 3, July-September 1998.



# Asset Value of New Jersey Beaches

<b>Method</b>	<b>Annual Value (\$Mln, 2007)</b>	<b>Discount Rate</b>	<b>Asset Value (\$Mln, 2007)</b>
<b>Travel Cost</b>	<b>\$1,286</b>	<b>5%</b>	<b>\$25,720</b>
<b>Contingent Valuation</b>	<b>\$219</b>	<b>5%</b>	<b>\$4,380</b>

# North-Central Industrial Counties

- About 50% of the population and employment of these counties falls in the CMP area
- They account for about 54% of total population in the CMP area
- Counties account for about 57% of state employment (2.3 million jobs)

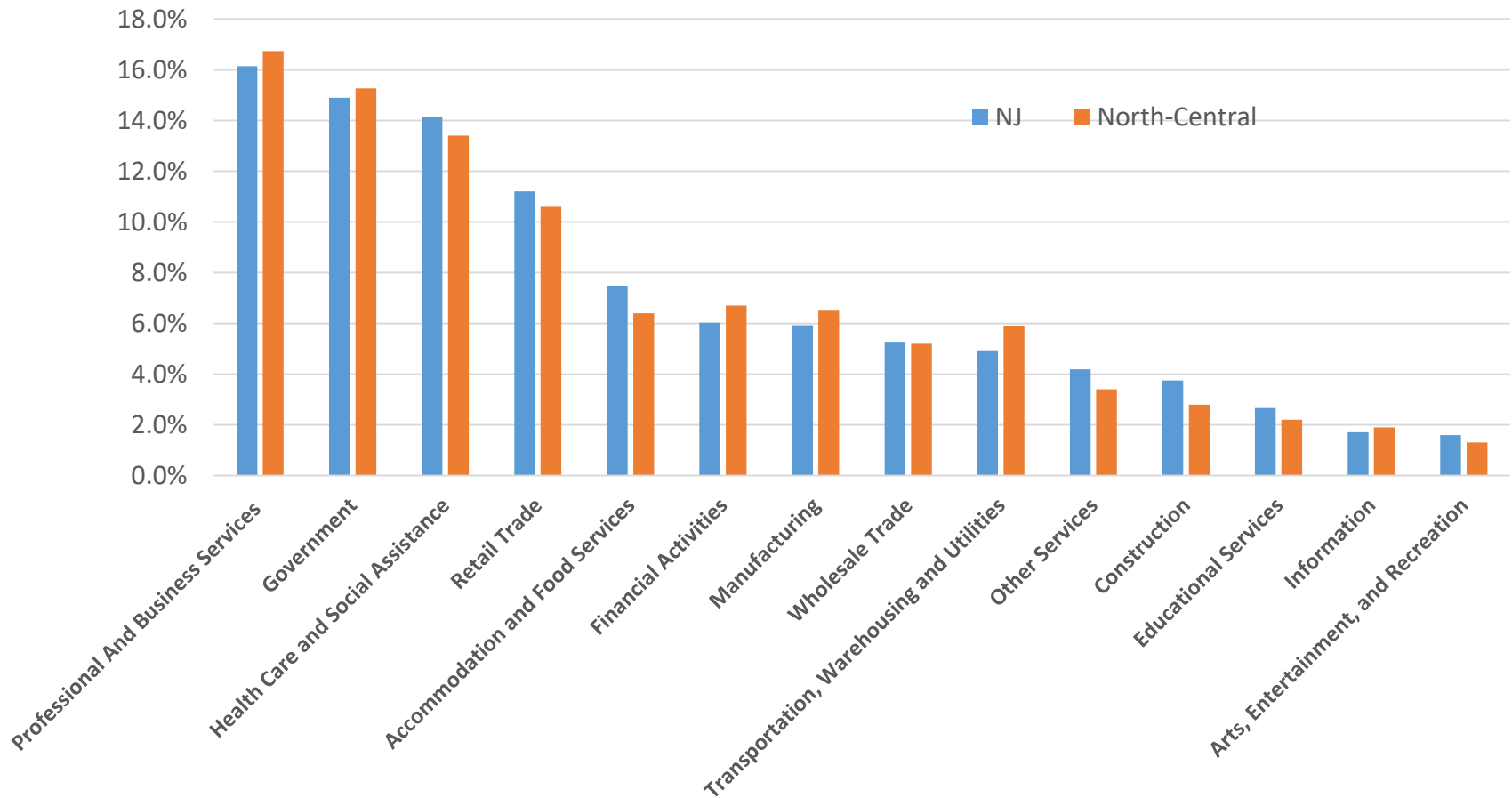
<b>CMP Population, North-Central Industrial Counties</b>			
<b>County</b>	<b>CMP</b>	<b>Total</b>	<b>CMP Share</b>
Bergen County	377,601	948,406	39.8%
Essex County	350,580	808,285	43.4%
Hudson County	621,256	691,643	89.8%
Mercer County	174,042	374,733	46.4%
Middlesex County	596,849	842,798	70.8%
Passaic County	157,854	512,607	30.8%
Somerset County	66,734	335,432	19.9%
Union County	203,402	563,892	36.1%
<b>Total</b>	<b>2,548,318</b>	<b>5,077,796</b>	<b>50.2%</b>

<b>CMP Municipalities, North-Central Industrial Counties</b>			
<b>County</b>	<b>CMP</b>	<b>Total</b>	<b>CMP Share</b>
Bergen County	24	70	34.3%
Essex County	3	22	13.6%
Hudson County	11	12	91.7%
Mercer County	2	12	16.7%
Middlesex County	12	25	48.0%
Passaic County	2	16	12.5%
Somerset County	1	21	4.8%
Union County	3	21	14.3%
<b>Total</b>	<b>58</b>	<b>199</b>	<b>29.1%</b>

Source: U.S. Census Bureau.

