# *The Future of New Jersey's Suburbs: Demographic Analysis*

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Kislak Real Estate Institute at Monmouth University

Stephen B. Siegel Lecture Series

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New Jersey Future is a nonprofit, nonpartisan organization that brings together concerned citizens and leaders to promote responsible land-use policies. The organization employs original research, analysis and advocacy to build coalitions and drive land-use policies that help revitalize cities and towns, protect natural lands and farms, provide more transportation choices beyond cars, expand access to safe and affordable neighborhoods and fuel a prosperous economy.

# Population by Age Group, 2000 vs 2013

# Change in Population by Age Group, 2000 vs 2013
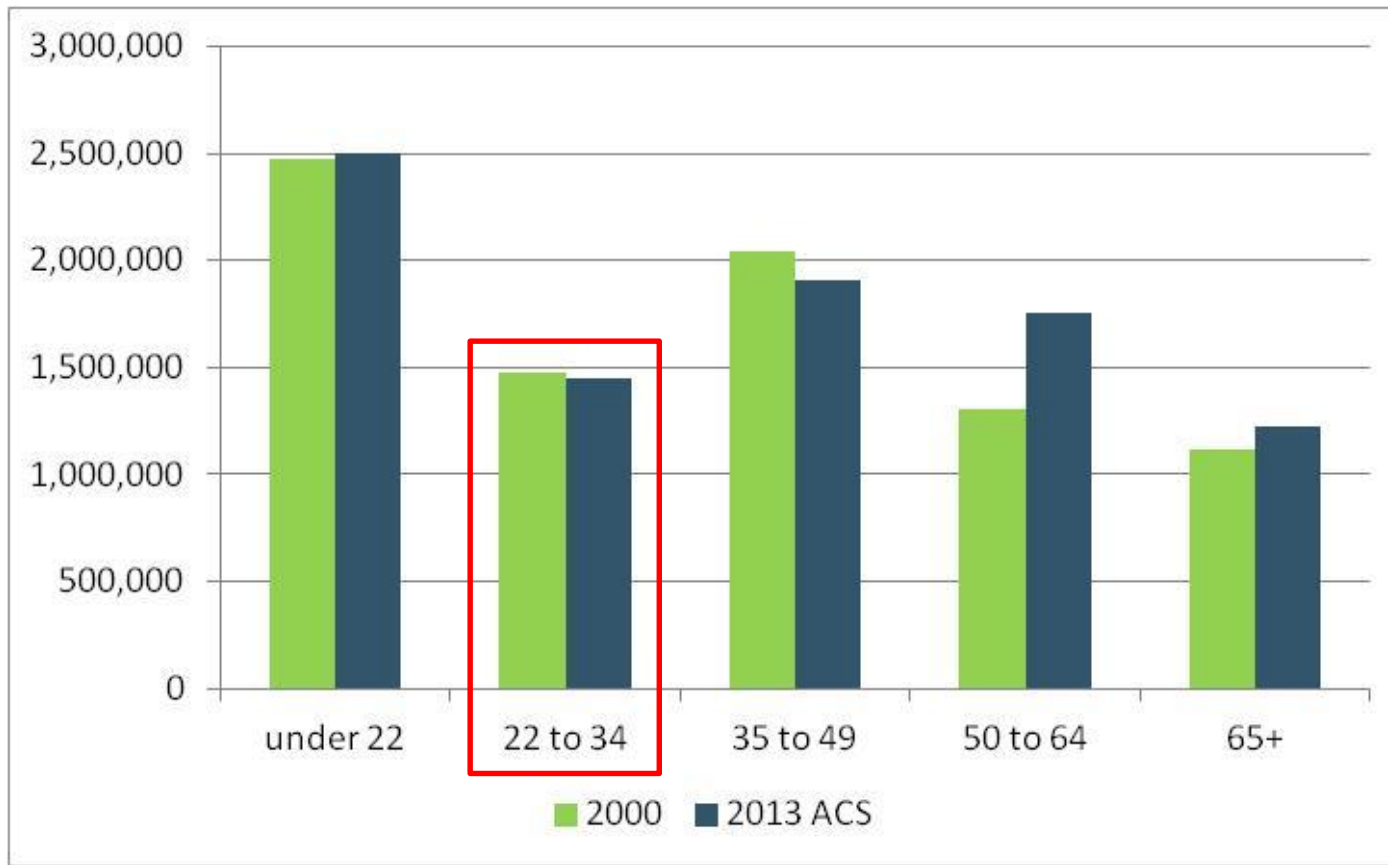
# Millennials

- generally defined as people born from ~1980 to ~2000. So they are/were:

    - Age 0 to 20 **in 2000** (and hence **not relevant** to analysis of locational preferences)

    - Age 13 to 33 in 2013 (date of the ACS I've used for my analysis) – the **22-to-34 age group** thus roughly corresponds to the bulk of the Millennials, the ones in young adulthood, **in 2013**.
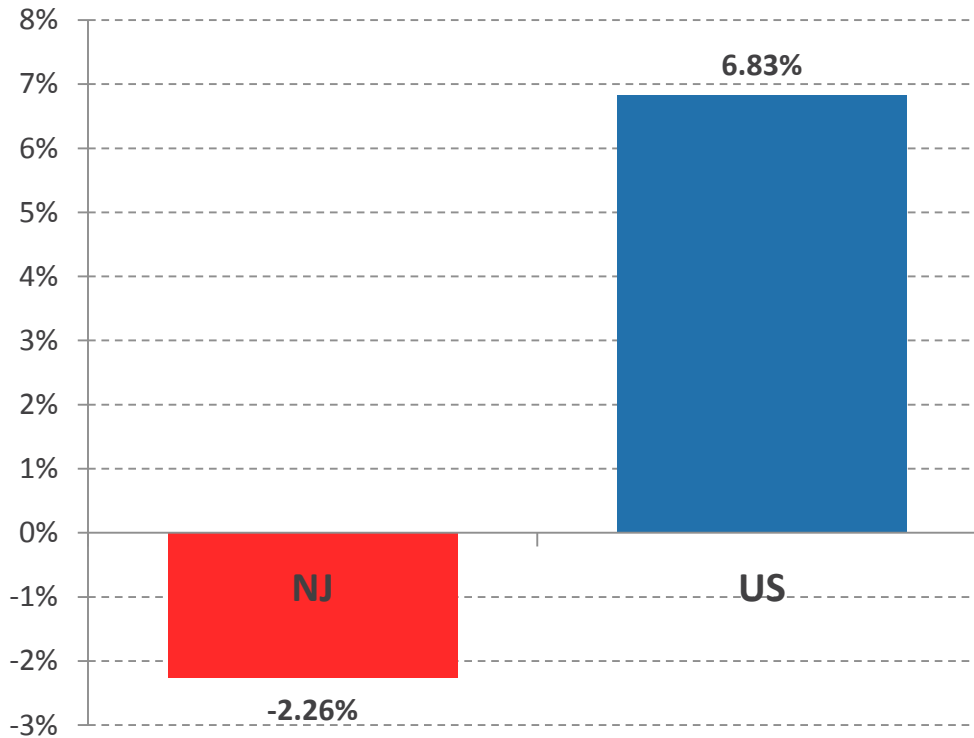
    - Age 17 to 37 in 2017

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# Change in Population by Age Group, 2000 vs 2013
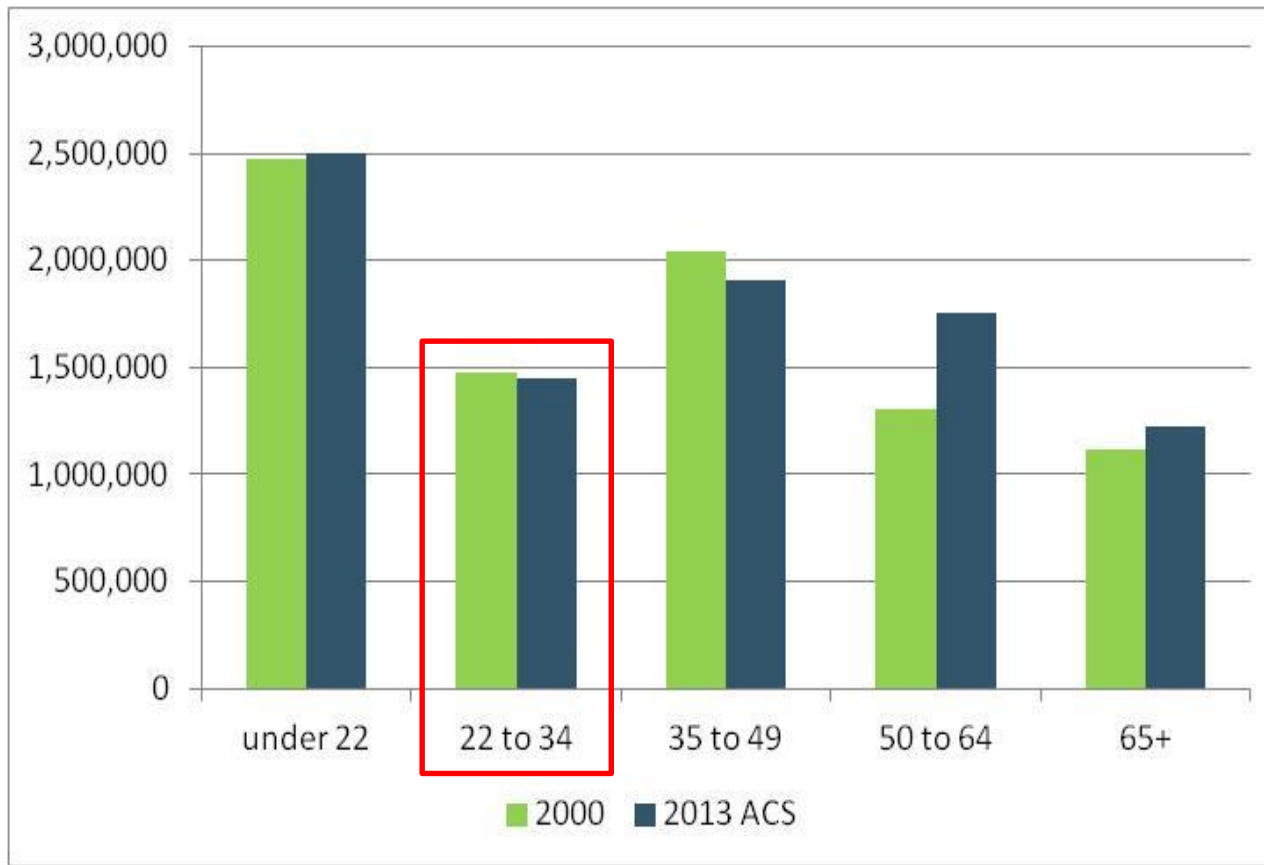


Millennials…. definitely not smaller than GenX, yet NJ's 22-to-34 population has *decreased* as Millennials aged into this age group – what is going on here??

