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

Post-Recession Employment Trends in NJ

Employment Change, 2010-2017

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.

<table>
<thead>
<tr>
<th>CMP Population, Ocean Counties</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>County</td>
<td>CMP</td>
</tr>
<tr>
<td>Atlantic County</td>
<td>241,883</td>
</tr>
<tr>
<td>Cape May County</td>
<td>93,553</td>
</tr>
<tr>
<td>Monmouth County</td>
<td>423,211</td>
</tr>
<tr>
<td>Ocean County</td>
<td>589,400</td>
</tr>
<tr>
<td>Total</td>
<td>1,348,047</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CMP Municipalities, Ocean Counties</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>County</td>
<td>CMP</td>
</tr>
<tr>
<td>Atlantic County</td>
<td>19</td>
</tr>
<tr>
<td>Cape May County</td>
<td>16</td>
</tr>
<tr>
<td>Monmouth County</td>
<td>42</td>
</tr>
<tr>
<td>Ocean County</td>
<td>32</td>
</tr>
<tr>
<td>Total</td>
<td>109</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau; NJ Dept. of Labor.
Industry Employment Shares, 2017

Shore Counties Employment Growth

Employment Growth, 2001-2017

Shore Region Growth by County

Employment Growth, 2001-2017

Employment Change, 2001-2017
NJ and Shore Region

Tourism and Recreation
Housing Development – Shore Counties

Building Permits, 2007

Building Permits, 2017

Single  Multi

NJ  Shore Region  Atlantic  Cape May  Monmouth  Ocean

0  5000  10000  15000

0  5000  10000  15000

Single  Multi

NJ  Shore Region  Atlantic  Cape May  Monmouth  Ocean
## Hurricane Sandy Property Losses
(Total property value in $ millions)

<table>
<thead>
<tr>
<th>County</th>
<th>2011</th>
<th>2014</th>
<th>Change</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atlantic</td>
<td>45,746.0</td>
<td>37,298.3</td>
<td>-8,447.7</td>
<td>-18.5%</td>
</tr>
<tr>
<td>Cape May</td>
<td>50,679.7</td>
<td>47,881.7</td>
<td>-2,798.0</td>
<td>-5.5%</td>
</tr>
<tr>
<td>Monmouth</td>
<td>75,735.7</td>
<td>74,360.7</td>
<td>-1,375.0</td>
<td>-1.8%</td>
</tr>
<tr>
<td>Ocean</td>
<td>95,157.1</td>
<td>86,513.7</td>
<td>-8,643.4</td>
<td>-9.1%</td>
</tr>
<tr>
<td>Total</td>
<td>267,318.5</td>
<td>246,054.3</td>
<td>-21,264.2</td>
<td>-8.0%</td>
</tr>
</tbody>
</table>
Other Value at Risk - Recreation Annual Beach Visitations (2000)

<table>
<thead>
<tr>
<th>Selected States</th>
<th># of Participants (millions)</th>
<th># of Days (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Jersey</td>
<td>3.965</td>
<td>40.881</td>
</tr>
<tr>
<td>Florida</td>
<td>15.246</td>
<td>177.153</td>
</tr>
<tr>
<td>California</td>
<td>12.598</td>
<td>151.429</td>
</tr>
<tr>
<td>North Carolina</td>
<td>3.185</td>
<td>27.936</td>
</tr>
</tbody>
</table>

Only Florida, California and Hawaii have more beach days than New Jersey!

### Annual Value of NJ Beach Visits

<table>
<thead>
<tr>
<th>Method</th>
<th>$ Value per Day</th>
<th># of Days (millions)</th>
<th>Annual Value ($Mln, 2007)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel Cost</td>
<td>$31.45$^1</td>
<td>40.881</td>
<td>$1,286</td>
</tr>
<tr>
<td>Contingent Valuation</td>
<td>$5.36</td>
<td>40.881</td>
<td>$219</td>
</tr>
</tbody>
</table>


## Asset Value of New Jersey Beaches

<table>
<thead>
<tr>
<th>Method</th>
<th>Annual Value ($Mln, 2007)</th>
<th>Discount Rate</th>
<th>Asset Value ($Mln, 2007)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel Cost</td>
<td>$1,286</td>
<td>5%</td>
<td>$25,720</td>
</tr>
<tr>
<td>Contingent Valuation</td>
<td>$219</td>
<td>5%</td>
<td>$4,380</td>
</tr>
</tbody>
</table>
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)

Source: U.S. Census Bureau.
Industry Employment Shares, 2017

Industry Shares 2017, NJ and North-Central Region

North-Central Counties Employment Growth

Employment Growth, 2001-2017

North-Central Region Growth by County

Employment Growth, 2001-2017

Employment Change, 2001-2017
NJ and North-Central Region

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)

Source: U.S. Census Bureau.
Industry Employment Shares, 2017

Industry Shares 2017, NJ and Delaware Bay Region

Delaware Bay Counties Employment Growth

Employment Growth, 2001-2017

Employment Change, 2001-2017
NJ and Delaware Bay Region

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)

Source: U.S. Census Bureau.

<table>
<thead>
<tr>
<th>County</th>
<th>CMP</th>
<th>Total</th>
<th>CMP Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burlington County</td>
<td>300,001</td>
<td>448,596</td>
<td>66.9%</td>
</tr>
<tr>
<td>Camden County</td>
<td>301,547</td>
<td>510,719</td>
<td>59.0%</td>
</tr>
<tr>
<td>Gloucester County</td>
<td>124,295</td>
<td>292,206</td>
<td>42.5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>725,843</strong></td>
<td><strong>1,251,521</strong></td>
<td><strong>58.0%</strong></td>
</tr>
</tbody>
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</thead>
<tbody>
<tr>
<td>Burlington County</td>
<td>27</td>
<td>40</td>
<td>67.5%</td>
</tr>
<tr>
<td>Camden County</td>
<td>11</td>
<td>37</td>
<td>29.7%</td>
</tr>
<tr>
<td>Gloucester County</td>
<td>12</td>
<td>24</td>
<td>50%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50</strong></td>
<td><strong>101</strong></td>
<td><strong>49.5%</strong></td>
</tr>
</tbody>
</table>
Industry Employment Shares, 2017

Industry Shares 2017, NJ and Delaware River Region

Delaware River Counties Employment Growth

River Region Growth by County

Employment Growth, 2001-2017

Employment Change, 2001-2017
NJ and Delaware River Region

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