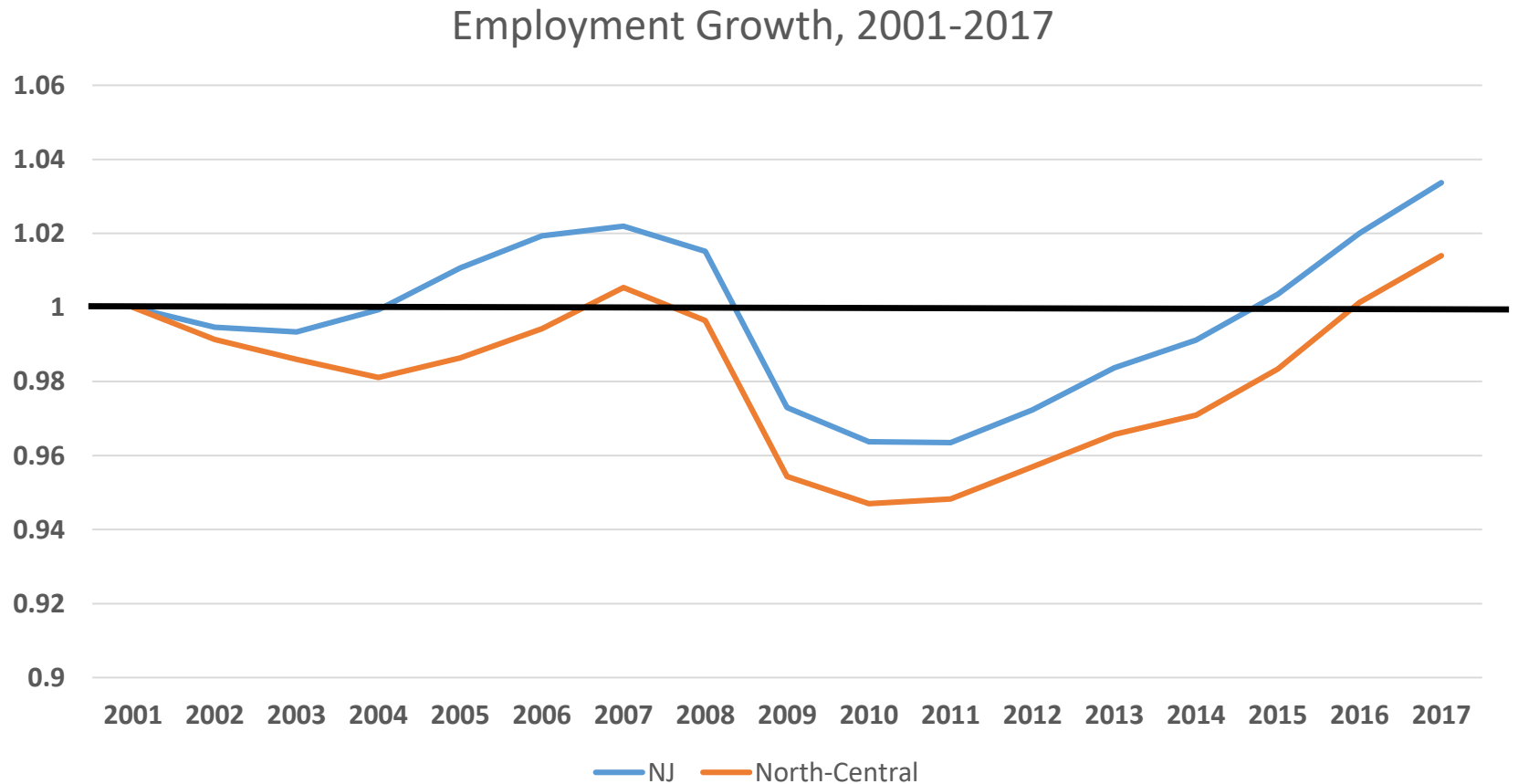
# Industry Employment Shares, 2017

Industry Shares 2017, NJ and North-Central Region



Source: U.S. Bureau of Labor Statistics.

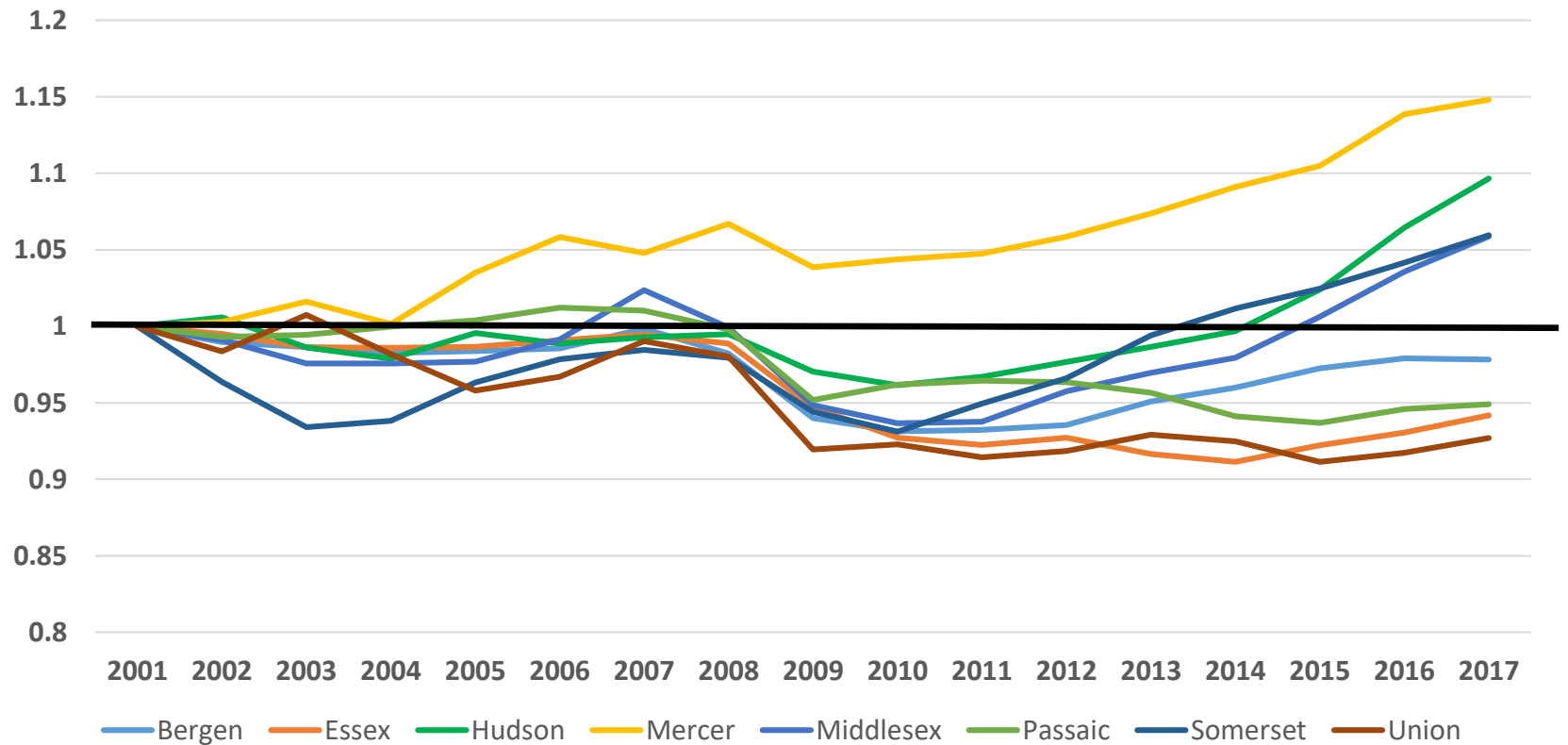
# North-Central Counties Employment Growth



Source: U.S. Bureau of Labor Statistics.