# New Jersey's "Missing Millennials"

**% Change in Number of 22-to-34-year-olds, 2000 to 2013**



Where did they go?

To Brooklyn?

To Pennsylvania in search of cheaper housing?
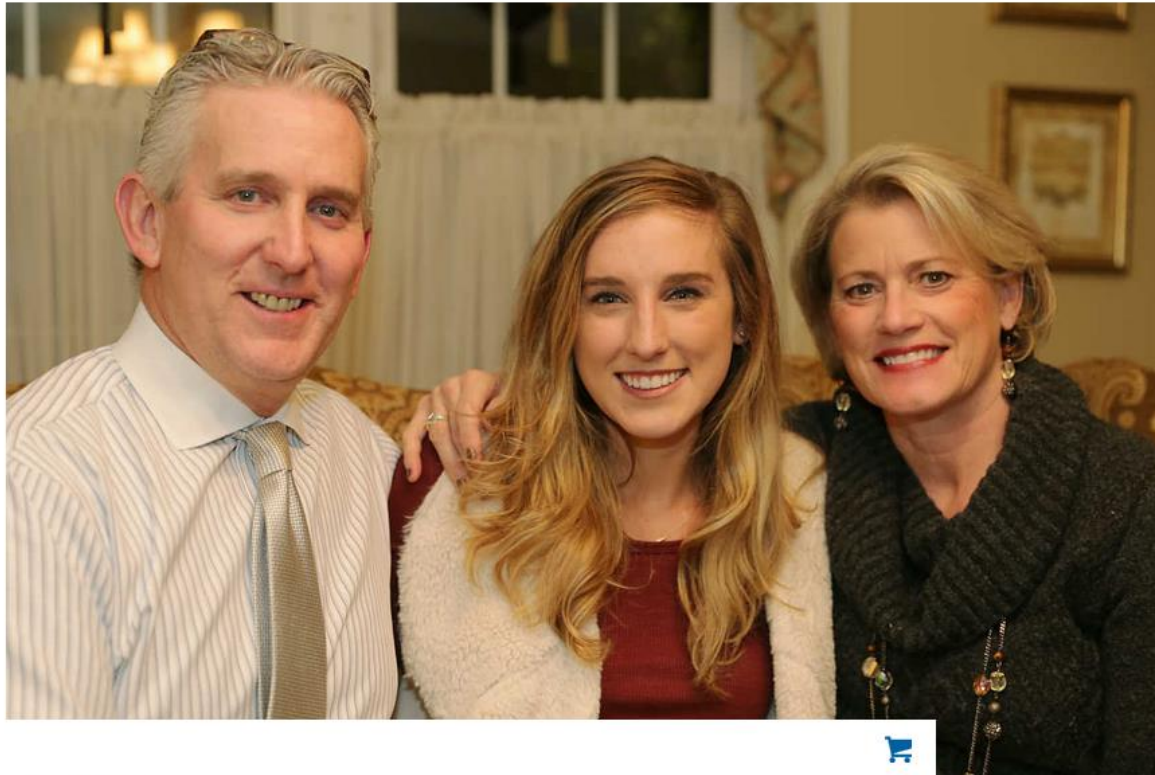
To cheaper cities in the Midwest?

**News** — New Jersey

# For young adults in N.J., leaving home is hard to do

Updated: NOVEMBER 20, 2016 — 11:59 PM EST

AKIRA SUWA

Meagan McLaughlin, 24, poses for picture with her parents, Michael McLaughlin and Linda McLaughlin at their Haddonfield, N.J. home.

- Nearly half of 18-to-34-year-olds in NJ live with their parents, vs. only 1/3 nationally and 37% in PA

- Nearly 2/3 of NJ's living-at-home Millennials are employed

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# NJ Millennials

What about the ones who have stayed, and who can afford to move out of their parents' houses?

Where have they moved to?

Do Millennials really love cities?

# Finding Concentrations of Millennials: Location Quotients for Age Groups

To find out where an age cohort is concentrated geographically, we can use location quotients (LQs).  For a given municipality, its location quotient for a given age group is:

- % of the municipality's residents that fall in that age group, divided by
- % of all NJ residents that fall in that age group

**LQ > 1** means that age group is **more prevalent** in the municipality than in the state as a whole

**LQ < 1** means that age group is **less prevalent** in the municipality than in the state as a whole

# Finding Concentrations of Millennials: Location Quotients for Age Groups

**Example: Hoboken** (which ranks #1 in the state)

Hoboken's LQ for 22-to-34-year-olds in 2013 is:

$$\frac{\%\ \text{of Hoboken residents age } 22\,\text{to}\,34}{\%\ \text{of New Jersey residents age } 22\,\text{to}\,34} = \frac{45.4\%}{16.4\%} = 2.774$$

Millennials are 177.4 percent more common in Hoboken than they are statewide!

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# Municipalities with Highest Location Quotients for 22-to-34-Year-Olds, 2013

| county | municipality name | 22 to 34 LQ, 2013 | |
|---|---|---|---|
| Hudson | Hoboken | 2.774 | |
| Cumberland | Maurice River township | 2.003 | prison |
| Burlington | New Hanover township | 1.877 | McGuire AFB |
| Hudson | East Newark | 1.826 | |
| Mercer | Hightstown | 1.730 | |
| Hudson | Jersey City | 1.694 | |
| Hudson | Harrison | 1.694 | |
| Burlington | Chesterfield township | 1.688 | prison |
| Bergen | Palisades Park | 1.650 | |
| Middlesex | New Brunswick | 1.586 | |
| Burlington | North Hanover township | 1.578 | McGuire AFB |
| Cumberland | Bridgeton | 1.531 | |
| Burlington | Maple Shade | 1.527 | |
| Bergen | Fairview | 1.522 | |
| Hudson | Weehawken | 1.519 | |
| Hudson | West New York | 1.492 | |

# Typology of Places

More generally, what types of places are attracting Millennials?  What kinds of places have high LQs for 22-to-34-year-olds?
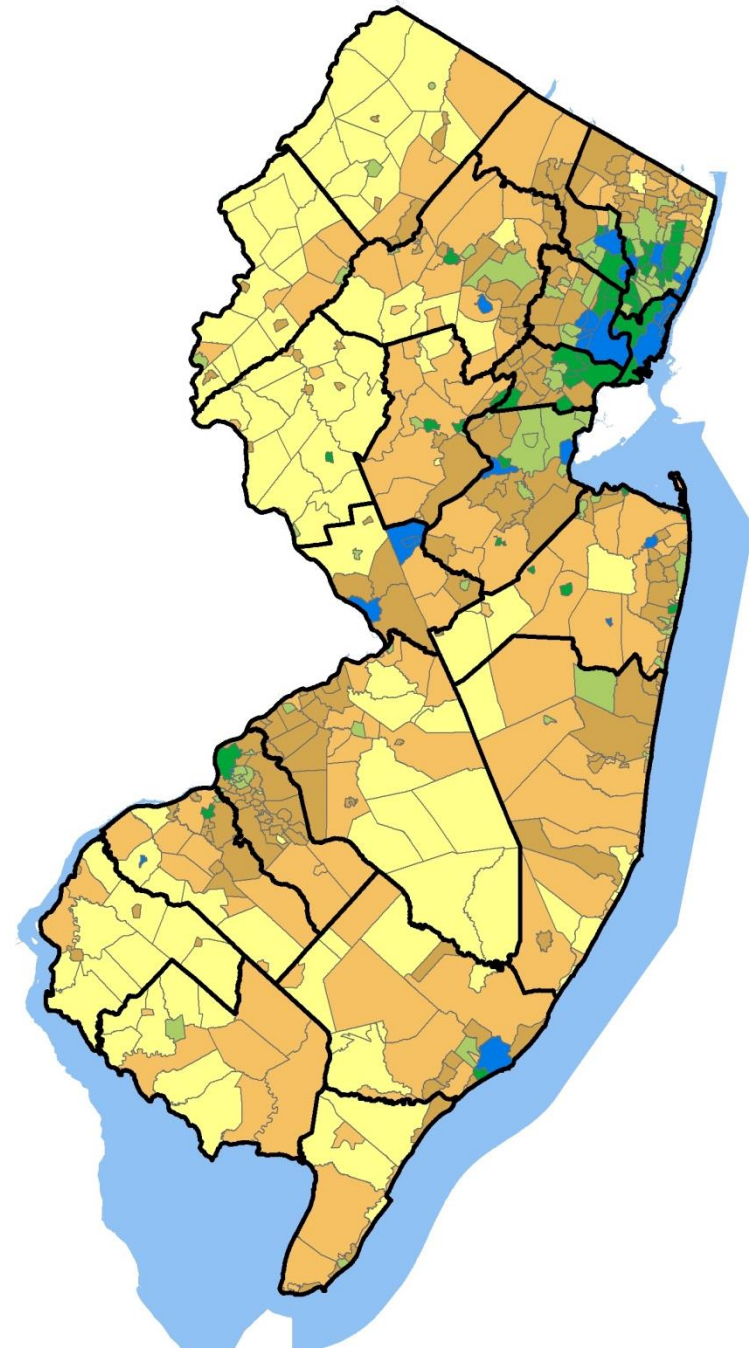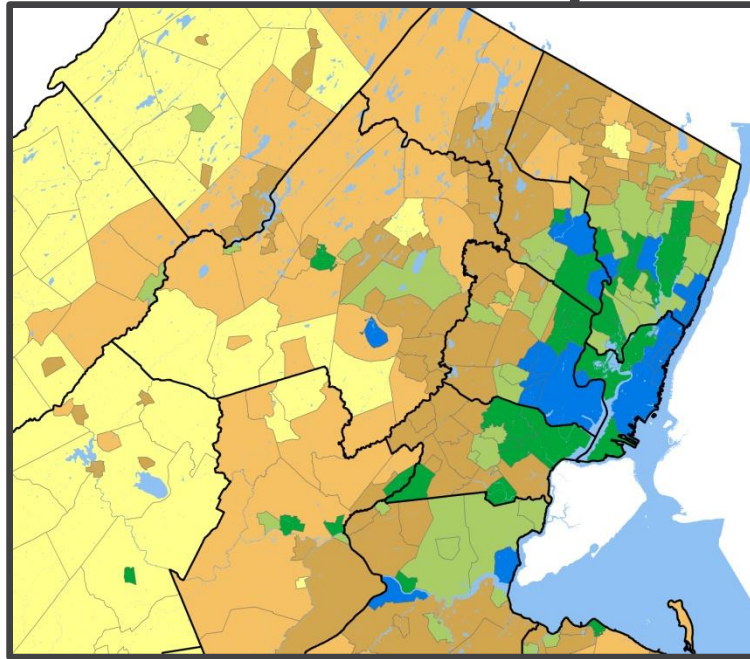
If we want to know if Millennials like "smart growth" places, we need to have a working definition of smart growth.  Criteria from ***Creating Places to Age in New Jersey***:

