



CITY OF JERSEY CITY

STEVEN M. FULOP, MAYOR

**FOR IMMEDIATE RELEASE**

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**Contact: Jennifer Morrill**

Press Secretary

201-547-4836

201-376-0699

## ***Jersey City Continues to Lead State in Construction Projects According to Mid-Year Report Released by NJ DCA***

JERSEY CITY – **Mayor Steven M. Fulop** announced today that according to a mid-year report released by the **New Jersey Department of Community Affairs**, Jersey City continues to lead all other municipalities in the state in relation to construction projects.

In June alone, Jersey City led all municipalities with **\$113.5 million in authorized construction**, according to the report.

“Jersey City continues to lead the state in residential and commercial development, but we believe we can do even more to encourage additional development throughout our city,” said **Mayor Fulop**. “Just this week, we announced our administration’s policy on tax abatements – the first of its kind – which incentivizes development off the waterfront and sets a policy for how abatements are issued.”

According to the DCA report, Jersey City tops all municipalities with \$365 million of work halfway through 2013. More than half of this is for residential work, new houses and home improvements. Jersey City’s 1,073 authorized dwelling units through June is top among all municipalities. The report states this trend has lasted for more than a decade.

“We are committed to further expanding upon that trend by encouraging development off of the waterfront in the heart of the city, in areas like Journal Square and Bergen Lafayette,” said **Mayor Fulop**. “As we move forward on projects in these areas, it is our goal that Jersey City continues to outpace all other municipalities in the state in relation to investment and development.”

**All media inquiries should be directed to Jennifer Morrill, Press Secretary for the City of Jersey City, at 201-547-4836 or 201-376-0699.////**

OFFICE OF THE MAYOR  
CITY HALL  
280 GROVE STREET  
JERSEY CITY, NJ 07302

P: 201 547 5200

F: 201 547 5442

[WWW.JERSEYCITYNJ.GOV](http://WWW.JERSEYCITYNJ.GOV)