# North-Central Region Growth by County

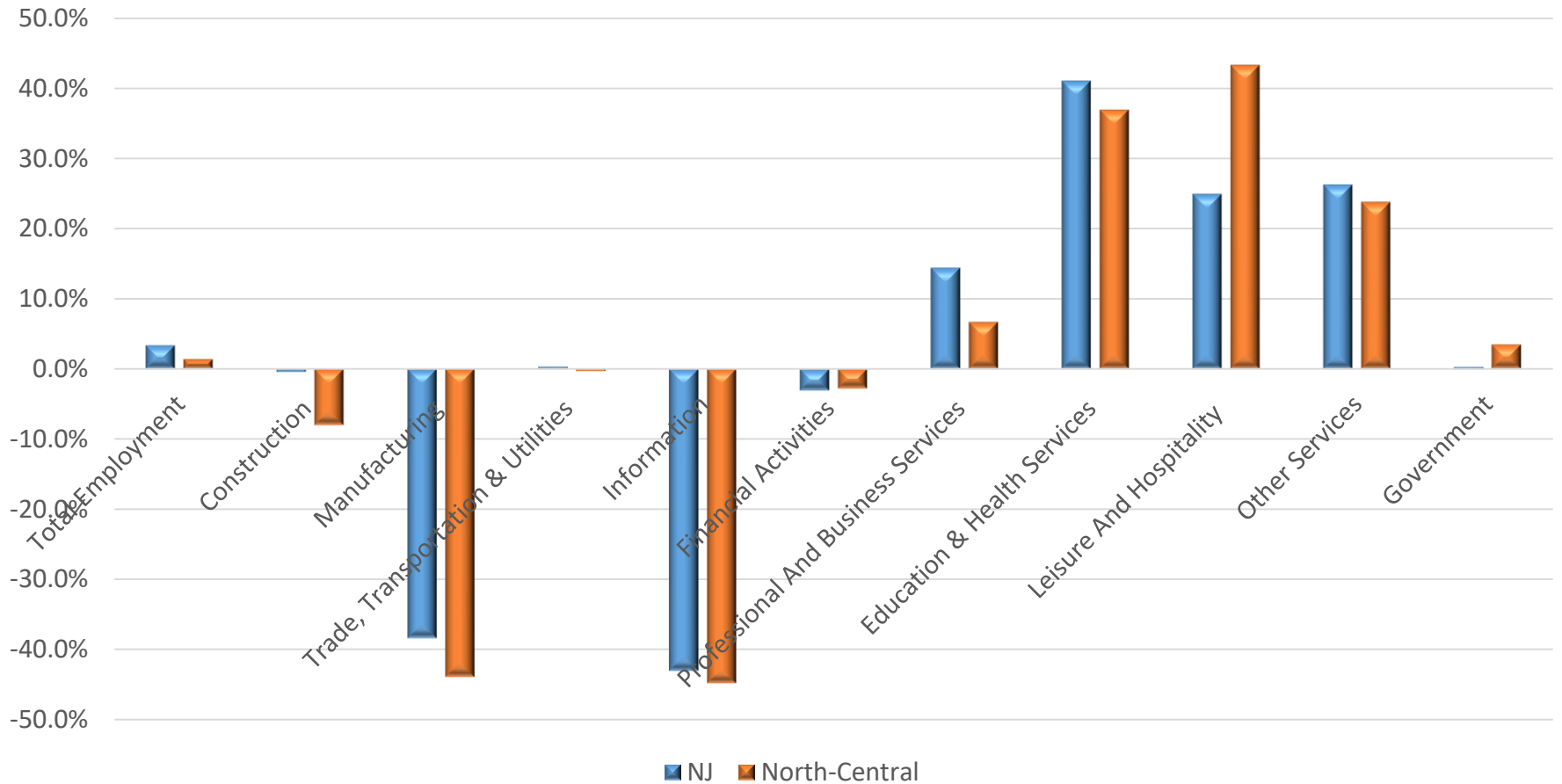
Employment Growth, 2001-2017



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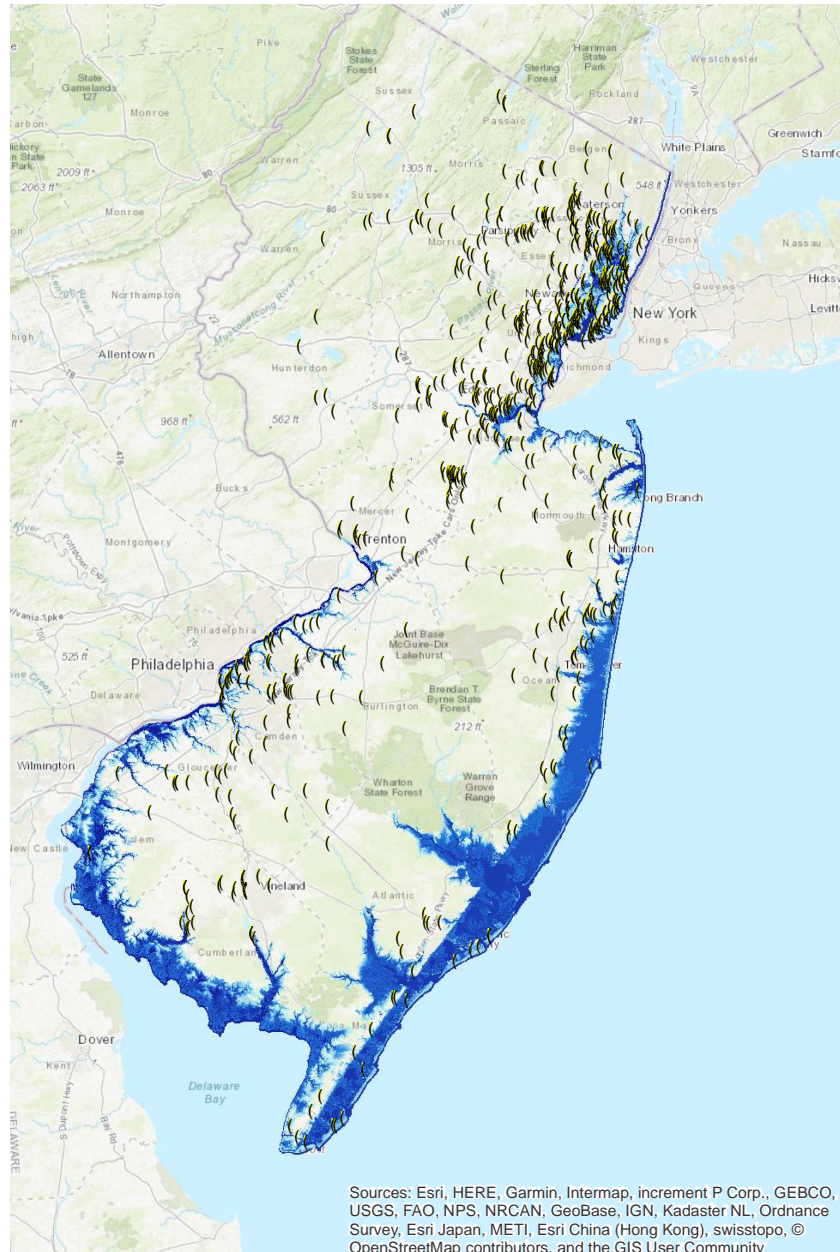
# Employment Change, 2001-2017

## NJ and North-Central Region



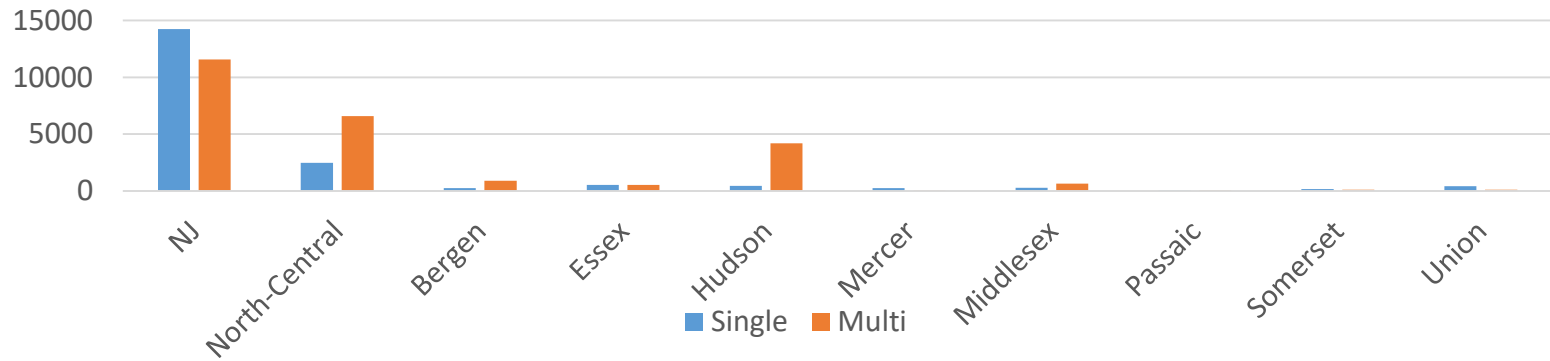
Source: U.S. Bureau of Labor Statistics.