- **Density of destinations**, as measured by "**net activity density**" = (population + employment) / developed acres

- **Presence of a mixed-use center**, as indicated by:
  - designated center in the State Plan or Pinelands (or Highlands)
  - SID, BID, or "Main Street" organization

- **Walkability**, as measured by **local road density** – route-miles of local road per square mile – which is a good indicator of connectivity

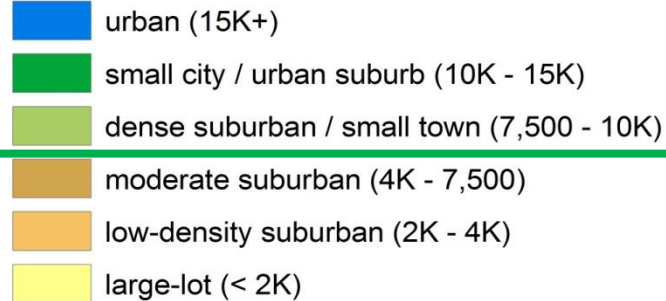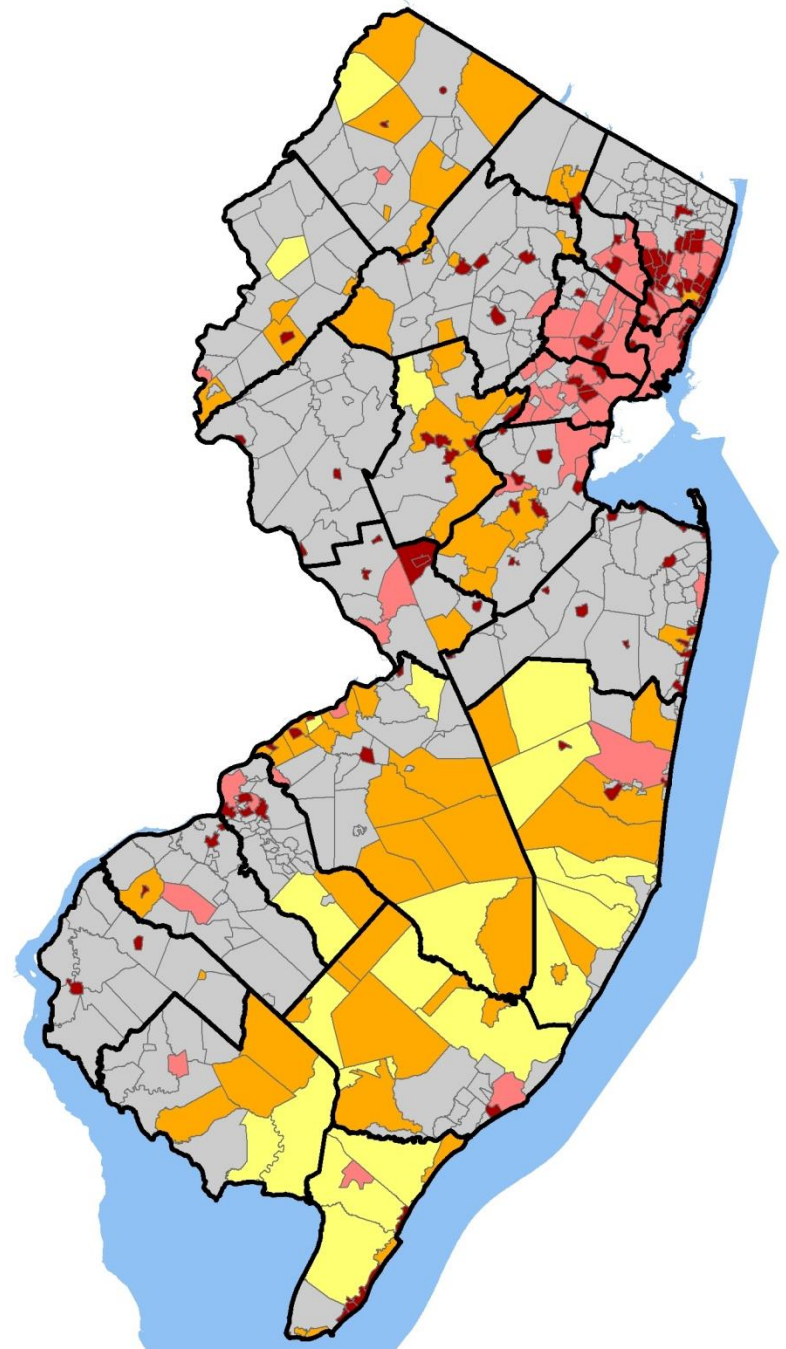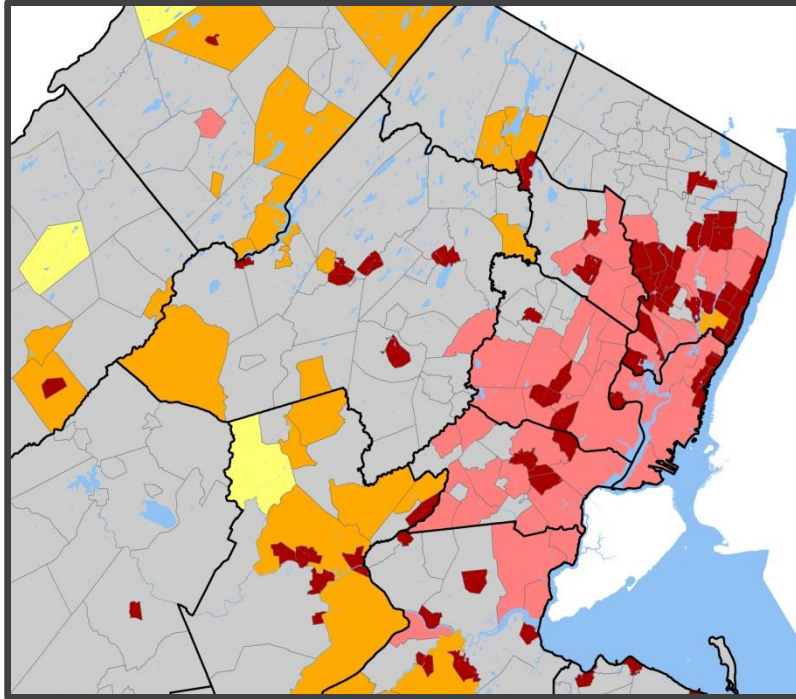Each municipality is assigned to a category on each of these 3 metrics.

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# Net Activity Density



scoring
"well"
→

**net activity density category**

- ![blue] urban (15K+)
- ![green] small city / urban suburb (10K - 15K)
- ![light green] dense suburban / small town (7,500 - 10K)
- ![dark tan] moderate suburban (4K - 7,500)
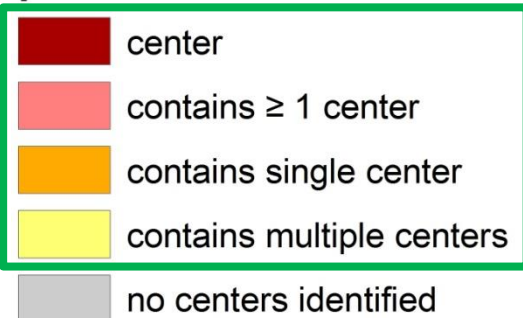- ![orange] low-density suburban (2K - 4K)
- ![yellow] large-lot (< 2K)

# Presence of a Center



**presence of a center**

scoring "well" →

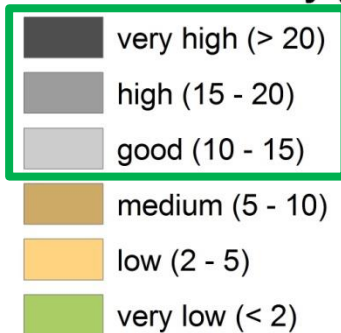| | |
|---|---|
| ■ (dark red) | center |
| ■ (salmon/pink) | contains ≥ 1 center |
| ■ (orange) | contains single center |
| ■ (yellow) | contains multiple centers |
| ■ (gray) | no centers identified |

