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PINELANDS EXCELLENCE PROGRAM  
EGG HARBOR TOWNSHIP COMMUNITY VISION PLAN

COMMUNITY NOTEBOOK

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## Economic Analysis

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Pinelands Commission Staff Economist

☞ **PLEASE NOTE** ☞

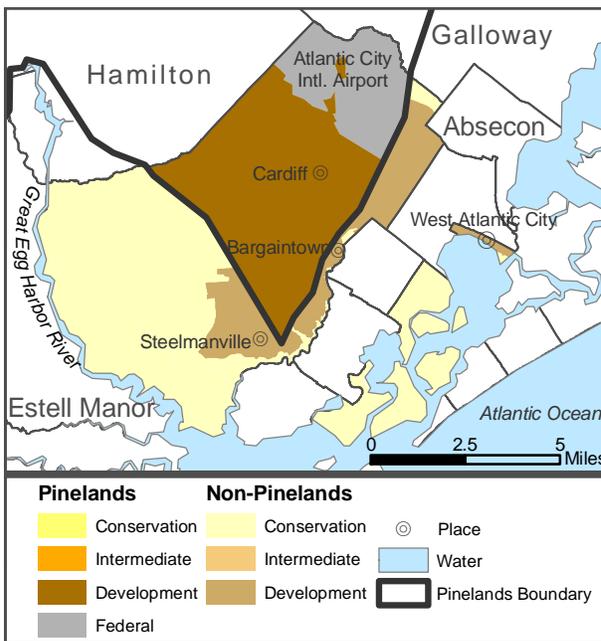
*All dollar amounts in the following tables and graphs have been adjusted using the Consumer Price Index and are expressed in 2004 dollars. As a result, any increases or decreases shown are expressed in what economists call “real” terms. By using the CPI, inflation is already taken into account. This allows for comparison across time, especially over larger periods where prices are likely to fluctuate and the purchasing power of the dollar will inevitably change.*

## Egg Harbor Township, Atlantic County

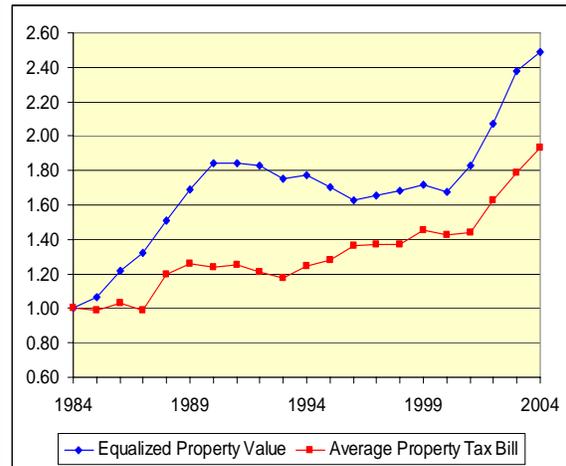
% of Population in Pinelands: 53% (16,209 residents / 30,726 total)

% of Housing Units in Pinelands: 51% (6,169 units / 12,067 total)

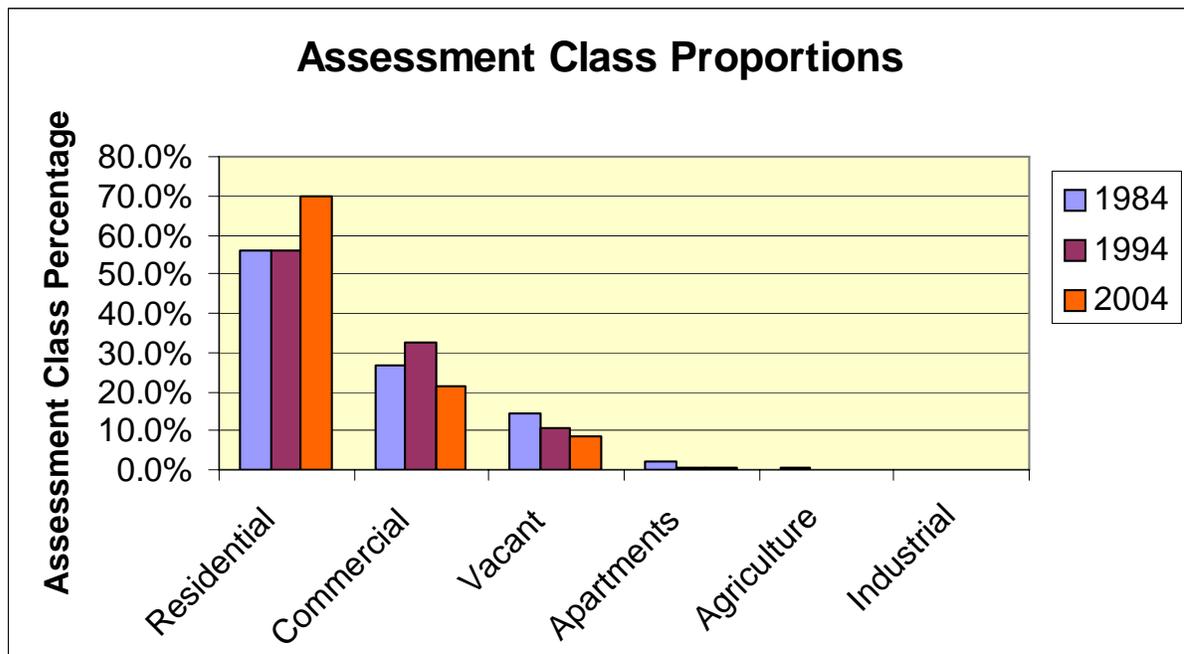
% of Area in Pinelands: 38% (18,148 acres / 48,444 total)



**Property Value and Tax Indices (1984 = 1.00)**



Preserve	Forest	Ag Prod	Special Ag Prod	Rural Dev	Regional Growth	Pine Town	Pine Village	Military & Federal	
					79%			21%	
				Municipal Value	South Jersey Municipal Avg	South Jersey Municipal Rank			
Population Estimate 2003				35,061	11,637	17 <sup>th</sup>			
Population Density 2003				521.2	1,982.2	135 <sup>th</sup>			
Population Change 1993 – 2003				43.8%	5.7%	10 <sup>th</sup>			
Land Area (sq miles) 2000				67.4	18.0	12 <sup>th</sup>			
% Land State Owned/Non-Profit 2005				4.0%	8.1%	62 <sup>nd</sup>			
Assessed Acres of Farmland 2002				2,141	2,577	63 <sup>rd</sup>			
Building Permits 2004				619	68	2 <sup>nd</sup>			
Residential Housing Transactions 2004				697	211	14 <sup>th</sup>			
<b>Median Sale Price of Homes 2004</b>				\$170,000	\$163,000	91 <sup>st</sup>			
Equalized Value of Property 2004 (Million \$)				\$2,654.2	\$995.7	17 <sup>th</sup>			
Effective Tax Rate 2004				2.41	2.62	127 <sup>th</sup>			
Average Residential Property Tax Bill 2004				\$3,911	\$3,964	82 <sup>nd</sup>			
Per Capita Income 2000 (in 2004 dollars)				\$24,494	\$26,123	100 <sup>th</sup>			
Unemployment Rate 2004				5.7%	5.2%	92 <sup>nd</sup>			
Establishments 2002	Agric	Mining	Constru	Manufac	Wholsal & Retail	Utils & Trans	Services	Public	UnClass
578	<1%		16%	2%	25%	3%	49%	4%	1%
Assessment Class Proportions in Municipal Valuations 2004			Vacant	Residential	Agricultural	Commercial	Industrial	Apartment	
			9%	70%		21%			

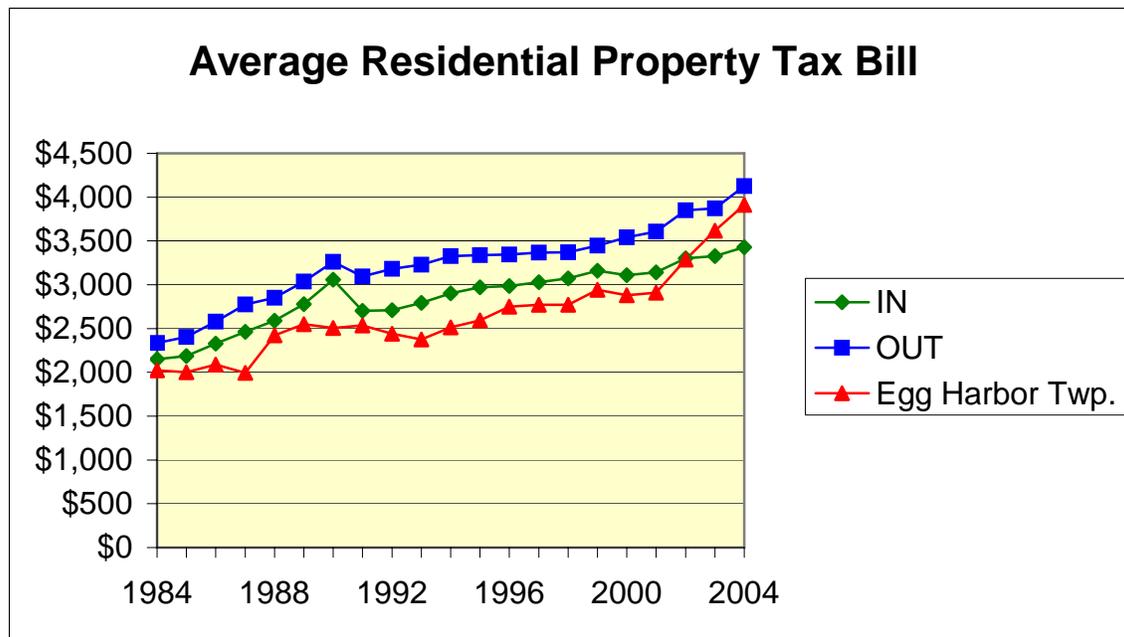


Source: NJ Dept. of Community Affairs – Division of Local Government Services

The relative contribution of different tax assessment classes to the tax revenue of a municipality measures the reliance of the municipality on different types of land uses for tax revenues.