# Location of Marine Transportation Industry

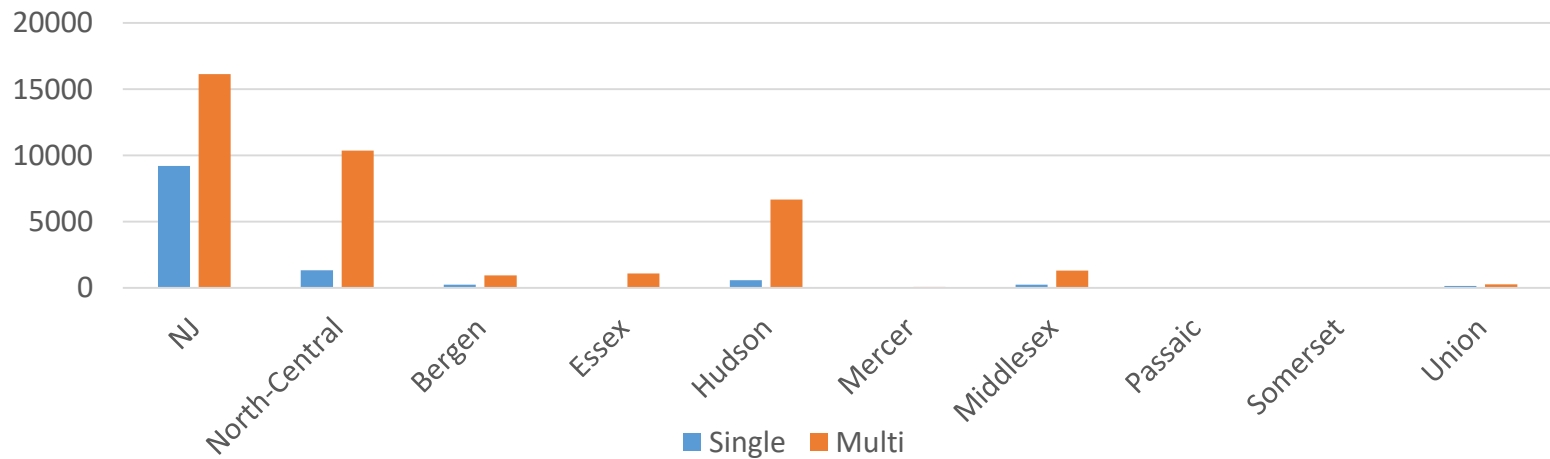


# Housing Development – North-Central Region

## Building Permits, 2007



## Building Permits, 2017





# Delaware Bay Counties

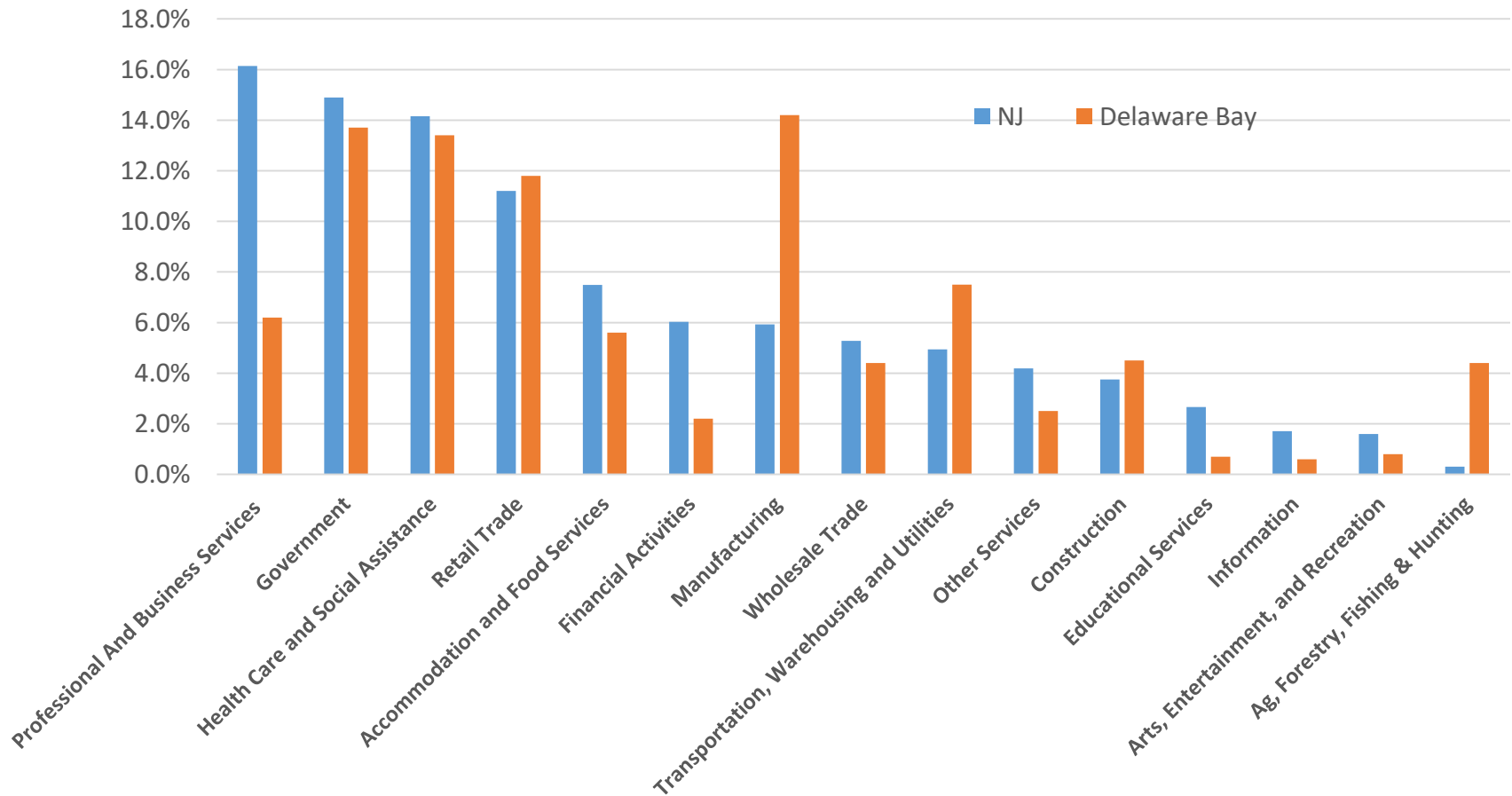
- About 62% of the population of these counties falls in the CMP area, but only about 50% of employment
- They account for about 3% of total population in the CMP area
- Counties account for about 2% of state employment (80,000 jobs)