# Local Road Network Density
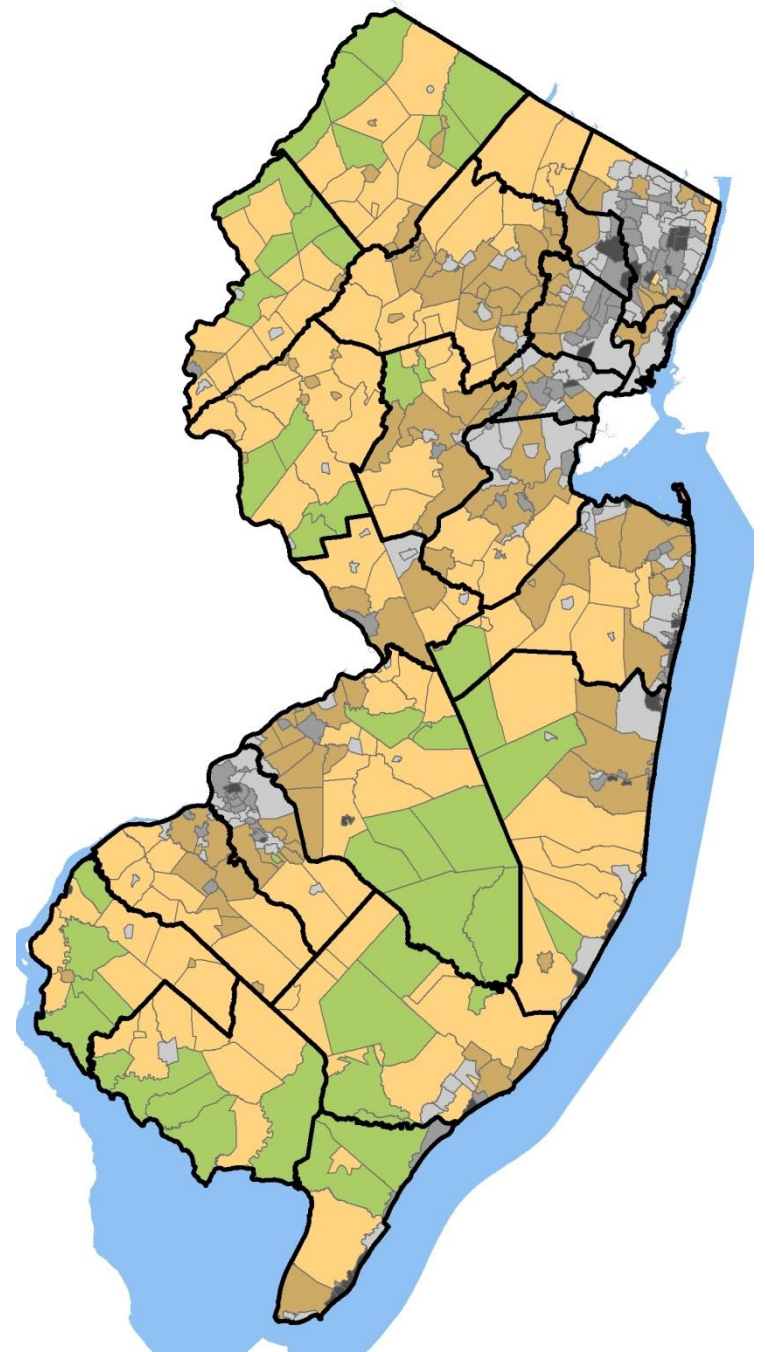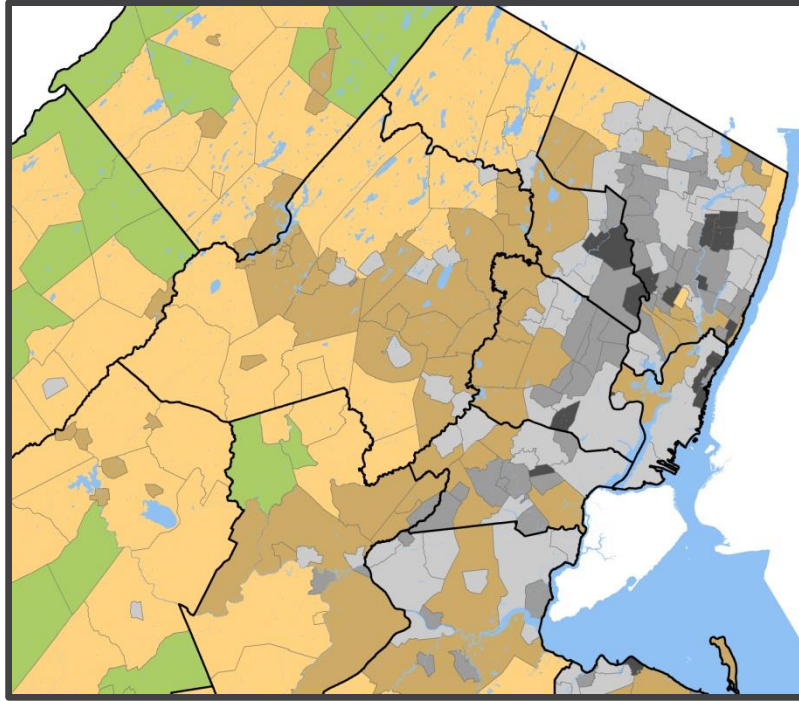


**local road density (route-miles / sq mi)**

scoring "well"
→
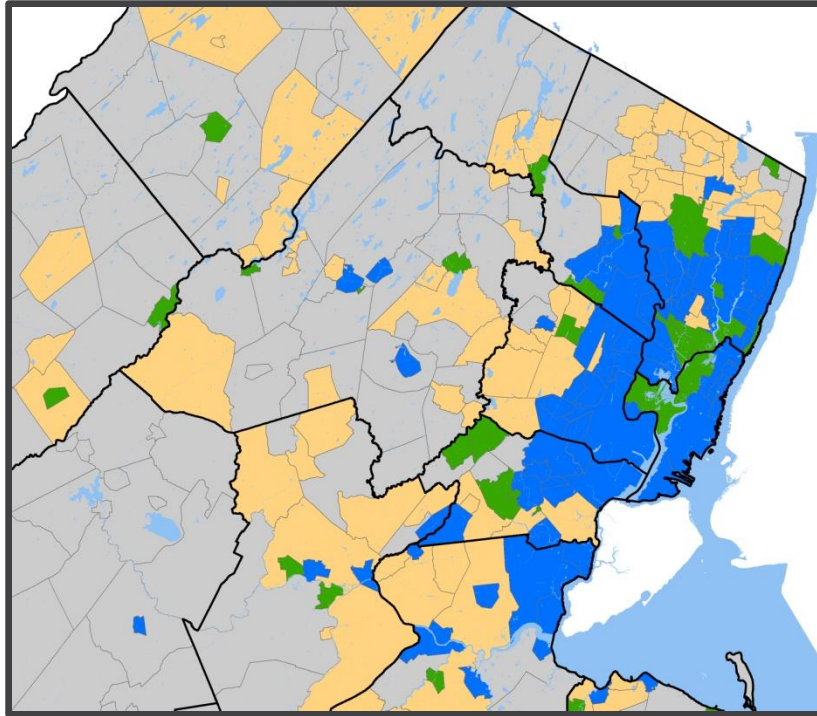
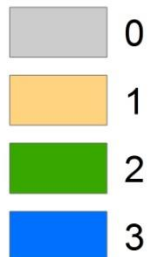| | |
|---|---|
| ■ very high (> 20) | |
| ■ high (15 - 20) | |
| ■ good (10 - 15) | |
| ■ medium (5 - 10) | |
| ■ low (2 - 5) | |
| ■ very low (< 2) | |

# Typology of Places



# of smart growth metrics scoring well

- 0 (grey)
- 1 (tan)
- 2 (green)
- 3 (blue)
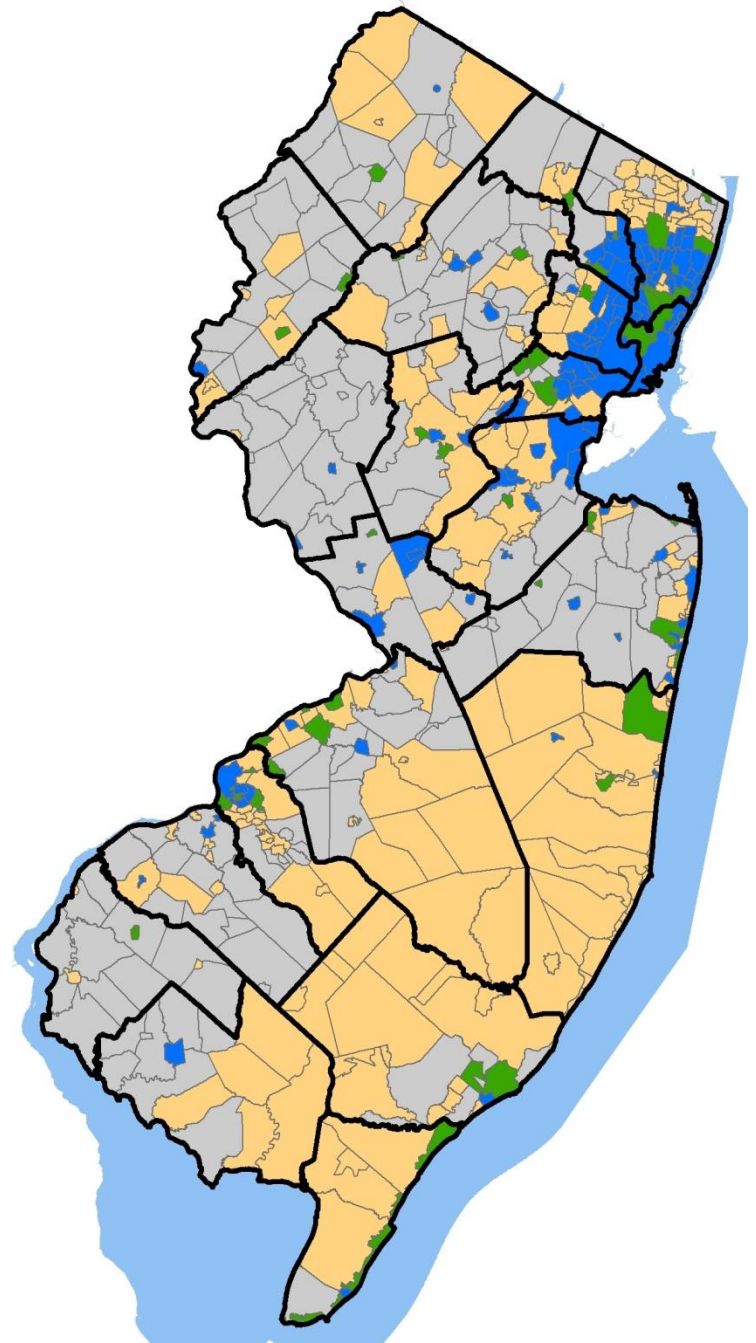
# No matter how you slice it, Millennials love compact, walkable urbanism

| net activity density category | # of munis in category | 22 to 34 LQ, 2013 |
|---|---|---|
| urban | 34 | 1.396 |
| small city / urban suburb | 46 | 1.145 |
| dense suburban / small town | 75 | 1.061 |
| moderate suburban | 179 | 0.889 |
| low-density suburban | 130 | 0.772 |
| large-lot | 101 | 0.672 |

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# No matter how you slice it, Millennials love compact, walkable urbanism

| "center" category | # of munis in category | 22 to 34 LQ, 2013 |
|---|---|---|
| center | 111 | 1.204 |
| contains ≥ 1 center | 58 | 1.187 |
| contains single center | 67 | 0.853 |
| contains multiple centers | 22 | 0.830 |
| no centers identified | 307 | 0.839 |

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# No matter how you slice it, Millennials love compact, walkable urbanism