In the period from 1984-1994, Egg Harbor Township experienced a slight shift from the 4 smallest classes (vacant land, apartments, agriculture and industry) to commercial uses. During this period, the percentage for the residential category remained constant at 56%.

In the past ten years, there has been a substantial shift towards reliance on residential properties (an increase from 56% to 70%) and a marked decrease in the relative importance on commercial properties (a decrease from 32% to 21%). This trend towards a higher reliance on the residential category in the past decade is also apparent when categorizing municipalities into Pinelands, Non-Pinelands, and the rest of the state as a whole. However, the shift in Egg Harbor Township has been much more pronounced in this regard.



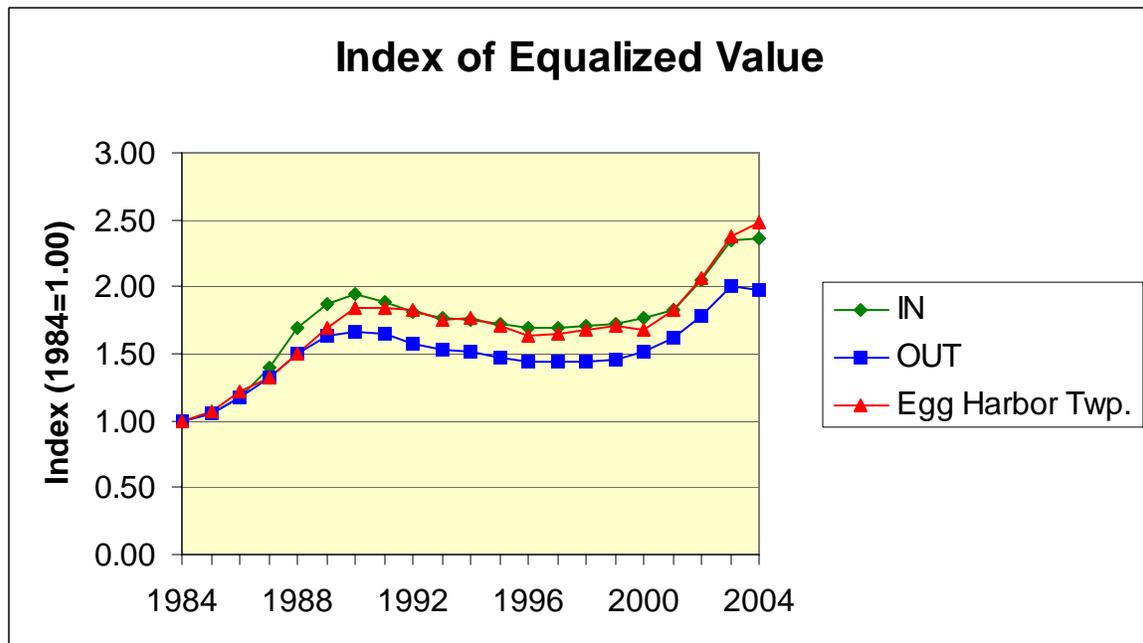
Source: NJ Dept. of Community Affairs – Division of Local Government Services<sup>1</sup>

The average residential property tax bill has consistently been lower in the Pinelands than the rest of South Jersey over the entire period from 1984-2004. In fact, the gap between the outside and inside municipalities has been widening over that period.

Though it has experienced rapid population growth in the past decade, Egg Harbor Township had a lower average tax bill than the remainder of the Pinelands communities from 1984-2002. In 2003 and 2004, Egg Harbor Township passed the average of the Pinelands communities, but it is still below the average of the remainder of South Jersey.

In comparison to the state as a whole, Egg Harbor Township's average property tax bill in 2004 (\$3,911) was \$1,602 below the state average of \$5,513.

<sup>1</sup> In this and all subsequent charts, "IN" refers to the 47 communities in the eight southernmost counties of New Jersey (Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean, and Salem) that have 10% or more of their land area within the Pinelands boundary. The "OUT" category is comprised of the remaining 155 municipalities in South Jersey with 90% or more of their land area outside of the Pinelands boundary.

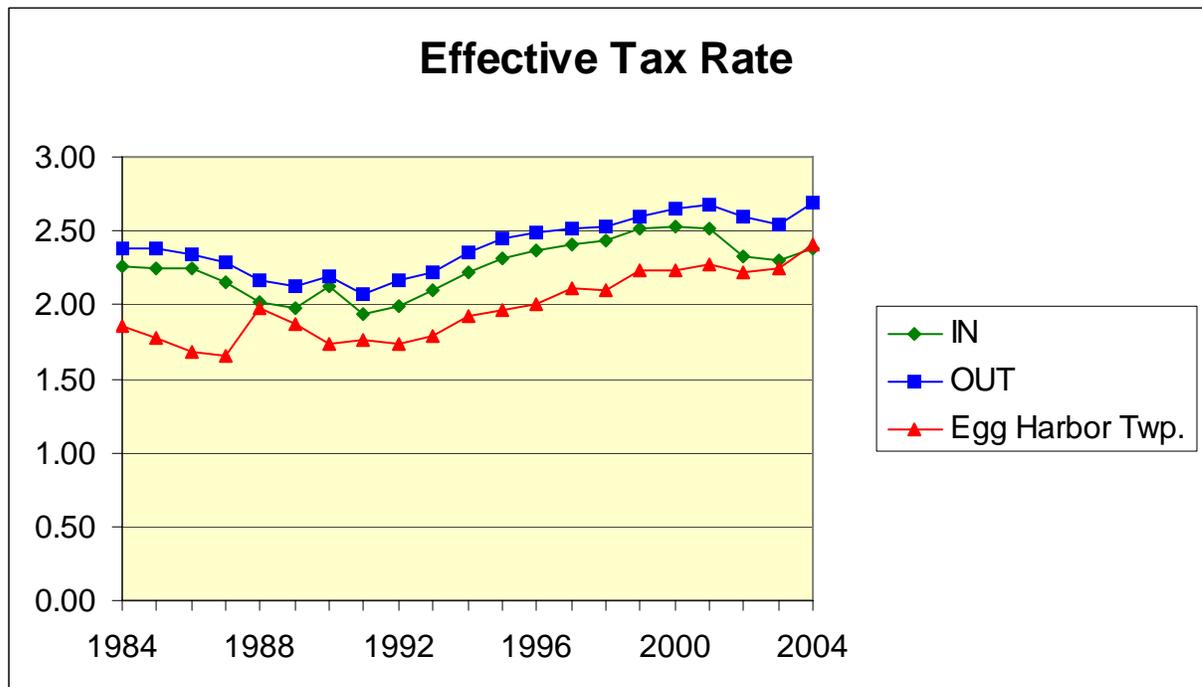


Source: NJ Dept. of Community Affairs – Division of Local Government Services

Equalized property value is the total assessed value of all property in a municipality adjusted for municipal biases in assessment in order to make values across all municipalities uniform for the purposes of comparison.

The chart above illustrates the percentage increase in property valuation over the previous 20-year period from 1984-2004. The Pinelands communities have significantly outperformed the rest of South Jersey over the period, posting a real increase over the period of 137%. The remainder of South Jersey increased 98% over the same period.

Egg Harbor Township has generally mirrored the increase of the rest of the Pines, pulling slightly ahead over the past few years. Since 1984, Egg Harbor Township has showed a real property value increase of 149%. (Note that these increases are after inflation is accounted for and therefore represent real increases)



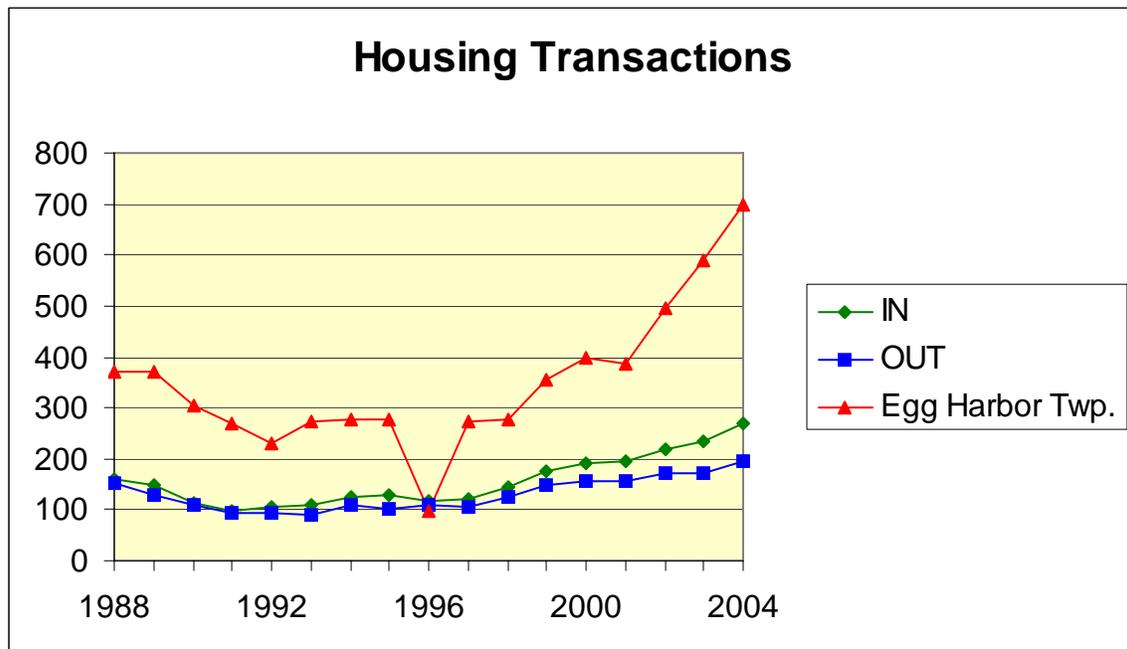
Source: NJ Dept. of Community Affairs – Division of Local Government Services

The effective tax rate<sup>2</sup> measures the ratio of taxes to equalized property value. By using equalized property value, local assessment biases are eliminated and the resulting tax rates are directly comparable and in line with market property values.