<b>CMP Population, Delaware Bay Counties</b>			
<b>County</b>	<b>CMP</b>	<b>Total</b>	<b>CMP Share</b>
Cumberland County	88,592	152,538	58.1%
Salem County	45,802	62,792	72.9%
<b>Total</b>	<b>134,394</b>	<b>215,330</b>	<b>62.4%</b>

<b>CMP Municipalities, Delaware Bay Counties</b>			
<b>County</b>	<b>CMP</b>	<b>Total</b>	<b>CMP Share</b>
Cumberland County	11	14	78.6%
Salem County	11	15	73.3%
<b>Total</b>	<b>22</b>	<b>29</b>	<b>75.9%</b>

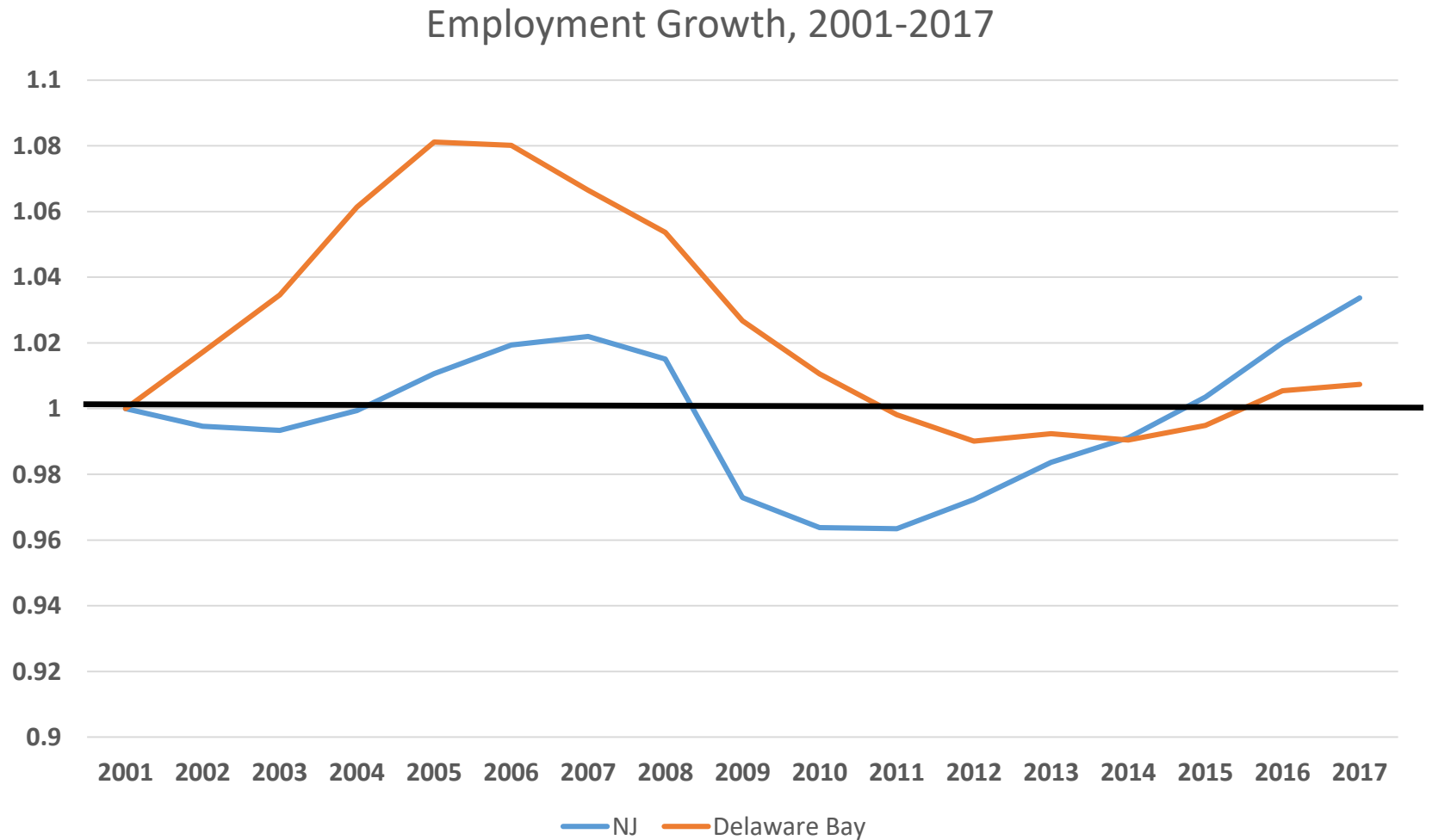
# Industry Employment Shares, 2017

Industry Shares 2017, NJ and Delaware Bay Region



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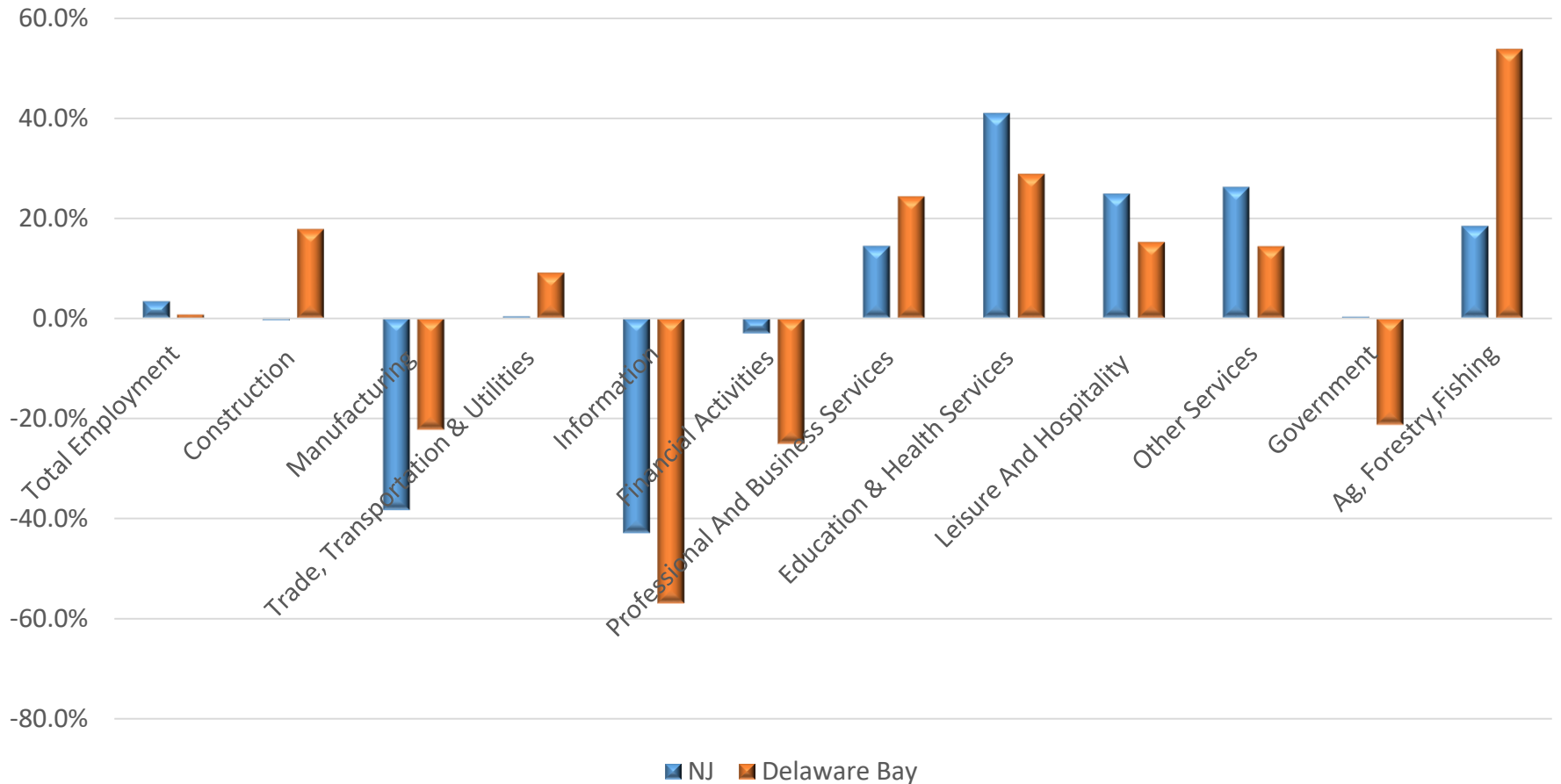
# Delaware Bay Counties Employment Growth