## **JUNE 2013 HIGHLIGHTS**

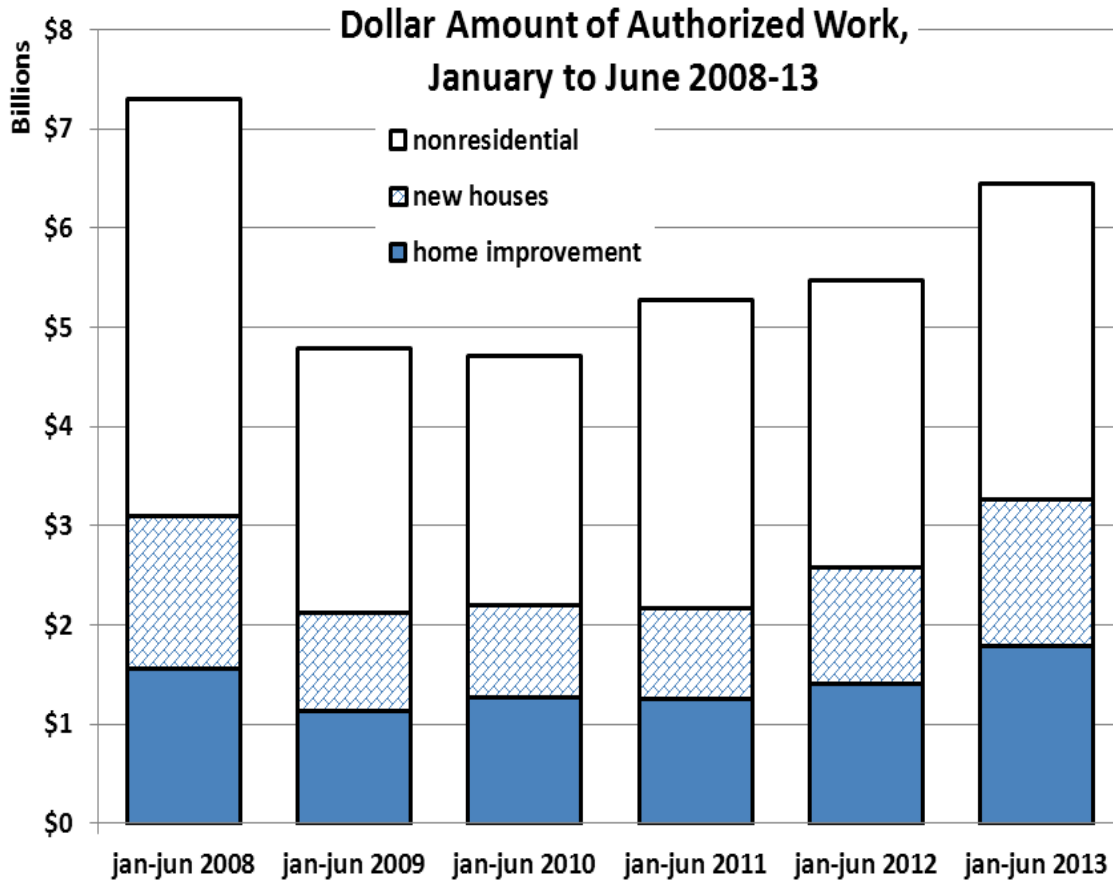
- For the third month in a row, authorized construction exceeded one billion dollars. June activity was \$1.163 billion; 551 of New Jersey's 565 municipalities reported.
- Residential work totaled for \$561.2 million, or 48.3 percent of all activity. New houses accounted for \$243.4 million (20.9 percent); home renovations amounted to \$317.8 million (27.3 percent).
- Office, retail, and other nonresidential work totaled \$601.6 million (51.7 percent). Tenant fit ups and other work on existing, nonresidential buildings made up 34.7 percent (\$403.8 million).
- Jersey City in Hudson County led all municipalities with \$113.5 million. Over \$80 million was for a new warehouse and distribution center for Goya Foods.
- Newly consolidated Princeton in Mercer County had \$59.7 million of authorized construction, much of which was for new housing. Princeton had 166 new dwellings in June, more than any other municipality. Ninety-nine units were apartments in Copperwood, a new, active adult community.
- Piscataway Township had \$35.7 million of construction. Much of this was for work on a new data warehouse that broke ground in April.

### **Mid-Year Review**

- Thus far in 2013, construction reached levels not seen in five years.
- The dollar amount of work for the first half of 2013 was \$6.450 billion. This is \$970.5 million more than last year at this time, an increase of 17.7 percent. 2008 was the last year with more activity.
- There were 3,024 more new dwellings authorized during the first half of 2013, compared to the same period last year, an increase of 44.6 percent. This is the best start in housing construction since 2007.
- Residential additions and alterations grew at the same rate as new home construction. Home improvements accounted for \$1.79 billion between January and June 2013. This was 26.4 percent more last year at this time.