The Pinelands has had lower effective tax rates than the rest of South Jersey over the entire period from 1984-2004. In fact, in the past few years that gap has begun to increase.

From 1984 to 1996, Egg Harbor Township had an effective tax rate below \$2.00 (per \$1,000 equalized assessed value). In fact, Egg Harbor Township's effective tax rate has been lower than the Pinelands every year since 1984, with the exception of last year (\$2.41 for EHT, \$2.39 for the Pines).

<sup>2</sup> In 2004, EHT's actual property tax rate was 3.184 per \$1,000 assessed value. The assessed value of property in the Township was 75.8% of true market value. Therefore, the effective tax rate computes to 2.413 per \$1,000 **equalized** assessed value ( $3.184 \times .7580 = 2.413$ ). Effective tax rates allow comparisons across municipalities by eliminating assessment bias, and also across time so that the exact date of the last property assessment becomes irrelevant.

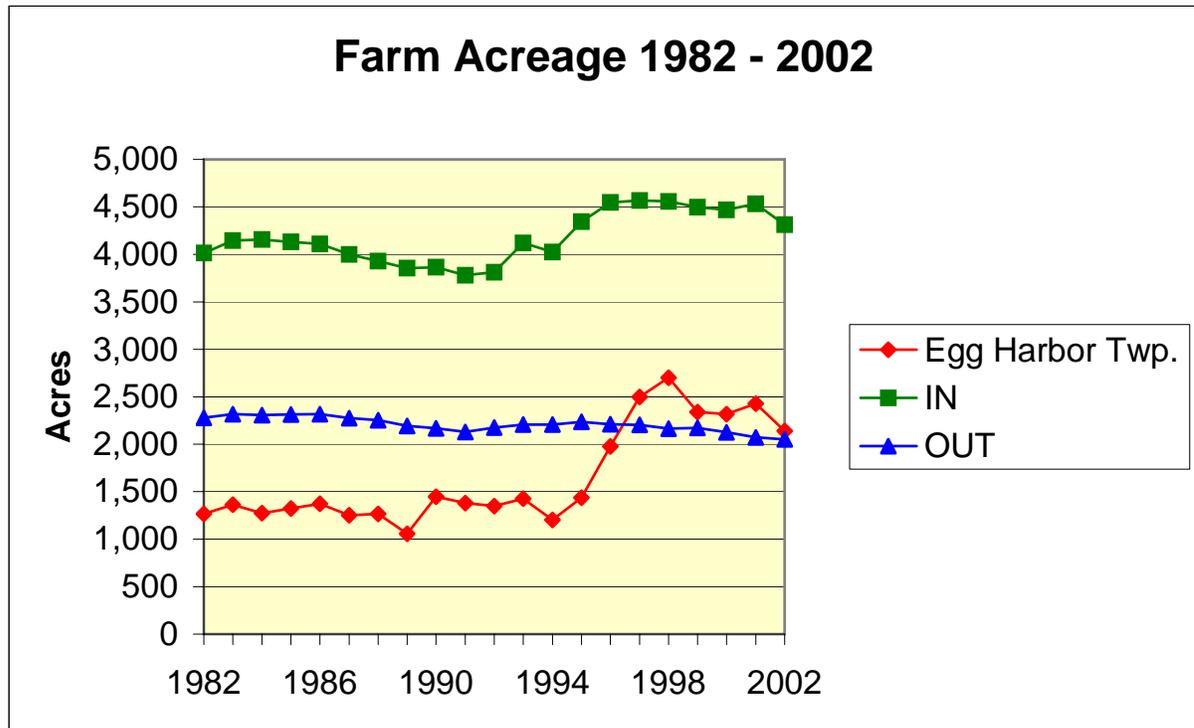


Source: NJ Dept of the Treasury – Division of Taxation

The number of homes sold annually in each municipality is derived from useable sales data compiled by the New Jersey Department of Treasury.

From 1988-1998, the Pinelands and Non-Pinelands communities had essentially the same average numbers of home sales. Since 1998, the real estate market has risen dramatically. However, over that period, the Pinelands has shown a larger increase than the rest of South Jersey. Median sales prices have mirrored this trend.

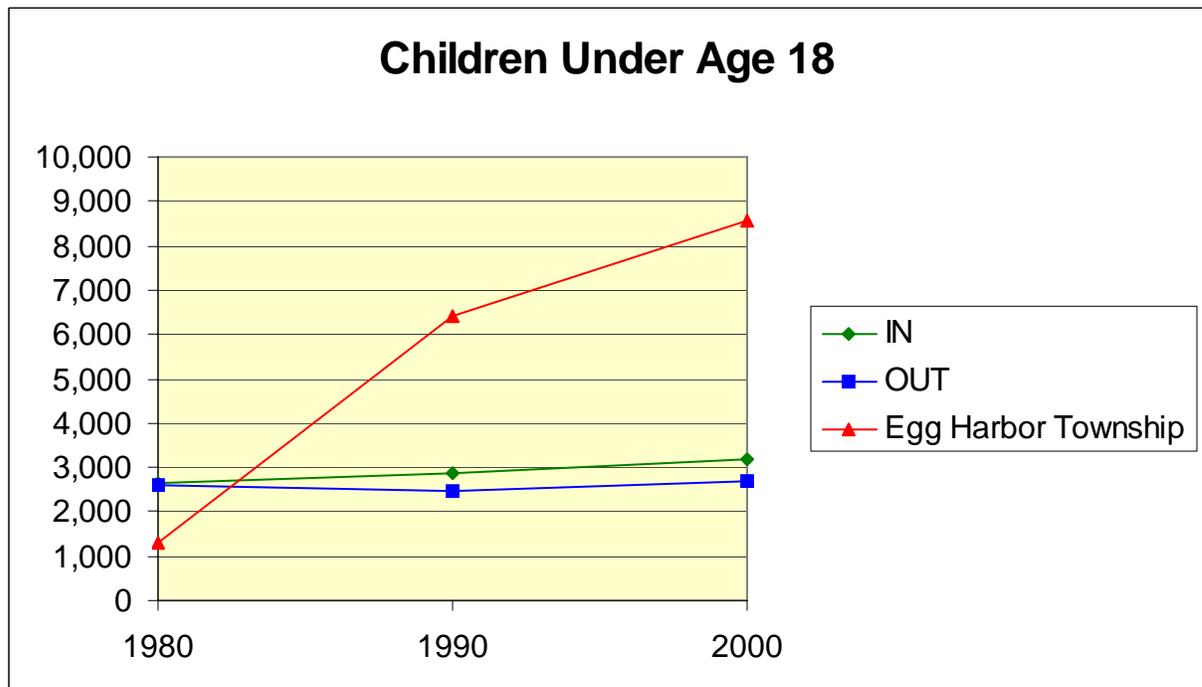
The real estate market in Egg Harbor Township has been dramatically higher than the rest of the Pinelands and South Jersey over the period from 1988-2004. Since 1998, housing transactions have increased 150% in the Township (from 279 in 1998 to 697 in 2004).



Source: New Jersey Agricultural Statistics Service

Assessed Farmland acreage has shown considerable improvement in the Pinelands over the past decade. From 1982-1991, the average assessed acres in the Pinelands slowly declined from 4,000 to 3,780. However, from 1991 to 2002 assessed farm acres increased 14% and now stand at 4,300 acres in 2002. Over the same 20-year period, the remainder of South Jersey has shown a very slow but steady decline in farmland.