Source: U.S. Bureau of Labor Statistics.

# Employment Change, 2001-2017

## NJ and Delaware Bay Region



Source: U.S. Bureau of Labor Statistics.

# Delaware River Counties

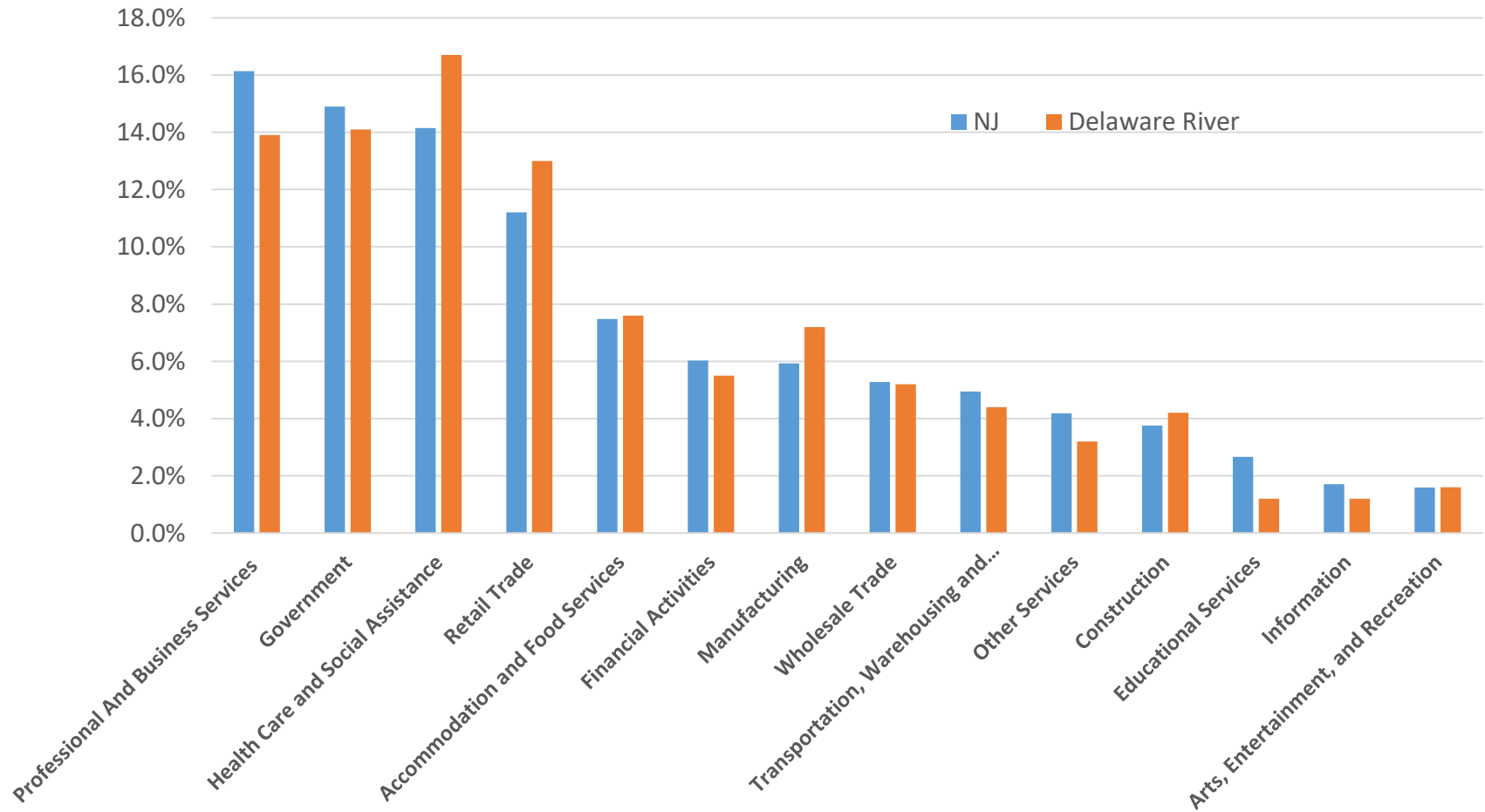
- About 58% of the population of these counties falls in the CMP area and 66% of employment.
- They account for about 15% of total population in the CMP area
- Counties account for about 13% of state employment (516,000 jobs)

<b>CMP Population, Delaware River Counties</b>			
<b>County</b>	<b>CMP</b>	<b>Total</b>	<b>CMP Share</b>
Burlington County	300,001	448,596	66.9%
Camden County	301,547	510,719	59.0%
Gloucester County	124,295	292,206	42.5%
<b>Total</b>	<b>725,843</b>	<b>1,251,521</b>	<b>58.0%</b>

<b>CMP Municipalities, Delaware River Counties</b>			
<b>County</b>	<b>CMP</b>	<b>Total</b>	<b>CMP Share</b>
Burlington County	27	40	67.5%
Camden County	11	37	29.7%
Gloucester County	12	24	50%
<b>Total</b>	<b>50</b>	<b>101</b>	<b>49.5%</b>