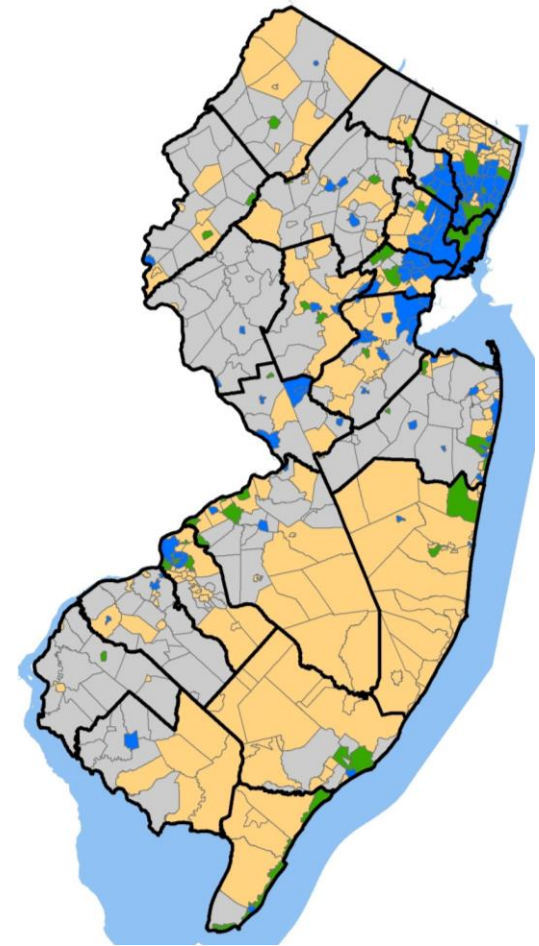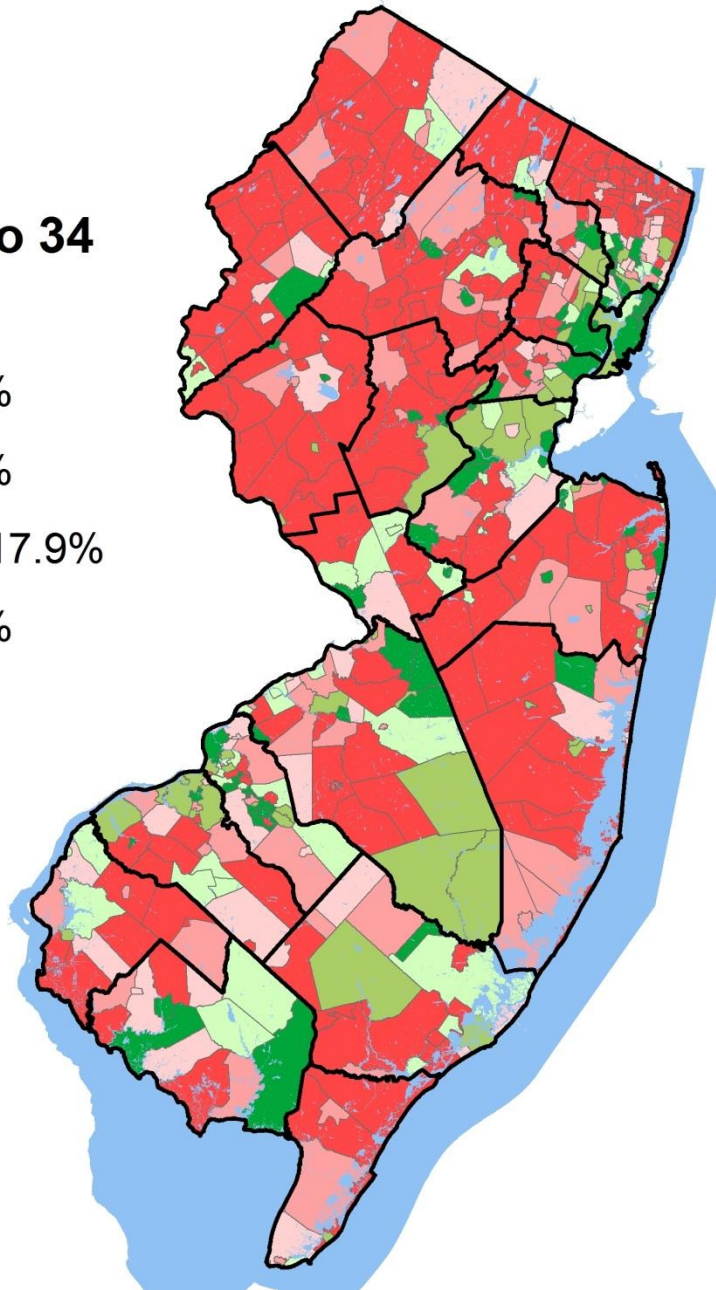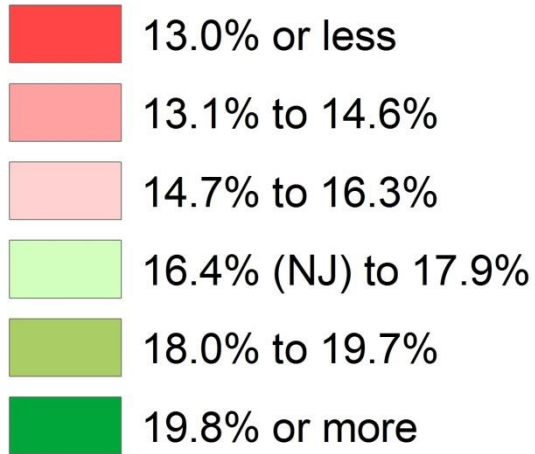| local road density category | # of munis in category | 22 to 34 LQ, 2013 |
|---|---|---|
| very high | 44 | 1.277 |
| high | 96 | 1.070 |
| good | 132 | 1.130 |
| medium | 123 | 0.893 |
| low | 123 | 0.802 |
| very low | 47 | 0.835 |

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# No matter how you slice it, Millennials love compact, walkable urbanism

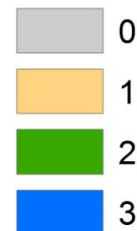| # of smart growth metrics on which muni scores well | # of munis in category | 22 to 34 LQ, 2013 |
|:---:|:---:|:---:|
| 3 | 118 | 1.251 |
| 2 | 65 | 0.936 |
| 1 | 201 | 0.866 |
| 0 | 181 | 0.808 |

Millennials are 25% more prevalent than statewide in municipalities scoring well on all 3 smart-growth metrics, and are less prevalent than statewide everywhere else

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% of pop age 22 to 34
- 13.0% or less
- 13.1% to 14.6%
- 14.7% to 16.3%
- 16.4% (NJ) to 17.9%
- 18.0% to 19.7%
- 19.8% or more

# of smart-growth metrics scoring well
- 0
- 1
- 2
- 3

NEW JERSEY FUTURE

# …but really Generation X started it!

## Generation X:

- generally defined as people born from ~1965 to ~1979. So they are/were:
    - Age 21 to 35 in 2000, so **in 2000 the 22-to-34 age group** roughly corresponds to GenX in their young-adult years
    - Age 34 to 48 **in 2013** – the **35-to-49 age group** thus roughly corresponds to GenX in their early middle age, in 2013
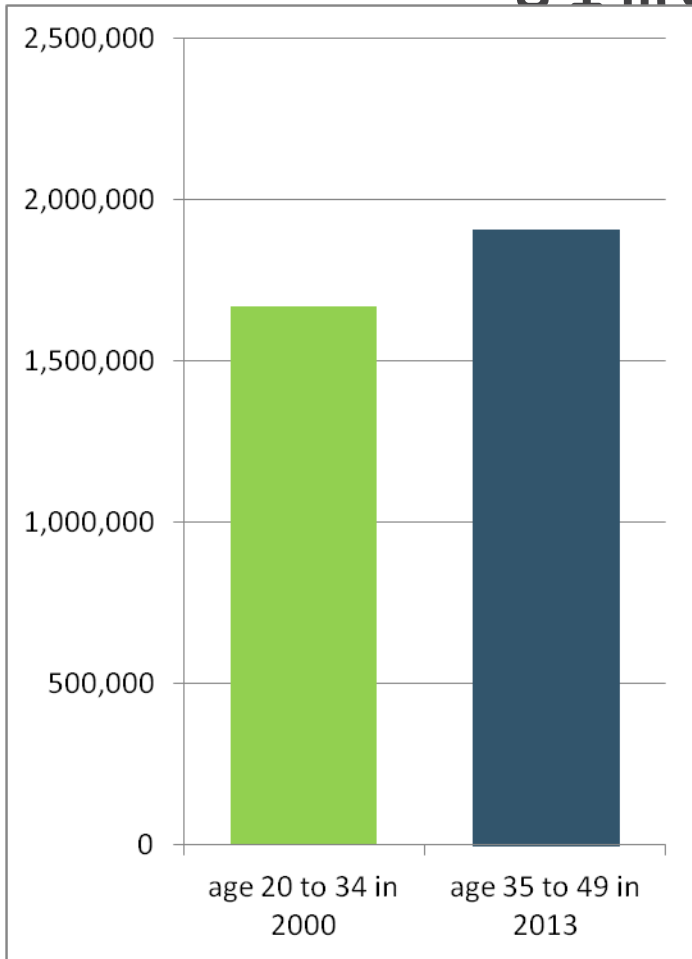    - Age 38 to 52 in 2017
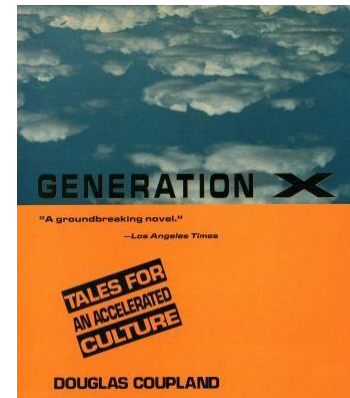
# Change in Population by Age Group, 2000 vs 2013
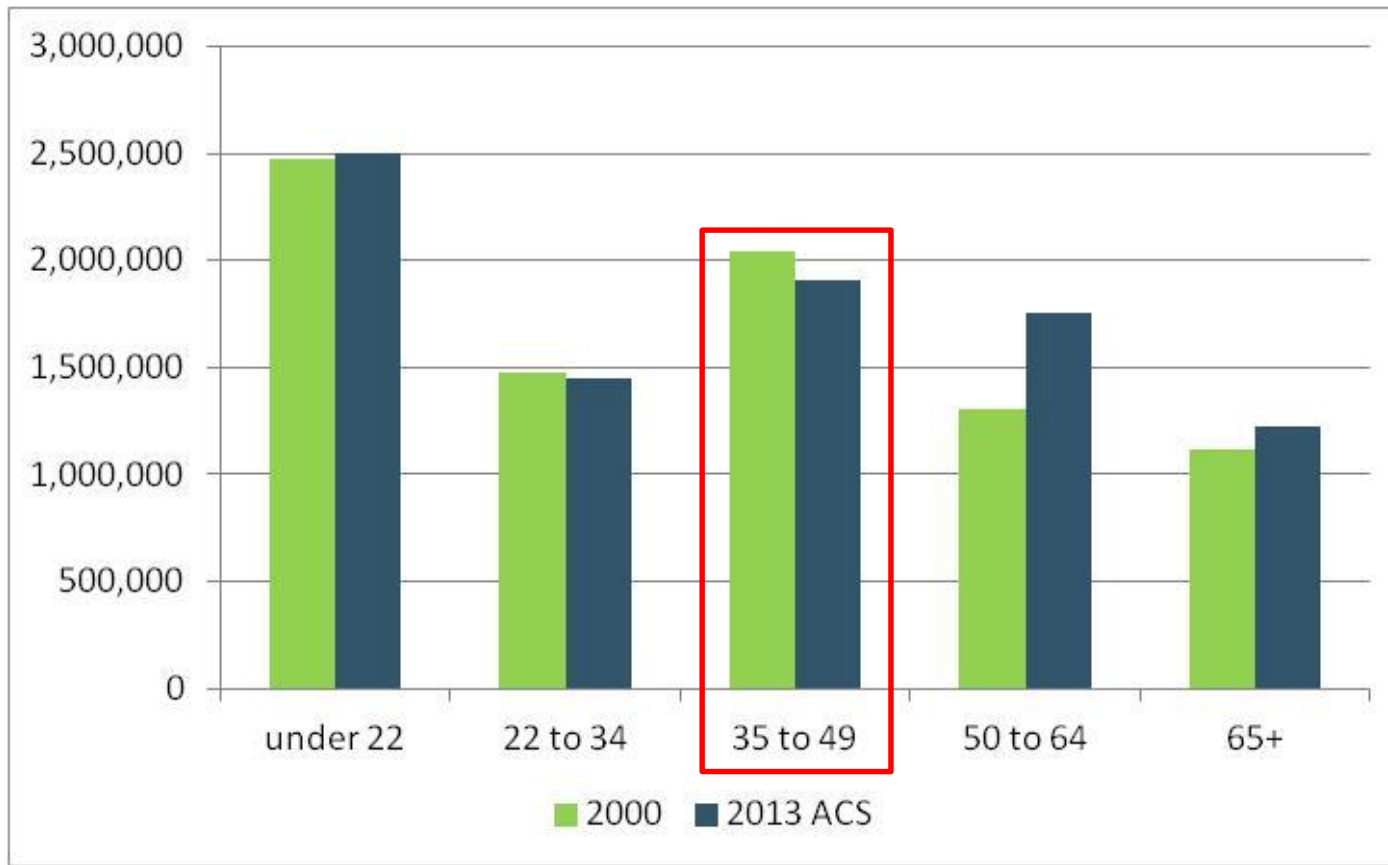