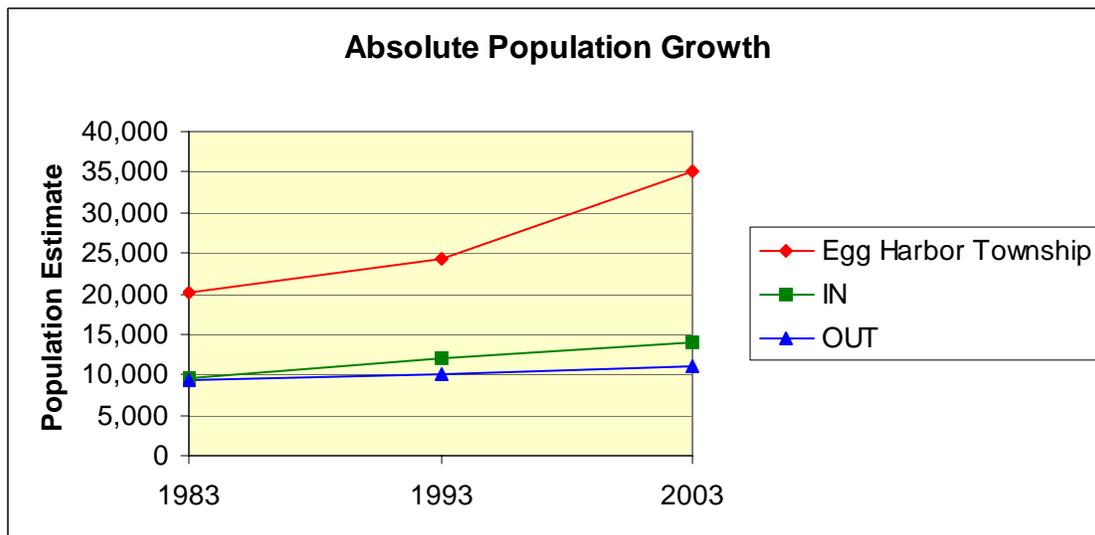
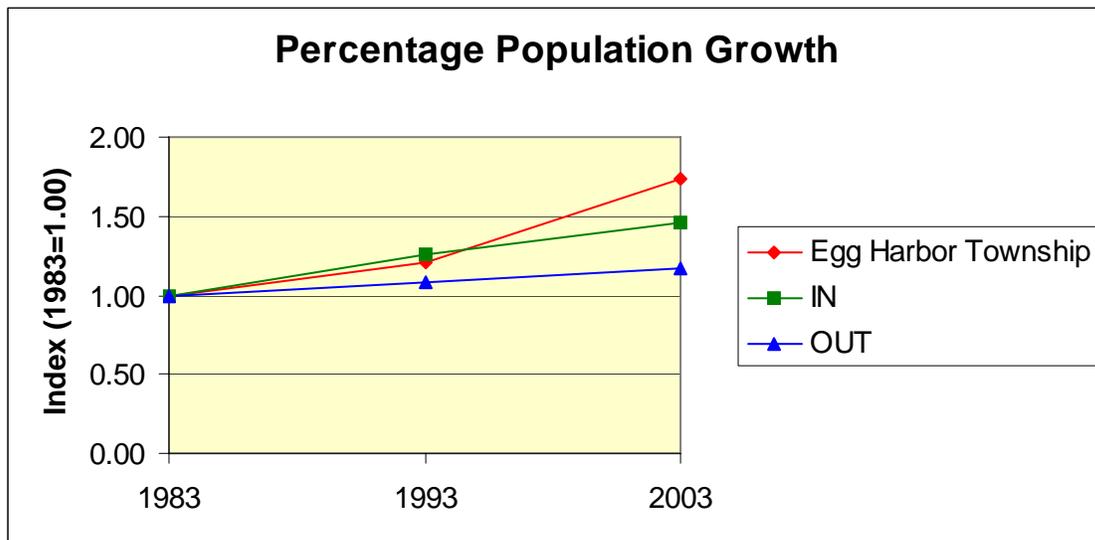
Egg Harbor Township's farmland acreage has followed the trend of the rest of the Pinelands. In fact, though it still has only about half of the average Pinelands community in farmland, during the period from 1991-2002 the Township increased its acreage in farms by 55% (from 1,382 in 1991 to 2,141 in 2002).



Source: US Census Bureau

One of the most dramatic shifts in the face of Egg Harbor Township over the past 20 years has been in its age demographics.

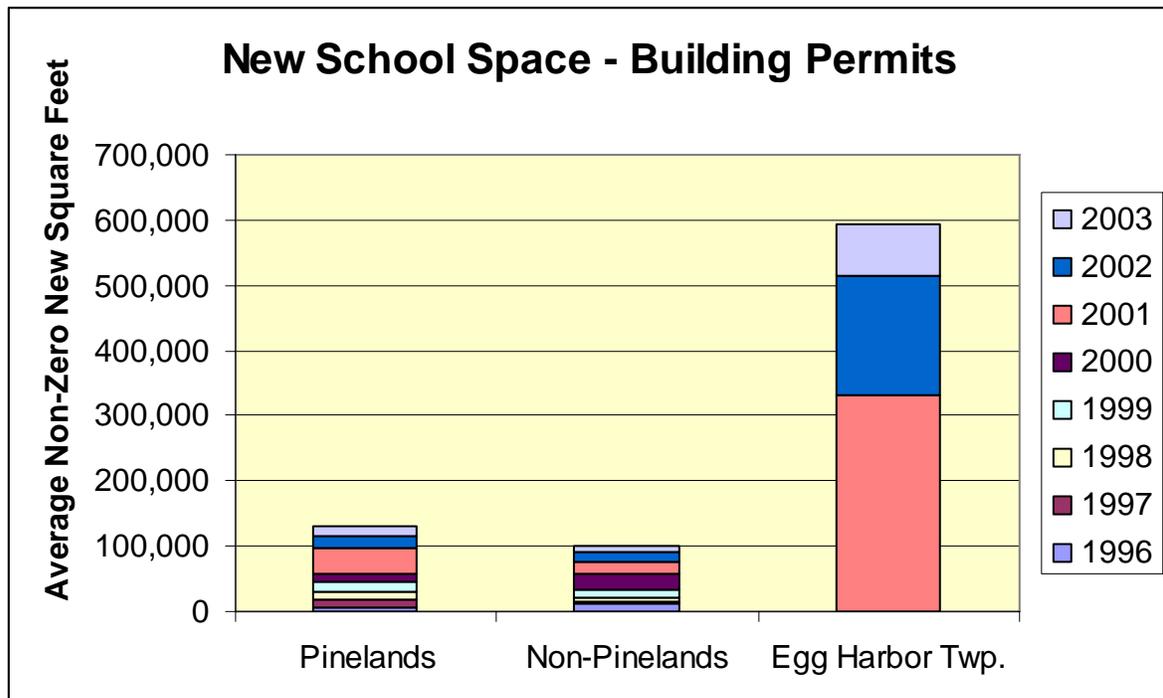
In 1980, the township had slightly more than 1,000 residents under the age of 18. That figure has increased more than six-fold in the last two decades to 8,500 in the year 2000. In the same period, the average in the Pinelands communities has increased 22% from 2,600 to 3,200. The remainder of South Jersey has had relatively flat growth in the population of school-aged children (a modest increase of 4% over the entire period).



Source: NJ Department of Labor

The pace of population growth over the past decade has been a major concern for Egg Harbor Township. In general, population has been growing at an annual average rate of 2.3% in the Pinelands and 0.9% in the remainder of South Jersey over the past 20 years.

Egg Harbor Township's rate of growth closely mirrored that of the Pinelands from 1983-1993. However, in the past ten years growth in the Township has risen at an annual average rate of 4.4%.

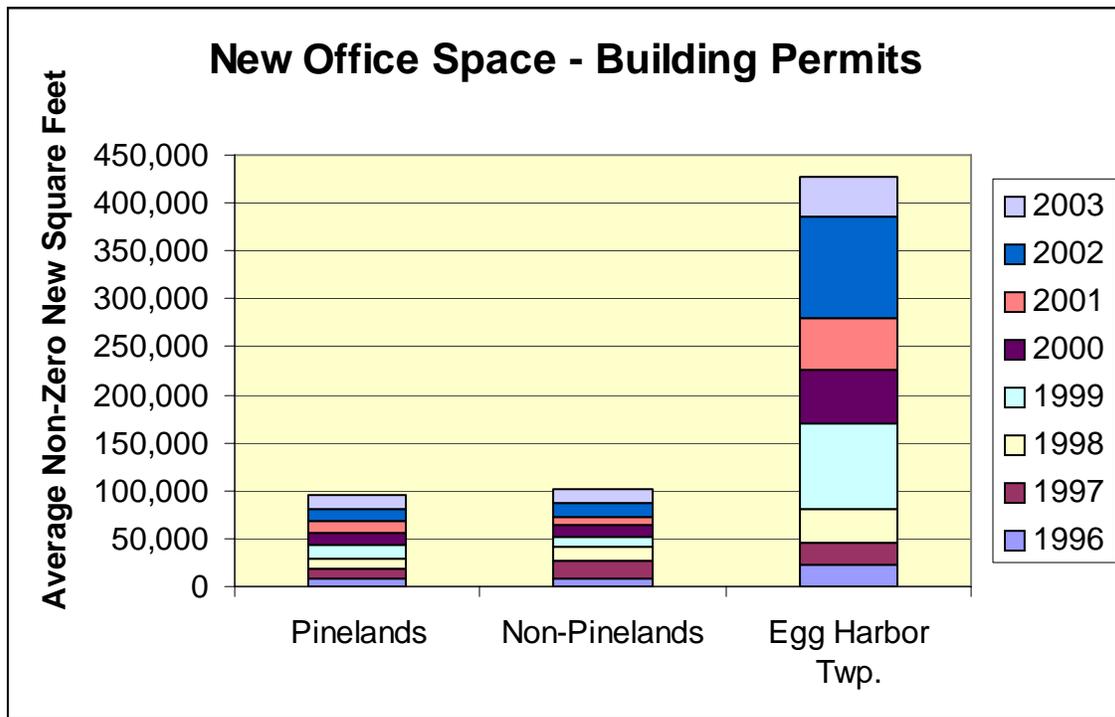


Source: NJ Dept. of Community Affairs – Division of Codes and Standards

A number of towns (mostly the smaller municipalities) did not issue any building permits for new school space over the period from 1996-2003. The chart above shows the averages for only those communities who did issue such permits.

The rapid increase in the student population in Egg Harbor Township in the past decade is apparent in the building permit data for new school space. While no permits were issued for new schools from 1996-2000, in just the year 2001 alone the square footage for new schools for Egg Harbor Township exceeded the average for the entire period of 1996-2003 for the Non-Pineland municipalities of South Jersey. In fact, in the three-year period from 2001-2003, Egg Harbor Township issued permits for almost six times the amount of space as the average Non-Pinelands South Jersey community (591,000 sq. ft. to 100,735 sq. ft.).