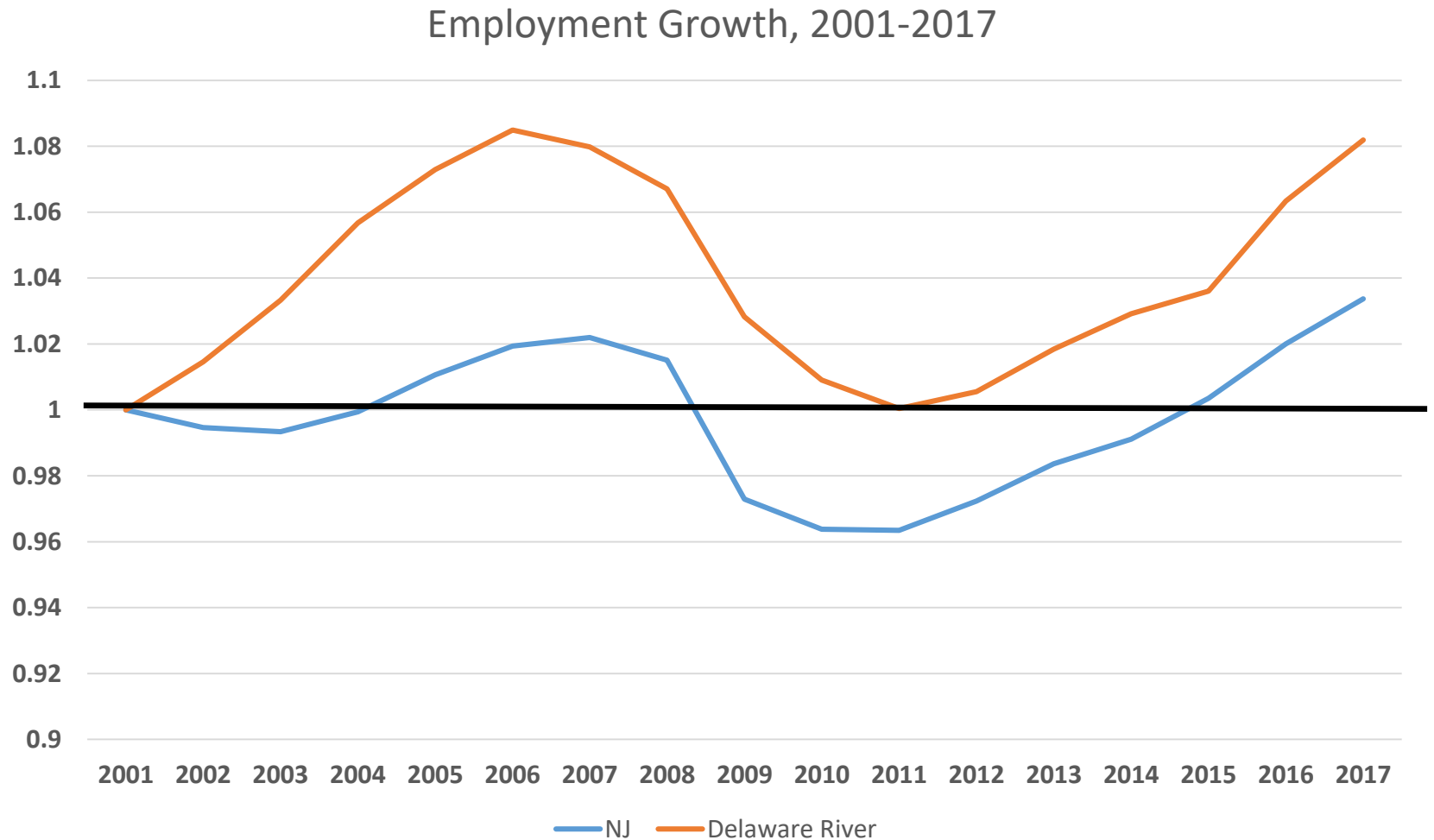
# Industry Employment Shares, 2017

## Industry Shares 2017, NJ and Delaware River Region



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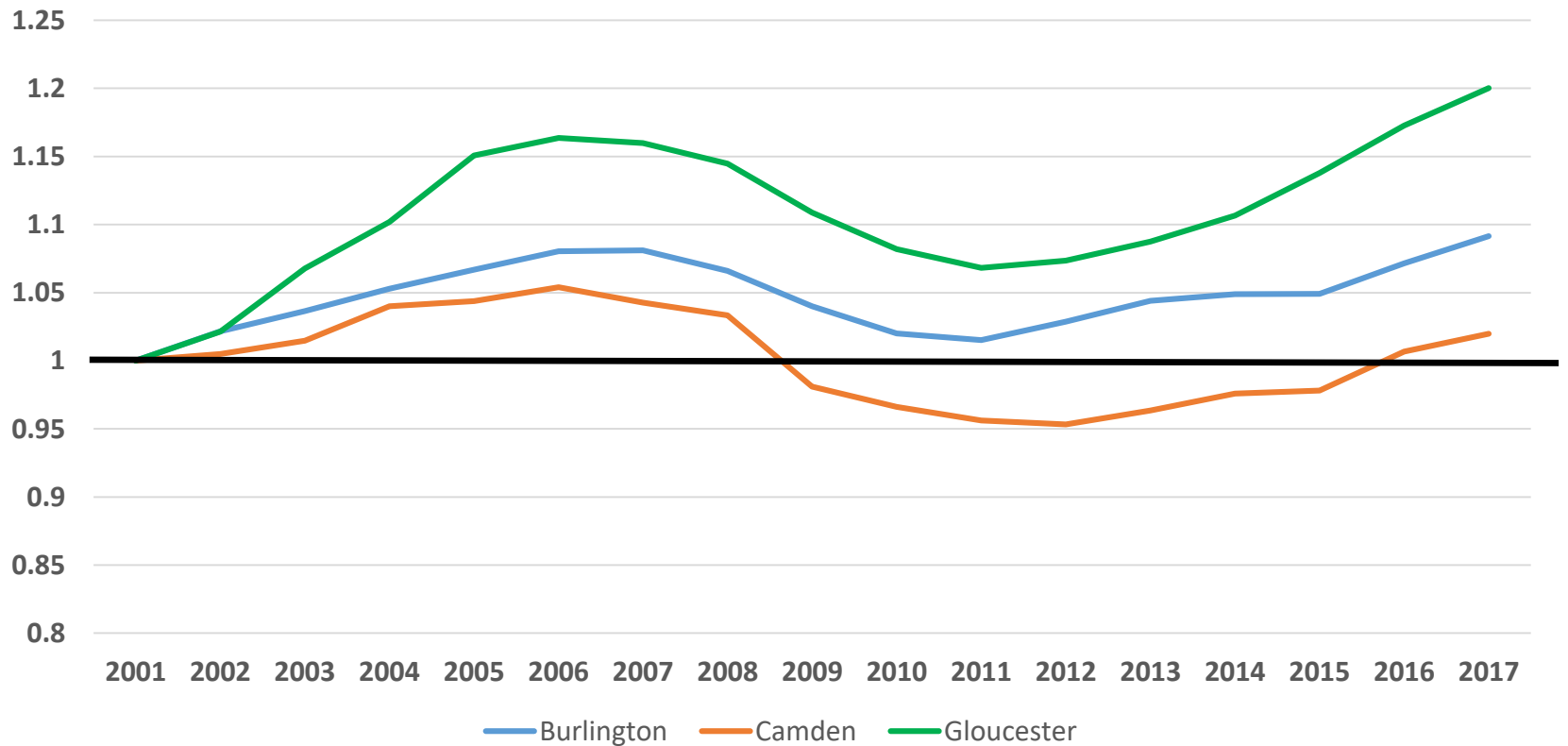
# Delaware River Counties Employment Growth



Source: U.S. Bureau of Labor Statistics.

