

Population Downshift?

Despite anomalies, coastal counties still dominate in total population

According to U.S. Census figures, 53% of Americans now live along the coast — a land area that makes up just 17% of the country. And, according to the National Oceanic and Atmospheric Administration (NOAA), the population of coastal and Great Lakes counties increased by 33 million people, or 28%, between 1980 and 2003. This population shift has figured prominently in the building boom. Coastal growth accounted for 43% of building permits for single-family homes and 51% of permits for multifamily homes between 1999 and 2003, with Florida and California growing the fastest.

It's figures like these that make another trend so surprising: Two celebrated coastal destinations — the Florida Keys and San Diego — are *losing* residents. Monroe County's population dropped 2.2%, from 78,016 to 76,329, between July 2004 and July 2005. San Diego County's population fell 0.1%, from 2,935,190 to 2,933,462.

A one-year anomaly? Not according to census figures, community leaders, and demographers. Monroe County has lost residents every year for the past five years, with the latest decline causing it to be ranked eighth on the nation's Top 10 list of slowest-growing counties (behind Choctaw, Ala.). Meanwhile, the county's schools lost 10% of their students between October 2004 and October 2005, says Virginia Panico, president of the Key West Chamber of Commerce.

San Diego County's population has changed little since 2003 after several years of breakneck growth, census figures show. That's mirrored throughout coastal California, where growth in recent years has slowed or stalled, reports Hans



NOAA

Cooling off. Will high home prices and rising insurance costs stall the migration to the coasts?

Johnson, a demographer with the Public Policy Institute of California.

Residents and experts attribute these population losses to one other trait the two communities share: sky-high housing prices.

Pricey digs lose luster. While complaints about housing costs pushing out low-income residents are hardly new, prices appear to have reached the level that they're also motivating well-off residents to stay away or cash out.

David Lane, a retired creative director for an advertising firm, put his Key West three-bedroom, three-bath home with a pool up for sale for \$1.5 million last January. At age 61, he fears the consequences of a major hurricane on an asset that, thanks to its rocketing rise in value, has become a substantial part of his retirement portfolio. It's too significant to risk on a storm, he says.

Keys residents are also facing spiraling hurricane insurance premiums and what might be termed "hurricane weariness." Keys residents had to evacuate six times in the 2005 and 2004 summers alone, while they pay the highest wind-

storm insurance rates in Florida. Lane reports an annual windstorm premium totaling \$12,700, and Panico confirms: "Windstorm insurance is our second worst enemy" after high housing costs.

It's not over till it's over. Do the latest numbers from these two counties signal an end to the migration to the coasts? Stan Smith, director of the Bureau of Economic and Business Research at the University of Florida, doesn't think so. "Momentum has a big impact," he says. "Things that were happening during the last decade are probably happening again this decade."

But there's no question that given enough time, major population patterns do shift, Smith notes. For example, the south-to-north migration that dominated the late 1800s and much of the 1900s has reversed itself in the past few decades, and this may be the beginning of another reversal. According to NOAA, between 1990 and 2003, inland counties grew faster nationally than coastal counties, even though coastal counties still dominate in total population. — Aaron Hoover