Decreased, but not by as much as would be expected for the "Baby Bust"

# Generation X growing over time?



Generation X's New Jersey numbers appear to be being augmented...by immigrants from other countries? By domestic in-migrants from other states?

NEW JERSEY FUTURE
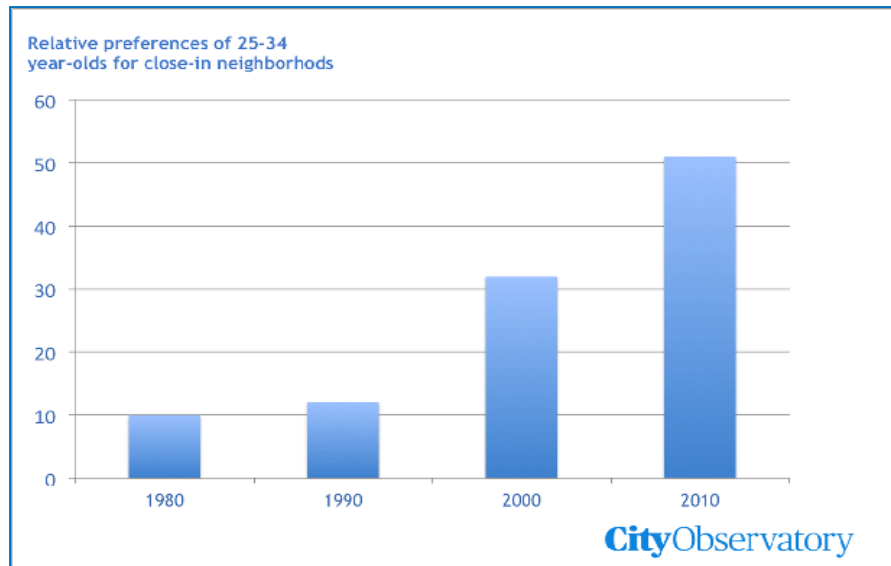
# …but really Generation X started it!

Look at LQs for 22-to-34-year-olds **in 2000**:

| # of smart growth metrics on which muni scores well | # of munis in category | 22 to 34 LQ, 2000 |
|---|---|---|
| 3 | 118 | 1.193 |
| 2 | 65 | 0.955 |
| 1 | 201 | 0.876 |
| 0 | 181 | 0.860 |

| net activity density category | # of munis in category | 22 to 34 LQ, 2000 |
|---|---|---|
| urban | 34 | 1.320 |
| small city / urban suburb | 46 | 1.119 |
| dense suburban / small town | 75 | 1.030 |
| moderate suburban | 179 | 0.901 |
| low-density suburban | 130 | 0.818 |
| large-lot | 101 | 0.748 |

Generation X liked walkable urbanism in their young-adult years, too, though Millennials like it even more

**NEW JERSEY FUTURE**

# Maybe the Baby Boomers were the same way? Remember yuppies (Young Urban Professionals)?



Relative preferences of 25-34 year-olds for close-in neighborhods

CityObservatory

**no, not to same extent**

"Since 1980, the relative preference of young adults for close-in neighborhoods has increased steadily. In 1980, young adults were 10 percent more likely than all metro residents to live in these neighborhoods; in 1990, 12 percent more likely; in 2000, 32 percent more likely; and in 2010, 25- to 34-year-olds were fully 51 percent more likely to live in close-in neighborhoods than other metro residents. The relative preference of 25- to 34-year-olds with a four-year degree to live in such neighborhoods was even higher: over 100 percent in 2010."

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# Did Generation X stay in compact, walkable places as they aged?

# Which places does Generation X like best today, in early middle age?

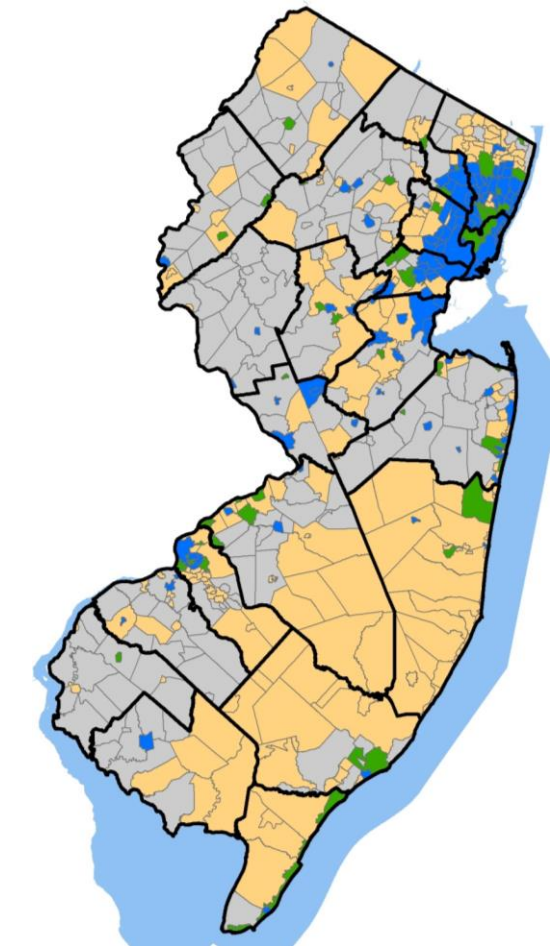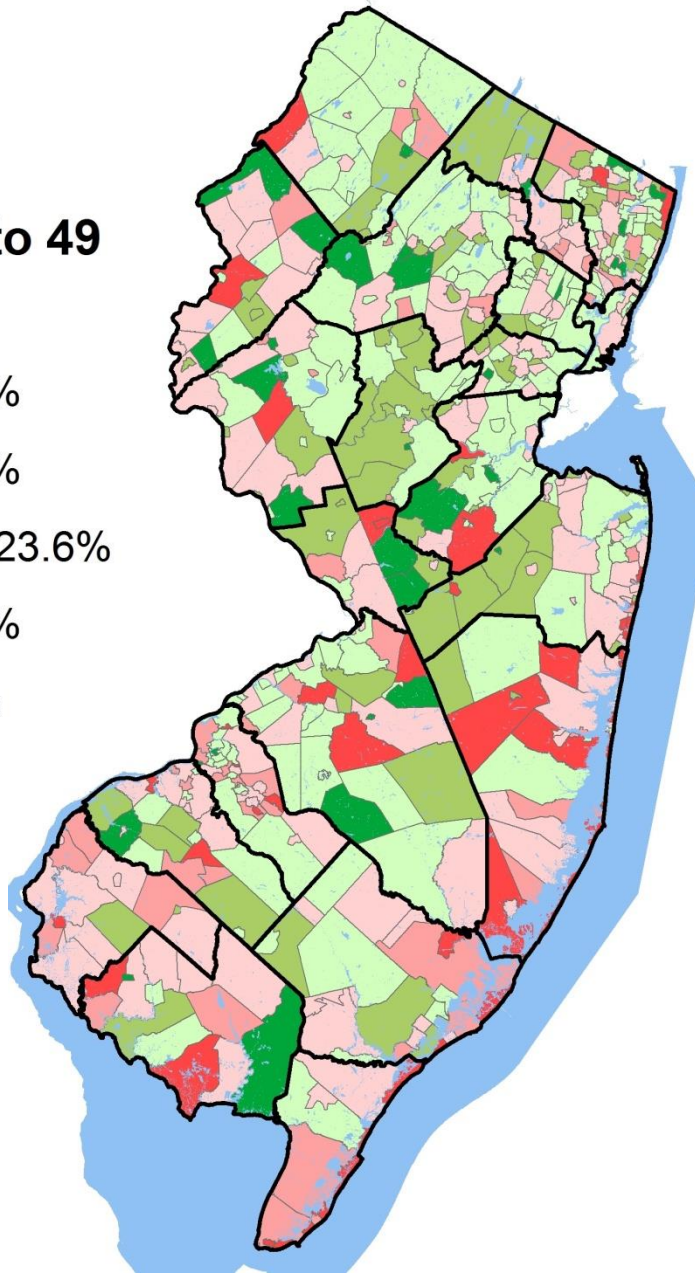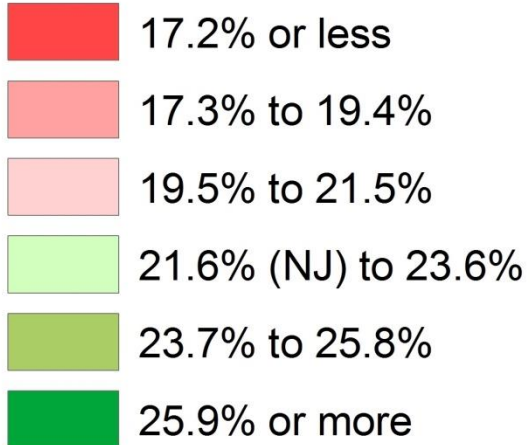| # of smart growth metrics on which muni scores well | # of munis in category | LQ for 22-to-34-year-olds, 2000 | LQ for 35-to-49-year-olds, 2013 | LQ for 35-to-49-year-olds, 2000 |
|---|---|---|---|---|
| 3 | 118 | 1.193 | 0.995 | 0.935 |
| 2 | 65 | 0.955 | 0.999 | 0.997 |
| 1 | 201 | 0.876 | 0.976 | 1.010 |
| 0 | 181 | 0.860 | 1.033 | 1.088 |
| | | ↑ | ↑ | ↑ |
| | | **Gen X as young adults** | **Gen X in early middle age** | **Boomers in early middle age** |

Although Generation X has moved to the suburbs as it has aged out of young adulthood, it has retained a preference for some degree of walkable urbanism that was not evident among Baby Boomers at this same stage of their life cycle.