In general, the Pinelands communities built on average 30% more school space over this period (132,339 sq. ft.) than the remainder of South Jersey.

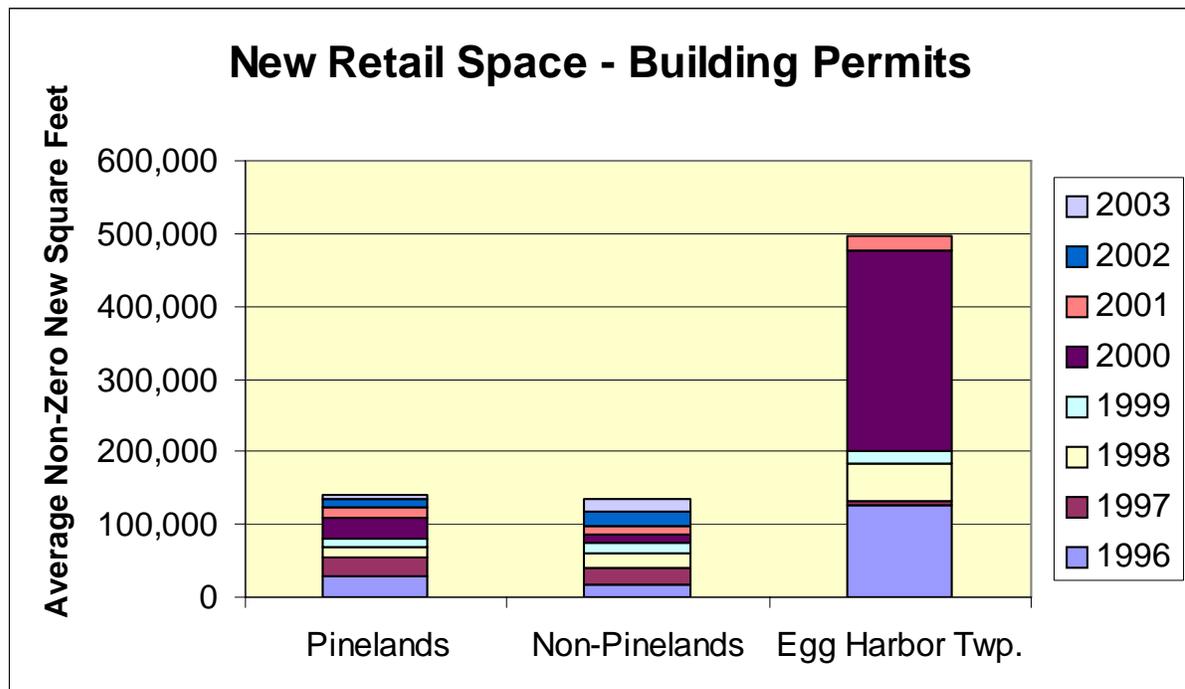


Source: NJ Dept. of Community Affairs – Division of Codes and Standards

A number of towns (mostly the smaller municipalities) did not issue any building permits for new office space over the period from 1996-2003. The chart above shows the averages for only those communities who did issue such permits.

As a group, the Pinelands is only slightly behind the remainder of South Jersey in this respect.

Egg Harbor Township, in contrast, has issued permits for more than four times (427,000 sq. ft. to 102,000 sq. ft.) the amount of the average Non-Pinelands municipalities over this period.

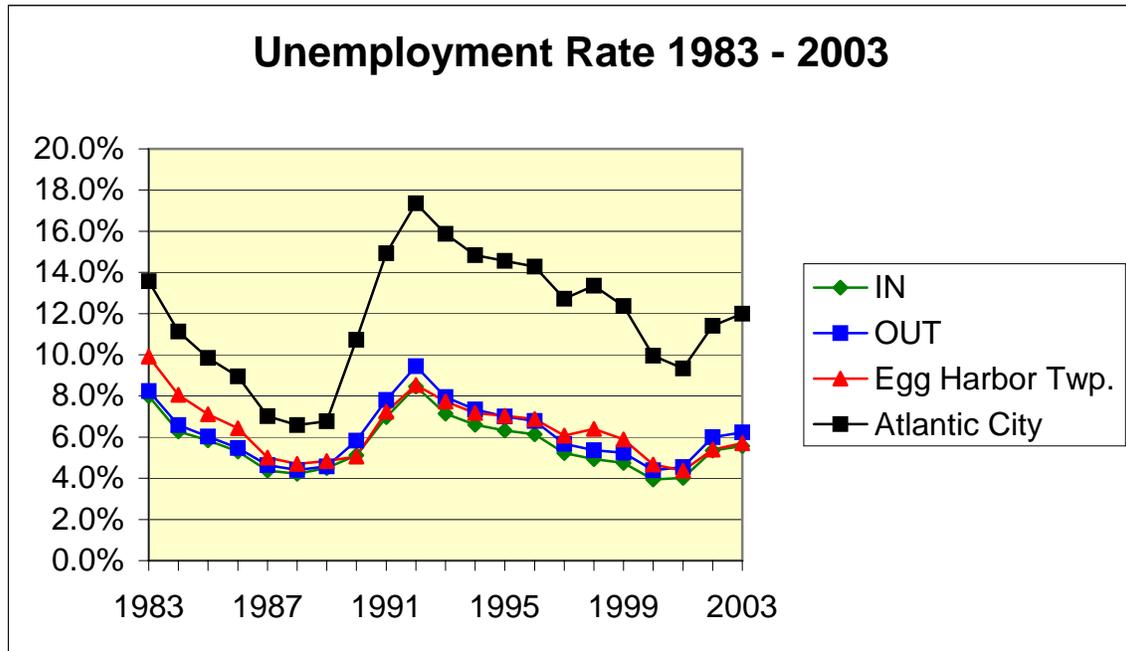


Source: NJ Dept. of Community Affairs – Division of Codes and Standards

A number of towns (mostly the smaller municipalities) did not issue any building permits for new retail space over the period from 1996-2003. The chart above shows the averages for only those communities who did issue such permits.

The Pinelands has issued slightly more retail space on average over this 7-year period than the remainder of South Jersey (141,167 sq. ft. for the Pinelands to 134,431 sq. ft. for the Non-Pinelands). It should be noted that the development was more evenly spread out over the period in the Non-Pinelands than in the Pinelands.

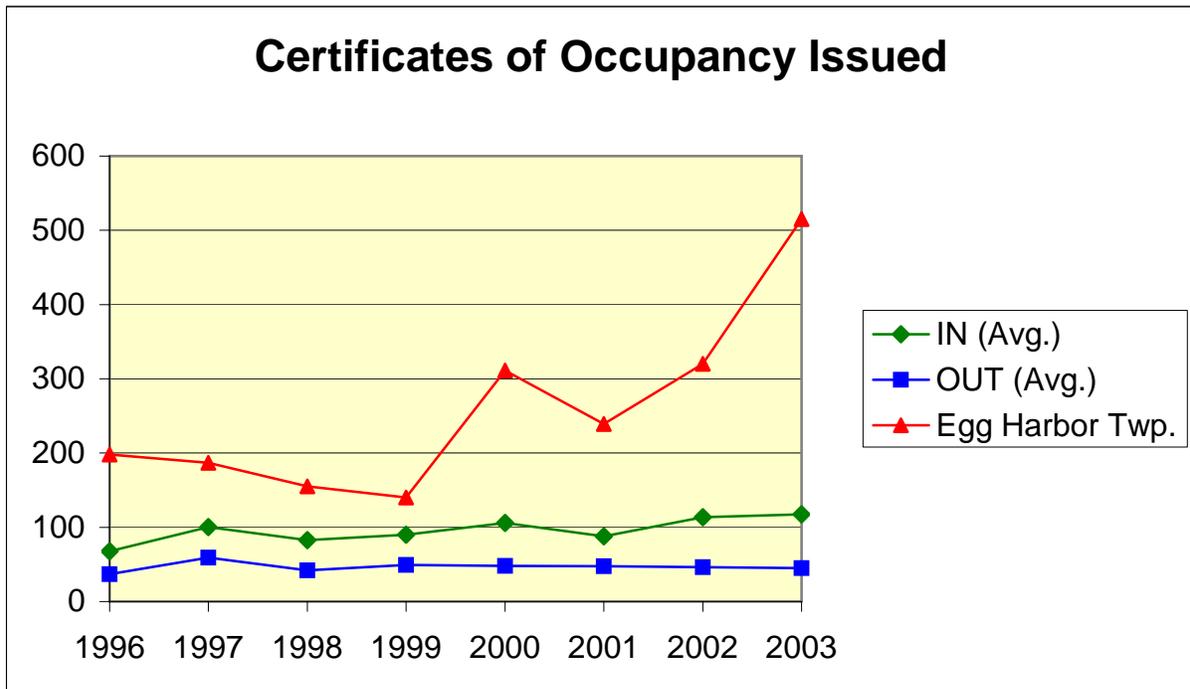
Egg Harbor Township issued permits for 500,000 sq. ft. of space over the period (three and a half times the average for the rest of the region). A substantial portion of this total was issued in the year 2000 – almost 300,000 sq. ft. of new retail space in that year alone.



Source: NJ Department of Labor

Unemployment trends for the past 20 years have tracked closely together in the Pinelands and the remainder of South Jersey. However, over that period the Pinelands has consistently had a slightly lower unemployment rate (from .1% to .7%) than the rest of South Jersey.

