



An Economic Snapshot of Westchester County

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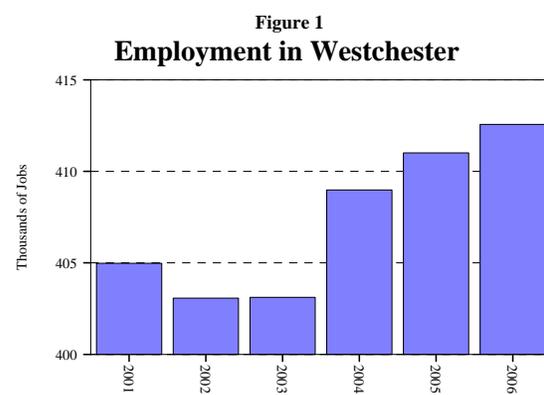
- Most job growth in Westchester in recent years has been in financial services, construction, and education and health services.
- More than half of all jobs in Westchester are in three sectors: trade, transportation, and utilities (19.3 percent), education and health services (18.1 percent), and government (15.4 percent).
- The average salary in Westchester (\$58,630 in 2006) exceeds the Statewide average (\$55,480).
- Between 2003 and 2006, wages rose by 44.5 percent in financial services and by 30.4 percent in professional and business services.
- Nearly 90 percent of all businesses in Westchester employ 20 or fewer people.
- Twenty businesses employ 1,000 or more people, including IBM, Morgan Stanley, PepsiCo, and nine hospitals.
- The county's unemployment rate in 2007 (3.6 percent) was a full percentage point lower than the Statewide rate (4.6 percent).
- The median home value in Westchester increased by 75 percent between 2000 and 2006, although the rate of growth has slowed in recent years.
- Population in Westchester grew by 2.5 percent between 2000 and 2006, which was well above the Statewide growth rate. The population in White Plains increased by 7 percent between 2000 and 2006.
- The number of reported crimes in Westchester totaled 18.6 incidents per 1,000 people in 2006—significantly lower than the Statewide average of 24.7 incidents per 1,000 people.
- Westchester County has initiated a series of programs to revitalize downtown areas throughout the county and has set a goal of building 10,000 units of low- and middle-income housing by 2015.

Westchester County's economy has experienced strong growth in recent years and has outperformed many other areas of New York State. The White Plains area, in particular, has continued to develop as a financial and business center. The rapid increase in real property values in Westchester has begun to slow, however, reflecting national trends, and the recent developments on Wall Street will also affect the county's economy.

A number of economic development initiatives are currently underway to increase the supply of affordable housing and to redevelop downtown areas throughout the county. In addition, the State will soon make a decision to repair or replace the Tappan Zee Bridge, a vital component of the region's transportation network.

Employment

Total employment in Westchester County has grown steadily in recent years (see Figure 1). In 2004, employment jumped by almost 5,900 jobs, and another 3,500 jobs were added in the following two years, for a total gain of 9,400 jobs during the period. During the first half of 2007 (the most recent period for which county data are available), the pace of job growth accelerated and exceeded the Statewide rate of growth.



Source: U.S. Department of Labor

Much of the job growth during 2003 through 2006 occurred in the relatively high-paying financial services sector (growth of 14.4 percent or 3,900 jobs). There were also significant increases in construction (5.2 percent or 1,300 jobs) and education and health services (4.7 percent or 3,400 jobs). During the first half of 2007, employment growth was fastest in construction (6 percent), leisure and hospitality (5.5 percent), and education and health services (3.3 percent).

Wages and Average Salaries

Total wages paid in Westchester County increased by 20.1 percent between 2003 and 2006, reaching \$24.2 billion. While almost all industry sectors reported wage gains, the biggest increases were in financial services (44.5 percent) and professional and business services (30.4 percent). Overall, professional and business services accounted for the largest share of wages—20 percent—in 2006.

The average salary in Westchester rose by 17.3 percent between 2003 and 2006 to reach \$58,630. The highest average salary (\$95,150) was in financial services, an increase of 26.3 percent from 2003. Manufacturing had the second-highest average salary (\$93,640), reflecting the high-tech focus of that industry in Westchester.

Unemployment

In 2007, the unemployment rate in Westchester County averaged 3.6 percent—a full percentage point lower than the rate Statewide (4.6 percent). Within the county, the unemployment rate for White Plains was 3.3 percent; for Yonkers, the county's largest city, it was 4.5 percent.

Real Estate

Westchester County has the second-highest real estate values in the State (after Manhattan). In 2006, the county's median value for a single family home was \$630,000—more than 25 percent greater than the next highest median value (Rockland County). Real property values increased by 75 percent in Westchester between 2000 and 2006, but the rate of increase has slowed in recent years. Subprime mortgages have increased as a percentage of approved mortgages, rising from 7.5 percent in 2004 to 19 percent in 2006.

Demographics

The population of Westchester reached 949,355 in 2006, an increase of 23,287 from 2000. Although the county's population has increased annually since 2000, the rate of growth has slowed.

Among Westchester's population, White non-Hispanics accounted for 60.8 percent of the population in 2006. The county's Hispanic population has risen in recent years; it made up 18.5 percent of the total population in 2006. The population of Blacks or African-Americans has remained steady, at about 13.5 percent.

Economic Development

Westchester County has initiated a series of programs to revitalize downtown areas throughout the county, and has set a goal of building 10,000 units of low- and middle-income housing by 2015.

In New Rochelle, a \$40 million residential development called West End 2000 is under construction: it will include 66 single-family townhouses for first-time homebuyers and a 102-unit assisted living facility for seniors. In addition, a \$750 million project, to include housing, office and retail space, and a hotel, is being planned for the Lawton Street Urban Renewal District.

In White Plains, Renaissance Square is under construction. It will feature a 118-room Ritz-Carlton Hotel, 11,000 square feet of restaurant and retail space, and 213 luxury housing units.

In Yonkers, a mixed-use project, Ridge Hill Village, is under construction and will provide retail, office, and research space; a hotel and conference center; and 1,000 apartments, of which 200 will be set aside for senior citizens and 135 for affordable housing. The Yonkers City Council is reviewing plans for the proposed River Park Center, a \$1.6 billion mixed-use project to be built on a site adjacent to City Hall; and is considering a proposal to convert the former Glenwood power plant into a \$250 million art museum and 350 apartments, condominiums, and lofts.

During March 2008, public comments were solicited on plans to either repair or replace the Tappan Zee Bridge. Early this summer, the State is expected to announce a decision on replacement or reconstruction of the bridge and whether plans will include a mass transit option, such as light rail, commuter rail, or bus lanes.