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% of pop age 35 to 49

- 17.2% or less
- 17.3% to 19.4%
- 19.5% to 21.5%
- 21.6% (NJ) to 23.6%
- 23.7% to 25.8%
- 25.9% or more

# of smart-growth metrics scoring well

- 0
- 1
- 2
- 3

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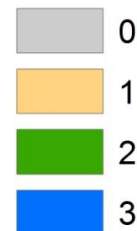
# The Baby Boom

- generally defined as people born from ~1946 to ~1964. So they are/were :

  - Age 36 to 54 **in 2000**, so the **35-to-49** age group in 2000 roughly corresponds to the bulk of the Baby Boom in early middle age

  - Age 49 to 67 in 2013 – the **50-to-64 age group in 2013** thus contains the bulk of the Baby Boom in late middle age (with the **65+** age group containing the older Boomers, plus older generations).

  - Age 53 to 71 in 2017

# Change in Population by Age Group, 2000 vs 2013



Bulk of the Baby Boomers hitting middle age

# Change in Population by Age Group, 2000 vs 2013
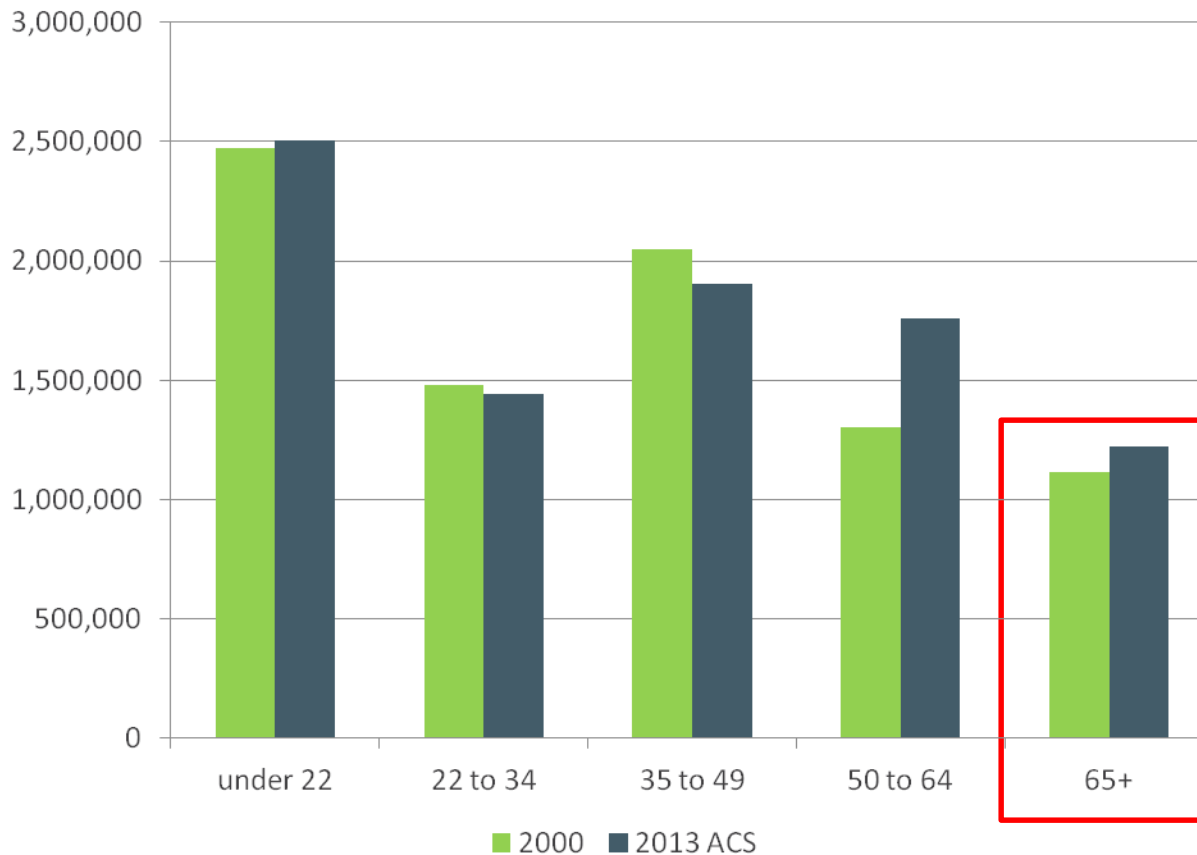


Oldest Baby Boomers retiring, plus older generations living longer

# Retirees do <u>not</u> love walkable urbanism…

|  | | location quotient for: | |
|---|---|---|---|
|  | | **age 65+** | |
| **# of smart growth metrics on which muni scores well** | **# of munis** | **2000** | **2013** |
| 3 | 118 | 0.927 | 0.834 |
| 2 | 65 | 1.160 | 1.116 |
| 1 | 201 | 1.136 | 1.142 |
| 0 | 181 | 0.913 | 1.049 |

↑
**older Boomers now in this age range**

The 65+ population was already under-represented in "smart-growth" places in 2000, and has gotten more so in the intervening years as the older Baby Boomers have aged into this age range.

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# Retirees do <u>not</u> love walkable urbanism, and the next generation of retirees likes it even less!

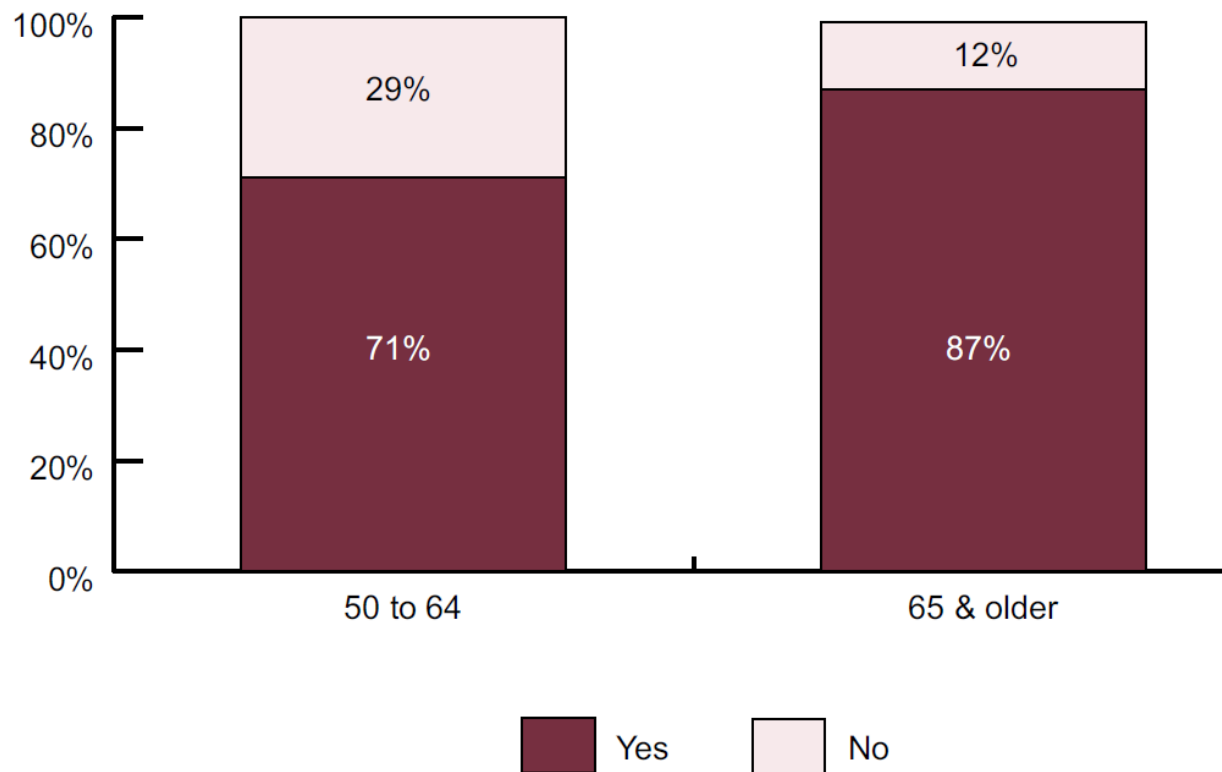| # of smart growth metrics on which muni scores well | # of munis | location quotient for: age 50 to 64 | | age 65+ | |
|---|---|---|---|---|---|
| | | 2000 | 2013 | 2000 | 2013 |
| 3 | 118 | 0.911 | 0.891 | 0.927 | 0.834 |
| 2 | 65 | 1.040 | 1.038 | 1.160 | 1.116 |
| 1 | 201 | 1.048 | 1.042 | 1.136 | 1.142 |
| 0 | 181 | 1.069 | 1.098 | 0.913 | 1.049 |