Egg Harbor Township's unemployment rate shows slightly more volatility than either the Pinelands or the Non-Pinelands, and this is due to the effects of the gaming industry in Atlantic City. While showing a considerably smaller rate than Atlantic City, the wide swings in fortune seen in Atlantic City's rates also show up to a lesser degree in Egg Harbor Township.

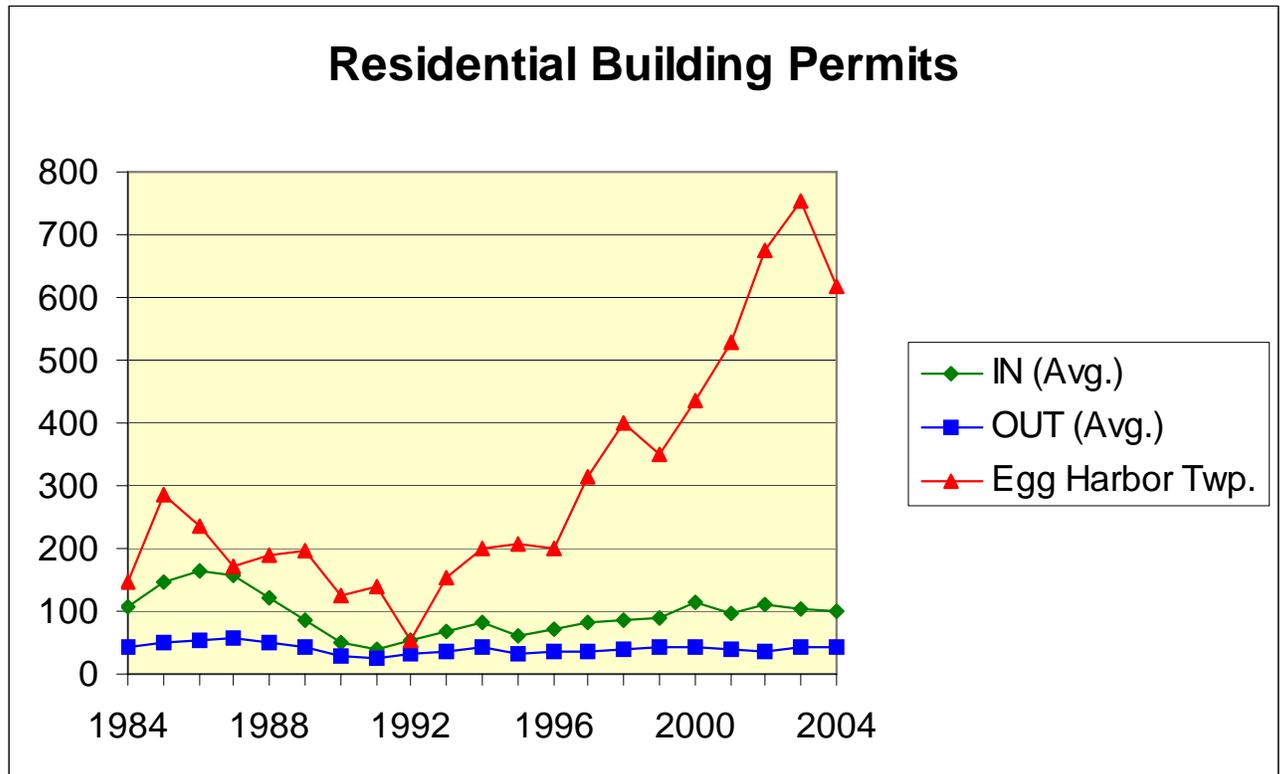


Source: NJ Dept. of Community Affairs – Division of Codes and Standards

Construction officials issue certificates of occupancy at the end of the construction process, when buildings are complete and ready for occupancy. In contrast to building permits, which establish planned growth, certificates of occupancy document actual new growth on the ground.

The trend in the data is again clear. The Pinelands have on average been issuing more certificates of occupancy over the period from 1996-2003 by about a 2 to 1 ratio.

Egg Harbor Township's growth in certificates of occupancy has risen 160% in this 7-year period (from 198 in 1996 to 515 in 2003).



Source: NJ Department of Labor

Building permits have shown a fairly steady pattern over the 20-year period from 1984-2004 in the Non-Pinelands portion of South Jersey. In contrast, the Pinelands communities have shown more volatility in issuing permits but have consistently issued more over the entire period.

The growth in permits issued by Egg Harbor Township has been phenomenal. While initially showing a period of decline in permits from 1984-1992, permits increased by more than 10% in 8 of the 12 years from 1993-2004.

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## Community Map Series

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Prepared by NJ Pinelands Commission  
GIS Laboratory

**Map 1**

*Base Map*

**Map 2**

*Zoning Overlay*

**Map 3**

*Regional Growth Area Base Map*

**Map 4**

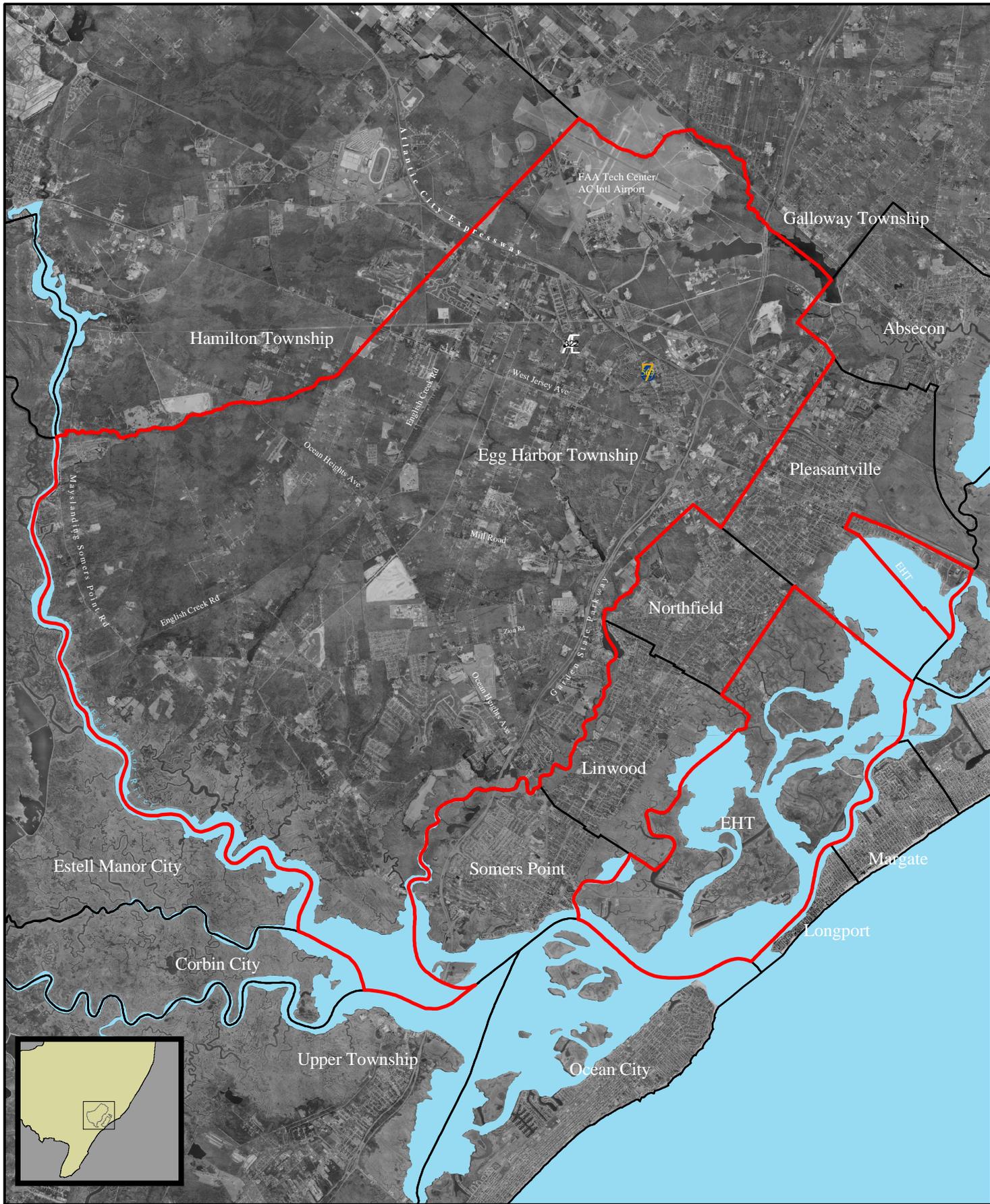
*Wetlands and Wetlands Buffers n RGA (Regional Growth Area)*