<b>Major Construction Indicators, Six-Month Comparison</b>				
<b>Period</b>	<b>Estimated Cost of Construction</b>	<b>Authorized Housing Units</b>	<b>Authorized Office Space (square feet)</b>	<b>Authorized Retail Space (square feet)</b>
<b>Jan – Jun 2013</b>	\$6,449,892,885	9,811	2,519,469	1,022,510
<b>Jan – Jun 2012</b>	5,479,391,404	6,787	3,696,572	892,955
<b>Jan – Jun 2011</b>	5,283,021,139	5,640	2,436,159	845,638
<b>Jan – Jun 2010</b>	4,717,038,827	5,416	2,526,258	874,570
<b>Jan – Jun 2009</b>	4,786,597,993	5,097	1,601,287	1,048,198
<b>Jan – Jun 2008</b>	7,314,157,255	9,304	4,275,268	3,946,329
<b>Jan – Jun 2007</b>	7,436,971,200	12,852	4,364,617	2,256,732
<b>Jan – Jun 2006</b>	7,582,375,400	17,139	6,034,350	1,954,303
<b>Jan – Jun 2005</b>	7,081,730,877	18,587	5,106,005	3,158,251
<b>Jan – Jun 2004</b>	6,449,484,680	18,075	5,510,963	1,816,673
<b>Jan – Jun 2003</b>	5,331,838,015	15,060	4,572,969	3,116,205
<b>Jan – Jun 2002</b>	5,530,176,347	15,026	4,717,733	4,255,238
<b>Jan – Jun 2001</b>	6,157,204,386	16,834	9,771,589	3,244,421
<b>Jan – Jun 2000</b>	4,798,965,724	16,849	5,972,159	2,233,888
<b>Jan – Jun 1999</b>	4,994,367,961	16,809	5,254,870	3,596,066
<b>Jan – Jun 1998</b>	4,121,149,094	15,139	4,780,300	4,128,120
<b>Jan – Jun 1997</b>	3,926,007,970	12,824	3,527,402	2,622,495
<b>Percent change, 2012–13</b>				
<b>2012-2013</b>	\$970,501,481	3,024	-1,177,103	129,555
<b>Percent Change</b>	17.7%	44.6%	-31.8%	14.5%
<b>Percent change, 2011–12</b>				
<b>2011-2012</b>	\$196,370,265	1,147	1,260,413	47,317
<b>Percent Change</b>	3.6%	16.9%	34.1%	5.3%
Source: N.J. Department of Community Affairs, 8/7/13				

- Just over 2.5 million square feet of new office space was authorized between January and June 2013. This is 1.2 million square feet less than this time last year, a decline of 31.8 percent. Prudential Insurance broke ground on a 733,000 square foot corporate headquarters in Newark, accounting for nearly 30 percent of all the new office space between January and June 2013.
- About one million square feet of new retail space was authorized for construction midway through 2013. While this is 14.5 percent more than last year, the pace of retail development is still slower than it was in 2008.



- Jersey City tops all municipalities with \$365 million of work halfway through 2013. More than half of this is for residential work, new houses and home improvements. Jersey City's 1,073 authorized dwelling units through June is top among all municipalities. This trend has lasted for more than a decade.
- Newark had \$229.1 million through June. Much of this is office development, the new building for Prudential Insurance and a fit up of the recently completed US headquarters of Panasonic.
- Princeton (Mercer County) had \$141 million of work through June. Residential construction accounted for 60.1 percent of this. Princeton had 450 new dwellings through June. Only Jersey City (1,073) and Weehawken (742), both in Hudson County, had more.
- Robbinsville in Mercer County had \$128.4 million of work. Most (\$102 million) is for a new, 2 million square foot warehouse and distribution center for Amazon.com.

- State Buildings had \$232.7 million of construction between January and June 2013. The bigger projects were: a shopping and recreation complex (\$34.9 million) and new racetrack (\$21.1 million) in the Meadowlands; renovations and expansions at Ramapo College (over \$33 million); a new food, nutrition, and health institute at the New Brunswick campus of Rutgers University (\$14.3 million); and a parking deck at William Paterson University (\$8 million).

**Housing Demolitions**

- 3,295 dwellings were demolished between January and June 2013. This is more than double the amount reported this time last year. Ocean County had 1,508 demolitions, 45.8 percent of the statewide total. Seven of the top ten municipalities were in Ocean County; 17 of the top 20 were shore communities, reflecting the impact of Super Storm Sandy on New Jersey’ coast.