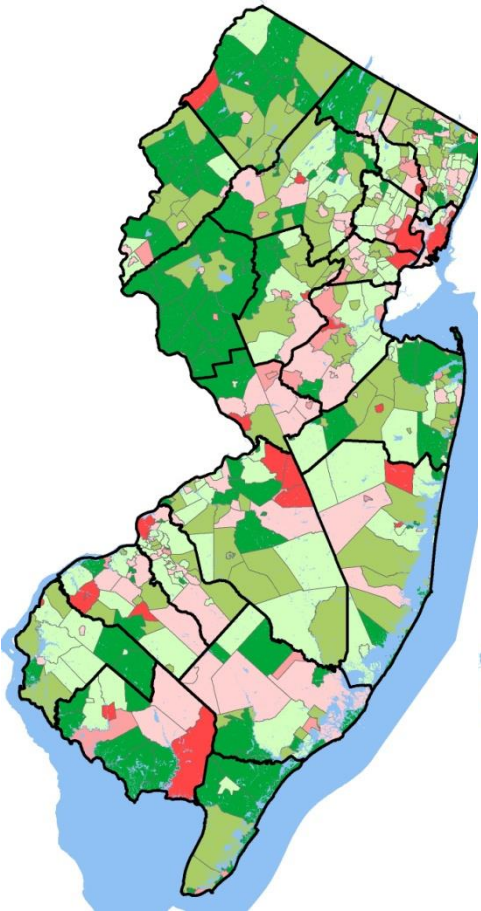↑ older Boomers   ↑ younger Boomers   ↑ older Boomers

The problem of older people being stranded in car-dependent suburbia is likely to get worse if the Baby Boomers follow through on their expressed desire to "age in place" in their preferred suburban environments.
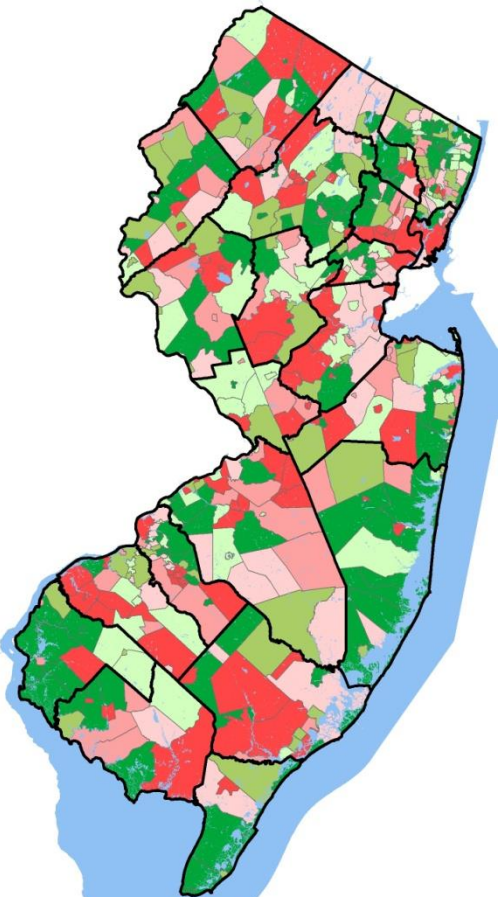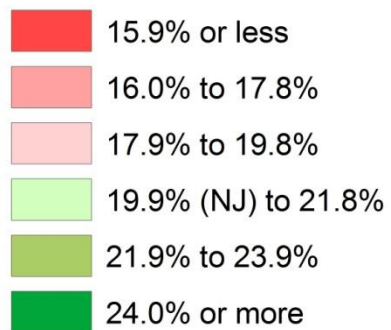
**NEW JERSEY FUTURE**

# From AARP report *What Is Livable? Community Preferences of Older Adults*:

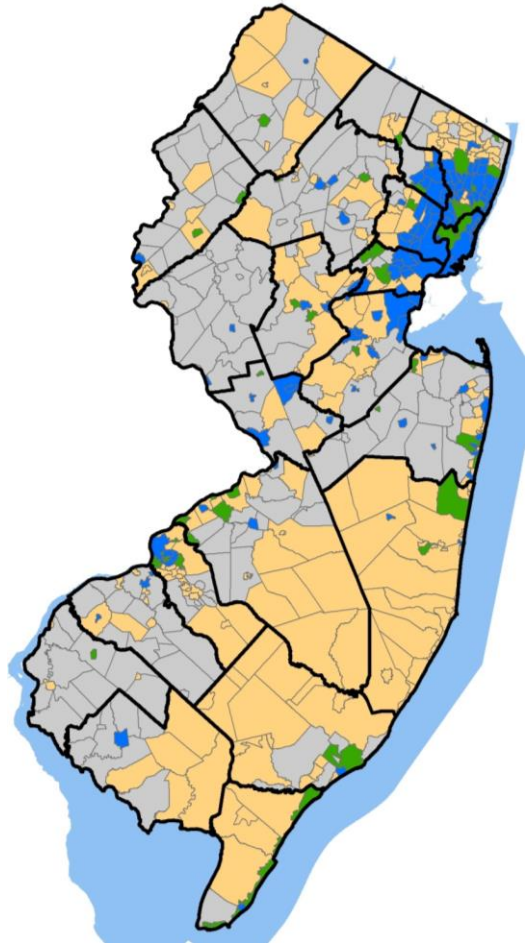## Figure 2. Do you want to live in your current community as you age?
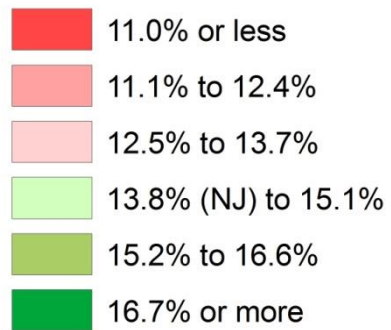


| | 50 to 64 | 65 & older |
|---|---|---|
| No | 29% | 12% |
| Yes | 71% | 87% |

Legend: Yes, No

**% of pop age 50 to 64**

| | |
|---|---|
| 🟥 | 15.9% or less |
| 🟧 | 16.0% to 17.8% |
| 🟪 | 17.9% to 19.8% |
| 🟩 | 19.9% (NJ) to 21.8% |
| 🟩 | 21.9% to 23.9% |
| 🟩 | 24.0% or more |

**% of pop age 65+**

| | |
|---|---|
| 🟥 | 11.0% or less |
| 🟧 | 11.1% to 12.4% |
| 🟪 | 12.5% to 13.7% |
| 🟩 | 13.8% (NJ) to 15.1% |
| 🟩 | 15.2% to 16.6% |
| 🟩 | 16.7% or more |

**# of smart-growth metrics scoring well**

| | |
|---|---|
| ⬜ | 0 |
| 🟧 | 1 |
| 🟩 | 2 |
| 🟦 | 3 |

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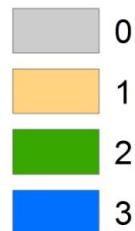
From AARP report *What Is Livable? Community Preferences of Older Adults*

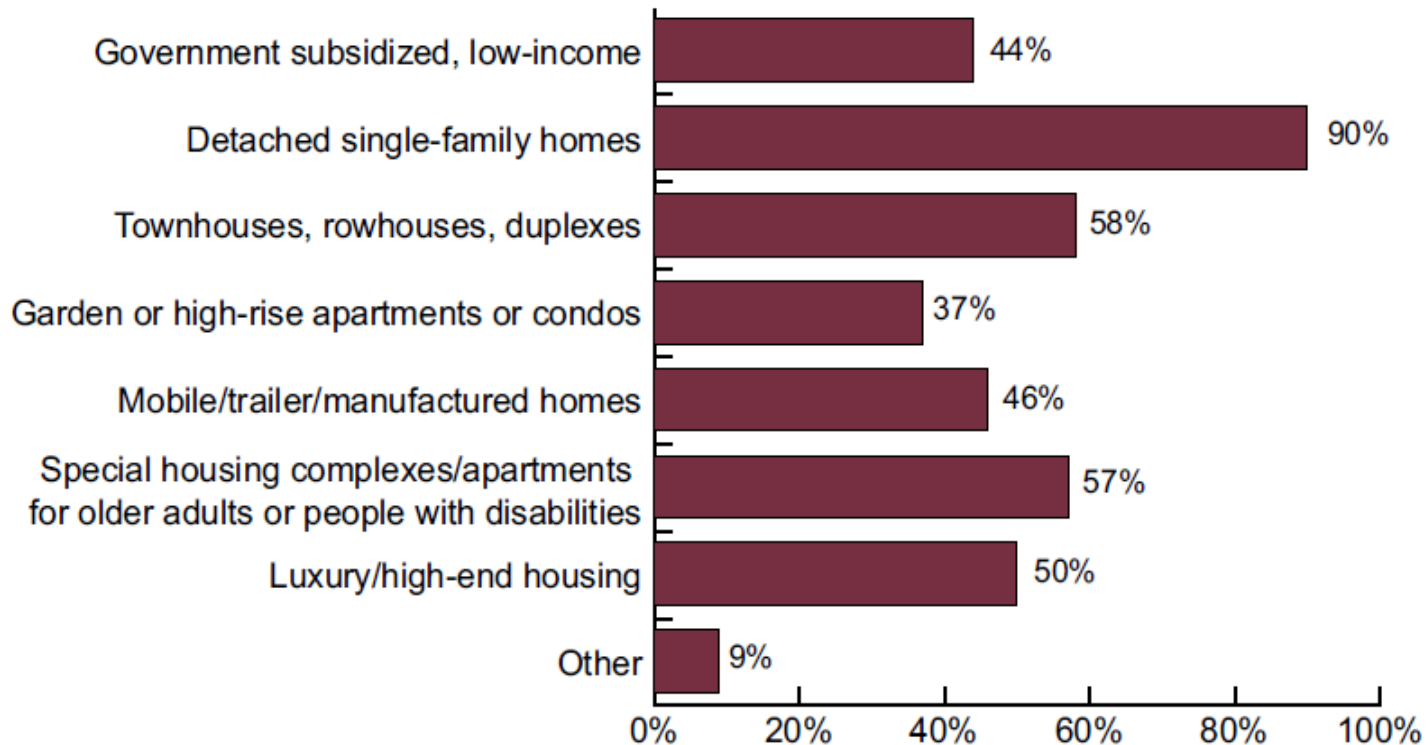**Figure 9. What types of homes are available in your community?**



| Home type | Percentage |
|---|---|
| Government subsidized, low-income | 44% |
| Detached single-family homes | 90% |
| Townhouses, rowhouses, duplexes | 58% |
| Garden or high-rise apartments or condos | 37% |
| Mobile/trailer/manufactured homes | 46% |
| Special housing complexes/apartments for older adults or people with disabilities | 57% |
| Luxury/high-end housing | 50% |
| Other | 9% |

NEW JERSEY FUTURE

# Building for New Demographic Realities

**In places that already have "good bones" (cities, but also many older suburbs):**

• Add to and diversify the housing stock

**In places that score poorly (post-WWII car-oriented suburbia):**

• Create brand-new "downtowns" (e.g. Robbinsville Town Center, Plainsboro)

• Retrofit existing single-use development to make more mixed-use and pedestrian-friendly (e.g. Willingboro, Echelon Mall, Somerdale)

Thank you!

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