**Map 5**

*Regional Location*

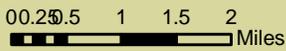
**Map 6**

*Public Lands*



**Explanation**

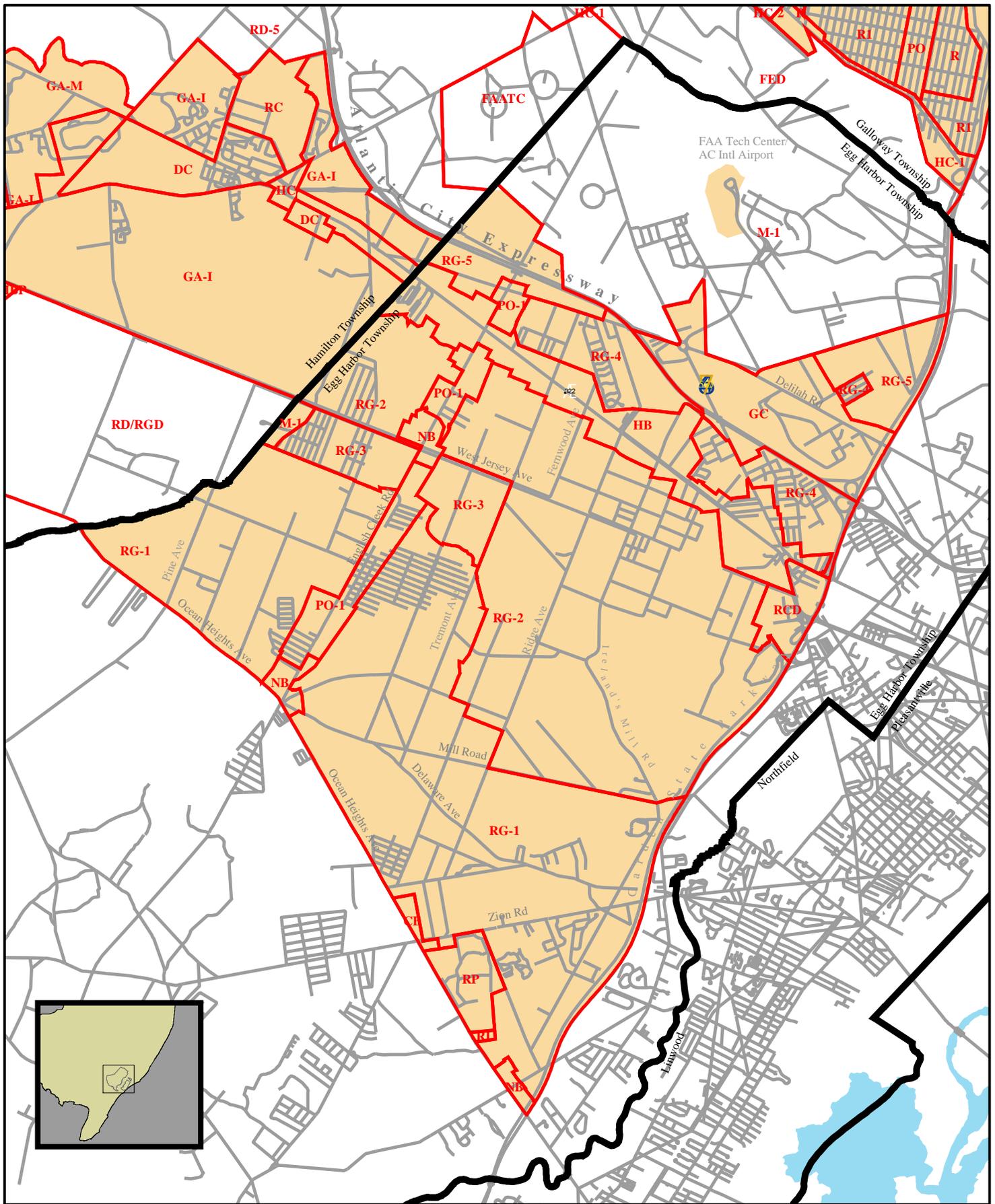
-  RGA Boundary
-  Egg Harbor Twp Bndy
-  Municipal Boundaries



Map created by the New Jersey Pinelands Commission  
 June, 20 2005  
 Pinelands Excellence Program

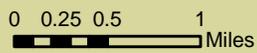
Map 1:

Base Map



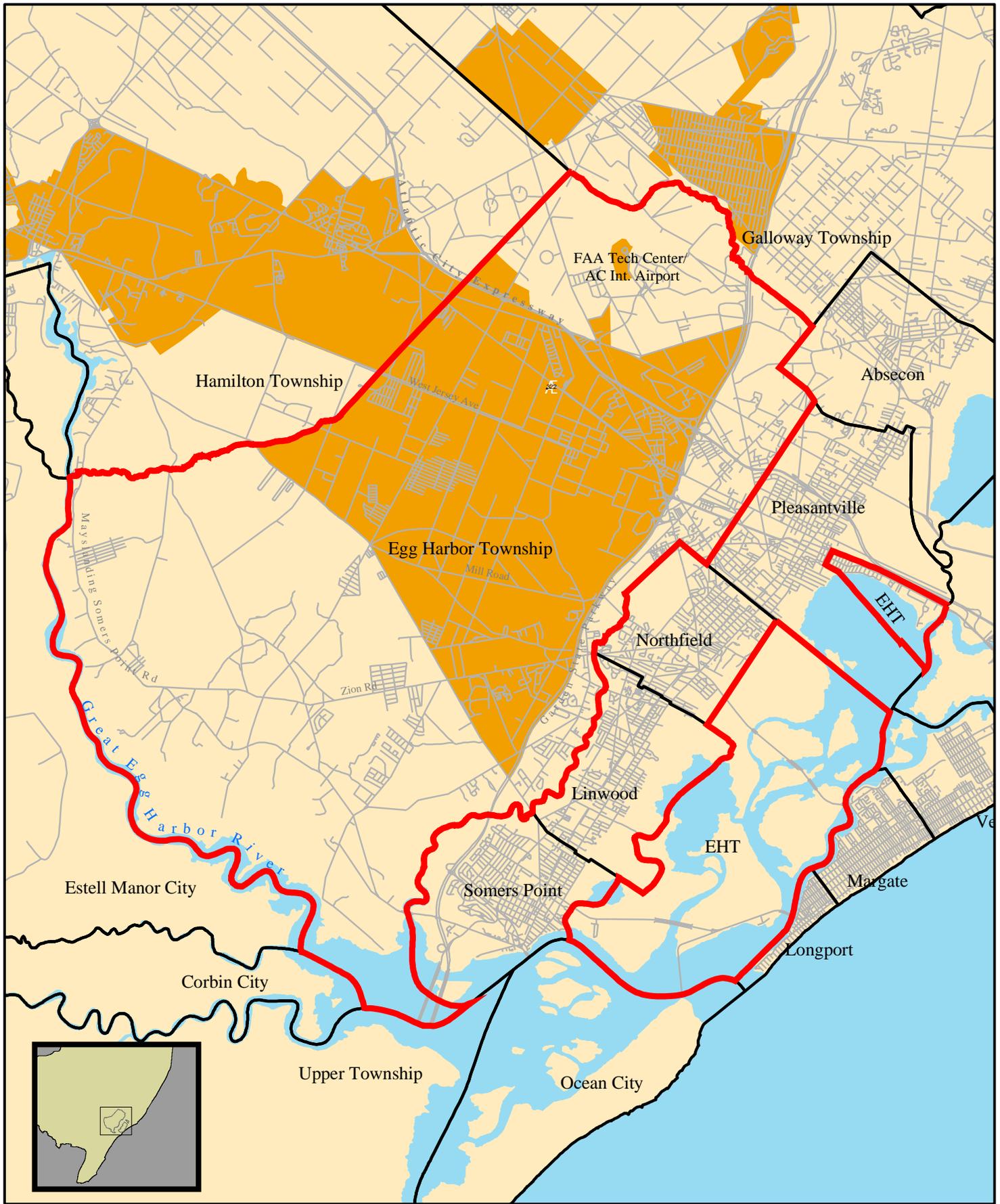
**Explanation**

- Regional Growth Area Boundary
- Zoning Boundaries
- Municipal Boundaries



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**Map 2:**  
**Zoning Overlay**



**Explanation**

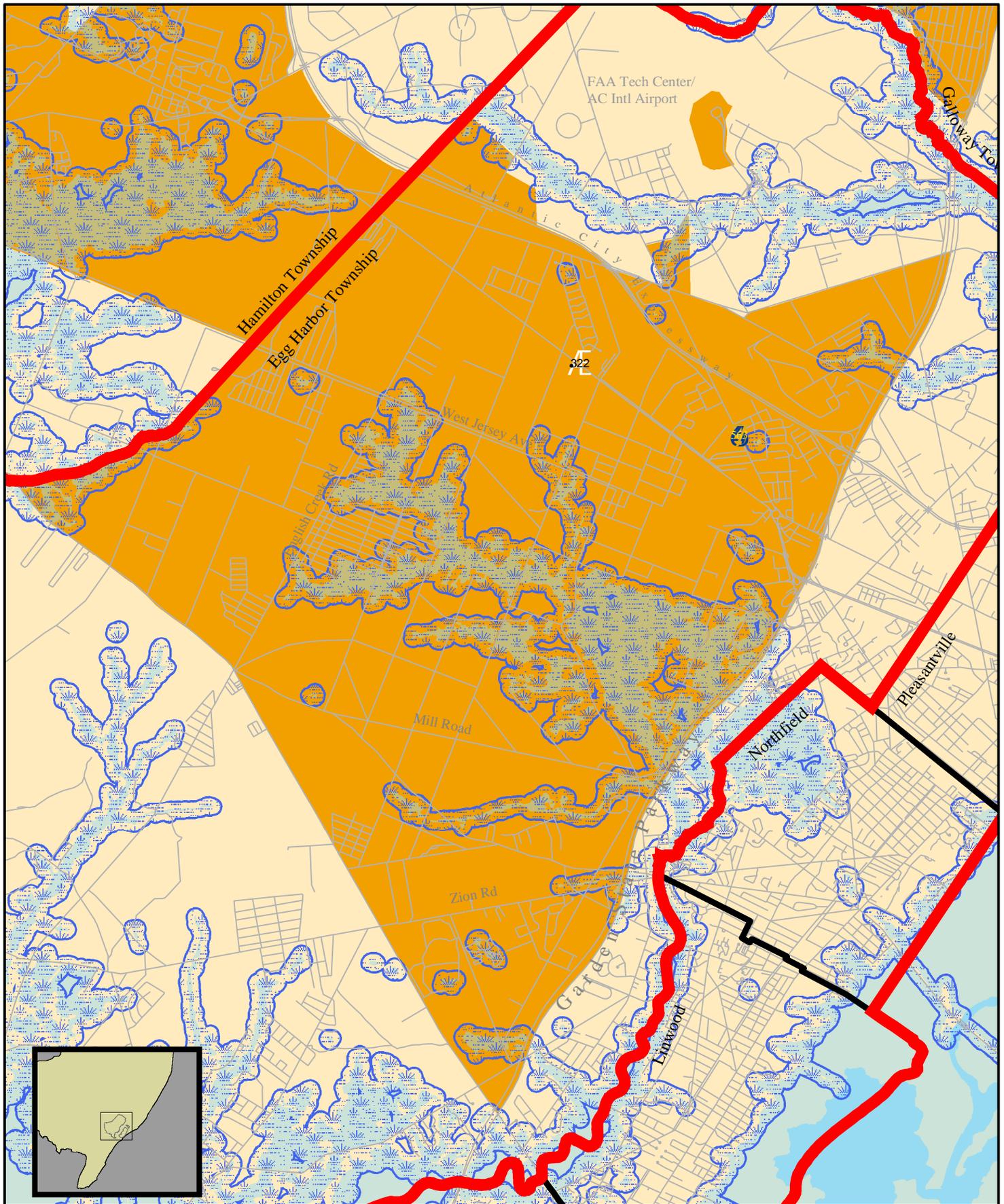
- RGA Boundary
- Egg Harbor Twp Bndy
- Municipal Boundaries