# River Region Growth by County

Employment Growth, 2001-2017

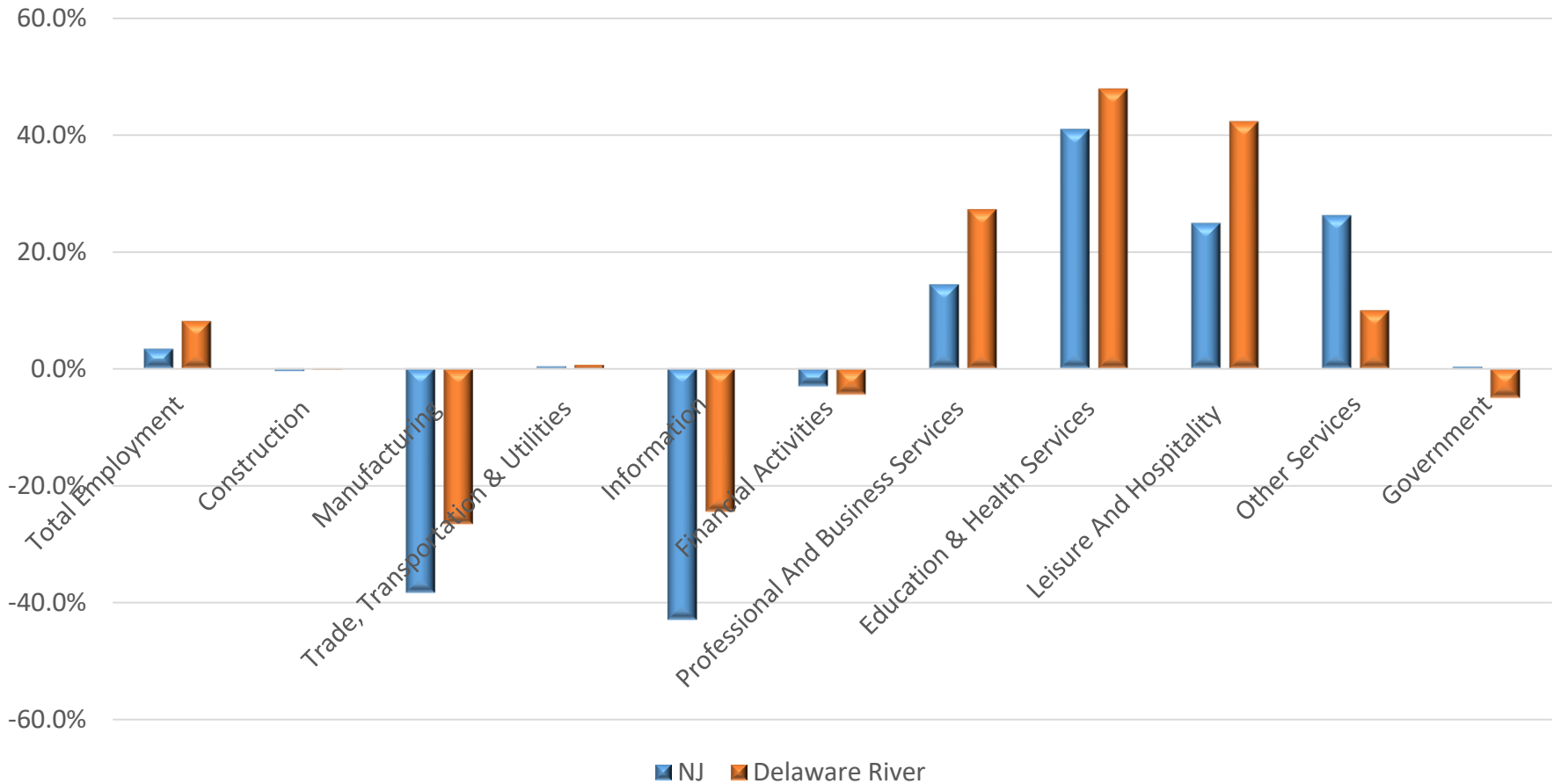


Source: U.S. Bureau of Labor Statistics.



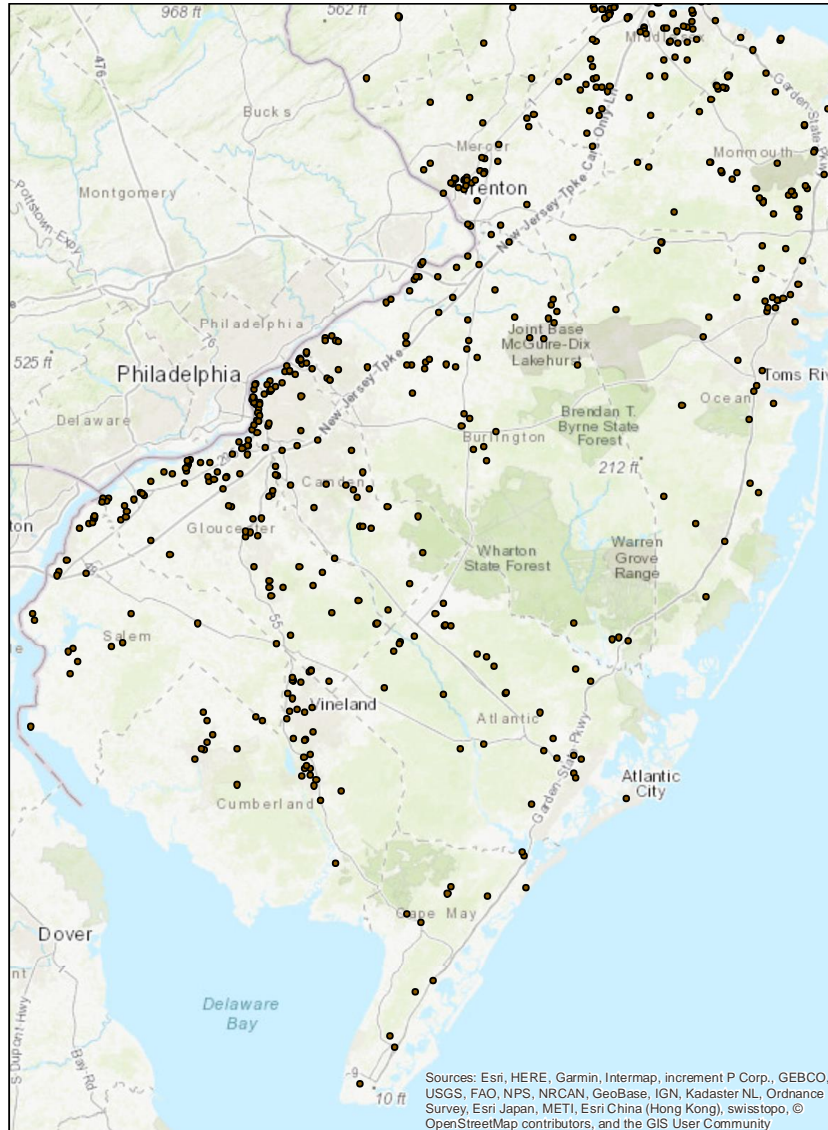
# Employment Change, 2001-2017

## NJ and Delaware River Region



Source: U.S. Bureau of Labor Statistics.

# Industrial/Manufacturing Establishments



# State Outlook

- Slower employment and population growth than the U.S. over the next ten years
- Good outlook for 2018 – likely to be stronger than our current forecast due to casino reopenings
- Slowing in 2019
- Recession looming in national 2020 forecast
  
- Most NJ growth concentrated in services
- Some in transportation/warehousing and retail trade.
- Stasis in goods-producing industries