<b>Mid-Year Housing Demolitions, All New Jersey and Ocean and Monmouth County, 2005-13</b>				
<b>period</b>	<b>New Jersey</b>	<b>Ocean County</b>	<b>Monmouth County</b>	<b>Ocean &amp; Monmouth as % of NJ</b>
<b>Jan – Jun 2013</b>	3,295	1,508	441	59.2%
<b>Jan – Jun 2012</b>	1,437	183	170	24.6%
<b>Jan – Jun 2011</b>	1,327	182	138	24.1%
<b>Jan – Jun 2010</b>	1,360	184	111	21.7%
<b>Jan – Jun 2009</b>	1,254	160	103	21.0%
<b>Jan – Jun 2008</b>	2,250	329	212	24.0%
<b>Jan – Jun 2007</b>	2,263	247	172	18.5%
<b>Jan – Jun 2006</b>	3,207	324	230	17.3%
<b>Jan – Jun 2005</b>	3,074	304	203	16.5%

Source: N.J. Department of Community Affairs, 8/7/13

**New House Prices**

- 1,791 new houses were completed, sold, and began enrollment in a new home warranty program in April, May, and June 2013. Their median sales price was \$402,000. This was 1.8 percent more than last quarter.
- Morris County had the most expensive new houses. Median sales price was \$737,500. Bergen and Somerset Counties followed with median sales prices of \$675,000 and \$599,164, respectively.
- Most new, for-sale houses are in a new home warranty program. The exceptions are rental dwellings and those built directly by homeowners themselves.

<b>New House Prices</b>			
<b>Period</b>	<b>Number of New Houses</b>	<b>Median Sale Price</b>	<b>Percent Change in Sale Price</b>
<b>Quarterly data (preliminary)</b>			
<b>2<sup>nd</sup> Quarter 2013(p)</b>	<b>1,791</b>	<b>\$402,000</b>	<b>1.8%</b>
<b>1<sup>st</sup> Quarter 2013(p)</b>	<b>1,277</b>	<b>395,000</b>	<b>2.6%</b>
<b>Quarterly data (final)</b>			
<b>4<sup>th</sup> Quarter 2012</b>	<b>1,746</b>	<b>\$384,845</b>	<b>-3.7%</b>
<b>3<sup>rd</sup> Quarter 2012</b>	<b>1,899</b>	<b>399,699</b>	<b>-6.4%</b>
<b>2<sup>nd</sup> Quarter 2012</b>	<b>2,089</b>	<b>427,200</b>	<b>11.0%</b>
<b>1<sup>st</sup> Quarter 2012</b>	<b>1,431</b>	<b>385,000</b>	
<b>Annual data</b>			
<b>2012</b>	<b>7,165</b>	<b>\$399,900</b>	<b>2.5%</b>
<b>2011</b>	<b>6,839</b>	<b>390,000</b>	<b>1.3%</b>
<b>2010</b>	<b>8,712</b>	<b>384,899</b>	<b>4.4%</b>
<b>2009</b>	<b>9,161</b>	<b>368,512</b>	<b>-13.3%</b>
<b>2008</b>	<b>13,841</b>	<b>425,000</b>	<b>0.1%</b>
<b>2007</b>	<b>18,397</b>	<b>424,570</b>	<b>2.6%</b>
<b>2006</b>	<b>22,697</b>	<b>413,825</b>	<b>9.2%</b>
<b>2005</b>	<b>24,571</b>	<b>378,992</b>	<b>8.3%</b>
<b>2004</b>	<b>23,844</b>	<b>349,900</b>	<b>13.9%</b>
<b>2003</b>	<b>22,226</b>	<b>307,168</b>	<b>11.8%</b>
<b>2002</b>	<b>23,647</b>	<b>274,705</b>	<b>8.3%</b>
<b>2001</b>	<b>23,372</b>	<b>253,670</b>	<b>9.5%</b>
<b>2000</b>	<b>25,058</b>	<b>231,728</b>	<b>3.2%</b>
<b>1999</b>	<b>24,479</b>	<b>224,496</b>	<b>6.9%</b>
<b>1998</b>	<b>23,884</b>	<b>209,980</b>	<b>10.5%</b>
<b>1997</b>	<b>21,640</b>	<b>190,000</b>	<b>3.7%</b>
<b>1996</b>	<b>20,903</b>	<b>183,300</b>	

Source: N.J. Department of Community Affairs, 8/7/13