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**Map 3:**

**Regional Growth Area  
Base Map**



**Explanation**

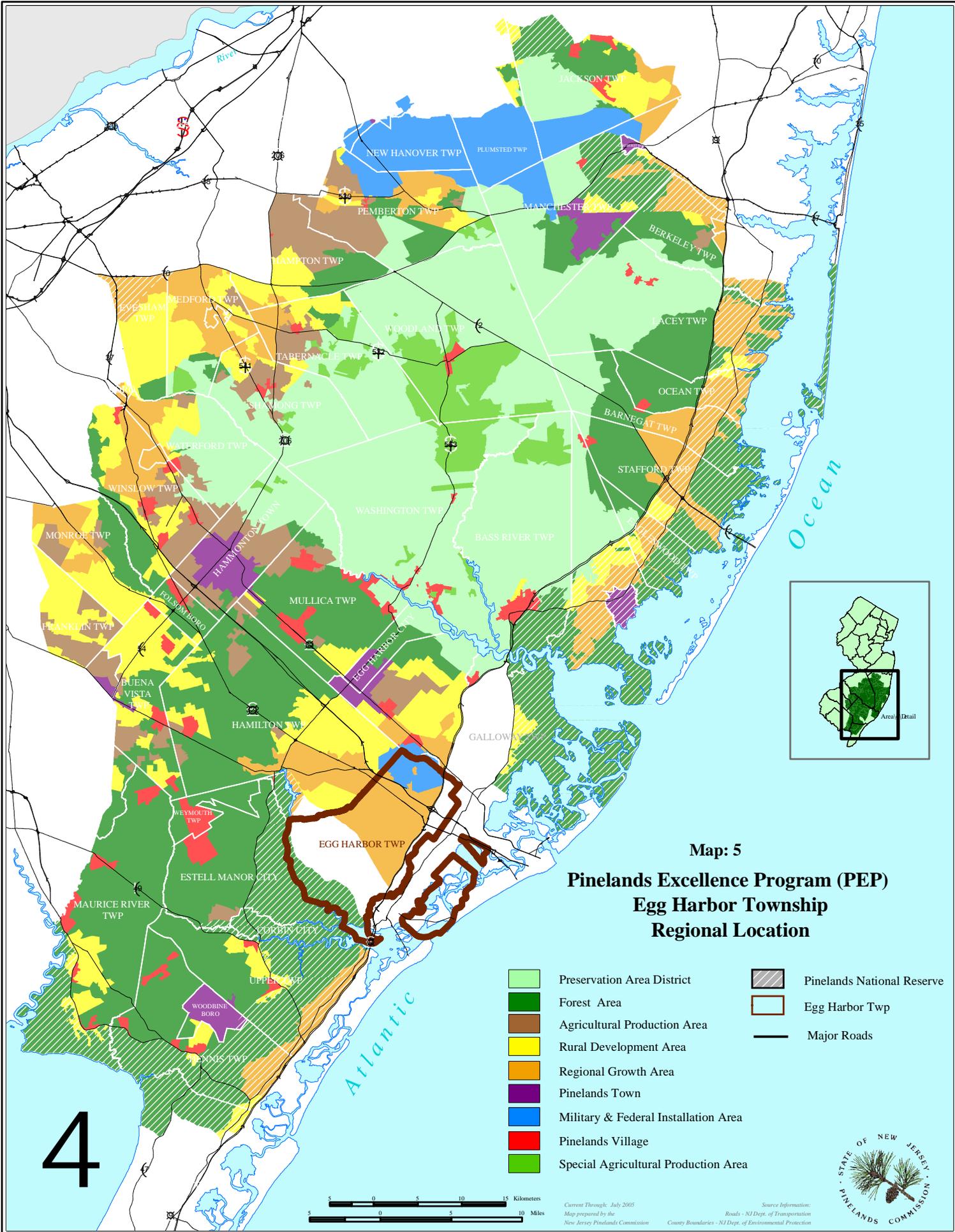
- RGA Boundary
- Wetlands
- Wetlands within RGA
- Egg Harbor Twp Bndy
- Municipal Boundaries
- 300 Ft Wetlands Buffer

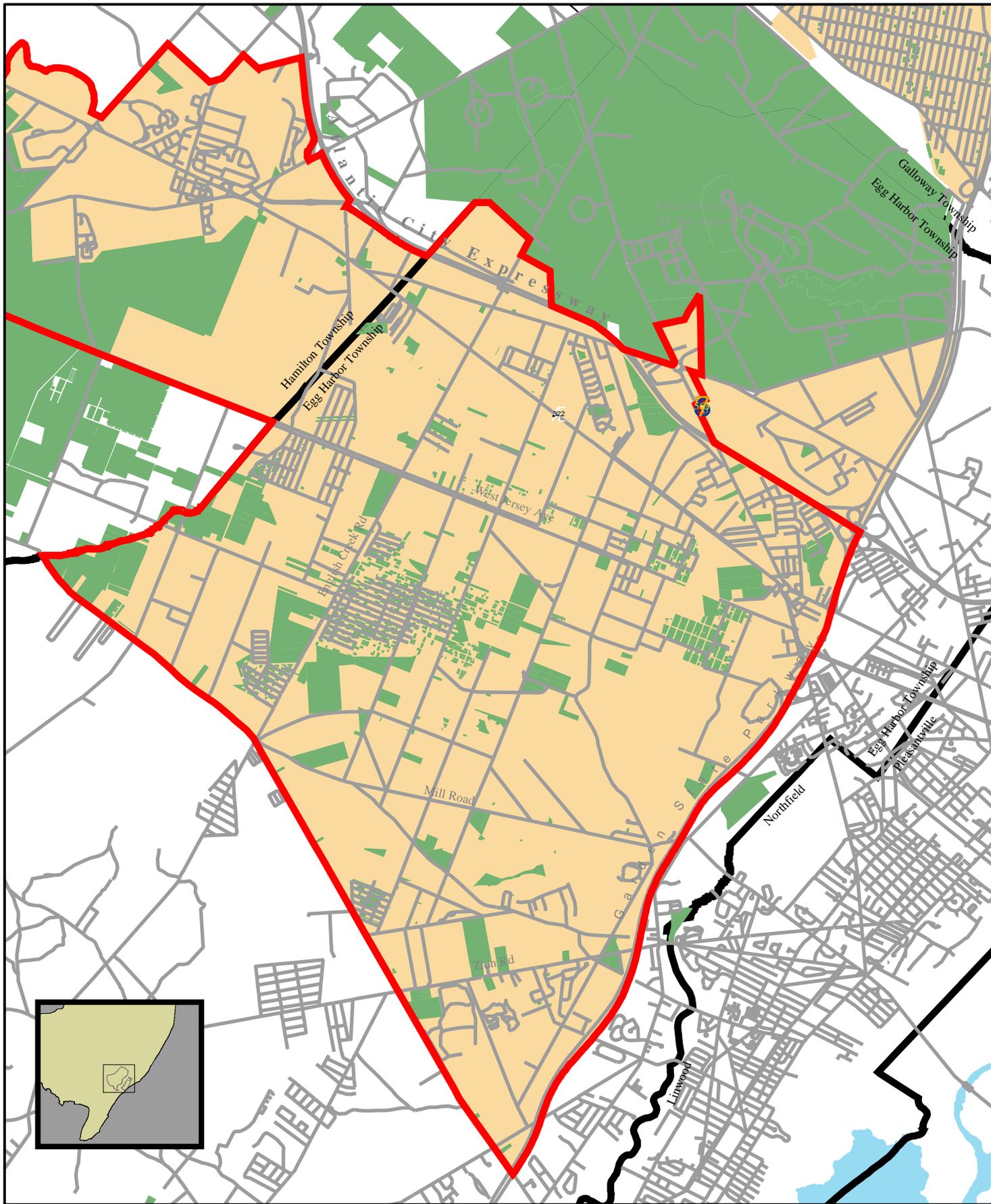


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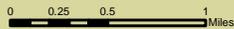
Map 4:  
Wetlands and  
Wetlands Buffers in RGA





**Explanation**

- Public Lands
- RGA Boundary
- Municipal Boundaries



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**Map 6:**

**Public Lands**